



REPUBLIC OF ALBANIA
-COMPETITION AUTHORITY-
Competition Commission

D E C I S I O N

No. 53, Dated 12 . 07. 2007

On

**The notification of concentration realized through the purchase of
30 % of shares of Strabag SE, by Rasperia Trading Limited**

The Competition Commission, on its meeting held on 12 . 07. 2007, with the participation of:

- | | |
|----------------------------|-----------------|
| ▪ Mrs. Lindita Milo (Lati) | Chairwoman |
| ▪ Mr. Lush Përpali | Deputy chairman |
| ▪ Mrs. Servete Gruda | Member |
| ▪ Mr. Koço Broka | Member |

Discussed the following issue:

Subject: The notification of 20 June 2007 “On the concentration realized through the purchase of 30 % of shares of Strabag SE, by Rasperia Trading Limited“

Legal basis: Law No. 9121, dated 28.07.2003, titled “On Protection of Competition”, Article 24, letter “d”, Articles 10-12, in particular Chapter III “Concentrations of Companies”, Articles 53-56, 58, the Regulation “On the implementation of procedures for the concentration of enterprises“, Guideline “On the method of notification of the concentration and the option for simplified notification method“ and the Form “On the notification of concentration“.

Upon review of the notification of concentration, the Competition Commission,

NOTED THAT:

- **Rasperia Trading Limited (The Seller**, according to the Share Purchase Agreement), with headquarters in Limassol, Cyprus, is fully owned by “Basic Element Group”, a company with headquarters in Moscow, Russian Federation. Rasperia Trading Limited is a limited liability company, founded in November 2006 in compliance with the legislation in effect in Cyprus, and registered in the Commercial Register, based in Limassol, Cyprus. Rasperia Trading Limited is fully controlled by Mr. Oleg Deripaska, who is also the owner of the conglomerate “Basic Element Group”.

Basic Element Group operates in the international market in six business sectors, which are: energy; mining and refining aluminium mineral ore; design, construction and production of construction materials; machinery production; sale of consumable goods; financial services. **Basic Element Group does not have a legal representation in Albania.**

BLR-Baubeteiligungs GmbH (The Seller I, according to the Share Purchase Agreement) is a limited liability company, founded in in compliance with the legislation in effect in Austria, with headquarters in Vienna, Austria. BLR-Baubeteiligungs GmbH, is the seller of 249.999 shares, each at a nominal value of 1 Euro, and which represent 0.3571 % of the owners’ capital of Strabag SE.

BLR Baubeteiligungs GmbH is part of Raiffeisen Group.

UNIQA Versicherungsg AG (The Seller II, according to the Share Purchase Agreement) is a joint-stock company, founded in in compliance with the legislation in effect in Austria, with headquarters in Vienna, Austria. UNIQA Versicherungsg AG is part of UNIQA GROUP, which operates in life insurance, other insurances and re-insurance sectors within Austrian territory, but as well as in the international market, mainly in Central and Eastern Europe, such as in Germany, Italy, Switzerland, Slovakia, Check Republic, Hungary, Poland, Lichtenstein, Bulgaria, Croatia and Bosnia. UNIQA Versicherungsg AG, is the seller of 250.000 shares, each at a nominal value of 1 Euro, and which represent 0.3571 % of the owners’ capital of Strabag SE.

UNIQA Versicherungsg AG is a conglomerate controlled by Austria Versicherungsverein auf Gegenseitigkeit Privatstiftung (35.24% of shares), Raiffeisen ZentralBank Osterreich (31.95% of shares), Collegialitat Versicherung auf Gegenseitigkeit (3.23% of shares) and other shareholders (which own the remaining 29.58% of shares). UNIQA is listed in the Vienna Stock Market.

UNIQA Versicherungsg AG is part of UNIQA Group

- The transaction realized through the purchase of 30% of the shares of Strabag SE by Rasperia Trading Limited, constitutes a concentration in the meaning of Article 10, Paragraph 1, letter “a” of the Law, as well as accomplishes the conditions of becoming subject of review by the Competition Authority, in conformity with the Article 12, Paragraph 1 of the Law.
- a) In the year 2006, **the annual turnover in the international market was: 5712.7 billion Lek;**
- b) In the year 2006, **the annual turnover in the national market was: 1.07 billion Lek.**

Relevant market

a) Product market:

The product market is the construction market (construction of public works), production of construction materials (aggregates, asphalt, concrete); and project design.

Strabag SE is present in the national market only through the construction of public works activity, which comprise the installation of water supply pipelines in Pogradec, and does not have any branches or representative office in Albania. Also, the companies included in the groups/holdings mentioned above, do not control any company registered in compliance with the Albanian legislation “On commercial companies“. The shares held by Strabag SE in Albania are smaller than 5%.

b) Geographical market: The national market.

The national market (Albania) has been defined and acknowledged as the geographical market of the construction products/services.

Assesment of impact in competition

This transaction shall not produce any adverse effect for competition in the national market. Strabag SE holds full ownership over Strabag AG, which operates in the Albanian market, but the services offered here are different from the services it offers in other countries, where it operates. Although Strabag, UNIQA and R-H operate at the same horizontal level in the product market, they offer different products, and neither they, or their branches stand against each-others interests. The same conclusion holds true in the case of Basic Element, which owns 100% of the shares of Rasperia Trading Limited, because both the geographical market and the product market of Basic Element are outside the Albanian territory.

Furthermore, this transaction does not affect the market at the vertical level. Basic Element is vertically integrated in the aluminium industry, covering the whole spectrum, from the extraction of bauxites, refinement processes, and the manufacturing of aluminium profiles; but its final products pertain to the soft

aluminium category, which is different from the category produced by Strabag. The comments above regard the respective positioning of the companies in the international market. Basic Element is not present in the national market in Albania, therefore the transaction can not have any effects in the competition in the national market.

The notified transaction consists on the acquisition of control over 30% of the shares of Strabag SE, and the acquisition of control over Strabag SE, together with RAIFFEISEN HOLDING, UNIQA and HPH, by Rasperia Trading Limited. Such transaction does not create or enforce any dominant position of Strabag AG in the national market, and therefore it does not result in any limitation of competition.

FOR THE ABOVE REASONS

Based on article 24, letter d, and the article 56 Paragraph 1 of Law No. 9121, dated 28.07.2003, titled "On the Protection of Competition"

DECIDED:

1. To authorize the concentration realized through the purchase of 30% of the owners' capital of Strabag S.E., by Rasperia Trading Limited, with headquarters in Limassol, Cyprus.
2. This decision enters into effect immediately.

COMPETITION AUTHORITY

Lush Përpali
(_____)
Deputy Chairman

Servete Gruda
(_____)
Member

Koço Broka
(_____)
Member

Lindita Milo (Lati)
CHAIRWOMAN