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M.9148 - UNIVAR / NEXEO

SECTION 1.2

Description of the concentration

1. Univar Inc. ("Univar") is principally active in the distribution of chemicals and related products and services. Through one of its subsidiaries, Distrupol, Univar is active in the distribution of plastics in northern Europe. Nexeo Solutions, Inc. ("Nexeo") is a chemicals and plastics distributor. In northern Europe, Nexeo is principally active in the distribution of plastics.
2. Univar proposes to acquire Nexeo. The merger agreement provides, among other things and subject to customary terms and conditions, that Pilates Merger Sub I Corp, a direct wholly owned subsidiary of Univar ("Merger Sub I") will merge with and into Nexeo (the "Initial Merger"), with Nexeo surviving the Initial Merger as a wholly owned subsidiary of Univar. Immediately following the Initial Merger, Nexeo will merge with and into Pilates Merger Sub II LLC, a direct wholly owned subsidiary of Univar ("Merger Sub II") with Merger Sub II surviving as a wholly owned subsidiary of Univar. The markets involved are markets for the wholesale of chemicals and plastics and related services.
3. The market for the wholesale of chemicals is very fragmented resulting in a combined market share that will not significantly impede on effective competition. The European markets for the wholesale of plastics and polymers are either not reportable at all or reportable to a negligible degree. The Parties have very few vertical links.
4. The combined company is expected to drive growth and shareholder value. The transaction is expected to deliver cost savings by the third year following close, and immediately reduce ongoing annual capital expenditures.