

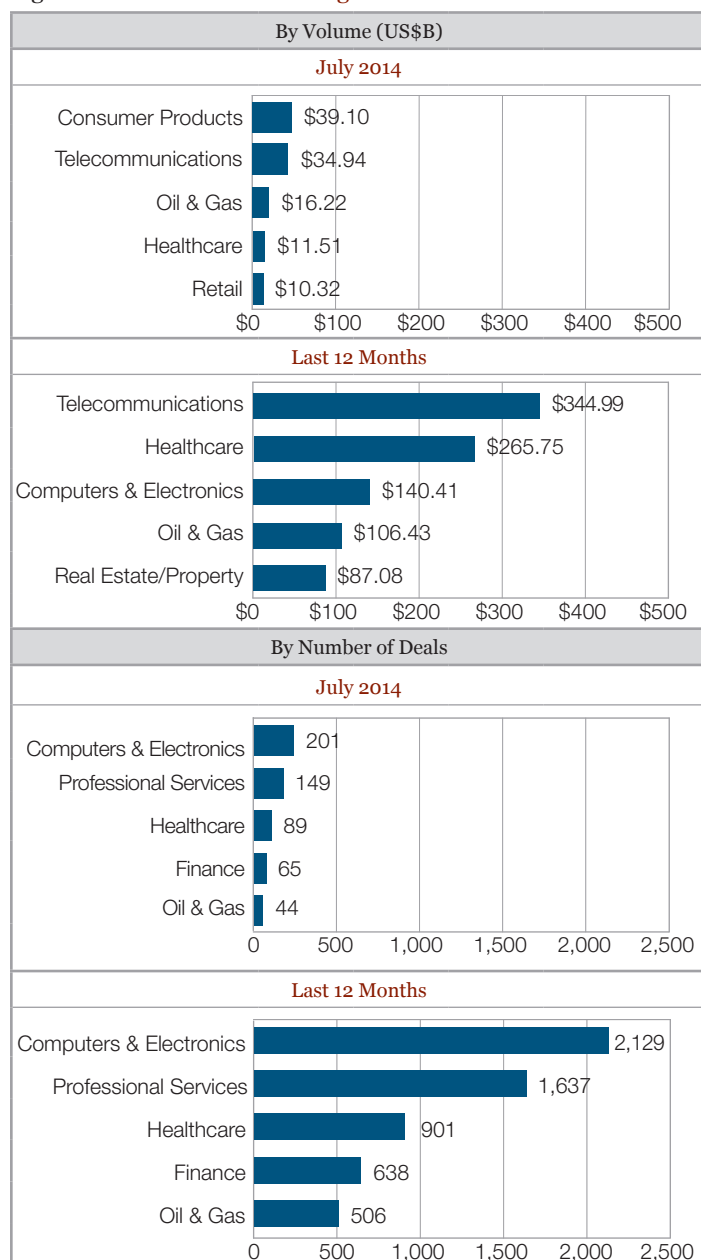
August 2014, Issue 29

M&A Activity

Figure 1

July 2014	Global	+/- From Prior Month	U.S.	+/- From Prior Month
Total				
Volume (US\$B)	326.03	(19.42)	175.88	17.24
No. of deals	3,434	128	913	25
Avg. value of deals (US\$mil)	210.8	(5.7)	600.3	103.0
Avg. deal multiple ¹	12.7x	0.2	16.5x	3.0
Strategic Transactions				
Volume (US\$B)	277.28	(19.06)	155.00	16.43
No. of deals	2,965	106	725	15
Avg. value of deals (US\$mil)	204.5	(6.1)	659.6	124.5
Avg. deal multiple ¹	12.7x	0.2	16.5x	2.5
Sponsor-Related Transactions				
Volume (US\$B)	48.75	(0.36)	20.88	0.81
No. of deals	469	22	188	10
Avg. value of deals (US\$mil)	255.3	(4.6)	360.0	25.5
Avg. deal multiple ¹	12.8x	0.2	N/A ²	N/A ²
Crossborder Transactions³				
Volume (US\$B)	139.48	9.64	Inbound 63.83 Outbound 13.63	Inbound 46.40 Outbound (57.84)
No. of deals	794	66	Inbound 117 Outbound 152	Inbound 14 Outbound 24
Avg. value of deals (US\$mil)	383.2	(10.3)	Inbound 1,100.5 Outbound 247.8	Inbound 713.3 Outbound (1,028.4)
Avg. deal multiple ¹	12.8x	(0.9)	Inbound 16.7x Outbound 14.9x	Inbound 8.0 Outbound (2.0)

Figure 2 - Most Active U.S. Target Industries⁴



Figures 1-3 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. Figures 4 and 5 were compiled using data from FactSet MergerMetrics, and are 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and valued at \$100 million or higher regardless of whether a definitive merger agreement was reached and filed or withdrawn.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 August 11, 2014 unless otherwise specified. "Last 12 Months" data is for the period from July 2013 to June 2014 inclusive. Data from Dealogic and FactSet MergerMetrics June include multiple offers, as applicable, for the same target company. Data obtained from Dealogic and FactSet MergerMetrics has not been reviewed for accuracy by Paul, Weiss.

¹ Ratio of enterprise value to EBITDA, trailing 12 months. This statistic is calculated using a smaller subset of deals for which this data is available.

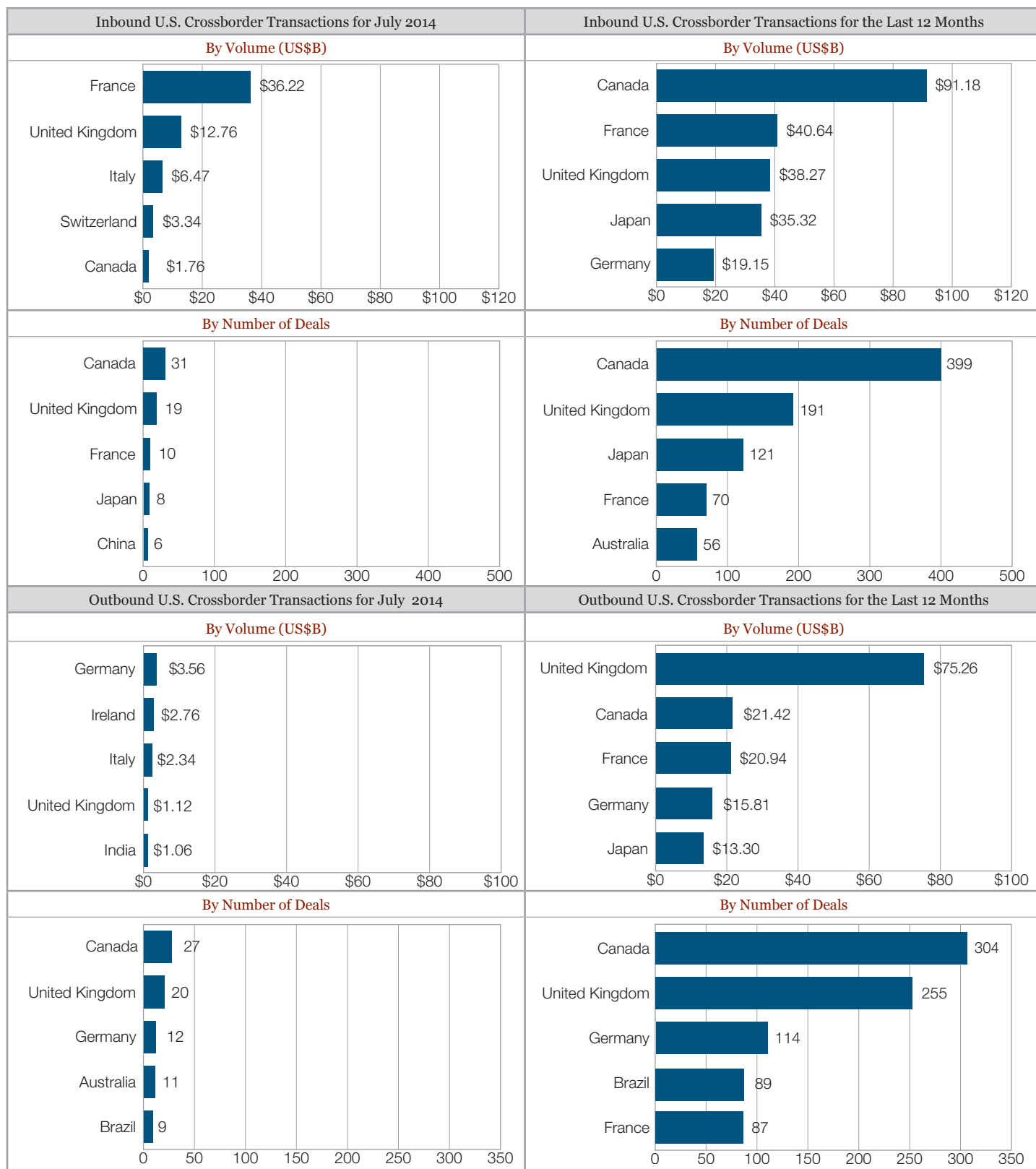
² No data available for ratio of enterprise value to EBITDA, trailing 12 months, for U.S. Sponsor-Related Transactions in July 2014.

³ 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. 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.

⁴ Industries categories are determined and named by Dealogic.

M&A Activity (Continued)

Figure 3 - Top 5 Countries of Origin or Destination for U.S. Crossborder Transactions



M&A Activity (Continued)

Figure 4 - Average Value of Announced U.S. Public Mergers (in US\$mil)

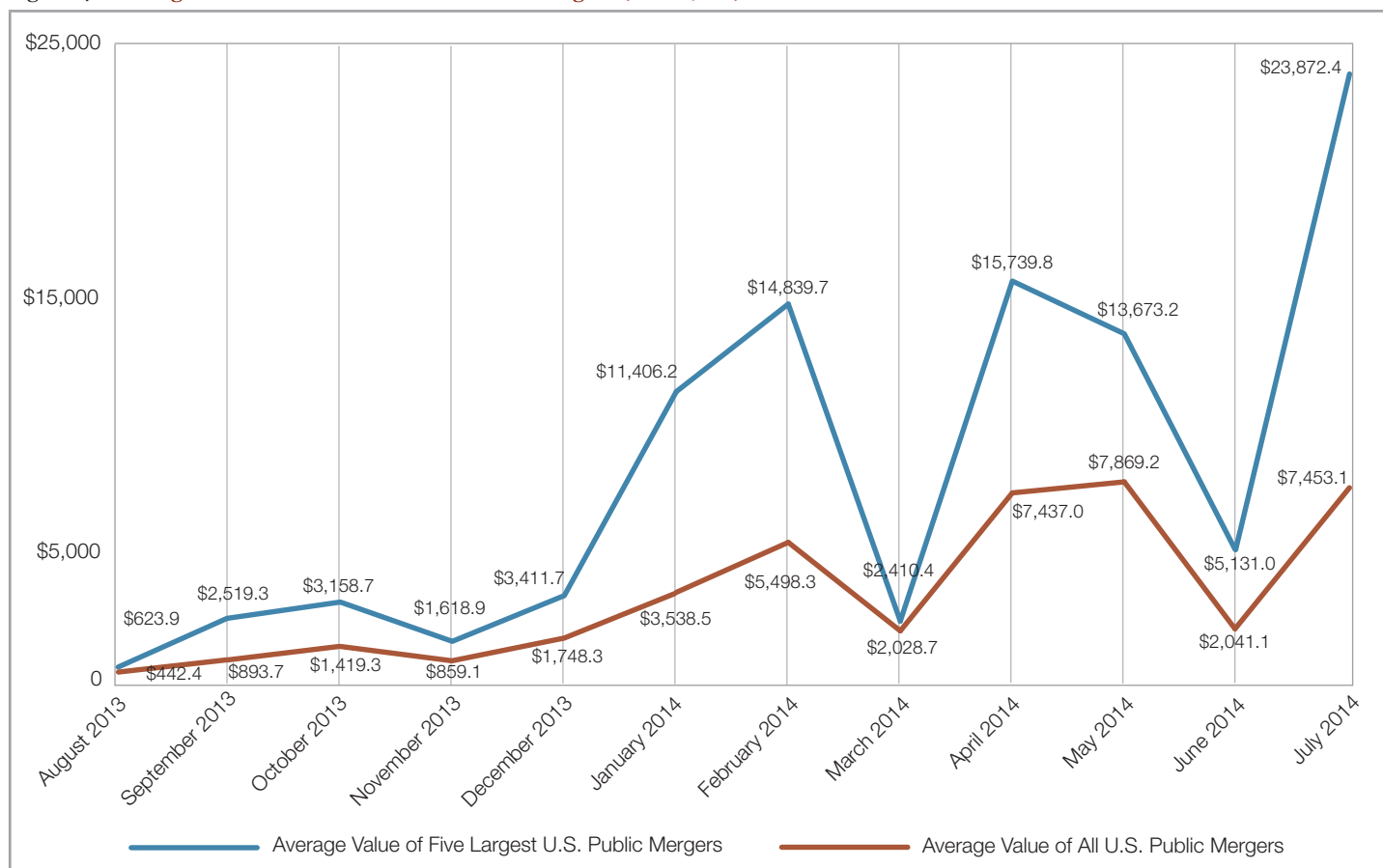
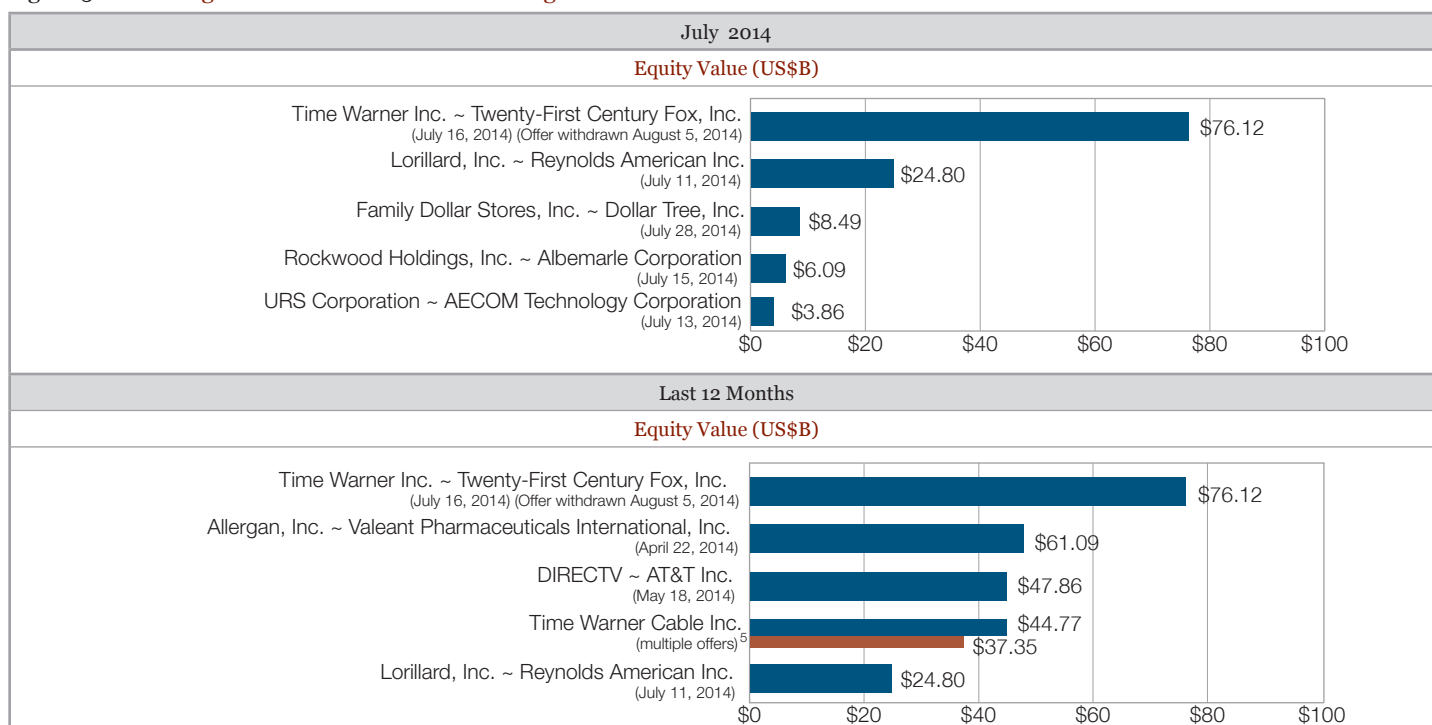
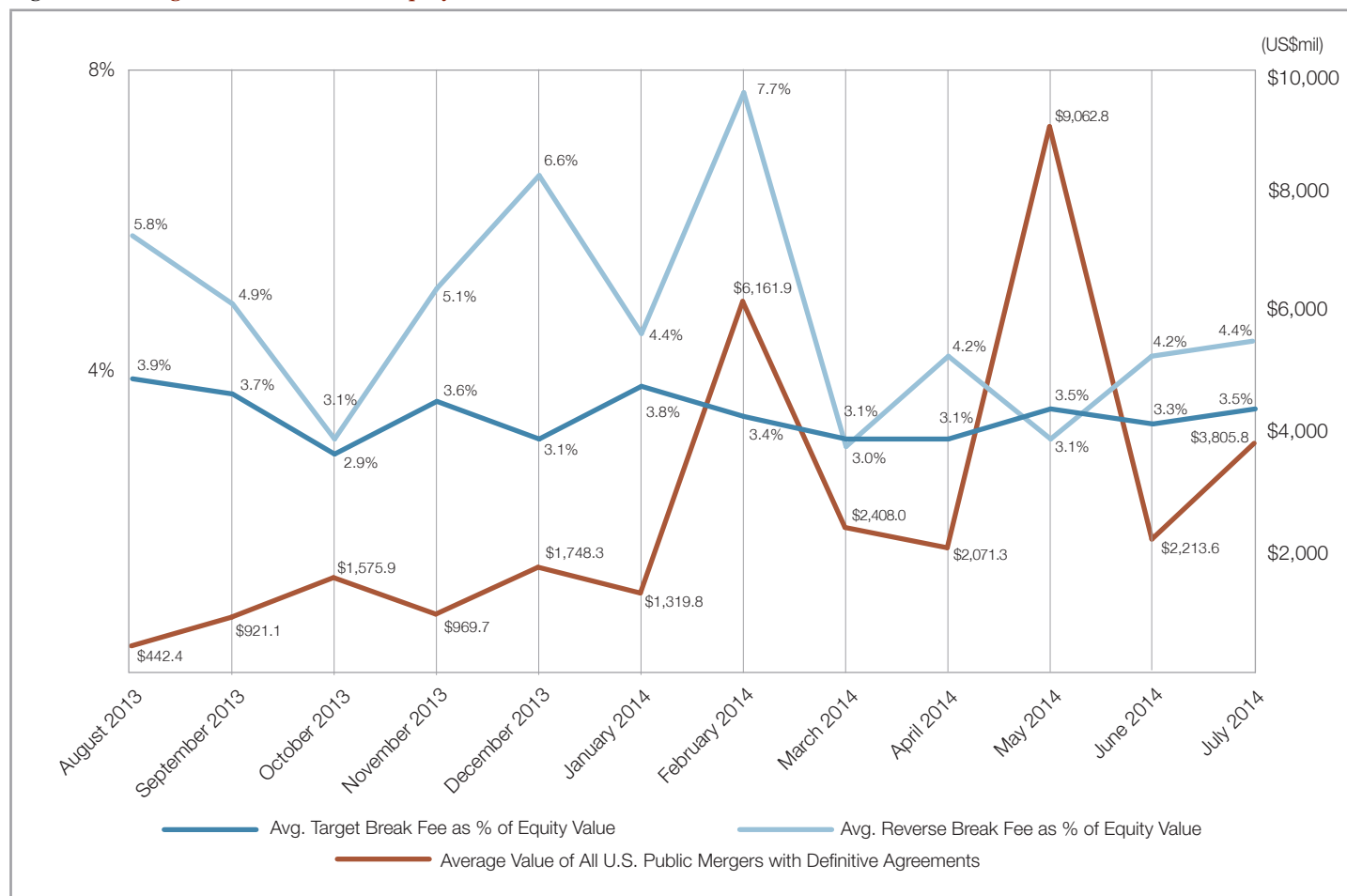


Figure 5 - Five Largest Announced U.S. Public Mergers



⁵ Data reported by FactSet MergerMetrics includes the February 13, 2014 offer by Comcast Corporation, reported at \$44.77 billion, and the January 13, 2014 offer by Charter Communications, Inc., reported at \$37.35 billion.

M&A Terms

Figure 6 - Average Break Fees as % of Equity Value⁶Figure 7 - Average Break Fees as % of Equity Value⁷

	July 2014	Last 12 Months
Target Break Fee for All Mergers	3.5	3.4

	July 2014	Last 12 Months
Reverse Break Fee for All Mergers	4.4	4.8
Reverse Break Fee for Mergers Involving Financial Buyers ⁷	N/A	6.1
Reverse Break Fee for Mergers Involving Strategic Buyers	4.4	4.3

Figures 6-12 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 from Dealogic and FactSet MergerMetrics may include multiple offers for the same target company. Data obtained from FactSet MergerMetrics has not been reviewed for accuracy by Paul, Weiss.

Figure 8 - U.S. Public Merger Go-Shop Provisions

	July 2014	Last 12 Months
% of Mergers with Go-Shops	0.0	9.2
% of Mergers Involving Financial Buyers with Go-Shops ⁷	N/A	27.3
% of Mergers Involving Strategic Buyers with Go-Shops	0.0	5.9
Avg. Go-Shop Window (in Days) for All Mergers with Go-Shops ⁸	N/A	28.2
Avg. Go-Shop Window (in Days) for Mergers Involving Financial Buyers with Go-Shops ⁷	N/A	26.3
Avg. Go-Shop Window (in Days) for Mergers Involving Strategic Buyers with Go-Shops ⁹	N/A	29.7

⁶ Based on the highest target break fees and reverse break fees payable in a particular deal.

⁷ No transactions in July 2014 involved a financial buyer.

⁸ No transactions in July 2014 had a go-shop provision.

⁹ No transactions in July 2014 involving a strategic buyer had a go-shop provision.

M&A Terms (Continued)

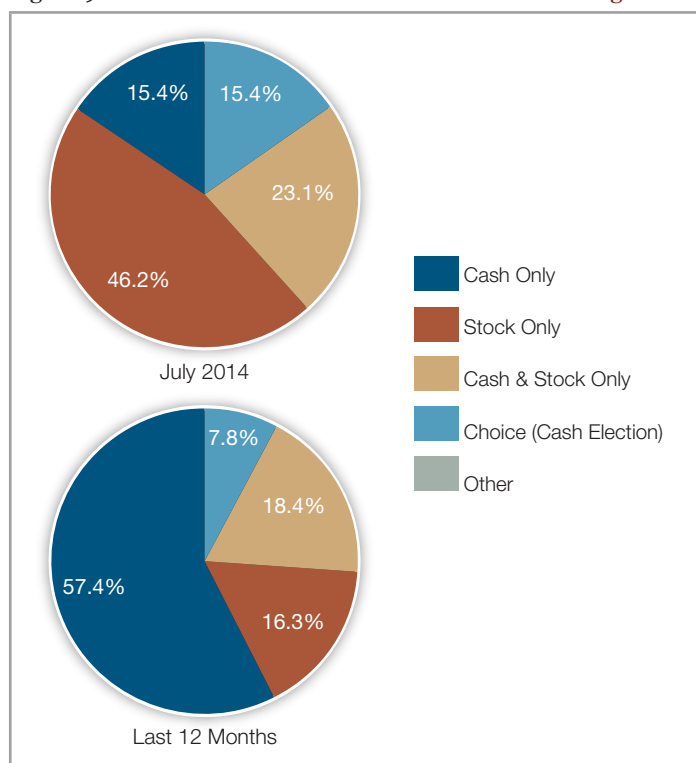
Figure 9 - Form of Consideration as % of U.S. Public Mergers¹⁰

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

July 2014	66.7
Last 12 Months	85.7

Figure 11 - Tender Offers as % of U.S. Public Mergers

July 2014	15.4
Last 12 Months	28.4

Figure 12 - Hostile/Unsolicited Offers as % of U.S. Public Mergers¹¹

July 2014	23.5
Last 12 Months	16.1

¹⁰ Due to rounding, percentages may not add up to 100%¹¹ 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).

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