

2012 Year-End Roundup

M&A Activity

Figure 1 - Deal Volume

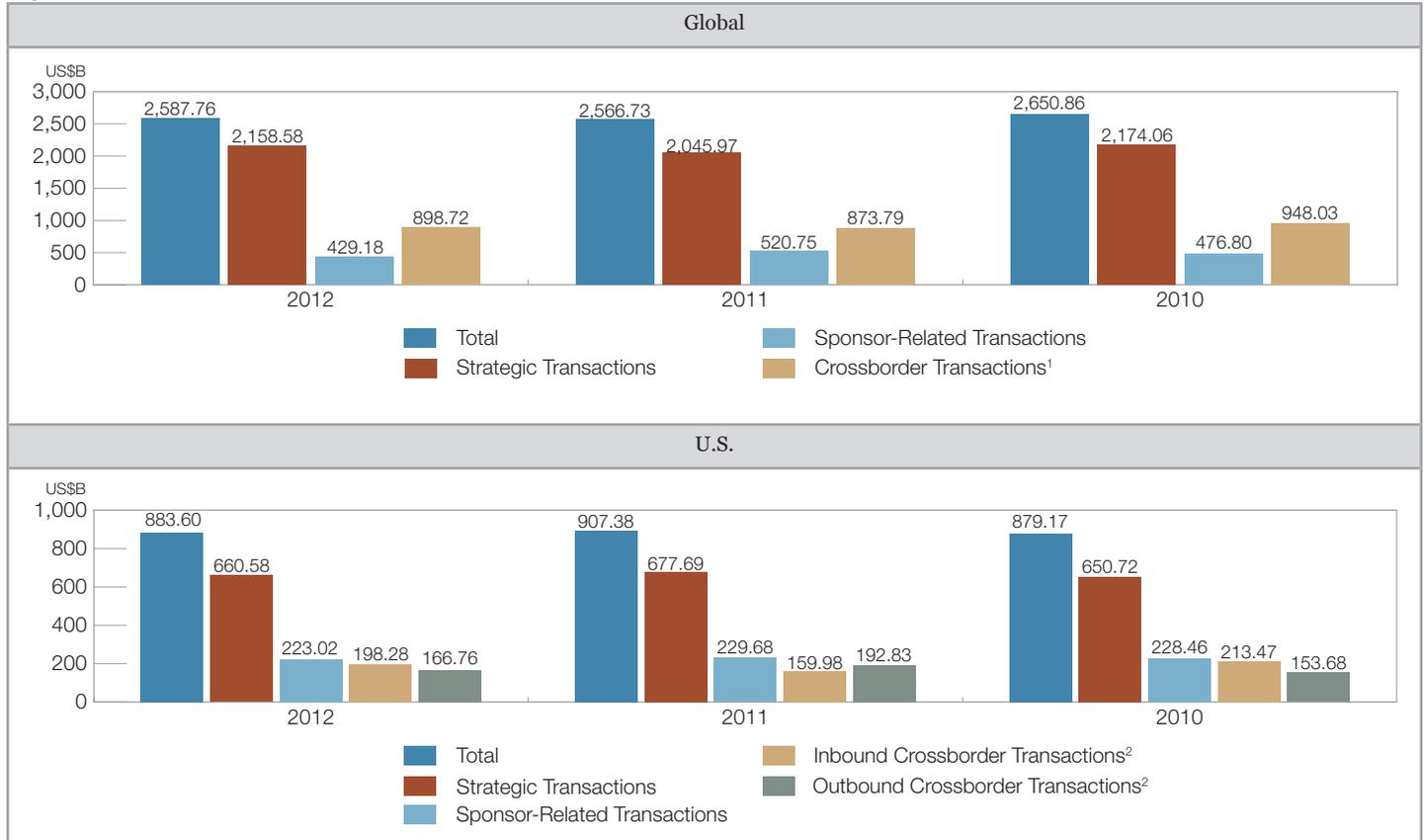
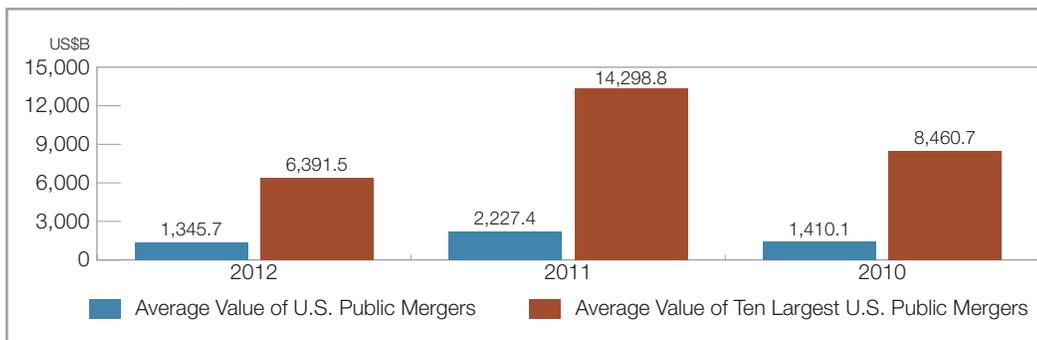


Figure 2 - Average Value of Announced U.S. Public Mergers



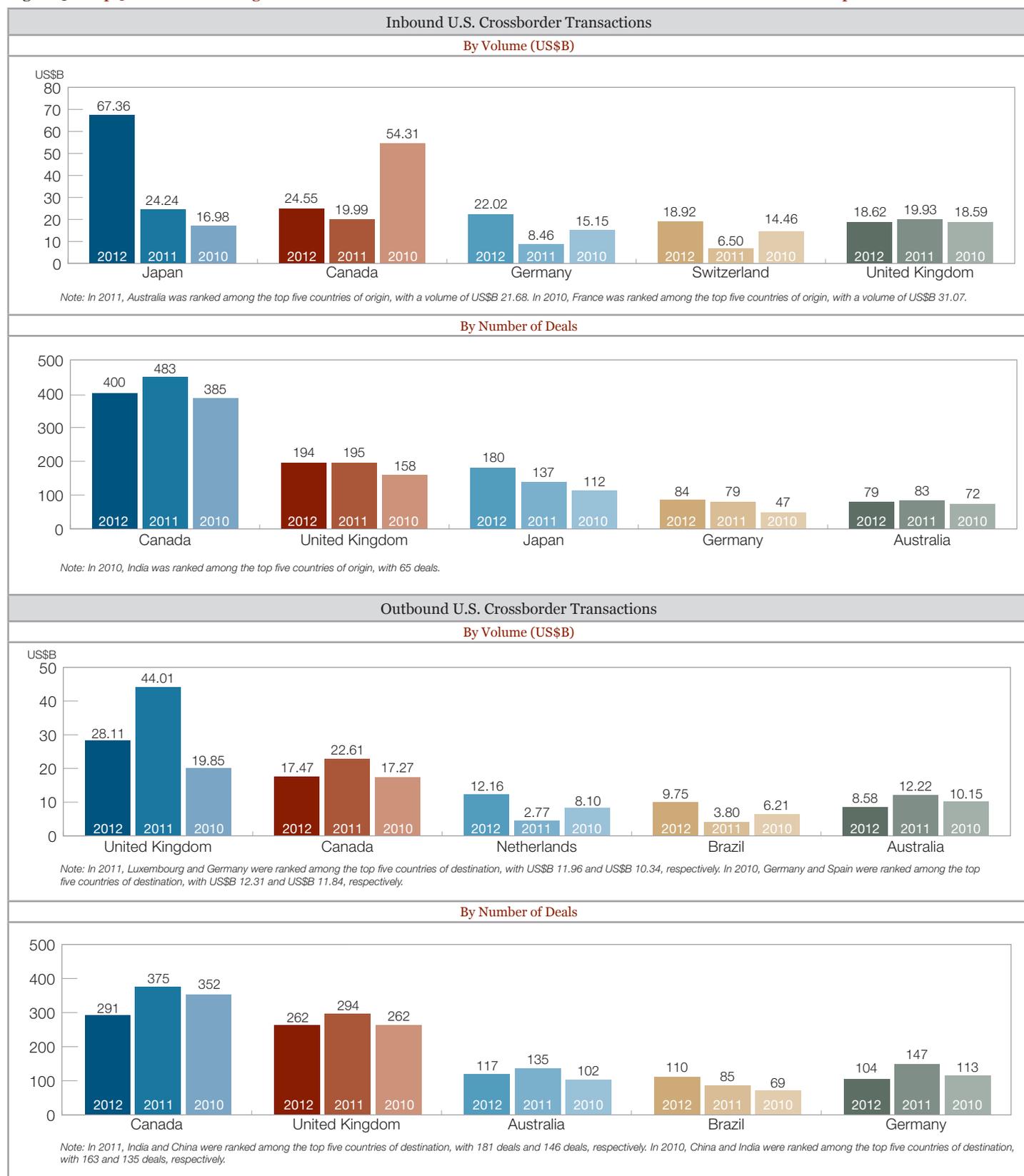
Figures 1, 3 and 4 were compiled using data from Dealogic, and are for the broader M&A market, including mergers of any value involving public and/or private entities. Figure 2 was compiled using data from FactSet MergerMetrics, and is limited to mergers involving public U.S. targets announced during the period indicated and valued at \$100 million or higher regardless of whether a definitive merger agreement was reached and filed or withdrawn. All data is as of January 10, 2013 unless otherwise specified. Data obtained from Dealogic and FactSet MergerMetrics has not been reviewed for accuracy by Paul, Weiss.

¹ Global crossborder transactions are those where the acquirer and the target have different nationalities. Nationality is based on where a company has either its headquarters or a majority of its operations.

² U.S. crossborder transactions are those transactions where the acquirer and the target have different nationalities and either the acquirer ("Outbound") or the target ("Inbound") has a U.S. nationality. Nationality is based on where a company has either its headquarters or a majority of its operations.

M&A Activity (Continued)

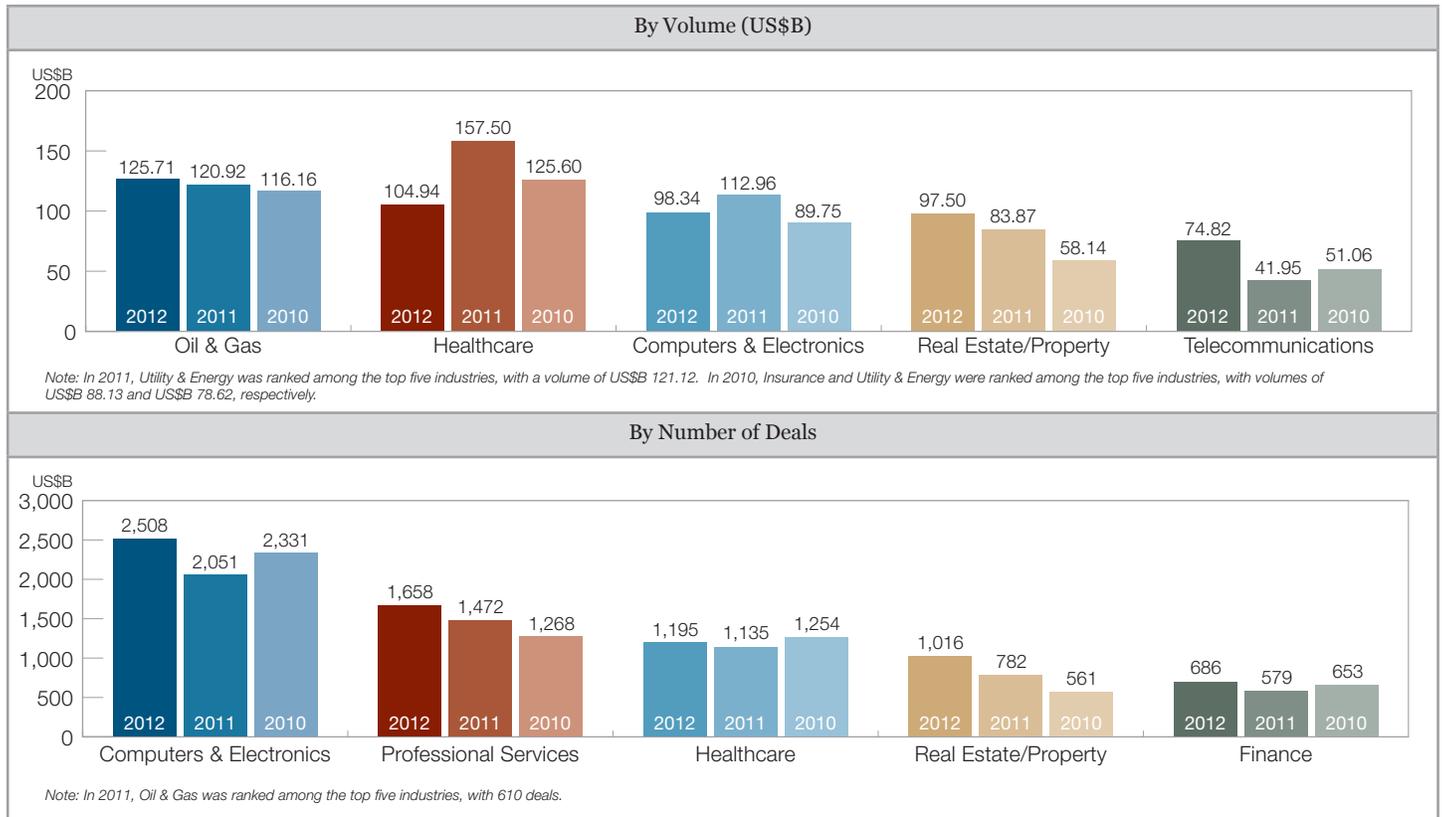
Figure 3 - Top 5 Countries of Origin or Destination for 2012 U.S. Crossborder Transactions and Prior Year Comparisons³



³ U.S. crossborder transactions are those transactions where the acquirer and the target have different nationalities and either the acquirer ("Outbound") or the target ("Inbound") has a U.S. nationality. Nationality is based on where a company has either its headquarters or a majority of its operations.

M&A Activity (Continued)

Figure 4 - Most Active 2012 U.S. Target Industries and Prior Year Comparisons⁴



M&A Terms⁵

Figure 5 - Form of Consideration as % of U.S. Public Mergers⁶

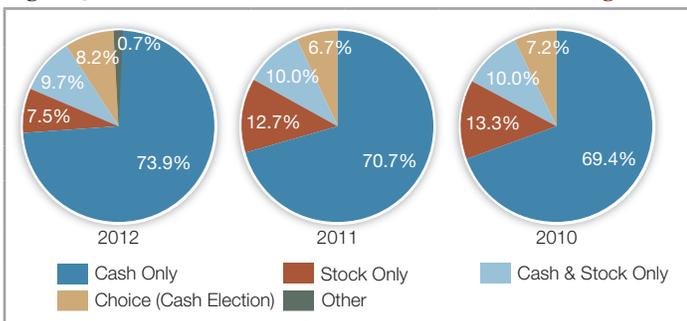


Figure 6 - Average Break Fees as % of Equity Value⁷



Figure 7 - Tender Offers as % of U.S. Public Mergers

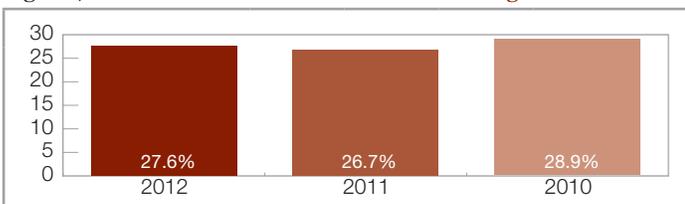
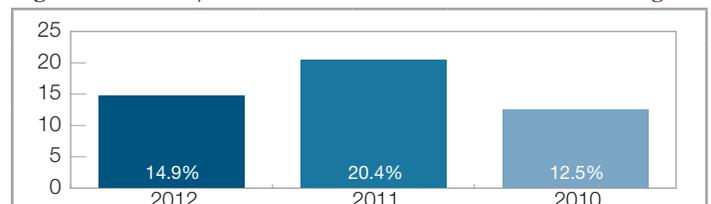


Figure 8 - Hostile/Unsolicited Offers as % of U.S. Public Mergers⁸



⁴ Industries categories are determined and named by Dealogic.

⁵ Figures 5-10 were compiled using data from FactSet MergerMetrics, and are limited to select mergers involving public U.S. targets announced during the period indicated, valued at \$100 million or higher and for which a definitive merger agreement was reached and filed (unless otherwise indicated). Data obtained from FactSet MergerMetrics has not been reviewed for accuracy by Paul, Weiss.

⁶ Due to rounding, percentages may not add up to 100%.

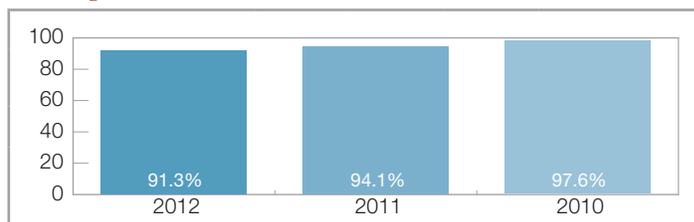
⁷ Based on the highest target break fees and reverse break fees payable in a particular deal.

⁸ This data includes both announced transactions for which a definitive merger agreement was reached and filed and those for which a definitive merger agreement was never reached and filed (including withdrawn transactions).

Figure 9 - U.S. Public Merger Go-Shop Provisions

U.S. Public Merger Go-Shop Provisions			
	2012	2011	2010
% of Mergers with Go-Shops	12.7	10.0	14.4
% of Mergers Involving Financial Buyers with Go-Shops	35.7	27.8	48.8
% of Mergers Involving Strategic Buyers with Go-Shops	6.6	4.4	4.3
Avg. Go-Shop Window (in Days) for All Mergers with Go-Shops	37.4	36.1	38.7
Avg. Go-Shop Window (in Days) for Mergers Involving Financial Buyers with Go-Shops	39.6	35.7	41.3
Avg. Go-Shop Window (in Days) for Mergers Involving Strategic Buyers with Go-Shops	34.3	37.0	30.0

Figure 10 - % of Partial and All Stock Deals that Have a Fixed Exchange Ratio



Paul, Weiss is a leading law firm serving the largest publicly and privately held corporations and financial institutions in the United States and throughout the world. Our firm is widely recognized for achieving an unparalleled record of success for our clients, both in their bet-the-company litigations and their most critical strategic transactions. We are keenly aware of the extraordinary challenges and opportunities facing national and global economies and are committed to serving our clients' short- and long-term goals.

Our Mergers & Acquisitions Practice

The Mergers & Acquisitions Group at Paul, Weiss is among the most experienced and effective in the world. We represent publicly traded and privately-held companies, leading private equity firms, hedge funds, financial advisors and other financial institutions and investors in their most important mergers and acquisitions, joint ventures, and other strategic transactions.

Our expertise and historical experience in advising corporations and private investors in a variety of transactions enables us to identify new opportunities for our clients to realize value. In particular, we have experience in assisting clients as they engage in proxy battles, company-altering and market-consolidating transactions or capital market transactions.

In the past year, we have helped clients across industries and continents, in transactions ranging from the largest deal for a domestic healthcare REIT to one of the largest international investment projects in China. A sampling of recent engagements includes advising Rockstar Bideo in its acquisition of Nortel's \$4.5 billion patent portfolio; assisting consumer products giant Reckitt Benckiser in its \$1.4 billion acquisition of Schiff Nutrition International; counseling KPS Capital Partners in the sale of its portfolio company North American Breweries to Cerveceria Costa Rica; representing investment funds affiliated with Apollo Global Management, LLC in an agreement to acquire McGraw-Hill Education for \$2.5 billion; and advising Time Warner Cable in its \$3 billion acquisition of Insight Communications.

Contacts

Ariel J. Deckelbaum
 Partner
 New York
 212-373-3546
 ajdeckelbaum@paulweiss.com

Frances Mi
 Counsel
 New York
 212-373-3185
 fmi@paulweiss.com

Associates Elana D. Bensoul and Jonathon A. Zytznick contributed to this publication.

© 2013 Paul, Weiss, Rifkind, Wharton & Garrison LLP.

In some jurisdictions, this publication may be considered attorney advertising. Past representations are no guarantee of future outcomes.