



REPUBLIC OF ALBANIA
-THE COMPETITION AUTHORITY-
-THE COMPETITION COMMISSION-

D E C I S I O N

No. 84, Dated 14. 07. 2008

On

The authorization for the acquisition of full control of EUROMAX shpk Company by DELTA MAXI d.o.o.. Company and Weakstead Real Estate B.V Company

The Competition Commission, on its meeting held on 14.07.2008, 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 authorization of the concentration realized through the acquisition of full control of EUROMAX shpk Company by DELTA MAXI d.o.o.. Company and Weakstead Real Estate B.V Company, realized on 19 May 2008.

Legal basis: Law No. 9121, dated 28.07.2003 “On Protection of Competition”, as amended, Article 24, letter “d”, Articles 10-12, Chapter IV “Procedures for the control of concentrations”, Articles 53-56, Regulation “On the implementation of the concentration procedures of the undertakings”, Guideline “On the form of notification of concentrations and the option for a simplified form”, and the Form “On the notification of Concentrations”.

Upon review of the report presented by the Secretariat in relation to the acquisition of full control of EUROMAX shpk Company by DELTA MAXI d.o.o. Company, and Weakstead Real Estate B.V. Company, the Competition Commission,

NOTED THAT:

I. Parties involved

1. **Euromax SHPK**, the selling company, was founded and operates in compliance with the Albanian legislation, with headquarters in Tirana, Albania. The object of its activity is the sale (retail) of various alimentary and non-alimentary products. This activity is realized through a network of 12 supermarkets extending within the territory of Middle Albania, specifically in Tirana (8), Durrës (2), Elbasan (1), Fier (1).

During the last financial year, (2007), the total turnover realized by EUROMAX shpk Company in the internal market was 2 billion and 436 million Lek.

2. **Delta Maxi d.o.o.**, the buyer, acquires the control on 95% of the sellers' capital. Delta Maxi d.o.o. is a limited liability company founded pursuant to the Serbian legislation, and has its headquarters in Belgrade, Serbia. The object of its activity is the sale (retail) of various alimentary and non-alimentary products. This activity is realized through a network of her supermarkets extending in Serbia, Bosnia, Montenegro and Bulgaria.
3. **Weakstead Real Estate B.V.**, the buyer, acquires the control on 5% of the sellers' capital. Delta Maxi d.o.o. is a limited liability company founded on March 2008, pursuant to the legislation in the Netherlands, and has its headquarters in Amsterdam, the Netherlands. Her field of activity is the real estate.

The total turnover of the buyers for the year 2007, realized in the international market was 70 billion and 67 million Lek.

II. The transaction

4. The shares' sale agreement was signed on 19 May 2008. This transaction consists on the acquisition of 100% of the capital and the voting rights of EUROMAX shpk company, by companies Delta Maxi Ltd. and Weakstead Real Estate B.V., holding, respectively, 95% and 5% of the capital.

THE PRODUCT MARKET:

5. Retail of alimentary and non-alimentary products.

THE GEOGRAPHICAL MARKET:

6. The market in the Republic of Albania.

III. Analysis conducted by the Competition Authority

7. The parties participating to the transaction exercise their activity at the same level of the product market: Palët pjesëmarrëse ushtrojnë veprimtarinë e tyre në të njëjtin nivel të tregut të produktit: retail of alimentary and non-alimentary products through the network of supermarkets/non-specialized commercial units. The participants to the transaction operate in separated geographical markets and have not common clients.
8. The products offered by the parties participating in the concentration are, in general, homogenous.

IV. Market tendency

9. The organized form of a retail market (hypermarket and supermaket) is a new and attractive form of doing business in Southeastern Europe. In Albania, the retail services, under these forms, have started to develop during the last years.
10. The market is characterized by a dynamic development in terms of geographical extension, the increasing number of hypermarkets and supermarkets in Tirana and other districts, and the improvement of the quality of service.

V. As a conclusion:

11. The acquisition of complete control over the commercial activities of Euromax shpk (the network of supermarkets), by companies Delta Maxi d.o.o. and Weakstead Real Estate B.V., does not create or reinforce any dominant position in the relevant market.

FOR THE ABOVE REASONS

Pursuant to Article 24, letter “d” and Article 56, paragraph 1 of Law No. 9121, dated 28.07.2003 “On Protection of Competition”, as amended, the Competition Commission,

DECIDED:

To authorize the concentration realized through the acquisition of full control over the company Euromax shpk, by companies Delta Maxi d.o.o. and Weakstead Real Estate B.V.

THE COMPETITION COMMISSION

Lush Përpali
(_____)
Deputy Chairman

Servete Gruda
(_____)
Member

Koço Broka
(_____)
Member

Lindita Milo (Lati)
CHAIRWOMAN