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**COMP/M.5310 - JYSK / VOLGO - BALT**

**SECTION 1.2**

**Description of the concentration**

The proposed concentration consists of the acquisition by Jysk Stålindustri ApS, a company belonging to the group headed by Universal Cargo Logistics Holding B.V. (“UCLH”), of 80% of the voting shares of, and thus a sole control interest in, the group headed by Volgo-Balt Transport Holding Limited (“VBTH”).

The UCLH group is active in the field of port services. It owns the JSC Sea Port of Saint Petersburg, JSC Taganrog Commercial Sea Port and the Universal Transshipment Complex in Ust-Luga and a number of stevedoring companies. It also provides port services for cargo and passenger ships.

UCLH is solely controlled indirectly by an individual who also controls directly or indirectly various other businesses including in particular OJSC Novolipetsk Steel (“NLMK”). The NLMK group is an international vertically integrated steel production and processing group having its principal activities in the production, processing and sale of carbon steel semi-finished and finished flat products and electrical steel products and having its principal activities in Russia. NLMK also has a 50% joint control interest in Steel Invest & Finance S.A., a steel producing and processing group, and has recently acquired the steel trading companies Novexco (Cyprus) limited and Novex Trading (Swiss) S.A.

The VBTH group is a shipping group with numerous ship owning subsidiaries. It provides shipping services both on the sea and on the inland waterways of Russia. VBTH also provides some tourist and passenger services in Russia, and some ship repair services and ancillary fleet activities in Russia. Most of its shipping services are between Russian ports, but it also provides short sea tramp shipping services to a number of other ports in Europe, North Africa, the Middle East and certain CIS countries.

The UCLH group is pursuing this acquisition primarily as a means to diversify its assets and activities.