

## MEDIA RELEASE

18 December 2014

## CCS CONSULTS ON THE PROPOSED ACQUISITION BY DAIFUKU CO. LTD. OF 80% OF THE SHARES IN BCS GROUP LIMITED

1. The Competition Commission of Singapore ("CCS") is seeking feedback on the merger between Daifuku Co. Ltd. ("Daifuku") and BCS Group Limited ("BCS"), (collectively "the Parties").

2. CCS received a notification for decision on 12 December 2014 from the Parties with regard to the proposed acquisition by Daifuku of 80% shares of BCS ("the Proposed Acquisition").

3. The notification is made under section 57 of the Competition Act, in relation to section 54 of the Competition Act which prohibits mergers that have resulted, or may be expected to result, in a substantial lessening of competition within any market in Singapore.

4. CCS understands from the notification that Daifuku and its subsidiaries manufacture and supply a range of automated material handling systems ("AMHS") across a range of industries. Daifuku also designs, develops, installs, operates and maintains AHMS globally. BCS and its subsidiaries design, build, operate and maintain AMHS, predominantly in the areas of baggage handling systems ("BHS") for airports, and courier sortation systems ("CSS") for logistics companies in Asia, the Middle East, Africa, Europe, North America and Mexico. They overlap worldwide in the design, development, installation, operation and maintenance of AHMS. In Singapore, the Parties are involved in the design, development, installation, operation and maintenance of AMHS. BCS only focuses on the provision of AMHS for the BHS and CSS sectors, whilst Daifuku has no presence in the BHS sector in Singapore, nor the CSS sector in both Singapore and globally.

5. The Parties are of the view that the Proposed Acquisition, when carried into effect, will not result in a substantial lessening of competition whether in Singapore or globally. The Parties are of the view that the Proposed Acquisition will not give rise to coordinated and non-coordinated effects in Singapore.

## **Public Consultation**

6. CCS is inviting public feedback in relation to the Proposed Acquisition.

7. More information on the public consultation can be accessed and downloaded from the CCS website at <u>www.ccs.gov.sg</u> under the section <u>"Public Register and Consultation"</u>. The closing date for submissions is on or before **29 December 2014**. If the submission/correspondence contains confidential information, please also provide CCS with a non-confidential version of the submission or correspondence.

## About The Competition Commission of Singapore (CCS)

CCS is a statutory board established under the Competition Act (Chapter 50B) on 1 January 2005 to administer and enforce the Act. It comes under the purview of the Ministry of Trade and Industry. The Act empowers CCS to investigate alleged anti-competitive activities, determine if such activities infringe the Act and impose suitable remedies, directions and financial penalties.

For more information, please visit <u>www.ccs.gov.sg</u>.

For media clarifications, please contact:

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