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Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 22 of 2017

Notice of Inquiry into the Proposed Acquisition of Zodiac Aerospace S.A. (France) (“Zodiac”) by Safran S.A. (France) (“Safran”)

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations (the “**Regulations**”) that the COMESA Competition Commission (the “**Commission**”), after receiving a notification in terms of Article 24 of the Regulations regarding the proposed acquisition of Zodiac Aerospace S.A. (France) (“**Zodiac**”) by Safran S.A. (France) (“**Safran**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The parties have submitted that the acquiring undertaking, **Safran**, is a French registered company listed on NYSE Euronext Paris with its business address at 2, Boulevard du Général Martial Valin, 75015 Paris, France. The parties have further submitted that Safran is active in the manufacture of aircraft engines, helicopter turbine engines and space engines. It has further been submitted that in the aircraft equipment business, Safran supplies landing systems, wheels and brakes, nacelles, power transmission systems, electrical systems and wiring systems. The parties have submitted that Safran has operations in the following COMESA Member States: the Democratic Republic of Congo, Egypt, Ethiopia, Kenya, Libya, Madagascar, Mauritius, Seychelles, Sudan, and Zambia.

The Parties have submitted that the target undertaking, **Zodiac**, is a French company, listed on NYSE Euronext Paris, with its registered business address at 61 Rue Pierre Curie, 78370 Paris, France. The parties have also submitted that Zodiac is active in aerospace equipment and on-board systems for commercial, regional and business aircraft and helicopters. It has further been submitted that Zodiac develops and manufactures solutions to improve comfort and wellbeing on board aircraft, as well as high-technology systems to increase aircraft performance and flight safety. It has also been submitted that Zodiac designs, certifies and assembles passenger and technical seats in aircrafts. Zodiac also designs and manufactures cabin interiors and equipment solutions for on-board services and passenger comfort and has an after-sales service division for airline operators. The parties have submitted that Zodiac has operations in the following COMESA Member States: the Democratic Republic of Congo, Egypt, Ethiopia, Kenya, Libya, Madagascar, Mauritius, Rwanda and Seychelles.

The Parties have submitted that the transaction involves the proposed acquisition of sole control of Zodiac by Safran.

The Commission will, in accordance with the provisions of the Regulations, determine among other things whether or not the merger is likely to substantially prevent or lessen

competition within the Common Market and whether the merger is or would be contrary to the public interest as provided for under Article 26 of the Regulations. In view of this, the Commission hereby gives notice to all interested stakeholders, including competitors, suppliers and customers of the merging parties to submit written representations to the Commission with regard to the subject matter of the proposed inquiry by emailing them to: wmwemba@comesa.int. All written representations should be sent to the Commission not later than **23rd August, 2017**.

If you wish to seek further details and/or clarifications on any aspect of this proposed transaction or need assistance you may get in touch with **Mr. Willard Mwemba, Manager - Mergers and Acquisitions** on Tel: +265 (0) 1 772 466 or E-mail wmwemba@comesa.int.

All written representations submitted to the Commission will be treated with the strictest confidentiality and will only be used for the purpose of this inquiry.