



DETERMINATION OF MERGER NOTIFICATION M/06/045 – ING GROEP / APLEYARD

Section 21 of the Competition Act 2002

Proposed acquisition by ING Groep N.V. of Appleyard Finance Holdings Limited

Dated 10/08/06

Introduction

1. On 17 July 2006 the Competition Authority (“the Authority”), in accordance with Section 18 (1) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal whereby ING Groep N.V. (“ING”) through ING Car Lease, a subsidiary of ING Wholesale Banking, would acquire sole control of Appleyard Finance Holdings Limited (“Appleyard”).

The Undertakings Involved

2. ING, the acquirer, is a publicly-listed company active in the provision of financial, asset management and banking services world-wide.
3. Of ING’s six business lines, ING’s Wholesale Banking unit is active in the provision of global wholesale banking services. A unit of ING Wholesale Banking is that of ING Lease Holding which entails two divisions one of which is ING Car Lease. ING Car Lease is a wholly-owned subsidiary of ING.
4. ING Car Lease, is active in Europe and is a full-service vehicle leasing company which links automotive know-how and expertise to advanced financial services.
5. ING Car Lease is presently not active in the provision of car leasing services in the State and has no customers or a place of business in the State.
6. In the financial year 2005, ING achieved consolidated world-wide revenues of approximately €71,141 million of which approximately €30-70 million derived from its activities in the State.
7. Appleyard, the target, is a United Kingdom-based joint venture company.
8. In the financial year 2005, Appleyard achieved world-wide revenues of approximately GBP£98 million (approximately €143.6million¹) of which less than €50,000 derived from its activities in the State.

¹ Conversion based on exchange rate of 1GBP: 1.46542Euro: <http://www.xe.com>.

9. It is active in the provision of vehicle leasing services through the finance and service of more than 26,000 vehicles for approximately 1,200 customers.
10. The target has no place of business in the State and currently does not have any customers based in the State or on the island of Ireland.
11. Occasionally, however, the target may have a customer based in the United Kingdom which requires that some of the vehicles leased by it are made available to employees based in the State.
12. Currently, Appleyard has several cars in the State, out of its fleet of 26,000. When cars which are based on the island of Ireland are no longer in use, they are sold at auction. One car was sold in the most recent financial year in the State resulting in a turnover of less than €50,000 for Appleyard from its limited activities in the State.

Analysis

13. While both the acquirer and the target are active in the provision of car leasing services generally, only the target is active in the State. The target's activities in the State – the sale of one car no longer in use and the provision of several cars for customers based in the United Kingdom which have employees based in the State - are minimal. The acquirer is not active in the State.
14. The Authority has, therefore, concluded that the transaction does not give rise to competition concerns.

Determination

The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition by ING Groep N.V. of Appleyard Finance Holdings Limited 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