



**Department for
Business, Energy
& Industrial Strategy**

**ANTICIPATED ACQUISITION OF MEGGITT PLC BY PARKER-HANNIFIN
CORPORATION**

**NOTICE OF ACCEPTANCE OF UNDERTAKINGS GIVEN BY PARKER-HANNIFIN
CORPORATION AND MEGGITT PLC PURSUANT TO PARAGRAPH 3(2) OF SCHEDULE 7
TO THE ENTERPRISE ACT 2002**

Intervention under the Enterprise Act 2002

1. On 18 October 2021, the Secretary of State for Business, Energy and Industrial Strategy (“the Secretary of State”) issued a public interest intervention notice under section 42(2) of the Enterprise Act 2002 (“the Act”) in relation to the proposed acquisition by Parker-Hannifin Corporation of the entire issued and to be issued ordinary share capital of Meggitt plc (“Meggitt”) (“the Merger”).¹ Under section 44 of the Act, the Secretary of State instructed the Competition and Markets Authority (“CMA”) to investigate the proposed acquisition and to report its findings by 18 March 2022.
2. On 18 March 2022, the CMA reported to the Secretary of State (the “phase 1 report”). The phase 1 report set out the CMA’s belief that it is or may be the case that arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation, the CMA’s assessment on competition, and summarised the representations it received relating to the national security public interest consideration specified in the intervention notice.
3. The Secretary of State received further advice directly from the Ministry of Defence about the national security implications of the merger.
4. In light of the report from the CMA and advice from the Ministry of Defence, the Secretary of State considers that he has the power, under section 45 of the Act, to refer the merger to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013 to carry out a more detailed assessment. This is termed a “phase 2 inquiry”.
5. Alternatively, if the Secretary of State would otherwise be minded to refer the merger to a phase 2 inquiry, he may accept undertakings from the parties in lieu of such a reference to mitigate public interest concerns, under paragraph 3 of Schedule 7 to the Act.
6. On 28 June 2022, the Secretary of State announced that he proposed to accept undertakings from Parker-Hannifin and Meggitt, in lieu of making a reference to a phase 2 inquiry.
7. The Secretary of State published the proposed undertakings for consultation between 28 June 2022 and 13 July 2022, in accordance with paragraph 2 of Schedule 10 to the Act. No representations were received.

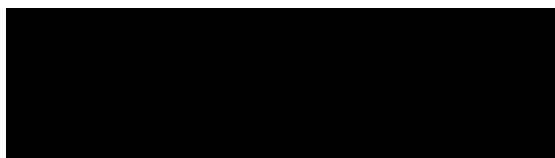
¹ Parker and Meggitt together are referred to as the “Parties”.

Decision to accept undertakings

8. The Secretary of State remains of the view that the proposed undertakings mitigate the national security risks identified to an acceptable level.
9. The Secretary of State has therefore accepted the undertakings in lieu of making a reference to a phase 2 inquiry. Pursuant to paragraph 9(2)(a) of Schedule 7 to the Act, the undertakings came into force on acceptance.
10. This notice and the accepted undertakings are published on the GOV.UK website.

Accepted undertakings

11. The undertakings annexed to this notice are those accepted by the Secretary of State on 19 July 2022.



Christopher Blairs
Deputy Director, Investment Security Unit
An official of the Department for Business, Energy & Industrial Strategy
19 July 2022