

The JFTC Opens Secondary Review Concerning the Proposed Acquisition of Shares of BEST DENKI Co., Ltd. by YAMADA DENKI Co., Ltd. and Seeks Opinions From Third Parties

July 13, 2012
Japan Fair Trade Commission

The Japan Fair Trade Commission (hereinafter, the “JFTC”) received a notification pursuant to the provision of the Antimonopoly Act from YAMADA DENKI Co., Ltd. (hereinafter, “YAMADA DENKI”) concerning the proposed acquisition of shares of BEST DENKI Co., Ltd. (hereinafter, “BEST DENKI”) (hereinafter, the “Acquisition of Shares”). Thereafter the JFTC reviewed the impact of the Acquisition of Shares on competition. The review revealed that a more detailed review is necessary, and the JFTC has requested YAMADA DENKI to submit necessary reports, information or materials, pursuant to the provision of Paragraph 9, Article 10 of the Antimonopoly Act. The JFTC is also seeking opinions from third parties concerning the impact of the Acquisition of Shares on competition in the following manner.

The request by the JFTC for reports, etc. concerning the Acquisition of Shares does not mean that the Acquisition of Shares could pose any issues with respect to the Antimonopoly Act.

1. Submission of opinions

The JFTC accepts opinions on the Acquisition of Shares as follows until August 13, 2012. Specific information on how the Acquisition of Shares will impact on competition is appreciated.

Procedures for submitting opinions:

Indicate clearly your address, name, company name and contact information (e-mail address, facsimile number and telephone number), and send opinions by mail, e-mail or facsimile.

Address to send in opinions:

Mergers and Acquisitions Division, Economic Affairs Bureau,
Japan Fair Trade Commission
1-1-1 Kasumigaseki, Chiyoda-ku, Tokyo 100-8987
FAX: 03-3581-5771
E-mail: yamada-best@jftc.go.jp

2. Confidentiality of opinions

Opinions sent in will be used only for review of the Acquisition of Shares, and will not be disclosed to the parties or other third parties with any information specifying the sender thereof. Please note that the JFTC would not send responses to opinions that have been sent in.

The JFTC asks you to indicate your address, name, company name, e-mail address, facsimile number and telephone number for the JFTC to contact you if there is any question regarding the opinions you have sent in. The information will not be used for any other purpose.

(Reference)

The retailing of household electric appliance is the main business of YAMADA DENKI and BEST DENKI (including their subsidiaries).

(Foot Note)

The JFTC has been authorized to conduct reviews on whether business combination plans may be substantially to restrain competition in particular fields of trade by following procedures prescribed in the Antimonopoly Act. When a notifying corporation submits the notification form to the JFTC and the JFTC receives it, the notifying corporation is prohibited from effecting share acquisition, etc. in question until the expiration of the 30-day waiting period from the date of receipt of the said notification. During the waiting period, concerning the business combination in question, the JFTC will normally either; (1) judge that the said business combination is not problematic in light of the Antimonopoly Act, or; (2) judge that more detailed review is necessary and request submission of the necessary reports, information or materials.

In the case of (1) above, to improve transparency of the review of business combination, the JFTC shall give notification to the effect that it will not issue a cease and desist order.

In the case of (2) above, the period when the JFTC may give notice prior to cease and desist order shall be extended until 120 days after the date of receipt of the notification or 90 days after the date of receipt of all reports etc., whichever is later. In case the JFTC judges in this extended period that the business combination plan in question is not problematic in light of the Antimonopoly Act, it shall give notification to the effect that it will not issue a cease and desist order, same as the case of (1).