



GAZDASÁGI  
VERSENYHIVATAL

## **Acquisition in the banking sector**

**The Hungarian Competition Authority (GVH) granted authorisation to Wallis Zrt. for the acquisition of WestLB Hungaria Bank Zrt.**

On 26 June 2009 Wallis Zrt. and WestLB AG signed an agreement for sale and purchase of shares according to which Wallis acquired the entire equity of WestLB Hungaria Bank Zrt.

81 undertakings belong to the Wallis-group. Among others, they are interested in real estate development, management, distribution and renting, vehicle trade and leasing, environmental remediation, distribution of medical devices, electricity production and trade, production of plastic building materials, financial services (financial services for SMEs and residents, and residential leasing services) and property management.

WestLB is a financial institution that provides financial and supplementary financial services, investment and supplementary investment services. Its clients are foreign, partly or fully foreign-owned and domestic big and medium sized companies. The undertaking does not really provide residential services. The financial institution mostly provides deposit, credit and loan services, together with money market operations, bank account management and commercial financing and other bank transactions, such as bank guarantees and futures.

According to the GVH, no substantive effects on competition can be identified as a result of the concentration on the market directly affected by the transaction (on the Hungarian market of universal banking and financial and investment services for companies). Wallis is a relatively new undertaking - not substantially present on the relevant market -, that acquires control over an undertaking that has already been present on the market. Hereby the transaction would not change the concentration of the relevant market. The share of WestLB is around 1 percent on the relevant market.

According to the Competition Act, the GVH may not refuse to grant authorisation for a concentration where the concentration would not significantly reduce competition on the relevant market, in particular as a result of the creation or strengthening of a dominant position. Since there are no concerns for the lessening of competition as a result of the concentration, the GVH cleared the concentration.