



HELLENIC REPUBLIC
HELLENIC COMPETITION COMMISSION

Athens, 6 June 2008

PRESS RELEASE

Publication of the Competition Commission's decision concerning the "DIA HELLAS" case

The Competition Commission, sustaining the objections of the Directorate General for Competition's Report, decided by majority to impose a fine of five million hundred ninety two thousand three hundred forty six Euros (€5,192,346) on "DIA HELLAS" for infringing article 1 of law 703/77, by fixing the retail prices within its franchise network.

Following the case law of the European Court of Justice and in conformity with the European Commission's Guidelines on vertical restraints, the Competition Commission stated in its decision that under the provisions of competition law franchise agreements are treated as all other types of vertical agreements.

In particular, franchise agreements, providing for the franchisee's obligation to apply the franchisor's commercial policy, to comply with the system's organizational standards and to respect the uniformity principle, thus ensuring the network's identity and reputation, fall within the ambit of competition rules, according to which on the one hand imposing maximum or recommending retail prices is exempted while on the other hand fixing, directly or indirectly, the retail prices within a franchise network is prohibited.