



EUROPEAN COMMISSION
DG Competition

***Case M.8227 - RHEINMETALL / ZHEJAN YINLUN
MACHINERY / JV***

Only the English text is available and authentic.

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

Article 6(1)(b) NON-OPPOSITION
Date: 04/01/2017

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EUROPEAN COMMISSION

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PUBLIC VERSION

To the notifying parties

Subject: Case M.8227 - RHEINMETALL / ZHEJAN YINLUN MACHINERY / JV Commission decision pursuant to Article 6(1)(b) of Council Regulation (EC) No 139/2004¹ and Article 57 of the Agreement on the European Economic Area²

Dear Sir or Madam,

1. On 5th December 2016, the European Commission received notification of a proposed concentration pursuant to Article 4 and following a referral pursuant to Article 4(5) of the Merger Regulation by which the undertakings Rheinmetall AG ('Rheinmetall', Germany) and Zhejan Yinlun Machinery Co., Ltd ('Yinlun', China), acquire within the meaning of Article 3(1)(b) of the Merger Regulation joint control of the whole of the undertaking Pierburg Yinlun Emission Technology Co., Ltd ('the JV', China) by way of purchase of shares in a newly created company constituting a joint venture.³
2. The business activities of the undertakings concerned are:
 - Rheinmetall is active in the manufacturing and supply of defence equipment and automotive components such as exhaust gas recirculation ('EGR') valves and modules,
 - Yinlun is active in the manufacturing and supply of automotive components such as EGR coolers primarily in China,
 - the JV will be active in the design, production and sale of EGR modules for diesel engines in passenger and light commercial vehicles to Original Equipment Manufacturers and Suppliers in Greater China.

¹ 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.

² OJ L 1, 3.1.1994, p. 3 (the 'EEA Agreement').

³ Publication in the Official Journal of the European Union No C 466, 14.12.2016, p. 21.

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 5(a) of the Commission Notice on a simplified procedure for treatment of certain concentrations under Council Regulation (EC) No 139/2004.⁴
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 and Article 57 of the EEA Agreement.

For the Commission

(Signed)

Johannes LAITENBERGER
Director-General

⁴ OJ C 366, 14.12.2013, p. 5.