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COMP/M.5933 – MARFRIG/ KEYSTONE

SECTION 1.2

Description of the concentration

On 18 August 2010, Marfrig and Keystone Foods Holdings LLC entered into a Membership Interest Purchase Agreement by which Marfrig will acquire sole control over the whole of the business of Keystone and its associated companies by way of purchase of all membership interests in Keystone.

Marfrig is a Brazilian headquartered food company operating in the processing and distribution of fresh and industrialized beef, pork, lamb and poultry, to customers in Brazil and abroad. Marfrig is also active in the supply of other food products, such as pre-cooked and frozen potato, frozen vegetables, canned meat, fish, ready meals and pasta. Since 2009, Marfrig is also manufacturing leather products.

Keystone, headquartered in the United States, focuses on the development, production, and distribution of poultry, beef, fish, pork and other products for the foodservice channel. Keystone serves more than 28,000 restaurants in wide range of countries, including the United States, Europe (mainly France, United Kingdom), Asia, Australia, New Zealand and the Middle East. Keystone also provides contract logistics for the food services and the food retail industries.

The Parties activities will overlap to a small extent in the distribution of processed meat (beef and poultry), primarily in France and the UK.

The proposed transaction forms part of Marfrig's strategy to respond to the needs of its increasingly global clients.