

**In the Matter of the Proposed
Acquisition by Natura Holdings, S.A.
of Shares in Avon Products, Inc.**

MAO Case No. M-2019-021

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COMMISSION DECISION NO. 29-M-021/2019

This is a review of the proposed acquisition by Natura Holdings, S.A. (“Natura”) of shares in Avon Products, Inc. (“Avon”, and together with Natura, the “Parties”), pursuant to Sections 16 and 17 of Republic Act No. 10667 and Section 1, Rule 4 of the Rules and Regulations to Implement the Provisions of Republic Act No. 10667.

Upon review of the findings and recommendation of the Mergers and Acquisitions Office and the Parties’ submissions, the Commission finds that the proposed acquisition by Natura of shares in Avon (the “Transaction”) will not likely result in substantial lessening of competition. This is because there is minimal substitution between the beauty products of Natura and Avon such that they belong to different markets due to the following: (a) the Parties largely cater to different consumer segments, (b) the Parties’ beauty products have significant price differences, and (c) the Parties have different modalities for distribution of their products which they manifested they will maintain post-Transaction. Moreover, the Transaction will not likely result in any substantial change in the market structure, and sufficient competitive constraints remain from other market participants, post-Transaction.

ACCORDINGLY, the Commission resolves to take no further action with respect to the proposed Transaction between Natura and Avon.

This Decision is rendered solely on the facts disclosed and circumstances of the proposed Transaction and documents submitted by Natura and Avon.

12 September 2019.



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