



DETERMINATION OF MERGER NOTIFICATION M/08/018 - MLCayman/OMEGA IV/EUROMEDIC JV

Section 21 of the Competition Act 2002

Proposed acquisition of joint control by ML Cayman Positions Limited and Omega Funds IV Limited over Euromedic International Holdings B.V.

Dated 11/07/08

Introduction

1. On 23 June 2008 the Competition Authority ("the Authority"), in accordance with sections 18(1)(a) of the Competition Act, 2002 ("the Act") was notified, on a mandatory basis, of a proposal whereby ML Cayman Positions Limited ("ML Cayman") and Omega Funds IV Limited ("Omega IV") would acquire joint control over Euromedic International Holdings B.V. ("Euromedic").

The Proposed Transaction¹

2. ML Cayman will acquire [] of the capital and [] of the voting rights of Danube Bidco S.A., Luxembourg ("Danube"). Omega IV will acquire [] of the capital and [] of the voting rights of Danube. The remaining [] of the capital and [] of the voting rights of Danube will be held by Joseph Priel (President and CEO of Euromedic) and János Mészáros (Chairman of the Board of Euromedic). Danube is the ultimate parent company of Latamserv B.V., Delft, The Netherlands, a newly established acquisition vehicle, which will acquire all shares of Euromedic.
3. Each of ML and Omega IV will have the right to appoint [] of the six members of the board of directors of Danube and each of them will hold veto rights on strategic decisions, including the adoption of the business plan and the annual budget of Euromedic and all of its subsidiaries as well as the composition of the board of Euromedic and all of its subsidiaries.

The Undertakings Involved

The Acquirers

4. ML Cayman is an indirect wholly-owned subsidiary of Merrill Lynch. Merrill Lynch is one of the world's leading wealth management, capital markets and advisory companies, with offices in 40 countries and territories and total client assets of approximately US\$1.6 trillion.
5. Merrill Lynch International Bank Limited ("MLIB"), Merrill Lynch's primary non-U.S. banking entity, is headquartered in Dublin, with branch offices in Amsterdam, Bahrain, Brussels, Frankfurt, London, Madrid, Milan, Paris and Singapore. MLIB acts as a principal for debt

¹Information obtained from pages 4-5 of the Notification Form.

derivative transactions and engages in advisory, lending, loan trading, and institutional sales activities. MLIB also provides collateralised (including mortgage) lending, letters of credit, guarantees and foreign exchange services to, and accepts deposits from, its clients. Merrill Lynch does not control any entity that is active in any of the markets in which Euromedic operates or in any related markets.

6. Omega IV is an investment fund incorporated in Jersey. It is ultimately controlled by the individuals [] and [].
7. Omega IV invests through third party fund structures, which in turn invest in companies. Of the entities controlled by [] and [], only AC Management SA makes sales to customers in Ireland. None of these entities, or the entities controlled by [] and [], is active in any of the markets in which Euromedic operates, or any related market.

The Target

8. Eoromedic is a company incorporated in The Netherlands. It is a pan-European provider of a broad range of healthcare services.² Its principal service lines are:
 - dialysis (haemodialysis, support to peritoneal dialysis patients);
 - diagnostic imaging (MRI, CT, PET/CT, angiography, ultrasound, X-ray, mammography, bone densitometry etc.);
 - laboratory diagnostics (haematology, biochemistry, immunology, microbiology, molecular biology tests etc.); and;
 - radiotherapy.
9. It also provides training services to GE Healthcare customers on newly purchased and installed GE diagnostic imaging equipment and is developing teleradiology services.
10. Euromedic commenced operations in Ireland in March 2007 following the acquisition of MRI Ireland and has since completed three further acquisitions: Advanced Radiology (July 2007), Northwood Imaging (January 2008), and the Charlemont clinic (March 2008). Currently, Euromedic owns and operates six-fixed, semi-mobile and mobile diagnostic imaging units.

Analysis

11. There is no overlap between the activities of the undertakings involved. [] is solely active in the organisation of sports events, thus there is no overlap with ML's activities. Also, neither ML Cayman and Omega IV, nor the entities that control them, control any entities that operate in any of the markets in which Euromedic is present.
12. Therefore, the Authority considers that the proposed transaction does not raise competition concerns.

² Euromedic provides its services in 155 wholly-owned healthcare centres, including 51 dialysis centres, 76 diagnostic imaging centres and 28 laboratory diagnostic centres, in 14 countries (Bosnia & Herzegovina, Croatia, Czech Republic, Greece, Hungary, Ireland, Italy, Poland, Portugal, Romania, Russia, Switzerland, UK and Turkey).

Determination

The Competition Authority, in accordance with section 21(2)(a) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition of joint control by ML Cayman Positions Limited and Omega Funds IV Limited over Euromedic International Holdings B.V. will not be to substantially lessen competition in markets for goods and services in the State and, accordingly, that the acquisition may be put into effect.

For the Competition Authority

Dr Paul K. Gorecki
Member of the Competition Authority