

**IN THE MATTER OF A REFERENCE TO THE COMPETITION
COMMISSION CONCERNING THE COMPLETED ACQUISITION BY
RYANAIR HOLDINGS PLC OF A MINORITY SHAREHOLDING IN AER
LINGUS GROUP PLC**

**The Ryanair Holdings PLC and Aer Lingus Group PLC Inquiry
Order 2015**

**Notice of making the Final Order pursuant to section 84 of and
Schedule 10 to the Enterprise Act 2002**

1. On 15 June 2012, the Office of Fair Trading (OFT) made a reference (the Reference) to the Competition Commission (CC) under section 22 of the Enterprise Act 2002 (the Act) concerning the completed acquisition by Ryanair Holdings plc (Ryanair) of a minority shareholding in Aer Lingus Group plc (Aer Lingus) (the Acquisition).
2. The CC published [its report](#) entitled *Ryanair Holdings plc and Aer Lingus Group plc: A report on the completed acquisition by Ryanair Holdings plc of a minority shareholding in Aer Lingus Group plc*, on 28 August 2013 (the Report). In the Report, the CC concluded that:
 - (a) the acquisition of the minority shareholding by Ryanair in Aer Lingus constitutes a relevant merger situation;
 - (b) the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition (SLC) in the market for the supply of air passenger services between Great Britain and Ireland;
 - (c) the CC should take action to remedy the SLC and the adverse effects flowing from it; and
 - (d) that the CC should require Ryanair to reduce its shareholding in Aer Lingus to 5% of Aer Lingus's issued ordinary shares, that this obligation should be accompanied by obligations on Ryanair not to seek or accept board representation or acquire further shares in Aer Lingus (unless a clearance is given under the European Union Merger Regulation for a concentration between Ryanair and Aer Lingus), and that a Divestiture

Trustee should be appointed from the outset to sell the Divestment Shares to suitable purchasers as described in paragraph 8.126 and Appendix K of the Report.

3. On 23 September 2013, Ryanair filed an application to the Competition Appeal Tribunal (the Tribunal) challenging findings in the Report.
4. On 5 November 2013 the CC published a notice and consultation on a proposed Final Order pursuant to section 84 of and Schedule 10 to the Act. The CC noted that it would not make a Final Order while proceedings were before the Tribunal.
5. The Tribunal delivered its judgment on 7 March 2014 dismissing Ryanair's application.
6. On 1 April 2014 the CC was replaced by the Competition and Markets Authority (CMA). Under Schedule 5 to the Enterprise and Regulatory Reform Act 2013 and the Schedule to the Enterprise and Regulatory Reform Act 2013 (Commencement No. 6, Transitional Provisions and Savings) Order 2014, the remaining functions of the CC in relation to the Reference were transferred to the CMA.
7. On 23 April 2014, the Tribunal granted Ryanair permission to appeal its judgment on two grounds and on 17 July 2014 the Court of Appeal granted permission on a further third ground.
8. On 12 February 2015 the Court of Appeal dismissed all three of Ryanair's grounds of appeal and refused permission to appeal. Ryanair filed an application with the CMA requesting that it consider whether there had been any material changes of circumstances (MCCs) since the Report.
9. On 3 March 2015 the CMA published a notice inviting comments on whether there had been any MCCs since the preparation of its Report and/or there was a special reason within the meaning of section 41(3) of the Act for the CMA not to implement the remedies set out in the Report.
10. On 17 April 2015 the CMA published its provisional decision that there had been no MCCs. The CMA also published a working paper on the comments received on its proposed Final Order and published a notice and consultation on a modified proposed Final Order setting out the modifications, pursuant to section 84 of and Schedule 10 to the Act. No substantive comments were received on the proposed Final Order.
11. On 11 June 2015 the CMA published its decision that there had been no MCCs since the preparation of its Report.

12. In preparing the Final Order the CMA has made some modifications to the proposed Final Order it consulted on. The CMA considers that the modifications are not material in any respect and has decided, in accordance with paragraph 5 of Schedule 10 to the Act, that the Final Order, as modified, does not require any further consultation.
13. The CMA now gives notice of the making of its Final Order, 'The Ryanair Holdings PLC and Aer Lingus Group PLC Inquiry Order 2015'.
14. The Final Order may be varied or revoked by the CMA under section 84(3) of the Act.
15. This notice and a non-confidential version of the Final Order will be published on the [case page](#), alongside an Explanatory Note which provides an explanation of how the Final Order is expected to operate. The CMA has excluded from the non-confidential version of the Final Order information which it considers should be excluded having regard to the three considerations set out in section 244 of the Act. These omissions are indicated by [✂].

SIMON POLITO

Group Chairman and Deputy Chairman

11 June 2015