

The JFTC Opens Secondary Review Concerning the Proposed Acquisition of Shares of BASF Colors & Effects Japan Ltd. by DIC Corporation, Ltd. and Seeks Comments from Third Parties

May 20, 2020

Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) received the notification pursuant to the provision of the Antimonopoly Act (AMA) from DIC Corporation (DIC) concerning the proposed acquisition of shares of BASF Colors & Effects Japan Ltd. (BCE), and has reviewed possible impacts on competition from the proposed acquisition of shares. With the knowledge that a more in-depth review is necessary, today, the JFTC requested DIC to submit further reports, information or materials, pursuant to the provision of Article 10(9) of the AMA. The JFTC also starts seeking comments from third parties concerning possible impacts on competition that would arise from the proposed acquisition of shares in the manner shown below.

The proposed acquisition of shares is part of the plan that DIC acquires shares of all companies which operate pigment business under BASF SE (BASF) as the ultimate parent company.

The request by the JFTC for reports, etc. does not mean that the proposed acquisition of shares would pose any concerns with respect to the AMA.

1. Submission of comments

Please submit your comments by postal mail, e-mail or facsimile, identifying your name, address and contact information (telephone number, facsimile number and e-mail address). If you submit as a corporation or an association, please identify the location of main office, name of a corporation or an association and name of a liaison person. Please describe, in Japanese, possible impacts on competition that you consider the proposed acquisition of shares would have, with details as possible as you can specify. Submitting a comment by phone can't be accepted.

(1) Address:

Mergers and Acquisitions Division, Economic Affairs Bureau,  
Japan Fair Trade Commission

1-1-1 Kasumigaseki, Chiyoda-ku, Tokyo 100-8987

FAX: +81-3-3581-5771

E-mail: [pig\\_2020@jftc.go.jp](mailto:pig_2020@jftc.go.jp)

(Please replace “\_atsign\_” with “@”, when you send an e-mail.)

(2) Due date

June 19<sup>th</sup>, 2020, no later than 6 p.m. (GMT+9)

## 2. Privacy policy

Comments received will be used only for the purpose of reviewing the proposed acquisition of shares, and will not be disclosed to the others including the parties in the form of containing any identifiable information. Please note that the JFTC will not make individual responses to the comments.

The JFTC asks for your identification and contact information, for the communication purpose where any clarifications may be needed on your comments. The information provided will not be used for any other purposes.

### (Reference)

Both DIC, including its subsidiaries, and BCE, including BASF's subsidiaries who operate pigment business), operate in the manufacture and sales of pigment.

### (Footnote)

The JFTC has been authorized to conduct reviews on whether plans of business combination may be substantially to restrain competition in particular fields of trade by following procedures prescribed in the Antimonopoly Act (hereinafter referred to as the "AMA"). When a notifying corporation submits a notification form to the JFTC and the JFTC receives it, the notifying corporation is prohibited from effecting the planned business combination in question by the expiration of the 30-days waiting period from the date of receipt of the said notification. During the waiting period, concerning the business combination in question, the JFTC will either; (1) judge that the said business combination is not problematic in light of the AMA, or; (2) judge that more detailed review is necessary and request submission of the necessary reports, information or materials, or; (3) provides Notification of the Commitment Procedures.

In the case of (1) above, to improve transparency of the review of business combination, the JFTC shall give notification to the effect that it will not issue a cease and desist order.

In the case of (2) above, the period when the JFTC may give notice of hearing of opinions shall be extended until 120 days after the date of receipt of the notification or 90 days after the date of receipt of all reports etc., whichever is later. In case the JFTC judges, within this extended period, that the business combination plan in question is not problematic in light of the AMA, it shall give notification to the effect that it will not issue a cease and desist order, same as the case of (1).

In the case of (3) above, the procedures in detail are described in the Policies Concerning Commitment Procedures