

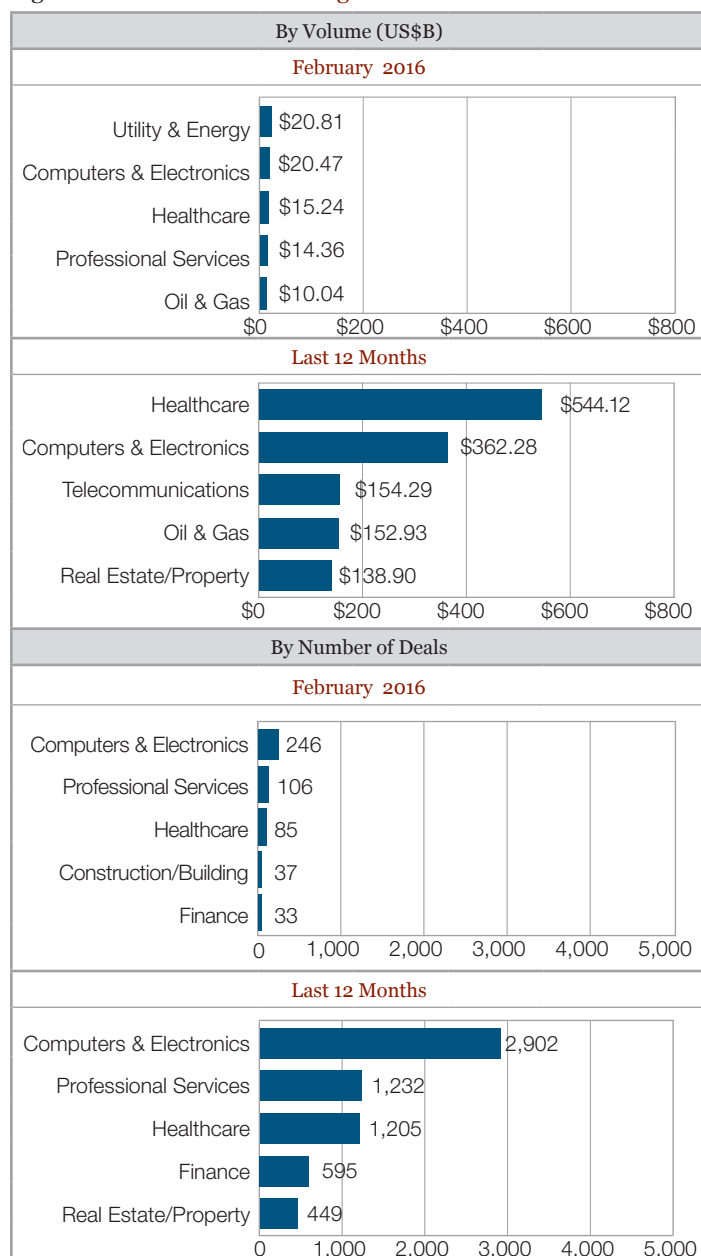
March 2016, Issue 48

M&A Activity

Figure 1

February 2016	Global	+/- From Prior Month	U.S.	+/- From Prior Month
Total				
Volume (US\$B)	310.25	117.31	100.50	19.27
No. of deals	2,890	(309)	831	(21)
Avg. value of deals (US\$mil)	213.5	91.5	293.0	28.4
Avg. deal multiple ¹	11.3x	0.4	13.9x	1.3
Strategic Transactions				
Volume (US\$B)	245.77	86.51	66.68	2.39
No. of deals	2,541	(298)	678	(3)
Avg. value of deals (US\$mil)	184.5	77.4	221.5	(13.1)
Avg. deal multiple ¹	11.2x	0.6	13.1x	0.5
Sponsor-Related Transactions				
Volume (US\$B)	64.47	30.80	33.82	16.88
No. of deals	349	(11)	153	(18)
Avg. value of deals (US\$mil)	532.9	174.6	805.1	292.1
Avg. deal multiple ¹	11.8x	(0.6)	16.3x	3.8
Crossborder Transactions²				
Volume (US\$B)	158.50	94.95	Inbound 28.65 Outbound 23.88	Inbound 6.74 Outbound 11.82
No. of deals	728	(70)	Inbound 130 Outbound 131	Inbound (11) Outbound (15)
Avg. value of deals (US\$mil)	470.3	295.8	Inbound 421.3 Outbound 487.3	Inbound 84.3 Outbound 219.3
Avg. deal multiple ¹	10.8x	0.4	Inbound 8.0x Outbound 10.0x	Inbound (2.7) Outbound 1.4

Figure 2 - Most Active U.S. Target Industries³



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and valued at \$100 million or higher regardless of whether a definitive merger agreement was reached and filed or withdrawn.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 March 2016 unless otherwise specified. "Last 12 Months" data is for the period from March 2015 to February 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 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.

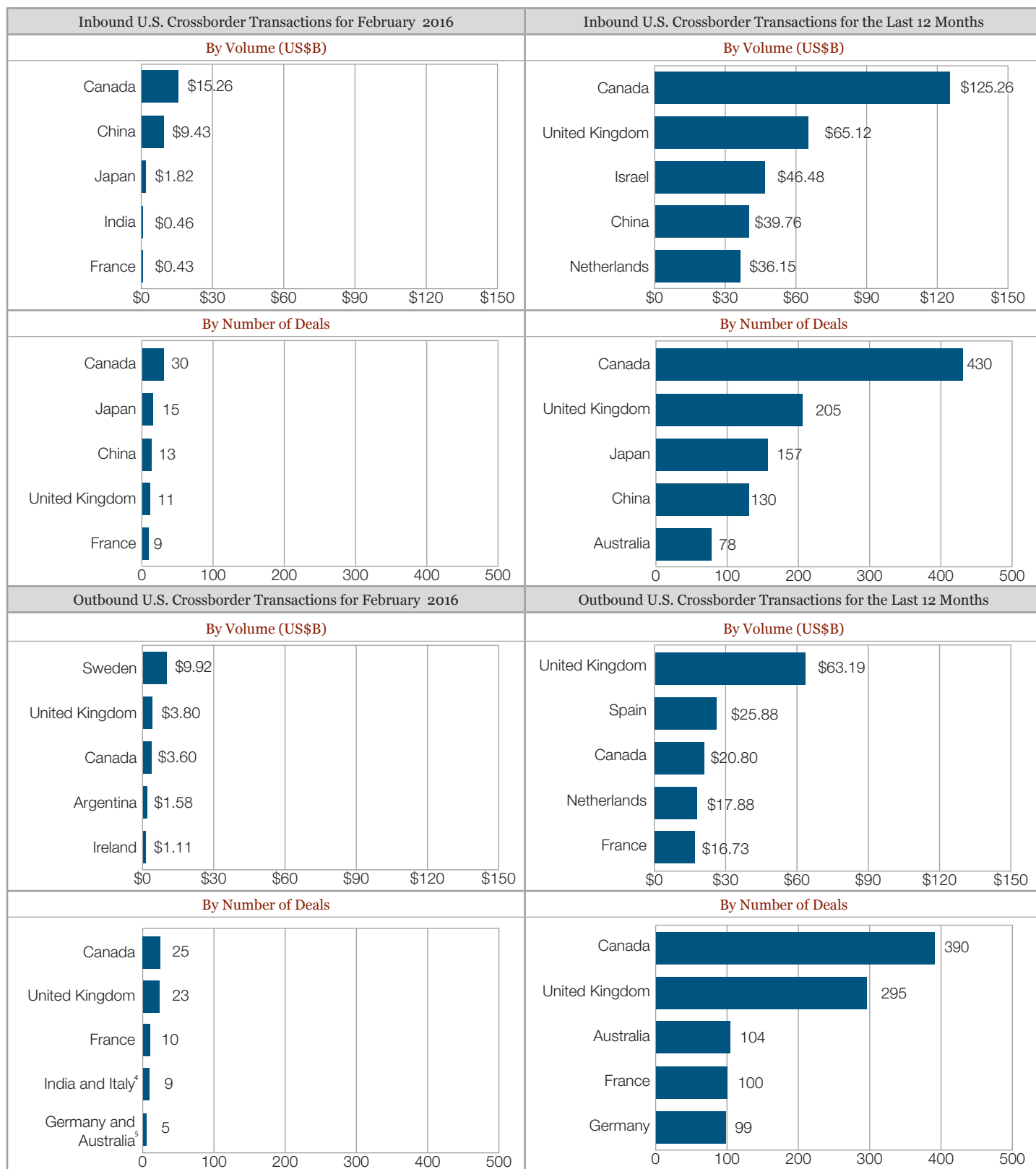
² Global crossborder transactions are those where the acquirer and the target have different nationalities. Nationality is based on where a company has either its headquarters or a majority of its operations.

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.

M&A Activity (Continued)

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

⁴ Each of India and Italy was the country of destination for nine transactions in February 2016.⁵ Each of Germany and Australia was the country of destination for five transactions in February 2016.

M&A Activity (Continued)

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

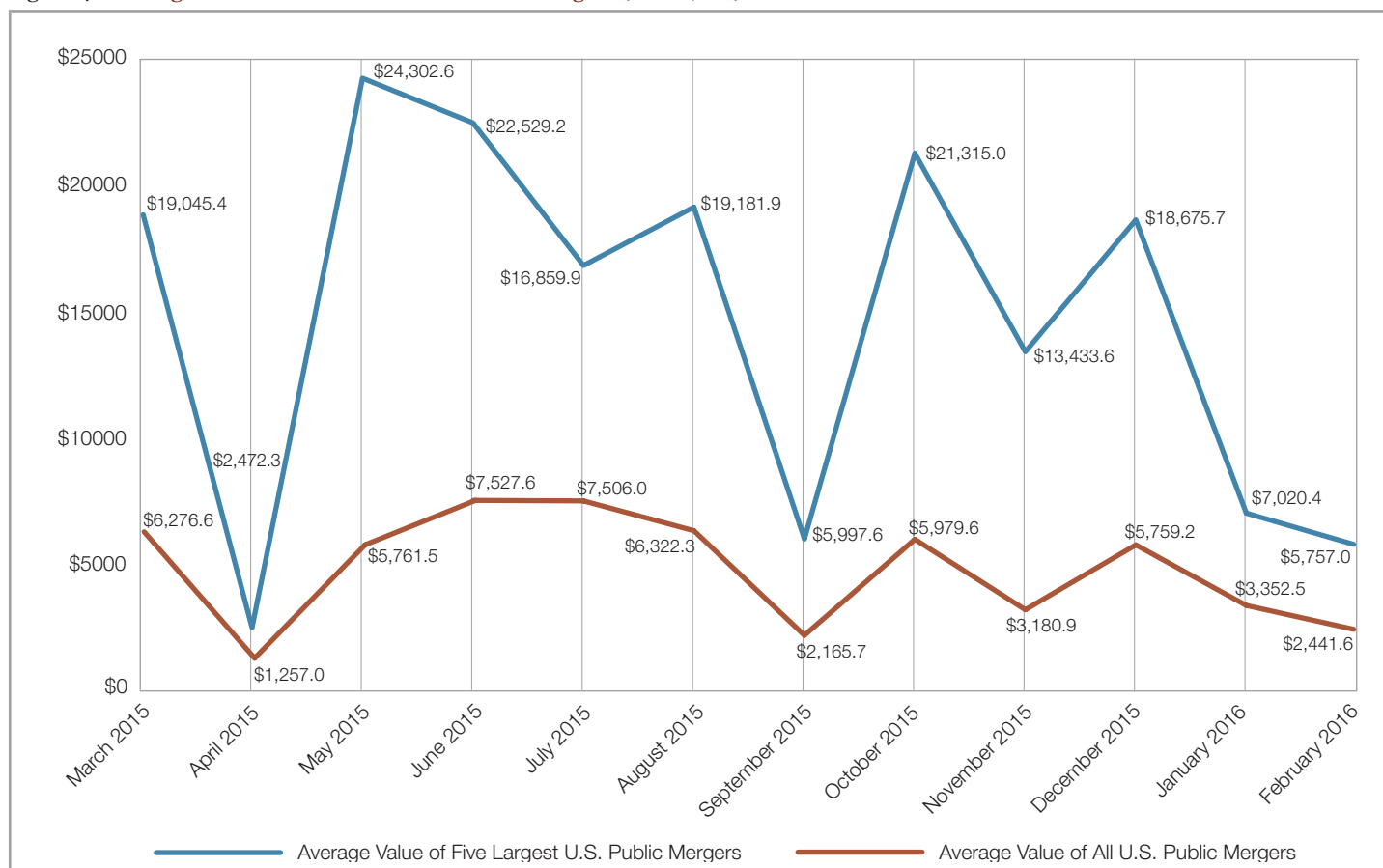
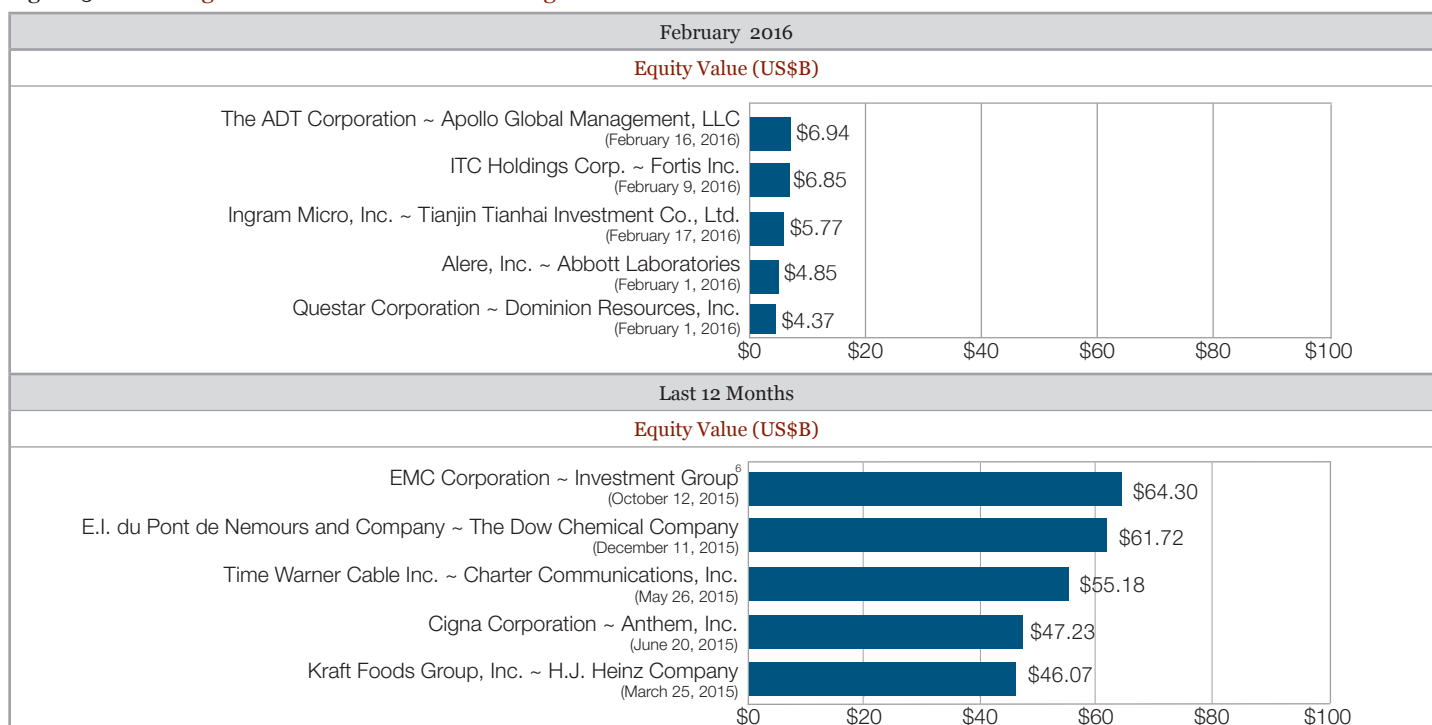
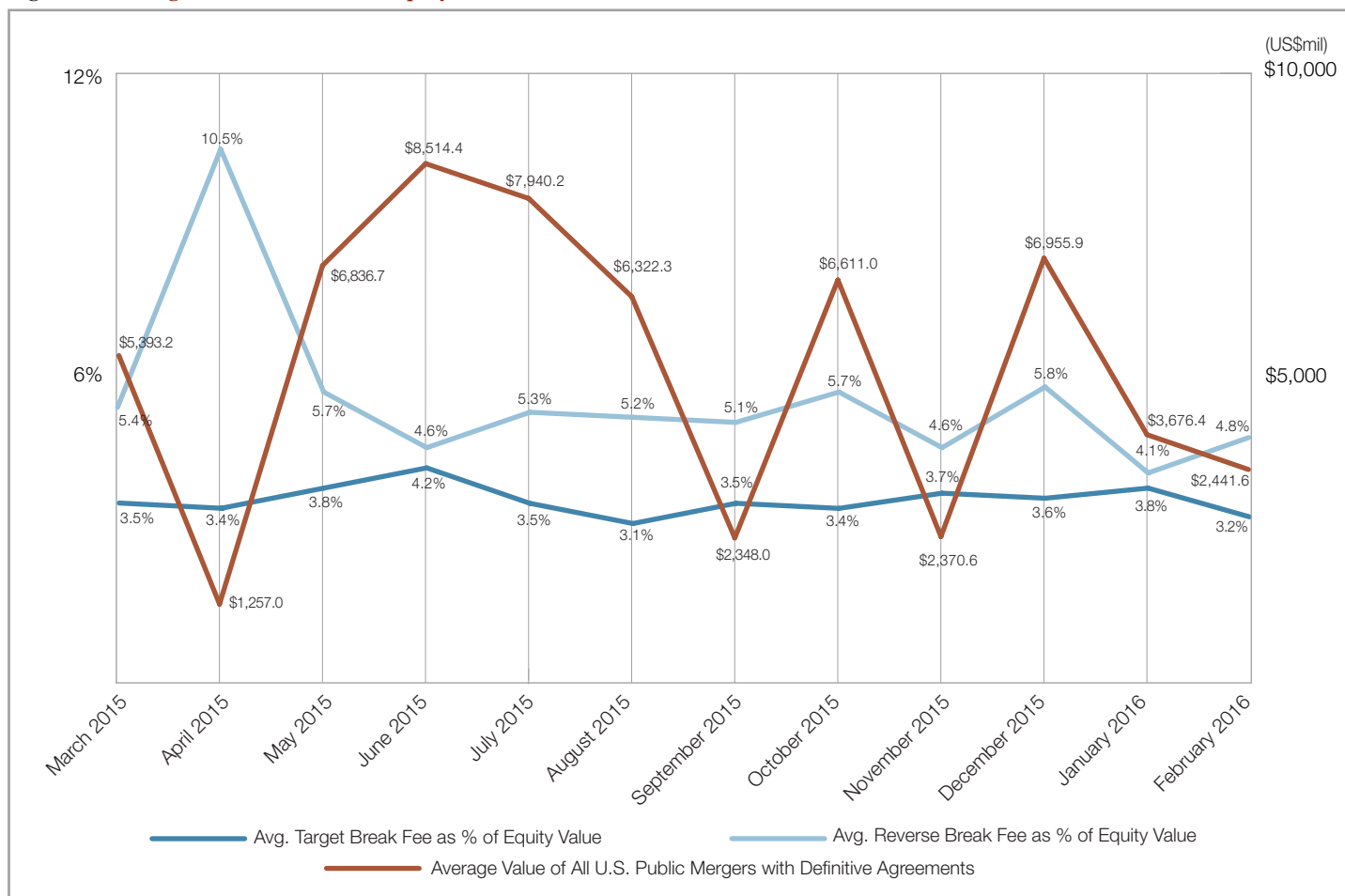


Figure 5 - Five Largest Announced U.S. Public Mergers



⁶ Members of the investment group reported by FactSet MergerMetrics are Silver Lake Partners, MSD Partners LP and Dell Inc.

M&A Terms

Figure 6 - Average Break Fees as % of Equity Value⁷Figure 7 - Average Break Fees as % of Equity Value⁷

	February 2016	Last 12 Months
Target Break Fee for All Mergers	3.2	3.6

	February 2016	Last 12 Months
Reverse Break Fee for All Mergers	4.8	5.4
Reverse Break Fee for Mergers Involving Financial Buyers	5.2	7.1
Reverse Break Fee for Mergers Involving Strategic Buyers	4.6	4.8

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

	February 2016	Last 12 Months
% of Mergers with Go-Shops	7.1	11.4
% of Mergers Involving Financial Buyers with Go-Shops	25.0	38.5
% of Mergers Involving Strategic Buyers with Go-Shops	0.0	7.2
Avg. Go-Shop Window (in Days) for All Mergers with Go-Shops ⁸	41.0	34.9
Avg. Go-Shop Window (in Days) for Mergers Involving Financial Buyers with Go-Shops ⁹	41.0	38.9
Avg. Go-Shop Window (in Days) for Mergers Involving Strategic Buyers with Go-Shops ¹⁰	N/A	31.2

⁷ Based on the highest target break fees and reverse break fees payable in a particular deal.

⁸ One transaction in February 2016 had a go-shop provision.

⁹ One transaction in February 2016 involving a financial buyer had a go-shop provision.

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

M&A Terms (Continued)

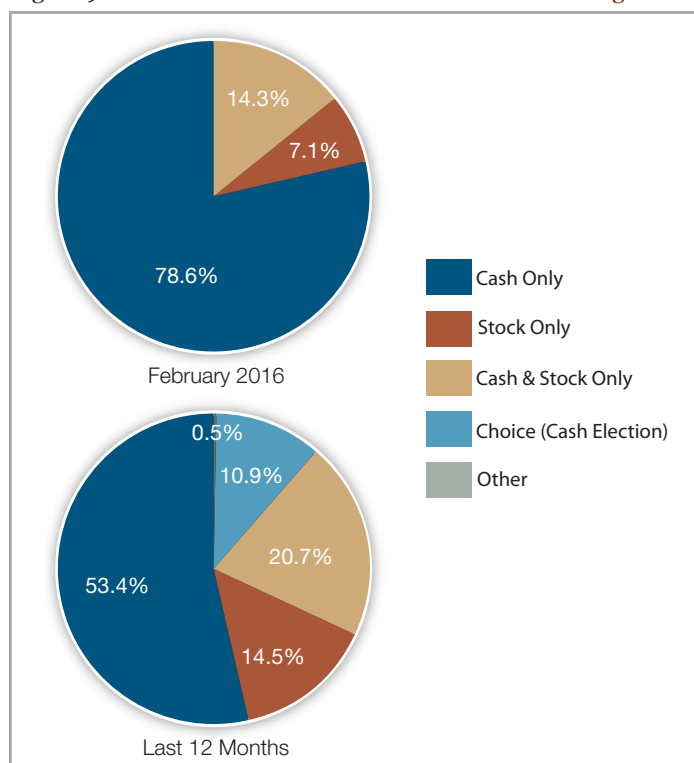
Figure 9 - Form of Consideration as % of U.S. Public Mergers¹¹

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

February 2016 ¹²	100.0
Last 12 Months	92.6

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

February 2016	0.0
Last 12 Months	19.7

Figure 12 - Hostile/Unsolicited Offers as % of U.S. Public Mergers¹³

February 2016	0.0
Last 12 Months	15.2

¹¹ Due to rounding, percentages may not add up to 100%.¹² There were only three partial or all stock transactions in February 2016.¹³ 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).

Paul, Weiss is a leading law firm serving the largest publicly and privately held corporations and financial institutions in the United States and throughout the world. Our firm is widely recognized for achieving an unparalleled record of success for our clients, both in their bet-the-company litigations and their most critical strategic transactions. We are keenly aware of the extraordinary challenges and opportunities facing national and global economies and are committed to serving our clients' short- and long-term goals.

Our Mergers & Acquisitions Practice

The Paul, Weiss M&A Group consists of 30 partners and over 100 counsel and associates based in New York, Washington, Wilmington, London, Toronto, Tokyo, Hong Kong and Beijing. The firm's Corporate Department consists of 60 partners and more than 200 counsel and associates.

Our M&A Group is among the most experienced and active in the world. We represent publicly traded and privately held companies, leading private equity firms, hedge funds, financial advisors, and other financial institutions and investors in their most important mergers and acquisitions, joint ventures and other strategic transactions.

Our expertise advising corporations and private investors in a broad range of sophisticated transactions enables us to identify new opportunities for our clients to realize value. We have particular experience in guiding clients as they engage in proxy battles, company-altering and market consolidating transactions or capital markets transactions.

Recent highlights include: advising Time Warner Cable in its \$78.7 billion merger with Charter Communications (pending); representing Automatic Data Processing in its \$5 billion spin-off of ADP Dealer Services, now called CDK Global; advising Encana in its \$7.1 billion acquisition of Athlon Energy; advising EXOR in its \$6.9 billion unsolicited cash bid for PartnerRe (pending); representing NorthStar Realty Finance in its \$4 billion acquisition of Griffin-American Healthcare REIT II; advising Platform Specialty Products in its \$2.3 billion acquisition of Alent; and representing Grupo Salinas in its \$2.5 billion sale of Iusacell to AT&T.

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



Matthew W. Abbott
Partner
New York
212-373-3402
mabbott@paulweiss.com



Angelo Bonvino
Partner
New York
212-373-3570
abonvino@paulweiss.com



Ariel J. Deckelbaum
Partner
New York
212-373-3546
ajdeckelbaum@paulweiss.com



Jeffrey D. Marell
Partner
New York
212-373-3105
jmarell@paulweiss.com

Counsel Frances F. Mi, associates Joseph S. Friedman, Yashreeka Z. Huq, Samuel J. Welt, Ryan D. Blicher and Alison E. Gurr and law clerks N. Arie Abramov and Edy Glozman contributed to this publication.

Our M&A Partners

[Matthew W. Abbott](#)

[Edward T. Ackerman](#)

[Angelo Bonvino](#)

[Jeanette K. Chan](#)

[Yvonne Y. F. Chan](#)

[Ellen N. Ching](#)

[Ariel J. Deckelbaum](#)

[Ross A. Fieldston](#)

[Brian P. Finnegan](#)

[Adam M. Givertz](#)

[Robert D. Goldbaum](#)

[Neil Goldman](#)

[Bruce A. Gutenplan](#)

[Justin G. Hamill](#)

[David K. Lakhdhir](#)

[Stephen P. Lamb](#)

[John E. Lange](#)

[Xiaoyu Greg Liu](#)

[Jeffrey D. Marell](#)

[Toby S. Myerson](#)

[Kelley D. Parker](#)

[Marc E. Perlmutter](#)

[Carl L. Reisner](#)

[Kenneth M. Schneider](#)

[Robert B. Schumer](#)

[John M. Scott](#)

[Tarun M. Stewart](#)

[Steven J. Williams](#)

[Kaye N. Yoshino](#)

[Tong Yu](#)

[Taurie M. Zeitzer](#)