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**COMP/M.6555 - POSCO / MC / MCHC / JV**

**SECTION 1.2**

**Description of the concentration**

The proposed transaction (the ***Proposed Transaction***) involves an acquisition of joint control by (i) Mitsubishi Chemical Corporation (***MCC***), a wholly owned subsidiary of Mitsubishi Chemical Holdings Corporation (***MCHC***), (ii) Mitsubishi Corporation (***MC***), and (iii) Posco Chemtech Co Ltd (***Posco Chemtech***), a wholly owned subsidiary of Posco, in the newly created joint venture company in South Korea (the ***Joint Venture***).

Posco is a multinational company headquartered in South Korea with subsidiaries in China, India, Japan, the US, Mexico, Brazil, Australia and South East Asian countries. It is active in a broad range of activities including steel making, engineering and construction, energy, and IT services. Posco is listed on the South Korea Stock Exchange. Posco Chemtech is a subsidiary of Posco, and active in manufacture of refractories, maintenance of steel mill industrial furnaces, engineering and manufacture of various industrial furnaces, environmental enhancement products, fertilisers, and inorganic additives in South Korea. In particular, it operates Posco's lime plants and chemical plants. It also sells coal tar manufactured in Posco's furnaces to third parties.

MC is one of Japan's general trading companies (sogo shosha) with over 200 bases of operations in approximately 80 countries worldwide. MC employs a multinational workforce of approximately 60,000 people. MC is engaged in business with customers around the world in many industries, including energy, metals, machinery, chemicals, food and general merchandise. MC is a publicly owned company whose common stock is listed on the Tokyo, Osaka and London Stock Exchanges.

MCC is a subsidiary of MCHC and headquartered in Tokyo, Japan. It is active primarily in the production and marketing of chemicals (including basic petrochemicals, acrylic acid and derivatives, solvents, polymers, etc.), pharmaceutical intermediates and ingredients, and recording media (including CDs, DVDs, and Blu-Ray discs). MCC has subsidiaries in the US, Germany, China, Singapore and Thailand. MCHC is a publicly listed holding company headquartered in Tokyo, Japan. MCHC is the direct parent company of MCC, Mitsubishi Plastics, Inc. (***MPI***), Mitsubishi Tanabe Pharma Corporation (***MTPC***), and Mitsubishi Rayon Co., Ltd (***MRC***). MPI is primarily active in the production and marketing of plastics and carbon fiber. MTPC is primarily active in the production and marketing of active pharmaceutical ingredients and final dosage pharmaceuticals. MRC is primarily active in the production and marketing of chemicals (including methylmethacrylate, methacrylic acid, esters, solvents, acrylonitrile monomer, acrylamide, flocculants, pharmaceutical intermediates, etc.), plastics, coating materials, synthetic fibers and textiles, as well as carbon fiber.

The Joint Venture will produce and supply pitch coke, needle coke and other by-products to customers in South Korea, China, Japan, India, Taiwan and Russia.