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**COMP/M. 5298 – DOW / ROHM AND HAAS**

**SECTION 1.2**

**Description of the concentration**

The Dow Chemical Company (“Dow”) intends to acquire sole control of Rohm and Haas Company (“R&H”) by acquiring all of its outstanding shares pursuant to an Agreement and Plan of Merger endorsed by the Board of Directors of Dow and R&H. On October 29, 2008, a majority of R&H’s common stockholders voted in favor of the proposed acquisition.

Dow’s strategy is to reduce its exposure to the cyclicity of the energy, petroleum, and raw materials markets, to lower its costs, and increase the proportion of its business devoted to the production of downstream “performance” chemical and plastic products. R&H’s products and business strengths complement Dow’s existing products, and reflect Dow’s growth priorities. Upon completion, Dow expects to achieve significant cost savings.

Both Dow and R&H manufacture acrylic acid and certain downstream products. Downstream products where both Dow and R&H are active include glacial acrylic acid, butyl acrylate and ethyl acrylate. Both Parties manufacture styrene acrylic latex, which is made in part from acrylic esters such as butyl acrylate. Finally, both Parties are manufacturers of ion exchange resins. Dow produces divinylbenzene, styrene, and glycidyl methacrylate, which are vertically affected product markets.