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**COMP/M.5858 - CARREFOUR / MARINOPOULOS / BALKAN JV**

**SECTION 1.2**

**Description of the concentration**

1. The proposed transaction involves the creation of a full-function joint venture, through a series of interrelated and inter-conditional transactions, between Marinopoulos Holding SARL ("*Marinopoulos*"), Carrefour SA ("*Carrefour*") and Carrefour Marinopoulos SA ("*Carrefour Marinopoulos*"), for the development of hypermarkets and supermarkets under the Carrefour banner in the Balkans (namely, Albania, Bosnia Herzegovina, Bulgaria, Croatia, FYROM, Montenegro, Serbia and Slovenia). Specifically, although the parties to the new joint venture company that will be established will be Marinopoulos and Carrefour Marinopoulos, pursuant to the contractual agreement of the parties, joint control over the company will ultimately be exercised by Marinopoulos and Carrefour, the latter having the power to exercise the control rights granted to Carrefour Marinopoulos for the purposes of this transaction.
2. In particular, the joint venture will be 60% owned by Marinopoulos and 40% owned by Carrefour Marinopoulos. However, on the basis of veto rights granted to Carrefour Marinopoulos which, in practice, according to the contractual arrangement of the parties, will be exercised by Carrefour, acting through Carrefour Marinopoulos, but also as has been expressly agreed between the Marinopoulos and the Carrefour groups, Carrefour will have the possibility of exercising joint control over the joint venture, together with Marinopoulos.
3. In addition, as part of the transaction, the joint subsidiary in Bulgaria of Carrefour Marinopoulos and of Carrefour Nederland BV (a Dutch company that is part of the Carrefour group of companies) will be acquired by the new joint venture company. The existing Bulgarian entity is, currently, 80% owned by Carrefour Marinopoulos and 20%

by Carrefour Nederland BV but, as contractually agreed by the parties, it is, in effect, controlled solely by the Carrefour group of companies.

4. Following the European Commission's approval, Carrefour Marinopoulos was set-up in 2000 as a 50-50 joint venture between the French company Carrefour and the Greek company Marinopoulos Brothers SA, which is a wholly owned subsidiary of Marinopoulos group. Carrefour Marinopoulos mainly operates hypermarkets, supermarkets and convenience stores in Greece and Cyprus under the Carrefour banner.
5. Carrefour is a French holding company which owns a group of food and non-food retailers world-wide.
6. Marinopoulos, part of the Marinopoulos group, directly and indirectly controls a group of firms in Europe that are engaged in the food and non-food retail sectors, the manufacture of cosmetics and pharmaceutical products as well as the retailing of clothes, cosmetics, optics, technical, editorial, cultural and leisure products as well as specialty coffee.
7. The Carrefour and Marinopoulos groups have been partners for 17 years in Greece and Cyprus. They have also been indirect partners in Bulgaria since 2007, when Carrefour Bulgaria AD was set-up with a view to entering the local market for supermarkets and hypermarkets. The creation of this joint venture forms part of the wider cooperation of the two groups in Europe and is aimed at expanding their existing partnership, allowing them to pursue further development of their activities in the Balkan region, a rapidly growing market that presents increasing business opportunities.
8. *Note: As regards the precise shareholding over the new joint venture as mentioned in paragraph 11 above, we confirm that this may be disclosed and it does not constitute a business secret.*