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Assembling value
First-quarter 2012 global industrial manufacturing industry mergers and acquisitions analysis

pwc

Barry Misthal

To our Industrial Manufacturing Industry readers:

Welcome to the latest edition of *Assembling value*, PwC's analysis of mergers and acquisitions in the global industrial manufacturing industry. In this report, you'll find an overview of M&A in the sector during the first quarter of 2012, plus expectations for deal activity in the near future.

PwC analysts are monitoring several trends expected to affect the values and locations of deals in the industrial manufacturing sector:

- The number and value of transactions during first-quarter 2012 remained lower sequentially and year over year, despite the announcement of three mega-deals (valued at $1 billion or more). Cautious optimism for the US manufacturing sector was partly offset by fears of a prolonged recession in Europe, and a hard landing in China.
- Corporate profits were solid, but the uncertain direction of the global economy and the industrial manufacturing sector in particular led financial and strategic investors to trim acquisitions.
- Divestiture efforts continued to be a major contributor to M&A in the first quarter. As companies restructured their European operations and China's manufacturing and GDP growth became uncertain, US targets presented more attractive opportunities for expansion.
- Deal activity shifted to mergers supporting efforts by industrial manufacturers to satisfy the growing needs for energy and energy efficiency, technological advancement, and water treatment facilities. The fabricated metal products subsector generated the highest deal values, including the merger between Pentair and Tyco Flow Control—eighth among the top 10 deals of the past decade.

As expected, 2012 began with slower deal activity. The outlook for global industrial manufacturing remains cautiously optimistic as the worldwide economy continues to recover. The slow but stable growth of the US economy and its manufacturing sector provide bright spots for deal making. And after months of decline, Chinese industrial manufacturing appears to be returning to positive growth.

However, if the level of global economic uncertainty remains elevated, it could hurt the growth rate and appeal of the industrial manufacturing sector and temper the number and value of M&A transactions.

We're pleased to present the first-quarter 2012 edition of *Assembling value* as a part of our ongoing commitment to provide a better understanding of M&A trends and prospects in the industry.

Sincerely,

Barry

Barry Misthal
Global Industrial Manufacturing Leader

Perspectives: Overview of deal activity

Deal totals remain subdued with fears of the direction of global manufacturing

The year began with relatively low levels of deal activity. Despite recording three mega-deals, first-quarter volume and value of M&A activity remained lower sequentially and year over year. Cautious optimism for the US manufacturing sector was partly offset by fears of a significant and prolonged recession in Europe and a hard landing in China. Corporate profits were solid, but the uncertainty of the direction of the global economy and industrial manufacturing sector in particular forced investors, both financial and strategic, to reduce their acquisition efforts.

US leads the activity as companies pull out of Europe and China's manufacturing growth slows

The divestiture efforts that became a signature for deal activity in 2011 continued to be a major contributor in first-quarter 2012. As companies restructured their European operations and China's manufacturing and GDP growth became less certain, US targets presented greater expansion opportunities. The stable growth of the US manufacturing sector, the revitalization of auto manufacturing, and what appeared to be a partial decoupling from the European sovereign debt issues resulted in the majority of deals being associated with US targets and/or acquirers.

Fabricated metal products subsector generates the most deal traction as companies align growth efforts with mega-trends

Industrial manufacturers continued their efforts to align their strategies with the mega-trends of satisfying the growing needs for energy and energy efficiency, technological advancement, and water treatment facilities. This resulted in a shift in deal activity toward mergers that provided companies with synergies in those areas. The fabricated metal products subsector generated the highest deal values, including the largest mega-deal in the first quarter — the merger between Pentair and Tyco Flow Control. The deal was in line with last quarter's mega-deal size and ranked eighth among the top 10 deals of the past 10 years.

Deal activity to muddle along in the next quarter

Consistent with our expectations, 2012 began with a toned-down level of deal activity. The outlook for global industrial manufacturing remains cautiously optimistic as the global economy continues its path to recovery. As the European crisis continued, the slow but stable growth of the US economy and its manufacturing sector provided bright spots for deal making. And after months of decline, Chinese industrial manufacturing appears to be returning to positive growth, adding to an improved outlook. However, if the level of global uncertainty remains elevated, it could slow the growth rate and tarnish the appeal of industrial manufacturing companies, which would restrain the number and value of M&A transactions in the sector.

Deal totals

Industrial manufacturing deal activity was lower sequentially and on a year over year basis, both in terms of the number and value of transactions that occurred in the first quarter of 2012. Compared with the strong deal activity in fourth-quarter 2010, the last quarter of 2011 experienced a slowdown in M&A. This trend persisted in the first quarter of this year, despite the continuation of a wealth of corporate divestitures. A rally in the equity markets since the beginning of 2012 was driven by strong earnings across the board and hopes for stronger M&A activity, which was reflected in increasingly higher values of transactions. However, fears of a substantial slowdown and a hard landing in China, combined with the lingering European sovereign debt problems, curbed investors' hunger for growth.

Average deal value increased slightly as the value of deals decelerated more slowly than volume. Three mega-deals in first-quarter 2012 contributed to the uptick in average deal value. The increase in average deal value can be explained by the fact that when compared to other industrial products sectors, the industrial manufacturing sector is mature and less fragmented, which has resulted in fewer low-cost targets.

This is particularly true when it comes to advanced economies such as the United States and Europe, but it is also becoming more applicable in other major markets, such as China. As China's economy continues to expand, industries that have been long established are becoming less fragmented and moving toward a stage of maturity in their business life cycle. In the long term, this is likely to result in a continuation of the trend of less volume but greater value of M&A activity in the industrial manufacturing arena.

In terms of the deal size distribution, it was no surprise that smaller deals and deals with an undisclosed value continued to dominate the transactions. Middle market deals remained mostly unchanged and similar to 2011 levels. Small and mid-size companies typically tend to have less red tape and stronger corporate culture, which can help them compete against larger, well-established players in the manufacturing arena. Therefore, small and mid-size deals are likely to continue to dominate the deals activity in the quarters to come. Another factor that is likely to continue to drive small and mid-size deal activity is the focus on technology and technology-driven acquisitions. They provide companies with an edge over their peers. As a result, more and more acquirers are likely to pursue deals with small, technology-focused, bolt-on targets.

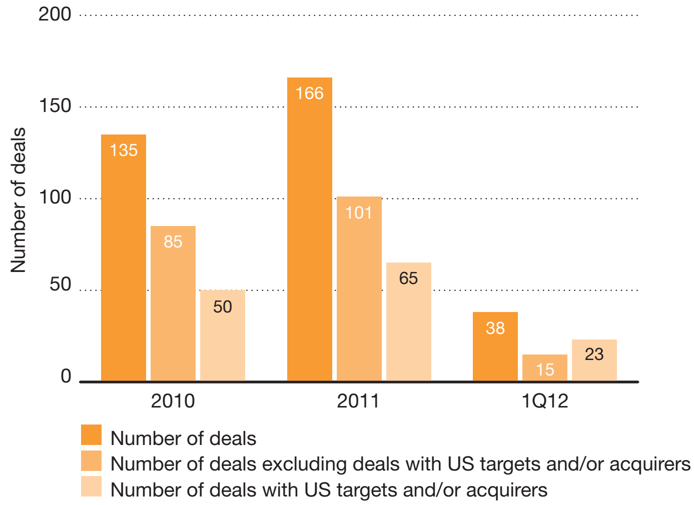
When it comes to the role of the United States in deal-making, the first quarter of 2012 set a new trend. During the past two years, the United States fell back from its leading role in deal activity as it struggled to recover from the economic crisis of 2008. During first-quarter 2012, this trend reversed, and the United States reclaimed its lead as the most active country, both in terms of the number and value of deals. This rebound can be attributed to the enduring strength of the US economy, and, in particular, the sustained growth of its industrial manufacturing sector. This has resulted in a resurgence of interest in US targets and acquirers.

As unemployment and GDP numbers continue to improve, the US manufacturing sector should sustain its growth and continue to attract interest in US targets and acquirers. This trend is likely to be reinforced by manufacturers' desire to restructure operations away from slower-growth regions such as Europe that have a higher rate of uncertainty, and by the pressure to spend the significant cash reserves that companies have been building. Emerging markets also offer good acquisition alternatives, but because of the faster growth in those markets, such transactions are likely to derive less value.

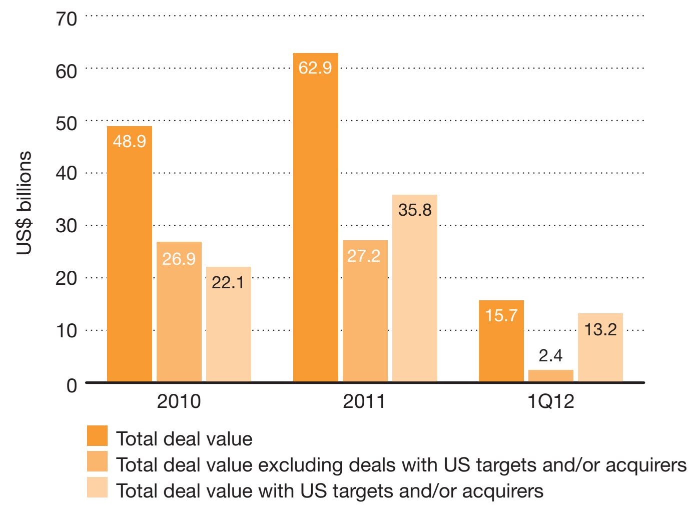
Quarterly IM deal activity
Measured by number and value of deals worth $50 million or more (2Q09–1Q12)

	2009			2010				2011				2012
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Number of deals	11	33	35	14	33	31	57	42	49	34	41	38
Total deal value ($ bil.)	3.1	7.9	10.3	2.3	9.8	16.5	20.4	22.8	19.1	9.7	11.3	15.7
Average deal value ($ bil.)	0.3	0.2	0.3	0.2	0.3	0.5	0.4	0.5	0.4	0.3	0.3	0.4

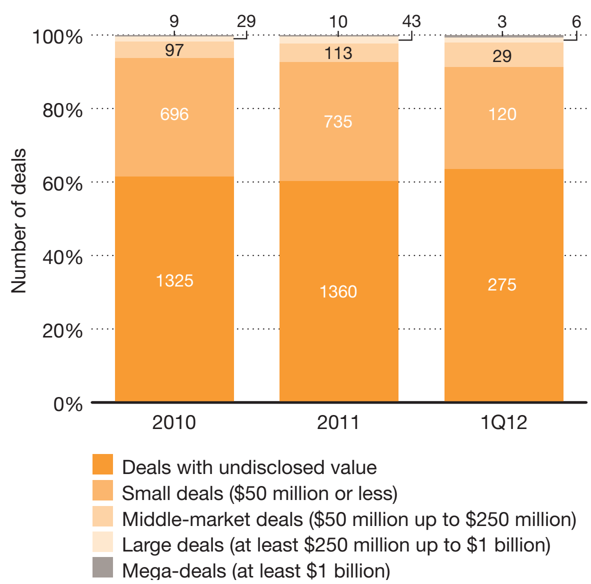
Deal activity by number of deals
Measured by number of deals worth $50 million or more (2010, 2011, 1Q12)



Deal activity by total deal value
Measured by value of deals worth $50 million or more (2010, 2011, 1Q12)



Deal activity by number and range of deal value
Measured by number of deals (2010, 2011, 1Q12)



Deal categories and valuation

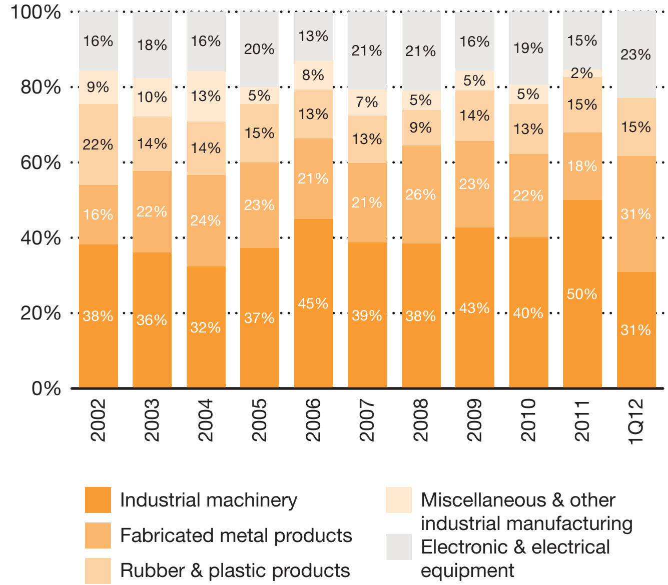
PwC segments the industrial manufacturing sector into five categories by comparing standard industrial classification (SIC) codes with our internal classification system. Based on this process, we group deals (measured by number) into five product and service segments:

- Industrial machinery
- Fabricated metal products
- Rubber and plastic products
- Miscellaneous and other industrial manufacturing
- Electronic and electrical equipment

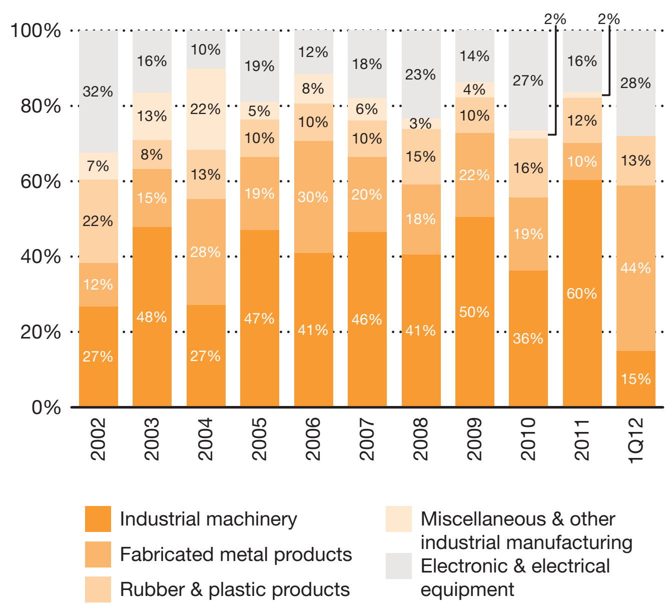
The primary driver of deal activity in the different industrial manufacturing categories depends heavily on the success and health of their corresponding end-markets. For example, industrial machinery, the largest sub-segment with the most diversified end-markets, historically has generated the majority of deal activity both in terms of number and value of deals. However, during the first quarter of 2012, this trend broke, and fabricated metal products shared first place with industrial machinery in terms of the number of deals, and led in terms of total value. This was likely driven by increased growth in automobiles, public projects, and multi-family housing, all of which are significant end-markets for the fabricated metals industry.

According to Reis, a provider of real estate information, the office vacancy rate in the United States fell in the fourth quarter of 2011, and rents rose for the fifth straight period, a trend similar to the 10-year low vacancy rate and rising rent levels for multi-family housing. After years of restructuring, many US automakers recorded positive earnings in first-quarter 2012, signaling a more favorable outlook on the automotive end-market as well. Additionally, in recent years, many US fastener (nuts, screws, bolts, rivets) companies have used M&A in an effort to become more competitive in the global market by incorporating new technology into production lines to improve efficiency and quality. All of the above factors contributed to fabricated metal products generating the largest mega-deal in the first quarter of 2012, as well as the largest deal in the $250 million to $1 billion transaction range.

Deals by industrial manufacturing category
Measured by number of deals worth $50 million or more (2002–2Q12)



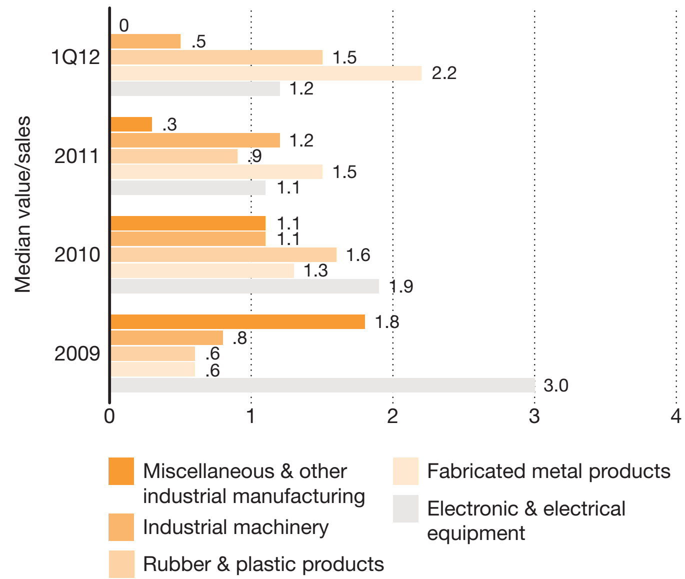
Deals by industrial manufacturing category
Measured by value of deals worth $50 million or more (2002–2Q12)



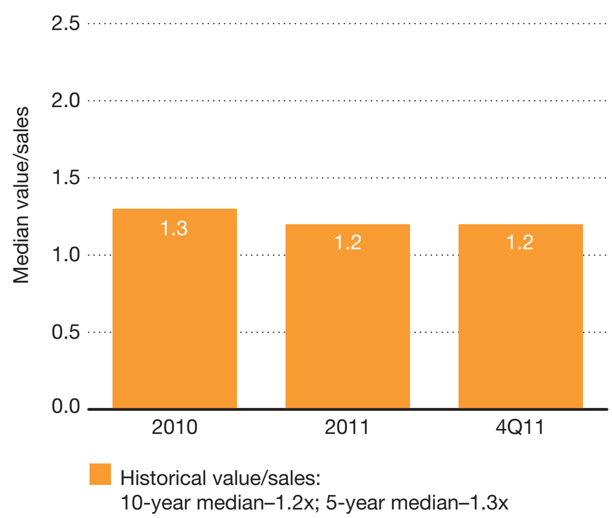
Similarly, the electrical and electronic equipment sub-segment, which is one of the smallest industrial manufacturing segments, also experienced a significant increase in the level of interest in terms of deal value. This trend was consistent with our previous expectations and was supported by companies' desire to boost growth. This could indicate that when faced with the bleak economic picture in Europe and competition from Asian manufacturers, cash-rich European companies will resort to M&A activity in an effort to boost growth.

In terms of valuations, the first quarter of 2012 did not mark any substantial changes in the value to sales, and/or value to EBITDA multiples. The valuations were also in line with the 10-year median of 1.2x value to sales. Fabricated metal products again showed the highest multiple, followed by industrial machinery. This could have been driven by a more optimistic outlook for the sub-sector and improved profitability.

Deal valuation by median value/sales
Measured by Value/sales for deals worth $50 million or more (2010, 2011, 1Q12)



Deal valuation by median value/sales
Measured by Value/sales for deals worth $50 million or more (2010, 2011, 4Q11)



* IM: Industrial Machinery, EEE: Electronic & Electrical Equipment, RPP: Rubber & Plastic Products, FMP: Fabricated Metal Products

Top 10 IM deals

There were three mega-deals (transactions of at least $1 billion) announced in the first quarter of 2012. The mega-deals in the first quarter were very similar in size to the mega-deals announced in previous quarters. However, the number and total value of mega-deals was lower than historical levels. Subsequently, the first quarter of 2012 recorded a decline of about 40% both in terms of the number and value of transactions announced. Details of the first-quarter 2012 mega-deals are provided below:

1. Pentair Inc. agreed to merge with Tyco Flow Control, a manufacturer of valve and actuator products, for an estimated $4.9 billion. The consideration was to consist of $369 million, and the issuance of $4.531 billion in Pentair common shares. Upon completion, Tyco Flow will own 52.5% interest and will be renamed Pentair.
2. ABB Ltd. of Switzerland agreed to acquire the entire share capital of Thomas & Betts Corp., a US manufacturer and wholesaler of electrical components, for $72 per share, or a total value of $3.901 billion.
3. German manufacturer Robert Bosch GmbH agreed to acquire US-based SPX Service Solutions, a manufacturer and wholesaler of diagnostic and service tools, workshop equipment and software, for an estimated value of $1.15 billion.

Mega-deals in 1Q12 (deals with a disclosed value of at least $1 billion)

Month announced	Target name	Target nation	Acquirer name	Acquirer nation	Status	Value of transaction in US$ bil.	Category
Mar	Tyco Flow Control	United States	Pentair Inc	United States	Pending	4.90	Fabricated metal products
Jan	Thomas & Betts Corp	United States	ABB Ltd	Switzerland	Pending	3.90	Electronic & electrical equipment
Jan	SPX Service Solutions	United States	Robert Bosch Stiftung GmbH	Germany	Pending	1.15	Industrial machinery

Mega-deals in 2011 (deals with a disclosed value of at least $1 billion)

Month announced	Target name	Target nation	Acquirer name	Acquirer nation	Status	Value of transaction in US$ bil.	Category
Jan	ITT Corp-Water-Related Business	United States	Shareholders	United States	Completed	4.96	Industrial machinery
Mar	Tognum AG	Germany	Rolls-Royce Group plc	Germany	Completed	4.72	Industrial machinery
May	Varian Semiconductor Equipment Associates Inc	United States	Applied Materials Inc	United States	Pending	4.72	Industrial machinery
Mar	Converteam Group SAS	France	GE	United States	Completed	3.20	Electronic & electrical equipment
Dec	Novellus Systems Inc	United States	Lam Research Corp	United States	Pending	3.01	Industrial machinery
Feb	Dometic Holding AB	Sweden	EQT Partners BV	Guernsey	Completed	1.87	Industrial machinery
Jun	Graham Packaging Co Inc	United States	Rank Group Ltd	New Zealand	Completed	1.73	Rubber & plastic products
Mar	Ansaldo Energia SpA	Italy	First Reserve Corp	United States	Completed	1.71	Electronic & electrical equipment
Apr	Graham Packaging Co Inc	United States	Silgan Holdings Inc	United States	Withdrawn	1.33	Rubber & plastic products
Aug	CLYDE UNION Ltd	United Kingdom	SPX Corp	United States	Completed	1.16	Industrial machinery

As our fourth-quarter 2011 report indicated, the majority of the mega-deals in 2011 involved industrial machinery, one of the largest segments of the manufacturing industry. We also saw a new, interesting trend where smaller categories such as electronic and electrical equipment and rubber and plastic products were involved in major deals as companies focused on technological innovation, efficiency, and cost reduction. There was more variety in target categories of mega-deals in first-quarter 2012, which matches our previous expectation.

In the quarters to come, we expect this trend to hold. Large-size deal transactions in the machinery segment will likely be driven by the mature and fairly consolidated nature of the segment, along with improving global economic conditions. Strong growth in the manufacturing industry in both the United States and China is likely to drive interest for industrial machinery.

A primary goal of the mega-deal between ABB and US power-equipment supplier Thomas & Betts Corp. is to provide Switzerland manufacturers with access to the US market. Faced with significant uncertainty in the EU market, ABB indicated that M&A was an attractive growth option. It bought electric motor maker Baldor Electric in 2010 and has continued to expand through the same strategy.

The trend of continual cost reduction, lean manufacturing, and the need to get closer to the end-market/customer base is also likely to continue to drive attention and interest in fabricated metal products and electric and electronic equipment. US manufacturers in these sub-segments have been facing significant pressures from low-cost imports for years. Many of those US manufacturers have been forced to outsource/offshore operations in such lower-cost nations. However, the rebound in US manufacturing combined with the slow but stable overall US economic recovery has made the domestic market more appealing in recent quarters. The closing of facilities in Europe due to the significant uncertainty and slowdown in that region has also resulted in limited growth prospects for manufacturers. In addition, rising labor and transportation costs, and the unfavorable legal environment in China, along with fears of a hard landing could further contribute to the increased interest in fabricated metals and electrical and electronic equipment targets and acquirers in the United States.

M&A activity, especially in terms of large transactions, is also likely to be driven by the increasing needs for infrastructure, energy, and clean water. This could benefit industrial manufacturers across the board, particularly in sub-segments such as water and fluid processing. The Tyco mega-deal was driven by the synergy between the target's strength in flow control and the acquirer's presence in water and fluid processing, and management's strategy to position the company to win in what the CEO called "the new world, the 4 billion middle-class people who are reaching up and striving for a better quality of life, more water, more energy, more food." (ABB press release on Thomas & Betts Corp. acquisition)

The Bosch mega-deal with the SPX auto-repair manufacturers also involved a US target and banked on the growth of yet another US industry, auto manufacturing. This reinforces the trend that companies expect to see growth in the North American market and continue to focus their expansion efforts within that region.

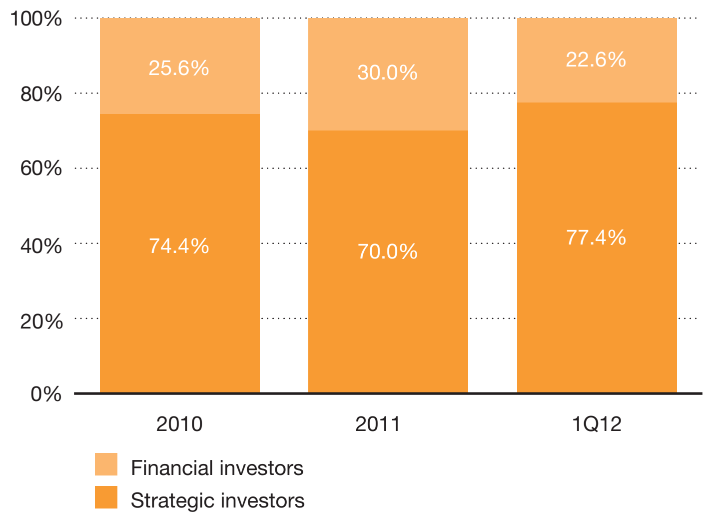
Investor groups and acquisition techniques

The historical trend of strategic investors dominating industrial manufacturing deal activity not only held but also was amplified during the first quarter of 2012. For almost three years, corporations have been pursuing cost-reduction efforts that have resulted in substantial cash reserves and strong balance sheets. Strategic buyers remain hungry for inorganic growth, but they are more cautious and selective in their efforts. It is interesting that as the global economy continues its slow recovery companies look again toward geographic growth, but the underlying driver continues to be the achievement of synergies. In the case of the Tyco mega-deal, management mentioned that the acquisition was not necessarily a planned consolidation but rather a growth effort. This transaction was also driven by the strategic benefit from building the scale and the reach of the company, particularly in fast-growth markets, both from a geographic and product mix perspective.

Another interesting detail from the Tyco deal was that Tyco was in the process of splitting up into three companies, and therefore Pentair was able to take advantage of this divestiture. Divestitures have been on the rise and have generated a large percentage of deals during the past few quarters, and the trend is likely to persist in quarters to come as companies continue to reposition their business portfolios in response to changing opportunities in the developed and emerging world.

Deal activity by investor group

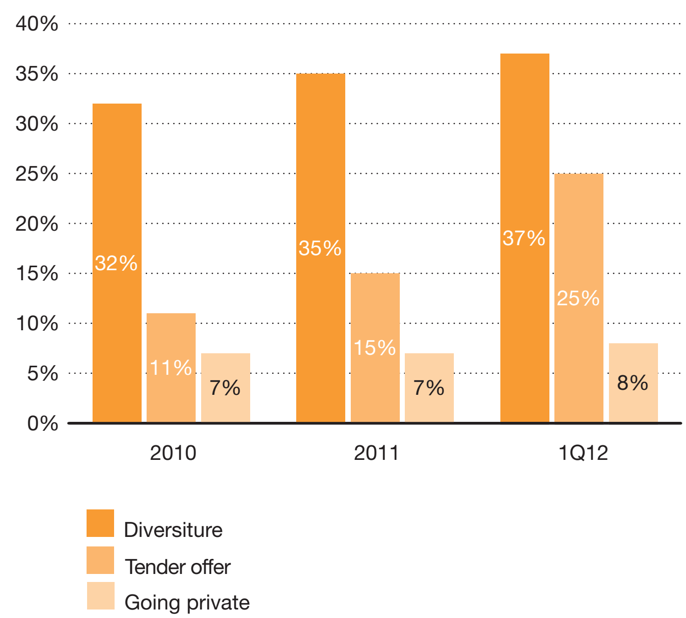
Measured by number of deals worth $50 million or more (2010, 2011, 1Q12)



Financial investor % of total deals: 10-year–30.5%; 5-year–27.8%

Acquisition techniques

Measured by percentage of deals worth $50 million or more (2010, 2011, 1Q12)



Regional

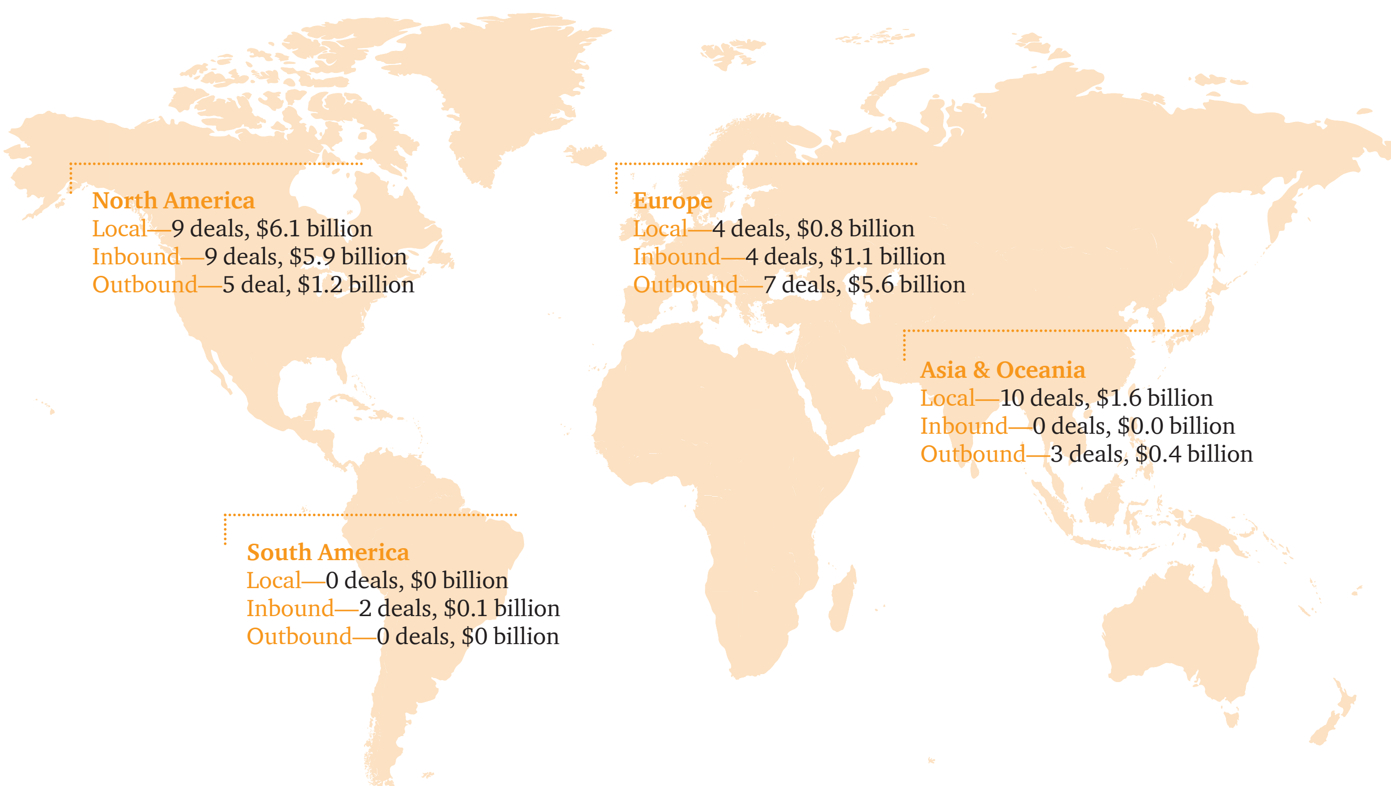
The first quarter of 2012 recorded an even split between local and cross-border transactions, similar to the deal distribution in fourth-quarter 2011. The North American region generated the greatest level of M&A activity in the first quarter of 2012. The mature industrial manufacturing sector along with the stable economic growth and a wealth of large-size peers contributed to the high level of deal activity in the area. Additionally, relatively strong performance of the industrial manufacturing industry in the United States has captured foreign acquirers' attention as they shift facilities and operations away from the slow-growth European nations.

The 10 local deals within the North American region also signal that the trend of consolidation in this mature market held, as companies faced the challenging, competitive environment and fast-changing customer demands. Growing interest in energy efficiency, infrastructure, and water needs of the large and relatively wealthy population of this region also spurred deal activity. Additionally, strong corporate balance sheets and favorable valuations are likely to continue to fuel deal activity in the region, which was a leader not only in the number of the deals in the first quarter but also in terms of deal value. This could be partly driven by the larger, more mature size of the targets in the region and the well-developed financial system with favorable interest rates that support large transactions.

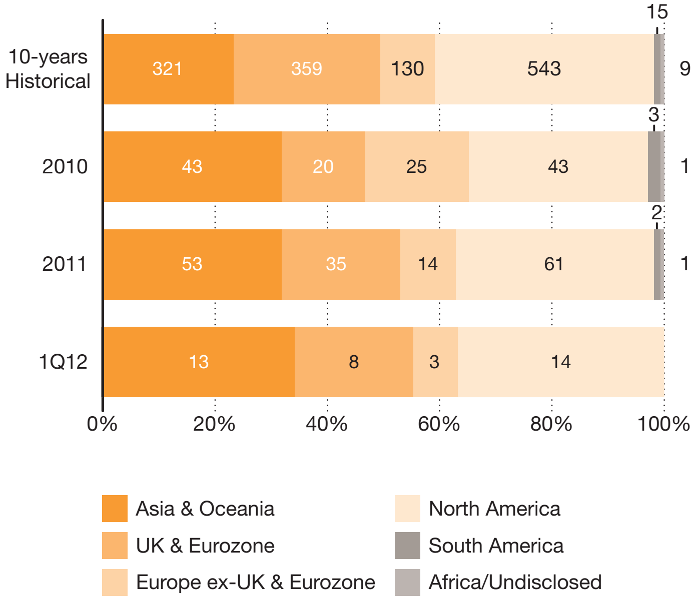
Asia and Oceania was another active region in terms of the number of deals but lacked in terms of the total deal value. This trend was consistent with our expectations and can be explained by the less mature nature of the industrial manufacturers within those emerging markets and the smaller size of companies within their borders. Asian acquirers expanded mostly within their own regions, which could be attributed to the greater expected growth rates in the regions as well as their higher level of familiarity with the business and legal operating environment. Interestingly, even in the emerging markets, the majority of the deals involved advanced nations such as Japan, which again points to the trend that in the industrial manufacturing arena, the more developed and mature nations are more likely to experience higher levels of deal activity.

Europe-based companies pursued strategies similar to those of their non-European peers in diversifying their geographic exposure away from their domestic markets. They looked for growth mostly in the United States, where the economic and business environment seemed to be more promising, especially in revitalizing areas such as the automakers, water facilities, and manufacturing. The transactions that occurred within Europe were mostly transactions that solidified the consolidation in mature markets' expectations and reinforced the divestiture trend, a signature of the M&A environment in 2011.

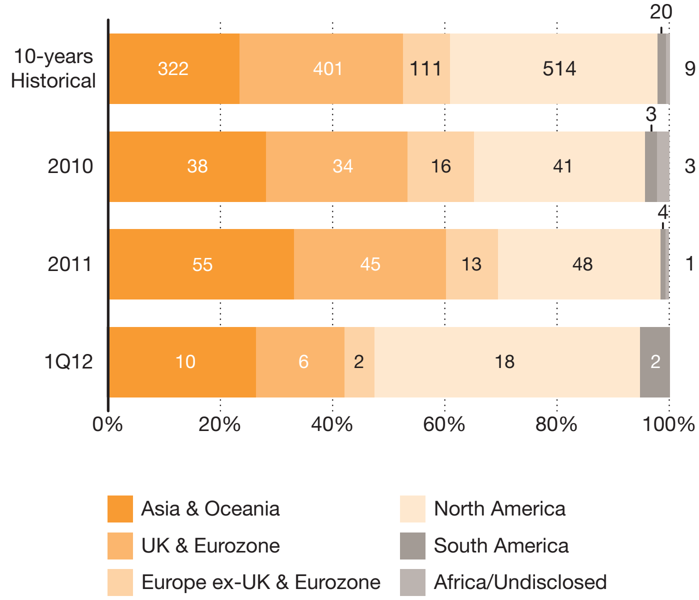
Global industrial manufacturing deals in 1Q12
Measured by number and value of deals worth $50 million or more



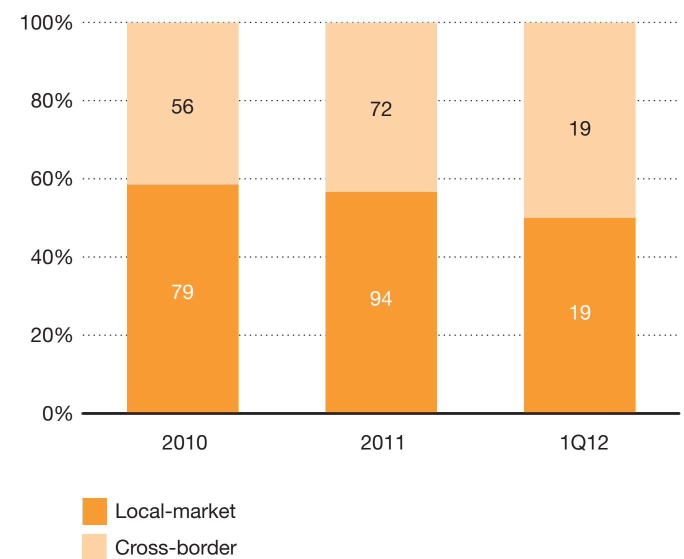
Regional distribution of all deals by acquirer region
Measured by number of deals worth $50 million or more (2010, 2011, 1Q12)



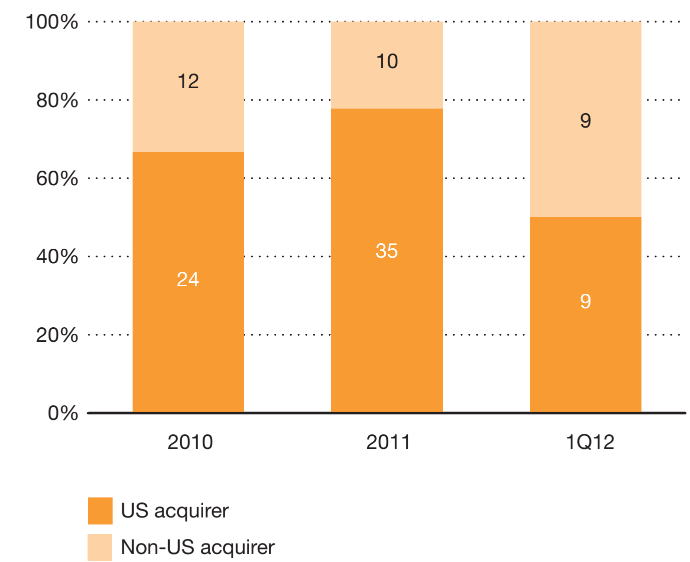
Regional distribution of all deals by target region
Measured by number of deals worth $50 million or more (2010, 2011, 1Q12)



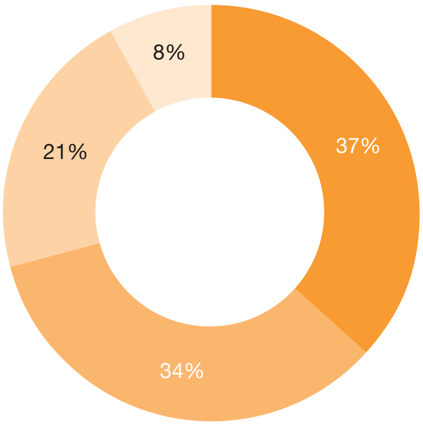
Local-market versus cross-border deals, all nations
Measured by number of deals worth $50 million or more (2010, 2011, 1Q12)



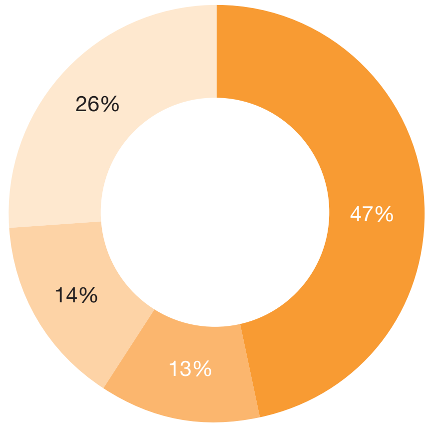
US versus non-US acquirers of US targets
Measured by number of deals worth $50 million or more (2010, 2011, 1Q12)



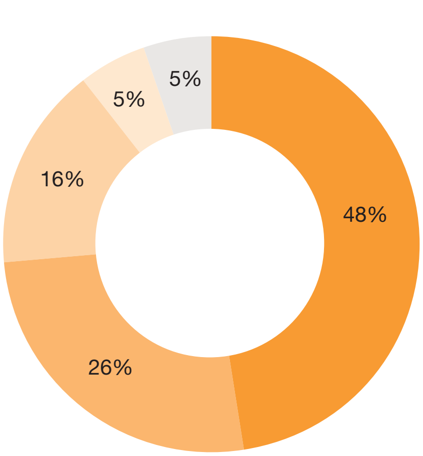
Regional distribution of deals by acquirer region
Measured by number of deals worth $50 million or more (1Q12)



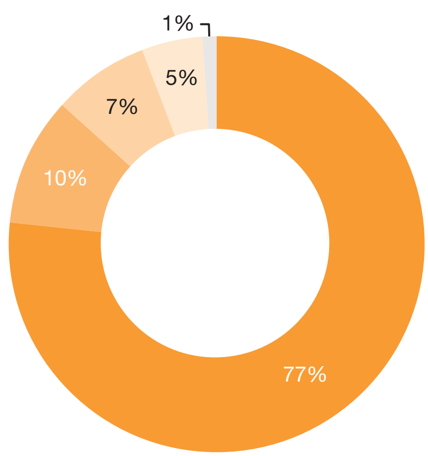
Regional distribution of deals by acquirer region
Measured by value of deals worth $50 million or more (1Q12)



Regional distribution of deals by target region
Measured by number of deals worth $50 million or more (1Q12)



Regional distribution of deals by target region
Measured by value of deals worth $50 million or more (1Q12)



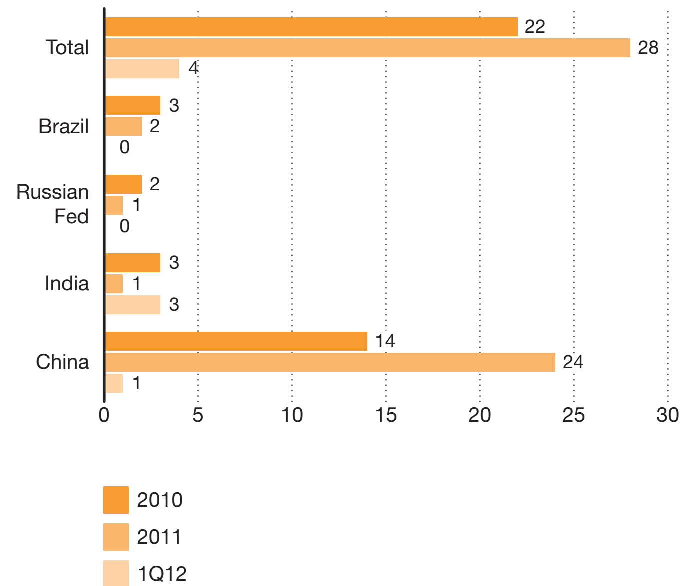
North America · Asia & Oceania · UK & Eurozone · Europe ex-UK & Eurozone · South America · Africa/Undisclosed

BRICs

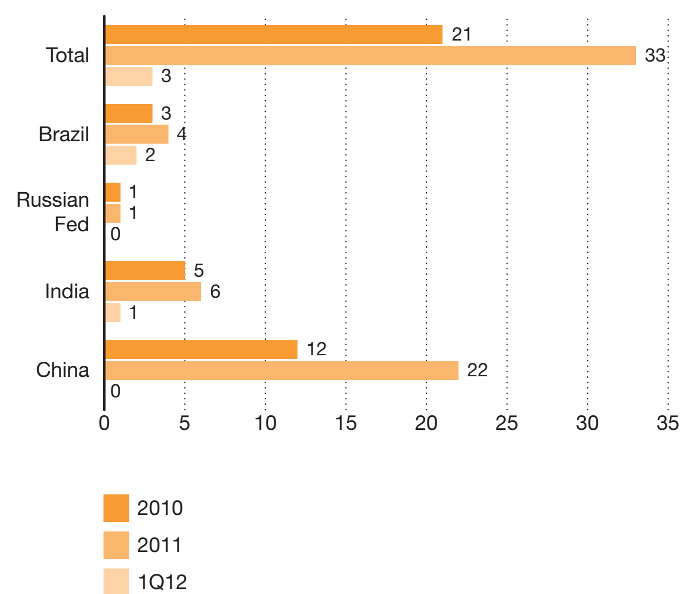
Similar to the last quarter of 2011, transactions in Brazil, Russia, India, and China (the BRIC region) remained mostly on hold in the first quarter of 2012, indicating a deal cool-off for the region. Surprisingly, China recorded only one acquirer and no targets. The Chinese manufacturing indexes varied from 50.5 in January to 51 in February and 53.1 in March as the economy faced weaker exports driven by Europe's debt crisis and a government-induced property slowdown. Although China's economy is growing, concerns about the slower pace have cast a shadow over deal activity in the first quarter of the year. A separate study from HSBC Holdings Plc and Markit Economics has shown that the Chinese manufacturing growth continues to decline in the first quarter of 2012, but at a slower rate than previous quarters. Considering that the differences in the two PMI indices could be the result of sampling size and seasonal adjustments, the fears of a hard landing of the Chinese economy have not subsided. This is likely to continue to stall deal activity in China in the quarters to come, especially given the unfavorable legal environment, which imposes additional obstacles to foreign direct investment in the country.

India and Brazil experienced a typical amount of transactions during the reporting period. After a strong start of the year and the fastest show of growth in January in eight months, India's PMI growth slipped to a five-month low for the quarter as business confidence sank to lows last seen in 2009. On the other hand, Brazil's manufacturing sector expanded in March for the third consecutive month, albeit at a slower pace. The growth could be the result of extensive government stimulus and provides hope for the growth of the global manufacturing sector. As Brazil's 2011 GDP marked only a 2.7% growth in 2011 and lagged behind the GDP of overall Latin America, fears of a slowdown in the country negatively impacted companies' interest in deal activity. In the quarters to come, the demand for Brazilian manufacturing remains uncertain as the overvalued currency continues to make cheaper imports a more attractive substitute. In addition, increases in raw materials are also likely to hurt the sector and have a spillover effect on deal activity in the country.

Distribution of BRIC deals by acquirer nation, measured by number of deals
Measured by number of deals worth $50 million or more (2010, 2011, 1Q12)



Distribution of BRIC deals by target nation, measured by number of deals
Measured by number of deals worth $50 million or more (2010, 2011, Q12)



Contacts

PwC Industrial Manufacturing practice

Our Industrial Manufacturing practice, strategically located in more than 30 countries around the world, comprises a global network of industry professionals serving manufacturing clients. We bring experience, international industry best practices, and a wealth of specialized resources to help solve business issues.

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Methodology

Assembling value is an analysis of deals in the global industrial manufacturing industry. Deal information was sourced from Thomson Reuters and includes deals for which targets have primary SIC codes that fall into one of the following SIC industry groups: millwork, plywood, and structure; wood buildings and mobile homes; partitions, shelving, and lockers; gaskets, packing, and sealing devices; fabricated rubber products; miscellaneous plastics products; heating equipment, except electric air; fabricated structural metal products; bolts, nuts, screws, and other machine products; metals forgings and stampings; coating, engraving, and allied services; miscellaneous fabricated metal products; engines and turbines; farm and garden machinery; metalworking machinery; special industry machinery; general industrial machinery; refrigeration and service industry machinery; miscellaneous industrial and commercial machinery; electric transmission and distribution equipment; electrical industrial apparatus; electrical lighting and wiring equipment; miscellaneous electrical machinery and equipment; and miscellaneous manufacturing industries. Balance sheet data was sourced from public company reports.

This analysis includes all individual mergers and acquisitions for disclosed or undisclosed values, leveraged buyouts, privatizations, minority stake purchases, and acquisitions of remaining interest announced between April 1, 2009, and March 31, 2012, with a deal status of completed, intended, partially completed, pending, pending regulatory approval, unconditional (i.e., initial conditions set forth by the buyer have been met but deal has not been completed), or withdrawn.

Regional categories used in this report approximate United Nations (UN) Regional Groups, as determined by the UN Statistics Division, with the exception of the North America region (includes Northern America and Latin and Caribbean UN groups), the Asia and Oceania region (includes Asia and Oceania UN groups) and Europe (divided into UK and Eurozone and Europe ex-UK and Eurozone regions). The Eurozone includes Austria, Belgium, Cyprus, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, Netherlands, Portugal, Slovenia, and Spain. Oceania includes Australia, New Zealand, Melanesia, Micronesia, and Polynesia. Overseas territories were included in the region of the parent country. China, when referenced separately, includes Hong Kong. The term deal, when referenced herein, refers to deals with a disclosed value of at least $50 million unless otherwise noted.

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