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PUBLIC VERSION

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EC) No 139/2004 concerning non-disclosure of business secrets and other confidential information. The omissions are shown thus […]. Where possible the information omitted has been replaced by ranges of figures or a general description.

ALD S.A.
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France

Dear Sir or Madam,

Subject: **Case M.10638 – ALD / LEASEPLAN**
Commission decision pursuant to Article 6(1)(b) in conjunction with Article 6(2) of Council Regulation No 139/2004[1] and Article 57 of the Agreement on the European Economic Area[2]

(1) On 5 October 2022 the Commission received a notification of a proposed concentration pursuant to Article 4 of Council Regulation (EC) No 139/2004 (the 'Merger Regulation')[3] whereby ALD S.A. ('ALD' or the 'Notifying Party') would acquire within the meaning of Article 3(1)(b) of the Merger Regulation sole control over LP Group B.V. ('LeasePlan') (the 'Transaction'). ALD and LeasePlan are hereinafter referred to as the 'Parties'.

1 OJ L 24, 29.1.2004, p. 1 (the 'Merger Regulation'). With effect from 1 December 2009, the Treaty on the Functioning of the European Union ('TFEU') has introduced certain changes, such as the replacement of 'Community' by 'Union' and 'common market' by 'internal market'. The terminology of the TFEU will be used throughout this decision.
2 OJ L 1, 3.1.1994, p. 3 (the 'EEA Agreement').
3 Publication in the Official Journal of the European Union No C 393, 13.10.2022, p. 16.

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1. THE PARTIES AND THE OPERATION

(2) **ALD** is a France-headquartered group providing mobility solutions, mainly vehicle operational leasing and fleet management services, for passenger cars and light commercial vehicles. ALD is also active in the sale of used vehicles, which it recovers from its clients at the end of the leases. To a lesser extent, ALD distributes car insurance products. ALD is solely controlled by Société Générale S.A. ('SG Group'), a French banking and financial services group.

(3) **LeasePlan** is a Netherlands-based operational leasing and fleet management services company. LeasePlan is also active in the sales of used cars and the provision and distribution of motor vehicle insurance. LeasePlan is currently owned by Lincoln Financing, a consortium of investors.

(4) The Transaction consists in the acquisition by ALD of 100% of the share capital and voting rights of LeasePlan. This would be achieved through a combination of ALD shares and cash.

(5) It follows that the proposed transaction is a concentration within the meaning of Article 3(1)(b) of the Merger Regulation.

2. UNION DIMENSION

(6) The undertakings concerned have a combined aggregate world-wide turnover of more than EUR 5 000 million (SG Group: EUR […]; LeasePlan: EUR 9 917 million). Each of them has an EU-wide turnover in excess of EUR 250 million (SG Group: EUR […]; LeasePlan: EUR […]). The undertakings concerned do not achieve more than two-thirds of their aggregate EU-wide turnover within one and the same Member State.

(7) Therefore, the Transaction has a Union dimension pursuant to Article 1(2) of the Merger Regulation.

3. RELEVANT MARKETS

(8) The main products involved are operational leasing and fleet management services in which both ALD and LeasePlan have a significant presence in several EEA Member States.

3.1. Product market definition

3.1.1. Vehicle (operational and financial) leasing

3.1.1.1. Commission's practice

(9) In past cases, the Commission has considered that financial leasing and operational leasing constitute separate product markets, as leasing agreements for financial leases are concluded with the main purpose of providing customers with financing to enable them to ultimately purchase vehicles (and do not generally involve any of the additional services which are usually included in an operational leasing contract).[4] However, in the *Daimler/BMW/Car Sharing JV* decision, in light of the supply-side substitutability in that specific case, the Commission conducted its

[4] M.6436 – *Volkswagen Financial Services / D'Ieteren / Volkswagen D'Ieteren Finance JV*, paragraphs 15-18 and 25-27; M.6333 – *BMW/ING Car Lease*, paragraph 15.

assessment on the basis of an overall leasing market combining operational and financial leasing.[5]

(10) While the characteristics of the two types of leasing can vary, in general the primary objective of a financial leasing contract is the financing of the acquisition of a vehicle, leading to ownership of the vehicle by the lessee, whereas in the case of an operational leasing contract it is the use of the vehicle and therefore it has some elements in common with a rental contract.

(11) On one hand, a financial lease is a financial product that functions as a loan by the lessor to enable the lessee to purchase a vehicle and pay in instalments.[6] Therefore, in a financial lease contract it is generally the lessee that bears the operational and residual value risk of the vehicle.[7]

(12) On the other hand, in an operational leasing contract, the economic and legal ownership of the vehicle remains with the lessor and the lessee pays monthly instalments for its use. Therefore, in an operational lease contract it is generally the lessor who bears the risks attached to the property of the vehicle (including in particular, changes to the value of the vehicle and its disposal at the end of the contract).[8]

3.1.1.2. The Notifying Party's views

(13) The Notifying Party considers that a segmentation between financial and operational leasing is not necessary (particularly in circumstances where a financial lease is accompanied with fleet management services), considering that the underlying purpose is fundamentally identical (i.e., the lease of a vehicle).[9]

3.1.1.3. Commission's assessment

(14) The majority of respondents to the market investigation that expressed a view consider that operational and financial leasing are two distinct markets because: i) different regulatory regimes apply to operational and financial leasing ii) operational and financial leasing require different expertise and capabilities iii) lessors generally specialize either in operational or financial leasing and iv) customers are interested in either operational or financial leasing and do not generally see them as alternatives to each other.[10]

(15) In addition to having different product characteristics, the operational and financial leasing markets are characterized by different competitive conditions. Indeed, there appear to be significant differences in the identity and success of suppliers present in the two markets.[11] For instance, the Parties are the two main suppliers of operational leasing services in the EEA but are only minor players in the financial leasing market. In contrast to operational leasing, the provision of financial leasing requires the issuance of a banking licence in many EEA Member States.[12]

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5 M.8744 - *Daimler/BMW/Car Sharing JV*, paragraph 86.

6 M.6436 - *VWFS/D'Ieteren/Volkswagen D'Ieteren Finance JV*, paragraph 25.

7 M.8309 - *Car Corporation/First rent a car*, paragraph 27.

8 M.6333 - *BMW/ING Car Lease*, paragraph 14; M.8309 - *Volvo Car Corporation/First Rent a Car*, paragraphs 27 et seq.

9 Form CO, paragraphs 225-252.

10 Questionnaire Q1 to Competitors, question 4; Questionnaire Q2 to Customers, question 5; Questionnaire Q3 to SME Customers, question 5.

11 Non-confidential minutes of a call of 27.06.2022 with a competitor, paragraph 6.

12 Form CO, paragraph 248.

(16) In light of these findings, the Commission considers that is appropriate to distinguish between the markets for operational and financial leasing.

3.1.2. Operational leasing and fleet management services

3.1.2.1. Commission's practice

(17) Operational leasing includes the leasing of the vehicle (as described in paragraph 12 above) coupled by the provision of a range of fleet management services, such as maintenance, repair, fuel cards, tire replacement, insurance etc. Such services can also be sourced on a stand-alone basis separately from an operational leasing contract and without the supply of vehicles. These services are typically sourced by customers having their own vehicle fleet or that source their fleet through financial leasing.

(18) In past decisions, the Commission considered whether a distinction should be drawn between 'funded' fleet leasing (operational leasing accompanied by fleet management services) and 'unfunded' fleet leasing (fleet management services provided on a standalone basis).[13] Although the Commission left the market definition open, a previous Commission investigation suggested that the segmentation into funded and unfunded would not be appropriate, because the main function of full fleet leasing and management services is the outsourcing of the management of the vehicle fleet to a leasing company which may or may not be backed by an operational lease component; and both funded and unfunded vehicle leasing can be offered by the same suppliers.[14]

3.1.2.2. The Notifying Party's views

(19) The Notifying Party is of the view that there is a single market for operational leasing (which includes fleet management services) mainly because: i) the offering of services is intrinsic to the offering of operational leasing; ii) the services provided to fleet management customers are varied and often quite limited; iii) unfunded fleet management is generally a niche area for a few specific customers; and iv) customers often procure fleet management services on an interim basis alongside their operational leasing requirements.[15]

3.1.2.3. Commission's assessment

(20) The majority of the respondents to the market investigation that expressed a view, indicated that there is a single product market for operational leasing and management services which is not appropriate to segment into: i) 'funded' services (operational leasing) and ii) 'unfunded' services (standalone fleet management services), because: a) the main function of both operational leasing and standalone fleet management services is the outsourcing of the management to a leasing company which may or may not be backed by an operational lease component;[16] and b) both funded and unfunded car leasing can be offered by the same suppliers. In particular, the market investigation confirmed that, while there are companies

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13 M.6333 - *BMW/ING Car Lease*, paragraph 10; *M.8309 - Car corporation/First rent a car*, paragraphs 34-37.

14 M.4199 - *De Lage Landen/Athlon*, paragraph 16.

15 Form CO, paragraphs 253-260.

16 Questionnaire Q4 to Competitors - Fleet Management, question 4; Questionnaire Q5 to Customers – Fleet Management, question 5.

that only offer specialized fleet management services, operational leasing suppliers are also active in the provision of fleet management services.[17]

(21) In light of these findings, the Commission considers it appropriate to define one market for operational leasing.

3.1.3. Other potential market segmentations of the leasing markets

3.1.4. Commission's practice

(22) In prior decisions, the Commission left open the question of whether a segmentation of the leasing markets should be made between vehicles of up to 3.5 tons (passenger cars and light commercial vehicles) and vehicles of more than 3.5 tons (trucks and buses) because of differences in the regulation, maintenance and customer type.[18]

(23) The Commission has not considered a potential segmentation by type (e.g., small, medium, large, executive, sport) or brand of car to be relevant in its previous decisional practice, since customers usually request a diversified fleet and leasing companies offer a range of types and brands.[19]

(24) Moreover, the Commission has previously considered segmentations of the leasing market according to the size of customers (small- and medium-sized enterprises ('SMEs'), on the one hand, and large corporate customers, on the other) but has left the precise scope of the product market definition open.[20]

3.1.4.1. The Notifying Party's views

(25) The Notifying Party does not contest that a segmentation could be made between vehicles of up to 3.5 and of more than 3.5 tons,[21] and indicates that it would not be appropriate to define a product market for operational leasing segmented by type of car or by brand, since the competitive dynamics between the various suppliers occurs overall for all car types and brands, rather than according to each individual type of brand.[22]

(26) In relation to the types of customers, the Notifying Party considers that the competitive dynamics are appropriately assessed considering a market encompassing all types of customers mainly because most suppliers are able to serve all customer categories.[23]

3.1.4.2. Commission's assessment

(27) The vast majority of the respondents to the market investigation expressed a view that operational leasing of passenger and commercial vehicles of up to 3.5 tons constitute a distinct product market of heavier vehicles because: the different weight categories require lessors to have different expertise and capabilities (ii)

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17 Questionnaire Q1 to Competitors, question 15; Questionnaire Q2 to Customers, question 13; Questionnaire Q3 to SME Customers, question 13; Questionnaire Q4 to Competitors – Fleet Management, question 12; Questionnaire Q5 to Customers – Fleet Management, question 10.

18 M.8744 - *Daimler/BMW/Car Sharing JV*, paragraphs 87-89; M.8309 - *Volvo Car Corporation/First Rent a Car*, paragraphs 34-37.

19 M.8744 - *Daimler/BMW/Car Sharing JV*, paragraph 87; M.8309 - *VolvoCar Corporation/First Rent a Car*, paragraph 35(c); M.6333 - *BMW/ING Car Lease*, paragraph 12.

20 M.8744 - *Daimler/BMW/Car Sharing JV*, paragraph 83 and M.8414 - *DNB/Nordea/Luminor Group*, paragraph 67.

21 Form CO, paragraphs 191-194.

22 Form CO, paragraph 196.

23 Form CO, paragraphs 203-224.

different lessors offer the different weight categories and (iii) customers do not see vehicles in the different weight categories as alternatives to each other.[24]

(28) In the present case, the assessment of the effects of the Transaction focuses on vehicles of up to 3.5 tons because the Parties are almost exclusively active in this market segment (vehicles of above 3.5 tons represent less than […]% of the Parties' volumes in operational leasing across 20 EEA overlap Member States). The Parties have marginal shares in such a potential segment of vehicles of above 3.5 tons that do not give rise to any affected markets. [25]

(29) In relation to a segmentation by type and brand of vehicle, as already pointed out in past cases by the Commission[26] and supported by the investigation in this case, this segmentation does not seem relevant for the market of operational leasing, since customers request a diversified fleet.[27] In fact, the vast majority of competitors that expressed a view in the market investigation confirm that it is important for suppliers competing in the leasing services business in the EEA to have a range of different vehicle brands and that they offer multiple vehicle brands.[28]

(30) As regards a possible segmentation of the operational leasing market by customer group, between large corporations and SMEs, the results of the market investigation confirmed that large corporations have specific requirements, especially when it comes to large volumes, multi-country capabilities, digital solutions, dedicated after-sales services, fleet reporting etc., which cannot be satisfied by all operational leasing companies.[29] In addition, the majority of respondents indicated that almost all operational leasing companies have the ability to supply SMEs.[30] Finally, the market investigation confirmed that there is no clear dividing line nor any agreed industry definition between large corporate customers and SMEs.[31]

(31) In relation to a possible segmentation between business customers and private customers, the results of the market investigation indicated that leasing companies that serve business customers (including both large corporate customers and SMEs) also normally serve private customers and vice versa.[32]

(32) In light of these findings, the Commission considers that it is not appropriate to define separate relevant markets for the provision of operational leasing services by customer group. However, the market investigation revealed that large corporate customers have specific needs that not all suppliers can meet. Therefore, the Commission considers that this is an element that is relevant for the assessment of closeness among operational leasing suppliers.

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24 Questionnaire Q1 to Competitors, question 5; Questionnaire Q2 to Customers, question 6; Questionnaire Q3 to SME Customers, question 6.

25 Form CO, paragraph 192.

26 M.6333 - *BMW/ING Car Lease*, paragraph 12.

27 Non-Confidential Minutes of a call with a customer of 15.07.2022, paragraph 7; Non-Confidential Minutes of call with a customer of 1.07.2022 paragraph 6.

28 Questionnaire Q1 to Competitors, question 22 and 22.3.

29 Questionnaire Q1 to Competitors, question 8; Questionnaire Q4 to Competitors – Fleet Management, question 7; Questionnaire Q5 to Customers – Fleet Management, question 6.

30 Questionnaire Q1 to Competitors, question 10; Questionnaire Q3 to SME Customers, question 12. See also Questionnaire Q4 to Competitors – Fleet Management, question 5.

31 Questionnaire Q1 to Competitors, question 10; Questionnaire Q3 to SME Customers, question 12.

32 Questionnaire Q1 to Competitors, question 13.

3.2. Geographic market definition

3.2.1. Commission's practice

(33) In past cases, while leaving the definition of the relevant geographic market open, the Commission found that the scope of the leasing markets is at least national in scope because of differences between Member States in: (i) tax and duty regimes (and the way different leasing formulas are treated under these regimes, impacting heavily their fiscal 'attractiveness' for customers), (ii) customer needs and preferences and (iii) different levels of wear in vehicles due to road conditions.[33] Furthermore, the Commission found that leasing products are not standardized at European level and that the national markets differ considerably in terms of market size and maturity.[34]

3.2.1.1. The Notifying Party's views

(34) The Notifying Party concurs with the Commission's precedents that the relevant geographic market for vehicle leasing (including all plausible segments) is national in scope. In addition to the factors that the Commission has previously considered as relevant the Notifying Party has indicated certain additional factors, such as the differences in national pricing and the need for national service networks.[35]

3.2.1.2. Commission's assessment

(35) The majority of the respondents to the market investigation that expressed a view confirmed that the leasing markets, both operational and financial, are national in scope due to national tax regulations as well as registration and insurance requirements, which make cross-border leasing difficult.[36] The Commission thus considers it appropriate to define the relevant geographical market for operational leasing services as national in scope.

(36) The majority of respondents to the market investigation that expressed a view further revealed the existence of a cross-border element, considering that for certain customers (in particular large corporate customers active in several countries) there are certain commercial conditions (such as for instance pricing discounts) that are negotiated and agreed at the EEA-level through the conclusion of multi-country framework agreements. This is an element that will be considered as part of the competitive assessment.

4. COMPETITIVE ASSESSMENT

4.1. Analytical framework

(37) Article 2 of the Merger Regulation requires the Commission to examine whether notified concentrations are compatible with the internal market, by assessing, pursuant to Articles 2(2) and (3), whether they would significantly impede effective competition in the internal market or in a substantial part of it, in particular as a result of the creation or strengthening of a dominant position.

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33 M.6333 - *BMW/ING Car Lease*, paragraph 20; M.4199 - *De Lange Landen/Athlon*, paragraph. 20.

34 M.3090 - *Volkswagen/Offset/Crescent/LeasePlan/JV*, paragraph. 11.

35 Form CO, paragraphs 263-297.

36 Questionnaire Q1 to Competitors, question 16; Questionnaire Q2 to Customers, question 14; Questionnaire Q3 to SME Customers, question 14 ; Questionnaire Q4 to Competitors – Fleet Management, question 16 and Questionnaire Q5 to Customers – Fleet Management, question Q. 11.

(38) Horizontal effects are those deriving from a concentration where the undertakings concerned are actual or potential competitors in one or more of the relevant markets concerned. The Commission appraises horizontal effects in accordance with the Horizontal Merger Guidelines.[37] Horizontal effects may be non-coordinated or coordinated.

(39) As regards horizontal non-coordinated effects, according to paragraphs 26 et seq. of the Horizontal Merger Guidelines, a number of factors (the list of which is non-exhaustive) may be taken into account in order to determine whether significant non-coordinated effects are likely to result from a concentration, including the combined entity's market power, closeness of competition and barriers to entry and/or expansion.

4.2. General features of the EEA operational leasing markets

(40) Although, as explained above, operational leasing markets are national in scope, they share similar characteristics that are examined below.

4.2.1. Market structure

Table 1: 2018-2021 market shares by volume for operational leasing and fleet management services in the EEA up to 3.5 tons

Company/Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volumes	Market share	Volumes	Market share
Total SG Group	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
• ALD	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
• NF Fleet (JV)	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
• Banco Sabadell	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
• SG Group	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
LeasePlan	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Combined Entity	[…]	**[20-30]%**	[…]	**[20-30]%**	[…]	**[20-30]%**	[…]	**[20-30]%**
Total Arval Group	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
• Arval	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
• Unicredit Leasing (Austria)	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Total Volkswagen Group	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
• VWFS	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
• Porsche Leasing	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Total BMW Group	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
• Alphabet	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
• Avis	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
• BMW FS	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%

[37] Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings ('Horizontal Merger Guidelines'), OJ C 31, 5.2.2014.

Company/Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volumes	Market share	Volumes	Market share
• Avis Fleet Solutions (Alphabet partner)	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Total Stellantis Group	[…]	[0-5]%	[…]	[5-10]%	[…]	[5-10]%	[…]	6.4%
• Free2Move	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
• Leasys	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
• PSA Finance	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
• FCA Bank	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Total Mercedes Group	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
• Athlon	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
• Daimler FS	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
• MB Charteway	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
• Mercedes-Benz	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
RCI	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Others	[…]	[30-40]%	[…]	[20-30]%	[…]	[20-30]%	[…]	[20-30]%
Total	7,814,067	100.0%	8,429,378	100.0%	8,535,154	100.0%	8,707,232	100.0%

Source: Form CO, Annex 6.I.D.1 of 12 October 2022

(41) According to the Parties' estimates, post-Transaction, the combined entity would hold a share of [20-30]% (in volume) at the EEA level (with an increment of [10-20]%). It will be by far the largest operational leasing (for vehicles up to 3.5 tons) supplier in Europe, almost twice the size of the second largest supplier. The combined entity would face only two competitors holding an EEA share of 10% or more, Arval ([10-20]%) and the Volkswagen group ([10-20]%). The two other main competitors on EEA level, Alphabet ([5-10]%) and Athlon ([0-5]%) have a market share well below 10%. The rest of the market consists of a fringe of competitors, some active only in a limited number of EEA countries, some only active in their home country, and holding shares in the low single digits.

4.2.2. Closeness of competition

(42) The concept of 'closeness of competition' may play an important role in better understanding the competitive constraint exerted by different competitors on each other in differentiated markets. In general, the higher the degree of substitutability between the merging firms' products, the more likely it is that the merging firms will have the ability to raise prices significantly after the transaction. Conversely, the merging firms' incentive to raise prices is more likely to be constrained when rival firms produce close substitutes to the products of the merging firms than when they offer less close substitutes.[38]

4.2.2.1. The Notifying Party's views

(43) The Notifying Party considers that the market for operational leasing is largely homogenous, since all leasing companies are typically capable of meeting the requirements of different customers and offer similar services. In this respect, the

[38] Horizontal Merger Guidelines, paragraphs 28-30.

Notifying Party submits that the Parties are directly competing with each other as much as they do with other companies active on the market.

4.2.2.2. The Commission's assessment

(44) In light of the results of the market investigation and the evidence presented in this Section, the Commission considers the Parties to be close competitors as regards the provision of operational leasing services in the EEA, in particular for large corporate customers.

(45) First, the Commission conducted several interviews with market participants, both competitors and customers of the Parties, which consistently indicated that ALD and LeasePlan are close competitors.

(46) To reach this conclusion, most market participants made reference to the fact that the Parties are the two largest operational leasing companies in a small group of leading suppliers active across the EEA, which also includes Arval, Athlon and Alphabet.

(47) One of the Parties' competitors indicated that '*there are only five players that offer a multitude of brands. Two of these players are owned by OEMs*[39] *(Athlon by Mercedes and Alphabet by BMW), which means that when a customer wishes to be independent from the OEMs there are only three available options (ALD, LeasePlan and Arval*'.[40] One customer similarly considered that '*there are not many leasing companies that can manage the large fleets (…) ALD, LeasePlan, Arval, Alphabet and Athlon. These are all multi-brand suppliers*'.[41]

(48) Moreover, market participants pointed out that ALD and LeasePlan have the largest footprint among the main operational leasing suppliers, which gives them a competitive advantage to gain business from large multinational customers that wish to enter into framework agreements covering as many EEA Member States in which they operate as possible.[42]

(49) The feedback provided by market participants during the interviews also suggests that the geographic scope of the operations of Alphabet and Athlon is too limited to compete head to head with the Parties for large multinational customers. Market participants further indicated that while Arval has a larger geographical footprint, it is not considered to be at the same level as the Parties, even though it was considered to be the closest competitor to the Parties, significantly more so than Alphabet and Athlon.

(50) In this respect, one customer indicated that it '*finalised the latest tender process at the beginning of 2022. Apart from ALD and LeasePlan, also Arval and Athlon were considered, but only the first two companies met fully* [customer]*'s requirements (…) In effect, Arval was not able to meet the majority of* [customer]*'s requirements (…) Athlon, on the other hand, was not able to manage such a high number of vehicles (…) No other company was able to meet* [customer]*'s requirements*'.[43] Another customer considered '*ALD and LeasePlan as the two top players that are present in most EU countries together with Arval. Alphabet and Athlon have a*

39 OEMs in the context of this case are the car manufacturers.

40 Non-confidential minutes of a call of 01.07.2022 with a competitor, paragraph 10.

41 Non-confidential minutes of a call of 29.06.2022 with a customer, paragraph 8.

42 See non-confidential minutes of a call of 04.07.2022 with a customer, paragraph 9; non-confidential minutes of a call of 15.07.2022 with a customer, paragraphs 6 and 17.

43 Non-confidential minutes of a call of 04.07.2022 with a customer, paragraph 4.

good portfolio of services but limited geographical coverage in Europe having only limited presence in Eastern Europe'.[44]

(51) Finally, some of the Parties' customers raised concerns during the interviews that the Transaction would remove existing competition between the two closest competitors for their business. For instance, a customer considered that '*only ALD and LeasePlan can serve its needs. Consequently, it will lose the possibility to negotiate its leasing contracts and to compare quality of service (…) On paper, Arval would be the second best option for it, but its offer means that currently* [customer] *would not be able to switch*'.[45]

(52) Second, the feedback from interviews with market participants was largely confirmed by the internal documents of the Parties, which show that they closely monitor each other and track the evolution and developments of each other's business.[46]

(53) Third, a majority of respondents to the market investigation indicated that they consider the Parties to be close competitors. Arval is also indicated as competing closely with the Parties, but then there is a significant gap with the remaining competitors, namely Alphabet and, to a greater extent, Athlon and Volkswagen Financial Services. Car rental companies such as Avis, Europcar or Sixt were considered to be very distant competitors to the Parties.

(54) Indeed, when asked to indicate whether they consider that a given leasing provider competes closely with LeasePlan, approximately two-thirds of respondents to the market investigation indicated that ALD is a very close competitor to LeasePlan, compared to about half for Arval. The remaining competitors ranked much lower, with Alphabet cited by about a fifth of respondents, followed by Athlon and Volkswagen Services. Other competitors, including car rental companies such as Avis, Europcar or Sixt, were considered to be close competitors to LeasePlan by only a few respondents.[47]

(55) Respondents to the market investigation provided a similar feedback when asked to indicate whether they consider that a given leasing provider competes closely with ALD, with approximately two-thirds considering that LeasePlan is a very close competitor to ALD, and more than half for Arval. The remaining competitors ranked much lower and in a similar manner as explained in recital (54) above.[48]

(56) When considering only large corporate customers, there is an even more significant gap between the Parties, Arval and the remaining competitors.[49] This is in line with the results of the market investigation, which confirmed that large corporations have specific requirements, especially when it comes to large volumes, multi-country capabilities, digital solutions, dedicated after-sales services, fleet reporting

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44 Non-confidential minutes of a call of 04.07.2022 with a customer, paragraph 6.

45 Non-confidential minutes of a call of 04.07.2022 with a customer, paragraph 11.

46 See for instance Form CO, Annex 5.4.4.71, slide 3; Annex 5.4.5.66, slides 9-12; Annex 5.4.5.68, slide 13; Annex 5.4.5.70, slide 12; Annex 5.4.5.72, slide 7; Annex 5.4.4.82, slide 9; Annex 5.4.6.73, slide 27.

47 Questionnaire Q1 to Competitors, question 33; Questionnaire Q2 to Customers, question 35; Questionnaire Q3 to SME Customers, question 33.

48 Questionnaire Q1 to Competitors, question 32; Questionnaire Q2 to Customers, question 34; Questionnaire Q3 to SME Customers, question 32.

49 Questionnaire Q2 to Customers, questions 34 and 35.

etc., which cannot be satisfied by all operational leasing companies.[50] In this respect, respondents to the market investigation highlighted the '*scale of* [the Parties'] *activities*',[51] thereby differentiating them from '*Alphabet, Athlon, FreetoMove, Volkswagen Financial Services and Leasys* [which] *are smaller*'.[52] Similarly, another large corporate customer considered that '*Arval and Leaseplan seem to be the closest competitors to ALD (coverage of countries, services, etc…)*'.[53] Another corporate customer pointed out the Parties' '*strong focus on large corporate customers*'[54] Finally, a corporate customer also indicated that '*Arval and Leaseplan are the only one who compete on some large corporate customer segment on several markets with ALD*'.[55]

(57) Fourth, respondents to the market investigation considered the Parties to be very close competitors when considering relevant parameters of competition for the operational leasing market.

(58) Indeed, when asked to indicate whether they consider that a given leasing provider is a strong supplier in terms of price, the majority of respondents that expressed a view ranked ALD and LeasePlan first, followed by Arval. There is then a significant gap with Volkswagen Financial Services, Alphabet and Athlon ranking lower, and the remaining competitors being considered even more distant competitors.[56]

(59) In terms of quality of service, LeasePlan ranked first, followed by ALD and Arval. There is then a significant gap with the remaining competitors which ranked in a similar manner as explained in recital (58) above.[57]

(60) In terms of scale of service (number of vehicles that can be provided, ability to serve multiple countries, etc.), ALD ranked first, followed by LeasePlan. Arval ranked third, with a sizeable gap from the Parties. The remaining competitors ranked much lower and in a similar manner as explained in recital (59) above.[58]

(61) Fifth, the results of the market investigation indicated that ALD and LeasePlan are the two providers of operational leasing services that customers have more frequently invited for their latest tenders or considered for their latest rounds of direct negotiations.

(62) Indeed, when asked to indicate which leasing providers were invited to their latest tenders or considered for their latest rounds of direct negotiations, large corporate customers responding to the market investigation indicated LeasePlan and ALD first (around a fifth of respondents), followed by Arval (less than a fifth of respondents), followed by Alphabet, Athlon and Volkswagen Financial Services, while other competitors ranked very low.[59] SME customers provided a similar

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50 Questionnaire Q1 to Competitors, question 8; Questionnaire Q4 to Competitors – Fleet Management, question 7; Questionnaire Q5 to Customers – Fleet Management, question 6.

51 Non-confidential response of a customer to Q2 to Customers, question 34.

52 Non-confidential response of a customer to Q2 to Customers, question 34.

53 Non-confidential response of a customer to Q2 to Customers, question 34.

54 Non-confidential response of a customer to Q2 to Customers, question 34.

55 Non-confidential response of a customer to Q2 to Customers, question 34.

56 Questionnaire Q1 to Competitors, question 26; Questionnaire Q2 to Customers, question 28; Questionnaire Q3 to SME Customers, question 26.

57 Questionnaire Q1 to Competitors, question 27; Questionnaire Q2 to Customers, question 29; Questionnaire Q3 to SME Customers, question 27.

58 Questionnaire Q1 to Competitors, question 28; Questionnaire Q2 to Customers, question 30; Questionnaire Q3 to SME Customers, question 28.

59 Questionnaire Q2 to Customers, question 17.

feedback, to the exception of Volkswagen Financial Services, which ranked higher than Alphabet and Athlon.[60]

(63) Moreover, respondents to the market investigation indicated that customers usually leverage competing offers received from different leasing providers during the sourcing process for operational leasing services, in order to obtain better prices.[61]

(64) Rivalry between the Parties is therefore an important factor in price negotiations with customers as they leverage competing offers in the course of such negotiations with leasing providers. This rivalry would be lost post-Transaction.

4.2.3. Barriers to entry

(65) According to the Horizontal Merger Guidelines, when entering a market is sufficiently easy, a merger is unlikely to pose any significant anti-competitive risk. Therefore, entry analysis constitutes an important element of the overall competitive assessment. For entry to be considered a sufficient competitive constraint on the merging parties, it must be shown to be likely, timely and sufficient to deter or defeat any potential anti-competitive effects of the merger.[62]

4.2.3.1. The Notifying Party's views

(66) The Notifying Party considers that the sector is characterised by low barriers to entry and expansion. It submits that subject to certain country-specific licensing requirements and regulations applicable to financial leasing, there are no major technical, regulatory, commercial or other barriers to enter the market or expand, given that the cost of accessing the necessary know-how to provide this type of services is considered reasonable, the business is not of a complex or excessively specialised nature and there are no exclusive rights or relationships between suppliers and their customers in any of the distribution channels in this market.[63]

(67) The Notifying Party also submits these low barriers to entry are reflected in the ability for companies to easily enter and expand into different segments of the market. In particular, it considers that financial institutions and OEMs/vehicle dealerships can easily expand their product portfolio by leveraging their existing customer relationships and distribution networks and to customers' alternative vehicle financing. Equally, the Notifying Party considers that entry barriers across geographic markets are also modest.

(68) Moreover, the Notifying Party considers that the steps that need to be taken in order to expand one's activity (i.e. procuring additional vehicles, securing funding for these additional car acquisitions, scaling up logistics operations, and scaling up overall staff numbers) do not represent a significant expansion barrier. The Notifying Party acknowledges, however, that access to capital is important in the leasing business.[64] Funding is required not only to purchase the vehicles but also to cover periods where a leasing company owns the vehicles but is not bringing in any revenues (i.e., where there is a delay between the purchase of the vehicle and the start of the lease or a delay between the end of a lease and remarketing).

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60 Questionnaire Q3 to SME Customers, question 16.

61 Questionnaire Q1 to Competitors, question 18; Questionnaire Q2 to Customers, question 20; Questionnaire Q3 to SME Customers, question 18.

62 Horizontal Merger Guidelines, para 68.

63 Form CO, paras 310-311 and ff.

64 Form CO, para 317.

(69) According to the Notifying Party, the low barriers to entry and expansion are further supported by the fact that the sector is not characterised by any capacity constraints. The only potential bottleneck is the availability of capital (for funding car acquisition) and delivery/production of new cars, in particular electric cars given the increasing electrification of fleets both for private individuals and corporates.

4.2.3.2. The Commission's assessment

(70) For the reasons set out in paragraphs (71)-(74) below, the Commission considers that the threat of entry would not be a sufficient competitive constraint on the combined entity to reduce the risk of anti-competitive effects arising from the Transaction.

(71) In order to be able to exert a significant constraint and thereby discipline the combined entity, entry would need to be of a sufficient scope and magnitude. Scale might be of particular relevance when supplying operational leasing. As confirmed by the results of the market investigation, international footprint might be necessary to serve large corporate customers on the operational leasing market.[65] Moreover, as indicated by the respondents to the market investigation and confirmed by internal documents of the Parties,[66] it might be challenging to achieve competitive prices with low volumes. Therefore, scale might be essential to be successful in this market.

(72) As the Notifying Party itself acknowledges,[67] this is a capital intense industry. However, market investigation indicated that entry is difficult not only because it is a capital intense industry.[68] Competitor respondents to the market investigation indicated that operational leasing requires a very high level of knowhow of the assets, intense knowledge of the market, access to the aftermarket, IT infrastructure, as well as that it takes time and effort to build a network to deliver the required services. Operating at scale requires data analytics e.g. for residual value calculations, providing a competitive insurance package, or managing damage and claims risks. Consequently, a vast majority of competitor respondents to the market investigation who expressed a view considered it difficult or very difficult to enter the operational leasing market. Although some of the competitor respondents acknowledged that the difficulty level will depend on the maturity of the market in question, they also pointed to factors which are applicable across different national markets when explaining why it is difficult to enter or expand in operational leasing.[69]

(73) As regards the possibility of expansion from a neighbouring market, a majority of respondents to the market investigation who expressed a view also considered that it would be difficult or very difficult for a financial leasing company to start offering full operational leasing. The reasons provided related to the fact that these

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65 Questionnaire 1 to Competitors, questions 34-40 ; Corporate customers (as opposed to SMEs and private individuals) constitute significant proportion of the overall volumes of the Parties, ranging between 50 and 88% depending on the country (based on the market shares for the overlapping countries: Form CO, Annex 6.I.D.1 of 12 October 2022). In the six countries in connection to which the competition concerns arise (see Section 4.3.1. below), the Parties' revenues from customers with multi-country needs was up to 53% (Form RM, Annex 5) of their respective operational leasing businesses.

66 Questionnaire Q1 to Competitors, questions 34-40; See e.g., LeasePlan doc 5.4.5.85, slide 10.

67 Form CO, para 318.

68 Questionnaire Q1 to Competitors, questions 34-35.

69 Questionnaire Q1 to Competitors, questions 34-35.

are two separate markets with different ways of organisation and risk model. As explained by one of the respondents: '*The main challenge would be the move from a purely financial service to a service where a significant part of the commercial risk lies with the determination of the residual value (and its realization through the sale of the used car and the creation of a business that takes care of the remarketing of vehicles). In addition, full operational leasing would require the creation of a network of service providers as well as the negotiation of service agreements at conditions that would allow the leasing company to effectively compete in this area against established providers of these services.*'[70] The Commission takes the view that for the same reasons it might be difficult for financial institutions and/or OEMs to enter the operational leasing market. Admittedly, however, the difficulty level might be less for OEMs, due to the fact that they already have access to own brand vehicles and a network of service providers.

(74) The Commission therefore takes the view that, overall, barriers to entry are high across the different national markets and that the threat to entry would not be a sufficient competitive constraint on the combined entity to reduce the risk of anti-competitive effects arising from the Transaction.

4.2.4. Countervailing buyer power

(75) According to the Horizontal Merger Guidelines, the competitive pressure on a supplier is not only exercised by competitors but can also come from its customers. Even firms with very high market shares may not be in a position, post-merger, to significantly impede effective competition, in particular by acting to an appreciable extent independently of their customers, if the latter possess countervailing buyer power. Countervailing buyer power in that context should be understood as the bargaining strength that the buyer has vis-à-vis the seller in commercial negotiations due to its size, its commercial significance to the seller and its ability.[71]

4.2.4.1. The Notifying Party's views

(76) The Notifying Party submits that corporate customers have strong buyer power. Corporate customers issue tenders to source their fleet leasing and management demand, which is a commodity product for them. This fosters competition between suppliers and provides regular competitive opportunities in the market. Indeed, the Parties have many dual- or multi -vendor client relationships where customers request proposals from two or more competing leasing providers for each vehicle to be ordered. More specifically, a large number of corporate customers enter into framework agreements with a number of suppliers and then request separate quotes from these suppliers for batches of vehicles or even for individual cars. Furthermore, the tender processes typically consist of multiple rounds of pricing where leasing providers are submitting their offers for the requested vehicles based on different contract durations and mileages.

(77) In addition, according to the Notifying Party, corporate customers are sophisticated buyers that often employ dedicated fleet managers. That is reflected in the fact that also, after being appointed as a supplier by a customer, the pricing is frequently benchmarked against the market. Larger customers may also unbundle the lease product and negotiate separate deals for vehicles (corporate customers may indeed

[70] Questionnaire Q1 to Competitors, question 40.

[71] Horizontal Merger Guidelines, para 64.

opt to purchase vehicles themselves, but also may negotiate discounts and bonuses for vehicles directly with OEMs), financing, insurance, repair and maintenance services, etc., or require a detailed vision of the leasing providers' various costs to negotiate each price component ('open book' negotiations).

4.2.4.2. The Commission's assessment

(78) The Commission takes the view that buyer power in the operational leasing market is limited for the reasons set out below in paragraphs (79)-(81).

(79) First, customers can only exercise buyer power to the extent that there are available alternative suppliers of operational leasing. Post-Transaction, the two leading suppliers of operational leasing will become one, which will significantly reduce customers' choice of suppliers.

(80) Second, the Parties' customer base is fragmented and each customer typically represents a small share of the Parties' revenues. Only […] customers of ALD and […] customers of LeasePlan have fleets of the size exceeding 1% of the overall volume of the cars leased by each of the Parties in the EEA.[72] While top 50% of ALD's biggest customers in the EEA consists of […] customers, top 90% is as many as […] customers.[73]

(81) Third, although customer switching from one operational leasing provider to another is not overly difficult, migrating from one supplier to another or multi-sourcing complicates management of leasing contracts, which might be particularly burdensome for larger customers.

4.3. Horizontally affected markets

(82) The Parties' activities in operational leasing overlap in 20 EEA Member States. The Transaction gives rise to 17 affected markets where the Parties hold combined market shares exceeding 20%, namely Belgium, Czechia, Denmark, Finland, France, Greece, Hungary, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Romania, Slovakia, Spain and Sweden.

Table 2: Parties' individual and combined market shares by volume for operational leasing in 2021 in 20 overlap EEA Member States

EEA Member State	ALD	LeasePlan	Combined
Austria	[0-5]%	[5-10]%	[10-20]%
Belgium	[10-20]%	[10-20]%	[30-40]%
Czechia	[10-20]%	[10-20]%	[30-40]%
Denmark	[10-20]%	[5-10]%	[20-30]%
Finland	[40-50]%	[30-40]%	[70-80]%
France	[10-20]%	[5-10]%	[20-30]%
Germany	[5-10]%	[0-5]%	[10-20]%

72 Form CO, Annex 8.2.5.

73 Form CO, Annex 8.2.5.

EEA Member State	ALD	LeasePlan	Combined
Greece	[0-5]%	[20-30]%	[30-40]%
Hungary	[10-20]%	[10-20]%	[10-20]%
Ireland	[10-20]%	[30-40]%	[60-70]%
Italy	[10-20]%	[10-20]%	[10-20]%
Luxembourg	[30-40]%	[10-20]%	[40-50]%
Netherlands	[5-10]%	[10-20]%	[10-20]%
Norway	[10-20]%	[30-40]%	[40-50]%
Poland	[0-5]%	[10-20]%	[10-20]%
Portugal	[10-20]%	[50-60]%	[60-70]%
Romania	[10-20]%	[10-20]%	[10-20]%
Slovakia	[10-20]%	[10-20]%	[30-40]%
Spain	[10-20]%	[10-20]%	[10-20]%
Sweden	[10-20]%	[5-10]%	[10-20]%

4.3.1. Affected markets in which competition concerns arise

4.3.1.1. Czechia

4.3.1.1.1. The Notifying Party's views

(83) The Notifying Party submits that Parties' combined market shares for operational leasing in Czechia are not fully representative of the competitive landscape.[74]

(84) According to the Notifying Party, the Czech market will remain competitive post-Transaction given that the Parties will face a number of competitors, including potential competitors traditionally focused on financial leases and loans, in a market characterised by low barriers to entry and expansion, where customers can easily switch providers.[75]

4.3.1.1.2. The Commission's assessment

(85) The Commission concludes that the Transaction raises serious doubts as to its compatibility with the internal market in respect of the Czech operational leasing market for the following reasons.

74 Form CO, Annex 6.3, paragraph 22.
75 Form CO, Annex 6.3, paragraph 23.

Table 3: 2018-2021 market shares by volume for operational leasing in Czechia

Company/ Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volumes	Market share	Volumes	Market share
ALD	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
SGEF	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
SG Group	[…]	[0-5]%	[…]	*[0-5]%*	[…]	*[0-5]%*	[…]	*[0-5]%*
Total SG Group	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
LeasePlan	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Combined Entity	[…]	**[30-40]**	[…]	**[30-40]%**	[…]	**[30-40]%**	[…]	**[30-40]%**
VWFS	[…]	[30-40]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Arval	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Business Lease	[…]	[10-20]%	[…]	[0-5]%	[…]	[5-10]%	[…]	[5-10]%
CSOB Leasing	[…]	[5-10]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Sixt	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Unicredit Leasing	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Raiffeisen Leasing	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Car4way	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
RCI	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Others	[…]	[0-5]%	[…]	[20-30]%	[…]	[10-20]%	[…]	[10-20]%
All competitors combined	[…]	[10-20]%	[…]	**[60-70]%**	[…]	**[60-70]%**	[…]	**[60-70]%**
Total	**143.121**	**100,0%**	**155.394**	**100,0%**	**128.171**	**100,0%**	**135.711**	**100,0%**

Source: Form CO, Annex 6.I.D.1 of 12 October 2022

(86) First, the combined entity would be by far the largest operational leasing companies in Czechia with a combined market share of [30-40]% in 2021 ([10-20]% for LeasePlan and [10-20]% for ALD) with a significant increment brought about by the Transaction. All other operational leasing companies in Czechia would be significantly smaller. There are only two competitors with market shares above 10%, namely Volkswagen Financial Services ([10-20]% in 2021) and Arval ([10-20]% in 2021), while the only other competitor with a market shares above 5% is Business Lease ([5-10]% in 2021).

(87) Second, the combined market share of the Parties in the past four years was consistently above [30-40]% and has increased by [0-5] percentage points between 2018 and 2021.

(88) Third, this view of the market is supported by ALD, stating in internal documents that it '*[…]*'[76] and '*[…]*'.[77] Similarly, LeasePlan states in internal documents that '*[…]*'.[78]

(89) Fourth, the Parties together hold significantly higher market shares when considering the market segment of large corporate customers, for which they are particularly close competitors (see Section 4.2.2 above).

Table 4: 2018-2021 market shares by volume for operational leasing for large corporate customers in Czechia

Company/ Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volumes	Market share	Volumes	Market share
ALD	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
SGEF	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
SG Group	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Total SG Group	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
LeasePlan	[…]	[20-30]%	[…]	[20-30]%	[…]	[30-35]%	[…]	[30-35]%
Combined Entity	[…]	**[40-50]%**	[…]	**[40-50]%**	[…]	**[40-50]%**	[…]	**[40-50]%**
Arval	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Business Lease	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[0-5]%
VWFS	[…]	[5-10]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
CSOB Leasing	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Sixt	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Unicredit Leasing	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Raiffeisen Leasing	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Car4way	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
RCI	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Others	[…]	[20-30]%	[…]	[20-30]%	[…]	[10-20]%	[…]	[10-20]%
All competitors combined	[…]	**[50-60]%**	[…]	**[50-60]%**	[…]	**[50-60]%**	[…]	**[50-60]%**
Total	**73.685**	**100,00%**	**80.198**	**100,00%**	**64.260**	**100,00%**	**67.330**	**100,00%**

Source: Form CO, Annex 6.8.1

(90) When looking specifically at the large corporate customers, the Parties are by far the largest operational leasing companies in Czechia with a combined market share of [40-50]% in 2021 ([30-40]% for LeasePlan and [10-20]% for ALD). The combined market share of the Parties in the past four years was consistently above 40% with a significant increment brought about by the Transaction. Such market shares may in themselves be evidence of the existence of a dominant market position.[79]

76 Form CO, Annex 5.4.4.3, slide 5.
77 Form CO, Annex 5.4.4.3, slide 14.
78 Form CO, Annex 5.4.5.43, slide 12.
79 Horizontal Merger Guidelines, paragraph 17.

(91) Furthermore, all other operational leasing companies in the large corporate customers segment Czechia would be significantly smaller than the combined entity. Arval, the closest competitor to the Parties in the EEA, holds market shares below 20%. The remaining competitors all hold market shares below 10%., including Volkswagen Financial Services which has a significantly lower market share compared to when all customer segments are taken into account.

(92) Moreover, the results of the market investigation presented in Section 4.2.2 above equally apply as regards the Czech market for operational leasing. Indeed, when asked to indicate whether they consider that a given leasing provider competes closely with ALD in Czechia, the vast majority of customers sourcing operational leasing services in Czechia responding to the market investigation indicated Arval and LeasePlan, with the remaining competitors ranking much lower.[80] The market investigation provided similar results as regards LeasePlan's closest competitors.[81]

(93) The internal documents of the Parties specific to the Czech market also confirm they are close competitors. For instance, ALD indicates that Arval '*[…]*'[82] while LeasePlan '*[…]*'.[83] Furthermore, LeasePlan refers to '*[…]*'.[84]

(94) Sixth, the Commission considers that the threat of customers switching would not be sufficient to significantly constrain the combined entity. This is because most of the Parties' competitors are not considered as equally close substitutes by both customer and competitor respondents. For corporate customers in particular, the number of suitable alternatives might be more limited, since local players might not be in a position offer them the digital services and international footprint they require.

(95) Seventh, in line with Section 4.2.3 above, the Commission considers that barriers to entry are high in relation to the Czech operational leasing market and that the threat of entry would not be a sufficient competitive constraint on the combined entity to reduce the risk of anti-competitive effects arising from the Transaction.

(96) Eighth, the majority of competitors having expressed an opinion were of the view that the Transaction would have a negative impact in Czechia on the competitive situation on the market and on prices.[85] A significant minority of the customers having expressed an opinion was concerned that the Transaction would have a negative impact on its ability to source operational leasing services, while the majority considered the impact neutral.[86] Furthermore, a sizeable minority of customers that expressed an opinion was concerned that the Transaction would have a negative impact on prices.[87]

4.3.1.1.3. Conclusions

(97) Based on the results of the market investigation and all the evidence available to it, the Commission preliminarily finds that the Transaction raises serious doubts as to its compatibility with the internal market in respect of operational leasing in Czechia.

80 Questionnaire Q2 to Customers, question 34.
81 Questionnaire Q2 to Customers, question 35.
82 Form CO, Annex 5.4.4.22, slide 5.
83 Form CO, Annex 5.4.4.22, slide 5.
84 Form CO, Annex 5.4.5.43, slide 13.
85 Questionnaire Q1 to Competitors, questions 41 and 42.
86 Questionnaire Q2 to Customers, question 37.
87 Questionnaire Q2 to Customers, question 38.

4.3.1.2. Finland

4.3.1.2.1. The Notifying Party's view

(98) The Notifying Party considers that the market shares are not representative of the actual competitive landscape in which the Parties evolve in Finland.[88] In particular, the Notifying Party considers that there are compelling reasons specific to Finland to consider a broader market which also includes financial leasing and hire-purchase.[89]

(99) In addition, the Notifying Party submits that there are many credible competitors in Finland, the market in characterised by low barriers to entry and expansion, and customers can easily switch providers.

4.3.1.2.2. The Commission's assessment

(100) The Commission concludes that the Transaction raises serious doubts as to its compatibility with the internal market in respect of the Finnish operational leasing market for the following reasons.

(101) First, the Commission considers that the very large combined market share of [70-80]% by volume of the Parties, large market share increment of [30-40]%, and the fact that the competitive landscape is otherwise fragmented, with the next biggest competitor holding only [5-10]% of the market are all indications of the market power of the combined entity post-Transaction. Post-Transaction, the combined entity would be more than 10 times bigger than its next biggest competitor, Arval, by the number of vehicles leased. Only one other competitor, OP Corporate Bank, has market shares markedly above [0-5]% on the Finnish operational leasing market. The remaining competitors are highly fragmented and have limited presence on the Finnish market. Moreover, the market shares of the Parties have been steadily growing since 2018 from the level of [70-80]% percent to [70-80]% in 2021. The combined entity would therefore be an uncontested dominant player on the Finnish market post-Transaction.

88 Form CO, Annex 6.5 Competitive assessment for core activities – Finland, para 3.

89 Form CO, Annex 6.5 Competitive assessment for core activities – Finland, para 30ff.

Table 5: 2018-2021 market shares by volume for operational leasing in Finland

Company/ Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volumes	Market share	Volumes	Market share
ALD	[…]	[30-40]%	[…]	[30-40]%	[…]	[30-40]%	[…]	[30-40]%
NF Fleet (JV)	[…]	[5-10]%	[…]	7,4%	[…]	7,4%	[…]	8,1%
Total SG Group	[…]	*[40-50]%*	[…]	*[40-50]%*	[…]	*[40-50]%*	[…]	*[40-50]%*
LeasePlan	[…]	[30-40]%	[…]	[30-40]%	[…]	[30-40]%	[…]	[30-40]%
Combined Entity	[…]	**[70-80]%**	[…]	**[70-80]%**	[…]	**[70-80]%**	[…]	**[70-80]%**
Arval	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
OP Corporate Bank	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[0-5]%
Secto Automotive	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Toyota FS	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Laakkonen	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Wetteri Huoleton	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Rinta-Jouppi	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Porho Easy	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Lansi Auto	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Others	[…]	[10-15]%	[…]	[10-15]%	[…]	[10-15]%	[…]	[10-15]%
All competitors combined	[…]	**[20-30]%**	[…]	**[20-30]%**	[…]	**[20-30]%**	[…]	**[20-30]%**
Total	**49.239**	**100,0%**	**49.249**	**100,0%**	**48.293**	**100,0%**	**48.781**	**100,0%**

Source: Form CO, Annex 6.I.D.1 of 12 October 2022

(102) Second, the parties are close competitors. The general results of the market investigation on closeness, as discussed in Section 4.2.2 above, also apply when considering the Parties' position in Finland. The Parties are considered by the respondents to the market investigation who are active or sourcing operational leasing in Finland to be each other's closest competitors.[90] Being the largest operational leasing providers in Finland together with their wide international footprint gives them a competitive advantage to win business from large corporate customers. This is reflected in the market shares in the segment for corporate customers, which in 2021 amounted to [70-80]% for the combined entity. Both ALD and LeasePlan are particularly strong in this segment,[91] as is also confirmed by the Parties' internal documents.[92]

(103) Arval, although also an independent multinational player with large footprint in other countries, has not been able to attract large corporate customers in Finland, as indicated also by the Parties' own internal documents.[93] Other operational leasing players with wide international footprint are largely absent from the Finnish market.

90 Questionnaire 1 to Competitors, questions 32 and 33; Questionnaire 2 to customers, questions 34 and 35, Questionnaire 3 to Competitors, questions 32 and 33.

91 In contrast, in 2021 the market shares of the combined entity on the SME segment were only [60-70]%. Form CO, Annex 6.I.D.1 of 12 October 2022.

92 See e.g. Form CO, Annex 5.4.4.5, 5.4.4.42, and 5.4.5.47.

93 Form CO, Annex 5.4.5.47.

The competitors present on the Finnish operational leasing market are mostly smaller local players, who are more distant competitors of the Parties (see Table 5).

(104) Third, LeasePlan is an important competitive force in Finland, as shown in particular by its strength in the corporate customers segment, where it held [40-50]% share on its own in 2021.[94] This is all the more significant, because corporate customers are estimated to constitute nearly 67% of the total operational leasing market by volume in Finland.[95]

(105) Fourth, the Commission considers that the threat of customers switching would not be sufficient to significantly constrain the combined entity. This is because most of the Parties' competitors are not considered as equally close substitutes by both customer and competitor respondents. For corporate customers in particular, the number of suitable alternatives might be more limited, since local players might not be in a position offer them the digital services and international footprint they require.

(106) Fifth, in line with what has been discussed above in Section 4.2.3, the Commission considers that barriers to entry are high in relation to the Finnish operational leasing market and that the threat to entry would not be a sufficient competitive constraint on the combined entity to reduce the risk of anti-competitive effects arising from the Transaction.

(107) Finally, market participants have expressed concerns as regards the effects of the Transaction on the Finnish market for operational leasing. A sizeable proportion of respondents who expressed a view in relation to the Finnish market during the course of market investigation considered that overall the Transaction would have negative effects on competition and on prices.[96]

4.3.1.2.3. Conclusions

(108) Therefore, based on the results of the market investigation and all the evidence available to it, the Commission preliminarily finds that the Transaction raises serious doubts as to its compatibility with the internal market in respect of operational leasing in Finland.

4.3.1.3. Ireland

4.3.1.3.1. The Notifying Party's views

(109) While the combined entity will have a material market share in operational leasing in Ireland post-Transaction, the Notifying Party argues that there are a range of factors which should be taken into account when considering the competitive landscape.[97]

(110) The Notifying Party argues that the combined entity will continue to face competition from numerous credible competitors post-Transaction, including companies traditionally focused on financial leases and other forms of vehicle financing which are increasingly competing with operational leasing providers. Moreover, the Notifying Party submits that new competitors are entering the market in the absence of any material legal or regulatory barriers to entry. The

94 Form CO, Annex 6.I.D.1 of 12 October 2022.
95 Calculation made on the basis of Form CO, Annex 6.I.D.1 of 12 October 2022.
96 Questionnaire Q1 to Competitors, questions 41 and 42, Questionnaire Q2 to Customers, question 37.
97 Form CO, Annex 6.10, paragraph 3.

competitive pressure exerted by competitors is further reinforced by the fact that customers can switch supplier on a regular basis.[98]

4.3.1.3.2. The Commission's assessment

(111) The Commission concludes that the Transaction raises serious doubts as to its compatibility with the internal market in respect of the Irish operational leasing market for the following reasons.

Table 6: 2018-2021 market shares by volume for operational leasing in Ireland

Company/Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volumes	Market share	Volumes	Market share
ALD	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[20-30]%
LeasePlan	[…]	[30-40]%	[…]	[30-40]%	[…]	[40-50]%	[…]	[30-40]%
Combined Entity	[…]	**[50-60]%**	[…]	**[50-60]%**	[…]	**[60-70]%**	[…]	**[60-70]%**
Johnson & Perrott Fleet	[…]	[0-5]%	[…]	[0-5]%	[…]	[5-10]%	[…]	[5-10]%
Athlon/Hertz Partnership	[…]	[5-10]%	[…]	[5-10]%	[…]	[0-5]%	[…]	[0-5]%
Avis Fleet Solution (Alphabet partner)	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
HB Dennis	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Nifti	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Gowan Leasing	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Haines	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Joe Duffy leasing	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Others	[…]	[20-30]%	[…]	[20-30]%	[…]	[10-20]%	[…]	[10-20]%
All competitors combined	[…]	[40-50]%	[…]	[40-50]%	[…]	[30-40]%	[…]	[30-40]%
Total	**38,244**	**100.0%**	**36,969**	**100.0%**	**34,142**	**100.0%**	**34,634**	**100.0%**

Source: Form CO, Annex 6.I.D.1 of 12 October 2022

(112) First, the Parties are by far the largest operational leasing companies in Ireland with a combined market share of [60-70]% in 2021 ([30-40]% for LeasePlan and [20-30]% for ALD) and with a significant increment brought about by the Transaction All other operational leasing companies in Ireland would be several times smaller than the combined entity and hold market shares below 5%, to the exception of Johnson & Perrott Fleet which holds market shares slightly above 5%. The other large EEA competitors – Arval, Alphabet and Athlon – are not present directly in Ireland but only through partnerships with local players and hold marginal market shares under 5%.

(113) Second, the combined market share of the Parties in the past four years has been above 50%, and has increased by [5-10] percentage points between 2018 and 2021. Such market shares may in themselves be evidence of the existence of a dominant market position.[99]

(114) Third, this view of the market is supported by LeasePlan, stating in internal documents that ALD is '*[...]*'[100] or referred to ALD as a '*[...]*'.[101] Moreover, ALD

98 Form CO, Annex 6.10, paragraph 21.
99 Horizontal Merger Guidelines, paragraph 17.
100 Form CO, Annex 5.4.5.51, slide 13.

indicates in an internal document that LeasePlan is the '*[...]*'[102] on the Irish market. ALD sees the Irish market as '*[...]*'.[103]

(115) Fourth, the Parties are close competitors on the Irish market for operational leasing services.

(116) The Parties are the two largest operational leasing providers in Ireland, and are particularly more successful in winning business from large corporate customers as their share in this segment suggests. Indeed, the Parties hold an even higher combined market share of [60-70]% in 2021 on this specific segment ([40-50]% for LeasePlan and [10-20]% for ALD).

(117) Moreover, the results of the market investigation presented in Section 4.2.2 above equally apply as regards the Irish market for operational leasing. Indeed, when asked to indicate whether they consider that a given leasing provider competes closely with ALD in Ireland, the vast majority of responding competitors indicated LeasePlan, with the remaining competitors ranking very low.[104] Competitors responding to the market investigation provided a similar feedback when asked to indicate whether they consider that a given leasing provider competes closely with LeasePlan in Ireland, ranking ALD by far first and the remaining competitors ranking very low.[105]

(118) Customers sourcing operational leasing services in Ireland provided a similar feedback. Indeed, when asked to indicate whether they consider that a given leasing provider competes closely with ALD, the vast majority of responding customers indicated LeasePlan, with the remaining competitors ranking much lower.[106] The market investigation provided similar results as regards LeasePlan's closest competitors, with a more significant gap between ALD and Arval.[107]

(119) The internal documents of the Parties specific to the Irish market also confirm they are close competitors. For instance, ALD refers to LeasePlan as being the '*[...]*'.[108] Similarly, LeasePlan refers to ALD as having '*[...]*'[109] and being '*[...]*'.[110]

(120) Fifth, the Commission considers that the threat of customers switching would not be sufficient to significantly constrain the combined entity. This is because most of the Parties' competitors are not considered as equally close substitutes by both customer and competitor respondents. For corporate customers in particular, the number of suitable alternatives might be more limited, since local players might not be in a position offer them the digital services and international footprint they require.

(121) Sixth, in line with Section 4.2.3 above, the Commission considers that barriers to entry are high in relation to the Irish operational leasing market and that the threat of entry would not be a sufficient competitive constraint on the combined entity to reduce the risk of anti-competitive effects arising from the Transaction.

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101 Form CO, Annex 5.4.5.31, slide 13.
102 Form CO, Annex 5.4.4.10, slide 5.
103 Form CO, Annex 5.4.4.10, slide 5.
104 Questionnaire Q1 to Competitors, question 32.
105 Questionnaire Q1 to Competitors, question 33.
106 Questionnaire Q2 to Customers, question 34.
107 Questionnaire Q2 to Customers, question 35.
108 Form CO, Annex 5.4.4.10, slide 5.
109 Form CO, Annex 5.4.5.51, slide 12.
110 Form CO, Annex 5.4.5.51, slide 13.

(122) Seventh, the majority of competitors having expressed an opinion were of the view that the Transaction would have a negative impact in Ireland on the competitive situation on the market and on prices.[111] A significant minority of the customers having expressed an opinion was concerned that the Transaction would have a negative impact on its ability to source operational leasing services, about half considered the impact neutral and only a small minority expected a positive impact.[112] Furthermore, a significant minority of customers that expressed an opinion was concerned that the Transaction would have a negative impact on prices. [113]

4.3.1.3.3. Conclusions

(123) Based on the results of the market investigation and all the evidence available to it, the Commission preliminarily finds that the Transaction raises serious doubts as to its compatibility with the internal market in respect of operational leasing in Ireland.

4.3.1.4. Luxembourg

4.3.1.4.1. The Notifying Party's views

(124) The Notifying Party submits that the Parties' combined market shares for operational leasing in Luxembourg are not fully representative of the competitive landscape, considering that the combined entity will face credible competitors, including companies traditionally focused on financial leases and loans, in a market characterized by low barriers to entry and expansion where customers can easily switch providers.[114]

4.3.1.4.2. The Commission's assessment

(125) The Commission concludes that the Transaction raises serious doubts as to its compatibility with the internal market in respect of the market for operational leasing in Luxembourg for the following reasons.

Table 7: 2018-2021 market shares by volume for operational leasing in Luxembourg

Company/ Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volumes	Market share	Volumes	Market share
ALD	[…]	[20-30]%	[…]	[30-40]%	[…]	[30-40]%	[…]	[30-40]%
LeasePlan	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Combined Entity	[…]	**[40-50]%**	[…]	**[40-50]%**	[…]	**[40-50]%**	[…]	**[40-50]%**
Arval	[…]	na	[…]	[10-20]%	[…]	[20-30]%	[…]	[20-30]%
KBC AutoLease	[…]	na	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Alphabet	[…]	na	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
Athlon	[…]	na	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Autodiffusion Losch	[…]	na	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Autolux	[…]	na	[…]	na	[…]	na	[…]	na
Others	[…]	na	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
All competitors combined	[…]	**[50-60]%**	[…]	**[50-60]%**	[…]	**[50-60]%**	[…]	**[50-60]%**
Total	**45.801**	**100,0%**	**46.801**	**100,0%**	**46.457**	**100,0%**	**50.419**	**100,0%**

111 Questionnaire Q1 to Competitors, questions 41 and 42.
112 Questionnaire Q2 to Customers, question 37.
113 Questionnaire Q2 to Customers, question 37.
114 Form CO, Annex 6.12 – competitive assessment for core activities – Luxembourg, para 24ff.

Source: Form CO, Annex 6.I.D.1 of 12 October 2022

(126) First, the Commission considers that the high combined market shares of the Parties of [40-50]% by volume, large market share increment of [10-20]% and the fact that the competitive landscape is otherwise fragmented, with the next biggest competitor holding less than half of the market share of the combined entity (Arval: [20-30]%) are strong indications of the market power of the combined entity post-Transaction. As it can be seen in Table 7 above, ALD's market shares have been increasing at a steady pace since 2018, while as indicated in the Parties' internal documents '*ALD growth remains above market average*'.[115]

(127) Second, following the conclusion of the Transaction, all other operational leasing companies in Luxembourg would be significantly smaller than the combined entity, as its main competitors in Luxembourg after Arval, KBC AutoLease and Athlon hold market shares of between [5-10]-[10-20]%. In addition, pursuant to the Parties' internal documents Alphabet which held [5-10]% share has recently exited this market and Athlon is also in the process of exiting, due to the strong competitive pressure by larger leasing companies.[116] Indeed, the operational leasing market in Luxembourg is currently moving towards further concentration considering the exit of two important players. As indicated specifically in the Parties' internal documents '*[…]*'.[117]

(128) The combined entity would therefore be a significant player on the market for operational leasing in Luxembourg post-Transaction.

(129) Third, the Parties are close competitors. The general results of the market investigation on closeness, as discussed in Section 4.2.2 above, also apply when considering only respondents active or sourcing operational leasing in Luxembourg. In fact, and as suggested by their market shares, the Parties are the number one and number three large scale operational leasing providers in Luxembourg. In relation especially to large corporate customers, the Parties hold an even higher combined market share of [40-50]% in 2021 on this specific segment ([30-40]% for ALD and [10-20]% for LeasePlan).

(130) The internal documents of the Parties specific to the market in Luxembourg also confirm they are each other's close competitors. In particular, LeasePlan […].[118]

(131) Fourth, the Commission considers that the threat of customers switching would not be sufficient to significantly constrain the combined entity. This is because most of the Parties' competitors are not considered as equally close substitutes by both customer and competitor respondents. For corporate customers in particular, the number of suitable alternatives might be more limited, since local players might not be in a position offer them the digital services and international footprint they require.

(132) Fifth, in line with what has been discussed above in Section 4.2.3, the Commission considers that barriers to entry are high in relation to the operational leasing market in Luxembourg and that the threat to entry would not be a sufficient competitive constraint on the combined entity to reduce the risk of anti-competitive effects arising from the Transaction.

115 Form CO, Annex 5.4.4.49, slide 5.
116 From CO, Annex 5.4.4.49, slide 5.
117 Form CO, Annex 5.5.5.30, slide 5
118 Form CO, Annex 5.4.5.53, slide 13.

(133) Finally, as revealed by the results of the market investigation, a sizeable minority of customers considers that the Transaction will have an overall negative impact on their ability to source operational leasing services in Luxembourg.[119]

4.3.1.4.3. Conclusions

(134) Therefore, based on the results of the market investigation and all the evidence available to it, the Commission finds that the Transaction raises serious doubts as to its compatibility with the internal market in respect of operational leasing in Luxembourg.

4.3.1.5. Norway

4.3.1.5.1. The Notifying Party's views

(135) The Notifying Party considers that market shares are not indicative of the true competitive landscape in Norway, as the combined entity will continue to face strong competition from many providers, including providers of financial leasing. The market is also characterised by low barriers to entry and expansion where customers can easily switch suppliers. According to the Notifying Party, the combined entity will also continue to be constrained by alternatives to leasing.[120]

4.3.1.5.2. The Commission's assessment

(136) The Commission concludes that the Transaction raises serious doubts as to its compatibility with the internal market in respect of the Norwegian operational leasing market for the following reasons.

(137) First, the Commission considers that the high combined market shares of [40-50]% by volume of the Parties, large market share increment of [30-40]%, and the fact that the competitive landscape is otherwise fragmented, with the next biggest competitor holding only [5-10]% of the market are all indications of the market power of the combined entity post-Transaction. Post-Transaction, the next biggest competitor, DNB, would be almost 7 times smaller than the combined entity. Only two other competitors reach market shares above 1%, the rest have only a very limited presence individually. Although, there has been a slight decline in the Parties' combined market shares since 2020, this does not appear to be part of a larger trend, with the Parties' combined market shares consistently reaching above 40% in the last four years. The combined entity would therefore be an uncontested dominant player on the Norwegian market post-Transaction.

119 Questionnaire Q2 to Customers, question 38.

120 Form CO, Annex 6.14 – competitive assessment for core activities – Norway, para 24ff.

Table 8: 2018-2021 market shares by volume for operational leasing in Norway

Company/ Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volumes	Market share	Volumes	Market share
ALD	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
NF Fleet (JV)	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Total SG Group	[…]	*[10-20]%*	[…]	*[10-20]%*	[…]	*[10-20]%*	[…]	*[10-20]%*
LeasePlan	[…]	[20-30]%	[…]	[20-30]%	[…]	[30-40]%	[…]	[30-40]%
Combined Entity	[…]	**[40-50]%**	[…]	**[40-50]%**	[…]	**[40-50]%**	[…]	**[40-50]%**
DNB	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
SpareBank 1 / Bilplan / Autoplan	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
BMW FS	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Arval	[…]	na	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Others	[…]	[40-50]%	[…]	[40-50]%	[…]	[40-50]%	[…]	[40-50]%
All competitors combined	[…]	**[50-60]%**	[…]	**[50-60]%**	[…]	**[50-60]%**	[…]	**[50-60]%**
Total	**106.392**	**100,0%**	**111.509**	**100,0%**	**104.665**	**100,0%**	**105.969**	**100,0%**

Source: Form CO, Annex 6.I.D.1 of 12 October 2022

(138) Second, the parties are close competitors. The general results of the market investigation on closeness, as discussed in Section 4.2.2 above, also apply when considering the Parties' position in Norway. The Parties are considered by the respondents to the market investigation who are active or sourcing operational leasing in Norway to be each other's closest competitors.[121] Being the largest operational leasing providers in Norway and their wide international footprint gives them a competitive advantage to win business from large corporate customers. By comparison, Arval who is the only other big multinational player active in Norway, has only a limited presence on this market. The other players in Norway are local, more distant competitors of the Parties. The internal documents of the Parties specific to the Norwegian market also confirm they are each other's close competitors.[122]

(139) Third, LeasePlan is an important competitive force in Norway, as shown in particular by its strength in the corporate customers segment, where it held [40-50]% on its own in 2021.[123] This is all the more significant, because corporate customers are estimated to constitute around 60% of the total operational leasing market by volume in Norway.[124]

(140) Fourth, the Commission considers that the threat of customers switching would not be sufficient to significantly constrain the combined entity. This is because most of the Parties' competitors are not considered as equally close substitutes by both customer and competitor respondents. For corporate customers in particular, the number of suitable alternatives might be more limited, since local players might not be in a position to offer them the digital services and international footprint they require.

121 Questionnaire 1 to Competitors, questions 32 and 33; Questionnaire 2 to Customers, questions 34 and 35, Questionnaire 3 to competitors, questions 32 and 33.

122 See e.g. Form CO, Annex 5.4.4.51.

123 Form CO, Annex 6.I.D.1 of 12 October 2022.

124 Calculation made on the basis of Form CO, Annex 6.I.D.1 of 12 October 2022.

(141) Fifth, in line with what has been discussed above in Section 4.2.3, the Commission considers that barriers to entry are high in relation to the Norwegian operational leasing market and that the threat to entry would not be a sufficient competitive constraint on the combined entity to reduce the risk of anti-competitive effects arising from the Transaction.

(142) Finally, market participants have expressed concerns as regards the effects of the Transaction on the Norwegian market for operational leasing. A majority of respondents who expressed a view in relation to the Norwegian market during the course of market investigation expected a negative effect on prices stemming from the Transaction.[125] The same can be said of a sizeable portion of consumer respondents who expressed a view.[126]

4.3.1.5.3. Conclusions

(143) Therefore, based on the results of the market investigation and all the evidence available to it, the Commission preliminarily finds that the Transaction raises serious doubts as to its compatibility with the internal market in respect of operational leasing in Norway.

4.3.1.6. Portugal

4.3.1.6.1. The Notifying Party's views

(144) The Notifying Party argues that the market shares are not fully representative of the competitive landscape in Portugal where the market is shifting due to evolving dynamics, particularly recent entry and expansion. Not only have established players expanded their operations (such as Arval and Kinto), but new players (such as Leasys, Free2Move and RCI Bank) have been attracted to the Portuguese market, and additional entrants are expected in the near future. In addition, given the appetite for, and predominance of, financial leasing in the Portuguese market, operational leasing operators are particularly constrained by financial leasing offerings.

4.3.1.6.2. The Commission's assessment

(145) The Commission concludes that the Transaction raises serious doubts as to its compatibility with the internal market in respect of the Portuguese operational leasing market for the following reasons.

125 Questionnaire Q1 to Competitors, question 42.

126 Questionnaire Q2 to Customers, question 38.

Table 9: 2018-2021 market shares by volume for operational leasing services in Portugal

Company/ Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volumes	Market share	Volumes	Market share
ALD	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
LeasePlan	[…]	[50-60]%	[…]	[50-60]%	[…]	[40-50]%	[…]	[50-60]%
Combined Entity	**[…]**	**[60-70]%**	**[…]**	**[60-70]%**	**[…]**	**[60-70]%**	**[…]**	**[60-70]%**
Kinto	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
Arval	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
Locarent	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
VWFS	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Free2Move	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Athlon	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Others	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Total	**112,207**	**100.0%**	**116,327**	**100.0%**	**117,705**	**100.0%**	**113,784**	**100.0%**

Source: Form CO, Annex 6.I.D.1 of 12 October 2022

(146) First, the Parties are by far the largest operational leasing companies in Portugal with a combined market share of [60-70]% ([50-60]% for LeasePlan and [10-20]% for ALD). Such market shares may in themselves be evidence of the existence of a dominant market position.[127] Indeed, LeasePlan Portugal describes itself internally as *'the market reference, perceived as innovative in its approach, being followed by others and literally copied.'*[128]

(147) All other operational leasing companies in Portugal would be several times smaller than the combined entity and its main competitors in Portugal Kinto, Arval and Locarent, hold market shares of about 8% each.

(148) Locarent, a joint venture between two local financial institutions Caixa Geral de Depósitos and Novo Banco, is not an independent competitor to LeasePlan. Locarent is able to provide operational leasing services only through a partnership agreement with LeasePlan under which LeasePlan provides […][129][…].

(149) This view of the market is supported by ALD, stating in an internal document that the *'[...]'*.[130]

(150) Second, the considerations described above suggesting that the Parties are close competitors in the EEA in general apply with respect to Portugal. Indeed, an internal document of LeasePlan regarding Portugal describe ALD as its *'[...]'*.[131] The large majority of competitors having expressed an opinion in the market investigation were of the view that the Parties are 'very close' competitors of each other.[132] Similarly, a large majority of customers sourcing operational leasing services in Portugal considered the Parties as 'very close competitors.[133]

127 Horizontal Merger Guidelines, paragraph 17.
128 Form CO, Annex 5.4.5.57, page 12.
129 From CO, Annex 6.16, paragraph 22.
130 Form CO, Annex 5.4.4.53, page 53.
131 Form CO, Annex 5.4.5.71, page 48.
132 Questionnaire Q1 to Competitors, questions 32 and 33.
133 Questionnaire Q2 to Customers, question 34 and 35.

(151) Third, the Commission considers that the threat of customers switching would not be sufficient to significantly constrain the combined entity. This is because most of the Parties' competitors are not considered as equally close substitutes by both customer and competitor respondents. For corporate customers in particular, the number of suitable alternatives might be more limited, since local players might not be in a position offer them the digital services and international footprint they require.

(152) Fourth, the general observations made in Section 4.2.3 above regarding barriers to entry and expansion apply also to Portugal. Specifically with respect to Portugal, the combined entity is expected to enjoy Post-Transaction enhanced advantage of scale over its competitors in Portugal.[134] New entry to the market or expansion of existing activities would be constraint by barriers such as high funding requirements, creating or extending capacity of service networks and the ability to dispose of large numbers of second hand cars at the end of the leasing periods.[135] These circumstances raise the concern that the combined entity will be able to act independently of its competitors and customers since the competitors will not have sufficient capacity to serve demand and constrain the combined entity.[136]

(153) Finally, the majority of competitors having expressed a view in the market investigation were of the view that the Transaction would have negative impact in Portugal on the competitive situation on the market and on prices.[137] Moreover, a significant minority of the customers having expressed an opinion in the market investigation was concerned that the Transaction would have a negative impact on its ability to source operational leasing services and on prices.

4.3.1.6.3. Conclusions

(154) Based on the results of the market investigation and all the evidence available to it, the Commission preliminarily finds that the Transaction raises serious doubts as to its compatibility with the internal market in respect to operational leasing and fleet management services in Portugal.

4.3.2. Affected markets in which no competition concerns arise

(155) The Commission considers that the Transaction does not raise serious doubts as to its compatibility with the internal market as regards the national markets for operational leasing in Belgium, Denmark, France, Greece, Hungary, Italy, the Netherlands, Romania, Slovakia, Spain and Sweden.

(156) First, the Parties hold combined market shares by volume above 20% for operational leasing in Belgium, Denmark, France, Greece, Hungary, Italy, the Netherlands, Romania, Slovakia, Spain and Sweden. The detailed market shares of the Parties and their competitors are presented in Annex I to this Decision.

(157) However, the combined market shares of the Parties remain relatively limited in these EEA Member States, only exceeding 30% in Belgium, Greece and Slovakia (reaching a maximum of [30-40]% in Belgium), between [20-30]% and [20-30]% as regards Hungary, Italy, the Netherlands, Romania and Spain, and remaining at or below 25% for Denmark, France and Sweden.

(158) Second, in each of Belgium, Denmark, France, Greece, Hungary, Italy, the Netherlands, Romania, Slovakia, Spain and Sweden, the Parties face multiple strong

134 Submission of a competitor in Portugal of 14.10.2022,, paragraphs 56-57, 99-101, 124.
135 Submission of a competitor in Portugal of 14.10.2022, pages 45-62.
136 Submission of a competitor in Portugal of 14.10.2022, paragraphs 98, 116-119.
137 Questionnaire Q1 to Competitors, questions 41 and 42.

established competitors, including players with large operations throughout the EEA such as Arval, Athlon or Alphabet, as well as local players.

(159) For instance, in Belgium, where the Parties hold combined market shares of [30-40]%, the next competitor is Arval, with a market share in 2021 of almost [10-20]%, closely followed by BMW Group (Alphabet) with a market share of approximately [10-20]%. There are therefore two strong large-scale competitors with market shares similar to or exceeding the Parties' individual market shares. Furthermore, the Parties face strong local players in Belgium, such as KBC AutoLease with a market share of about [5-10]%.[138]

(160) In the other EEA Member State, there are competitors holding market shares similar to the combined market share of the Parties. For instance, in Italy, the Parties hold combined market shares of [20-30]% in 2021 while Arval holds a [20-30]% market share. Similarly, in Greece, where the Parties hold a combined market share of [30-40]% in 2021, the next competitor, Avis, holds a market share above [20-30]% and Alphabet of [20-30]%.[139]

(161) Third, as explained in Section 4.2.2 above, the Parties are close competitors, especially as regards large international corporate customers. In this respect, the Parties hold combined market shares of up to [30-40]% in 2021 in Belgium in the corporate customers segment, while remaining below 30% in all other EEA Member States. The Parties generally hold similar or slightly lower market shares when considering the specific segment of large corporate customers. For instance, in Greece, the Parties hold a combined market share of [20-30]% in 2021 as regards large corporate customers, compared to [30-40]% in operational leasing overall. Similarly in Italy, the Parties hold a [20-30]% combined market share in 2021 for corporate customers, compared to [20-30]% overall.[140] Furthermore, in all EEA Member States, the Parties face other large-scale international leasing providers, such as Arval, Alphabet or Athlon. Therefore, the elements mentioned above regarding the strength and number of competitors post-Transaction, including large-scale leasing providers, also hold true when only considering large corporate customers.

(162) Fourth, the majority of respondents to the market investigation that expressed a view did not consider that the Transaction would have an overall negative effect on competition or on the level of prices specifically.[141] This is also confirmed by the Parties' internal documents relating to these EEA Member States, which mention the presence of other strong competitors on the market or refer to the competitive nature of these markets. For instance, as regards Belgium, it is mentioned that '*[...]*'.[142] As regards Greece, it is indicated that '*[...]*' as regards the international segment.[143] Similarly, as regards Romania, the internal documents refer to '[…]'.[144]

(163) Based on the results of the market investigation and all the evidence available to it, the Commission preliminarily finds that the Transaction does not raise serious doubts as to its compatibility with the internal market in respect of operational leasing in

138 See Annex I.
139 See Annex I.
140 Form CO, Annex 6.I.D.1 of 12 October 2022
141 Questionnaire Q1 to Competitors, questions 41 and 42; Questionnaire Q2 to Customers, questions 37 and 38.
142 Form CO, Annex 5.4.4.21, slide 5.
143 Form CO, Annex 5.4.5.49, slide 12.
144 Form CO, Annex 5.4.4.17, slide 5.

Belgium, Denmark, France, Greece, Hungary, Italy, the Netherlands, Romania, Slovakia, Spain and Sweden.

5. COMMITMENTS

(164) In order to remove the serious doubts arising from the Transaction described in Section 4.3.1 in relation to the Czech, Finnish, Irish, Luxembourgish, Norwegian and Portuguese operational leasing markets, the Notifying Party submitted commitments modifying the Transaction on 4 November 2022 (the 'Initial Commitments').

(165) The Commission launched a market test of the Initial Commitments on 7 November 2022, seeking responses from competitors and customers of the Parties. The Commission informed the Notifying Party of the results of the market test on 15 November 2022. Following the feedback received from market participants in the market test, the Notifying Party submitted a revised set of commitments on 17 November 2022 (the 'Final Commitments').

(166) The Final Commitments are annexed to this decision and form an integral part thereof.

5.1. Description of the Initial Commitments

(167) The Initial Commitments consist of the divestment of:

(a) the entirety (100%) of the shares of Merrion Fleet Management Limited, a subsidiary of the ALD under which all leasing and fleet management operations of the group in Ireland are carried out ('**ALD Ireland**');

(b) the entirety (100%) of the shares of ALD Automotive AS, a subsidiary of the ALD Group active in Norway ('**ALD Norway**'). The commitments cover the bulk of ALD's activities in Norway, excluding ALD's joint-venture with Nordea, NF Fleet Norway, which will remain with ALD;

(c) the entirety (100%) of the shares of SGALD Automotive – Sociedade Geral de Comercio e Aluguer de Bens, S.A, a subsidiary of ALD under which all operations of the group in Portugal are carried out ('**ALD Portugal'**);

(d) the entirety (100%) of the shares of LeasePlan Česká republika s.r.o., a subsidiary of the LeasePlan Group under which all leasing and fleet management operations of the LeasePlan Group in the Czech Republic are carried out, including the entirety (100%) of the shares of Fleet Insurance Plan, the wholly owned subsidiary of LeasePlan Česká republika s.r.o., whose activity is to settle insurance claims (both entities together, '**LP Czech Republic**');

(e) the entirety (100%) of the shares of LeasePlan Finland Oy, a subsidiary of the LeasePlan Group under which all operations of the LeasePlan Group in Finland are carried out ('**LP Finland**');

(f) the entirety (100%) of the shares of LeasePlan Luxembourg S.A., a subsidiary of the LeasePlan Group under which all operations of the LeasePlan Group in Luxembourg are carried out ('**LP Luxembourg**').

(168) The Commitments include the divestment of the entire legal entities that are ALD Ireland, ALD Norway, ALD Portugal, LP Czech Republic, LP Finland, LP Luxembourg, with their assets, including IT tools, contracts (with customers, distribution partners, OEMs and third party suppliers) and employees which enable them to offer leasing and fleet management services and sell used vehicles respectively in Ireland, Norway, Portugal, the Czech Republic, Finland and

Luxembourg. […]. The Commitments offered by ALD also include the provision of transition services, at cost, for a transitional period of up to […] which may be extended by up to […].

(169) […].

(170) In addition, the Initial Commitments provide that the purchaser of the Divestment Business shall be independent of and unconnected to the Parties; have the financial resources, proven expertise and incentive to maintain and develop the Divestment Business as a viable and active competitive force in competition with the Parties and other competitors; shall already be active in operational leasing and fleet management services in the EEA; and that the acquisition of the Divestment Business by the purchaser must neither be likely to create, in light of the information available to the Commission, prima facie competition concerns nor give rise to a risk that the implementation of the Commitments will be delayed. In particular, the purchaser must reasonably be expected to obtain all necessary approvals from the relevant regulatory authorities for the acquisition of the Divestment Business.

(171) Finally, the Initial Commitments contain related commitments, including those regarding the separation of the Divestment Business from the businesses retained by ALD, the preservation of the viability, marketability and competitiveness of the Divestment Business, including the appointment of a monitoring trustee and, if necessary, a divestiture trustee.

5.2. Results of the market test

(172) The results of the market test were generally positive. The majority of respondents who expressed an opinion were of the view that the initial commitments will remove the competition concerns raised by the Transaction[145] and allow to compensate for the lost competitive constraint the merging parties were exerting on each other pre-Transaction.[146] The majority of respondents who expressed an opinion considered that the Divestment Businesses are viable businesses and that they include all necessary tangible and intangible assets for the Purchaser to operate and effectively compete on the market for operational leasing with the combined entity and other competitors active in operational leasing.[147] They also did not see particular difficulty for a purchaser already active in operational leasing to set infrastructure for used cars resales for the Divestment Businesses.[148] The majority of respondents who expressed an opinion believed that the Proposed Commitments are sufficiently interesting to attract suitable purchasers for the Divestment Businesses[149] and several expressed an interest in buying them.[150]

(173) The respondents to the market test emphasised several points that in their view were important for the success of the Divested Businesses as viable competitors. Respondents opined that the purchaser should be an established industry player

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145 Questionnaire 1, market test for competitors, question 1; Questionnaire 2, market test for customers, question 1.

146 Questionnaire 1, market test for competitors, question 1 question 3; Questionnaire 2, market test for customers, question 3.

147 Questionnaire 1, market test for competitors, questions 4-6; Questionnaire 2, market test for customers, questions 4-6.

148 Questionnaire 1, market test for competitors, question 8.

149 Questionnaire 1, market test for competitors, question 9.

150 Questionnaire 1, market test for competitors, question 13.

with sufficient scale,[151] access to financing, and international footprint that would allow it to serve multi-national customers. In terms of assets, respondents noted the importance of access to suppliers' networks and the IT systems.[152]

(174) With respect to re-branding, the majority of respondents raised the concern that a six months transitional period may not a sufficient period of time to allow the Divestment Businesses to transition to a new brand. Respondents suggested that a period of up to 12 months may be more appropriate.[153]

5.3. Commission's assessment of the Initial Commitments

5.3.1. Scope of the Divestment Business

(175) The Commission considers that the scope of the Divestment Business is sufficiently comprehensive as the Initial Commitments would remove the entire overlap between the Parties in relation to the Czech, Finnish, Irish, Luxembourgish, and Portuguese operational leasing markets. In principle, they are therefore suitable to remove the competition concerns identified.

(176) As regards Norway, the Commitments foresee that ALD would retain a JV, NF Fleet, active in Norway which in 2021 held a [0-5]% market share in the country.[154] If ALD were to retain NF Fleet, the combined entity would have a share of about [30-40]% in Norway post Transaction. NF Fleet is owned by ALD together with Nordea, a Finnish bank and is part of a broader partnership spanning across the Nordic countries, which could make its divestment practically difficult. NF Fleet only has […] employees […]. Therefore, NF Fleet does not hold any assets or personnel that would be necessary to run the divestment business (and that could affect its competitiveness or viability).

(177) As regards the existing customer base of NF Fleet, the practical impact of transferring them to the Divestment Business would likely be limited, since they can in any case easily switch to another provider, including to the Norway Divestment Business, in the short term. First, […]. Second, […]. Thus, the customers of NF Fleet will have the option of switching when their contracts expire and will have the same number of options that they had pre-Transaction.

(178) Therefore, the Commission considers that the inclusion of NF Fleet in the scope of the Norway Divestment Business is not necessary to remove serious doubts about the Transaction and that the scope of the Norway Divestment Business is sufficiently comprehensive.

5.3.2. Viability of the Divestment Business

(179) The Commission considers that, based on the evidence on file and the results of the market test, the Initial Commitments are in general suitable to lead to the divestment of viable and competitive businesses, subject to the extension of the transitional re-branding period to […].

(180) The Divestment Businesses will include entire legal entities with their assets, including IT tools, contracts (with customers, distribution partners, OEMs and third party suppliers) and employees which enable them to offer leasing and fleet

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151 Questionnaire 1, market test for competitors, questions 10 and 10.1; Questionnaire 2, market test for customers, questions 8-9.

152 Questionnaire 1, market test for competitors, questions 1.1, 4.1, 5.1 and 6.1; Questionnaire 2, market test for customers, questions 1.1, 3.1, 5.1, 6.1, 7.1 and 8.1.

153 Questionnaire 1, market test for competitors, question 7.

154 See Table 8 above.

management services and sell used vehicles. The Initial Commitments also include the provision of transition services, at cost, for a transitional period of up to […] which may be extended by up to […].

(181) As noted in paragraph 172 above, the majority of respondents having expressed an opinion considered that the Divestment Businesses are viable businesses and that they include all necessary tangible and intangible assets for the Purchaser to operate and effectively compete on the market for operational leasing with the combined entity and other competitors active in operational leasing.

5.3.3. Purchaser criteria

(182) For a divestment to be an effective remedy, it is critical that the business is divested to […] suitable purchasers. Taking into account the responses to the market test, the Commission considers that the purchaser criteria contained in the Initial Commitments as taken from the standard model for divestiture commitments and supplemented by and additional criterion that the purchaser(s) shall already be active in operational leasing and fleet management services in the EEA are adequate to sufficiently ensure the suitability of the purchaser.

(183) The additional purchaser criterion ensures that the purchaser has the relevant expertise in the field and that it enjoys a high level of trust and reputation among the EEA customers so as to be able to reliably provide the relevant products.

(184) […].

(185) Consequently, the Commission considers that the stricter purchaser criteria offered by the Notifying Party in the Commitments are sufficient to ensure that appropriate purchaser can be selected so as to ensure the viability of the Divestment Business.

5.3.4. Conclusion

(186) The Commission therefore considers that subject to the extension of the rebranding period the Initial Commitments would be suitable to remove the serious doubts raised by the Transaction.

5.4. Final Commitments

5.4.1. Description of the Final Commitments

(187) To address the shortcomings of the Initial Commitments, the Notifying Parties submitted their revised version in the form of Final Commitments. The main modification was to increase the transitional period for rebranding to […]. Apart from that, the final Commitments also contained some language clarifications and corrections.

5.4.2. Commission's assessment of the Final Commitments

(188) The Commission considers that the amendments made to the initial Commitments address their identified shortcomings. The Commission considers that the Final Commitments are suitable to remove the Commission's concerns in relation to Czech, Finnish, Irish, Luxembourgish, Norwegian, and Portuguese operational leasing markets stemming from the Transaction. The Final Commitments will ensure that the Divestment Businesses are able to continue operating as competitive forces and stand-alone businesses on the operating leasing markets in the hands of a suitable purchaser in the countries in question.

5.4.3. Conclusion

(189) The Commission therefore considers that the Final Commitments are capable of removing serious doubts as to the compatibility of the Transaction with the internal market in a clear-cut manner.

6. CONDITIONS AND OBLIGATIONS

(190) Under the first sentence of the second subparagraph of Article 6(2) of the Merger Regulation, the Commission may attach to its decision conditions and obligations intended to ensure that the undertakings concerned comply with the commitments they have entered into vis-à-vis the Commission with a view to rendering the concentration compatible with the internal market.

(191) The fulfilment of the measure that gives rise to the structural change of the market is a condition, whereas the implementing steps which are necessary to achieve this result are generally obligations on the Parties. Where a condition is not fulfilled, the Commission's decision declaring the concentration compatible with the internal market is no longer applicable. Where the undertakings concerned commit a breach of an obligation, the Commission may revoke the clearance decision in accordance with Article 8(6) of the Merger Regulation. The undertakings concerned may also be subject to fines and periodic penalty payments under Articles 14(2) and 15(1) of the Merger Regulation.

(192) In accordance with the basic distinction described in the paragraph above as regards conditions and obligations, this Decision should be made conditional on the full compliance by the Notifying Party with Section B of the Commitments submitted by the Notifying Party on 17 November 2022 and all other Sections should be obligations within the meaning of Article 8(2) of the Merger Regulation. The full text of the Commitments is attached as Annex II to this Decision and forms an integral part thereof.

7. CONCLUSION

(193) For the above reasons, the Commission has decided not to oppose the notified operation as modified by the commitments annexed to the present decision and to declare it compatible with the internal market and with the functioning of the EEA Agreement, subject to full compliance with the conditions in Section B of the commitments annexed to the present decision and with the obligations contained in the other sections of the said commitments. This decision is adopted in application of Article 6(1)(b) in conjunction with Article 6(2) of the Merger Regulation and Article 57 of the EEA Agreement.

For the Commission

(Signed)
Margrethe VESTAGER
Executive Vice-President

ANNEX I

A. Belgium

Company/ Group	2018		2019		2020		2021	
	Volume s	Market share	Volume s	Market share	Volume s	Market share	Volume s	Market share
ALD	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
LeasePlan	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Combined Entity	[...]	[30-40]%	[...]	[30-40]%	[...]	[30-40]%	[...]	[30-40]%
Arval	na	na	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Total BMW Group	na	na	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Alphabet	na	na	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
BMWFS	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
KBC AutoLease	na	na	[...]	[10-20]%	[...]	[5-10]%	[...]	[5-10]%
Athlon	na	na	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
VWFS	na	na	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
Belfius Autolease	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
ICLH (J&T-DirectLease-WestLease)	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Free2Move	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Others	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
All competitors combined	[...]	[...]	[...]	[60-70]%	[...]	[60-70]%	[...]	[60-70]%
Total	**392.177**	**100,0%**	**414.156**	**100,0%**	**407.567**	**100,0%**	**404.171**	**100,0%**

Source: Form CO, Annex 6.1.D.1 of 12 October 2022

B. Denmark

Company/ Group	2018		2019		2020		2021	
	Volume s	Market share	Volume s	Market share	Volume s	Market share	Volume s	Market share
ALD	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%	[...]	[10-20]%
NF Fleet (JV)	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Total SG Group	[...]	[5-10]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
LeasePlan	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
Combined Entity	[...]	[10-20]%	[...]	[10-20]%	[...]	[20-30]%	[...]	[20-30]%
Nordania Finans	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[5-10]%
Jyske	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
Autolease	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
Total BMW Group	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%

Company/ **Group**	**2018**		**2019**		**2020**		**2021**	
	Volume s	**Market share**	**Volume s**	**Market share**	**Volume s**	**Market share**	**Volume s**	**Market share**
Alphabet	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
BMWFS	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Arval	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Al Finans	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Post Fleet Management	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Alm. Brand Leasing	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Sydleasing	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Nellemann *AIS*	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Daimler FS	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Toyota FS	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
RCI	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Others	[...]	[40-50]%	[...]	[40-50]%	[...]	[40-50]%	[...]	[40-50]%
All competitors combined	[...]	[80-90]%	[...]	[80-90]%	[...]	[70-80]%	[...]	[70-80]%
Total	**208.257**	**100.0%**	**209.644**	**100.0%**	**201.122**	**100.0%**	**202.474**	**100.0%**

Source: Form CO, Annex 6.1.D.1 of 12 October 2022

C. France

Company/ Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volumes	Market share	Volumes	Market share
ALD	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
CGI France	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
SG Group	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Total SG Group	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
LeasePlan	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
Combined Entity	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%
Arval	na	na	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
RCI	na	na	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Total Stellantis Group	na	na	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Free2Move	na	na	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Leasys	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
PSA Finance	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Alphabet	na	na	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
VWFS	na	na	[...]	[0-5]%	[...]	[5-10]%	[...]	[5-10]%
Athlon	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
BPCE Car Lease	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
CM-CIC Bail	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Others	na	na	[...]	[10-20]%	[...]	[10-20]%	[...]	[5-10]%
All competitors combined	[...]	[70-80]%	[...]	[70-80]%	[...]	[70-80]%	[...]	[70-80]%
Total	**1.767.954**	**100,0%**	**1.806.145**	**100,0%**	**1.838.271**	**100,0%**	**1.837.278**	**100,0%**

Source: Form CO, Annex 6.1.D.1 of 12 October 2022

E. Greece

Company/Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volumes	Market share	Volumes	Market share
ALD	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
LeasePlan	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%
Combined Entity	[...]	[20-30]%	[...]	[30-40]%	[...]	[30-40]%	[...]	[30-40]%
Avis	[...]	[30-40]%	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%
Autohellas Hertz (Alphabet)	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%
Executive Lease (Sfakianakis S.A.)	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
Arval	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Motorlease	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Drive	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Sixt	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Ethniki Leasing	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Optimum	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Others	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
All competitors combined	[...]	[70-80]%	[...]	[60-70]%	[...]	[60-70]%	[...]	[60-70]%
Total	**104.076**	**100,0%**	**112.595**	**100,0%**	**116.147**	**100,0%**	**134.673**	**100,0%**

Source: Form CO, Annex 6.1.D.1 of 12 October 2022

F. Hungary

Company/ Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volumes	Market share	Volumes	Market share
ALD	[...]	[20-30]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
LeasePlan	[...]	[20-30]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Combined Entity	[...]	[40-50]%	[...]	[30-40]%	[...]	[30-40]%	[...]	[20-30]%
Arval	na	na	na	na	na	na	na	na

Business Lease	na	na	na	na	na	na	na	na
Mercarius	na	na	na	na	na	na	na	na
Porsche Leasing	na	na	na	na	na	na	na	na
Others	na	na	na	na	na	na	na	na
All competitors combined	[...]	[50-60]%	[...]	[60-70]%	[...]	[70-80]%	[...]	[70-80]%
Total	**59.982**	**100,0%**	**74.746**	**100,0%**	**90.662**	**100,0%**	**96.097**	**100,0%**

Source: Form CO, Annex 6.1.D.1 of 12 October 2022

G. Italy

Company/ Group	**2018**		**2019**		**2020**		**2021**	
	Volumes	**Market share**	**Volumes**	**Market share**	**Volum es**	**Market share**	**Volumes**	**Market share**
ALD	[...]	[20-30]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
LeasePlan	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Combined Entity	[...]	[30-40]%	[...]	[30-40]%	[...]	[30-40]%	[...]	[20-30]%
Arval	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%
Total Stellantis Group	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Leasvs	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Free2Move	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
VWFS	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
Alphabet	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Car Se1ver/Unipol Renta!	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Total Mercedes Group	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Athlon	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
MB Chartewav	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
RCI	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Locauto	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Program	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Mercurv	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Others	[...]	[5-10]%	[...]	[10-20]%	[...]	[5-10]%	[...]	[5-10]%
All competitors combined	[...]	[60-70]%	[...]	[60-70]%	[...]	[60-70]%	[...]	[70-80]%
Total	**799.149**	**100,0%**	**912.440**	**100,0%**	**919.781**	**100,0%**	**939.547**	**100,0%**

Source: Form CO, Annex 6.1.D.1 of 12 October 2022

H. Netherlands

Company/ Group	**2018**		**2019**		**2020**		**2021**	
	Volum es	**Market share**	**Volum es**	**Market share**	**Volum es**	**Market share**	**Volum es**	**Market share**
ALD	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
LeasePlan	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Combined Entity	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%

Company/ Group	2018		2019		2020		2021	
	Volum es	Market share	Volum es	Market share	Volum es	Market share	Volum es	Market share
Athlon	na	na	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Alphabet	na	na	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
VWFS	na	na	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
Total Terberg Group	na	na	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
Terberg	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Business Lease	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Arval	na	na	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
ICLH (J&T-DirectLease-WestLease)	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Multi Lease	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
AA Lease	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Fleet Logistics	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Total Stellantis Group	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Leasvs	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Free2Move	na	na	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Others	na	na	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
All competitors combined	[...]	[70-80]%	[...]	[70-80]%	[...]	[70-80]%	[...]	[70-80]%
Total	**757.470**	**100,0%**	**865.295**	**100,0%**	**843.468**	**100,0%**	**845.682**	**100,0%**

Source: Form CO, Annex 6.1.D.1 of 12 October 2022

I. Romania

Company/Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volumes	Market share	Volumes	Market share
ALD	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
BRD Sogelease	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
SG Group	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Total SG Group	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
LeasePlan	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Combined Entity	[...]	[20-30]%	[...]	[20-30]%	[...]	[30-40]%	[...]	[20-30]%
Arval	[...]	[10-20]%	na	na	na	na	na	na
Total Autonom Group	[...]	[5-10]%	*na*	*na*	*na*	na	na	na

Company/Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volumes	Market share	Volumes	Market share
Autonom (Previously BT Leasing)	[...]	[5-10]%	na	na	na	na	na	na
Premium Leasing	[...]	[0-5]%	na	na	na	na	na	na
BCR Fleet Management	[...]	[0-5]%	na	na	na	na	na	na
Business Lease	[...]	[0-5]%	na	na	na	na	na	na
DiRent	[...]	[0-5]%	na	na	na	na	na	na
New Kopel Group	[...]	[0-5]%	na	na	na	na	na	na
RCI	[...]	[0-5]%	na	na	na	na	na	na
UniCredit Leasing	[...]	[5-10]%	na	na	na	na	na	na
Porsche Leasing	[...]	[10-20]%	na	na	na	na	na	na
Others	[...]	[10-20]%	na	na	na	na	na	na
All competitors combined	[...]	[70-80]%	[...]	[70-80]%	[...]	[70-80]%	[...]	[70-80]%
Total	**73.702**	**100,0%**	**78.470**	**100,0%**	**75.146**	**100,0%**	**76.821**	**100,0%**

Source: Form CO, Annex 6.1.D.1 of 12 October 2022

J. Slovakia

Company/Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volume s	Market share	Volume s	Market share
ALD	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
LeasePlan	[...]	[10-20]%	[...]	[10-20]%	[...]	[20-30]%	[...]	[10-20]%
Combined Entity	[...]	[20-30]%	[...]	[30-40]%	[...]	[30-40]%	[...]	[30-40]%
Arval	na	na	na	na	na	na	na	na
Business Lease	na	na	na	na	na	na	na	na
CSOBLeasing	na	na	na	na	na	na	na	na
Total Mercedes Group	na	na	na	na	na	na	na	na
Daimler FS	na	na	na	na	na	na	na	na
Mercedes- Benz	na	na	na	na	na	na	na	na
Impuls Leasing	na	na	na	na	na	na	na	na
UniCredit Leasing	na	na	na	na	na	na	na	na
VUBLeasing	na	na	na	na	na	na	na	na
VWFS	na	na	na	na	na	na	na	na
Others	na	na	na	na	na	na	na	na
All competitors combined	[...]	[70-80]%	[...]	[60-70]%	[...]	[60-70]%	[...]	[60-70]%

Company/Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volume s	Market share	Volume s	Market share
Total	**41.473**	**100,0%**	**42.659**	**100,0%**	**38.710**	**100,0%**	**41.866**	**100,0%**

Source: Form CO, Annex 6.1.D.1 of 12 October 2022

K. Spain

Company/ Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volumes	Market share	Volumes	Market share
ALD	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Banco Sabadell	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Total SG Group	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
LeasePlan	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Combined Entity	[…]	[30-40]%	[…]	[30-40]%	[…]	[30-40]%	[…]	[20-30]%
Arval	na	na	[…]	[20-30]%	[…]	[20-30]%	[…]	[20-30]%
Alphabet	na	na	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
No1thgate	na	na	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
Bansacar	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
VWFS	na	na	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
Free2Move	na	na	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Athlon	na	na	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Santander	na	na	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
RCI	na	na	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Others	na	na	[…]	[0-5]%	[…]	[5-10]%	[…]	[5-10]%
All competitors combined	[…]	[60-70]%	[…]	[60-70]%	[…]	[60-70]%	[…]	[70-80]%
Total	**635.213**	**100,0%**	**693.409**	**100,0%**	**743.115**	**100,0%**	**837.957**	**100,0%**

Source: Form CO, Annex 6.1.D.1 of 12 October 2022

L. Sweden

Company/ Group	2018		2019		2020		2021	
	Volumes	Market share	Volumes	Market share	Volumes	Market share	Volumes	Market share
ALD	[...]	[5-10]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[5-10]%
NF Fleet (JV)	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Total SG Group	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
LeasePlan	[...]	[10-20]%	[...]	[10-20]%	[...]	[5-10]%	[...]	[5-10]%
Combined Entity	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%
DNB	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
RCI	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Alphabet	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Arval	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Athlon	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
VWFS	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Jyske	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Others	[...]	[50-60]%	[...]	[50-60]%	[...]	[60-70]%	[...]	[60-70]%
All competitors combined	[...]	[70-80]%	[...]	[70-80]%	[...]	[70-80]%	[...]	[70-80]%
Total	**156.751**	**100,0%**	**153.564**	**100,0%**	**154.743**	**100,0%**	**156.721**	**100,0%**

Source: Form CO, Annex 6.I.D.1 of 12 October

17 November 2022

Case M. 10638 – ALD / LeasePlan

COMMITMENTS TO THE EUROPEAN COMMISSION

Pursuant to Article 6(2), of Council Regulation (EC) No 139/2004 (the "***Merger Regulation***"), **ALD** (the "***Notifying Party***") hereby enters into the following Commitments (the "***Commitments***") vis- à-vis the European Commission (the "***Commission***") with a view to rendering the acquisition of sole control of LeasePlan (the "***Concentration***") compatible with the internal market and the functioning of the EEA Agreement.

This text shall be interpreted in light of the Commission's decision pursuant to Article 6(1)(b) of the Merger Regulation, to declare the Concentration compatible with the internal market and the functioning of the EEA Agreement (the "***Decision***"), in the general framework of European Union law, in particular in light of the Merger Regulation, and by reference to the Commission Notice on remedies acceptable under Council Regulation (EC) No 139/2004 and under Commission Regulation (EC) No 802/2004 (the "***Remedies Notice***").

Section A. Definitions

1. For the purpose of the Commitments, the following terms shall have the following meaning:

Affiliated Undertakings: undertakings controlled by the Parties and/or by the ultimate parents of the Parties, whereby the notion of control shall be interpreted pursuant to Article 3 of the Merger Regulation and in light of the Commission Consolidated Jurisdictional Notice under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings (the "***Consolidated Jurisdictional Notice***").

ALD: ALD, a company incorporated under the laws of France, with its registered office at 1 rue Eugene et Armand Peugeot 92500 Rueil-Malmaison and registered with the Commercial and Company Register at Nanterre under 417 689 395 number.

ALD Divestment Businesses: together the Ireland Divestment Business, the Norway Divestment Business and the Portugal Divestment Business.

Assets: the assets that contribute to the current operation or are necessary to ensure the viability and competitiveness of the Divestment Businesses as indicated in Section B, paragraph 9 (a), (b) and (c) and described more in detail in the Schedule.

Closing: the transfer of the legal title to the Divestment Businesses to the Purchaser (or Purchasers in case of divestitures to different Purchasers).

Closing Period: for each Divestment Business separately, the period of […] months from the approval of the Purchaser for such Divestment Business and the terms of sale for such Divestment Business by the Commission.

Confidential Information: any business secrets, know-how, commercial information, or any other information of a proprietary nature that is not in the public domain.

Conflict of Interest: any conflict of interest that impairs the Trustee's objectivity and independence in discharging its duties under the Commitments.

Czech Divestment Business: the business active in the Czech Republic as defined in Section B and in the Schedule which the Notifying Party commits to divest.

Divestment Businesses: together the Czech Divestment Business, the Finland Divestment Business, the Ireland Divestment Business, the Luxembourg Divestment Business, the Norway Divestment Business and the Portugal Divestment Business.

Divestiture Trustee: one or more natural or legal person(s) who is/are approved by the Commission and appointed by ALD and who has/have received from ALD the exclusive Trustee Mandate to sell the Divestment Business to a Purchaser at no minimum price.

Effective Date: the date of adoption of the Decision.

Finland Divestment Business: the business active in Finland as defined in Section B and in the Schedule which the Notifying Party commits to divest.

First Divestiture Period: the period of […] months from the Effective Date.

Hold Separate Manager: the person appointed by ALD or LeasePlan for each Divestment Business to manage the day-to-day business under the supervision of the Monitoring Trustee.

Ireland Divestment Business: the business active in Ireland as defined in Section B and in the Schedule which the Notifying Party commits to divest.

Key Personnel: all personnel necessary to maintain the viability and competitiveness of the Divestment Businesses, as listed in the Schedule, including the Hold Separate Managers.

LeasePlan: LeasePlan Group B.V., a company incorporated under the laws of The Netherlands, with its registered office at Gustav Mahlerlaan, 360 - 1082 ME Amsterdam, The Netherlands.

LeasePlan Divestment Business: together the Czech Divestment Business, the Finland Divestment Business and the Luxembourg Divestment Business.

Luxembourg Divestment Business: the business active in Luxembourg as defined in Section B and in the Schedule which the Notifying Party commits to divest.

Monitoring Trustee: one or more natural or legal person(s) who is/are approved by the Commission and appointed by ALD, and who has/have the duty to monitor ALD's compliance

with the conditions and obligations attached to the Decision.

Norway Divestment Business: the business active in Norway as defined in Section B and in the Schedule which the Notifying Party commits to divest.

Parties: ALD and LeasePlan.

Personnel: all staff currently employed by the Divestment Business, including staff seconded to the Divestment Business, shared personnel as well as the additional personnel listed in the Schedule, with the exception of the personnel explicitly excluded in the Schedule.

Portugal Divestment Business: the business active in Portugal as defined in Section B and in the Schedule which the Notifying Party commits to divest.

Purchaser or **Purchasers**: the entity (or entities in case the Divestment Businesses are not all sold to the same single Purchaser) approved by the Commission as acquirer(s) of the Divestment Businesses in accordance with the criteria set out in Section D.

Purchaser Criteria: the criteria laid down in paragraph 22 of these Commitments that the Purchaser (or Purchasers in case the Divestment Businesses are not all sold to the same single Purchaser) must fulfil in order to be approved by the Commission.

Schedule: the schedule to these Commitments describing more in detail the Divestment Businesses.

Trustee(s): the Monitoring Trustee and/or the Divestiture Trustee as the case may be.

Trustee Divestiture Period: the period of […] months from the end of the First Divestiture Period.

8. Section B. The commitment to divest and the Divestment Business

Commitment to divest

2. In order to maintain effective competition, ALD commits to divest the ALD Divestment Businesses and procure the divestiture by LeasePlan of the LeasePlan Divestment Businesses by the end of the Trustee Divestiture Period as a going concern to […] purchaser(s) and on terms of sale approved by the Commission in accordance with the procedure described in paragraph 23 of these Commitments.

3. To carry out the divestiture, ALD commits to find […] purchaser(s) and to enter into a final binding sale and purchase agreement (or final binding sale and purchase agreements) for the sale of the Divestment Businesses within the First Divestiture Period. If ALD has not entered into such an agreement (or agreements) at the end of the First Divestiture Period, ALD shall grant the Divestiture Trustee an exclusive mandate to sell the ALD Divestment Businesses and procure that the Divestiture Trustee be granted by LeasePlan an exclusive mandate to sell the LeasePlan

Divestment Businesses in accordance with the procedure described in paragraph 35 in the Trustee Divestiture Period.

4. […].

5. ALD shall be deemed to have complied with this commitment if:

   (a) by the end of the Trustee Divestiture Period, (i) ALD and LeasePlan, (ii) ALD or (iii) the Divestiture Trustee has entered into a final binding sale and purchase agreement (or final binding sale and purchase agreements) and the Commission approves the proposed purchaser (or proposed purchasers in case the Divestment Businesses are not all sold to the same single Purchaser) and the terms of sale as being consistent with the Commitments in accordance with the procedure described in paragraph 23; and

   (b) the Closing of the sale of the Divestment Businesses to the Purchaser (or Purchasers) takes place within the Closing Period.

6. In order to maintain the structural effect of the Commitments, the Notifying Party shall, for a period of 10 years after Closing, not acquire, whether directly or indirectly, the possibility of exercising influence (as defined in paragraph 43 of the Remedies Notice, footnote 3) over the whole or part of the Divestment Businesses, unless, following the submission of a reasoned request from the Notifying Party showing good cause and accompanied by a report from the Monitoring Trustee (as provided in paragraph 49 of these Commitments), the Commission finds that the structure of the market has changed to such an extent that the absence of influence over the Divestment Business is no longer necessary to render the Concentration compatible with the internal market.

Structure and definition of the Divestment Businesses

7. The Divestment Businesses comprise the Czech Divestment Business, the Finland Divestment Business, the Ireland Divestment Business, the Luxembourg Divestment Business, the Norway Divestment Business and the Portugal Divestment Business.

8. The Czech Divestment Business consists of LeasePlan Česká Republika s.r.o and Fleet Insurance Plan s.r.o. The Finland Divestment Business consists of LeasePlan Finland Oy. The Ireland Divestment Business consists of Merrion Fleet Management Limited. The Luxembourg Divestment Business consists of LeasePlan Luxembourg S.A. The Norway Divestment Business consists of ALD Automotive AS. The Portugal Divestment Business consists of SGALD Automotive – Sociedade Geral de Comercio e Aluguer de Bens, S.A. The Divestment Businesses are all active, each in its respective country, in the provision of vehicle leasing and fleet management services as well as, ancillary to its core business, the sales of used vehicles.

9. The legal and functional structures of the Divestment Businesses as operated to date are

described in the Schedule. The Divestment Businesses, described in more detail in the Schedule, include all assets and staff that contribute to the current operation or are necessary to ensure the viability and competitiveness of the Divestment Businesses, in particular:

(a) All assets;

(b) All licences, permits and authorisations issued by any governmental organisation for the benefit of the Divestment Businesses;

(c) all contracts, leases, commitments and customer orders of the Divestment Businesses; all customer, credit and other records of the Divestment Businesses; and

(d) the Personnel.

10. In addition, the Divestment Businesses include the benefit:

(a) for a transitional period of up […] after Closing, plus […] upon request of the Purchaser, showing good cause, and provided that the Monitoring Trustee confirms, in consultation with the Commission, the requirement for such […] extension, at cost, of all current arrangements under which ALD, LeasePlan or their Affiliated Undertakings supply products or services to the Divestment Businesses, as detailed in the Schedule, unless otherwise agreed with the Purchaser of each considered Divestment Business. Strict firewall procedures will be adopted so as to ensure that any competitively sensitive information related to, or arising from such supply arrangements (for example, product roadmaps) will not be shared with, or passed on to, anyone outside the team who requires access to such information in order to provide a transitional service required by a Divestment Business;

(b) of arrangements providing, at the Purchaser's request, for a transition period during which the Ireland Divestment Business, the Norway Divestment Business and the Portugal Divestment Business shall be allowed to use the ALD brand and the Czech Divestment Business, the Finland Divestment Business and the Luxembourg Divestment Business shall be allowed to use the LeasePlan brand, during the time – with a maximum period of […] after Closing – and to the extent strictly required to implement practical changes such as changing signs on office buildings or letterheads.

11. […].

Section C. Related commitments

Preservation of viability, marketability and competitiveness

12. From the Effective Date until Closing, the Notifying Party shall preserve, and procure the preservation by LeasePlan of, the economic viability, marketability and competitiveness of the Divestment Businesses, in accordance with good business practice, and shall minimise as far as possible, and procure the minimization as far as possible by LeasePlan of, any risk of loss of competitive potential of the Divestment Businesses. In particular, ALD undertakes:

(a) not to carry out, and procure that LeasePlan does not carry out, any action that might have a significant adverse impact on the value, management or competitiveness of the Divestment Business or that might alter the nature and scope of activity, or the industrial or commercial strategy or the investment policy of the Divestment Businesses;

(b) to make available, and procure that LeasePlan makes available, sufficient resources for the development of the Divestment Businesses, on the basis and continuation of the existing business plans;

(c) to take all reasonable steps, and procure that all reasonable steps are being taken by LeasePlan, including appropriate incentive schemes (based on industry practice), to encourage all Key Personnel to remain with the Divestment Businesses, and not to solicit or move any Personnel to the business(es) ALD will be retaining and, after completion of the Concentration, to the business(es) that ALD is retaining. Where, nevertheless, individual members of the Key Personnel exceptionally leave the Divestment Businesses, ALD shall provide a reasoned proposal to replace the person or persons concerned to the Commission and the Monitoring Trustee. ALD must be able to demonstrate to the Commission that the replacement is well suited to carry out the functions exercised by those individual members of the Key Personnel. The replacement shall take place under the supervision of the Monitoring Trustee, who shall report to the Commission.

Hold-separate obligations

13. The Notifying Party commits:

(a) from the Effective Date until completion of the Concentration, (i) to keep the ALD Divestment Businesses separate, and procure that the LeasePlan Divestment Businesses be kept separate by LeasePlan, from the business(es) ALD will be retaining and (ii) to ensure, and procure that LeasePlan ensures, that unless explicitly permitted under these Commitments: (x) management and staff of the business(es) ALD will be retaining have no involvement in the Divestment Businesses; (y) the Key Personnel and Personnel of the Divestment Businesses have no involvement in any business ALD will be retaining and do not report to any individual outside the Divestment Businesses;

(b) from completion of the Concentration until Closing, (i) to keep the Divestment Businesses separate from the business(es) that ALD is retaining and (ii) to ensure that unless explicitly permitted under these Commitments: (x) management and staff of the business(es)

retained by ALD have no involvement in the Divestment Businesses; (y) the Key Personnel and Personnel of the Divestment Businesses have no involvement in any business retained by ALD and do not report to any individual outside the Divestment Businesses.

14. Until Closing, ALD shall assist, and procure that LeasePlan assists, the Monitoring Trustee in ensuring that the Divestment Businesses are managed as distinct and saleable entities separate from the business(es) which ALD is, or prior to completion of the Concentration will be, retaining. Immediately after the adoption of the Decision, ALD shall appoint one Hold Separate Manager for each ALD Divestment Businesses and procure the appointment by LeasePlan of one Hold Separate Manager for each LeasePlan Divestment Business. The Hold Separate Manager of each Divestment Business, who shall be part of the Key Personnel, shall manage such Divestment Business independently and in the best interest of the business with a view to ensuring its continued economic viability, marketability and competitiveness and its independence from the businesses retained by ALD. The Hold Separate Managers shall closely cooperate with and report to the Monitoring Trustee and, if applicable, the Divestiture Trustee. Any replacement of a Hold Separate Manager shall be subject to the procedure laid down in paragraph 12(c) of these Commitments. The Commission may, after having heard ALD, require ALD to replace a Hold Separate Manager or to procure that LeasePlan replaces a Hold Separate Manager.

15. To ensure that the Divestment Businesses are held and managed as separate entities, the Monitoring Trustee shall exercise ALD's and LeasePlan's rights as shareholder in the legal entities that constitute the Divestment Businesses (except for their rights in respect of dividends that are due before Closing), with the aim of acting in the best interest of the Divestment Businesses, which shall be determined on a stand-alone basis, as an independent financial investor, and with a view to fulfilling ALD's obligations under the Commitments. Furthermore, the Monitoring Trustee shall have the power to replace members of the supervisory board or non-executive directors of the board of directors, who have been appointed on behalf of ALD or LeasePlan. Upon request of the Monitoring Trustee, ALD or LeasePlan shall resign as a member of the boards or shall cause such members of the boards to resign.

Ring-fencing

16. ALD shall implement, and procure that LeasePlan implements, all necessary measures to ensure that it does not, after the Effective Date, obtain any Confidential Information relating to the Divestment Businesses and that any such Confidential Information obtained by ALD or LeasePlan before the Effective Date will be eliminated and not be used by ALD. This includes measures vis-à-vis ALD's or LeasePlan's appointees on the supervisory board and/or board of directors of the Divestment Businesses. In particular, the participation of the Divestment Businesses in any central information technology network shall be severed to the extent possible, without compromising the viability of the Divestment Businesses. ALD may obtain or keep information relating to the Divestment Businesses which is reasonably necessary for the divestiture of the Divestment Businesses or the disclosure of which to ALD is required by law.

Non-solicitation clause

17. The Parties undertake, subject to customary limitations, not to solicit, and to procure that Affiliated Undertakings do not solicit, the Key Personnel transferred with the Divestment Businesses for a period of two (2) years after Closing.

Due diligence

18. In order to enable potential purchasers to carry out a reasonable due diligence of the Divestment Businesses, ALD shall, subject to customary confidentiality assurances and dependent on the stage of the divestiture process:

    (a) provide to potential purchasers sufficient information as regards the Divestment Businesses;

    (b) provide to potential purchasers sufficient information relating to the Personnel and allow them reasonable access to the Personnel.

Reporting

19. ALD shall submit written reports in English on potential purchasers of the Divestment Business and developments in the negotiations with such potential purchasers to the Commission and the Monitoring Trustee no later than 10 days after the end of every month following the Effective Date (or otherwise at the Commission's request). ALD shall submit a list of all potential purchasers having expressed interest in acquiring the Divestment Business to the Commission at each and every stage of the divestiture process, as well as a copy of all the offers made by potential purchasers within five days of their receipt.

20. ALD shall inform the Commission and the Monitoring Trustee on the preparation of the data room documentation and the due diligence procedure and shall submit a copy of any information memorandum to the Commission and the Monitoring Trustee before sending the memorandum out to potential purchasers.

Section D. The Purchaser

21. At the outset, it is specified that ALD is not required to sell all Divestment Businesses to a single Purchaser. […].

22. In order to be approved by the Commission, any Purchaser must fulfil the following criteria:

    (a) it shall be independent of and unconnected to the Notifying Party and its/their Affiliated Undertakings (this being assessed having regard to the situation following the divestiture);

    (b) it shall have the financial resources, proven expertise and incentive to maintain and develop the Divestment Business or Divestment Businesses which it acquires as a viable and active competitive force in competition with the Parties and other competitors;

    (c) it shall already be active in operational leasing and fleet management services in the EEA;

    (d) The acquisition of the Divestment Business or Divestment Businesses must neither be likely to create, in light of the information available to the Commission, *prima facie* competition concerns nor give rise to a risk that the implementation of the Commitments will be delayed. In particular, any Purchaser must reasonably be expected to obtain all necessary approvals from the relevant regulatory authorities for the acquisition of the Divestment Business or Divestment Businesses which it acquires.

23. The final binding sale and purchase agreement(s) (as well as ancillary agreements) relating to the divestment of the Divestment Businesses shall be conditional on the Commission's approval. When ALD and/or LeasePlan have reached an agreement with a purchaser, ALD shall submit a fully documented and reasoned proposal, including a copy of the final agreement(s), within one week to the Commission and the Monitoring Trustee. ALD must be able to demonstrate to the Commission that the purchaser fulfils the Purchaser Criteria and that the Divestment Businesses are being sold in a manner consistent with the Commission's Decision and the Commitments. For the approval, the Commission shall verify that the purchaser fulfils the Purchaser Criteria and that the Divestment Businesses are being sold in a manner consistent with the Commitments including their objective to bring about a lasting structural change in the market. The Commission may approve the sale of the Divestment Businesses without one or more Assets or parts of the Personnel, or by substituting one or more Assets or parts of the Personnel with one or more different assets or different personnel, if this does not affect the viability and competitiveness of the Divestment Businesses after the sale, taking account of the proposed purchaser.

Section E. Trustee

I. <u>Appointment procedure</u>

24. ALD shall appoint a Monitoring Trustee to carry out the functions specified in these Commitments for a Monitoring Trustee. The Notifying Party commits not to close the Concentration before the appointment of a Monitoring Trustee.

25. If ALD and/or LeasePlan have not entered into a (or several) binding sale and purchase agreement(s) regarding the Divestment Businesses one month before the end of the First Divestiture Period or if the Commission has rejected a purchaser proposed by ALD at that time or thereafter, ALD shall appoint a Divestiture Trustee. The appointment of the Divestiture Trustee shall take effect upon the commencement of the Trustee Divestiture Period.

26. The Trustee shall:

(i) at the time of appointment, be independent of the Notifying Party and its Affiliated Undertakings;

(ii) possess the necessary qualifications to carry out its mandate, for example have sufficient relevant experience as an investment banker or consultant or auditor; and

(iii) neither have nor become exposed to a Conflict of Interest.

27. The Trustee shall be remunerated by the Notifying Party in a way that does not impede the independent and effective fulfilment of its mandate. In particular, where the remuneration package of a Divestiture Trustee includes a success premium linked to the final sale value of the Divestment Business, such success premium may only be earned if the divestiture takes place within the Trustee Divestiture Period.

Proposal by ALD

28. No later than two weeks after the Effective Date, ALD shall submit the name or names of one or more natural or legal persons whom ALD proposes to appoint as the Monitoring Trustee to the Commission for approval. No later than one month before the end of the First Divestiture Period or on request by the Commission, ALD shall submit a list of one or more persons whom ALD proposes to appoint as Divestiture Trustee to the Commission for approval. The proposal shall contain sufficient information for the Commission to verify that the person or persons proposed as Trustee fulfil the requirements set out in paragraph 26 and shall include:

(a) the full terms of the proposed mandate, which shall include all provisions necessary to enable the Trustee to fulfil its duties under these Commitments;

(b) the outline of a work plan which describes how the Trustee intends to carry out its assigned tasks;

(c) an indication whether the proposed Trustee is to act as both Monitoring Trustee and Divestiture Trustee or whether different trustees are proposed for the two functions.

Approval or rejection by the Commission

29. The Commission shall have the discretion to approve or reject the proposed Trustee(s) and to approve the proposed mandate subject to any modifications it deems necessary for the Trustee to fulfil its obligations. If only one name is approved, ALD shall appoint or cause to be appointed the person or persons concerned as Trustee, in accordance with the mandate approved by the

Commission. If more than one name is approved, ALD shall be free to choose the Trustee to be appointed from among the names approved. The Trustee shall be appointed within one week of the Commission's approval, in accordance with the mandate approved by the Commission.

New proposal by ALD

30. If all the proposed Trustees are rejected, ALD shall submit the names of at least two more natural or legal persons within one week of being informed of the rejection, in accordance with paragraphs 25 and 29 of these Commitments.

Trustee nominated by the Commission

31. If all further proposed Trustees are rejected by the Commission, the Commission shall nominate a Trustee, whom ALD shall appoint, or cause to be appointed, in accordance with a trustee mandate approved by the Commission.

II. Functions of the Trustee

32. The Trustee shall assume its specified duties and obligations in order to ensure compliance with the Commitments. The Commission may, on its own initiative or at the request of the Trustee or ALD, give any orders or instructions to the Trustee in order to ensure compliance with the conditions and obligations attached to the Decision.

Duties and obligations of the Monitoring Trustee

33. The Monitoring Trustee shall:

(i) propose in its first report to the Commission a detailed work plan describing how it intends to monitor compliance with the obligations and conditions attached to the Decision.

(ii) oversee, in close co-operation with the Hold Separate Managers, the on-going management of the Divestment Businesses with a view to ensuring their continued economic viability, marketability and competitiveness and monitor compliance by ALD with the conditions and obligations attached to the Decision. To that end the Monitoring Trustee shall:

(a) monitor the preservation of the economic viability, marketability and competitiveness of the Divestment Businesses, and the keeping separate of the Divestment Businesses from the business retained by the Parties, in accordance with paragraphs 12 and 13 of these Commitments;

(b) supervise the management of the Divestment Businesses as distinct and saleable entities, in accordance with paragraph 14 of these Commitments;

(c) with respect to Confidential Information:

– determine all necessary measures to ensure that ALD does not after the Effective Date obtain any Confidential Information relating to the Divestment Businesses,

- in particular strive for the severing of the Divestment Businesses' participation in a central information technology network to the extent possible, without compromising the viability of the Divestment Businesses,

- make sure that any Confidential Information relating to the Divestment Businesses obtained by ALD before the Effective Date is eliminated and will not be used by ALD; and

- decide whether such information may be disclosed to or kept by ALD as the disclosure is reasonably necessary to allow ALD to carry out the divestiture(s) or as the disclosure is required by law;

(d) monitor the splitting of assets and the allocation of Personnel between the Divestment Businesses and ALD or Affiliated Undertakings;

(iii) propose to ALD such measures as the Monitoring Trustee considers necessary to ensure ALD's compliance with the conditions and obligations attached to the Decision, in particular the maintenance of the full economic viability, marketability or competitiveness of the Divestment Businesses, the holding separate of the Divestment Businesses and the non- disclosure of competitively sensitive information;

(iv) review and assess potential purchasers as well as the progress of the divestiture process and verify that, dependent on the stage of the divestiture process:

(a) potential purchasers receive sufficient and correct information relating to the Divestment Businesses and the Personnel in particular by reviewing, if available, the data room documentation, the information memorandum and the due diligence process, and

(b) potential purchasers are granted reasonable access to the Personnel;

(v) act as a contact point for any requests by third parties, in particular potential purchasers, in relation to the Commitments;

(vi) provide to the Commission, sending ALD a non-confidential copy at the same time, a written report within 15 days after the end of every month that shall cover the operation and management of the Divestment Businesses as well as the splitting of assets and the allocation of Personnel so that the Commission can assess whether the Divestment Businesses are held in a manner consistent with the Commitments and the progress of the divestiture process as well as potential purchasers;

(vii) promptly report in writing to the Commission, sending ALD a non-confidential copy at the same time, if it concludes on reasonable grounds that ALD is failing to comply with these Commitments;

(viii) within one week after receipt of the documented proposal referred to in paragraph 23 of these Commitments, submit to the Commission, sending ALD a non-confidential copy at

the same time, a reasoned opinion as to the suitability and independence of the purchaser proposed for one or several Divestment Businesses and the viability of such Divestment Business(es) after the sale and as to whether the Divestment Business is sold in a manner consistent with the conditions and obligations attached to the Decision, in particular, if relevant, whether the sale of the Divestment Business(es) without one or more Assets or not all of the Personnel affects the viability of the Divestment Business(es) after the sale, taking account of the proposed purchaser;

(ix) assume the other functions assigned to the Monitoring Trustee under the conditions and obligations attached to the Decision.

34. If the Monitoring and Divestiture Trustee are not the same (legal or natural) persons, the Monitoring Trustee and the Divestiture Trustee shall cooperate closely with each other during and for the purpose of the preparation of the Trustee Divestiture Period in order to facilitate each other's tasks.

Duties and obligations of the Divestiture Trustee

35. Within the Trustee Divestiture Period, the Divestiture Trustee shall sell at no minimum price the Divestment Businesses (or those of the Divestment Businesses for which the Commission would have not approved a Purchaser and terms of sale) to a Purchaser (or several Purchasers), provided that the Commission has approved both the Purchaser(s) and the final binding sale and purchase agreement(s) (and ancillary agreements) as in line with the Commission's Decision and the Commitments in accordance with paragraphs 22 and 23 of these Commitments. The Divestiture Trustee shall include in the sale and purchase agreement(s) (as well as in any ancillary agreements) such terms and conditions as it considers appropriate for an expedient sale in the Trustee Divestiture Period. In particular, the Divestiture Trustee may include in the sale and purchase agreement such customary representations and warranties and indemnities as are reasonably required to effect the sale. The Divestiture Trustee shall protect the legitimate financial interests of ALD, subject to the Notifying Party's unconditional obligation to divest at no minimum price in the Trustee Divestiture Period.

36. In the Trustee Divestiture Period (or otherwise at the Commission's request), the Divestiture Trustee shall provide the Commission with a comprehensive monthly report written in English on the progress of the divestiture process. Such reports shall be submitted within 15 days after the end of every month with a simultaneous copy to the Monitoring Trustee and a non-confidential copy to the Notifying Party.

III. Duties and obligations of the Parties

37. ALD shall provide and shall cause its advisors to provide the Trustee with all such co-operation, assistance and information as the Trustee may reasonably require to perform its tasks. The Trustee shall have full and complete access to any of ALD's or the Divestment Businesses' books, records, documents, management or other personnel, facilities, sites and technical information necessary for fulfilling its duties under the Commitments and ALD and the Divestment Businesses shall provide the Trustee upon request with copies of any document.

ALD and the Divestment Businesses shall make available to the Trustee one or more offices on their premises and shall be available for meetings in order to provide the Trustee with all information necessary for the performance of its tasks.

38. ALD shall provide the Monitoring Trustee with all managerial and administrative support that it may reasonably request on behalf of the management of the Divestment Businesses. This shall include all administrative support functions relating to the Divestment Businesses which are currently carried out at headquarters level. ALD shall provide and shall cause its advisors to provide the Monitoring Trustee, on request, with the information submitted to potential purchasers, in particular give the Monitoring Trustee access to the data room documentation and all other information granted to potential purchasers in the due diligence procedure. ALD shall inform the Monitoring Trustee on possible purchasers, submit lists of potential purchasers at each stage of the selection process, including the offers made by potential purchasers at those stages, and keep the Monitoring Trustee informed of all developments in the divestiture process.

39. ALD shall grant or procure LeasePlan or Affiliated Undertakings to grant comprehensive powers of attorney, duly executed, to the Divestiture Trustee to effect the sale (including ancillary agreements), the Closing and all actions and declarations which the Divestiture Trustee considers necessary or appropriate to achieve the sale and the Closing, including the appointment of advisors to assist with the sale process. Upon request of the Divestiture Trustee, ALD shall cause the documents required for effecting the sale and the Closing to be duly executed.

40. ALD shall indemnify the Trustee and its employees and agents (each an "***Indemnified Party***") and hold each Indemnified Party harmless against, and hereby agrees that an Indemnified Party shall have no liability to ALD for, any liabilities arising out of the performance of the Trustee's duties under the Commitments, except to the extent that such liabilities result from the wilful default, recklessness, gross negligence or bad faith of the Trustee, its employees, agents or advisors.

41. At the expense of ALD, the Trustee may appoint advisors (in particular for corporate finance or legal advice), subject to ALD's approval (this approval not to be unreasonably withheld or delayed) if the Trustee considers the appointment of such advisors necessary or appropriate for the performance of its duties and obligations under the Mandate, provided that any fees and other expenses incurred by the Trustee are reasonable. Should ALD refuse to approve the advisors proposed by the Trustee the Commission may approve the appointment of such advisors instead, after having heard ALD. Only the Trustee shall be entitled to issue instructions to the advisors. Paragraph 40 of these Commitments shall apply *mutatis mutandis*. In the Trustee Divestiture Period, the Divestiture Trustee may use advisors who served ALD during the Divestiture Period if the Divestiture Trustee considers this in the best interest of an expedient sale.

42. ALD agrees and procures that LeasePlan agrees that the Commission may share Confidential Information proprietary to ALD or LeasePlan with the Trustee. The Trustee shall not disclose such information and the principles contained in Article 17(1) and (2) of the Merger Regulation apply *mutatis mutandis*.

43. The Notifying Party agrees that the contact details of the Monitoring Trustee are published on the website of the Commission's Directorate-General for Competition and they shall inform interested third parties, in particular any potential purchasers, of the identity and the tasks of the Monitoring Trustee.

44. For a period of 10 years from the Effective Date, the Commission may request all information from the Parties that is reasonably necessary to monitor the effective implementation of these Commitments.

IV. Replacement, discharge and reappointment of the Trustee

45. If the Trustee ceases to perform its functions under the Commitments or for any other good cause, including the exposure of the Trustee to a Conflict of Interest:

    (a) the Commission may, after hearing the Trustee and ALD, require ALD to replace the Trustee; or

    (b) ALD may, with the prior approval of the Commission, replace the Trustee.

46. If the Trustee is removed according to paragraph 45 of these Commitments, the Trustee may be required to continue in its function until a new Trustee is in place to whom the Trustee has effected a full hand over of all relevant information. The new Trustee shall be appointed in accordance with the procedure referred to in paragraphs 24-30 of these Commitments.

47. Unless removed according to paragraph 45 of these Commitments, the Trustee shall cease to act as Trustee only after the Commission has discharged it from its duties after all the Commitments with which the Trustee has been entrusted have been implemented. However, the Commission may at any time require the reappointment of the Monitoring Trustee if it subsequently appears that the relevant remedies might not have been fully and properly implemented.

Section F. The review clause

48. The Commission may extend the time periods foreseen in the Commitments in response to a request from ALD or, in appropriate cases, on its own initiative. Where ALD requests an extension of a time period, it shall submit a reasoned request to the Commission no later than one month before the expiry of that period, showing good cause**.** This request shall be accompanied by a report from the Monitoring Trustee, who shall, at the same time send a non-confidential copy of the report to the Notifying Party. Only in exceptional circumstances shall ALD be entitled to request an extension within the last month of any period.

49. The Commission may further, in response to a reasoned request from the Notifying Party showing good cause waive, modify or substitute, in exceptional circumstances, one or more of the undertakings in these Commitments. This request shall be accompanied by a report from the Monitoring Trustee, who shall, at the same time send a non-confidential copy of the report to the Notifying Party. The request shall not have the effect of suspending the application of the undertaking and, in particular, of suspending the expiry of any time period in which the undertaking has to be complied with.

Section G. Entry into force

50. The Commitments shall take effect upon the date of adoption of the Decision.

[…] and [...], duly authorised for and on behalf of […]
(Signed)

SCHEDULE

I. The Czech Divestment Business

[…].

II. The Finland Divestment Business

[…].

III. The Ireland Divestment Business

[…].

IV. The Luxembourg Divestment Business

[…].

V. The Norway Divestment Business

[…].

VI. The Portugal Divestment Business

[…].