

***Case No COMP/M.1944 -  
HSBC / CCF***

Only the English text is available and authentic.

**REGULATION (EEC) No 4064/89  
MERGER PROCEDURE**

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Article 6(1)(b) NON-OPPOSITION  
Date: 30/05/2000

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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 30.05.2000

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EEC) No 4064/89 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 Where possible the information omitted has been replaced by ranges of figures or a general description.

PUBLIC VERSION

MERGER PROCEDURE  
ARTICLE 6(1)(b) DECISION

To the notifying party

Dear Sirs,

**Subject: Case No COMP/M.1944 – HSBC/CCF**

Notification of 25.04.2000 pursuant to Article 4 of Council Regulation No 4064/89

1. The operation consists of a public offer made on 1 April 2000 by the UK holding company, HSBC Holdings plc (“HSBC”), for all the shares of the French company, CCF S.A. (“CCF”). The offer is conditional upon HSBC becoming the owner of more than 50.01 % of the voting rights attached to the share capital of CCF at the time when the offer closes.
2. After examination of the notification, the Commission has concluded that the proposed operation falls within the scope of Council Regulation (EEC) No 4064/89 and does not raise serious doubts as to its compatibility with the common market and the functioning of the EEA Agreement.

**I. THE PARTIES AND THE OPERATION**

3. HSBC is a holding company for a leading banking and financial services organization, which has a global presence. It is active in several Member States, with the bulk of its income being generated in the UK, both in banking and insurance.
4. CCF is active in commercial banking and financial services, mainly in Europe. Most of its income in the Community is generated in banking in France, where it also has a relatively small presence in insurance.
5. HSBC, through the acquisition of a shareholding which would result in its having 50.01 % or more of the voting rights attached to the share capital of CCF (on which the operation is conditional), would acquire sole control over CCF.

## **II. CONCENTRATION OF A COMMUNITY DIMENSION**

6. The operation constitutes a concentration within the meaning of Article 3.1.b. of the Merger Regulation.
7. HSBC and CCF have a combined aggregate worldwide turnover in excess of €5,000 million (HSBC, €4,530 million; CCF, €2,401 million). Each of them has a Community-wide turnover in excess of €250 million (HSBC, €10,720 million; CCF, €2,139.9 million), and they do not achieve more than two-thirds of their respective aggregate Community-wide turnovers within one and the same Member State. The notified operation, therefore, has a Community-wide dimension.

## **III. COMPATIBILITY WITH THE COMMON MARKET**

8. The concentration concerns the banking and insurance sectors. In banking, both parties overlap in their activities in various banking markets in several Member States, but in no instance do their combined shares exceed a 10% of the corresponding markets (including those in the UK and France), and in some instances such shares fall below a 5%. In insurance, there is no overlap in activities as a result of the operation, as CCF's insurance activities are limited to France, where HSBC has no insurance activities.
9. Thus, given the level of the combined market shares in the various banking markets concerned, and given the lack of any overlap in any insurance market, the proposed operation will not lead to any affected market. In the circumstances, and in the absence of any other competition concerns arising from the proposed operation, it is considered that it will not lead to the creation or strengthening of a dominant position, in either of the sectors concerned, as a result of which effective competition would be significantly impeded in the common market or a substantial part thereof.

## **IV. CONCLUSION**

10. For the above reasons, the Commission has decided not to oppose the notified operation and to declare it compatible with the common market and the EEA Agreement. This decision is adopted in application of Article 6.1.b. of Council Regulation (EEC) No 4064/89.

For the Commission,  
Signed M. SCHREYER (Member of  
the Commission)