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***Case No COMP/M.7391 - HUAYU AUTOMOTIVE SYSTEMS/  
KSPG/ KS ALUTECH JV***

Only the English text is available and authentic.

**REGULATION (EC) No 139/2004  
MERGER PROCEDURE**

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Article 6(1)(b) NON-OPPOSITION

Date: 23/09/2014

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EUROPEAN COMMISSION

Brussels, 23.9.2014  
C(2014) 6942 final

PUBLIC VERSION

SIMPLIFIED MERGER  
PROCEDURE

**To the notifying parties:**

Dear Madam(s) and/or Sir(s),

**Subject: Case M.7391 – HUAYU AUTOMOTIVE SYSTEMS/ KSPG/ KS ALUTECH  
JV  
Commission decision pursuant to Article 6(1)(b) of Council Regulation (EC) No  
139/2004<sup>1</sup>**

1. On 29.08.2014, the European Commission received notification of a proposed concentration pursuant to Article 4 of the Merger Regulation by which HUAYU Automotive Systems Co., Ltd., ("HASCO", People's Republic of China), controlled by Shanghai Automotive Industry Corporation (Group) ("SAIC Group", People's Republic of China), and KSPG AG, ("KSPG", Germany), ultimately controlled by Rheinmetall AG ("Rheinmetall", Germany), acquire within the meaning of Article 3(1)(b) of the Merger Regulation joint control of the automotive casting activities of KSPG by way of purchase of shares.
2. The business activities of the undertakings concerned are:
  - For SAIC Group: an automotive holding company whose controlled operations cover the entire automotive industry value chain including the development, manufacturing, sales and logistics of vehicles (passenger cars and commercial cars) and components (engines, gearboxes, powertrains, chassis, interior and exterior and

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<sup>1</sup> OJ L 24, 29.1.2004, p. 1 ("the Merger Regulation"). With effect from 1 December 2009, the Treaty on the Functioning of the European Union ("TFEU") has introduced certain changes, such as the replacement of "Community" by "Union" and "common market" by "internal market". The terminology of the TFEU will be used throughout this decision.

electronic components). Additionally, SAIC Group offers vehicle related trade and finance services;

- For Rheinmetall: active in the industry sectors for automotive components and defence equipment;
  - For KSPG: global first-tier supplier to the automotive industry with a special focus on the product and component segments air supply, emission control and pumps, pistons, engine blocks and plain bearings.<sup>2</sup>
3. After examination of the notification, the European Commission has concluded that the notified operation falls within the scope of the Merger Regulation and of paragraph 6 of the Commission Notice on a simplified procedure for treatment of certain concentrations under Council Regulation (EC) No 139/2004<sup>3</sup>.
  4. For the reasons set out in the Notice on a simplified procedure, the European Commission has decided not to oppose the notified operation and to declare it compatible with the internal market and with the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of the Merger Regulation.

*For the Commission*  
*(Signed)*  
*Alexander ITALIANER*  
*Director General*

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<sup>2</sup> Publication in the Official Journal of the European Union No C 302, 06.09.2014, p. 5.

<sup>3</sup> OJ C 366, 14.12.2013, p. 5.