



EUROPEAN COMMISSION

The Hearing Officer

Final report of the Hearing Officer
in case COMP/M.4525 - Kronospan/Constantia

**(pursuant to Articles 15 & 16 of Commission Decision (2001/462/EC, ECSC)
of 23 May 2001 on the terms of reference of Hearing Officers
in certain competition proceedings – OJ L162, 19.06.2001, p.21)**

On 4 May 2007, Kronospan Holding GmbH ("Kronospan", Germany) sent a notification to the Commission of an intended acquisition of Sprela GmbH ("Sprela", Germany), Falco CC ("Falco", Hungary) and of the raw and coated particleboard division of FunderMax GmbH ("FunderMax", Austria) from Constantia Industries AG.

Upon examination of the notification, the Commission concluded that the notified operation raised serious doubts as to the compatibility of the notified acquisition with the common market with regard to two product markets: (i) the market for raw particleboard and (ii) the market for coated particleboard, and decided to initiate proceedings pursuant to Article 6(1)(c) of Council Regulation No 139/2004 on 14 June 2007.

Access to key documents was provided to the notifying party on 20 June 2007, in accordance with paragraph 45 of DG Competition's Best Practices on the conduct of EC merger control proceedings.

On 12 July 2007, the parties proposed a modification to the notified transaction in order to remedy the serious concerns identified by the Commission to the effect that Kronospan will only acquire control in Sprela and Falco, whereas FunderMax will be retained by Constantia. The buyer also committed not to buy FunderMax for a certain period of time. The parties submitted a revised proposal for commitments on 31 July 2007.

The market test conducted by the Commission in the period between May and July 2007 confirmed that the proposed modifications remove the Commission's serious doubts as to the compatibility of the (modified) transaction with the common market and the EEA agreement.

The Commission decided therefore not to issue a Statement of Objections in the present case.

The Parties did not refer to me any concerns in terms of due process.

In the light of the above, I consider that the rights to be heard of all participants to the present proceeding have been respected.

Brussels, 10 September 2007

(signed)
Serge DURANDE