



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

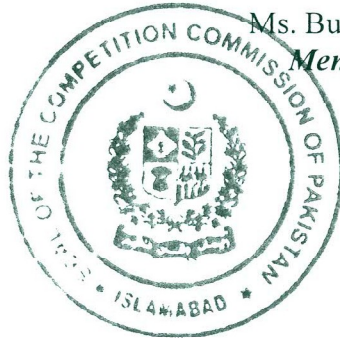
IN THE MATTER OF ACQUISITION OF 100% SHAREHOLDING IN M/S. GE
CAPITAL AVIATION SERVICES LIMITED BY M/S. AERCAP HOLDINGS N.V.
FROM M/S. GENERAL ELECTRIC COMPANY AND JOINT CONTROL OVER
M/S. SHANNON ENGINE SUPPORT LIMITED.

CASE: 1190/Merger-CCP/2021

Commission

Ms. Shaista Bano 
Member

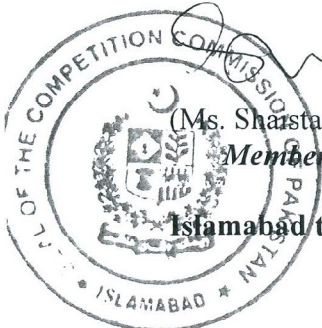
Ms. Bushra Naz 
Member



ORDER

1. On July 12, 2021 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") of a proposed acquisition pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") whereby M/s. AerCap Holdings N.V. ("**Acquirer**" or "**Applicant**") intends to acquire % shareholding in M/s. GE Capital Aviation Services Limited ("**Target**") from M/s. General Electric Company ("**GE**" or "**Seller**") and joint control together with M/s. Safran Aircraft Engines ("**Safran**") over M/s. Shannon Engine Support Limited ("**SES**" or "**Target 2**") currently jointly controlled by GE and Safran, pursuant to a Transaction Agreement.
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and made its observations on the basis of an independent research/investigation in the relevant market. The Phase I competition assessment of the intended transaction has resulted in the following findings:
 - i. The business activities of the undertakings concerned are:
 - a. For the Acquirer: Aircraft leasing company.
 - b. For the Target: Commercial aviation financing and leasing company.
 - c. For the Target 2: Provides spare engine lease solutions globally.
 - d. For the Seller: A high-tech industrial company that operates worldwide through its four industrial segments, Power, Renewable Energy, Aviation and Healthcare, and its financial services segment, Capital.
 - ii. The proposed transaction involves the Acquirer purchasing % shareholding in the Target from the Seller. In addition, the Acquirer will also acquire joint control over SES, which is currently jointly controlled by the Seller. The total consideration is valued at US\$ (equivalent to PKR as at 29/06/21).
 - iii. The relevant product market identified in this case is that of "**Dry-Leasing of Commercial Aircrafts**" and "**Leasing of Aircraft Engines**" having a geographic market identified as of "**Worldwide**". Based on the data provided in the application, post-transaction the Acquirer in the Narrow-Body Jets segment will have a combined share of % . In the Wide-Body Jets segment, the Acquirer will have a combined share of % while the Acquirer will have a combined share of % in the Regional segment on a global level. Overall, the Acquirer will have a combined share of % regarding all aircrafts. In the Engine leasing market, Acquirer will have % market share.
3. In conclusion, the intended transaction, does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Act. The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.

4. It is so ordered.



(Ms. Sharista Bano)
Member

Islamabad the August 23rd, 2021.

(Ms. Bushra Naz)
Member