



NEWS RELEASE

23rd August 2005

The Competition Authority approves Gleeson's purchase of assets from United Beverages with conditions

The Competition Authority has today (23rd August 2005) announced its determination that the proposed acquisition of certain assets of United Beverages Sales Ltd. by M & J Gleeson and Co. may be put into effect subject to conditions.

M & J Gleeson is active in the manufacture, wholesale, and distribution of soft drinks, mineral water and alcoholic beverages. United Beverages Sales which is also active in the wholesale, and distribution of soft drinks, mineral water and alcoholic beverages, is a wholly owned subsidiary of Diageo Ireland and is part of Diageo plc.

The Competition Authority received notification of the proposed acquisition on the 2nd June 2005 (M/05/027). The Authority is required under the Mergers and Acquisitions section of the Competition Act 2002 to determine whether the result of the proposed acquisition will "substantially lessen competition" in the markets for goods and services.

After an extended Phase 1 investigation The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that the result of the proposed transaction will not be to substantially lessen competition in markets for goods and services in the State and, accordingly, that the proposed transaction may be put into effect subject to the following conditions;

"For five years from the date on which its proposed acquisition of certain assets of United Beverage Sales Limited is put into effect, M. & J. Gleeson and its affiliated companies will inform The Competition Authority in writing in advance of all proposed mergers or acquisitions of any wholesale distributor of alcoholic or non-alcoholic beverages based in one or more of the following regions, Cork City and County; Dublin City and County; and counties Kildare, Louth, Monaghan, Meath and Wicklow; in which it is the proposed acquirer and will notify such transactions to the Authority under Section 18 (3) of the Competition Act, if and when requested to do so by the Authority."

As required by the Competition Act 2002 a more detailed note on this merger notification will be published within 60 days.

ENDS

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