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M.7932 – DOW/DUPONT

SECTION 1.2

Description of the concentration

1. On December 11, 2015, The Dow Chemical Company (“Dow”) and E.I. du Pont de Nemours and Company (“DuPont” and, together with Dow, the “Parties”) entered into an Agreement And Plan Of Merger that provides for a merger of equals.
 - Dow is a diversified chemicals company headquartered in the United States. It is the ultimate parent company of the Dow group, which is active in plastics and chemicals, agricultural sciences, and hydrocarbon and energy products and services.
 - DuPont is also headquartered in the United States. It is the ultimate parent company of the DuPont group, which researches, develops, produces, distributes, and sells a variety of chemical products, plastics, agro-chemicals, paints, seeds, and other materials.
2. The Transaction creates value and efficiencies because of the Parties’ remarkably complementary product offerings. The Parties intend to create three separate public listed entities with distinct focuses:
 - Agriculture, comprising DuPont’s Agriculture business (which in 2014 generated revenues of approximately € 8.5 billion) and Dow’s Agricultural Sciences business (2014 revenues of approximately €5.5 billion).
 - Material Science, comprising several Dow businesses (which together generated 2014 revenues of approximately €34 billion in 2014) with DuPont’s considerably smaller Performance Materials business (2014 revenues of approximately €5 billion).
 - Specialty Products, comprising several DuPont businesses (which together generated 2014 revenues of approximately €8.3 billion) with Dow’s relatively small Electronics Materials business (2014 revenues of approximately €1.5 billion)
3. By combining their resources in this way, the Parties expect to unlock at least US \$3 billion in annual cost synergies, and growth synergies of US\$ 1 billion.