

Disclaimer :

The Competition DG makes the information provided by the notifying parties in section 1.2 of Form CO available to the public in order to increase transparency. This information has been prepared by the notifying parties under their sole responsibility, and its content in no way prejudices the view the Commission may take of the planned operation. Nor can the Commission be held responsible for any incorrect or misleading information contained therein.

M.8636 - ABELLIO / MITSUI / EJR / WEST MIDLANDS PASSENGER RAIL FRANCHISE

SECTION 1.2

Description of the concentration

On 10 October 2017, the European Commission received the notification of a proposed concentration pursuant to Article 4 of Council Regulation (EC) No 139/2004 ("EUMR") by which West Midlands Trains Limited ("West Midlands") will acquire the West Midlands franchise from London & Birmingham Railway Limited (trading as London Midland) following the award of the franchise from the UK's Secretary of State for Transport. The transaction results in West Midlands acquiring control of the West Midlands franchise within the meaning of Article 3(1)(b) of the EUMR.

West Midlands is wholly owned by West Midlands Holdings Limited, a joint venture between Abellio Transport Group Limited ("Abellio"), which is ultimately owned by NV Nederlandse Spoorwegen ("NS Group"), and JREM Train Limited, which is owned by the East Japan Railway Company ("EJR"), Mitsui & Co., Ltd. ("Mitsui Tokyo") and Mitsui & Co. Europe Plc ("Mitsui Europe") (which in turn is wholly owned by Mitsui Tokyo) (together referred to as the "Mitsui Companies").

The West Midlands franchise covers passenger rail services across the West Midlands, as well as trains from London Euston to Crewe and from Liverpool to Birmingham. The contract is expected to start in December and last until March 2026.

Mitsui & Co., Ltd. (i.e. Mitsui Tokyo) is the ultimate parent company of the Mitsui Companies. It is a major Japanese trading house engaged in a number of worldwide commodity and other businesses, including the sale, distribution, purchase, marketing and supply of products in business areas such as: iron and steel; coal and non-ferrous metals; machinery; electronics; chemicals; energy-related commodities; logistics and investing in infrastructure projects. Mitsui Tokyo has global operations in 66 countries and in diverse markets.

Mitsui & Co. Europe Plc (i.e. Mitsui Europe) is a wholly owned subsidiary of Mitsui Tokyo and manages Mitsui Tokyo's overall business activities in Europe, the Middle East and Africa. Its principal activities include product sales, worldwide logistics and financing, development of major international infrastructure and other projects in the following fields: metals, machinery and infrastructure, chemicals, energy, lifestyle, innovation and corporate development.

Abellio Transport Group Limited (i.e. Abellio) is wholly owned by Abellio Transport

Holding B.V., the parent company of which is NS Group, which is a major rail operator in the Netherlands. Abellio is established to tender for and commercially operate a number of passenger railway concessions or franchise contracts mainly outside of the Netherlands, including in the UK and Germany.

East Japan Railway Company (i.e. EJR) is a major Japanese railway company with 30 years' of experience in the passenger rail industry in Japan. In addition to running and operating rail networks, EJR is also active in owning and running shopping centres, office buildings and hotels, among other business ventures in Japan.

West Midlands Holdings' wholly-owned subsidiary, West Midlands, is the train operating company established to operate the West Midlands Franchise in the UK for the Abellio / NS Group, the Mitsui Companies and EJR.