

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. 9892 - LEONARDO / THALES / VSB

SECTION 1.2

Description of the concentration

1. The Proposed Concentration consists in the allocation of a going concern of Vitrociset S.p.A. (“Vitrociset”, a company wholly-owned by Leonardo S.p.A., “Leonardo”) active in the space ground segment (the Vitrociset Space Business, “VSB”) to Telespazio S.p.A. (“Telespazio”), a full function joint venture jointly controlled by Leonardo itself (67%) and Thales S.A. (“Thales”, 33%) active in the same sector. More specifically, the Proposed Concentration will be implemented by way of a partial demerger of Vitrociset and subsequent allocation of VSB to Telespazio.
2. Leonardo is an Italian diversified engineering group, listed on the Italian Stock Exchange in Milan, and it is one of the leading companies active at a world-wide level in aerospace, defense and security, energy, communications, transportation, and automation services. For more information, see: <https://www.leonardocompany.com/en/home>.
3. Thales is an international group registered in France and listed on the Euronext Stock Exchange in Paris. Thales is active globally in five main areas: (i) aerospace; (ii) space; (iii) ground transportation; (iv) defense and security; and (v) digital identity and security. For more information, see: <https://www.thalesgroup.com/en>.
4. VSB is a part of Vitrociset including a going concern of Vitrociset itself and two wholly owned companies, Vitrociset Belgium and Vitrociset France. VSB’s activities focus on technical and engineering services, manufacturing, integration, operational management, maintenance, and logistics of the space ground segment. For more information, see: <http://www.vitrociset.it/>.
5. The Proposed Concentration is conceived and construed according to (i) Leonardo’s firm commitment to strategically combine VSB’ activities in the space ground segment with its leading subsidiary active in the space satellite business, i.e., Telespazio; and (ii) the Space Alliance Agreement (“SAA”), which regulates the relation between Leonardo and Thales with respect to their activities in the space sector. By acquiring Vitrociset in 2018, Leonardo also acquired its business activities in the space ground segment (i.e., VSB), a sector in which also Telespazio is active. Subsequently, Leonardo – in addition to the strategic rationale linked to the combination of its assets active in the same line of business - is under the obligation to offer VSB to Telespazio pursuant to the provision of the SAA, due to the fact that VSB’s activities are relevant for the purpose of Telespazio’s business (by marginally complementing the range of services which the latter can offer).