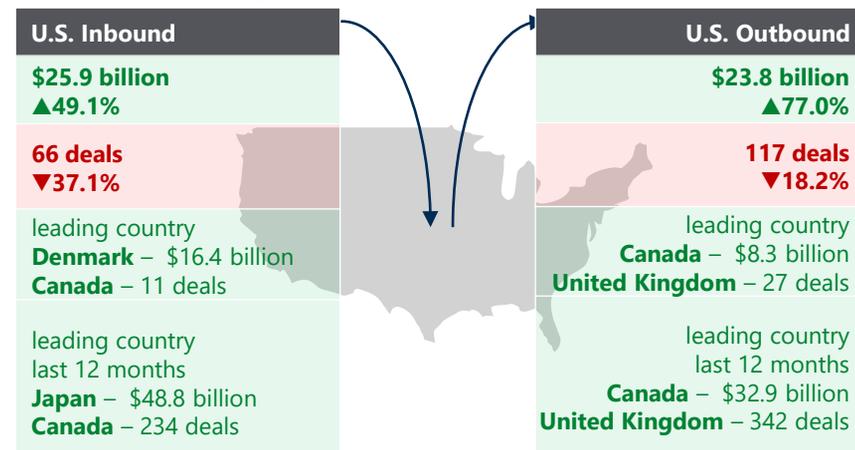# M&A AT A GLANCE

Paul | Weiss

Key Takeaways

- M&A activity was mixed in February, with U.S. and global deal values mostly up but deal counts down compared to January. U.S. deal value was flat (up less than 1%), while global deal value was up 28%. Sponsor deal value was up 35% in the United States and 17% globally. Strategic deal value was also up 31% globally but fell 8% in the United States. Deal counts were down across all sectors.

- Compared to February 2022, total deal values were up significantly, increasing 128% in the United States and 87% globally. Both strategic and sponsor total deal values saw YOY increases in the United States and globally. Again, however, the number of deals was down YOY across all sectors.

- U.S. inbound activity was mixed in February compared to January, increasing 49% by total deal value and decreasing 37% by deal number. Denmark was February's leading country of origin by total inbound deal value, while Japan led for the last 12 months ("LTM"). Canada led for the number of inbound deals in February and LTM. U.S. outbound activity was also mixed in February compared to January, increasing 77% by total deal value and falling 18% by deal number. For both February and LTM, the United Kingdom was the leading country of destination by number of outbound deals.

- Computers & Electronics was the most active industry in the United States by total deal value ($39 billion) and deal number (155) in February and LTM. Finance was the second most active industry by total deal value and included February's largest deal, Capital One Financial Corporation's $35 billion acquisition of Discover Financial Services. Rounding out the top three industries by total deal value was Oil & Gas, which included the month's second largest deal, Diamondback Energy Inc.'s $26 billion acquisition of Endeavor Energy Resources LP (Paul, Weiss advised Endeavor).

- U.S. public merger highlights in February included the following:
  - Cash-only consideration comprised 80% of deals, above the LTM average of 62%. February also saw the second of only two choice (cash election) mergers in the LTM period.
  - Tender offers were seen in 20% of deals in February, which comprised 14% of deals LTM.
  - Hostile or unsolicited transactions comprised 9% of deals, compared to 17% LTM.
  - The average unaffected premium of 41% was below the LTM average of 47%.

Strategic vs. Sponsor Activity

U.S.	
Total	
$166.0 billion – ▲0.4%	
655 deals – ▼24.2%	
Strategic	
$123.5 billion – ▼7.7%	
442 deals – ▼21.1%	
Sponsor	
$42.5 billion – ▲34.9%	
213 deals – ▼29.9%	

Global	
Total	
$314.6 billion – ▲28.0%	
2,248 deals – ▼20.0%	
Strategic	
$260.5 billion – ▲30.7%	
1,782 deals – ▼19.2%	
Sponsor	
$54.1 billion – ▲16.6%	
466 deals – ▼23.0%	

Crossborder Activity

U.S. Inbound	U.S. Outbound
$25.9 billion ▲49.1%	**$23.8 billion** ▲77.0%
66 deals ▼37.1%	**117 deals** ▼18.2%
leading country **Denmark** – $16.4 billion **Canada** – 11 deals	leading country **Canada** – $8.3 billion **United Kingdom** – 27 deals
leading country last 12 months **Japan** – $48.8 billion **Canada** – 234 deals	leading country last 12 months **Canada** – $32.9 billion **United Kingdom** – 342 deals

Industry Activity

most deals **155 deals** Computers & Electronics	last 12 months **2,677 deals** Computers & Electronics
most dollar value **$38.5 billion** Computers & Electronics	last 12 months **$313.9 billion** Computers & Electronics

SPAC Acquisitions

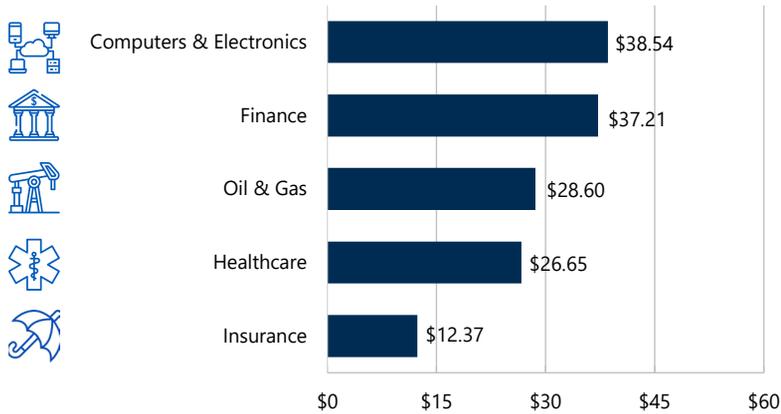| **$8.5 billion** **6 deals** ▲ 9,382.7% ▲ 200.0%	**$9.3 billion** **10 deals** ▲ 2,681.3% ▲ 11.1%

All data is for February 2024 and is as of March 11, 2024, unless otherwise specified. Each metric in this publication that references deal volume by dollar value is calculated from the subset of the total number of deals that includes a disclosed deal value.

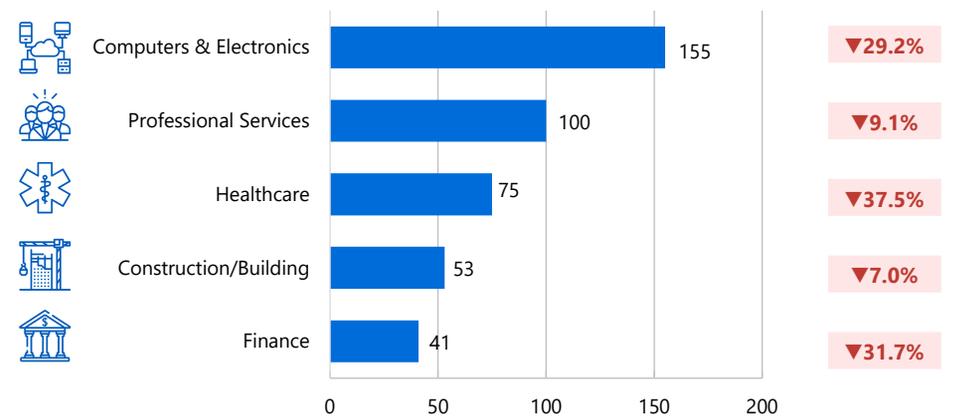## Most Active U.S. Target Industries[1]

Deal Value (U.S.$B)

February 2024

Industry	Value	+/- from last month
Computers & Electronics	$38.54	▼39.2%
Finance	$37.21	▲144.4%
Oil & Gas	$28.60	▲18.3%
Healthcare	$26.65	▲27.6%
Insurance	$12.37	▲874.1%

Last 12 Months

Industry	Value
Computers & Electronics	$313.87
Oil & Gas	$277.38
Healthcare	$275.29
Finance	$123.84
Utility & Energy	$66.17

Number of Deals

February 2024

Industry	Deals	+/- from last month
Computers & Electronics	155	▼29.2%
Professional Services	100	▼9.1%
Healthcare	75	▼37.5%
Construction/Building	53	▼7.0%
Finance	41	▼31.7%

Last 12 Months

Industry	Deals
Computers & Electronics	2,677
Healthcare	1,323
Professional Services	1,311
Construction/Building	652
Finance	588

Average Break Fees as % of Equity Value[2]

YOY % Change (Feb 2024 vs. Feb 2023)
Avg. Value of U.S. Public Mergers – ▲ 153.6%

Target Break Fee — Reverse Break Fee — Average Value of U.S. Public Mergers (in U.S.$mil)
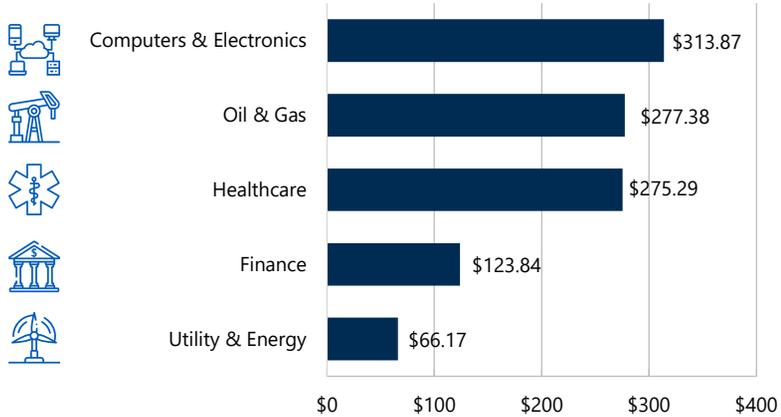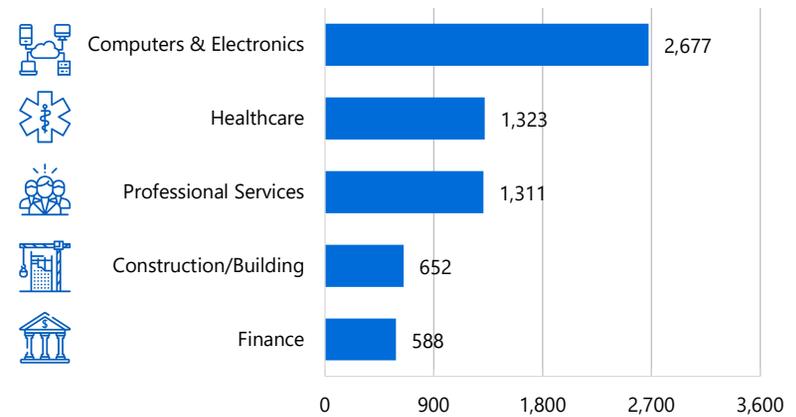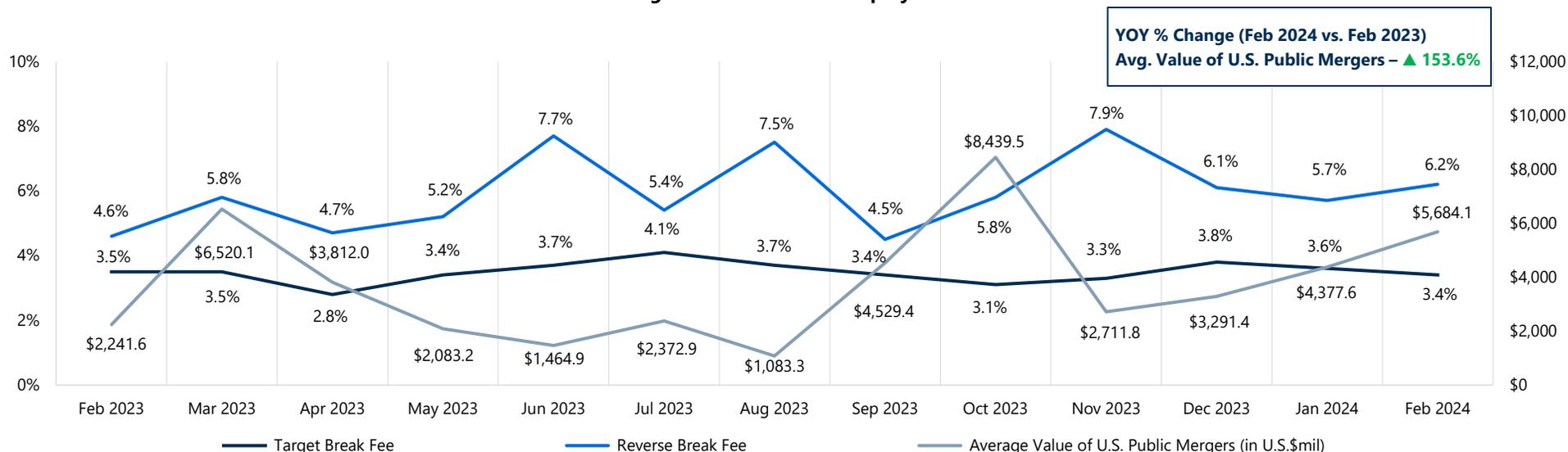
Average Break Fees as % of Equity Value[3,4]

	February 2024	Last 12 Months
Target Break Fee for All Mergers	3.4	3.5

	February 2024	Last 12 Months
Reverse Break Fee for All Mergers[5]	6.2	5.9
Reverse Break Fee for Mergers Involving Financial Buyers[6]	6.9	7.5
Reverse Break Fee for Mergers Involving Strategic Buyers[7]	5.1	5.2

U.S. Public Merger Go-Shop Provisions[3,4]

	February 2024	Last 12 Months
% of Mergers with Go-Shops	0.0	7.3
% of Mergers Involving Financial Buyers with Go-Shops[8]	0.0	21.1
% of Mergers Involving Strategic Buyers with Go-Shops[9]	0.0	2.7
Avg. Go-Shop Window (in Days) for All Mergers with Go-Shops[10]	N/A	30.9
Avg. Go-Shop Window (in Days) for Mergers Involving Financial Buyers with Go-Shops[11]	N/A	31.3
Avg. Go-Shop Window (in Days) for Mergers Involving Strategic Buyers with Go-Shops[12]	N/A	30.0

Form of Consideration as % of U.S. Public Mergers[13]

	February 2024	Last 12 Months
Cash Only		
Stock Only		
Cash & Stock Only		
Choice (Cash Election)		
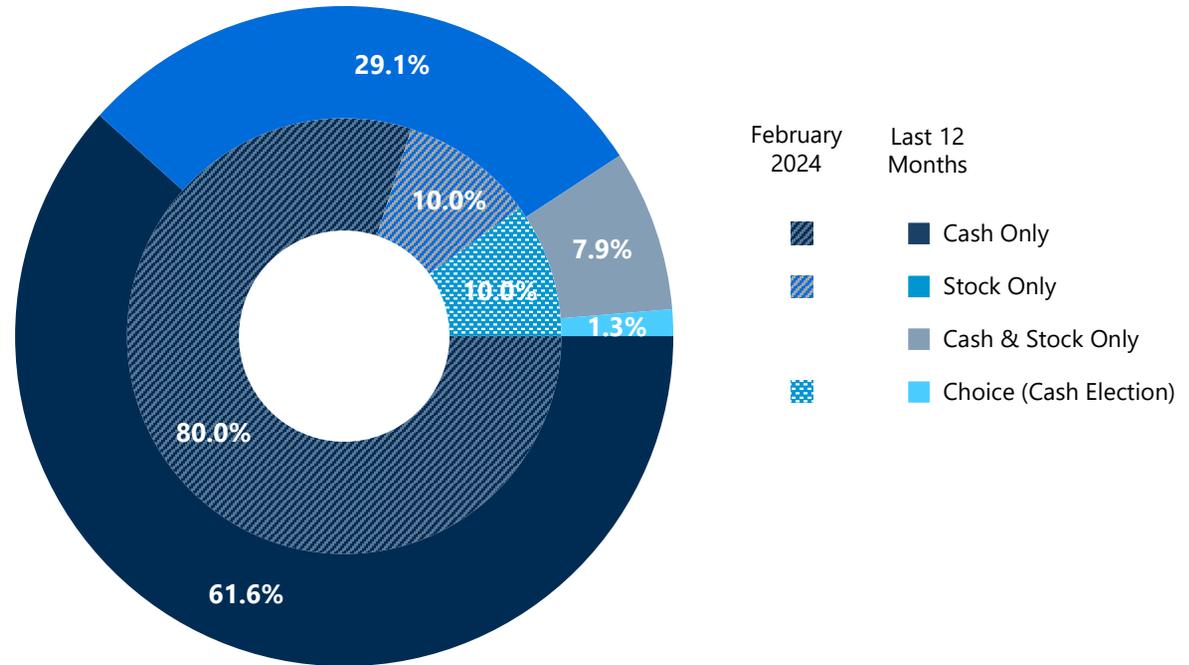
Tender Offers as % of U.S. Public Mergers

February 2024	20.0
Last 12 Months	13.9

Unaffected Premium %[14, 15]

February 2024	40.5
Last 12 Months	47.3

Hostile/Unsolicited Offers as % of U.S. Public Mergers[14]

February 2024	9.1
Last 12 Months	17.2

Total Target Adviser Fee(s) as % of Equity Value

February 2024	1.6
Last 12 Months	1.7

Top 5 Countries of Origin for Inbound U.S. Crossborder Transactions

Inbound U.S. Crossborder Transactions for February 2024

Deal Value (U.S.$B)

Country	Value
Denmark	$16.42
Japan	$6.07
Spain	$0.97
Australia	$0.73
United Kingdom	$0.46

By Number of Deals

Country	Deals
Canada	11
United Kingdom	7
France, Germany, Japan & Switzerland[16]	5

Inbound U.S. Crossborder Transactions for the Last 12 Months

Deal Value (U.S.$B)

Country	Value
Japan	$48.80
Canada	$44.48
Ireland	$23.44
Switzerland	$19.72
France	$18.88

By Number of Deals

Country	Deals
Canada	234
United Kingdom	163
Japan	133
France	78
Germany	63
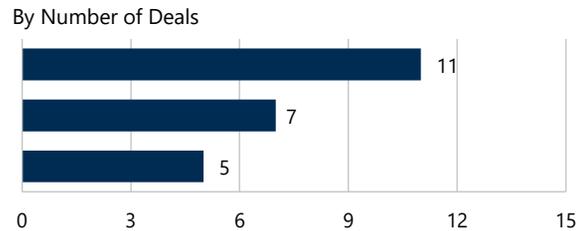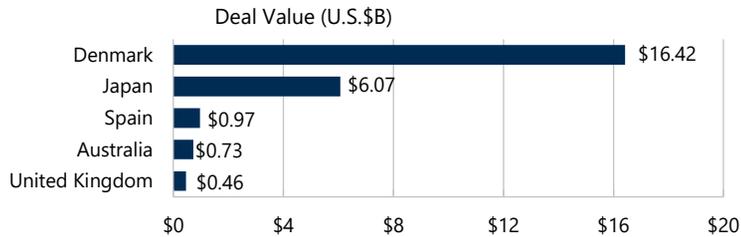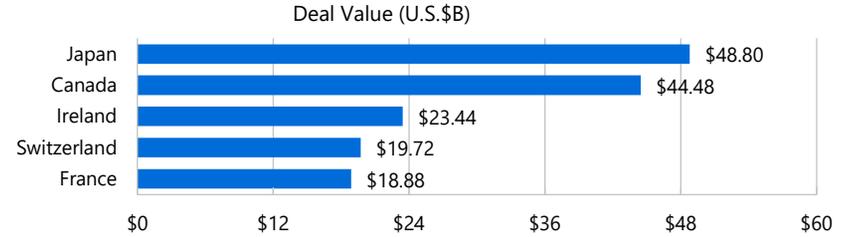
Top 5 Countries of Destination for Outbound U.S. Crossborder Transactions

Outbound U.S. Crossborder Transactions for February 2024

Deal Value (U.S.$B)

Country	Value
Canada	$8.30
United Kingdom	$5.48
Italy	$4.31
Australia	$2.89
France	$0.60

By Number of Deals

Country	Deals
United Kingdom	27
Canada	14
Germany	13
Australia	8
Italy	7

Outbound U.S. Crossborder Transactions for the Last 12 Months

Deal Value (U.S.$B)

Country	Value
Canada	$32.87
Japan	$22.49
United Kingdom	$20.51
Netherlands	$18.80
Germany	$18.22

By Number of Deals

Country	Deals
United Kingdom	342
Canada	241
Germany	128
Australia	88
India	70

Appendix: M&A Activity – 12-Month Trends

U.S. Deal Value (U.S.$B)

YOY % Change (Feb 2024 vs. Feb 2023)
Total – ▲128.1%
Strategic – ▲205.8%   Sponsor – ▲27.6%

	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024
Total	$73.67	$136.50	$106.85	$130.76	$95.72	$145.74	$93.79	$127.70	$253.49	$78.12	$157.93	$165.24	$168.07
Strategic	$40.37	$90.26	$66.34	$96.44	$45.57	$47.37	$50.69	$81.51	$197.88	$55.40	$92.71	$133.73	$123.45
Sponsor	$33.31	$45.73	$34.43	$34.26	$43.37	$45.03	$43.09	$44.94	$18.85	$21.86	$38.29	$31.50	$42.50

— Strategic   — Sponsor   — Total

Global Deal Value (U.S.$B)

YOY % Change (Feb 2024 vs. Feb 2023)
Total – ▲86.6%
Strategic – ▲118.2%   Sponsor – ▲10.0%

	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024
Total	$168.58	$294.94	$229.91	$247.17	$242.30	$211.32	$228.81	$229.82	$361.78	$255.04	$322.53	$245.76	$314.62
Strategic	$119.39	$194.76	$168.12	$185.37	$134.71	$136.70	$157.68	$152.35	$310.54	$161.63	$245.47	$199.36	$260.49
Sponsor	$49.18	$100.18	$61.79	$61.80	$107.59	$74.62	$71.13	$77.47	$51.24	$93.41	$77.06	$46.41	$54.12

— Strategic   — Sponsor   — Total

U.S. Number of Deals

YOY % Change (Feb 2024 vs. Feb 2023)
Total – ▼32.1%
Strategic – ▼35.1%   Sponsor – ▼25.5%

	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024
Total	967	1,004	931	1,013	956	854	769	688	906	775	502	864	657
Strategic	681	764	652	753	671	587	546	475	639	519	314	560	442
Sponsor	286	237	277	258	282	260	223	210	261	252	186	304	213

Strategic — Sponsor — Total

Global Number of Deals

YOY % Change (Feb 2024 vs. Feb 2023)
Total – ▼29.4%
Strategic – ▼31.9%   Sponsor – ▼18.0%

	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024
Total	3,185	3,724	3,284	3,417	3,256	3,233	2,490	2,650	3,130	3,005	2,564	2,811	2,248
Strategic	2,617	3,113	2,708	2,774	2,621	2,572	2,032	2,146	2,529	2,430	2,091	2,206	1,782
Sponsor	568	611	576	643	635	661	458	504	601	575	473	605	466

Strategic — Sponsor — Total

Inbound U.S. Crossborder Transactions

YOY % Change (Feb 2024 vs. Feb 2023)
Deal Value – ▲87.2%
Number of Deals – ▼50.7%

Month	By Deal Value (US$B)	By Number of Deals
Feb 2023	$13.82	134
Mar 2023	$7.23	140
Apr 2023	$29.40	126
May 2023	$18.39	112
Jun 2023	$12.28	104
Jul 2023	$18.03	108
Aug 2023	$11.40	94
Sep 2023	$46.94	102
Oct 2023	$16.48	119
Nov 2023	$10.76	100
Dec 2023	$31.11	101
Jan 2024	$17.35	111
Feb 2024	$25.87	66

By Deal Value (US$B) — By Number of Deals

Outbound U.S. Crossborder Transactions

YOY % Change (Feb 2024 vs. Feb 2023)
Deal Value – ▲8.3%
Number of Deals – ▼26.4%

Month	By Deal Value (US$B)	By Number of Deals
Feb 2023	$22.01	159
Mar 2023	$10.55	182
Apr 2023	$15.36	154
May 2023	$11.25	176
Jun 2023	$27.49	139
Jul 2023	$15.11	125
Aug 2023	$16.96	142
Sep 2023	$5.63	110
Oct 2023	$35.59	152
Nov 2023	$15.53	128
Dec 2023	$6.80	111
Jan 2024	$13.46	143
Feb 2024	$23.83	117

By Deal Value (US$B) — By Number of Deals

U.S. SPAC Acquisitions[17]

YOY % Change (Feb 2024 vs. Feb 2023)
Deal Value – ▲77.4%
Number of Deals – ▼40.0%

	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024
By Deal Value (US$B)	$4.81	$1.26	$2.59	$0.95	$2.68	$1.34	$1.38	$1.28	$1.49	$1.01	$9.91	$0.09	$8.53
By Number of Deals	10	5	6	4	6	3	6	4	6	2	9	2	6

■ By Deal Value (US$B) ■ By Number of Deals

Global SPAC Acquisitions[18]

YOY % Change (Feb 2024 vs. Feb 2023)
Deal Value – ▲58.7%
Number of Deals – ▼37.5%

	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024
By Deal Value (US$B)	$5.89	$3.85	$5.18	$25.64	$4.83	$2.81	$11.15	$1.74	$4.93	$3.05	$12.26	$0.34	$9.34
By Number of Deals	16	14	15	16	17	9	20	19	10	8	16	9	10

■ By Deal Value (US$B) ■ By Number of Deals

Global Crossborder Transactions

YOY % Change (Feb 2024 vs. Feb 2023)
Deal Value – ▲67.8%
Number of Deals – ▼34.9%

| | By Deal Value (US$B) | By Number of Deals |

Chart data:

Month	By Deal Value (US$B)	By Number of Deals
Feb 2023	$52.61	760
Mar 2023	$67.95	905
Apr 2023	$87.71	795
May 2023	$76.05	841
Jun 2023	$77.99	746
Jul 2023	$75.58	832
Aug 2023	$63.06	605
Sep 2023	$79.08	654
Oct 2023	$92.20	761
Nov 2023	$64.16	745
Dec 2023	$95.84	632
Jan 2024	$46.17	664
Feb 2024	$88.26	495
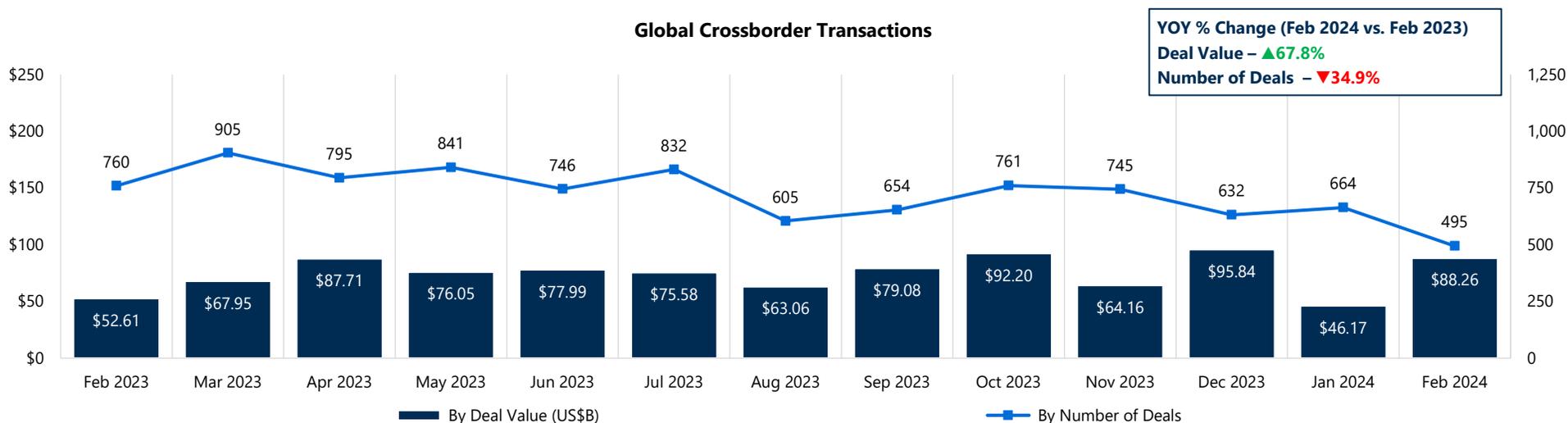
Endnotes

1. Industries categories are determined and named by Dealogic.

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

3. There were 10 transactions in February 2024.

4. Financial and strategic categories are determined by Deal Point Data.

5. Five transactions in February 2024 had a reverse break fee.

6. Three transactions in February 2024 involving a financial buyer had a reverse break fee.

7. Two transactions in February 2024 involving a strategic buyer had a reverse break fee.

8. Five transactions in February 2024 involved a financial buyer.

9. Five transactions in February 2024 involved a strategic buyer.

10. No transactions in February 2024 had a go-shop provision.

11. No transactions in February 2024 involving a financial buyer had a go-shop provision.

12. No transactions in February 2024 involving a strategic buyer had a go-shop provision.

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

14. 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).

15. Unaffected Premium % indicates the difference between the current price per share offered as consideration in the transaction and the "unaffected price", reflected as a percentage. The "unaffected price" is the target's closing stock price on the date that is one calendar day prior to the first public disclosure regarding a potential deal involving the target and on which the target's stock price was unaffected by the news of the deal.

16. In February 2024, each of France, Germany, Japan and Switzerland was the country of origin for five transactions.

17. This data reflects U.S. targets that have been acquired by a SPAC of any nationality.

18. This data reflects both U.S. and non-U.S. targets that have been acquired by a SPAC of any nationality.

The charts on pp. 1–2 and 5–10 were compiled using Dealogic, and are for the broader M&A market, including public and private transactions of any value. Deal volume by dollar value and average value of deals are calculated from the subset of deals that include a disclosed deal value. The charts on pp. 3–4 were compiled using Deal Point Data, and include acquisitions seeking majority or higher control of U.S. targets valued at $100 million or higher announced during the period indicated and for which a definitive merger agreement was reached and filed (except with respect to data regarding premiums and hostile/unsolicited offers, which is for all announced deals). "Last 12 Months" data is for the period from March 2023 to February 2024 inclusive and "year-over-year" data compares February 2023 and February 2024. Data obtained from Dealogic and Deal Point Data has not been reviewed for accuracy by Paul, Weiss.

Strategic M&A Firm Highlights

	$60.0B	**Chevron Corporation**	Acquisition of Hess Corporation
	$4.9B	**M.D.C. Holdings**	Sale to Sekisui House
	$26B	**Endeavor Energy Resources**	Merger with Diamondback Energy
	€12.0B	**Carrier Global Corporation**	Acquisition of Viessmann Climate Solutions
	$20.0B	**WestRock**	Combination with Smurfit Kappa, creating Smurfit WestRock
	$10.8B	**Merck & Co.**	Acquisition of Prometheus Biosciences
	$21.4B	**World Wrestling Entertainment**	Agreement with Endeavor to merge WWE with UFC to form a new publicly listed company
	$2.8B	**The Estée Lauder Companies**	Acquisition of the Tom Ford brand
	$3.9B	**Amazon**	Acquisition of One Medical
	$4.6B	**IBM**	Acquisition of Apptio

Private Equity M&A Firm Highlights

	$13.4B	**Madison Dearborn Partners** and **HPS Investment Partners**	Sale of their portfolio company NFP to Aon
	–	**General Atlantic**	Acquisition of Actis
	$8.1B	**Funds managed by affiliates of Apollo Global Management, Inc.**	Take-private acquisition of Univar Solutions
	$10.6B	**General Atlantic**	Sale of its stake in its portfolio company Oak Street Health to CVS Health
	$4.4B	**KPS Capital Partners**	Sale of its portfolio company Howden to Chart Industries
	$2.0B	**Brookfield Asset Management**	Acquisition of a significant minority stake in Primary Wave Music
	–	**Roark Capital Group**	Acquisition of Subway
	–	**Clearlake Capital Group**	Consortium deal to acquire Chelsea Football Club
	$7.1B	**3G Capital**	Acquisition of Hunter Douglas
	$2.1B	**Blackstone Infrastructure Partners**	Acquisition of a minority interest in NIPSCO

This publication is not intended to provide legal advice, and no legal or business decision should be based on its content. Questions concerning issues addressed in this memorandum should be directed to:

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Counsel Frances F. Mi, legal consultant Cara Grisin Fay, associate Daniel Ang and staff attorney Max Melion contributed to this publication.

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