

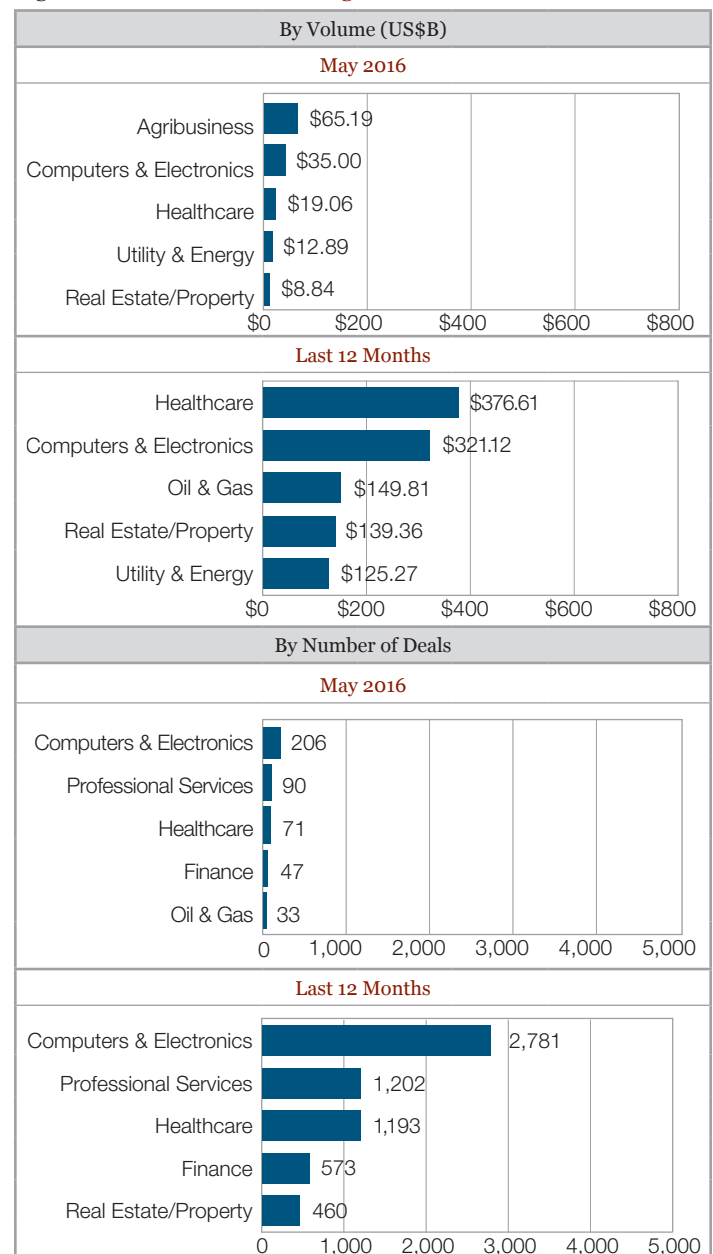
June 2016, Issue 51

M&A Activity

Figure 1¹

May 2016	Global	+/- From Prior Month	U.S.	+/- From Prior Month
Total				
Volume (US\$B)	335.98	93.96	179.43	61.60
No. of deals	2,845	(194)	722	(19)
Avg. value of deals (US\$mil)	217.2	62.3	582.6	169.1
Avg. deal multiple ²	11.3x	(1.1)	12.9x	0.5
Strategic Transactions				
Volume (US\$B)	267.67	74.24	135.05	36.55
No. of deals	2,514	(167)	578	(27)
Avg. value of deals (US\$mil)	191.1	55.4	517.4	118.6
Avg. deal multiple ²	11.1x	(1.3)	13.3x	0.8
Sponsor-Related Transactions				
Volume (US\$B)	68.31	19.72	44.38	25.05
No. of deals	331	(27)	144	8
Avg. value of deals (US\$mil)	467.9	113.2	944.3	435.6
Avg. deal multiple ²	11.7x	(0.5)	12.2x	(0.2)
Crossborder Transactions³				
Volume (US\$B)	129.61	56.58	Inbound 78.58 Outbound 13.07	Inbound 46.54 Outbound 7.76
No. of deals	665	(87)	Inbound 127 Outbound 119	Inbound (5) Outbound (9)
Avg. value of deals (US\$mil)	391.6	199.4	Inbound 1,106.8 Outbound 297.0	Inbound 690.7 Outbound 173.5
Avg. deal multiple ²	10.0x	(1.2)	Inbound 12.8x Outbound 8.0x	Inbound 2.2 Outbound (5.4)

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and valued at \$100 million or higher regardless of whether a definitive merger agreement was reached and filed or withdrawn.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 June 8, 2016 unless otherwise specified. "Last 12 Months" data is for the period from June 2015 to May 2016 inclusive. Data from Dealogic and FactSet MergerMetrics may 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 For more deal trends, see Annex A.

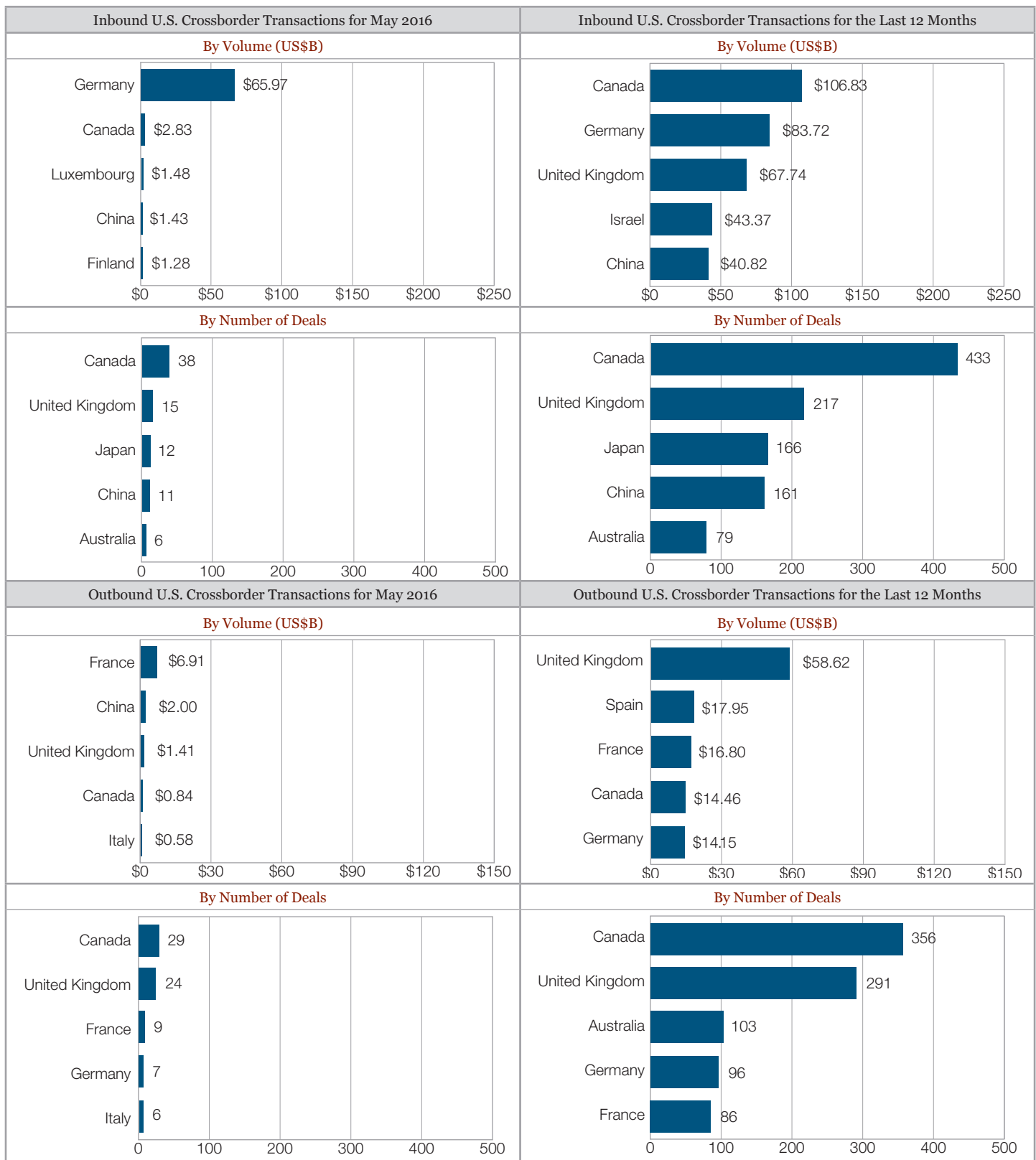
² Ratio of enterprise value to EBITDA, trailing 12 months. This statistic is calculated using a smaller subset of deals for which this data is available.

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.

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)

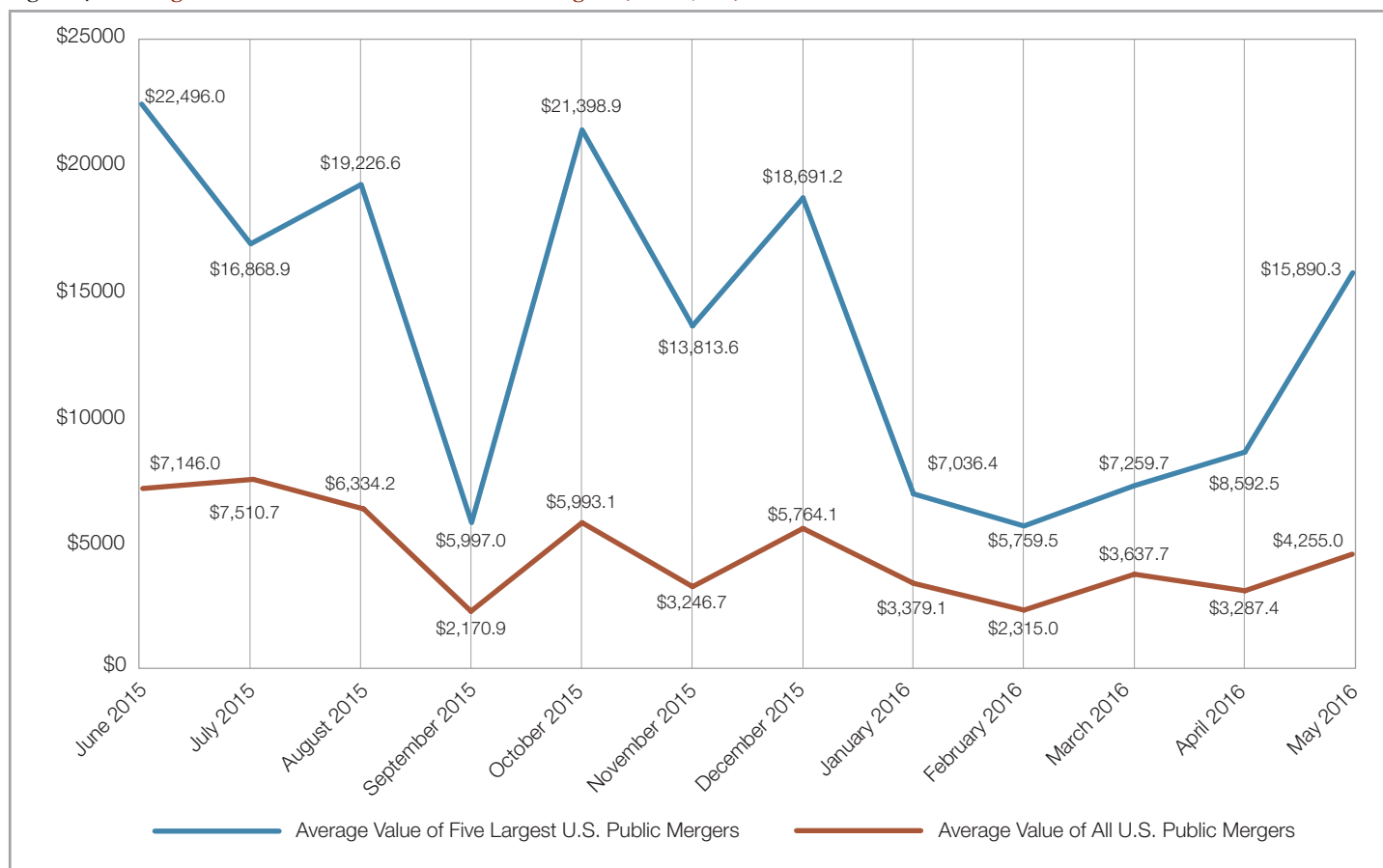
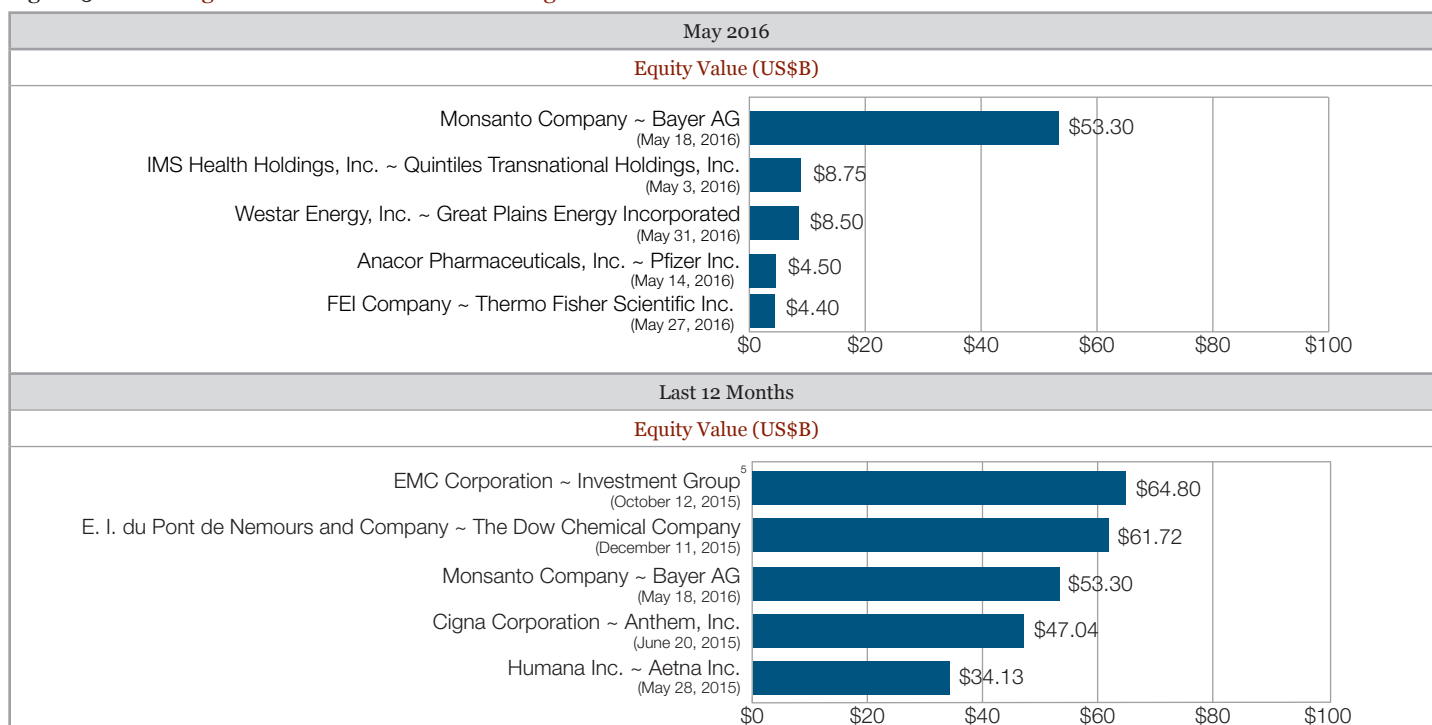


Figure 5 - Five Largest Announced U.S. Public Mergers



⁵ The investment group included Dell Inc., Silber Lake Partners and MSD Partners LP.

M&A Terms

Figure 6 - Average Break Fees as % of Equity Value⁶

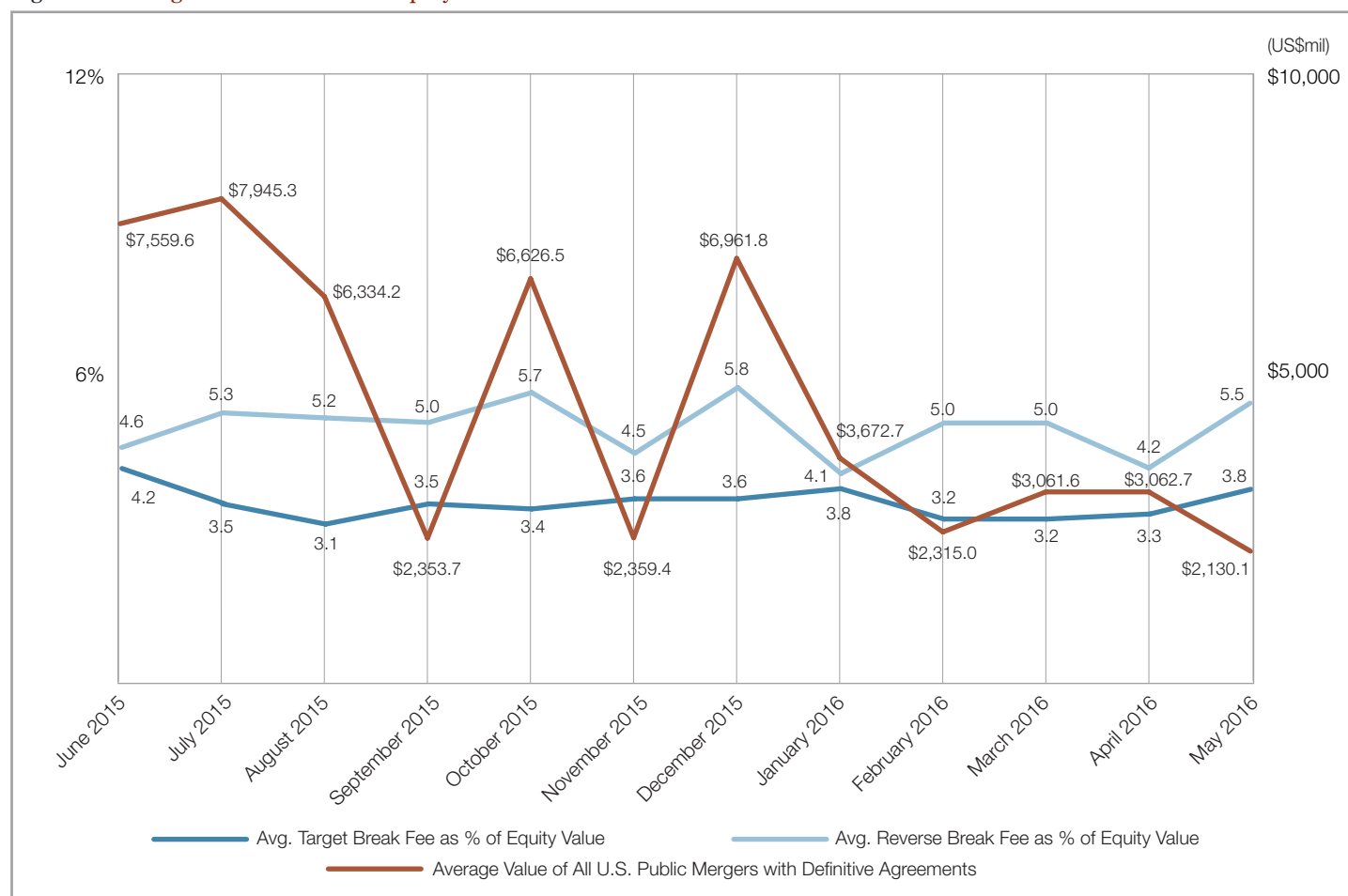


Figure 7 - Average Break Fees as % of Equity Value

	May 2016	Last 12 Months
Target Break Fee for All Mergers	3.8	3.5

	May 2016	Last 12 Months
Reverse Break Fee for All Mergers	5.5	5.0
Reverse Break Fee for Mergers Involving Financial Buyers ⁷	6.2	6.4
Reverse Break Fee for Mergers Involving Strategic Buyers	5.4	4.7

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 obtained from FactSet MergerMetrics has not been reviewed for accuracy by Paul, Weiss.

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

	May 2016	Last 12 Months
% of Mergers with Go-Shops	10.5	10.4
% of Mergers Involving Financial Buyers with Go-Shops	33.3	38.5
% of Mergers Involving Strategic Buyers with Go-Shops	0.0	6.0
Avg. Go-Shop Window (in Days) for All Mergers with Go-Shops ⁸	35.0	34.6
Avg. Go-Shop Window (in Days) for Mergers Involving Financial Buyers with Go-Shops ⁹	35.0	35.5
Avg. Go-Shop Window (in Days) for Mergers Involving Strategic Buyers with Go-Shops ¹⁰	N/A	33.6

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

⁷ One transaction in May 2016 involving a financial buyer had a reverse break fee.

⁸ Two transactions in May 2016 had a go-shop provision.

⁹ Two transactions in May 2016 involving a financial buyer had a go-shop provision.

¹⁰ No transactions in May 2016 involving a strategic buyer had a go-shop provision.

M&A Terms (Continued)

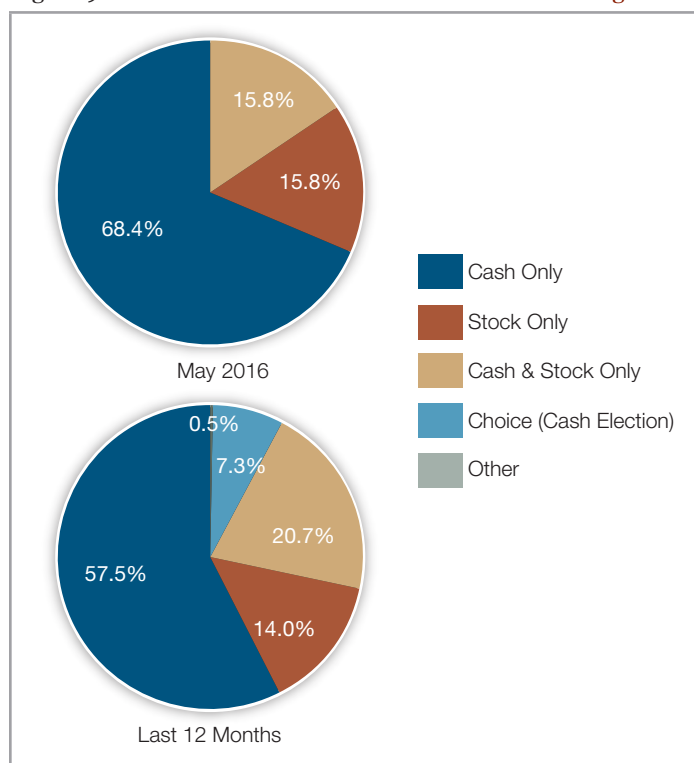
Figure 9 - Form of Consideration as % of U.S. Public Mergers¹¹

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

May 2016	83.3
Last 12 Months	91.0

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

May 2016	21.1
Last 12 Months	17.1

Figure 12 - Hostile/Unsolicited Offers as % of U.S. Public Mergers¹²

May 2016	13.0
Last 12 Months	16.4

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

¹² 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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M&A Activity – 12-Month Trends

ANNEX

Figure 1A - US Deal Volume (US\$B)

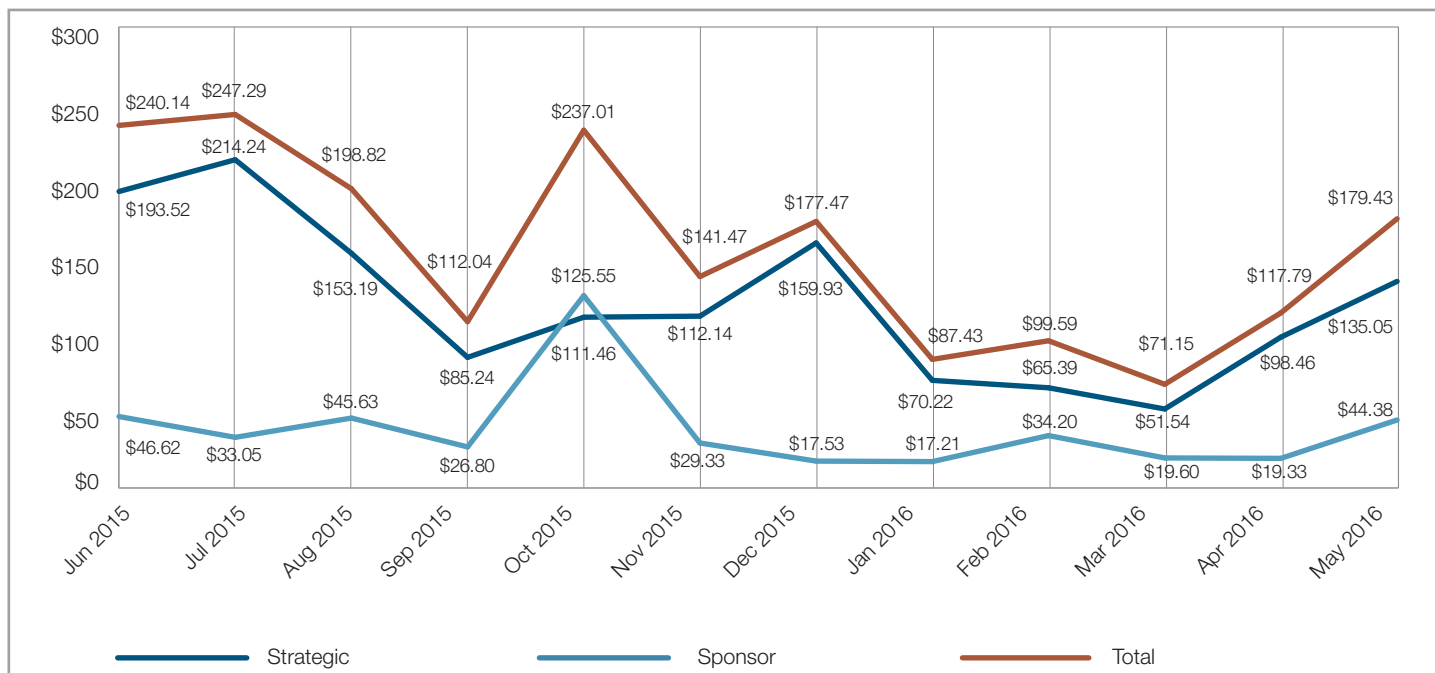


Figure 2A - Global Deal Volume (US\$B)

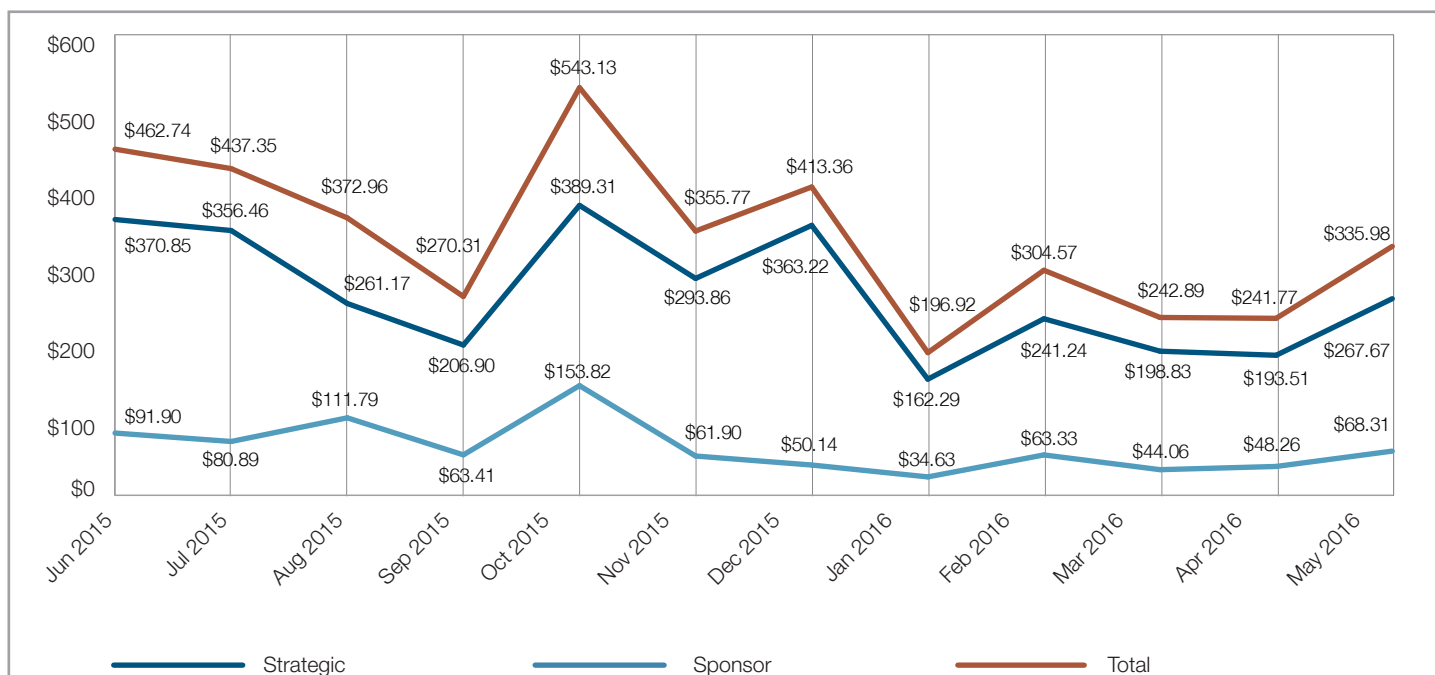


Figure 3A - US Number of Deals

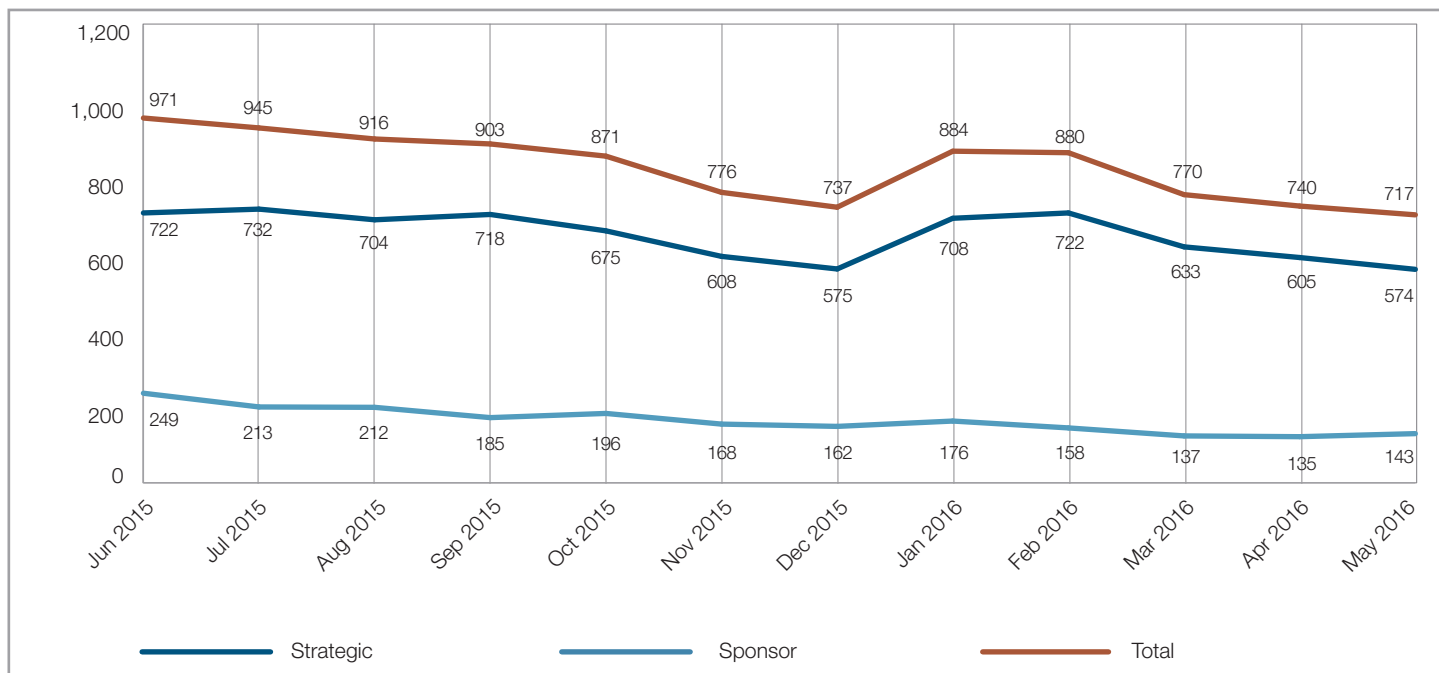


Figure 4A - Global Number of Deals

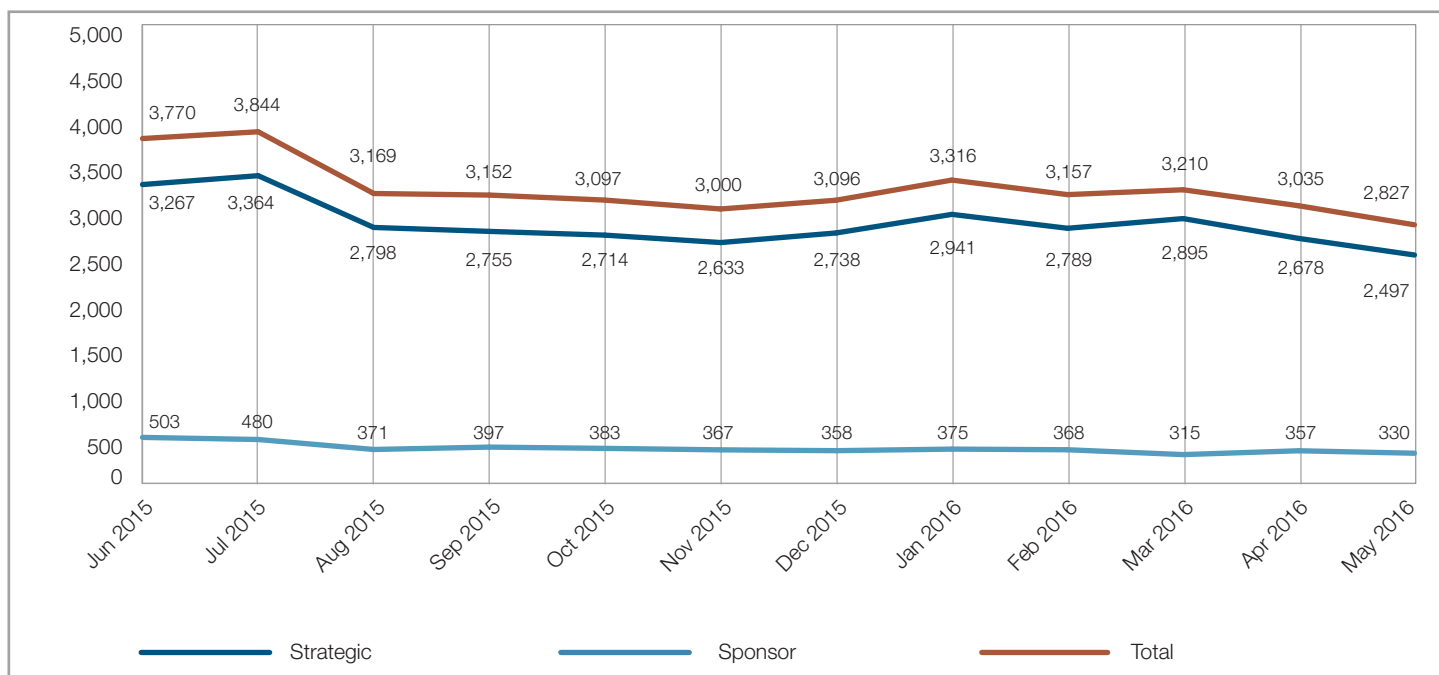


Figure 5A - Crossborder Inbound Transactions

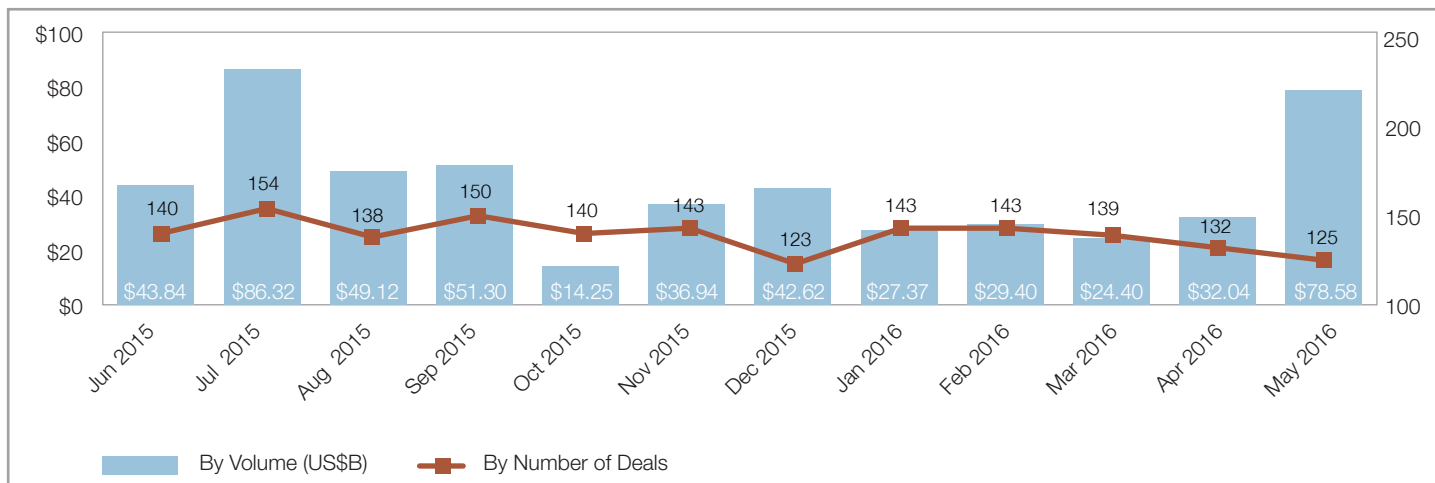


Figure 6A - Crossborder Outbound Transactions

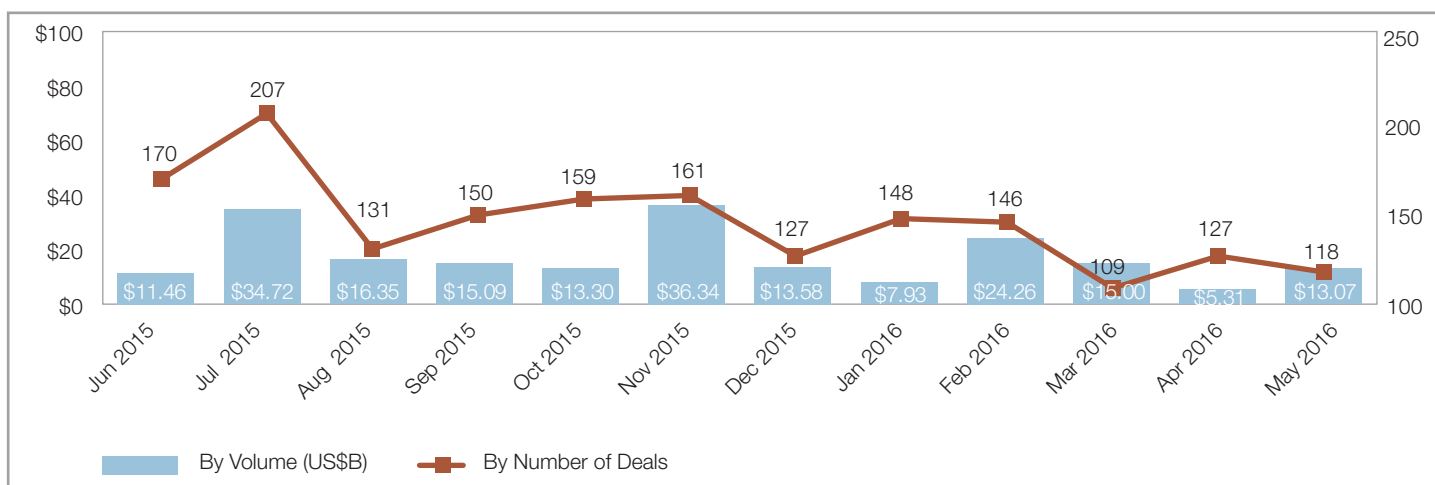


Figure 7A - Global Cross-Border Transactions

