

Global Acquirer Appetite

A review of acquirer appetite and transaction flows across the globe

● AMERICAS ● EUROPE ● ASIA incl. CHINA ● MIDDLE EAST & AFRICA

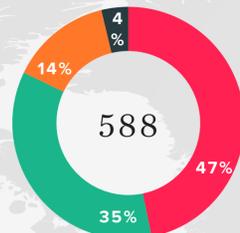
UNITED KINGDOM



“Despite the uncertainty surrounding the terms of a Brexit, inbound M&A in to the UK was up 15% in 2016 and we see international acquirers and investors keen to take advantage of cheaper Sterling to buy good companies in a strong economy.”

JEREMY FURNISS, LONDON

- Fall in sterling post-Brexit referendum drives inbound M&A surge;
- Inbound M&A grows nearly 15% and accounts for nearly 44% of 2016 deal activity;
- American buyers remain most active but European, Asian and Chinese buyers all step up their interest – Chinese buyers triple the number of UK acquisitions they make; and
- Media & Technology the hot sector; transactions up 25% year-on-year, accounting for nearly one quarter of all inbound deals.



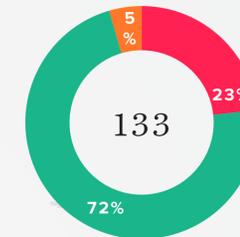
SWEDEN



“Whilst European acquirers (especially from the Nordic region) still account for the majority of inbound deals in Sweden, Asian and Chinese interest remains important and American acquisitions have been increasing quickly.”

THOMAS KARLSSON, STOCKHOLM

- Rapid growth in domestic M&A activity - up 42% on 2015;
- Inbound M&A also grows healthily - up nearly 10% on 2015;
- European buyers comprise 72% of all inbound transactions; and
- Significant deal volume growth in Media & Technology and Pharmaceuticals sectors; Media & Technology account for one-fifth of all inbound deals.



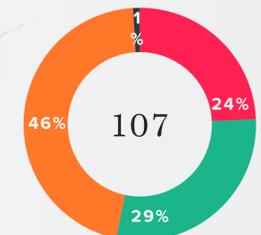
CHINA



“Transaction flow between China and Europe is expected to grow even stronger, as the relationship between the US and China is increasingly stressed by announcements from the Trump administration.”

BAOSHAN BAO, BEIJING

- Inbound M&A volumes remain small. The number of inbound deals has fallen 37% since 2014 while domestic M&A surges in 2015 then declined in 2016;
- Global buyer activity lags well behind 2014 levels; and
- Sharp decline in deal volumes in Business Services and Media & Technology sectors - both down by approximately 40% as Consumer activity bounced back.



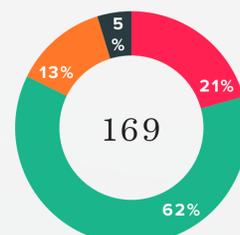
SPAIN



“As the Spanish economy has turned the corner, we have seen both domestic and international acquirers use M&A as a way to consolidate their market positions and drive accelerated growth. Chinese interest really took off this year, growing by 350% albeit from a small base, and we expect this to become more important over time.”

NEIL COLLEN, MADRID

- Deal volumes remain consistent, with activity picking up in late 2016;
- Asia, including China, now accounts for 15% of all inbound M&A;
- Notable drop in buyer interest from the Americas - down 40% from 2015; and
- Business Services remains the dominant sector, accounting for 36% of all inbound transactions.



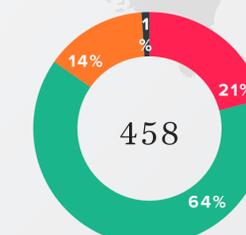
GERMANY



“The immense increase of Chinese inbound M&A activity recently raised concerns on transactions involving German tech companies – and the Aixtron transaction was called off as a consequence. Nevertheless, the deal activity between China and Europa will remain strong and grow further, especially in the light of the recent plans of the Trump government to encapsulate the US further. In 2016, we were delighted to help Chinese Keyvia acquire Balfour Beatty’s German rail business.”

CHRISTIAN GRANDIN, DÜSSELDORF

- Inbound M&A volumes accelerate dramatically - up 35% on 2015;
- Inbound M&A represent 55% of all transactions;
- European buyers account for nearly two-thirds of all inbound transactions, but Chinese buyer interest grows markedly to 9% nearly tripled – nearly one inbound deal in 10; and
- Rapid growth in number of deals in Media & Technology and Consumer sectors.



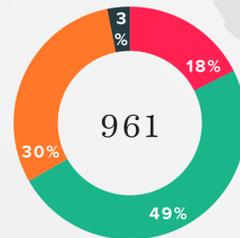
UNITED STATES



“Our international presence means we consistently find compelling international strategic buyers for US-based assets – such overseas acquirers account for 20% of acquisitions into the US.”

DAVID SULASKI, CHICAGO

- More than four out of five US transactions are domestic;
- Asia, including China, now accounts for more than one-third of all inbound M&A;
- Significant drop in interest from neighbouring American buyers - down nearly 19% from 2015; and
- Media & Technology the fastest growing sector by deal volume - inbound deals up 11% from 2015.



“The Business Services and Media & Technology sectors remain key to the US market, together accounting for half of all inbound acquisitions. As many technology sectors have matured, financial sponsor interest has further strengthened, while strategic buyers continue to fill key strategic gaps with more nascent technologies. There continues to be a healthy funding environment for start-up companies.”

BRENNAN LIBBEY, LOS ANGELES