



Determination No. M/05/060 of the Competition Authority, dated 13th October 2005, under Section 21 of the Competition Act, 2002

Notification No. M/05/060 – Proposed acquisition of the Semiconductor Products Group Business of Agilent Technologies Inc. by Argos Acquisition Pte. Limited

Introduction

1. On 13th September 2005 the Competition Authority, in accordance with Section 18 (1) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal whereby Argos Acquisition Pte. Limited (“Argos”) would acquire the Semiconductor Products Group Business (“the Semiconductor Business”) of Agilent Technologies Inc.

The Parties

2. Argos is a special purpose vehicle which is jointly controlled by funds of Silver Lake Partners (“Silver Lake”) and KKR Group (“KKR”). KKR makes equity investments in management buy-outs on behalf of itself and its investors either through controlling ownership or strategic minority positions in companies operating in different sectors of the economy. It has operations around the world and its turnover in Ireland in 2004 was c. €[50-100]m.
3. Silver Lake is a private equity firm with offices in the United States and the UK that focuses on investments in technology and related growth industries. Specifically, Silver Lake focuses on large-scale minority investments in technology firms. [It controls one company, which does not have sales into Ireland].
4. The Semiconductor Business supplies semiconductor components and is based in California. In 2004 it achieved sales in Ireland of c. €[0-5]m.

Analysis

5. None of the companies controlled by KKR are active either horizontally or vertically in the same business areas as the Semiconductor Business.



The Competition Authority
An tÚdarás Iomaíochta

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 Argos Acquisition Pte. Limited of the Semiconductor Products Group business of Agilent Technologies Inc. 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

Edward Henneberry
Member of the Competition Authority