

PRESS RELEASE

CNMC approves the merger between MásMóvil and Euskaltel

- MásMóvil has notified the launch of a friendly takeover bid for the acquisition of the sole control of Euskaltel.
- It approves the operation in the first phase as it does not see any risk to competition.

Madrid, 16 June 2021 - On 16 June 2021, the CNMC agreed to approve the first phase of the MásMóvil/Euskaltel merger transaction ([C/1181/21](#)).

The transaction consists of the acquisition by Masmovil Ibercom S.A.U. of the sole control of Euskatel, S.A. through a public takeover bid for the shares representing the entire share capital of Euskaltel. The transaction was announced on 28 March 2021 and is subject to the approval of the competent authorities.

MásMóvil is the fourth largest electronic communications operator in Spain. It mainly provides fixed telephony, mobile and broadband Internet services to residential and business customers in Spain through its main brands: Yoigo, MásMóvil, Pepephone, Llamaya, Lebara, Ocean and Lycamobile.

Euskaltel is the fifth largest electronic communications operator in Spain. It has a particularly significant presence in Asturias, Galicia and the Basque Country, where it has deployed its own fixed cable network (HFC) with extensive coverage and where it carries out its activities through its brands, Telecable, R Cable and Euskaltel. It has recently expanded its activities to the rest of Spain through the Virgin Telco brand.

The CNMC considers that the transaction does not significantly alter the competition situation. At a national level, MásMóvil strengthens its position as the fourth operator in the retail markets; Euskaltel's presence was still limited, so the addition of market shares will not be significant. In the case of Asturias, Galicia and the Basque Country, where Euskaltel has a significant share of the retail market and a strategy that differentiates it from MásMóvil, there are other significant operators that will continue to exert competitive pressure.

As regards wholesale markets, although the resulting entity will strengthen its position as the main demander of wholesale services, this is not expected to substantially modify the competition conditions given the existence of vertically integrated operators with significant shares in retail markets.

The market test carried out by the CNMC among several operators in the sector has shown that the transaction does not pose significant competition concerns and is

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viewed positively by these operators in the context of the consolidation process that has been taking place in the sector.

In view of the above, the CNMC has approved the first phase of the merger without commitments.
([C/1181/21](#)).

[We analyse the concentrations.](#)

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