



Department of Justice

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NAUTILUS HYOSUNG HOLDINGS AGREES TO PLEAD GUILTY TO OBSTRUCTION OF JUSTICE FOR SUBMITTING FALSE DOCUMENTS IN A MERGER INVESTIGATION

WASHINGTON – Nautilus Hyosung Holdings Inc. has agreed to plead guilty and pay a \$200,000 criminal fine for obstruction of justice in connection with a premerger filing and investigation by the Antitrust Division, the Department of Justice announced today. Nautilus Hyosung Holdings, an automated teller machine (ATM) manufacturer, is a wholly-owned subsidiary of Korea-based Nautilus Hyosung Inc. (NHI). The false documents were submitted to the government by NHI on behalf of Nautilus Hyosung Holdings in contemplation of the acquisition of Triton Systems of Delaware Inc., a competing manufacturer of ATM systems. The department said that the parties abandoned the proposed acquisition of Triton before the Antitrust Division reached a decision whether to challenge the transaction.

According to a two-count felony charge filed today in U.S. District Court in Washington, D.C., in or about July and August 2008, NHI, as the parent company of Nautilus Hyosung Holdings, submitted false documents to the Department of Justice and the Federal Trade Commission (FTC) in conjunction with mandatory premerger filings made under the Hart-Scott-Rodino Antitrust Improvement Act. After receiving the premerger filings, the Antitrust Division opened a civil merger investigation of the proposed acquisition. The department said that in September 2008, NHI submitted additional false documents in response to a document request from the Antitrust Division.

According to court documents, an executive of a company affiliated with, and acting on behalf of, Nautilus Hyosung Holdings and NHI altered and directed other corporate employees to alter existing corporate documents with the intent to impair their integrity and availability for use in an official proceeding. The department said that, among other things, the alterations misrepresented and minimized the competitive impact of the proposed acquisition on the market for ATMs in the United States.

The Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, requires companies contemplating mergers and acquisitions valued above certain thresholds to make filings with the Department of Justice and the FTC. The federal antitrust agencies have authority to investigate and challenge such proposed transactions under Section 7 of the Clayton Act and Section 1 of the Sherman Act, if the transactions may substantially lessen competition or create a monopoly.

According to court documents, subsequent to these false submissions to the Antitrust Division in connection with its merger investigation, NHI and Nautilus Hyosung Holdings voluntarily disclosed that numerous documents had been altered before being submitted to the government. Since the time of that admission, NHI and Nautilus Hyosung Holdings have cooperated in the department's criminal investigation of the full nature and scope of the alleged obstructive conduct, and have committed to continue their cooperation in the department's ongoing investigation.

Nautilus Hyosung Holdings is charged with obstruction of justice, which carries a maximum criminal fine of \$500,000 per count. Nautilus Hyosung Holding's agreed-upon criminal fine of \$100,000 per count is subject to court approval and takes into consideration the nature and extent of the company's disclosure of wrongdoing and its cooperation in the department's investigation.

The ongoing investigation is being conducted by the Antitrust Division's National Criminal Enforcement Section. Anyone with information concerning anticompetitive conduct or obstruction of justice in antitrust matters is urged to call the Antitrust Division's National Criminal Enforcement Section at 202-307-6694 or visit www.justice.gov/atr/contact/newcase.htm.

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