



CROSS-BORDER BULLETIN

Global M&A Transactions
Impacting the U.S.

IN THIS ISSUE:

JANUARY 2019

COUNTRY FOCUS:
South Korea

SECTOR FOCUS:
Payment Processors

Cross-border M&A volumes reversed what had been a downward trend since 2015, increasing 21.5% in 2018, with \$970 billion of announced transactions. Despite the pickup in transaction volumes, cross-border activity in 2018 was a tale of two halves. Expectations at the beginning of the year were high for record performance in cross-border M&A, driven by the increasing number of mega-deals and the strong global economic prospects for 2018. However, as we entered Q3 2018, cross-border M&A activity was dampened by increasing protectionist legislation – first in the U.S. with a strengthening of CFIUS, and then later globally with similar policies adopted by the E.U. and the U.K.

As we look forward to 2019, we expect cross-border M&A amongst western nations to be challenged by these new “CFIUS-like” policies. Likewise, Chinese buyers will continue to be scrutinized in deals involving proprietary technology and critical infrastructure. There are several bright spots, however, for cross-border M&A, such as the sustained health of the global economy, strong balance sheets and continued top line growth. These factors will propel cross-border activity in 2019, even with increased volatility in the financial markets and tempered business confidence.

It has been a pleasure to report on cross-border M&A activity in 2018 and we appreciate the enthusiastic feedback from readers of this bulletin. We look forward to continuing to investigate the trends and activity impacting global M&A. If we can be helpful to you as you evaluate your own growth initiatives for 2019, please feel free to contact us and we would be happy to speak with you.



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2018 Highlights

- **\$969.5B**
on 6,478 cross-border transactions globally
- **7.2%**
of transactions greater than \$1.0B in value
- **\$438.8B**
on 2,256 U.S. cross-border transactions
- **\$205.0B**
on 1,229 U.S. outbound transactions
- **\$233.8B**
on 1,027 U.S. inbound transactions

Top Global Sectors by Volume (\$)

- ▶ Healthcare (\$177.1B)
- ▶ Computers & Electronics (\$118.0B)
- ▶ Telecommunications (\$90.6B)

Top Global Sectors by Number of Transactions

- ▶ Computers & Electronics (1,355 transactions)
- ▶ Professional Services (671 transactions)
- ▶ Healthcare (541 transactions)

Top Counterparties for U.S. M&A (by Volume \$)

- ▶ U.K (\$116.3B, 415 transactions)
- ▶ Canada (\$65.4B, 517 transactions)
- ▶ Germany (\$34.2B, 132 transactions)

Source: Dealogic as of December 31, 2018 for announced transactions. All data represents announced transactions and excludes minority investments.

This Month's Point of View: U.S. Economic Outlook

"While the U.S. economy is estimated to have grown over 3% last year, its best showing since 2005, storm clouds are gathering. Weakness in Europe and Asia, in particular China, has weighed on global growth prospects. Despite this, the U.S. has performed admirably. However, investors are concerned that continued tightening by the Federal Reserve may cause a recession. This is evident from the flattening in the Treasury yield curve and the sizeable correction in U.S. equity markets. Whether these trends persist will be largely determined by the course of monetary policy. Recent public comments from Fed Chair Powell suggest a less aggressive approach to interest rate hikes. If this is the case, the current U.S. expansion could enter record long territory this year."

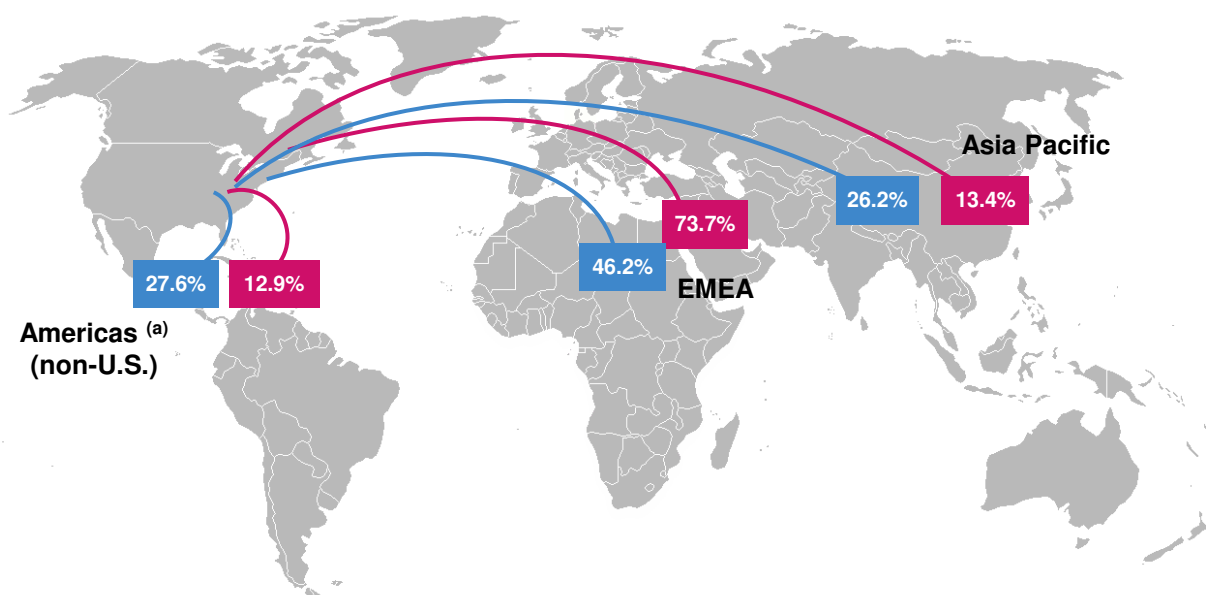


Joseph Lavorgna
Chief Economist of the Americas, Natixis

\$438.8B U.S. Cross-Border M&A Activity in 2018

■ % Inbound Volume (\$) to U.S.

■ % Outbound Volume (\$) from U.S.



Top 5 U.S. Cross-Border Announced Transactions (2018)

Date	Acquirer	Target	Target Country	Transaction Value (\$M)
2/27	Comcast	Sky	U.K.	\$53,313 ^(b)
5/9	Walmart	Flipkart	India	\$16,000
3/5	AXA	XL Group	U.S.	\$15,425
11/13	Brookfield, CDPQ	Johnson Controls (Power Solutions Business)	U.S.	\$13,244
1/22	Sanofi	Bioverativ	U.S.	\$11,624

Source: Dealogic as of December 31, 2018 for announced transactions.

(a) Americas excludes the U.S. and includes Canada, Central America and South America.

(b) Transaction value shown as of completed tender offer on October 9, 2018.



KEY TRENDS IN CROSS-BORDER M&A

- CFIUS UPDATE & GLOBAL REACTIONS
- U.S. FINDS OPPORTUNITY IN EMERGING MARKETS
- U.S. DOLLAR'S STRENGTH IN 2018

CFIUS UPDATE & GLOBAL REACTIONS

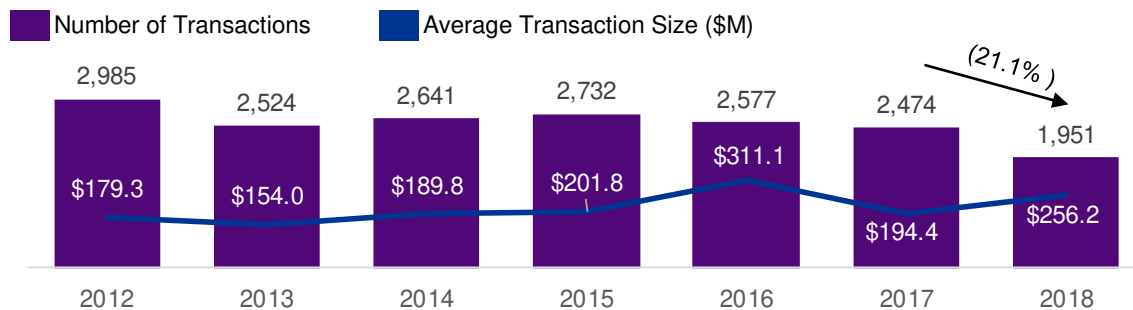
Numerous countries are adopting CFIUS-like policies

- In October 2018, CFIUS launched its pilot program to require mandatory notification of certain non-controlling investments by foreign entities in “critical technology” U.S. businesses
- During the pilot program, the Commerce Department announced it would seek to review whether dozens of emerging technologies (*e.g.*, robotics, artificial intelligence and quantum computing) should be subject to mandatory reviews by CFIUS, widening its scope of transactions for review
- Several European countries have recently adopted similar protectionist policies to CFIUS, continuing the backlash to globalization and furthering efforts to insulate against perceived security threats to critical infrastructure
- In July, the U.K. government wrote a white paper outlining its proposal to allow government scrutiny of foreign investments in any sector of the economy upon a “reasonable suspicion” of a national security threat
- German lawmakers also blocked two Chinese bids into strategically important assets this year: Leifeld Metal Spinning (a machine tool manufacturer) and 50Hertz Transmission (a transmission system operator) – the first time Germany had cited its 2017 changes in the Foreign Trade and Payments Ordinance that made it easier to veto foreign acquisitions of more than 25% of voting rights in strategically important entities
- On November 20, 2018, the E.U. Commission agreed on a framework to review foreign direct investment into critical infrastructure, technologies, supplies and information, a policy the U.S. consulted on and one that mimics CFIUS
- We expect these protectionist policies to continue reverberating across western nations as countries attempt to slow cross-border M&A in areas deemed sensitive, such as emerging technologies and national security

U.S. FINDS OPPORTUNITY IN EMERGING MARKETS

U.S. Inbound Activity into Emerging Markets Spikes Despite Instability and Declining Number of Deals in the Region

EMERGING MARKETS CROSS-BORDER M&A (\$M)

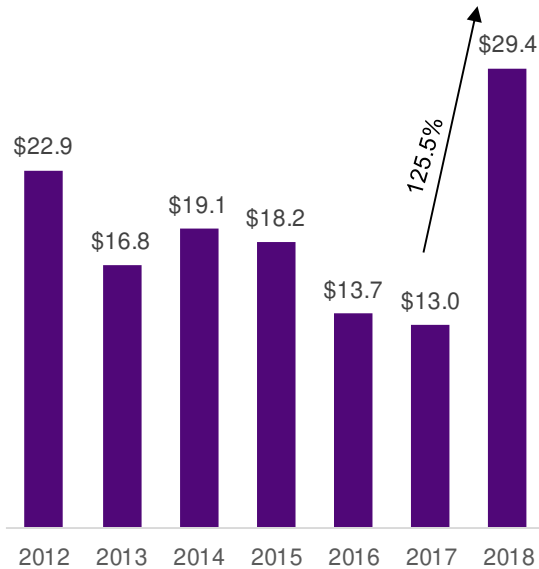


- In 2018, the MSCI Emerging Markets Index declined by 4.6%, influenced by slowing Chinese economic growth and economic instability in areas such as Turkey, Greece and Russia
- Cross-border M&A has also been challenged recently in emerging market regions, evidenced by a 21.1% decline in the number of transactions
- Chinese outbound M&A has accounted for nearly half of all outbound emerging market M&A over the last five years. China's 25.0% decrease in 2018 outbound M&A (by number of transactions) was the most significant influence in the overall decline in emerging markets cross-border M&A this past year
- This decline, however, was partially offset by a 31.8% increase in average transaction volumes into emerging markets, including a 125.5% jump in the volume of U.S. acquisitions of emerging market companies
- Several factors have motivated U.S. companies to pursue transactions in emerging markets, including relatively favorable equity market valuations and a quest for technological innovation
- The most notable transaction was Walmart's \$16.0B acquisition of Flipkart in India
- As the largest inbound emerging markets M&A transaction since 2012, this defensive play against Amazon is a prime example of a large scale deal to acquire a globally disruptive technology

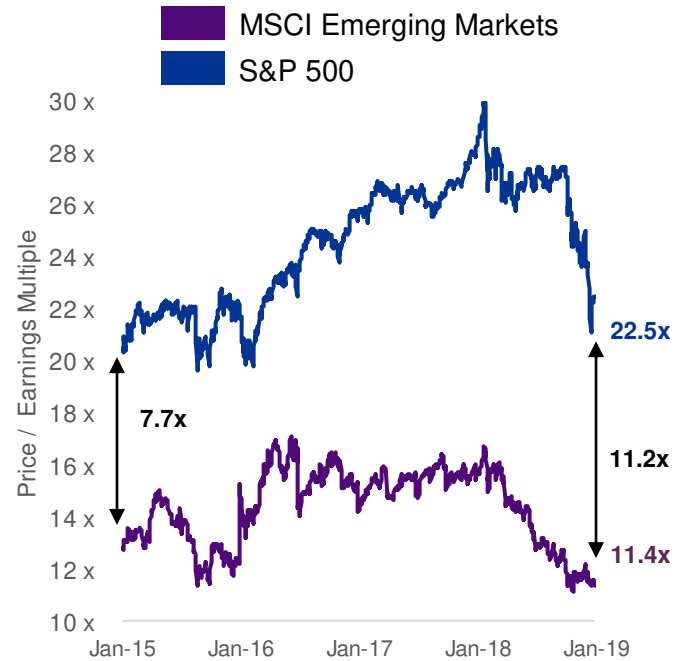
Source: Dealogic as of December 31, 2018 for announced transactions.

U.S. Inbound Activity into Emerging Markets Spikes Despite Instability and Declining Number of Deals in the Region

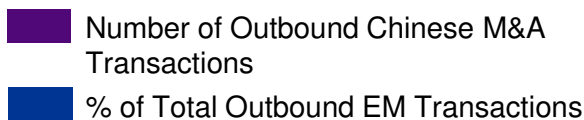
VOLUME OF U.S. TRANSACTIONS INTO EMERGING MARKET COUNTRIES (\$B)



COMPARATIVE P/E MULTIPLES BETWEEN EMERGING MARKETS AND U.S.



CHINESE OUTBOUND M&A



TOP 5 TRANSACTIONS BY VOLUME (2011-2018)

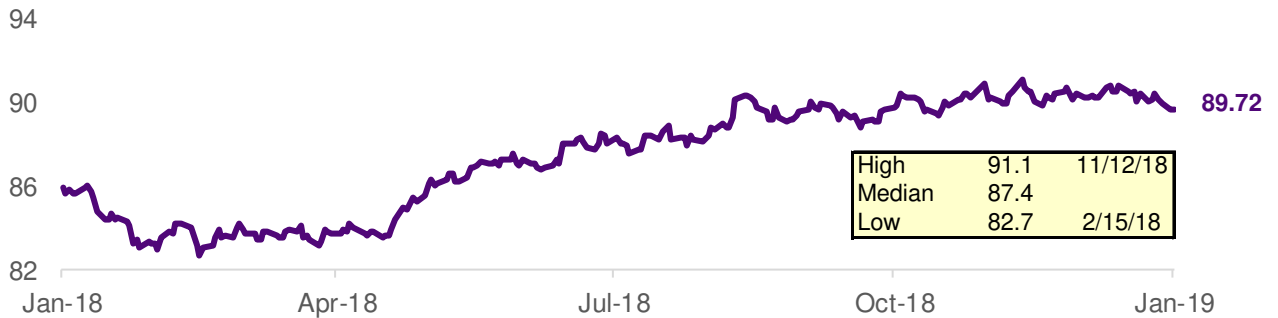
Year	Acquiror	Target	TEV (\$B)
2012	ABInBev	Modelo	\$20.3
2018	Walmart	Flipkart	\$16.0
2014	Telefonica	Global Village Telecom	\$9.8
2016	Asahi	SABMiller	\$7.8
2014	Gas Natural	CGE	\$7.3

Source: Dealogic as of December 31, 2018 for announced transactions.

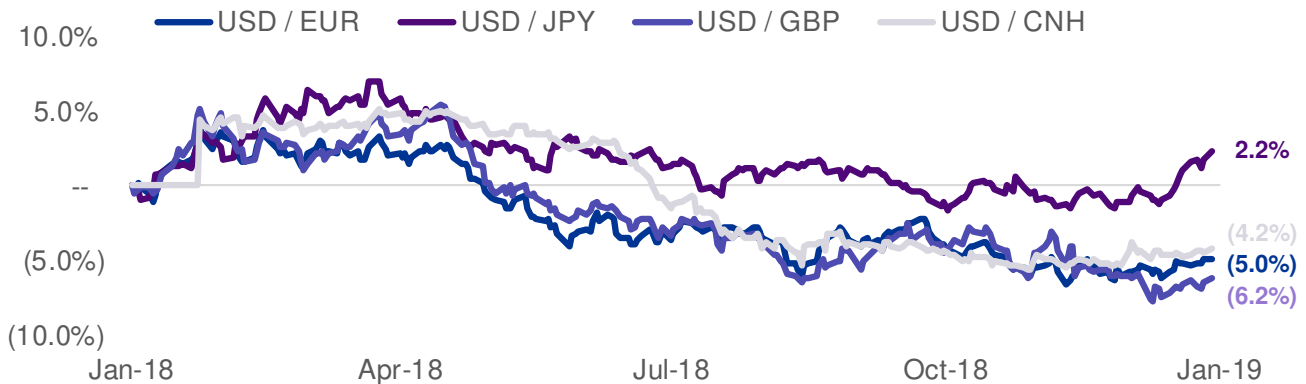
U.S. DOLLAR'S STRENGTH IN 2018

U.S. Dollar Strengthened in 2018, but Headwinds are on the Horizon

2018 WSJ DOLLAR INDEX



RELATIVE CURRENCY PERFORMANCE AGAINST THE DOLLAR SINCE JANUARY 1, 2018



- The U.S. Dollar gained 4.4% against a basket of 16 currencies in 2018
- A strong U.S. Dollar was a contributing factor to the high level of U.S. outbound M&A deal volume in Q1-Q3 2018, which grew 42.4% in the first three quarters compared to the same period in 2017
- Several headwinds emerged in Q4 2018, causing the U.S. Dollar to lose strength
- If the U.S Dollar continues to weaken and currencies such as the Euro and JPY strengthen, U.S. acquirors may be competitively disadvantaged in 2019 as companies compete for global M&A targets

Source: WSJ Dollar Index as of January 1, 2019.

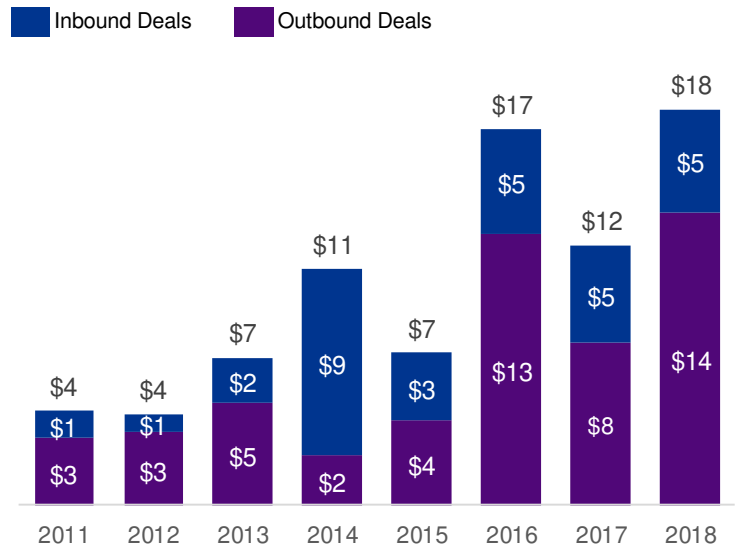
SOUTH KOREA

South Korea's Chaebols Driving M&A Activity

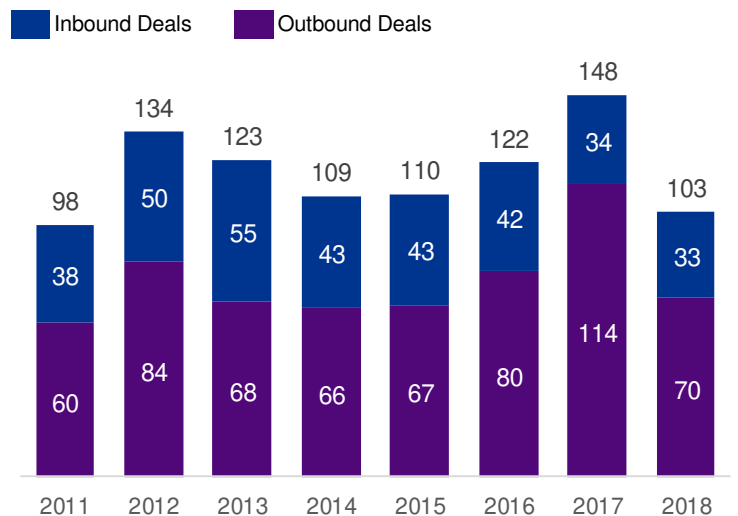
COMMENTARY

- Chaebols, or South Korean conglomerates such as Samsung and LG, have been among the most active acquirors, accounting for 20.6% of South Korea cross-border M&A transactions since 2013
- South Korea's volume of cross-border M&A activity continues to grow, with 2018 volume more than double what it was in 2015
- Cross-border activity has been driven over the last three years by outbound M&A, which accounted for 74% of volume and 68% of the number of deals in 2018
- Despite recent growth in the volume of outbound M&A, the number of South Korea outbound M&A deals declined nearly 40% in 2018, mostly attributable to a severe decline in the number of computer and electronic outbound deals (down 42% in 2018)
- Increased global competition for technology assets is partially to blame for the decline in South Korea technology deal activity in 2018
- Despite the dominance of Chaebols in the region, the increased focus of foreign activists in South Korea (notably, Elliott Management's opposition to Hyundai's proposed restructuring) is influencing the dynamics of transparency and governance in the region

VOLUME OF CROSS-BORDER M&A TRANSACTIONS WITH SOUTH KOREA (\$B)

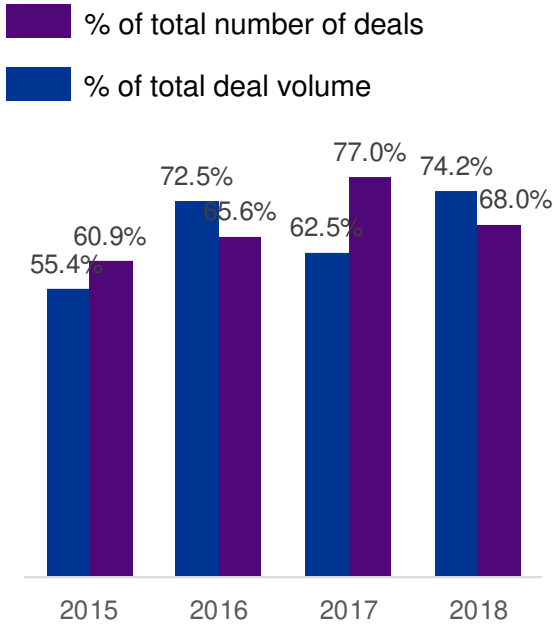


NUMBER OF CROSS-BORDER M&A TRANSACTIONS WITH SOUTH KOREA



Source: Dealogic as of December 31, 2018 for announced transactions.

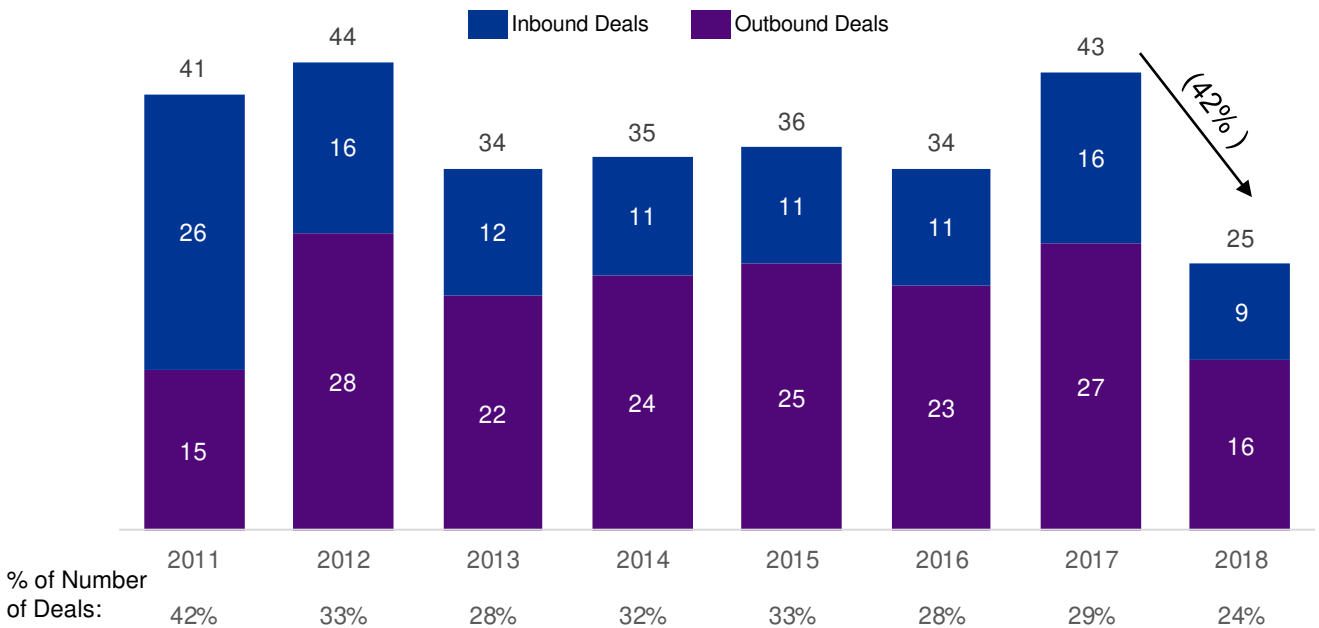
% OF OUTBOUND CROSS-BORDER M&A



LARGEST CHAEBOL OUTBOUND CROSS-BORDER ACQUIRORS FROM 2013 TO 2018

Acquirer	Transaction Value (\$M)	Deal Count
Samsung	\$13,460	63
CJ Group	\$5,781	31
LG Group	\$2,719	21
SK Holdings	\$2,874	21
Hyundai	\$1,729	18

NUMBER OF COMPUTERS AND ELECTRONIC ACQUISITIONS FROM 2011 TO 2018



Source: Dealogic as of December 31, 2018 for announced transactions.

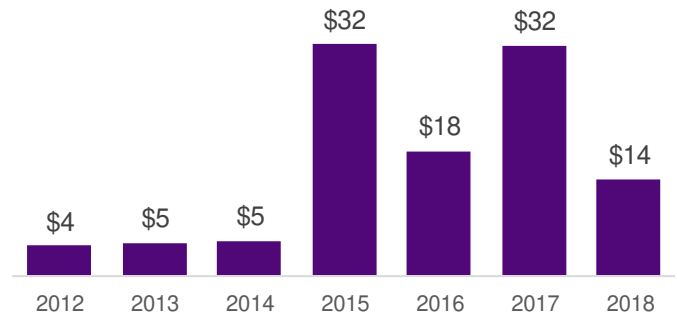
PAYMENT PROCESSORS

Strategics Driving Cross-Border Consolidation

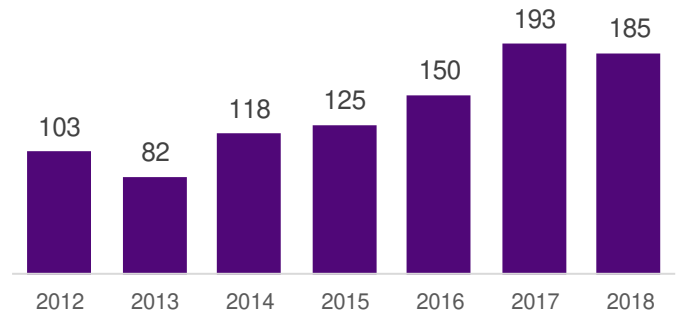
COMMENTARY

- Payment Processors, third party companies handling merchant transactions (e.g., Visa and Mastercard), are rapidly growing in response to increasing global payment volumes and improvements in payment technology
- As a result, the number of Payment Processor cross-border M&A transactions has grown at a CAGR of 10.3% since 2012
- Growth has been driven by strategic acquirors, which accounted for all of the top ten most active acquirors by number of deals in the last six years
- Large strategics, including eBay / PayPal, Ingenico and Verisk Analytics, have pursued acquisitions of payment companies to gain scale internationally and drive payment volumes
- Two notable transactions include Vantiv's \$13.7B acquisition of Worldpay in 2017 and Visa's \$20.1B consolidation of Visa Europe in 2015
- While strategic acquirors have been the most active, financial sponsors have also been investing significant capital in fast growing payment processing startups
- For example, Berkshire Hathaway has completed two \$300 million investments in the sector: (i) StoneCo, a Brazilian payment processor and (ii) Paytm, India's largest payment processor

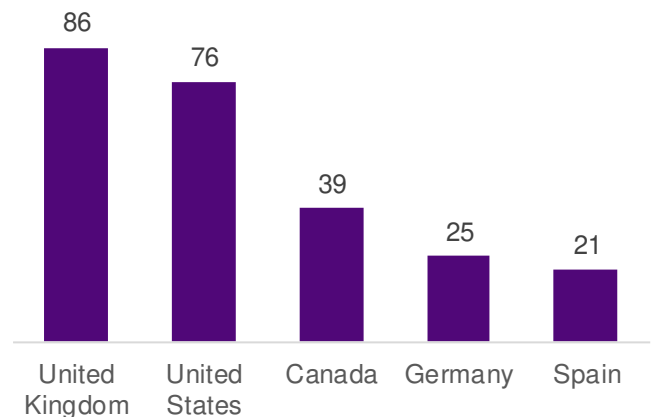
CROSS-BORDER PAYMENT M&A TRANSACTION VOLUME (\$B)



CROSS-BORDER PAYMENT M&A NUMBER OF TRANSACTIONS



NUMBER OF INBOUND ACQUISITIONS OF PAYMENT PROCESSORS FROM 2016 to 2018

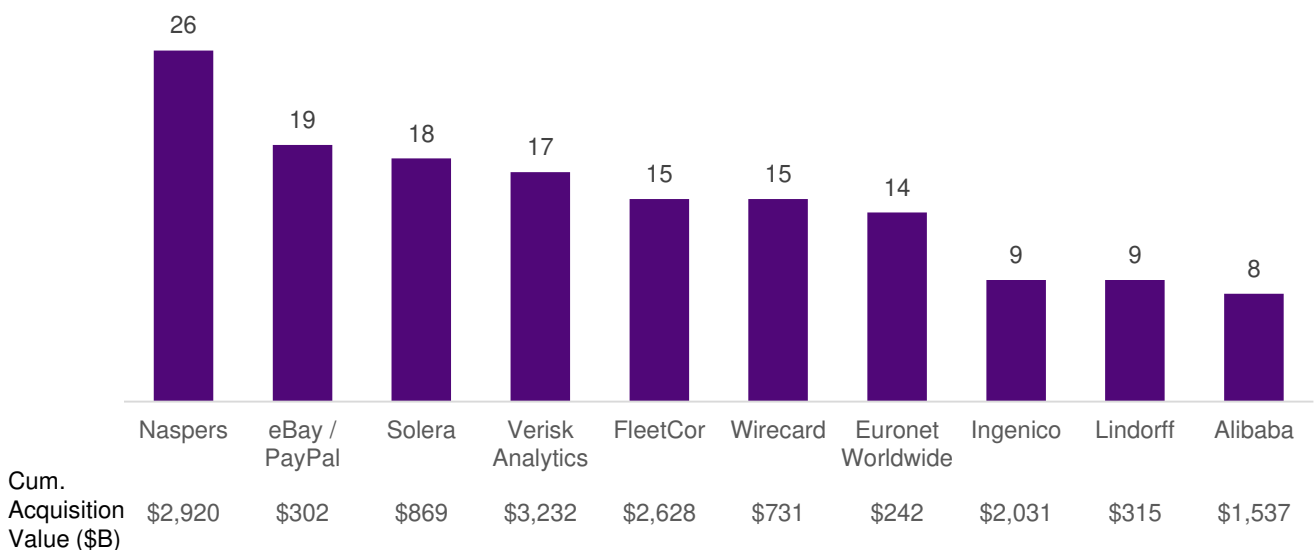


Source: Dealogic as of December 31, 2018 for announced transactions.

TOP 5 PAYMENT PROCESSORS CROSS-BORDER TRANSACTIONS 2018

Date	Acquirer	Target	Target Country	Transaction Value (\$M)
5/15	Worldline	SIX Payment	Switzerland	3,269
5/17	PayPal	iZettle	Sweden	2,200
4/3	ION	Fidessa	U.K.	2,173
10/9	CDPQ, Generation	FNK UK (66.67%)	United Kingdom	1,441
11/8	Edenred	CSI Enterprises	United Kingdom	600

NUMBER OF PAYMENT PROCESSOR CROSS-BORDER ACQUISITIONS BY ACQUIROR FROM 2012 TO 2018



Source: Dealogic as of December 31, 2018 for announced transactions.



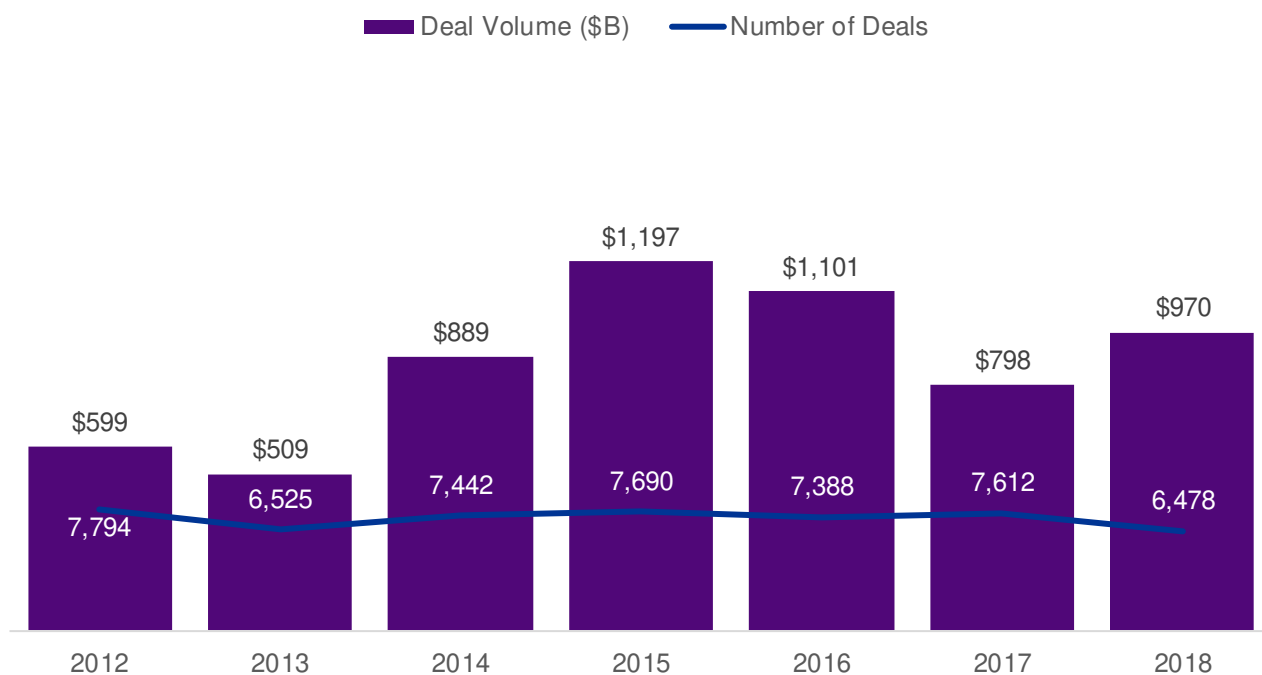
CROSS-BORDER DATA & ANALYSIS

- M&A VOLUMES
- TOP COUNTRIES FOR U.S. CROSS-BORDER M&A
- MOST ACTIVE TARGET INDUSTRIES
- AVERAGE VALUE OF ANNOUNCED TRANSACTIONS
- 2018 ANNOUNCED TRANSACTIONS

Cross-Border Transaction Volumes Are Increasing

- There has been \$970B of Cross-Border M&A in 2018, which is up 21.5% compared to 2017
- The number of transactions, however, has declined to 6,478 in 2018; 1,134 fewer than last year

GLOBAL CROSS-BORDER TRANSACTION VOLUMES (\$B)

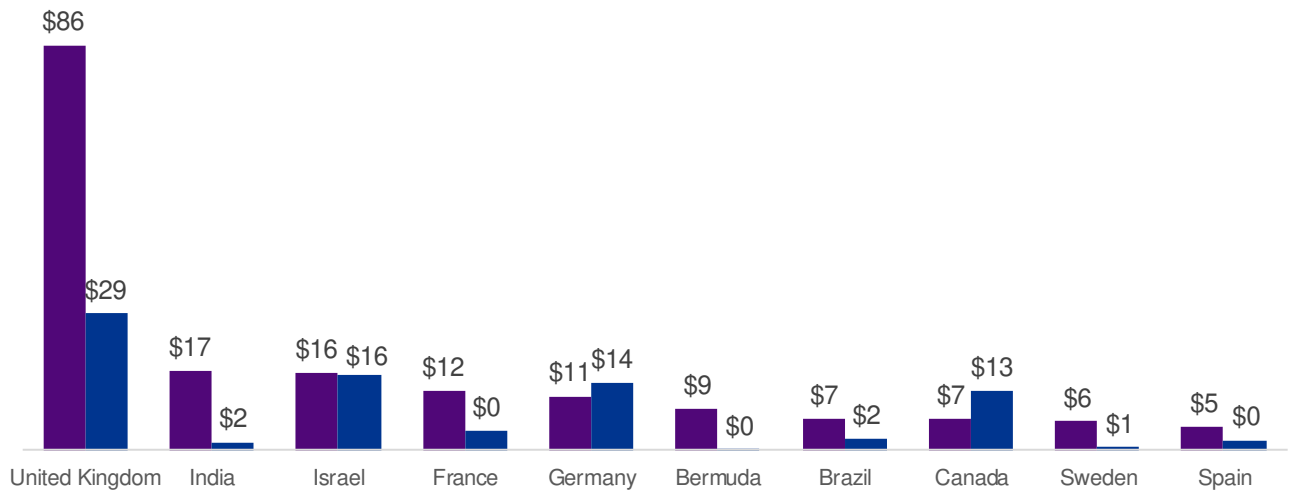


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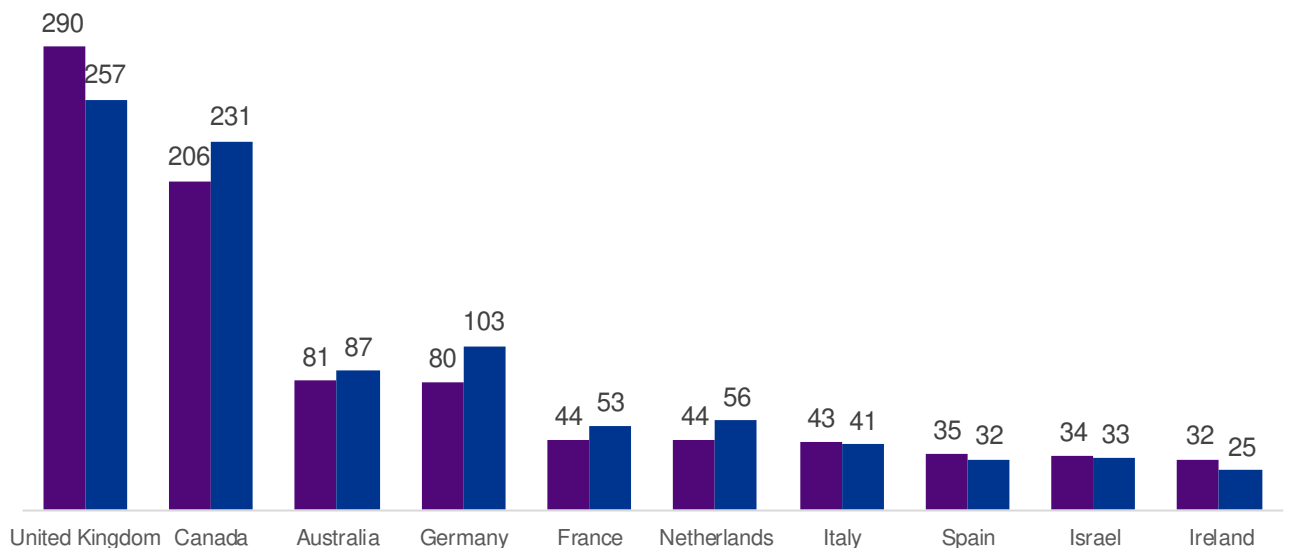
Top 10 Countries for U.S. Outbound Cross-Border M&A

2018 2017

VALUE OF U.S. OUTBOUND CROSS-BORDER TRANSACTIONS BY COUNTRY (\$B)



NUMBER OF U.S. OUTBOUND CROSS-BORDER TRANSACTIONS BY COUNTRY

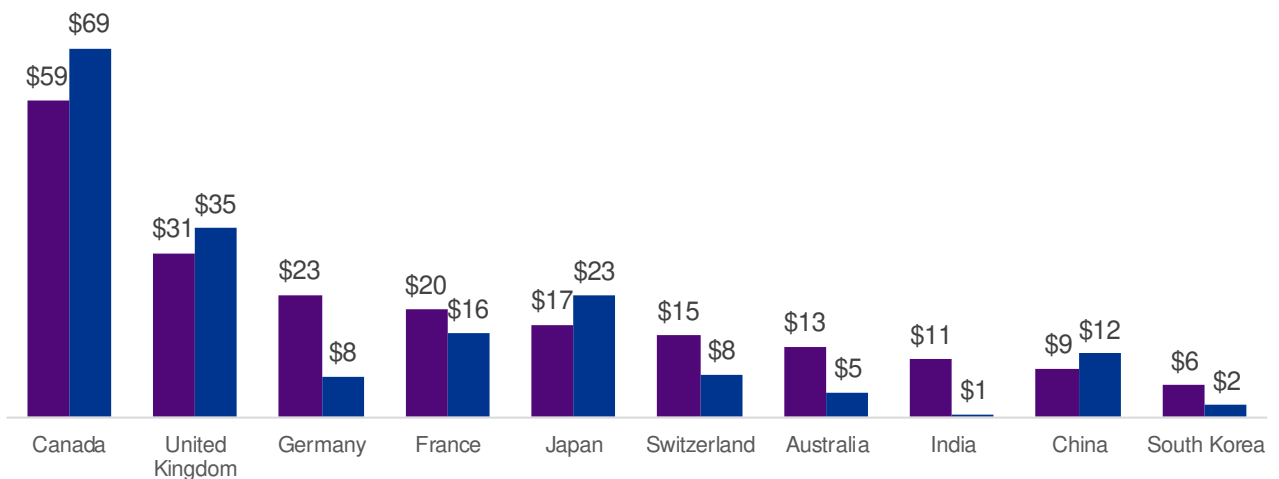


Source: Dealogic as of December 31, 2018 for announced transactions.

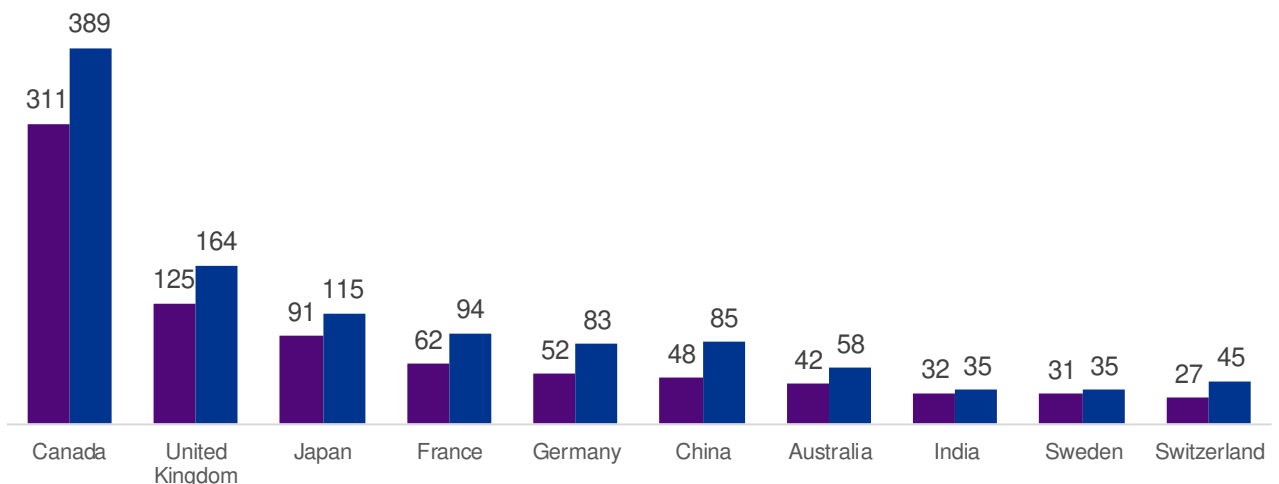
Top 10 Countries for U.S. Inbound Cross-Border M&A

2018 2017

VALUE OF U.S. INBOUND CROSS-BORDER TRANSACTIONS BY COUNTRY (\$B)



NUMBER OF U.S. INBOUND CROSS-BORDER TRANSACTIONS BY COUNTRY

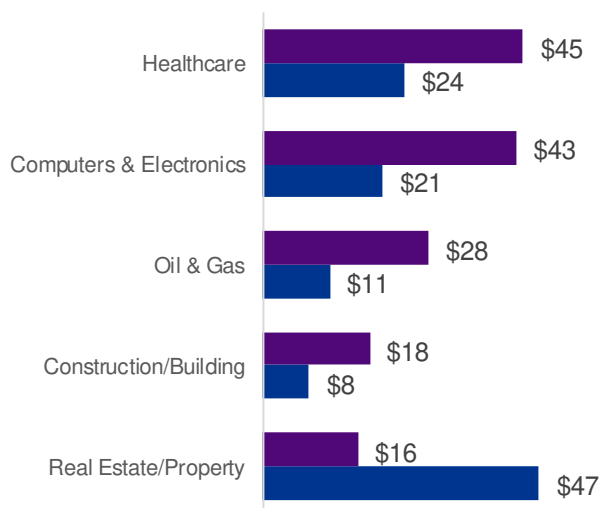


Source: Dealogic as of December 31, 2018 for announced transactions.

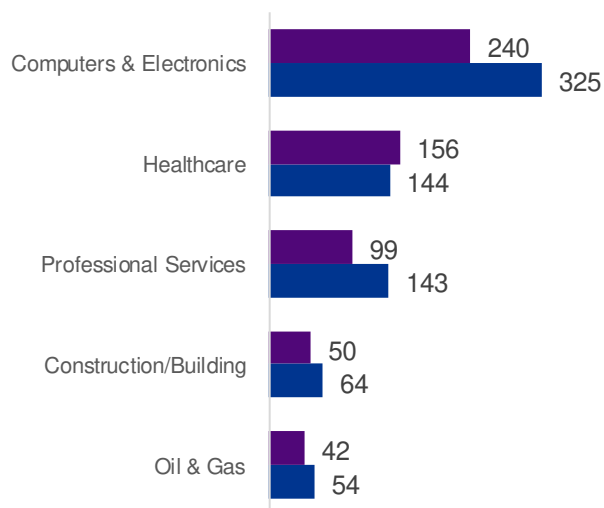
2018 Top 5 Most Active Target Industries

2018 2017

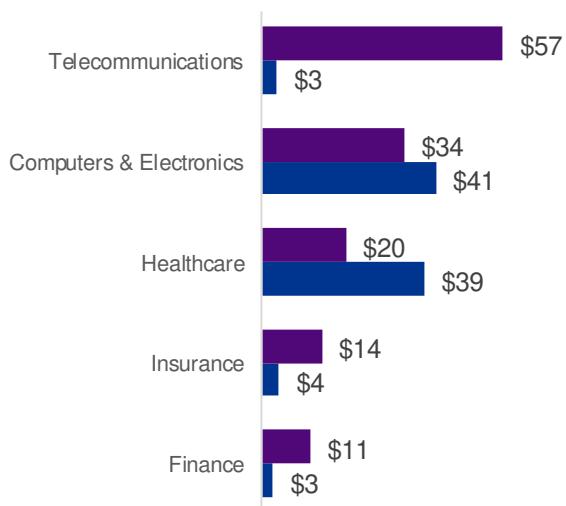
U.S. INBOUND VOLUME (\$B)



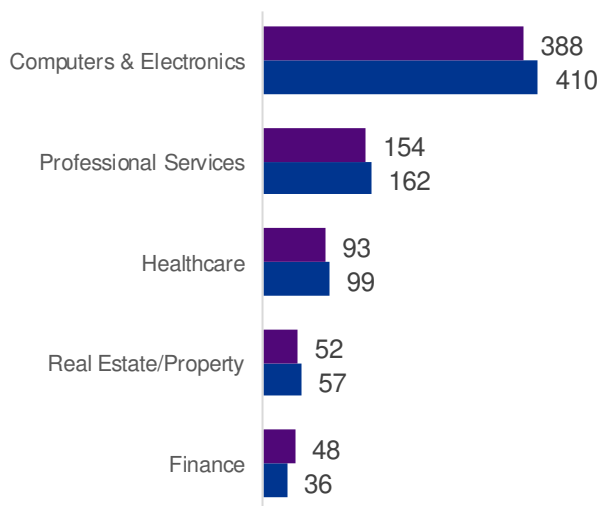
U.S. INBOUND # OF TRANSACTIONS



U.S. OUTBOUND VOLUME (\$B)



U.S. OUTBOUND # OF TRANSACTIONS



Source: Dealogic as of December 31, 2018 for announced transactions.

2018 TRANSACTIONS (\$1B+)

Date	Acquirer	Target	Target Country	Sector	Transaction Value (\$M)
12/27	VINCI	Gatwick Airport (50.01%)	United Kingdom	Transportation	3,668
12/27	NEC	KMD	Denmark	Computers & Electronics	1,222
12/21	Takeaway.com	Delivery Hero Germany	Germany	Computers & Electronics	1,062
12/19	Taisho Pharmaceutical	Upsa	France	Healthcare	1,600
12/17	Hitachi	ABB (Power grid Division, 80.1%)	Switzerland	Machinery	9,410
12/14	LVMH	Belmond	United Kingdom	Dining & Lodging	3,696
12/14	Merck & Co	Antelliq (France)	France	Computers & Electronics	3,678
12/6	HCL Technologies	IBM (software products)	United States	Computers & Electronics	1,775
12/3	GlaxoSmithKline	Tesaro	United States	Healthcare	4,867
11/21	Shanghai RAAS Blood Products	Grifols Diagnostic Solutions	United States	Healthcare	5,000
11/20	Boston Scientific	BTG	United Kingdom	Healthcare	4,173
11/16	Blackberry	Cylance	United States	Computers & Electronics	1,400
11/15	CJ Corp	Schwan's (80%)	United States	Food & Beverage	1,849
11/13	Brookfield, CDPQ	Johnson Controls (Power solutions business)	United States	Auto/Truck	13,244
11/13	Swedish Orphan Biovitrum	AstraZeneca (Synagis rights)	United States	Healthcare	1,966
11/13	Pan American Silver	Tahoe Resources	United States	Mining	1,343
11/11	SAP	Qualtrics	United States	Computers & Electronics	8,000
11/9	Alberta Investment Management	Eolia Renovables de Inversiones	Spain	Utility & Energy	1,588
11/9	EG Group	Woolworths (Petrol business)	Australia	Oil & Gas	1,249

Source: Dealogic as of December 31, 2018 for announced transactions. Excludes minority investments.

2018 TRANSACTIONS (\$1B+)

Date	Acquirer	Target	Target Country	Sector	Transaction Value (\$M)
11/7	Consus Real Estate	SSN Group (93.4%)	Switzerland	Real Estate/Property	1,279
11/6	Giant Network Group	Playtika	Israel	Computers & Electronics	4,409
11/6	Parmalat	Kraft Heinz (Canadian natural cheese business)	Canada	Food & Beverage	1,235
11/5	J&J	Yuhan (Patent of Lazertinib)	South Korea	Healthcare	1,205
11/1	EnCana	Newfield Exploration	United States	Oil & Gas	7,648
10/31	Mitsubishi Financial Group	Colonial First State	Australia	Finance	2,926
10/30	RenaissanceRe	Tokio Millennium Re	Switzerland	Insurance	1,470
10/26	Faurecia	Clarion	Japan	Auto/Truck	1,377
10/25	Wingtech	Nexperia (64.94%)	Netherlands	Computers & Electronics	3,334
10/25	Resolution Life	AMP (Wealth protection and mature businesses)	Australia	Finance	2,336
10/25	Merit	CEVA Logistics (67.02%, Bid 2)	Switzerland	Transportation	2,240
10/23	J&J	Ci:z Holdings (80.1%)	Japan	Consumer Products	2,045
10/22	Calsonic Kansei	Magneti Marelli	Italy	Auto/Truck	7,125
10/21	WorleyParsons	Jacobs Engineering (ERC division)	United States	Construction/Building	3,300
10/18	Novartis	Endocyte	United States	Healthcare	2,085
10/18	Salim Group	Hyflux	Singapore	Utility & Energy	1,512
10/17	Norwegian Energy	Shell (Denmark)	Denmark	Oil & Gas	1,910
10/10	GFL Environmental	Waste Industries	United States	Utility & Energy	2,825
10/10	Parkland Fuel	SOL Investments	Barbados	Oil & Gas	1,210

Source: Dealogic as of December 31, 2018 for announced transactions. Excludes minority investments.

2018 TRANSACTIONS (\$1B+)

Date	Acquirer	Target	Target Country	Sector	Transaction Value (\$M)
10/9	CDPQ, Generation	FNZ UK (66.67%)	United Kingdom	Computers & Electronics	1,441
10/8	Ensco	Rowan Companies	United States	Oil & Gas	3,764
10/7	Millicom Int'l Cellular	Cable Onda (80%)	Panama	Telecommunications	1,210
10/2	Temasek	Property Portfolio (86 buildings in Europe / US)	Poland	Real Estate/Property	1,129
10/1	Existing Shareholders	Garrett Motion	Switzerland	Auto/Truck	1,366
9/25	Michael Kors	Versace	Italy	Retail	2,153
9/24	Barrick Gold	Randgold Resources	United Kingdom	Mining	6,058
9/24	Digital Realty Trust	Ascenty Data Centers Locacao e Servicos	Brazil	Computers & Electronics	1,800
9/20	Medtronic	Mazor Robotics (85.94%)	Israel	Healthcare	1,825
9/20	Hanon Systems	Magna (Auto electronics business)	Canada	Metal & Steel	1,230
9/18	Marsh & McLennan	Jardine Lloyd Thompson	United Kingdom	Insurance	5,616
9/18	Thor Industries	Erwin Hymer	Germany	Auto/Truck	2,453
9/13	KCC, SJL, Wonik	MPM (Momentive)	United States	Chemicals	2,665
9/11	ANTA Sports	Amer Sports	Finland	Consumer Products	6,278
9/11	ArcelorMittal	Essar Steel India (Bid 1)	India	Metal & Steel	5,784
9/11	Signa	Hudson's Bay Co / Kaufhof	Germany	Real Estate/Property	2,661
9/10	Renesas Electronics	Integrated Device Technology	United States	Computers & Electronics	6,910
9/10	Stichting, Corsair	Itinere Infraestructuras (59.2%, Bid No 2)	Spain	Transportation	4,128
9/10	CBRE, Madison	Property Portfolio	Spain	Real Estate/Property	1,007

Source: Dealogic as of December 31, 2018 for announced transactions. Excludes minority investments.

2018 TRANSACTIONS (\$1B+)

Date	Acquirer	Target	Target Country	Sector	Transaction Value (\$M)
9/6	Aurobindo Pharma	Sandoz Inc (Dermatology and oral solids portfolio)	United States	Healthcare	1,000
9/5	Zijin Mining	Nevsun Resources (Bid 3)	Canada	Mining	1,377
9/4	OMERS	Investa (Bid 2)	Australia	Real Estate/Property	3,189
9/4	TransOcean	Ocean Rig UDW	Cayman Islands	Oil & Gas	2,544
9/3	Jacobs Holding	Cognita	United Kingdom	Professional Services	2,578
8/31	Coca-Cola	Costa Coffee	United Kingdom	Dining & Lodging	5,066
8/22	National Pension Service	Property Portfolio (Plumtree Court)	United Kingdom	Real Estate/Property	1,504
8/20	PepsiCo	SodaStream	Israel	Consumer Products	3,401
8/15	Will Semiconductor	OmniVision Technologies	United States	Computers & Electronics	2,127
8/10	Amadeus IT	TravelClick	United States	Computers & Electronics	1,520
8/6	Amcor	Bemis	United States	Forestry & Paper	6,812
8/6	Japan Tobacco	United Dhaka Tobacco	Bangladesh	Consumer Products	1,473
7/31	Brookfield Asset Management	Forest City Realty Trust	United States	Real Estate/Property	11,319
7/31	Delta Electronics	Delta Electronics (Thailand) (79.07%)	Thailand	Computers & Electronics	2,107
7/26	BP	Petrohawk Energy Corp	United States	Oil & Gas	10,500
7/26	Hindalco Industries	Aleris	United States	Metal & Steel	2,580
7/26	Tsinghua University	Linxens France	France	Computers & Electronics	2,572
7/26	CPPIB	Oil & Gas Assets (Utica Shale)	United States	Oil & Gas	1,968
7/22	Atos	Syntel	United States	Computers & Electronics	3,569

Source: Dealogic as of December 31, 2018 for announced transactions. Excludes minority investments.

2018 TRANSACTIONS (\$1B+)

Date	Acquirer	Target	Target Country	Sector	Transaction Value (\$M)
7/20	UPL	Arysta LifeScience	United States	Chemicals	4,200
7/19	Asahi Kasei	Sage Automotive Interiors	United States	Textile	1,060
7/17	Telia	GET AS / TDC AS	Norway	Telecommunications	2,588
7/16	Messer / CVC Advisers	Linde (US and South America gas assets)	United States	Chemicals	3,300
7/13	Ramsay Generale de Sante	Capio	Sweden	Healthcare	1,367
7/12	Michelin	Camso	Canada	Auto/Truck	1,610
7/5	Taiyo Nippon Sanso	Praxair (European assets)	Germany	Chemicals	5,843
7/2	Archer Daniels Midland	Neovia	France	Food & Beverage	1,786
6/30	ThyssenKrupp Steel Europe	Tata Steel	United Kingdom	Metal & Steel	6,510
6/29	Publigaz & Others	Dunkerque LNG (75%)	France	Oil & Gas	2,097
6/25	Easterly Acquisition	Sirius Int'l Insurance	Bermuda	Insurance	2,057
6/21	Brookfield Infrastructure Partners	AT&T (31 data centers & colocation operations)	United States	Computers & Electronics	1,100
6/18	South32	Arizona Mining (83%)	Canada	Mining	1,346
6/14	Royal Caribbean Cruises	Silversea Cruise (66.7%)	Monaco	Leisure & Recreation	1,554
6/14	CK Asset	Property Portfolio (UBS's UK headquarters)	United Kingdom	Real Estate/Property	1,335
6/14	Teleperformance	Intelenet Global Services	India	Professional Services	1,000
6/11	Mars	AniCura	Sweden	Healthcare	2,359
6/6	Minor International	NH Hotel (89.48%)	Spain	Dining & Lodging	2,640
6/5	Boeing	Embraer (Commercial aircraft and services)	Brazil	Aerospace	4,200

Source: Dealogic as of December 31, 2018 for announced transactions. Excludes minority investments.

2018 TRANSACTIONS (\$1B+)

Date	Acquirer	Target	Target Country	Sector	Transaction Value (\$M)
6/4	DS Smith	Papeles y Cartones de Europa SA-EUROPAC	Spain	Forestry & Paper	2,222
5/29	Agnaten	Pret A Manger	United Kingdom	Dining & Lodging	1,991
5/22	Sony	EMI Music Publishing (60.2%)	United Kingdom	Publishing	3,659
5/22	Emirates	DenizBank	Turkey	Finance	3,159
5/21	IHS Markit	Ipreo	United States	Computers & Electronics	1,855
5/18	Barclays	Lloyds Banking (Irish Residential Mortgage Portfolio)	Ireland	Finance	5,396
5/17	PayPal	iZettle	Sweden	Computers & Electronics	2,200
5/16	Sivantos	Widex	Denmark	Healthcare	3,969
5/15	Worldline	SIX Payment	Switzerland	Computers & Electronics	3,269
5/11	China Three Gorges	EDP (76.73%)	Portugal	Utility & Energy	27,503
5/10	General Electric	Alstrom (3 JVs)	France	Utility & Energy	3,084
5/10	Canadian Tire	Helly Hansen	Norway	Textile	1,035
5/9	Vodafone	Unitymedia	Germany	Telecommunications	21,818
5/9	Walmart	Flipkart (77%)	India	Computers & Electronics	16,000
5/9	Recruit	Glassdoor	United States	Computers & Electronics	1,200
5/8	Credit Suisse	Capital One (First and second lien mortgage portfolio)	United States	Finance	1,360
5/7	International Flavors & Fragrances	Frutarom Industries	Israel	Chemicals	6,798
5/7	Reece	MORSCO	United States	Construction/Building	1,440
5/3	Vonovia	Victoria Park (Bid No 2)	Sweden	Real Estate/Property	2,011

Source: Dealogic as of December 31, 2018 for announced transactions. Excludes minority investments.

2018 TRANSACTIONS (\$1B+)

Date	Acquirer	Target	Target Country	Sector	Transaction Value (\$M)
5/3	Fonciere des Regions	Hotels (14 four and five star hotels)	United Kingdom	Dining & Lodging	1,166
5/1	Schneider Electric / Temasek	Larsen & Toubro (Electrical & Automation business division)	India	Computers & Electronics	2,101
4/26	LG	ZKW	Austria	Auto/Truck	1,336
4/24	NIDEC	Whirlpool (Embraco compressor business)	Brazil	Machinery	1,080
4/21	Stars	Sky Betting & Gaming	United Kingdom	Leisure & Recreation	4,985
4/20	TransUnion	Callcredit Information	United Kingdom	Professional Services	1,404
4/19	Takeda Pharmaceutical	Shire	United Kingdom	Healthcare	81,455
4/19	Procter & Gamble	Merck (Consumer healthcare business)	Germany	Healthcare	4,204
4/19	Weir	Esco	United States	Machinery	1,285
4/18	IHH Healthcare	Fortis Healthcare (57.1%)	India	Healthcare	1,342
4/17	Intrum Justitia	Intesa Sanpaolo (NPL portfolio)	Italy	Finance	3,835
4/17	ENEL	Eletropaulo Metropolitana - Eletricidade de Sao Paulo (Bid No 1)	Brazil	Utility & Energy	3,200
4/16	Servier	Shire (Oncology business)	United Kingdom	Healthcare	2,400
4/12	DFDS	UN Ro-Ro Isletmeleri (98.8%)	Turkey	Transportation	1,172
4/12	Playtech	Snaitech	Italy	Leisure & Recreation	1,039
4/9	Novartis	AveXis	United States	Healthcare	8,795
4/9	Marfrig Global	National Beef Packaging (51%)	United States	Food & Beverage	1,500
4/4	Arbejdsmarkedets Tillaegspension	Redexis Gas (50.1%)	Spain	Utility & Energy	1,843
4/3	ION	Fidessa	United Kingdom	Computers & Electronics	2,173

Source: Dealogic as of December 31, 2018 for announced transactions. Excludes minority investments.

2018 TRANSACTIONS (\$1B+)

Date	Acquirer	Target	Target Country	Sector	Transaction Value (\$M)
4/2	Transcontinental	Coveris Holdings (Coveris Americas)	United States	Forestry & Paper	1,320
3/28	CME Group	NEX Group	United Kingdom	Computers & Electronics	6,299
3/27	PT Adaro Energy / EMR Capital	Kestrel Coal Mining Assets	Australia	Mining	2,250
3/26	Knauf Gips	USG	United States	Construction/Building	6,891
3/26	Givaudan	Naturex	France	Food & Beverage	1,735
3/21	PPF Group	Telenor (Several Assets)	Hungary	Telecommunications	3,440
3/20	Glencore	Hail Creek & Valeria coal mines	Australia	Mining	1,700
3/19	KLA-Tencor	Orbotech	Israel	Computers & Electronics	3,432
3/19	Michelin	Fenner	United Kingdom	Machinery	1,818
3/16	Japan Tobacco	Don Tobacco – Dontabak	Russian Federation	Consumer Products	1,738
3/16	H Lundbeck	Prexton Therapeutics	Netherlands	Healthcare	1,113
3/14	Toray Industries	TenCate Advanced Composites	United States	Chemicals	1,151
3/8	Sanlam	Saham Finances (53.4%)	Morocco	Insurance	1,050
3/5	AXA	XL Group	United States	Insurance	15,425
2/28	BBAM FLY Leasing	Asia Aviation Capital (Aircraft leasing operations)	Malaysia	Finance	1,185
2/27	Comcast	Sky (Bid No 2)	United Kingdom	Telecommunications	53,313 ^(a)
2/27	GIC & Others	AccorInvest (57.8%)	France	Real Estate/Property	5,654
2/27	ContourGlobal	Acciona Termosolar	Spain	Utility & Energy	1,216
2/26	GTT Communications	Interoute Communications	United Kingdom	Telecommunications	2,340

Source: Dealogic as of December 31, 2018 for announced transactions. Excludes minority investments.

(a) Transaction value shown as of completed tender offer on October 9, 2018.

2018 TRANSACTIONS (\$1B+)

Date	Acquirer	Target	Target Country	Sector	Transaction Value (\$M)
2/18	ADLER Real Estate	Brack Capital Properties	Israel	Real Estate/Property	1,720
2/15	Roche	Flatiron Health (87.4%)	United States	Computers & Electronics	1,900
2/7	TerraForm Power	Saeta Yield	Spain	Utility & Energy	3,126
2/5	EG Group	Kroger (Convenience store business)	United States	Retail	2,150
2/1	Motorola Solutions	Avigilon	Canada	Computers & Electronics	1,121
1/29	Sanofi	Ablynx (Bid No 2)	Belgium	Healthcare	5,231
1/29	SAP	Callidus Software	United States	Computers & Electronics	2,563
1/22	Sanofi	Bioverativ	United States	Healthcare	11,624
1/22	AIG	Validus	Bermuda	Insurance	5,713
1/22	Bacardi	Patron (70%)	United States	Food & Beverage	3,570
1/22	Richemont	YOOX Net-A-Porter (51.07%)	Italy	Computers & Electronics	3,185
1/16	Ferrero	Nestle (US confectionery business)	United States	Food & Beverage	2,800
1/4	Brookfield Business Partners	Westinghouse Electric	United States	Construction/Building	4,600
1/3	CPPIB	Property Portfolio (US student housing portfolio)	United States	Real Estate/Property	1,100

Source: Dealogic as of December 31, 2018 for announced transactions. Excludes minority investments.

Global Investment Banking and Asset Management Capabilities



CROSS-BORDER M&A NETWORK



OFFICES	SECTORS
France Italy Hong Kong U.K.	Infrastructure, Energy & Natural Resources, TMT, Real Estate, Aviation



OFFICES	SECTORS
U.S.	Retail, Grocery & Restaurant, Consumer, Media, Entertainment & Communications, Energy, Infrastructure, Power & Renewables, Industrial Technology & Software



OFFICES	SECTORS
U.K.	Financial Services: Insurance, Asset & Wealth Management, Banks, Specialty Finance, Capital Markets



OFFICES
France Spain



SECTORS
Healthcare, Industrials, TMT, Leisure, Retail & Consumer Products



OFFICES	SECTORS
China	Auto, Electronics & Industrial, Consumer Goods, Healthcare, TMT, Natural Resources, Retail, Leisure & Real Estate

CLIPPERTON

OFFICES	SECTORS
France	Technology: Internet & Software, FinTech, Hardware, CleanTech & MedTech

SELECTED PJ SOLOMON CROSS-BORDER TRANSACTIONS

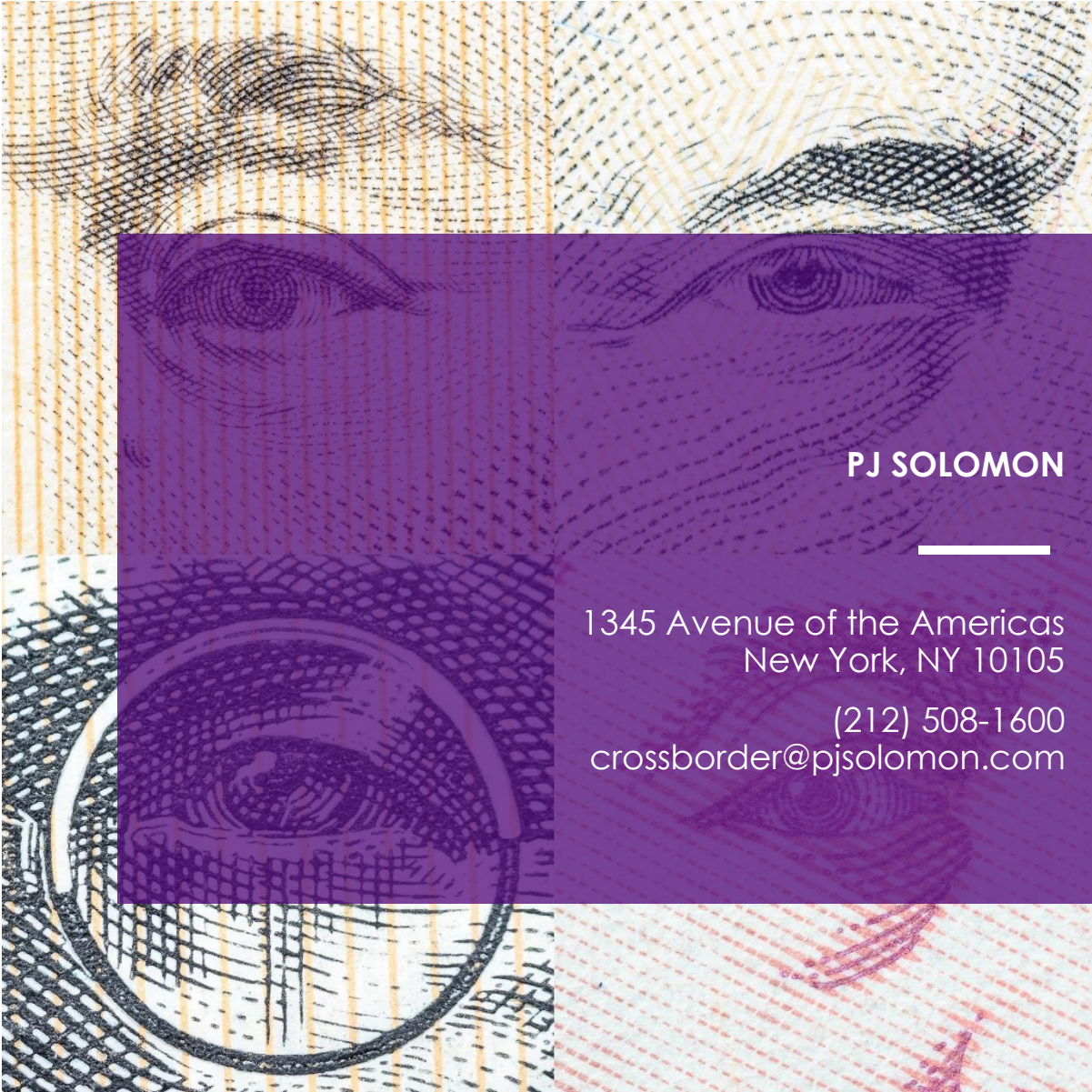
<p>NOVEMBER 2018</p>  <p>Has been sold to</p>  <p>Serving as financial advisor to Best Market</p> 	<p>NOVEMBER 2018</p> <p>€3,250,000,000</p>  <p>Has sold select real estate assets to and formed a joint venture with</p>  <p>to operate</p>  <p>Served as financial advisor to Hudson's Bay Company</p> 	<p>MAY 2018</p> <p>\$558,000,000</p>  <p>Has been acquired by</p>  <p>Served as financial advisor to The Finish Line</p> 	<p>MAY 2018</p>  <p>Has acquired the remaining outstanding equity interests of</p>  <p>Served as financial advisor to DSW</p> 
<p>MARCH 2018</p>  <p>Has acquired</p>  <p>Served as financial advisor to Groupe Rocher</p> 	<p>DECEMBER 2017</p>  <p>Has sold its U.S. Power & Industrial Engineering Services Division to</p>  <p>Served as exclusive financial advisor to Altran</p> 	<p>OCTOBER 2017</p>  <p>Has acquired an additional 4.86% stake in</p>  <p>Served as co-financial advisor to Macquarie Atlas Roads</p> 	<p>SEPTEMBER 2017</p>  <p>Has been sold to</p>  <p>Served as financial advisor to Cobb Theatres</p> 
<p>MAY 2016</p>  <p>Formed a JV to distribute Calvin Klein, Tommy Hilfiger, Warner's, Olga and Speedo in Mexico</p>  <p>Served as advisor to PVH</p> 	<p>FEBRUARY 2016</p>  <p>Has acquired the remaining 55% interest in the China joint venture for</p>  <p>Served as exclusive financial advisor to PVH</p> 	<p>JULY 2015</p> <p>\$59,000,000</p>  <p>Has acquired</p>  <p>Served as advisor to TJX</p> 	<p>JUNE 2014</p> <p>\$2,700,000,000</p>  <p>Has agreed to acquire</p>  <p>Served as advisor to London Stock Exchange Group</p> 

Founded nearly 30 years ago, PJ SOLOMON is one of the leading financial advisory firms on Wall Street, with a legacy as one of the first independent investment banks. We advise on mergers, acquisitions, restructurings, recapitalizations, capital markets solutions and activism defense across a range of industries, including Retail, Grocery & Restaurant, Consumer, Media, Entertainment & Communications, Energy, Infrastructure, Power & Renewables and Industrial Technology & Software.

We offer unmatched industry knowledge in the sectors we cover, providing comprehensive strategic solutions, tailored to generate long-term shareholder value. Our goal is to bring the partnership's collective wisdom and knowledge to reach the optimum value of a transaction and to create an enduring advisory relationship. Our advice is grounded in intellectual integrity and free from conflicts of interest.

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