European Commission - Press release

Mergers: Commission approves the merger between Credit Suisse and UBS

Brussels, 25 May 2023

The European Commission has approved unconditionally, under the EU Merger Regulation, the merger between Credit Suisse and UBS. The Commission concluded that the transaction would not raise competition concerns in the European Economic Area ('EEA').

UBS and **Credit Suisse** are both global multinational investment banks and financial services companies. In the EEA, the companies' activities overlap in wealth and asset management as well as in investment banking.

The Commission's investigation

Based on its market investigation, the Commission found that the merger would not significantly reduce competition in the markets where their activities overlap within the EEA.

In particular, the Commission found that the combined entity will continue facing significant competitive pressure from a wide range of competitors in all of those markets, including several major global banks as well as specialist providers and strong local players.

The Commission therefore concluded that the proposed merger **would not raise competition concerns** on any of the markets examined in the EEA and cleared the transaction unconditionally.

Companies and products

UBS and Credit Suisse, both headquartered in Switzerland, offer a range of banking and financial services. These include wealth management, asset management, investment banking services, retail and corporate banking services.

Merger control rules and procedures

The transaction was notified to the Commission on 26 April 2023. The notification followed the Commission's decision of 4 April 2023, which granted the parties a derogation from the standstill obligation on the basis of Article 7(3) of the EU Merger Regulation. The standstill obligation requires merging companies not to implement a merger until it has been cleared by the Commission.

Pending the Commission's review of the merger, in light of the financial difficulties faced by Credit Suisse and the consequent risk of financial instability, the parties requested a derogation from the standstill obligation in order to allow UBS to implement specific measures, including the closing of the transaction. The Commission found that in this specific case all conditions for granting a derogation were met and that the risk of systemic harm to third parties and to the banking sector outweighed any potential threat to competition resulting from an early closing of the transaction.

The Commission has the duty to assess mergers and acquisitions involving companies with a turnover above certain thresholds (see Article 1 of the Merger Regulation) and to prevent concentrations that would significantly impede effective competition in the EEA or any substantial part of it.

The vast majority of notified mergers do not pose competition problems and are cleared after a routine review. From the moment a transaction is notified, the Commission generally has a total of 25 working days to decide whether to grant approval (Phase I) or to start an in-depth investigation (Phase II).

A non-confidential version of today's decision will be available on the Commission's competition website, in the public case register under the case number M.11111.

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