

*Case No IV/M.628 -  
Generale Bank / Crédit  
Lyonnais Bank  
Nederland*

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: 25/09/1995

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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 25.9.1995

PUBLIC VERSION

MERGER PROCEDURE  
ARTICLE 6(1)b DECISION

To the notifying parties

Dear Sirs,

**Subject :** Case No. IV/M.628 Generale Bank/Credit Lyonnais Nederland Bank  
Notification of 23 August 1995 pursuant to Article 4 of Council  
Regulation N° 4064/89

1. This notification concerns the acquisition of control in Credit Lyonnais Bank Nederland NV (CLBN) the Netherlands subsidiary of the Credit Lyonnais group, by Generale Bank NV (G-Bank), the Belgian commercial bank.
2. After examination of the notification the Commission has concluded that the proposed operation falls within the scope of Council Regulation No 4064/89 and does not give rise to serious doubts as to its compatibility with the common market and the EEA Agreement.

**I THE PARTIES**

3. G-Bank, a public company with limited liability incorporated under the laws of Belgium, is a commercial bank, with a large branch network, engaged in universal banking services.
4. CLBN, a public company with limited liability incorporated under the laws of the Netherlands, is a commercial bank, with a branch network in the Netherlands, providing banking services. CLBN forms part of the Credit Lyonnais group, whole ultimate parent is Credit Lyonnais SA (CLSA), France. The Credit Lyonnais group carries out all banking operations and related services in France and abroad, as well as making investments in undertakings.

## **II THE OPERATION**

5. G-Bank will purchase 94.3% of the ordinary share capital of CLBN, which equals 83.41% of the total share capital. In addition G-Bank will purchase the one priority share in the share capital of CL Pref NV (CL Pref), a Dutch investment company holding preference shares in CLBN. This priority share is currently owned by CLSA.

## **III CONCENTRATION**

6. On the basis of the operation described above G-Bank will acquire control over CLBN and, therefore, is a concentration within the meaning Article 3 of the Merger Regulation.

## **IV COMMUNITY DIMENSION**

7. The concentration has a Community dimension within the meaning of Article 1 of the Merger Regulation. The combined aggregate worldwide turnover of the parties, calculated in accordance with Article 5(3), exceeds ECU 5,000 million (G-Bank ECU 10,349 million, CLBN ECU 1,289 million); in addition, the aggregate Community-wide turnover of both parties exceeds ECU 250 million (G-Bank ECU 9,836 million, CLBN ECU 1,018 million). Moreover, the parties do not achieve more than two-thirds of their Community-wide turnover within one and the same Member State.

## **V COMPATIBILITY WITH THE COMMON MARKET**

### Relevant product market

8. The operation has an impact in the following banking sectors: retail banking, corporate banking and merchant banking. For the purposes of the present case, it is not necessary to provide a definitive conclusion on the relevant product markets, since a dominant position would not be created or reinforced even on the narrowest product market definition.

### Relevant geographic market

9. It is considered that certain services such as retail banking<sup>1</sup> and, to a certain extent, investment banking<sup>2</sup> are limited to national or regional boundaries. More generally, financial markets are in principle international in scope. Nevertheless, many services are often provided through national outlets to local clients. For the purposes of the present case, however, it is not necessary to provide a definitive conclusion on the relevant geographic market since, on the basis of the assessment

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<sup>1</sup> IV/M.391 - BAI/Banca Popolare di Lecco

<sup>2</sup> IV/M.319 - BHF/CCF/Charterhouse.

set out below, a dominant position would not be created or reinforced even on the narrowest geographic market definition.

#### Assessment

10. With regard to retail banking CLBN's activities are essentially limited to the Netherlands. Its market share for the various services provided does not exceed 10% for any particular service (and in most respects is substantially less than 5%). Since G-Bank's total assets in the Dutch market are only a fraction of those of CLBN their combined market share remains at virtually the same.
11. CLBN's activities in corporate banking are also confined to the Netherlands. Here again its market share for the various services provided does not exceed 10% for any particular service, and again the combined market share of the parties remains virtually the same.
12. With regard to merchant banking CLBN's activities are focused on Dutch clients and Dutch markets, with market shares again well below 10%. G-Bank does not have any activities on the Dutch market. On the Belgian market G-Bank's market share for financial instruments in general is below 15%. On any broader geographic market therefore the combined market share of the parties is negligible.
13. In view of the market shares resulting from the concentration and the structure of the various markets concerned, the operation will not create or strengthen a dominant position such as to impede effective competition within the common market.

## **VI CONCLUSION**

14. Based on the above findings, the proposed transaction does not raise serious doubts as to its compatibility with the common market.

For the above reasons, the Commission has decided not to oppose the notified operation and to declare it compatible with the common market and with the functioning of the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of Council Regulation No 4064/89.

For the Commission,