



**HELLENIC REPUBLIC
COMPETITION COMMISSION**

Athens, 14 February 2010

PRESS RELEASE

Clearance of the proposed acquisition by the VIVARTIA Group of MEVGAL, subject to conditions and obligations

The Hellenic Competition Commission (HCC) has cleared today, under Greek merger control rules, the notified concentration between MEVGAL and VIVARTIA, both companies active in a range of dairy product markets, whereby the latter acquires control over the former.

The HCC's in-depth investigation indicated that the proposed transaction, as originally notified, could have raised competition concerns in the markets for the procurement of raw milk, chocolate milk and fresh milk. The notifying party offered commitments to remedy the HCC's concerns. By today's decision, the HCC approved the notified concentration, subject to the following conditions and obligations:

1. The merged entity shall divest the chocolate milk business currently operated under the brand name "Topino", in order to remove the horizontal overlap between the parties. To ensure the viability and competitiveness of the divested business activity, Vivartia further commits to provide potential buyers with access to its distribution network and production, at their own choice, for a transitional period of two (2) years following completion of the divestiture.
2. In order to ensure sufficient access to raw milk, competitors shall be able to source raw milk from the merged entity for a maximum yearly volume of 30,000 tn of raw milk, at cost basis and pursuant to objective, transparent and verifiable set of criteria, for a total period of five (5) years following completion of the merger.
3. The merged entity shall refrain, for a total period of five (5) years, from any practice which may result to or may otherwise be deemed to induce, directly or indirectly, exclusivity at retail outlets, including freezer-cabinet exclusivity.
4. Pending initiatives at European and at national level regarding contractual relations between producers and processing companies, the merged entity shall continue to procure milk, under current volumes and general trading terms, from producers situated in five (5) prefectures of Northern Greece for a transitional period of three (3) years, at the producers' absolute choice and freedom.

The above measures aim at safeguarding conditions of effective competition in the markets for chocolate milk and the procurement of raw milk, in particular by facilitating unimpeded access

by competitors to the relevant markets and sales outlets, while also strengthening the negotiated power of producers in local areas of Northern Greece where the merged entity is expected to hold significant buying power.