



EUROPEAN COMMISSION

The Hearing Officer



FINAL REPORT OF THE HEARING OFFICER
IN CASE COMP/M.4403 – THALES/FINMECCANICA/AAS &
TELESPAZIO

**(pursuant to Articles 15 and 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 6 October 2006, the Commission received notification of a proposed concentration by which the undertakings Thales S.A. (*Thales*) and Finmeccanica Società per Azioni (*Finmeccanica*) acquire, within the meaning of Article 3.1 b) of Council Regulation (EEC) No 4064/89 (the “Merger Regulation”), joint control of the undertakings Alcatel Alenia Space SAS (*AAS*) and Telespazio Holding srl (*Telespazio*) by way of purchase of shares in two existing joint ventures to which additional assets are contributed.

After a preliminary examination of the notification, the Commission concluded that the notified transaction falls within the scope of the Merger Regulation and raised serious doubts as to its compatibility with the common market. It therefore decided, on 28 November 2006, to initiate proceedings under Article 6 (1) (c) of the Merger Regulation.

The parties had then access to the key documents of the file, in application of the Best Practices for merger case, through a non-confidential summary of the responses of third parties to the requests for information in first phase, which was provided to them on 7, 8 and 11 December 2006.

Following an in-depth market investigation, the Commission services considered that the serious doubts had been removed and that the proposed transaction would not significantly impede effective competition in the common market or a substantial part of it and that it hence should be declared compatible with the common market and the functioning of the EEA agreement. Accordingly, no Statement of Objections was sent to the parties.

No queries or submission have been made to me by the parties or any other third party. The case does not call for any particular comments as regards the right to be heard.

Brussels, 26 March 2007

(signed)
Serge DURANDE