

M&A Activity

Figure 1

September 2012	Global	+/- From Prior Month	U.S.	+/- From Prior Month
Total				
Volume (US\$B)	141.59	(43.30)	57.98	(23.74)
No. of deals	3,125	(251)	898	(58)
Avg. value of deals (US\$mil)	91.1	(27.5)	170.0	(53.2)
Avg. deal multiple ¹	11.2x	1.4	9.4x	0.3
Strategic Transactions				
Volume (US\$B)	123.63	(10.00)	48.99	2.36
No. of deals	2,866	(175)	782	(40)
Avg. value of deals (US\$mil)	85.3	(8.8)	161.2	15.9
Avg. deal multiple ¹	11.5x	1.8	9.4x	0.3
Sponsor-Related Transactions				
Volume (US\$B)	17.96	(33.30)	8.99	(26.09)
No. of deals	259	(76)	116	(18)
Avg. value of deals (US\$mil)	172.7	(196.1)	242.8	(536.7)
Avg. deal multiple ¹	8.9x	(1.9)	9.4x	(0.1)
Crossborder Transactions²				
Volume (US\$B)	51.68	8.45	Inbound 11.87 Outbound 7.45	Inbound 3.93 Outbound (0.48)
No. of deals	717	(72)	Inbound 114 Outbound 129	Inbound 2 Outbound (34)
Avg. value of deals (US\$mil)	151.6	39.3	Inbound 237.3 Outbound 169.4	Inbound 78.6 Outbound 47.3
Avg. deal multiple ¹	12.5x	2.7	Inbound 13.4x Outbound 11.4x	Inbound 2.8 Outbound 1.3

Figures 1 and 2 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 3 and 4 were compiled using data from FactSet Mergers, 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and valued at \$100 million or higher regardless of whether a definitive merger agreement was reached and filed or withdrawn.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 October 10, 2012 unless otherwise specified. "Last 12 Months" data is for the period from October 2011 to September 2012 inclusive. Data obtained from Dealogic and FactSet Mergers 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 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.

³ Industries categories are determined and named by Dealogic.

Figure 2

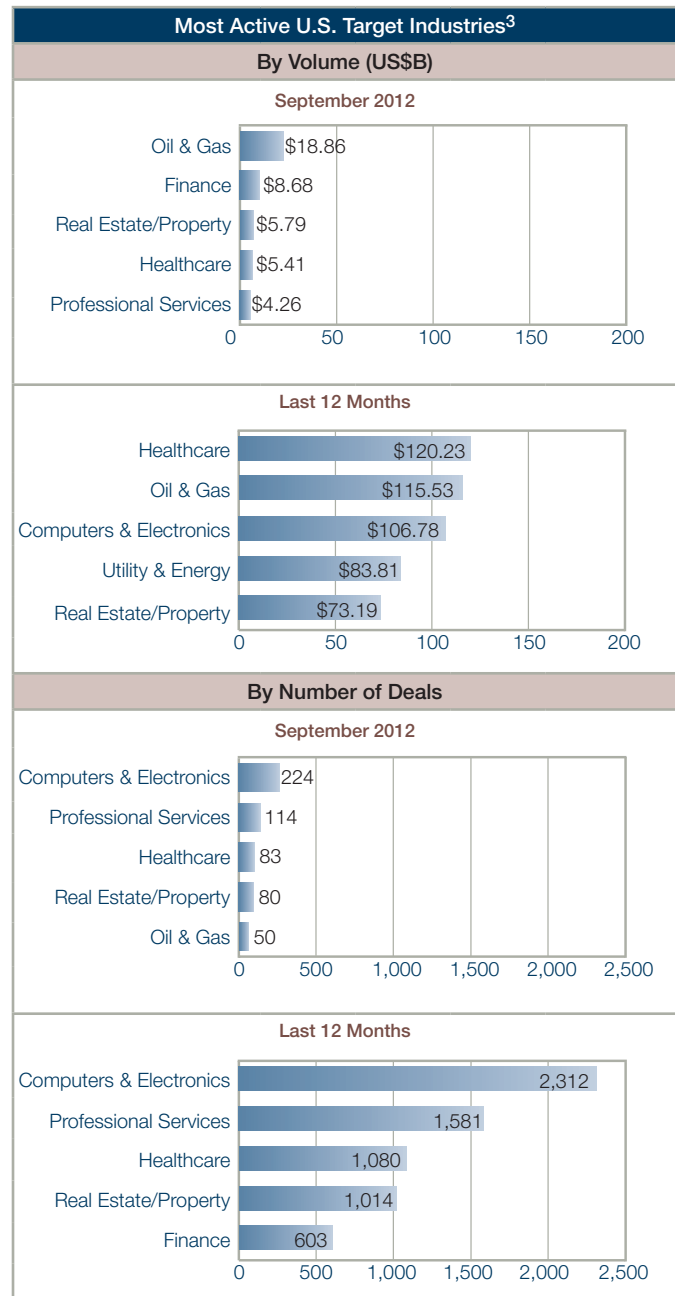


Figure 3

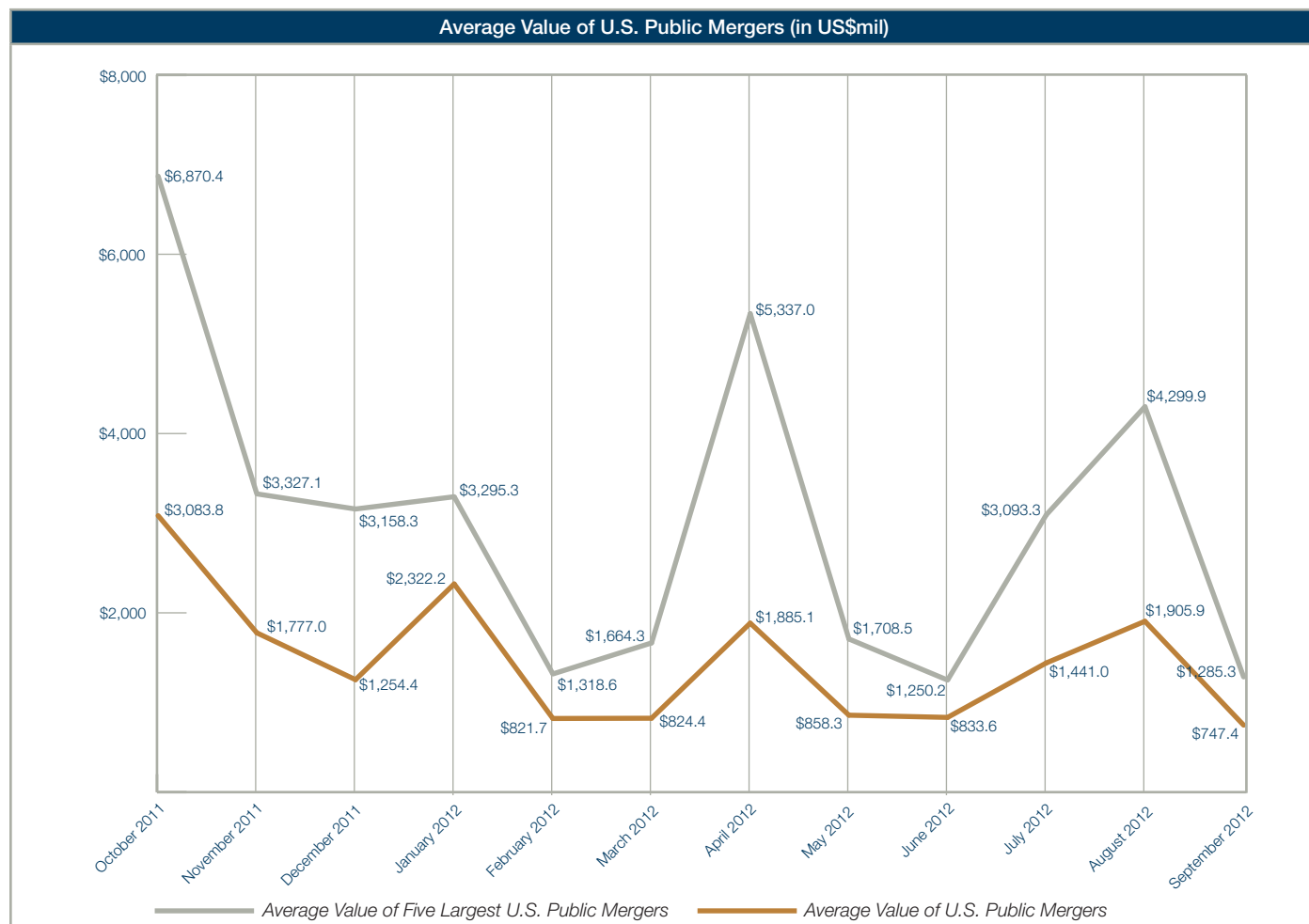
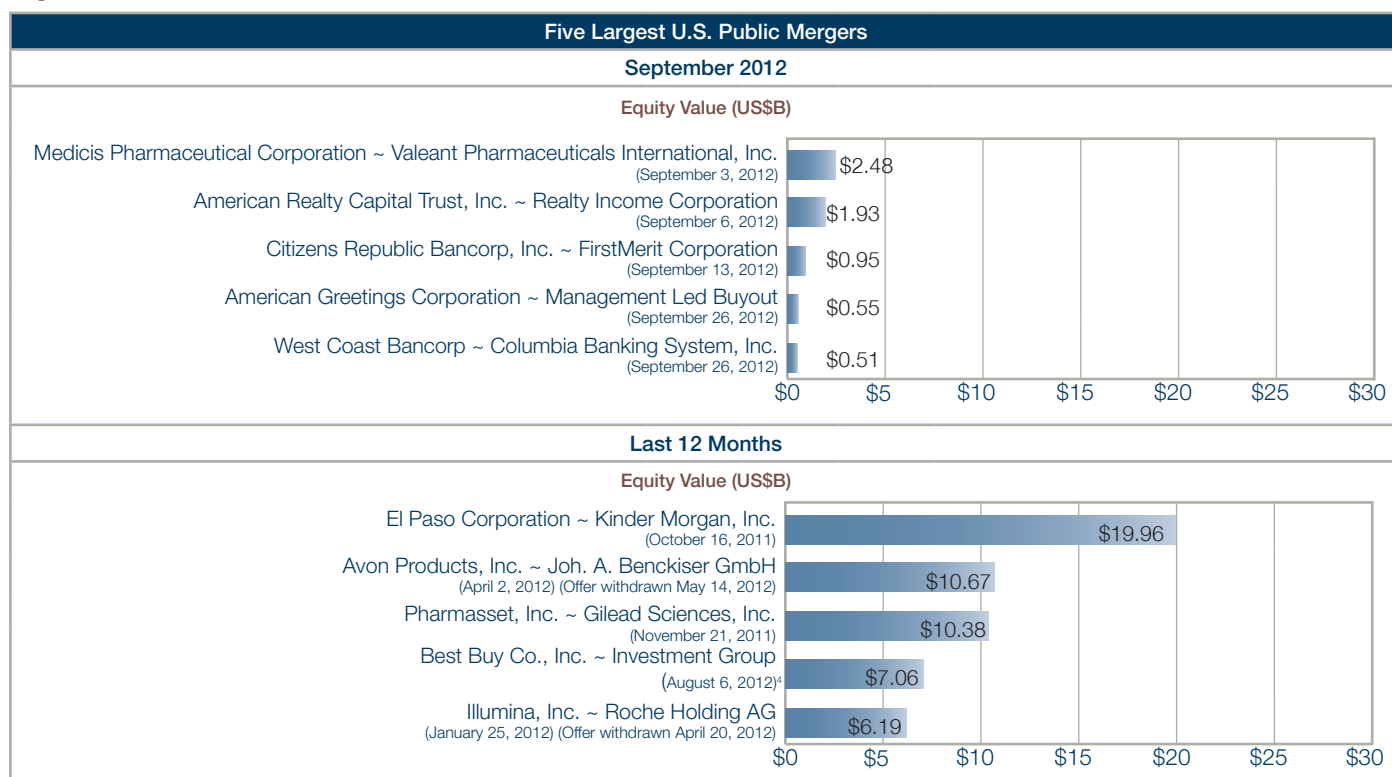


Figure 4



⁴ Members of Investment Group have not been reported by Merger Metrics.

M&A Terms

Figure 5

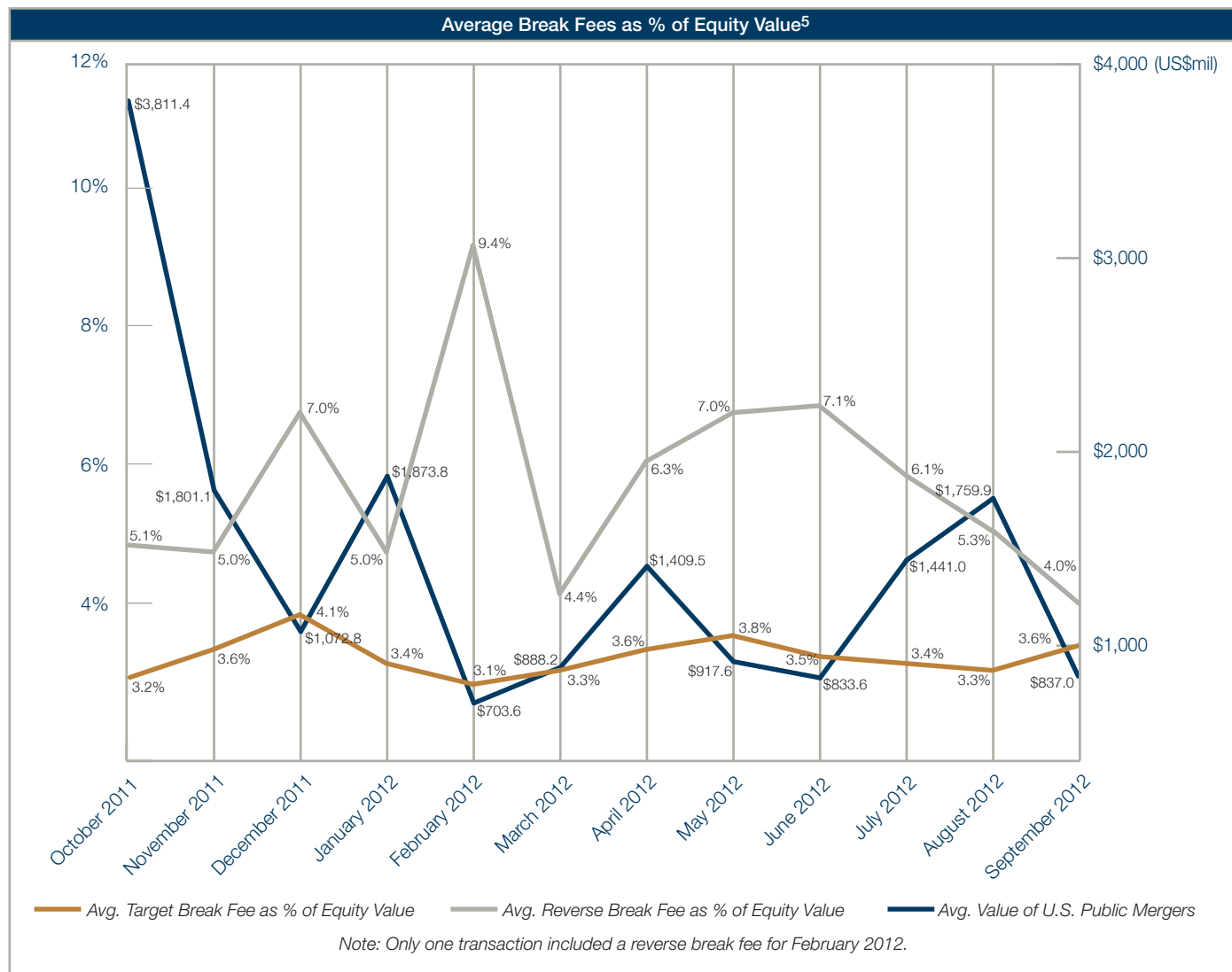


Figure 6

	September 2012	Last 12 Months
Target Break Fee	3.6	3.5
Reverse Break Fee	4.0	5.8

Figure 7

	September 2012	Last 12 Months
% of Mergers with Go-Shops	0.0	13.4
% of Mergers Involving Financial Buyers with Go-Shops	0.0	34.5
% of Mergers Involving Strategic Buyers with Go-Shops	0.0	7.1
Avg. Go-Shop Window (in Days) for All Mergers with Go-Shops ⁶	N/A	35.6
Avg. Go-Shop Window (in Days) for Mergers Involving Financial Buyers with Go-Shops	N/A	38.1
Avg. Go-Shop Window (in Days) for Mergers Involving Strategic Buyers with Go-Shops	N/A	32.1

Figures 5-11 were compiled using data from FactSet Mergers, 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 Mergers has not been reviewed for accuracy by Paul, Weiss.

⁵ Based on the highest target break fees and reverse break fees payable in a particular deal.
⁶ No transactions in September 2012 had a go-shop provision.

Figure 8

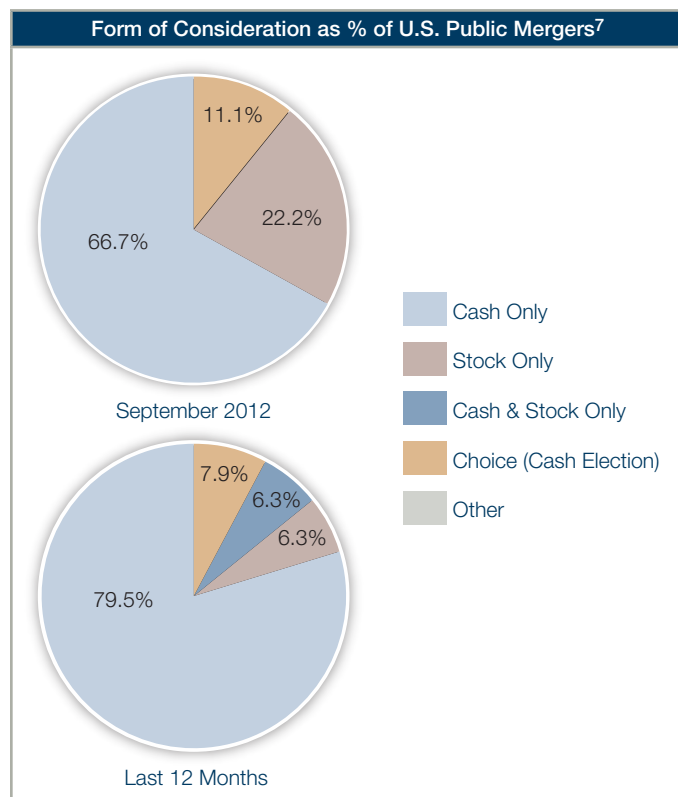


Figure 9

% of Partial and All Stock Deals that Have a Fixed Exchange Ratio	
September 2012	100
Last 12 Months	100

Figure 10

Tender Offers as % of U.S. Public Mergers	
September 2012	33.3
Last 12 Months	30.7

Figure 11

Hostile/Unsolicited Offers as % of U.S. Public Mergers ⁸	
September 2012	10.0
Last 12 Months	14.3

⁷ Due to rounding, percentages may not add up to 100%.

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).

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For decades, Paul, Weiss lawyers have advised clients on matters that have defined core principles of takeover law, including those resulting in the *Revlon*, *Time Warner* and *Hollinger* decisions. We bring an unrivaled perspective to takeover battles, mergers and acquisitions and issues concerning governance and director and officer fiduciary responsibility. Moreover, our diversity of experience across industries, practice specializations and deal sizes allows us to guide our clients to sound strategic decisions.

We are dedicated to helping our clients achieve their goals using state-of-the-art market intelligence and experience and effective team work.

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