

EVALUATION OF THE OPERATION OF THE MANDATORY CONTROL SYSTEM FOR CONCENTRATIONS

Since mid-2017, is in force the compulsory prior control system for concentration transactions, requiring that the National Economic Prosecutor's Office ("FNE") be notified of such transactions prior to their consummation, to the extent that the parties involved exceed certain turnover thresholds currently defined in Resolution N° 667, issued by the FNE on November 24th, 2016. In case of not exceeding such thresholds, the parties can request the application of the procedure on a voluntary basis, eliminating the risk of an investigation by an ex officio or by complaint of an individual, which is not subject to the terms of this procedure.

The procedure considers a first stage (Phase1) of 30 working days, in which the operation can be (i) approved unconditionally or (ii) subject to remedies offered by the parties. Additionally, the FNE can extend the investigation for 90 working days (Phase 2) when it considers that the notified transaction's unconditional materialization or implementation, subject to the measures offered by the notifying party, respectively, could substantially reduce competition.

According to the information published to date, 71 notification processes have been submitted to the preventive control system. Of these, 66 were resolved in Phase 1 and 5 processes have been extended to Phase 2.

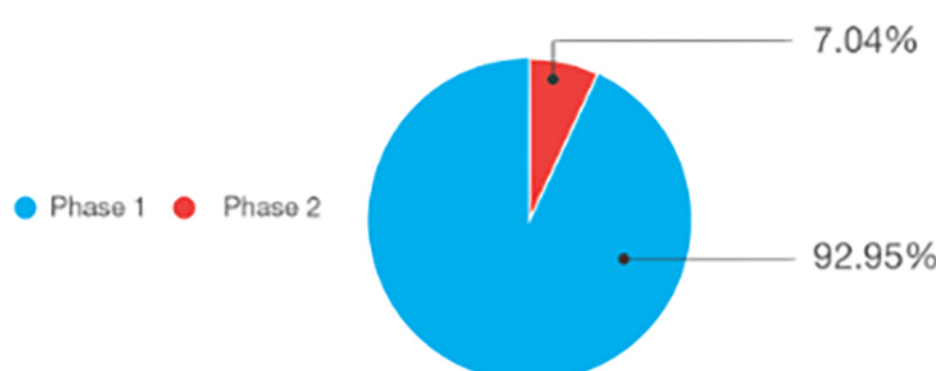


Illustration 1: Premerger Procedures

Of those approved in Phase 1, 56 operations were approved purely and 10 were approved with remedies.

On the other hand, of the five that were extended to Phase 2, one operation was clear, one subject to remedies, two were prohibited and there is one ongoing process. Of the mergers that were blocked, one of them (relating to the acquisition of Nutrabien S.A. by Ideal S.A.) was appealed to the Competition Court, which ultimately approved the operation subject to certain measures.

DLA Piper (Chile) has obtained the unconditional approval of all notifications in which it has intervened. The last transaction advised by the firm that obtained such approval by the FNE is the acquisition of Cornershop by Walmart.

We hope this information is of interest to you.

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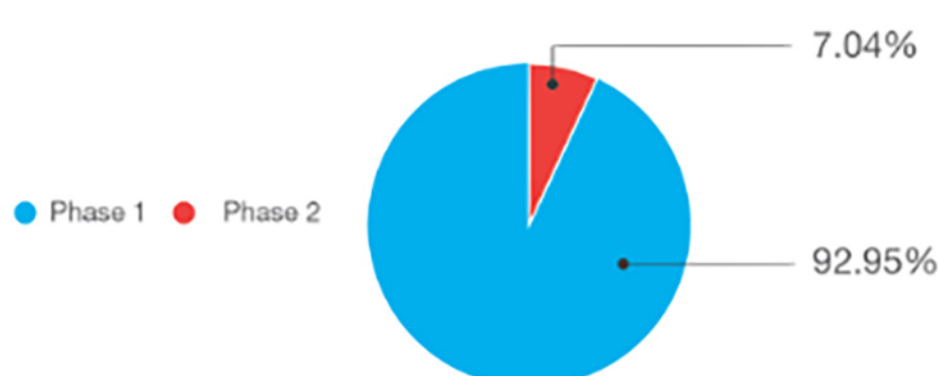


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