Competition Commission SINGAPORE

Section 57 of the Competition Act (Cap. 50B)

Grounds of Decision issued by the Competition Commission of Singapore

In relation to the notification for decision of the proposed acquisition by Fincantieri-Cantieri Navali S.p.A of STX OSV Holdings Limited pursuant to section 57 of the Competition Act

28 February 2013

Case number: CCS 400/001/13

Confidential information in the original version of this Decision has been redacted from the published version on the public register. Redacted confidential information in the text of the published version of the Decision is denoted by [✂]

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I. Introduction

The Notification

1. On 16 January 2013, Fincantieri-Cantieri Navali S.p.A ("Fincantieri") and STX OSV Holdings Limited ("STX OSV") (collectively, the "Parties") filed a joint notification pursuant to section 57 of the Competition Act (the "Act"), applying for a decision by the Competition Commission of Singapore ("CCS") as to whether the acquisition by Fincantieri of sole control of STX OSV (the "Transaction"), will infringe the section 54 prohibition of the Act, if carried into effect. As the Transaction is an acquisition of sole control, it constitutes a merger pursuant to section 54(2)(b) of the Act.[1]

2. Subsequent to the submission of further information by the Parties on 29 January 2013, CCS consulted customers who purchase ships from shipbuilders and competitors (including shipbuilders of various types of ships) to seek their views on the likely impact of the Transaction on the relevant markets in Singapore.[2]

3. The Transaction is a global acquisition and has been notified in Turkey.[3] In Romania, the Transaction was notified to the Supreme Council of National Defence. This notification is not a merger control proceeding, but is solely for national security scrutiny due to local legislation.

4. At the end of the consultation process and after evaluating all the evidence, CCS has concluded that the Transaction, if carried into effect, will not infringe section 54 of the Competition Act.

II. The Parties

Fincantieri

5. Fincantieri is an Italian company, which has diversified shipbuilding activities worldwide. It builds commercial and naval ships and operates eight shipyards in Italy and three in the United States of America ("USA"). Fincantieri is active in the design and construction of merchant ships, mega yachts and non-nuclear vessels (including aircraft carriers, frigates, and submarines), as well as the mechanical components of ships and vessels (e.g. pitch propellers, steering gears,

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[1] Section 54(2)(b) provides that a merger occurs if one or more persons or other undertakings acquire direct or indirect control of the whole or part of one or more other undertakings.

[2] In relation to cruise ships, CCS contacted three competitors and seven customers. Three responses were received, one from a competitor and two from customers. In relation to offshore vessels, CCS contacted 15 competitors and one customer. Responses were received from one competitor and one customer. In relation to Liquefied Petroleum Gas ("LPG") vessels, CCS contacted two competitors and five customers and one customer responded.

[3] Response from Parties dated 7 March 2013

and turbines). In addition, it provides repair/maintenance and refitting services. There are no registered entities controlled by Fincantieri in Singapore.[4]

6. The Parties submitted that for the financial year ending 31 December 2011, the global turnover for Fincantieri was €2,382 million (approximately S$3,950 million) and the Singapore turnover was [✂].[5]

STX OSV

7. STX OSV is a global shipbuilder constructing offshore/specialised vessels used in offshore oil and gas exploration and production. It operates ten shipyards – five in Norway, two in Romania, one in Vietnam and two in Brazil, of which one is currently under construction.

8. Although STX OSV is listed on the Singapore Stock Exchange, it has no physical presence in Singapore. It is a holding company and owns a number of subsidiaries that build ships and non-ship components. One of its subsidiaries[6] is STX OSV Singapore Pte Ltd[7], which operates as an Asian regional representative office for STX OSV's shipyard located in Vietnam. It is staffed by seven employees, who deal in accounts and sales.[8]

9. Pre-acquisition, the shareholding structure of STX OSV is as follows:

   (i) STX Europe AS with 50.75%;
   (ii) Och-Ziff Capital Management Group with 11.49%; and
   (iii) The remaining 37.76% of the issued share capital was floating.[9]

10. STX Europe AS is, ultimately, owned by STX Corporation Co. Ltd ("STX Corporation"), which is a South Korean holding company.[10]

11. The Parties submitted that for the financial year ending 31 December 2011, the global turnover for STX OSV, was NOK 12,401 million (S$2,813 million) and the Singapore turnover was [✂][11]

III. The Transaction

12. The notified Transaction is the acquisition of control of STX OSV by Fincantieri, through its wholly-owned subsidiary Fincantieri Oil & Gas S.p.A. ("Fincantieri

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[4] Paragraph 10.1, Form M1
[5] Paragraph 13.1 and 13.3, Form M1
[6] Annex 10, p. 56-57, Form M1
[7] Paragraph 10.13, Form M1
[8] Teleconference with STX OSV, 23 January 2013
[9] Paragraph 7.4, Form M1
[10] Paragraph 3.1.2, Parties' response to CCS' RFI dated 21 January 2013
[11] Paragraph 13.2 and 13.5, Form M1

Oil & Gas"). On 23 January 2013, Fincantieri Oil & Gas acquired 50.75% of STX OSV's issued share capital from STX Europe AS. In accordance with Rule 14 of the Singapore Code on Take-overs and Mergers, Fincantieri Oil & Gas is required to make an offer for all outstanding shares of STX OSV, other than those already owned, controlled or agreed to be acquired by Fincantieri Oil & Gas.[12] A Mandatory Unconditional Cash Offer Announcement was issued on 23 January 2013.[13]

13. STX Europe AS' involvement in the Transaction is merely that of a vendor of shares in STX OSV. It was formerly known as Aker Yards ASA, and its main business activities are in building cruise ships, other merchant vessels like ferries and arctic vessels, and naval vessels.[14]

14. Fincantieri intends to diversify its shipbuilding portfolio by using this acquisition to expand into building offshore/specialised vessels for the oil and gas sector. The Transaction is intended to strengthen Fincantieri's geographical footprint and network specialisation, as well as develop its long-term competitiveness.[15] According to the Mandatory Unconditional Cash Offer Announcement, post-acquisition, Fincantieri intends to continue with its current business operations, with no redeployment of STX OSV's fixed assets, and with all existing employees. The business will have a new trade name, as "STX" is a brand belonging to the STX Group of companies.[16]

IV. Competition Issues

15. The Parties submitted that there is a horizontal overlap generally in the market for commercial shipbuilding, ship repair and ship conversion.[17] The Parties stated that they were active in constructing the following types of commercial ships:[18]

    (i) Cruise ships;
    (ii) Offshore vessels; and
    (iii) Liquefied Petroleum Gas ("LPG") vessels.

16. The Parties also stated that there are no horizontal overlaps within these narrower segments of commercial shipbuilding.[19]

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[12] Paragraph 11.1 to 11.3, Form M1
[13] Annex 1, Paragraph 1.3, Parties' response to CCS' RFI dated 21 January 2013
[14] Paragraph 5.3, Parties' response to CCS' RFI dated 21 January 2013
[15] Mandatory Unconditional Cash Offer Announcement dated 23 January, 2013, Section 6.1.
[16] Paragraph 1.2, Parties' response to CCS' RFI dated 21 January 2013 and Section 6.2 of the Mandatory Unconditional Cash Offer Announcement dated 23 January, 2013.
[17] Paragraph 18.1, Form M1
[18] Paragraph 15.2, Form M1
[19] Paragraph 18.1, Form M1

17. CCS notes that commercial shipbuilding can involve other types and categories of ships. In assessing the competition issues from this proposed merger, CCS sought to clarify the areas of actual and potential overlap between the Parties in the different types of commercial ships.

18. CCS also investigated the extent to which the Parties were active in ship repair and ship conversion services.

Cruise ships

19. The Parties submitted that there is no overlap in the building of cruise ships. Fincantieri mainly builds cruise ships and at the end of December 2011 it had eight cruise ship orders.[20] STX OSV is not active in building cruise ships, as its current facilities focus on building offshore vessels and it has not developed the track record or experience or customer/supplier relationships to expand into building cruise ships.[21]

20. STX Europe AS, the vendor in this Transaction, is active in building cruise ships in Finland, through STX Finland Oy, and in France, through STX France SA.

Offshore vessels

21. STX OSV's main shipbuilding activities are in building offshore/specialised vessels for the oil and gas sector, namely:

    (i) **Anchor-Handling Tug Supply Vessels ("AHTSV")** - AHTSVs are used to pull other rigs and lift anchors. AHTSVs usually include cranes and other forms of tugging equipment. They are typically measured by pulling capacity or horsepower.[22]

    (ii) **Platform Supply Vessels ("PSV")** - PSVs are designed for the transportation of supplies (either liquid or solid) to and from offshore installations, and could include chemicals and associated equipment. Their size is measured by the capacity of supplies they are capable of carrying, namely, deadweight tonnage.[23]

    (iii) **Offshore Subsea Construction Vessels ("OSCV")** - OSCVs are used both to transport supplies, as well as perform subsea operations and maintenance. It is the most specialised type of offshore vessel and tends to be larger in size.[24]

[20] Fincantieri Annual Report 2011
[21] Paragraph 19.1, Parties' response to CCS' RFI dated 21 January 2013
[22] Teleconference with STX OSV, 23 January 2013
[23] Teleconference with STX OSV, 23 January 2013
[24] Para 18.3, Form M1

22. Since 2011, Fincantieri has not been active in building offshore vessels.[25] Fincantieri highlighted that it used to build a limited number of offshore vessels, specifically research/oceanographic vessels and some AHTSVs and PSVs, mainly for use in the USA.[26] However, since the first quarter of 2011, it has not received any orders related to offshore vessels.[27] [✂][28]

LPG vessels

23. The Parties submitted that there is no overlap in the supply of LPG vessels. Fincantieri does not build LPG vessels. STX OSV currently has an order with [✂], to build a series of eight small to medium sized LPG tankers in Brazil.[29] STX OSV stated that the building of LPG vessels is outside their core business and the main reason for taking on the contract was to kick-start the new shipyard in Brazil before it focuses on building offshore vessels.[30]

Ship repairs and ship conversion

24. There is no overlap in the provision of ship conversion services, which involves changing the configurations of a ship.[31] STX OSV is not engaged in the ship conversion business, whereas Fincantieri carries out ship conversions mainly for cruise ships (e.g. reconfigured layout, addition of partial deck, addition of cabins etc) and such services are not carried out in Singapore or Asia.[32]

25. There is a minor overlap in ship repair activities. STX OSV only carries out repair services on an occasional basis and revenues arising from ship repairs are very minor (less than one per cent of total revenues).[33] Fincantieri does not conduct any ship repair activities in Singapore or Asia but provides such services in Europe.[34] Fincantieri repairs on average, [✂] ships a year[35] and in 2011 its worldwide revenue from ship repairs and conversion worldwide was estimated to be [✂].[36]

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[25] Paragraph 15.4, Form M1
[26] Ibid and Annex 8, Form M1.
[27] Teleconference with Fincantieri, 25 January 2013
[28] Paragraph 17.1, Parties' response to CCS' RFI dated 21 January 2013
[29] Teleconference with STX OSV, 23 January 2013
[30] Teleconference with STX OSV, 23 January 2013
[31] Teleconference with Fincantieri, 25 January 2013
[32] Paragraph 40.1 and 40.2, Parties' response to CCS' RFI dated 21 January 2013
[33] Paragraph 43.2, Parties' response to CCS' RFI dated 21 January 2013
[34] Paragraph 44.4, Parties' response to CCS' RFI dated 21 January 2013
[35] Using values provided in table provided in responses to CCS letter dated 21st Jan 2013, Para 42.3
[36] Paragraph 43.3, Parties' response to CCS' RFI dated 21 January 2013
Conversion to Singapore dollar according to Citibank N.A. rates of 1 Euro=1.67 SGD

V. Relevant Market

Product Market

Shipbuilding

26. The Parties are of the view that the commercial shipbuilding market is a single relevant market encompassing several segments of vessels. The Parties believe that there is a high degree of supply-side substitutability for commercial shipbuilding as a whole.[37] Shipbuilders typically build different types of vessels, since their production facilities are adaptable.[38] The Parties are also of the view that once a shipbuilder owns the technology and the necessary know-how to build a specific type of ship, and its yard has no physical limitations, it can easily adjust production according to global market needs.[39]

27. With regard to the different types of offshore vessels, namely AHTVS, PSV and OSCV, STX OSV stated that the core capabilities required to build them are the same.[40] All offshore vessels require the building of a hull but with different technical equipment installed.

28. The Parties are of the view that demand-side substitution does not feature significantly in the commercial shipbuilding market. Customers are not likely to demand a range of commercial vessels, or switch between types of vessels which may have different usage. For example, a cruise operator is not likely to demand offshore/specialised vessels.[41]

Ship Repairs and Conversion services

29. The Parties submitted that ship repair and ship conversion services are not separate markets, based on CCS' Decision involving the acquisition of Labroy Marine/Dubai Drydocks World.[42]

30. The Parties stated that shipyards are generally equipped to handle ship repair and ship conversion activities.[43] Hence, it would be easy for shipyards to enter into these activities within a short period of time.

CCS's Assessment

31. CCS' investigation shows that shipyards are generally equipped to build ships of a certain size. For example, a competitor in Europe stated that it could easily

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[37] Paragraph 19.11, Form M1; Paragraph 10.2, Parties' response to CCS' RFI dated 21 January 2013
[38] Paragraph 14.1, Parties' response to CCS' RFI dated 21 January 2013
[39] Paragraph 19.8.3, Form M1
[40] Teleconference with STX OSV, 23 January 2013
[41] Paragraph 26.1, Parties' response to CCS' RFI dated 21 January 2013
[42] Paragraph 19.25, Form M1
[43] Paragraph 19.13, Form M1

switch its production facilities to other types and sizes of vessels up to approximately 200,000 Gross Tonnage (GT).[44] STX OSV said that it is theoretically able to build all types of vessels up to a size of approximately 200 metres (in length) and 30 metres (in width).[45]

32. Not all shipyards have the specialised knowledge required to build all the different types of commercial vessels. For example, [✂] does not build cruise ships because it requires special skills and craftsmen.[46] Additionally, cruise ships are very large and [✂] facilities are not large enough to accommodate the building of such ships.[47]

33. It is also noted that in the acquisition of Aker Yards by STX, the European Commission ("EC") found that it was appropriate to distinguish various types of ships such as cruise ships from commercial shipbuilding.[48]

34. CCS considered if there would be competition concerns if alternative narrower market definitions based on size and/or type of vessel were used. CCS found that competition concerns would not arise regardless of how the market was defined. As such, CCS considers that a precise market definition is not necessary in this case. This is the same approach taken by CCS in the Labroy Marine Limited/Dubai Drydocks World merger.[49]

35. CCS also examined whether ship repair and ship conversion could be considered a separate market from shipbuilding. CCS found that while all shipyards could carry out ship repair and conversion, some specialise in ship repairs and conversion. For example, Singapore [✂] ship repair companies, namely Keppel Shipyard Ltd and Sembawang Shipyard Pte Ltd.[50]

36. CCS found that no competition concerns arise regardless of whether ship repair and ship conversion are considered separately or as part of a wider market. As such, CCS considers that a precise market definition is not necessary in this case.[51]

Geographic Market

37. The Parties submitted that the relevant geographic market is global, as customers of shipbuilding, repair and conversion services are able to procure these services from any shipyard in the world.[52] However, the Parties recognise that for ship

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[44] Response by [✂] to CCS' questions dated 24 January 2013
[45] Paragraph 12.2, Parties' response to CCS' RFI dated 21 January 2013
[46] Meeting with [✂] dated 7 February 2013
[47] Meeting with [✂] dated 7 February 2013
[48] Case No. COMP/M.4956-STX/Aker Yards, Paragraph 16
[49] Case No. CCS 400/008/07-Labroy Marine Limited/Dubai Drydocks World LLC, Paragraph 11
[50] Association of Singapore Marine Industries website, Meeting with [✂] dated 7 February 2013 and Paragraph 45.4, Parties' response to CCS' RFI dated 21st January, 2013
[51] Case No. CCS 400/008/07-Labroy Marine Limited/Dubai Drydocks World LLC, Paragraph 11
[52] Paragraph 19.19 to 19.22, Form M1

repair and conversion, customers tend to turn to shipyards closer to where the vessels operate. This is to speed up the process so as to reduce the opportunity costs of terminating operations for any repair or conversion.[53]

38. In relation to commercial shipbuilding and ship conversion, CCS' investigations indicate the relevant geographic market is likely to be wider than Singapore and possibly global. For shipbuilding, [✂] stated that its customers are based in Europe and America and it competes with global competitors.[54] [✂] said that all of its competitors operate on a global level[55] and [✂] approaches a number of yards globally for quotations when it considers building new vessels.[56] For ship conversions, [✂] said that it was a global market and customers would seek out global shipyards with a strong track record because it was a high cost service.[57] For example, [✂] carries out ship conversions for the oil and gas sector in West Africa and Brazil.

39. In relation to ship repair, CCS found that the relevant geographic market could be Singapore, or regional. A competitor based in Asia highlighted that because it is costly for a ship to be out of service and to travel long distances, ship repair would be conducted in shipyards closest to where the ship is located.[58] Therefore Singapore is most likely to serve those ships travelling to/from Singapore.[59] Further, Fincantieri, which has shipyards in Italy, only provides ship repair services in the Mediterranean area.[60] STX OSV also commented that, typically the client would use a yard in the vicinity of where the vessel is.[61]

40. CCS found that no competition concerns arise when looking at a narrower geographic definition (e.g. Singapore market) for commercial shipbuilding, ship repair and ship conversion and, thus, the precise geographic definition can be left open. Again, this is the same approach taken by CCS in the Labroy Marine Limited/Dubai Drydocks World merger.[62]

VI. Competition Assessment

41. In the worldwide market for commercial shipbuilding, ship repair and ship conversion, pre-acquisition, there was very limited overlap between the Parties. Any previous overlap would have been in the building of offshore vessels. However, Fincantieri no longer builds offshore vessels. It focuses on cruise ships and its main competitors are STX Europe, Meyer Werft and Mitsubishi Heavy

[53] Teleconference with Fincantieri, 25 January 2013
[54] Meeting with [✂] dated 7 February, 2013.
[55] Response by [✂] to CCS' questions dated 24 January 2013
[56] Response by [✂]to CCS' questions dated 25 January 2013
[57] Meeting with [✂] dated 7 February 2013
[58] Ibid
[59] Ibid
[60] Teleconference with Fincantieri, 25 January 2013
[61] Teleconference with STX OSV, 23 January 2013
[62] Case No. CCS 400/008/07-Labroy Marine Limited/Dubai Drydocks World LLC, Paragraph 11

Industries Ltd, which recently won an order for two cruise ships for the Carnival Corporation & plc.[63] [✂] stated that these same companies had significant market shares.[64] CCS also notes that in the STX/Aker Yards merger, the EC stated that cruise ship building was highly concentrated and was dominated by three large and experienced players: Fincantieri, Aker Yards (now STX Europe) and Meyer Werft.[65]

42. Further, CCS found that STX OSV specialises in offshore vessels for the oil and gas sector and considers its closest competitors to be Norwegian shipbuilding companies, Kleven Maritime AS, Ulstein Group ASA ("Ulstein"), Havyard Group AS and Dutch company, IHC Merwede B.V.[66] [✂], which also produces offshore vessels for the oil and gas sector said that [✂] and [✂] were its competitors and that it did not really compete with [✂].[67]

43. [✂][68] Fincantieri's 2011 sales in Singapore relate to [✂][69] STX OSV, has made some sales from January 2003 to December 2012 but none between 2009 and 2011.[70]

44. Post-merger, based on sales from 2009 to 2011, in the worldwide market for commercial shipbuilding, ship repair and ship conversion, the merged entity would have an estimated market share of [✂] by value. On a narrower level, based on sales from 2009 to 2011, the merged entity would have an estimated market share of less than 10% in the supply of offshore vessels, whether measured by volume or value (See Annex A).

45. CCS is of the view that given the low worldwide market shares, the limited product overlap between the Parties pre-acquisition, and the fact that there have been very minor sales in Singapore over the past ten years, the proposed merger is unlikely to have a significant impact on competition in any Singapore market related to commercial shipbuilding, ship repair and ship conversion services. Further, none of the industry participants contacted raised any concerns with the merger and those that responded stated that the merger would not have a significant impact either in Singapore or worldwide.[71]

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[63] Annex 5, Form M1 and Fincantieri Annual Report 2011
[64] Response by [✂] to CCS' questions dated 24 January 2013
[65] Case No. COMP/M.4956-STX/Aker Yards, Paragraph 38
[66] Teleconference with STX OSV, 23 January 2013
[67] Meeting with [✂] dated 7 February 2013
[68] Paragraph 13.1, Parties' response to CCS' RFI dated 21 January 2013
[69] Paragraph 10.3, Form M1
[70] Paragraph 13.2, Parties' response to CCS' RFI dated 21 January 2013
[71] [✂]

VII. Ancillary Restriction

46. The Parties have also notified the ancillary restrictions entered into pursuant to the Transaction.[72] The restrictions are outlined in the Share Purchase Agreement ("SPA"), entered into between the Parties. [✂]

47. The SPA states that [✂][73, 74, 75, 76, 77, 78, 79, 80].

48. The Parties submit that the SPA restrictions are directly related to the Transaction, but ancillary to the subject of the Transaction. The restrictions are also necessary for the implementation of the Transaction in order to allow Fincantieri to benefit fully from the goodwill that is acquired as part of the Transaction.[81]

49. The Parties also stated that the [✂] is not overly restrictive as [✂] Further, the duration of [✂] is the minimum duration required to protect the value of the business and assets acquired by Fincantieri, in view of the market structure and nature of the business involved.[82]

CCS' assessment

50. CCS is of the view that for the [✂] is a reasonable amount of time for Fincantieri to establish a reputation with STX OSV's customers separate and apart from that currently held by STX OSV, given the lengthy delivery time for orders in the commercial shipbuilding industry. For instance, STX OSV said that it takes an average of three to six months to confirm an order for a vessel and it takes between 13 – 24 months to construct and deliver the vessel.[83]

51. The [✂] is limited to [✂][84, 85, 86, 87].

52. The [✂] also only applies to [✂].

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[72] Paragraph 43, Form M1
[73] [✂]
[74] [✂]
[75] [✂]
[76] [✂]
[77] [✂]
[78] [✂]
[79] [✂]
[80] [✂]
[81] Paragraph 43.2, Form M1
[82] Paragraph 43.3, Form M1
[83] Teleconference with STX OSV, 23 January 2013
[84] [✂]
[85] Annex 8, Form M1
[86] Figures from Annex 8, Form M1[✂]
[87] Figures from Annex 8, Form M1 [✂]

53. CCS notes that the [✂] Thus the impact on competition is likely to be limited and the restriction is reasonable to allow Fincantieri to benefit fully from the goodwill in STV OSX that is acquired as part of the Transaction.

54. CCS concludes that the SPA restrictions constitute an ancillary restriction and consequently fall within the exclusion under paragraph 10 of the Third Schedule.

VIII. Conclusion

55. For the reasons above and based on the information available, CCS assesses that the Transaction, if carried into effect, would not give rise to a substantial lessening of competition in any market in Singapore, and accordingly would not infringe the section 54 prohibition.

Yena Lim
Chief Executive
Competition Commission of Singapore

ANNEX A

Table 1: Overall commercial shipbuilding worldwide market shares, by value from 2009 to 2011[88]

Company	2009		2010		2011	
	Value in (US$ mil)	Market Share (%)	Value in (US$ mil)	Market Share (%)	Value in (US$ mil)	Market Share (%)
Fincantieri	[✂]	0-10	[✂]	0-10	[✂]	0-10
STX OSV	[✂]	0-10	[✂]	0-10	[✂]	0-10
Combined	**[✂]**	**0-10**	**[✂]**	**0-10**	**[✂]**	**0-10**
STX Offshore & Shipbuilding and STX Europe[89]	[✂]	0-10	[✂]	0-10	[✂]	0-10
Hyundai Heavy Industries ("HHI")	[✂]	0-10	[✂]	5-15	[✂]	10-20
Mitsubishi Heavy Industries	[✂]	0-10	[✂]	0-10	[✂]	0-10
Samsung Heavy Industries ("SHI")	[✂]	0-10	[✂]	5-15	[✂]	5-15
Daewoo Shipbuilding & Marine Engineering Co., Ltd ("DSME")	[✂]	5-15	[✂]	5-15	[✂]	10-20
Keppel Corporation Limited ("Keppel")	[✂]	0-10	[✂]	0-10	[✂]	0-10
China State Shipbuilding Corporation ("CSSC")	[✂]	0-10	[✂]	5-15	[✂]	0-10
China Shipbuilding Industry Corporation ("CSIC")	[✂]	0-10	[✂]	0-10	[✂]	0-10
Sungdong Shipbuilding	[✂]	0-10	[✂]	0-10	[✂]	0-10
Atlantico Sul Estaleiro	[✂]	0-10	[✂]	0-10	[✂]	0-10
Zhoushan Jinhaiwan Shipyard	[✂]	5-15	[✂]	0-10	[✂]	0-10
JOS L.Meyer GMBH & Co	[✂]	0-10	[✂]	0-10	[✂]	0-10
Tsuneishi	[✂]	0-10	[✂]	0-10	[✂]	0-10
Imabari Shipbuilding	[✂]	0-10	[✂]	0-10	[✂]	0-10
Nantong Oceah Ship Eng Co	[✂]	0-10	[✂]	0-10	[✂]	0-10
SPP SHBLDG CO LTD	[✂]	0-10	[✂]	0-10	[✂]	0-10
Jurong	[✂]	0-10	[✂]	0-10	[✂]	0-10
Others[90]	[✂]	45-55	[✂]	40-50	[✂]	25-35

Source: The Parties response dated 21st February

Notes: Market shares are cumulated shares 2009-2011. Source of information are: Fincantieri's internal estimates of new orders, [✂]

88 Values taken from Annex 5, Form M1

89 Not part of the acquisition

90 Includes about 700 companies

Table 2: Worldwide market shares for offshore vessels, by volume (CGT) from 2009 to 2011[91]

Company	2009		2010		2011	
	Volume	Market Share (%)	Volume	Market Share (%)	Volume	Market Share (%)
Fincantieri	[✂]	0-10	[✂]	0-10	[✂]	0-10
STX OSV	[✂]	0-10	[✂]	5-15	[✂]	0-10
Combined	**[✂]**	**0-10**	**[✂]**	**5-15**	**[✂]**	**0-10**

Source: The Parties response dated 29 January 2013
[✂]

Table 3: Worldwide market shares of offshore vessel, by value from 2009 to 2011[92]

Company	2009		2010		2011	
	Value in (US$ mil)	Market Share (%)	Value in Sales (US$ mil)	Market Share (%)	Value in (US$ mil)	Market Share (%)
Fincantieri	[✂]	0-10	[✂]	0-10	[✂]	0-10
STX OSV	[✂]	0-10	[✂]	5-15	[✂]	0-10
Combined	**[✂]**	**0-10**	**[✂]**	**5-15**	**[✂]**	**0-10**
STX Offshore & Shipbuilding[93]	[✂]	0-10	[✂]	0-10	[✂]	0-10
CSSC	[✂]	0-10	[✂]	0-10	[✂]	0-10
CSIC	[✂]	0-10	[✂]	0-10	[✂]	0-10
Keppel	[✂]	0-10	[✂]	5-15	[✂]	5-15
DSME	[✂]	15-25	[✂]	10-20	[✂]	10-20
HHI	[✂]	0-10	[✂]	0-10	[✂]	10-20
SHI	[✂]	0-10	[✂]	0-10	[✂]	5-15
Atlantico Sul Estaleiro	[✂]	0-10	[✂]	0-10	[✂]	5-15
Jurong	[✂]	0-10	[✂]	0-10	[✂]	0-10
Eastern Shipyards	[✂]	0-10	[✂]	0-10	[✂]	0-10
President Marine	[✂]	0-10	[✂]	0-10	[✂]	0-10
IHC Caland	[✂]	0-10	[✂]	0-10	[✂]	0-10
Cosco	[✂]	0-10	[✂]	0-10	[✂]	0-10
Yantai	[✂]	0-10	[✂]	0-10	[✂]	0-10
Lamprell Energy	[✂]	0-10	[✂]	0-10	[✂]	0-10
Kleven	[✂]	0-10	[✂]	0-10	[✂]	0-10
Damen	[✂]	0-10	[✂]	0-10	[✂]	0-10
Singapore Technology	[✂]	0-10	[✂]	0-10	[✂]	0-10
IHI	[✂]	0-10	[✂]	0-10	[✂]	0-10
Others[94]	[✂]	60-70	[✂]	45-55	[✂]	20-30

Source: The Parties response dated 21st February
Notes: Market shares are cumulated shares 2009-2011. Source of [✂]

[91] Values from Annex 4, Parties' response to CCS' RFI dated 21 January 2013
[92] Values taken from Annex 5, Form M1
[93] Not part of the proposed acquisition
[94] Includes about 400 companies