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# Monthly M&A

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# Insider

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A mergermarket report on global M&A activity





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[www.mergermarket.com](http://www.mergermarket.com)

80 Strand  
London, WC2R 0RL  
United Kingdom

t: +44 (0)20 7059 6100  
f: +44 (0)20 7059 6101  
sales@mergermarket.com

895 Broadway #4  
New York, NY 10003  
USA

t: +1 212 686-5606  
f: +1 212 686-2664  
sales.us@mergermarket.com

Suite 2001  
Grand Millennium Plaza  
181 Queen's Road, Central  
Hong Kong

t: +852 2158 9700  
f: +852 2158 9701  
sales.asia@mergermarket.com

# Introduction

## Skylines and sweets keep M&A busy in April

The month of April in M&A has seen several noteworthy deals, mostly falling on US shores, which are consequentially breeding several consolidation rumours. The Consumer sector in the United States saw established private businesses Mars, US based confectionery and pet food producer, merge with The Wm. Wrigley Jr. Company, US manufacturer and marketer of chewing gums, bubble gums and other confectionery products, in a deal worth \$22.5bn (€14.5bn).

Similarly, the US transport sector has been in full flight as Delta Air Lines announced its takeover of Northwest Airlines, the US based airlines, for \$7bn (€4.5bn). The deal is expected to prompt other airlines to become active in the M&A space, all competing for domination of the sky. Although fuel costs are skyrocketing to \$120 + a barrel, it appears industry players are undervalued and perhaps vulnerable given the current economic climate, indicating possible deals are still on the horizon.

Elsewhere diversified consumer food giant, Nestle, has also been busy of late, deciding to divest its noncore business Alcon, the Swiss pharmaceutical company, to Novartis, also a Switzerland based pharmaceutical company for €6.7bn. This was the second highest deal behind the Mars/Wrigley's transaction. Another large deal in April in the pharmaceutical space was Japan pharmaceutical company Takeda's takeover of US based biopharmaceutical company, Millennium pharmaceuticals for €4.8bn.

mergermarket are pleased to offer you the May edition of Monthly M&A Insider, a publication which provides you with features by mergermarket journalists, and all monthly deals, potential activity and deal drivers. We hope you continue to find it useful.

**by Anna Henderson, Remark**

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**Nordic** – Laya Montelibano

**Russia** – Alvaro Lopez and Zaynab Dost

**Europe** – Elias Latsis

**Contributors** – Edince Kun and Harris Gumnani

**For advertising opportunities contact:**

**Simon Anam**

Tel: +44 (0)20 7059 6124

sa@mergermarket.com

# Cross-border small-scale acquisitions to continue in CRO industry as more trials increase in size and go offshore

**There will be a continued amount of cross-border small-scale acquisitions in the contract research organization (CRO) industry, as more trials increase in size and go offshore, according to industry sources.**

With a major untreated patient population, a high level of expertise and low cost margins, US firms are garnering M&A interest in Asia.

As consolidation continues, there will be fewer smaller CROs and more mid-sized CROs with a global presence, sources said. US-based PAREXEL's acquisition of Taiwan-based Apex International Clinical Research for \$54.5m last year signaled a shift in strategy, where an increasing number of US firms acquired access to the patient population in Asia via acquisitions, they reiterated. Terry Hisey, vice chairman and US Life Sciences Leader for Deloitte said there will be increasing deal flow and consolidation between both Asian and US CRO companies. "Foreign CROs are going to be an increasingly visible component of the industry as we move forward," said Hisey.

In the current regulatory environment, and with the emphasis on safety, an increasing number of trials will have to be conducted in order to replace "the blockbusters" that are going off patent.

Bill Suddath, managing director of the Health Care investment banking group at Robert W. Baird & Co said the trend towards an increased global out-sourcing ultimately comes down to patient access. "A lot of domestic CROs have looked for global reach, and have looked to India given the access to the patient population and its potential for growth. Patient recruitment is one of the most significant items in terms of a clinical trial, and people are going to look at alternate geographies for patient recruitment and access", he said.

With Jubilant active in the API (active pharmaceutical ingredients) sector, a second industry banker said Asian firms such as China-based, Wuxi Pharmatech, have made leeway into the US market via acquisitions. "You want a global solution for your pharmaceutical partners whether it is in Asia, Europe, or the US," Suddath said.

iGate Clinical Research, an Indian-based CRO, would entertain approaches from US strategic partners, according to a company source. The company provides a complete range of Phase II-IV trial support services, and is the only CRO in India with research-dedicated CAP-accredited clinical labs. Although there will be ongoing consolidation, he did not believe it would be on a large scale. "Charles River is currently trying to diversify its business, and if that comes through acquiring someone

or merging with someone, that is feasible," he added. When asked whether contract manufacturing firm, Wuxi Pharmatech, will be one of the big ones to watch for during the year, he said there are a number of other CROs in China. Wuxi was the first CRO from China to list on the NASDAQ. This will be an increasing trend to watch out for, he added.

As people take advantage of the talent pool in Asia and leverage testing, the acquisition of smaller firms that bring specialization or add capacity to support this increased demand will likely increase, agreed Hisey. US firms are not just acquiring targets overseas to access the patient population, but the talented resources there. "As we move towards more targeted and tailored therapies, it moves from phenotype to genotype," said Hisey.

The current industry landscapes in both China and India are extremely fragmented, with a number of small-scale CRO firms in competition. There will be "huge consolidation" as larger global companies want to garner critical mass, said Ashish Sanghrajka, Managing Partner at BIO-IB, an Investment Banking and Advisory firm focused exclusively on the Life Sciences Industry.

"While the trend towards global outsourcing of clinical trials increases, this will in turn trigger more consolidation," Sanghrajka added.

Dinesh Jain, CEO of US-based CRO Aagami, said multinational firms that want to establish a base in India will acquire targets similar to Parexel's acquisition of Synchron Research or PRA International's acquisition of India-based Sterling Synergy. "There are companies who I know are planning to takeout CROs in Canada and the US," he added.

Attractive acquisition targets would be companies with a good customer base that are struggling with current infrastructure, resources or finances, he said. "Indian CRO companies are going to come out in a big way, similar to the IT industry and engineering industry," he added.

Cardiovascular, oncology, infectious diseases, and chronic diseases like diabetes will also force Western companies to conduct trials overseas as there is a large untreated patient population in Asia. "Once they go to India, they realize how good the quality is and how fast the recruitment rate is," he said.



There are hardly any differences between China and India when it comes to pricing, but one negative factor for China is the SFDA regulations, China's equivalent of the FDA, which does delay regulatory approvals, the Aagami executive said.

The International Conference on Harmonisation of Technical Requirements for Registration of Pharmaceuticals for Human Use (ICH) is a unique project that brings together the regulatory authorities of Europe, Japan and the United States and experts from the pharmaceutical industry in the three regions to discuss scientific and technical aspects of product registration. Indian authorities, however, have made the regulatory framework much easier. "These days for certain indications, if you can prove that the study is being conducted simultaneously, then Indian authorities can even approve the trial as quickly as four weeks, provided that ICH countries like the US, UK, Germany, Japan are doing the same thing." However, trials on average will usually take nine months to one year, the Jain added.

Singapore's Biopolis is a world-class research complex and a focal point for scientific talent. Due to the increasing consolidation in Asia, Singapore is becoming a global hub for Asia, as it attracts the neighboring talent pool from India, Thailand, Malaysia, and Indonesia. "Singapore is coming up in a big way," agreed a second industry banker.

**by Sasha Damouni and Kimberly Ha in New York**

# Coping with the downturn

## An analysis of Consumer sector M&A in 2008

In 2008 the Consumer M&A space has been a basket of surprises as strategic buyers shop 'til they drop for bargains. It seems they may have come across a few winners.

Unlike in certain other sectors, the economic volatility of the past six months appears to have not hindered M&A in the Consumer sector. The year to date has seen a total value of €141.5bn from 575 deals globally. Interestingly, in 2007 the same period saw a very similar total value of €144.7bn from 785 deals.

The Consumer sector in the United States saw long-time private players Mars, US based confectionery and pet food producer, merge with The Wm. Wrigley Jr. Company, US manufacturer and marketer of chewing gums, bubble gums and other confectionery products, in a deal worth \$22.5bn (€14.5bn). Funding for the transaction includes approx. \$11bn (€7bn) from Mars, a \$5.7bn (€3.7bn) committed senior debt facility from Goldman Sachs, and \$4.4bn (€2.8bn) of subordinated debt from Berkshire Hathaway.

The Wrigley's deal is the largest US Consumer deal to date this year and highly significant given the two private companies have long been rivals and household names to consumers. Their merger will create a market leading conglomerate in the confectionery sphere. Additionally, Mars will be able to utilise already established product lines, such as Wrigley's chewing gum products. In this instance it seems the merger is one that makes sense, and if post-merger synergies are realised the parties involved will hopefully have not bitten off more than they can chew.

The interesting factor regarding the Mars/Wrigley tie-up is not that it is taking place, but that it did not take place earlier. As with many private companies there has often been a desire, grounded in sentimental reasons, to keep the businesses within the family, and the companies were understandably adamant given the success of each independently. However, it appears the allure of profitability and growth prospects made the prospect of a merger ever more appetising.

Other deals in the US food and beverage space include Ospraie Special Opportunities Fund, an affiliate of a US based hedge fund, which acquired ConAgra Trade Group, the US based supplier of agriculture food products, from ConAgra Foods Inc. the listed US based food products retailer, for approximately \$2.1bn (€1.3bn) at the end of March. Meanwhile, Brazilian beef processor and exporter, JBS, has bitten into the US market taking control of both Smithfield Beef Group and National Beef Packaging for \$565m and \$540m (€371m and €356m) respectively.

European buyers have also ventured into the US. In March Vivartia, the listed Greek food group operating in dairy products, frozen foods and food ingredients industries, agreed to acquire Nonni's Food Company, the US biscotti cookies and other specialty baked good products manufacturer and supplier, from Wind Point Partners Inc, the US based private equity firm, for a consideration of \$320m (€208).

Certainly it seems the US M&A industry has a sweet-spot for Consumer deals, and this could resonate in the next six to twelve months as other confectionary companies potentially follow suit and consolidate in order to remain competitive. Already this year the US market has seen a total of 131 deals at a total of €19.8bn.

This pales in comparison, however, with Western Europe which saw €92.3bn total value from 146 deals. The Consumer sector in Western Europe has had the highest value year to date behind the Energy, Mining & Utilities sector (which stands at €160bn from 39 deals).

Admittedly, this high figure in Western Europe primarily comes from a demerger rather than an M&A transaction, and is really a US situation headquartered in Europe. The deal in question is the €71.9bn spinoff of Philip Morris International (PMI), the Switzerland based tobacco company. This was a rather niche transaction that saw the board of directors of Altria Group, the listed US based tobacco, food and brewery group, agree to spin-off its entire ownership interest in PMI to Altria's shareholders.

It has been reported that America's increasingly negative sentiment towards tobacco acted as a catalyst for the Altria's board of directors to make the deal. It certainly makes sense to separate PMI from Altria, as Altria can avoid declining sales and regulation in its home market while PMI can focus on markets outside the US, such as Europe, where it is still flourishing. In 2007, PMI (owner of the Marlboro brand) had a global market share of 15%. The decision to complete the spinoff was made in August last year, and the deal was announced in January this year and completed in March.

## Top 10 global Consumer deals YTD 2008

Deal value (€m)	Announced date	Status	Target company	Target country	Bidder company	Bidder country	Seller company
71,922	30-Jan-08	C	Philip Morris International Inc	Switzerland	Altria Group Inc (Shareholders)	USA	Altria Group Inc
14,459	28-Apr-08	P	The Wm. Wrigley Company	USA	Mars Incorporated	USA	
13,007	25-Jan-08	C	Scottish & Newcastle plc	United Kingdom	Sunrise Acquisitions Limited	United Kingdom	
5,626	31-Mar-08	P	Vin & Sprit AB (V&S)	Sweden	Pernod-Ricard SA	France	Government of Sweden
2,668	28-Feb-08	P	Fiedler & Lundgren AB; House of Prince AS and JL Tiedemanns Tobaksfabrik AS	Sweden; Denmark; Norway	British American Tobacco Plc	United Kingdom	Skandinavisk Tobakskompagni A/S
2,203	14-Feb-08	P	Migros Turk Ticaret AS	Turkey	Bidco for Migros	United Kingdom, Italy, Turkey	Koc Holding AS
1,400	10-Jan-08	C	Himart Co Ltd	South Korea	Eugene Corporation	South Korea	Affinity Equity Partners Government of Singapore Investment Corporation Pte Ltd and Temasek Holdings Pte Ltd
1,381	8-May-08	P	The Carphone Warehouse Group Plc (retail business) (50% stake)	United Kingdom	Best Buy Co Inc.	USA	The Carphone Warehouse Group Plc
1,331	27-Mar-08	P	ConAgra Foods Trade Group	USA	Ospraie Special Opportunities Fund	USA	ConAgra foods Inc.
1,206	14-May-08	P	E-Land Retail Ltd	South Korea	Tesco plc	United Kingdom	E-Land Group

Completed (C)

Pending (P)

Switzerland was also home to the largest deal of the of April 2008 which saw Alcon, the pharmaceutical researcher and manufacturer, sell a 25.5% stake to Novartis, the Swiss pharmaceutical business, for €6.7bn. The Consumer sector however, still got a look in: French luxury goods and alcoholic beverages group, LVMH Moët Hennessy Louis Vuitton, bought Swiss watchmaker Hublot from founder Carlo Crocco for €600m. Although the deal is not in the mega-deal space, it is still of reasonable size and of the eight deals completed in the country in April, half originated from the Consumer sector. Another recent deal involving a French buyer saw Pernod Ricard, the listed French producer of wines and spirits, win an auction to acquire Vin & Sprit AB (V&S), the Sweden based producer and distributor of spirits and wines, from Government of Sweden, for a consideration of €5.6bn, including net debt of €346m. V&S own the successful Absolut Vodka brand.

It is not, however, all deals and delight in the Consumer space, with some companies being severely affected by the economic decline, offering the prospect of distressed M&A opportunities. At the end of April for example, Home Retail Group, the UK based home and general merchandise retailer, has suffered from a sharp drop in profit. Chief Executive Officer Terry Duddy told the Financial Times: "We thought we would have some downturn as a result of the consumer downturn – and it's been worse than that." Additionally, food price inflation has been high across the globe, and this could continue for a period this year impacting M&A opportunities. With such economic uncertainty dominating the marketplace the potential rewards for cash-rich strategic consumer companies brokering M&A in coming months are arguably as high as the risks presented by such transactions. Doing the right deal at the right price will be as important as ever.

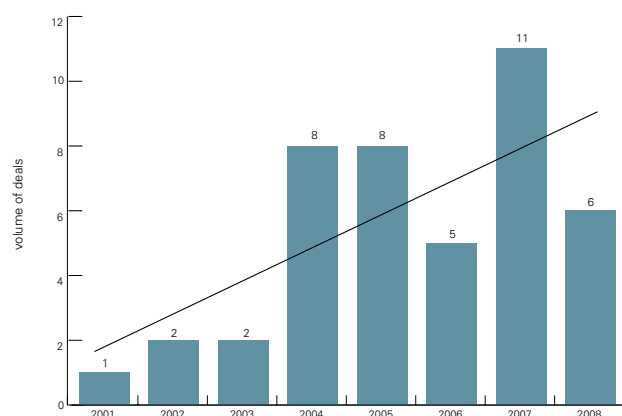
**by Anna Henderson, Remark**

# The airline M&A market below Delta-Northwest

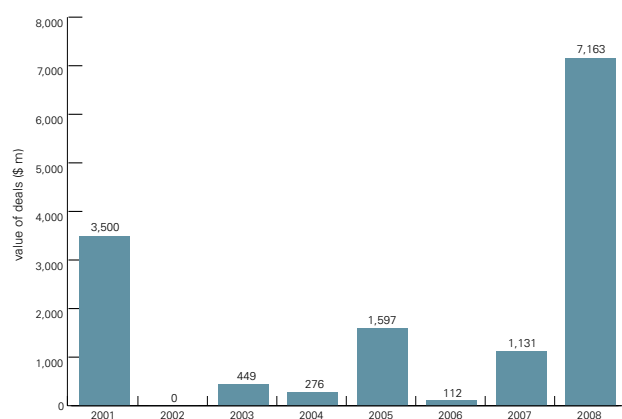
## An analysis of North American airline M&A since 2001

The Delta-Northwest—announced but not yet completed—has sparked a spirited discussion about a possible wave of mergers in the American airline industry. The deal certainly merits some attention as America has not witnessed an airline merger of this magnitude since the start of the decade. In the wake of this sudden burst of interest in the growing M&A opportunities within the industry, this feature will spotlight consolidation trends in the American airline industry's recent past, as well as its present and possible future.

## US airline transportation deals by volume, 2001-2008



## US airline transportation deals by value, 2001-2008



After 2001, deal activity nearly slowed to a halt following September 11th, 2001. In January 2001, Trans World Airlines (TWA) kicked off its first quarter with a bankruptcy filing and an announcement that it would be acquired by AMR Corporation (AMR), the holding company of American Airlines, for \$3.5bn. The same month, AMR Corporation announced its \$1.5bn bid for US Airways group. The US Airways acquisition collapsed the following summer, while the TWA deal stood as the largest airline deal of the year and, until the announcement of the \$7.1bn Delta-Northwest merger, of the decade so far.

The AMR-TWA deal was announced pre-September 11th, an event which seemed to mark a stand-still in airline M&A activity. From 2001 to 2003, the volume of global deals increased from 6 to 16 to 21 while the number of US deals went from 1 to 2 in the same period. Since September 11, 2001, there have been a total of 43 deals worth \$10.7bn—a modest figure compared to the global volume of 263 deals valued at \$72.5bn. Since 2004, however, deal US activity seems to have recovered. Indeed, a large portion of US deals are concentrated in the latter part of the decade, with 11 deals announced in 2007 alone.

A brief overview of the deals since 2001 brings out some common characteristics of deals in the past several years. In spite of a change in deal volume over the decade, there have been several constants: the industry is spotted with bankruptcies and, missing large merger deals, annual deal values have remained relatively low.

## Trends in bankruptcy and deal values

As with the Delta-Northwest merger and the AMR-TWA deal, bankruptcy or major financial difficulties can prove a catalyst for M&A. In fact, 10 of the 43 deals have stemmed from insolvencies, and it seems that the decade is littered with Chapter 11 filings. In 2003, UAL Corporation, the parent company of United Airlines, secured \$2bn of financing from JP Morgan and Citigroup after going bankrupt the year before. Also in 2003, Mesa Air Group acquired certain assets from the bankrupt Midway Airlines in an auction monitored by a federal bankruptcy judge, while US Airways filed for Chapter 11 bankruptcy protection before receiving financing from GE Capital. In 2004, bankrupt ATA sold some of its assets to Southwest and bankrupt Arrow Air sold its \$32.5m debt to Arrow Acquisition, a vehicle formed by US air carrier Charter America Inc. And most recently, in April of 2007, Northwest purchased Mesaba Air, which had filed for bankruptcy that year.

Another common thread running throughout the deals of the decade is their relatively small price range. In 2004, the number of deals quadrupled from the deal before, and yet the net value of deals was only \$276m, a decrease from the \$449m in 2003. In 2005, the total deal value rose to about \$1.6bn—but most of this was concentrated in two US Airways deals worth \$500m and \$507m. The five remaining deals, like the deals of the year before, were strategic buyouts of low values ranging from \$15m to \$115m. Meanwhile, 2006 saw only five deals worth \$12m. The year 2007 however, saw 11 transactions worth \$1.1bn. Even more strikingly, 2008 has already seen six deals in just four and a half months worth \$7.2bn.

What has been striking in 2008 has been the steady flow of M&A deals in the mid and lower mid market, and the appetite for more deals in this space. For example, looking forward, Frontier Airlines, with a market cap of \$17m, filed for Chapter 11 bankruptcy in mid-April 2008 and has seen interest from both Southwest and JetBlue in the airline industry.

There is also a cluster of lesser known, healthy airlines who have been hinting to an increase in strategic acquisitions. Jet Source, a California-based charter plane and fixed-base operator, says it is actively seeking strategic buyout opportunities priced in the \$15m to \$20m range. Since the company announced its readiness to buy, the chief executive says he is approached by willing targets all the time.

SkyWest of Utah, which has been faring relatively well compared to its larger peers, has reportedly been considering buying ExpressJet, a small airline battered by fuel costs and also Aerolineas Mesoamericanas (Ama), the Mexico-based regional airline. Meanwhile, Million Air, privately held and based in Houston, Texas, says it would consider an IPO in the future and would welcome bids from luxury companies (the company is valued at \$600m).

## The role of private equity

Private equity investors have been recurring protagonists in North American airline deals since 2001. For example, in 2003, GE Capital acquired a 5% stake in the crippled US Airways. Similarly, in 2004, private equity came into play when Oaktree Capital Management LP purchased a 51% stake in Spirit Airlines for a total of \$125m (the company was valued at about \$245m).

One of the two 2005 deals involving US Airways involved a consortium of four separate investor groups, including private equity buyers, who agreed to provide a total of \$350m in equity financing to the newly combined America West Holdings and US Airways Group in exchange for a 41% stake in the new company, which would operate under the US Airways brand name. In 2007, HIG Capital put \$143m into Flight Options. Meanwhile, just this year, private equity firm TPG and Lehman Brothers, agreed to acquire a substantial stake in XOJET Inc., the USA based private aircraft operator, for a consideration of \$363m. Last month, Bayside Capital invested about \$30m in AirNet Systems.

Now more than ever, financial problems are driving airlines to take drastic measures. Soaring jet fuel prices are expected to add \$67bn to airlines' already tight 2008 budgets. Yet it is easy to understand why the sector could be transforming into a wealth of M&A opportunities. As mentioned, the high value of the Delta-Northwest deal is in no way characteristic of airline industry deals as a whole. Indeed, following behind the Delta-Northwest merger, the top deals of 2007 and 2008 fall far behind in value terms into a range of only \$20m to \$305m.

Furthermore, given the relative inaccessibility of credit to finance highly leveraged deals, investors' growing interest in the mid market range is especially attractive. Private equity firms have certainly made clear that they are not afraid of investing in the crippled airline industry and there are plenty of companies that would welcome their support.



## The airline industry today

Announced date	Status	Target company	Bidder company	Bidder country	Deal value USD (m)
14-Apr-08	P	Northwest Airlines Corporation	Delta Air Lines Inc	USA	7119
13-Dec-07	C	JetBlue Airways Corporation (19% stake)	Lufthansa AG	Germany	305
17-Aug-07	C	Midwest Air Inc	Midwest Airlines Consortium	USA	293
5-Apr-07	C	World Air Holdings Inc	Global Aero Logistics Inc	USA	268
25-Oct-07	C	Flight Options LLC	HIG Capital LLC	USA	143
27-Sept-07	C	Xojet Inc (Minority stake)	Lehman Brothers Private Equity and TPG LLP	USA	143
13-Apr-07	C	Key Air Inc and Keystone Aviation Services Inc	Rizvi Traverse Management LLC	USA	60
22-Jan-07	C	Mesaba Airlines, Inc.	Northwest Airlines Corporation	USA	36
31-Mar-08	P	AirNet Systems Inc	Bayside Capital LLC	USA	30
18-Jan-07	C	Colgan Air Inc	Pinnacle Airlines Corp	USA	20

The bankruptcy trend that marked the deals of the past decade is certainly present in today's airline industry. In late April, the CEO of bankrupt Eos Airlines identified the root of the airline's problems as the "extremely challenging economic and credit environment". Aloha, an airline based in Hawaii, meanwhile posted a goodbye message on its website explaining that it would no longer honor passenger tickets. These smaller airlines are not alone of course, joining large carriers like Delta and United, on the list of list of bankruptcies that end up either crushing a company or merging it with another.

### Summary: more deals to come

So far in 2008, the Delta-Northwest merger has certainly been the most eye catching deal. But even without this particular transaction, which is still inching its way to a close, the current climate in the airline industry is likely to drive yet further M&A activity. The relatively low valuation of airline investments, combined with the flurry of bankruptcies in the industry, mirrors the conditions that have enabled deals in the past. Furthermore, in spite of volatile conditions and unappealing fuel costs, the airline industry is not without its targets and interested bidders.

**by Elizabeth Castro**

# North America

## Wrigley/Mars: Independent lawyers expect EC phase 1 clearance with possible minor disposals

- The takeover of Wrigley by Mars is unlikely to face serious problems in Europe, several independent European competition lawyers with knowledge of the industry agreed. The deal is most likely to fall under European Commission jurisdiction, but minor overlaps and the low possibility of portfolio effects should not put the deal at risk. Three lawyers said a phase 1 clearance was easily possible.
- Lawyers described that in the past the EC had subdivided the broader confectionery market in salty and sugary products, and, within sugary, between sugary confectionery and chocolate based products, with numerous submarkets in the chocolate segment. Markets would be assessed on the national level.
- While one lawyer noted that chewing gum was likely to be a separate market on its own as it could not substitute sugary confectionery, another lawyer speculated that the EC could construct a new market for breath fresheners and/or fruit based snacks, which could not only include some of Wrigley's chewing gums but possibly also a Mars product like Starburst.
- However, all lawyers agreed that overlaps would only be minor whatever market definitions would be applied. Specifically, if chewing gum was seen as a market on its own it would not cause a problem as Mars was not in that industry. One lawyer noted that even if a horizontal problem was identified it would only be small and could easily be solved by a divestment.
- Another issue the EC is likely to look at will be portfolio effects, meaning that the combined parties would have greater power when buying raw materials from their suppliers as well as on the retail side. The most important ingredient would be sugar where the combined entity would have a worldwide demand amounting to around 15% of the market, one lawyer said. This lawyer as well as a second lawyer agreed that this was not big enough to exert overwhelming market power on suppliers and would therefore not cause problems.
- On the retail side concerns could be that the merged companies could force supermarket chains or wholesalers to take on the entire product portfolio. Another aspect concerns the display and marketing of products in the retail outlets. One of the lawyers explained that big producers such as Mars and Wrigley would be involved in presentation of products in the supermarkets and that the retailers might be worried that the merged companies could press them to present their products more prominently. Another lawyer added this could, for instance, involve positioning of racks in the checkout area of supermarkets or displaying Mars and Wrigley products jointly in the same rack.
- Similar portfolio effects had been examined by the EC in the past, but the EC would need very clear evidence to block a merger based on that argument, the lawyers agreed. One lawyer referred to the TetraPak/Sidel case, in which the EC had identified a portfolio effect but which was later dismissed by a court ruling. Another lawyer mentioned the Gillette/Procter & Gamble case, in which portfolio effects were examined but did not result in a veto.
- One lawyer said that doubts regarding portfolio effects would largely depend on potential retailer complaints during the market test, but another lawyer said not many complaints should be expected. He argued that the retailers had sufficient market power on their sides not to be too worried about potential negative effects. It would be very small outlets such as newsstands which could rather be affected negatively, but these would not be the ones complaining to the EC. All three lawyers said that the deal could see a phase 1 clearance by the European Commission, with one of them adding that minor disposals might be necessary to resolve minor horizontal overlaps.

### When chocolate meets chewing gum...

- On April 28, Mars, the Virginia based producer of snack foods, pet care products, food and beverages, has announced that the Company had agreed to acquire Wm. Wrigley Jr. Company, the listed Illinois based manufacturer and marketer of chewing gums, bubble gums and other confectionery products, for a total cash consideration of \$23bn.
- Under the terms of the agreement, Mars is offering \$80 per Wm. Wrigley share. Funding for the transaction will include approximately \$11bn from Mars and a \$5.7bn committed senior debt facility from Goldman Sachs. At closing, Berkshire Hathaway has committed to purchase a minority equity interest for \$2.1bn in the Wrigley Company subsidiary at a discount to the share price being paid to the stockholders of Wrigley.
- The deal, which is expected to be completed within six to twelve months, will create a powerhouse which would bring together the world's leading chocolate giant and favorite chewing gum maker. With this acquisition, Mars will not only add new product lines that are highly complementary to its already existing ones to its portfolio, but will also have the opportunity to integrate Wrigley's growing international distribution centers into its global network.
- Now whether this deal would push rivals to take action on any M&A activity is the question that remains. Could Mars take over Cadbury Schweppes' leadership seat in the confection making industry by integrating Wrigley in its portfolio? Hersey's and Kraft are among other potential candidates that could consider further consolidation in the industry.

### Conseco's strategic review expected to end in late third quarter, CEO says

- Conseco does not anticipate completing its review of strategic alternatives until late summer or early fall, CEO James Prieur said in a conference call.
- Asked during the call to clarify what alternatives Conseco was considering, Prieur said it was looking at a "complete range." This news service reported in March that Morgan Stanley is not casting a wide net for possible bidders, but has made a small number of out-bound calls.
- The Indiana-based insurance group reported a first-quarter loss Wednesday, citing net realized investment losses of \$26.5m. Earnings before interest and taxes fell in most of Conseco's operating segments compared to the same period in 2007, but Conseco did report progress in reducing losses in its long-term care business. The company also said it had reached a settlement with regulators in 40 states over its long-term care business's practices.
- An industry banker said Wednesday Conseco's management "didn't appear anxious to sell the company." He said Prieur has not been with Conseco long and that Prieur may be looking at strategies other than a sale.
- Conseco has been under pressure from an activist shareholder to turn around the company.

# Deal of the month

<b>Target:</b>	The Wm. Wrigley Jr. Company	<b>Announced:</b>	28 April 2008
<b>Bidder:</b>	Mars Incorporated	<b>Deal value:</b>	\$22,638m
<b>Seller:</b>		<b>Deal nature:</b>	Recommended

- The Wm. Wrigley Jr. Company (WWY), a Delaware corporation, has signed a definitive agreement to be acquired by Mars Incorporated, a private company. The board of directors of Wrigley have approved the merger.
- The Wm. Wrigley Jr. Company, a US based company headquartered in Chicago, IL, manufactures and markets chewing gum and other confectionery products worldwide. Mars, Incorporated, a US based company headquartered in McLean, VA, is a family owned company that produces confectionery, food and pet care products and has growing beverage and health & nutrition businesses.
- Terms: \$80 per WWY share. The offer provides a premium of 28.10% based on WWY's closing share price on 25 Apr 2008 of \$62.45. The implied equity value of the transaction is approx. \$21.92bn.
- Financing: Funding for the transaction includes approx. \$11bn from Mars, a \$5.7bn committed senior debt facility from Goldman, Sachs, and \$4.4bn of subordinated debt from Berkshire Hathaway, Inc.
- Post Deal Details: At closing, Berkshire Hathaway has committed to purchase a minority equity interest for \$2.1bn in the Wrigley Company subsidiary at a discount to the share price being paid to the stockholders of Wrigley.
- Termination Fee: \$690m, or 3.15% based on the implied equity value of the deal. The per-share increase required to cover this fee in a superior offer would be \$2.52. Under certain circumstances, there would be a reverse termination fee and the parent would owe the company \$1.0bn.
- Expected Close: The transaction is expected to be completed within six to twelve months

Exit multiples – Y/E 31/12/07			Premium analysis	
	Multiples	Value (\$m)	Offer price per share (\$)	
Revenue	4.2x	5,389	1 day before	80.00
EBITRADING DAYSA	19.2x	1,181	1 month before	28.10%
EBIT	23.5x	963	1 day after	27.67%
Earnings	35.1x	632	Pre-rumor	4.07%
				-

Advisers			
Target/Seller		Bidder	
<b>Financial</b>	Goldman Sachs William Blair & Company	<b>Financial</b>	JPMorgan
<b>Legal</b>	Skadden Arps Slate Meagher & Flom Latham & Watkins (Advising Goldman Sachs)	<b>Legal</b>	Simpson Thacher & Bartlett Paul Hastings Janofsky & Walker (Advising JPMorgan) Davies Ward Phillips & Vineberg
<b>PR</b>	-	<b>PR</b>	Brunswick Group

mergermarket/dealReporter Intelligence	
29-Apr-08	Mars-Wrigley debt to be syndicated; divestments unlikely
29-Apr-08	Wrigley/Mars: Independent lawyers expect EC phase 1 clearance with possible minor disposals
29-Apr-08	Wrigley/Mars merger is likely to be reviewed by potential white knight and force more sector tie-ups
29-Apr-08	Wrigley/Mars deal could face an in-depth review with EC regulators; non-chocolate chewy candy could be an area of concern

## Deal of the month

Timetable and expected events			
Regulatory	Date		Notes
HSR (USA)			30 calendar days waiting period; further 30 calendar days following compliance with the request for additional information
EC Notification (Europe)			regarding approval by the European Commission; 25/35 trading days for Phase-1 decision, further 90 trading days if referred to Phase-2
Last date for Art. 9/Art. 22 request			15 trading days from EC notification
Last day for remedies within phase 1			20 trading days from EC notification, will cause 10 trading days extension if remedies submitted
Art. 9/Art. 22 decision			10 trading days from request
EC Decision			25 trading days from notification standard
CA (Canada)			regarding Competition Act of Canada, 14 calendar days for short form application, 42 calendar days for long form application
Offer timetable			
Termination Date	30-Apr-09		regarding date by which merger must be completed before agreement must be amended
Prelim Proxy			regarding preliminary proxy statement filed with SEC, reviewing process typically lasts at least 30 calendar days, and can be as long as 60 calendar days
Def Proxy			regarding definitive proxy statement declared effective by SEC
Effective Date			regarding date merger becomes effective, normally 2 trading days after EGM approval
Settlement Date			regarding date payment can be expected by, normally within 4 business days of Effective Date in state of Delaware
Company events			
WWY EGM			regarding approval of merger by target's shareholders; majority affirmative vote required to approve; normally 1 month from def proxy
WWY ex-EGM			regarding date shares must be held by in order to vote at the EGM



# Top deals

## Top 15 North American announced deals for 30 April 2008 YTD

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
28-Apr-08	P	The Wm Wrigley Jr Company	Consumer	Mars Incorporated		4.2	19.2	35.1	28.1%	22,638
15-Jan-08	C	Citigroup (undisclosed economic interest)	Financial Services	Government of Singapore Investment Corporation Pte Ltd; and Kuwait Investment Authority		n/a	n/a		-	9,880
17-Mar-08	P	NYMEX Holdings Inc	Financial Services	CME Group		14.1	22.3	42.5	5.2%	9,504
10-Apr-08	P	Millennium Pharmaceuticals Inc	Pharma, Medical & Biotech	Takeda Pharmaceutical Company Limited		14.3	220.0	500.0	52.9%	7,555
14-Apr-08	P	Northwest Airlines Corporation	Transportation	Delta Air Lines Inc		0.6	4.5	0.8	19.5%	7,119
16-Jan-08	C	BEA Systems Inc	TMT	Oracle Corporation		4.3	20.0	38.8	24.4%	6,630
15-Jan-08	C	Merrill Lynch (undisclosed economic interest)	Financial Services	Korea Investment Corporation; Kuwait Investment Authority; and Mizuho Corporate Bank Ltd		n/a	n/a		-	6,600
23-Apr-08	P	SAFECO Corporation	Financial Services	Liberty Mutual Group		n/a	n/a	9.8	50.9%	6,125
17-Mar-08	P	Weyerhaeuser Company (containerboard, packaging and recycling business)	Industrials & Chemicals	International Paper Company	Weyerhaeuser Company	1.2		15.7	-	6,000
21-Feb-08	P	ChoicePoint Inc	Business Services	Reed Elsevier Group plc		4.2	21.3	113.6	48.5%	4,167
11-Jan-08	P	Countrywide Financial Corporation	Financial Services	Bank of America Corporation		n/a	n/a		-7.6%	4,143
14-Mar-08	P	SSAB (North American tubular operations)	Industrials & Chemicals	Evraz Group SA; and Trubnaya Metallurgicheskaya Kompaniya	SSAB	1.7	8.8		-	3,500
31-Mar-08	P	KeySpan Ravenswood LLC	Energy, Mining & Utilities	TransCanada Corporation	National Grid Plc				-	2,800
24-Apr-08	P	Wendy's International Inc	Leisure	Triarc Companies Inc		1.1	9.9	27.6	5.8%	2,686
22-Feb-08	P	CHC Helicopter Corporation	Transportation	First Reserve Corporation		2.0	13.9	34.3	55.3%	2,298

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

## Top 5 North American announced deals of the month (April 2008)

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
28-Apr-08	P	The Wm Wrigley Jr Company	Consumer	Mars Incorporated		4.2	19.2	35.1	28.1%	22,638
10-Apr-08	P	Millennium Pharmaceuticals Inc	Pharma, Medical & Biotech	Takeda Pharmaceutical Company Limited		14.3	220.0	500.0	52.9%	7,555
14-Apr-08	P	Northwest Airlines Corporation	Transportation	Delta Air Lines Inc		0.6	4.5	0.8	19.5%	7,119
23-Apr-08	P	SAFECO Corporation	Financial Services	Liberty Mutual Group		n/a	n/a	9.8	50.9%	6,125
24-Apr-08	P	Wendy's International Inc	Leisure	Triarc Companies Inc		1.1	9.9	27.6	5.8%	2,686

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Expected deals

Situation	Target company	Sector	Potential bidder company	Financial advisor to bidder (B); target (T); seller (S)	Seller company	Market cap/ est. value (\$m)	Comments
Expected deal	*Fording Canadian Coal Trust	Energy, Mining & Utilities	Undisclosed bidder			8,985	Fording Canadian Coal Trust, a Canadian corporation, announced that it has formed a special committee to explore and make recommendations regarding strategic alternatives to maximize value for shareholders. The alternatives could include an acquisition of all of the Trust's outstanding units by a third party, a sale of its assets, including its interest in the Elk Valley Coal Partnership, a combination, reorganization or similar form of transaction, or continuing with its current business plan
Expected deal	Nationwide Financial Services Inc	Financial Services	Nationwide Mutual Insurance Company	Lazard (T); Goldman Sachs (B); UBS (B)		6,915	Nationwide Financial Services, Inc. announced that it has received a proposal from Nationwide Mutual Insurance Company, Nationwide Mutual Fire Insurance Company and Nationwide Corporation (referred to collectively as "Nationwide Mutual"), to acquire by merger all of the outstanding publicly held Class A shares of common stock of NFS for USD 47.20 per share in cash.
Expected deal	National City Corporation	Financial Services	Undisclosed bidder	Goldman Sachs (T)		3,957	*National City Corporation announced that its Board of Directors is reviewing a range of strategic alternatives for the company. National City said that there can be no assurance that this review will result in the company undertaking any particular transaction. The company does not expect to make further statements or announcements regarding the review until such time as the Board has approved a specific course of action. Goldman Sachs has been retained as National City's advisor for this review.
Expected deal	Diebold Incorporated	Business Services	United Technologies Corporation			2,643	Diebold, Inc received an unsolicited proposal by United Technologies Corporation to acquire the company in an all cash transaction. Terms: USD 40.00 per share of Diebold. UPDATE: 3-Mar-08: Diebold rejected the unsolicited proposal from United Technologies
Expected deal	Foot Locker Inc	Consumer	Undisclosed bidder	Lehman Brothers (T)		2,035	Foot Locker, Inc., a specialty athletic retailer with operations in North America, Europe and Australia, announced that its board of directors has authorized the Company to evaluate strategic alternatives, including inquiries received from private equity firms
Expected deal	Conseco Inc	Financial Services	Undisclosed bidder	Morgan Stanley (T)		2,030	*Conseco declined Steel Partners request for board seats, stating that they have been working on strategic alternatives over the past several months. UPDATE: 24-Mar-08: Steel Partners, in a 13-D filing with the SEC, disclosed a 9.4% stake in Conseco Inc.
Expected deal	Chemtura Corporation	Industrials & Chemicals	Undisclosed bidder	Merrill Lynch (T)		1,788	Chemtura Corp authorized management to consider a wide range of strategic alternatives available to the company to enhance shareholder value, including a possible sale
Expected deal	Continental Airlines Inc	Transportation	Undisclosed bidder			1,760	Continental Airline, a Delaware corporation, announced that it is evaluating strategic alternatives. This statement came after Delta announced its merger with Northwest.
Expected deal	Post Properties Inc	Financial Services	Caisse de depot et placement du Quebec and John A. Williams	JPMorgan (T); Merrill Lynch (B)		1,571	Unsolicited proposal at USD 44.00 to 47.00 per share. UPDATE: 4-Feb-08: Pentwater Capital Management, a 4.6% shareholder, notified Post Properties that it intends to nominate five directors for election at Post's 2008 annual meeting. Pentwater expressed dismay with Post's past board decisions and believes that conducting an auction to sell the entire company is a better course of action than selling individual properties or forming joint ventures.
Expected deal	Compton Petroleum Corporation	Energy, Mining & Utilities	Undisclosed bidder			1,535	Compton Petroleum, the Alberta-based natural gas and crude oil producer, is not expected to garner robust interest or receive a strong premium during its anticipated sales process

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# League tables

## Top 20 financial advisors

### value

YTD 30-Apr-2008	House	Value (\$m)	Deal count
1	Goldman Sachs	188,606	48
2	JPMorgan	178,030	48
3	Lehman Brothers	139,144	27
4	Citigroup	130,557	22
5	Credit Suisse	127,987	34
6	Deutsche Bank	120,812	19
7	Centerview Partners	109,011	3
8	Morgan Stanley	45,742	35
9	Merrill Lynch	44,705	35
10	UBS	34,377	31
11	William Blair & Company	32,915	19
12	Lazard	27,941	30
13	Sandler O'Neill & Partners	14,323	10
14	Greenhill & Co	11,672	4
15	Banc of America Securities	11,042	18
16	Jefferies & Company	8,545	28
17	Wachovia	8,050	18
18	Rothschild	7,570	18
19	ABN AMRO	6,228	10
20	Scotia Capital	5,461	9

Source: mergermarket

### volume

YTD 30-Apr-2008	House	Value (\$m)	Deal count
1	Goldman Sachs	188,606	48
2	JPMorgan	178,030	48
3	Houlihan Lokey	4,610	44
4	Morgan Stanley	45,742	35
5	Merrill Lynch	44,705	35
6	Credit Suisse	127,987	34
7	UBS	34,377	31
8	Lazard	27,941	30
9	Jefferies & Company	8,545	28
10	Lehman Brothers	139,144	27
11	Citigroup	130,557	22
12	Deutsche Bank	120,812	19
13	William Blair & Company	32,915	19
14	Banc of America Securities	11,042	18
15	Wachovia	8,050	18
16	Rothschild	7,570	18
17	RBC Capital Markets	4,995	16
18	Lincoln International	163	13
19	Raymond James & Associates	5,093	12
20	Piper Jaffray & Co	939	12

Source: mergermarket

The Financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being North America.

## Top 20 legal advisors

### value

YTD 30-Apr-2008	House	Value (\$m)	Deal count
1	Hunton & Williams	114,865	8
2	McCarthy Tetrault	112,165	22
3	Sutherland Asbill & Brennan	107,001	2
4	Skadden Arps Slate Meagher & Flom	69,536	39
5	Simpson Thacher & Bartlett	56,841	21
6	Sullivan & Cromwell	45,268	23
7	Latham & Watkins	39,966	42
8	Gibson Dunn & Crutcher	35,386	25
9	Wachtell Lipton Rosen & Katz	32,490	13
10	Cleary Gottlieb Steen & Hamilton	30,084	16
11	Davies Ward Phillips & Vineberg	25,847	10
12	Debevoise & Plimpton	25,173	11
13	Paul Hastings Janofsky & Walker	23,585	6
14	Davis Polk & Wardwell	20,642	11
15	Fried Frank Harris Shriver & Jacobson	19,621	11
16	Cravath Swaine & Moore	19,496	15
17	Weil Gotshal & Manges	17,606	22
18	Jones Day	16,965	73
19	Hogan & Hartson	16,752	23
20	O'Melveny & Myers	15,478	34

Source: mergermarket

### volume

YTD 30-Apr-2008	House	Value (\$m)	Deal count
1	Jones Day	16,965	73
2	Kirkland & Ellis	12,752	54
3	Latham & Watkins	39,966	42
4	Skadden Arps Slate Meagher & Flom	69,536	39
5	O'Melveny & Myers	15,478	34
6	DLA Piper	5,528	32
7	Blake, Cassels & Graydon	12,674	27
8	Gibson Dunn & Crutcher	35,386	25
9	Morgan Lewis & Bockius	3,350	24
10	Sullivan & Cromwell	45,268	23
11	Hogan & Hartson	16,752	23
12	Dorsey & Whitney	1,938	23
13	McCarthy Tetrault	112,165	22
14	Weil Gotshal & Manges	17,606	22
15	Simpson Thacher & Bartlett	56,841	21
16	Paul Weiss Rifkind Wharton & Garrison	8,741	19
17	Clifford Chance	11,821	18
18	Vinson & Elkins	6,594	18
19	McDermott Will & Emery	1,341	18
20	Dewey & LeBoeuf	7,679	17

Source: mergermarket

The Legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being North America.

# League tables

## Activity table of private equity firms on North American buyouts

### value

YTD 30-Apr-2008	House	Value (\$m)	Deal count
1	Hellman & Friedman	2,638	2
2	TPG	2,480	2
3	Apax Partners	1,345	1
4	Bain Capital	1,260	1
5	W.L. Ross & Co	1,100	1
6	Corsair Capital	985	1
7	Sun Capital Partners	977	7
8=	Hastings Funds Management	840	1
8=	IIF BH Investment	840	1
10	Thomas H. Lee Partners	710	1
11	GS Capital Partners	609	4
12=	Kelso & Company	609	1
12=	Riverstone Holdings	609	1
14	General Atlantic	575	1
15	Founders Equity	500	1

Source: mergermarket

### volume

YTD 30-Apr-2008	House	Value (\$m)	Deal count
1	Sun Capital Partners	977	7
2	Audax Private Equity Group	-	5
3	GS Capital Partners	609	4
4	Falconhead Capital	-	4
5	KRG Capital Partners	450	3
6	The Riverside Company	180	3
7	Hellman & Friedman	2,638	2
8	TPG	2,480	2
9	Kohlberg & Company	285	2
10	The Carlyle Group	150	2
11	Palladium Equity Partners	99	2
12	Halyard Capital Fund	70	2
13	Gryphon Investors	50	2
14=	American Capital Strategies	39	2
14=	Baird Capital Partners	39	2

Source: mergermarket

The Private Equity buyout activity tables by value and volume are based on private equity firms advising the bidder on buyout deals where the dominant geography of the target company is North America. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.

## Activity table of private equity firms on North American exits

### value

YTD 30-Apr-2008	House	Value (\$m)	Deal count
1=	MSD Capital	1,710	1
1=	Perry Capital	1,710	1
3	Odyssey Investment Partners	1,438	1
4	Welsh, Carson, Anderson & Stowe	1,052	2
5	Harbinger Capital Partners	1,005	1
6	Ontario Teachers Pension Plan	867	1
7	Francisco Partners	720	3
8	ArcLight Capital Partners	718	1
9	American Capital Strategies	650	6
10	Bessemer Venture Partners	485	2
11	Liberty Venture Partners	445	1
12	Insight Venture Partners	430	2
13	Kohlberg & Company	420	1
14	Linsalata Capital Partners	405	1
15=	New Enterprise Associates	400	1
15=	OrbiMed Advisors	400	1
15=	Red Abbey Venture Partners	400	1

Source: mergermarket

### volume

YTD 30-Apr-2008	House	Value (\$m)	Deal count
1	American Capital Strategies	650	6
2	Accel Partners	360	4
3	Francisco Partners	720	3
4	Charles River Ventures	203	3
5	Vengrowth Capital Partners	13	3
6=	Intel Capital	7	3
6=	Newbury Ventures	7	3
8	Welsh, Carson, Anderson & Stowe	1,052	2
9	Bessemer Venture Partners	485	2
10	Insight Venture Partners	430	2
11	Draper Fisher Jurvetson	320	2
12	Adams Street Partners	265	2
13	William Blair Capital Partners	240	2
14	HIG Capital	226	2
15	Split Rock Partners	188	2

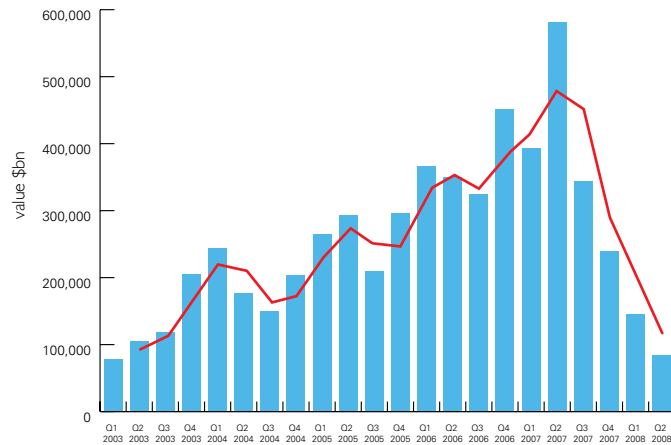
Source: mergermarket

The Private Equity exit activity tables by value and volume are based on private equity firms advising the vendor on exit deals where the dominant geography of the target company is North America. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.

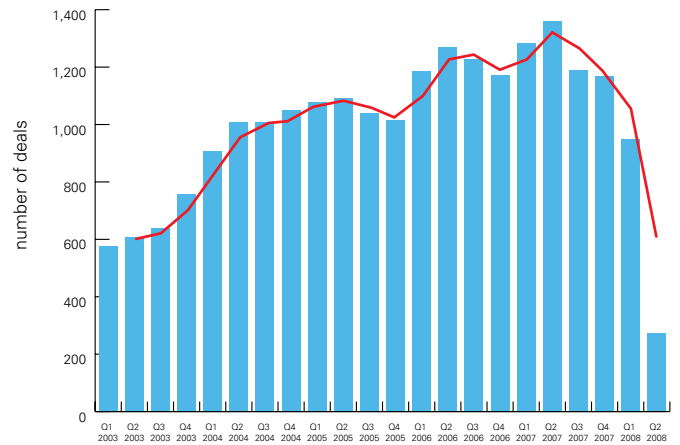
# Trend graphs

## North American M&A quarterly trend

value



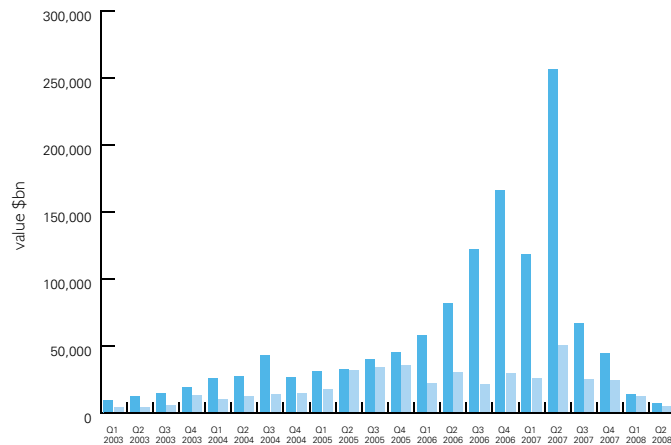
volume



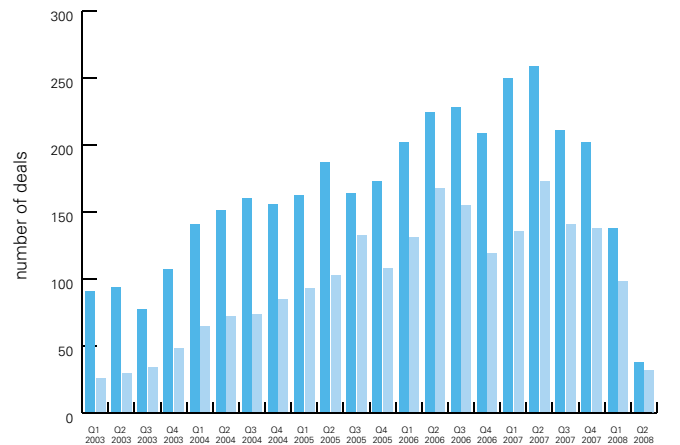
— Moving average trend line

## North American M&A quarterly private equity trend

value



volume



■ North American buyouts  
■ North American exits

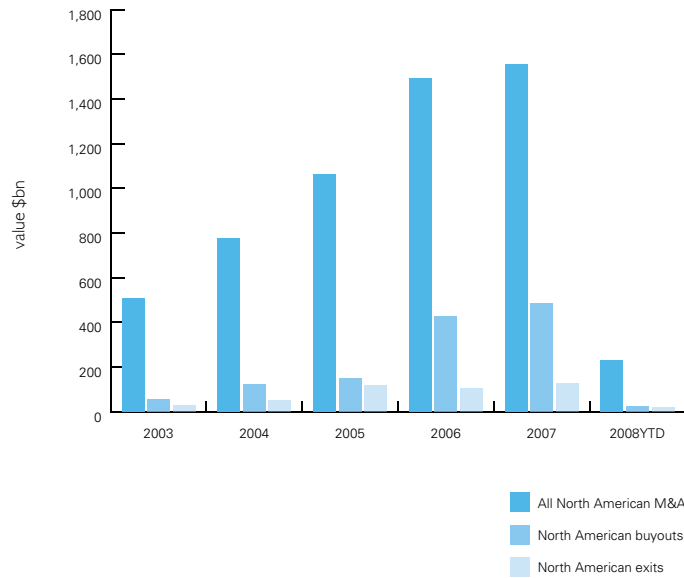
■ North American buyouts  
■ North American exits



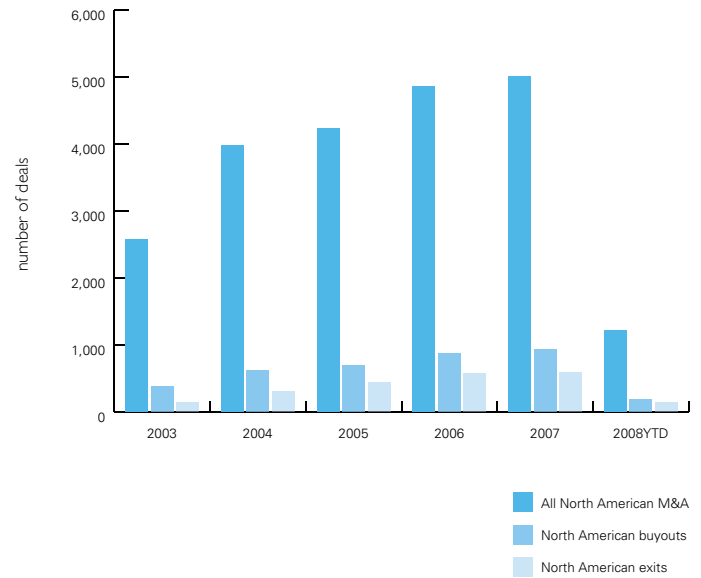
# Trend graphs

## North American M&A annual trends

value

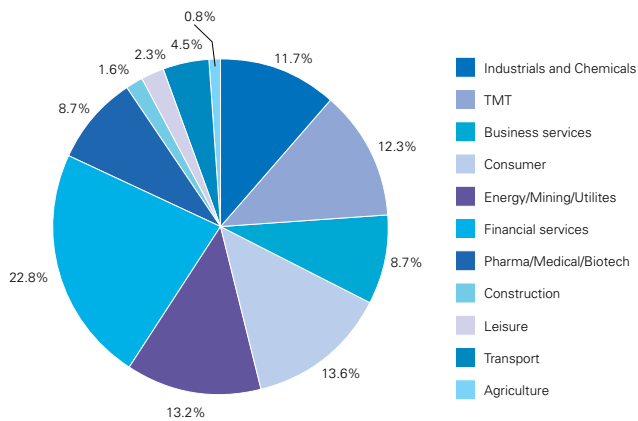


volume

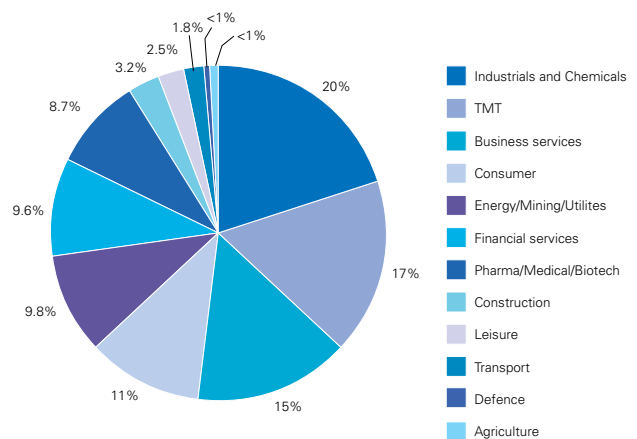


## North American M&A Sector Breakdown YTD 2008

value



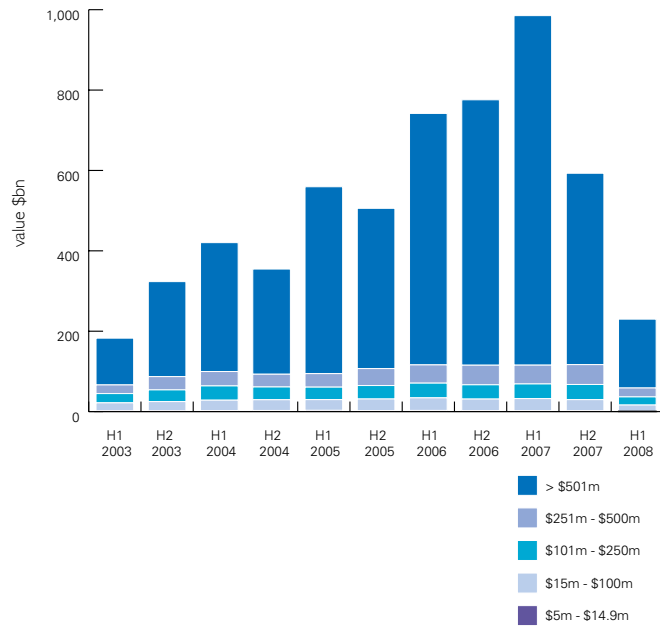
volume



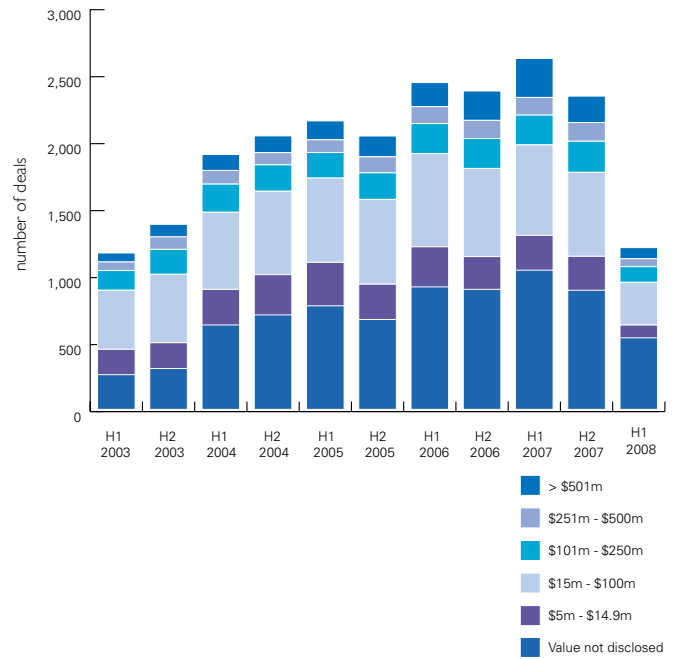
# Trend graphs

## North American M&A deal size breakdown

value



volume



# Mid market deals

## Top 10 North American announced mid market deals for April 2008 (\$10m to \$250m)

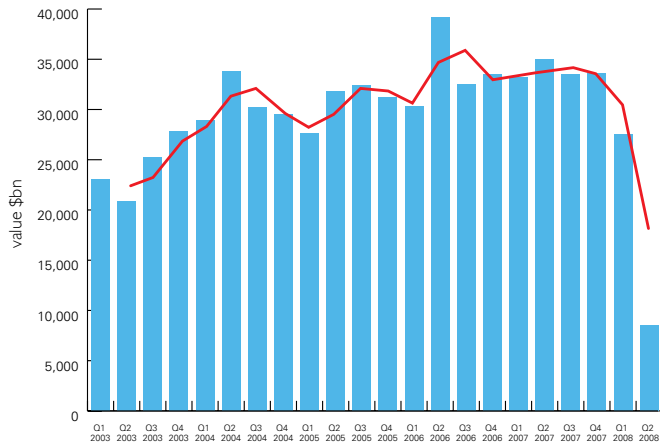
Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
8-Apr-08	P	Danka Office Imaging Company	Business Services	Konica Minolta Business Solutions USA Inc	Danka Business Systems plc	0.5			-	240
21-Apr-08	P	Scandinavian Minerals	Energy, Mining & Utilities	First Quantum Minerals					42.7%	236
4-Apr-08	P	Draxis Health Inc	Pharma, Medical & Biotech	Jubilant Organosys		2.9	62.1	(loss)	21.5%	229
21-Apr-08	P	Packeteer Inc	Business Services	Blue Coat Systems Inc.		1.6	(loss)	(loss)	14.9%	227
7-Apr-08	P	IAG Research Inc	Business Services	The Nielsen Company	Bessemer Venture Partners; and Insight Venture Partners	6.4			-	225
10-Apr-08	P	Jinshan Gold Mines Inc (42% stake)	Energy, Mining & Utilities	China National Gold Group Corporation	Ivanhoe Mines Ltd				9.2%	207
17-Apr-08	C	Diligent Technologies Corporation	Business Services	IBM Corporation	Accel Partners; Eastward Capital Partners LLC; EMC Corporation; Gemini Israel Funds Ltd; and Matrix Partners				-	200
3-Apr-08	P	Carlyle Incorporated	Industrials & Chemicals	Carlisle Companies Incorporated		1.6			-	200
2-Apr-08	C	51 Minds Entertainment (Controlling Stake)	TMT	Endemol USA					-	200
14-Apr-08	C	Vulcan Materials Company (six quarries in Georgia and Tennessee)	Energy, Mining & Utilities	Martin Marietta Materials Inc	Vulcan Materials Company				-	192
8-Apr-08	P	McQueary Brothers Drug Company	Pharma, Medical & Biotech	McKesson Corporation					-	190
14-Apr-08	P	FirstService Security	Industrials & Chemicals	ADT Security Services Inc.	FirstService Corporation				-	187
25-Apr-08	P	EnerVest Funds Management Inc	Financial Services	Canoe Financial LP	Avenir Diversified Income Trust				-	183
30-Apr-08	P	MagTex Pipeline System	Energy, Mining & Utilities	Sunoco Pipeline LP	Mobil Pipe Line Company				-	175
28-Apr-08	P	Ford Motor Company (1% stake)	Industrials & Chemicals	Tracinda Corporation		0.8	37.7	(loss)	13.3%	170

Source: mergermarket

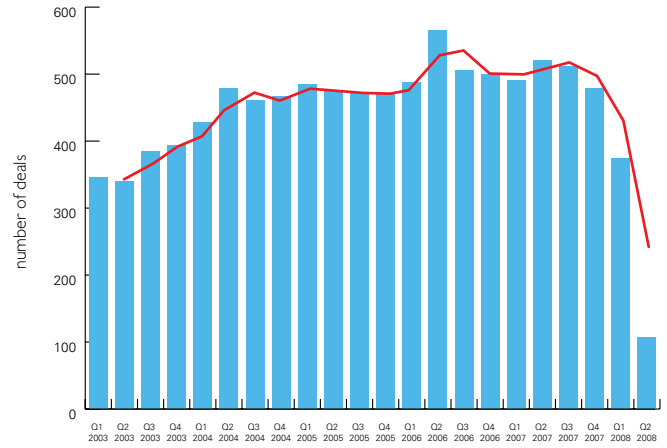
# Mid market deals

## North American M&A quarterly mid market trend

value



volume



— Moving average trend line

# Mid market league tables

## Top 15 mid market financial advisors – North America

(\$10m to \$250m)

YTD 30-Apr-2008	House	Value (\$m)	Deal count
<b>Value:</b>			
1	Jefferies & Company	2,299	16
2	Houlihan Lokey	2,232	21
3	JPMorgan	1,820	14
4	Credit Suisse	1,318	10
5	Merrill Lynch	1,293	6
6	UBS	1,256	8
7	Banc of America Securities	1,018	9
8	Goldman Sachs	981	9
9	Rothschild	977	9
10=	Lazard	939	9
10=	Piper Jaffray & Co	939	9
12	Wachovia	925	8
13	Raymond James & Associates	807	5
14	Citigroup	775	5
15	Sandler O'Neill & Partners	660	6
<b>Volume:</b>			
1	Houlihan Lokey	2,232	21
2	Jefferies & Company	2,299	16
3	JPMorgan	1,820	14
4	Credit Suisse	1,318	10
5	Banc of America Securities	1,018	9
6	Goldman Sachs	981	9
7	Rothschild	977	9
8=	Lazard	939	9
8=	Piper Jaffray & Co	939	9
10	UBS	1,256	8
11	Wachovia	925	8
12	KPMG Corp Fin	593	7
13	Merrill Lynch	1,293	6
14	Sandler O'Neill & Partners	660	6
15	PricewaterhouseCoopers Corp Fin	653	6

Source: mergermarket

The Financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being North America.

## Top 15 mid market legal advisors – North America

(\$10m to \$250m)

YTD 30-Apr-2008	House	Value (\$m)	Deal count
<b>Value:</b>			
1	Kirkland & Ellis	2,705	24
2	Jones Day	2,687	26
3	Skadden Arps Slate Meagher & Flom	2,040	16
4	Latham & Watkins	1,619	21
5	Vinson & Elkins	1,566	12
6	O'Melveny & Myers	1,554	15
7	DLA Piper	1,417	15
8	Blake, Cassels & Graydon	1,272	14
9	Morgan Lewis & Bockius	1,134	11
10	Weil Gotshal & Manges	1,019	8
11	McCarthy Tetrault	891	12
12	Paul Weiss Rifkind Wharton & Garrison	809	5
13	Sullivan & Cromwell	797	7
14	White & Case	795	8
15	Dewey & LeBoeuf	751	6
<b>Volume:</b>			
1	Jones Day	2,687	26
2	Kirkland & Ellis	2,705	24
3	Latham & Watkins	1,619	21
4	Skadden Arps Slate Meagher & Flom	2,040	16
5	O'Melveny & Myers	1,554	15
6	DLA Piper	1,417	15
7	Blake, Cassels & Graydon	1,272	14
8	Vinson & Elkins	1,566	12
9	McCarthy Tetrault	891	12
10	Morgan Lewis & Bockius	1,134	11
11	McDermott Will & Emery	453	10
12	Baker & McKenzie	571	9
13	Weil Gotshal & Manges	1,019	8
14	White & Case	795	8
15	Dorsey & Whitney	604	8

Source: mergermarket

The Financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being North America.



# Latin America

## Nationalization of main industries in Venezuela

- Venezuelan president Hugo Chavez has signed a legislation formalizing the government's nationalization of Venezuelan steel company Sidor. Venezuelan governments have estimated a value of about \$800m for a 60% of Ternium's stake in the Argentine steel producer Sidor. Ternium which is controlled by Argentine-Italian conglomerate Techint Group has asked for between \$3.2bn and \$4.8 bn.
- Sidor workers and the government each own 20% of Sidor, which in 2007 produced 4.3mn tones of liquid steel. Sidor was privatized in 1997, one year before Chavez was elected, since privatization, the workforce has been slashed from around 15,000 to just over 5000 and the company has used contract labor in violation of a government decree banning the practice.
- Ternium is expecting to maintain 20% participation in the company, while the government acquires a 60% share. Ternium's stake in Sidor constitutes over a quarter of its total operations worldwide and is worth \$2.4bn. Ternium's shares on the New York Stock Exchange were down more than 9% following the announcement.
- The decision of re-nationalize Sidor came after more than a year of intense struggle by the Sidor workers, against Sidor management, whom have been accused of anti-worker actions. This move is also part of a second wave of nationalizations being carried out by the Chavez government, following the recent nationalization of Venezuela's cement industry (nearly 40 factories), several milk producing plants and the subsequent takeover of 32 large farms. These transactions are in line with the Venezuelan government's strategy to recuperate control over food production and the construction industry both of which play a crucial role in national development.
- In addition, earlier this month, Chavez said Venezuela would nationalize cement companies including Mexico's Cemex SAB, France's Lafarge SA and Switzerland's Holcim Ltd. As a consequence, shares in Mexican cement maker Cemex slipped in trading this month after Venezuelan President Hugo Chavez nationalized his country's cement industry, affecting Cemex operations there. The company's shares fell 1.73% to 28.45 pesos. Holcim and LaFarge each operate two plants in Venezuela with a total capacity of about 4.5m metric tons. Investors are unsure that government officials will be able to manage the cement industry more efficiently than the private sector has done.

## Cosan acquires Esso's assets in Brazil

- Cosan SA the Brazilian sugar and ethanol producer has entered into a binding share purchase agreement to acquire fuel distributor Esso's assets in Brazil for \$954m. Cosan would pay \$826m for 100% of the equity capital, plus \$163m in debt and \$35m in net related-party receivables as of the end of 2007. Brazil's federal energy company Petrobras also presented an offer for Esso. Petrobras' distribution arm BR Distribuidora leads the market with a 41.5% stake.
- This agreement shows that fuel distribution sector in Brazil is growing fast and it has high barriers to new entrants. In addition, the acquisition will provide Cosan with a natural hedge against ethanol price volatility that is caused by seasonal factors. With more stable margins, Cosan will be able to seek opportunities to purchase more ethanol plants.
- Esso has more than 1,500 service stations in Brazil, mainly in Sao Paulo state where most of Cosan's sugar and ethanol plants are located. The company ended 2007 with a 7.2% market share in fuel distribution and net revenue of a \$5.58bn.
- The transaction is in line with Cosan's strategy to have a fully integrated platform service, which will include sugarcane planting, ethanol production and distribution as well as retail and wholesale marketing.

# Deal of the month

<b>Target:</b>	Brasil Telecom Participacoes SA ( 22.28% stake)	<b>Announced:</b>	25 April 2008
<b>Bidder:</b>	Telemar Participacoes SA	<b>Deal value:</b>	\$3,535m
<b>Vendor:</b>	-	<b>Deal nature:</b>	Acquisition; Domestic; Public

- Telemar Participacoes SA, the listed Brazil based holding company involved in the telecommunications sector, has agreed to acquire a 22.28% stake of Brasil Telecom Participacoes SA (BrT Part), the listed Brazil based company engaged in the management of Brasil Telecom SA (BrT), the Brazil based local fixed-line telephone operator, for a consideration of \$3535.38m.
- Telemar Participacoes will acquire the stake indirectly through the acquisition of all the outstanding shares of Invitel S.A, which owns Solpart S.A., which controls Brasil Telecom Participacoes. Telemar will also acquire some stake from other shareholders. The offered consideration will be paid in two parts where the first part of \$3,004.12m reflects the purchase of Invitel, and the second part of \$531.26m is for the shares of BrT held directly by certain of the Sellers.
- The offer price for every Brasil Telecom Participacoes share of \$43.6 represents a premium of 44.27% over Brasil Telecom's closing price of BRL 50.12 \$30.12 per share as of 24 April 2008, one day prior to the announcement, and a premium of 51.01% over Brasil Telecom's closing price of \$27.42 per share as of 25 March 2008, one month prior to the announcement.
- Brasil Telecom Participacoes itself holds 247,317,180 common shares and 120,911,021 preferred shares of Brasil Telecom SA representing 65.64% of the total share capital. Telemar also intends to conduct voluntary public tender offers for up to 1/3 of the outstanding preferred shares of BrT Part and of BrT for a price of \$18.37 per preferred share of BrT Part and \$14.12 per preferred share of BrT. Telemar intends thereafter to make mandatory tender offers at a price equal to 80% of the offer price of the current transaction representing \$34.88 per common share of BrT Part and \$32.75 per common share of BrT.
- Credit Suisse has entered into an agency agreement with Telemar Participacoes, under which Credit Suisse will make the purchase of the stake in Brasil Telecom on behalf of Telemar, until Telemar gets the possibility for immediate contracting for the purchase of share control of Brasil Telecom. Telemar and Brasil Telecom have also agreed on a termination fee whereby Telemar will be required to pay \$295.53m.
- The transaction is subject to the modification of the PGO, approval by Anatel, shareholder approval and the necessary regulatory approvals being obtained for the transfer of the stake.

## Conditions:

- Subject to the modification of the PGO.
- Subject to approval by Anatel.
- Subject to necessary regulatory approvals.
- Subject to shareholder approval.

# Deal of the month

Exit multiples - Y/E 31 Dec 07			Premium analysis	
	Multiples	Value (\$m)	Offer price per share (\$)	
Revenue	1.8x	8,813.99	1 day before	44.76%
EBITDA	8.9x	1,822.49	1 month before	58.97%
EBIT	35.1x	461.08	1 day after	40.93%
Earnings	42.7x	369.86	Pre-rumour	-

Advisers			
Target/seller		Bidder	
Financial	Citigroup	Financial	Credit Suisse Morgan Stanley Rothschild
Legal	-	Legal	-
PR	-	PR	-

# Top deals

## Top 15 Latin American announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
31-Mar-08	P	IronX Mineracao SA	Energy, Mining & Utilities	Anglo American Participacoes em Mineracao Ltda					-	5,519
25-Apr-08	P	Brasil Telecom Participacoes SA (35.20% stake); and Brasil Telecom SA (18.08% stake)	TMT	Telemar Participacoes SA					11.9%	4,679
25-Apr-08	P	Brasil Telecom Participacoes SA (22.28% stake)	TMT	Telemar Participacoes SA		1.8	8.9	42.7	44.8%	3,535
5-Mar-08	P	ArcelorMittal Inox Brasil SA (42.66% stake)	Industrials & Chemicals	ArcelorMittal NV					2.2%	1,878
4-Mar-08	P	Anadarko Petroleum Corporation (50% stake); and Anadarko Petroleum Corporation (25% stake)	Energy, Mining & Utilities	StatoilHydro ASA	Anadarko Petroleum Corporation				-	1,800
12-Feb-08	P	Seguros Ing SA De CV	Financial Services	AXA SA	ING Group NV				-	1,500
5-Mar-08	C	Banco Bradesco SA (2.50% stake)	Financial Services	Cidade de Deus Companhia Comercial de Participacoes; and Fundacao Bradesco	Banco Bilbao Vizcaya Argentaria SA	n/a	n/a	14.7	1.3%	1,485
24-Apr-08	P	El Tesoro (30% stake); and Esperanza (mining project 30% stake)	Energy, Mining & Utilities	Marubeni Corporation	Antofagasta plc				-	1,310
24-Apr-08	P	Esso Brasileira de Petroleo Limitada	Consumer	Cosan SA Industria e Comercio	ExxonMobil Corporation				-	989
2-Feb-08	C	Global Mineracao Ltda; Mineracao J.Mendes Ltda; and Siderurgica Oeste de Minas Ltda	Energy, Mining & Utilities	Usinas Siderurgicas de Minas Gerais					-	925
22-Feb-08	P	Corporacion Aceros DM	Industrials & Chemicals	Grupo Simec SA de CV					-	850
21-Feb-08	P	Madeco SA	TMT	Nexans SA	Madeco SA				-	715
6-Mar-08	P	Agora Holdings SA	Financial Services	Banco Bradesco BBI SA		4.9		23.1	-	496
3-Jan-08	P	Compania Naviera Horamar SA	Transportation	Navios South American Logistics Inc	Jandick SA				-	445
27-Mar-08	C	Compania Minera Milpo SA (20.93% stake)	Energy, Mining & Utilities	Votorantim Metais Ltda					-8.3%	422

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Top deals

## Top 5 Latin American announced deals of the month (April 2008)

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
25-Apr-08	P	Brasil Telecom Participacoes SA (35.20% stake); and Brasil Telecom SA (18.08% stake)	TMT	Telemar Participacoes SA					11.9%	4,679
25-Apr-08	P	Brasil Telecom Participacoes SA (22.28% stake)	TMT	Telemar Participacoes SA		1.8	8.9	42.7	44.8%	3,535
24-Apr-08	P	El Tesoro (30% stake); and Esperanza (mining project 30% stake)	Energy, Mining & Utilities	Marubeni Corporation	Antofagasta plc				-	1,310
24-Apr-08	P	Esso Brasileira de Petroleo Limitada	Consumer	Cosan SA Industria e Comercio	ExxonMobil Corporation				-	989
7-Apr-08	P	Industria de Alimentos Bomgosto Ltda	Consumer	Adria Alimentos do Brasil Ltda					-	348

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

## Top 5 Brazilian announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Target financial adviser	Target legal adviser	Bidder company	Bidder financial adviser	Bidder legal adviser	Seller company	Deal value (\$m)
31-Mar-08	P	IronX Mineracao SA	Energy, Mining & Utilities	Credit Suisse	Davis Polk & Wardwell; Gibson Dunn & Crutcher; Mattos Filho, Veiga Filho, Marrey Jr. e Quiroga Advogados	Anglo American Participacoes em Mineracao Ltda		Machado Meyer Sendacz e Opice; McCarthy Tetrault; Sullivan & Cromwell		5,519
25-Apr-08	P	Brasil Telecom Participacoes SA (35.20% stake); and Brasil Telecom SA (18.08% stake)	TMT	Citigroup		Telemar Participacoes SA	Credit Suisse; Morgan Stanley; Rothschild			4,679
25-Apr-08	P	Brasil Telecom Participacoes SA (22.28% stake)	TMT	Citigroup		Telemar Participacoes SA	Credit Suisse; Morgan Stanley; Rothschild			3,535
5-Mar-08	P	ArcelorMittal Inox Brasil SA (42.66% stake)	Industrials & Chemicals			ArcelorMittal	Goldman Sachs			1,878
4-Mar-08	P	Anadarko Petroleum Corporation (50% stake); and Anadarko Petroleum Corporation (25% stake)	Energy, Mining & Utilities			StatoilHydro ASA		Vinson & Elkins	Anadarko Petroleum Corporation	1,800

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Top deals

## Top 5 Andean community announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Target financial adviser	Target legal adviser	Bidder company	Bidder financial adviser	Bidder legal adviser	Seller company	Deal value (\$m)
27-Mar-08	C	Compania Minera Milpo SA (26.12% stake)	Energy, Mining & Utilities			Votorantim Metais Ltda	JPMorgan			422
7-Mar-08	P	Corani silver and base-metals deposit (30% stake)	Energy, Mining & Utilities			Bear Creek Mining Corp			Rio Tinto Mining and Exploration Ltd	75
21-Feb-08	P	Cleary Holdings Corporation (50.90% stake)	Energy, Mining & Utilities			Gerdau SA				59
12-Mar-08	C	Clinica Misael Pastrana Borrero; and Clinica San Pedro Claver	Pharma, Medical & Biotech			Compensar SA; Orden Hospitalaria San Juan de Dios; and Universidad del Rosario			ESE Luis Carlos Galan	39
14-Apr-08	C	Talma Menzies SRL (50% stake)	Transportation			Sandoval Group			John Menzies plc	20

C = Completed; P = Pending; L = Lapsed

Full member's Andean community: Bolivia, Columbia, Ecuador, Peru.

Source: mergemarket

# Expected deals

Situation	Target company	Sector	Potential bidder company	Seller company	Financial adviser	Market cap/ est. value (\$m)	Comments
Expected deal	Vivo Participacoes S.A	TMT	Telefonica and Portugal Telecom			1,417	Telefonica and Portugal Telecom (PT) are both seeking to buy out the other's 50% stake in Brasilcel, the 40% shareholder of Vivo. Any corporate move could lead to a full mandatory bid, although the local market regulator, the CVM, is currently defining the rules for situations of this nature.
Expected deal	Alitalia	Transportation	Multi-Long Corp		Italian Governments	1,500	Multi-Long Corp, the Brazilian restructuring company has offered 1 billion (US\$1.5 billion) for Italy's troubled Alitalia carrier. The company has proposed the purchase to Italy's government and to European regulators.
Expected deal	Entel	TMT	Bolivian Governments		Telecom	-	Bolivia's President Evo Morales has decreed the nationalization of the company's leading operator Entel, a unit of Telecom Italia. The government says Telecom Italia has 60 days to come to an agreement with it over the value of the company's shares.

Source: mergemarket

# League tables

## Top 15 financial advisors - Latin America

### value

YTD 30-Apr-2008	House	Value (\$m)	Deal count
1	Credit Suisse	14,806	6
2	Rothschild	10,030	5
3	Morgan Stanley	9,203	3
4	Citigroup	9,195	4
5	JPMorgan	5,631	8
6	UBS	3,488	4
7	Goldman Sachs	1,878	1
8	Jefferies & Company	1,800	1
9	Banco Bradesco	1,421	2
10	ABN	1,092	4
11	JPMorgan	989	1
12	HSBC Bank	925	1
13	Lehman Brothers	850	1
14	Evercore Partners	565	1
15	Christenberry Collett & Co	541	1

Source: mergermarket

### volume

YTD 30-Apr-2008	House	Value (\$m)	Deal count
1	JPMorgan	5,631	8
2	Credit Suisse	14,806	5
3	Rothschild	10,030	5
4	Citigroup	9,195	4
5	UBS	3,488	4
6	ABN	1,092	4
7	Morgan Stanley	9,203	3
8	Merrill Lynch	47	3
9	Banco Bradesco BBI	1,421	2
10	Goldman Sachs	1,878	1
11	Jefferies & Company	1,800	1
12	HSBC Bank	925	1
13	Lehman Brothers	850	1
14	Evercore Partners	565	1
15	Christenberry Collett & Co	541	1

Source: mergermarket

The Financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Latin America

## Top 15 legal advisors - Latin America

### value

YTD 30-Apr-2008	House	Value (\$m)	Deal count
1	Sullivan & Cromwell	6,829	2
2	McCarthy Tetrault	5,519	2
3=	Davis Polk & Wardwell	5,519	1
3=	Gibson Dunn & Crutcher	5,519	1
3=	Machado Meyer Sendacz e Opice	5,519	1
3=	Mattos Filho, Veiga Filho, Marrey Jr. e Quiroga Advogados	5,519	1
7	White & Case	2,489	2
8	Skadden Arps Slate Meagher & Flom	2,416	3
9	Debevoise & Plimpton	2,065	2
10	Fulbright and Jaworski	2,000	2
11	Vinson & Elkins	1,800	2
12	Cleary Gottlieb Steen & Hamilton	1,500	2
13	Frank Galicia y Robles	1,154	2
14	Paul Weiss Rifkind Wharton & Garrison	1,130	1
15	Barbosa, Muessnich & Aragao	989	1

Source: mergermarket

### volume

YTD 30-Apr-2008	House	Value (\$m)	Deal count
1	Skadden Arps Slate Meagher & Flom	2,416	3
2	Sullivan & Cromwell	6,829	2
3	McCarthy Tetrault	5,519	2
4	White & Case	2,489	2
5	Debevoise & Plimpton	2,065	2
6	Fulbright and Jaworski	2,000	2
7	Vinson & Elkins	1,800	2
8	Cleary Gottlieb Steen & Hamilton	1,500	2
9	Frank Galicia y Robles	1,154	2
10	Simpson Thacher & Bartlett	900	2
11	Thompson & Knight	-	2
12=	Davis Polk & Wardwell	5,519	1
12=	Gibson Dunn & Crutcher	5,519	1
12=	Machado Meyer Sendacz e Opice	5,519	1
12=	Mattos Filho, Veiga Filho, Marrey Jr. e Quiroga Advogados	5,519	1

Source: mergermarket

The Legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Latin America

# League tables

## Activity table of private equity firms on Latin American buyouts

value

YTD 30-Apr- 2008	House	Value (\$m)	Deal count
1	Nexus Capital	200	1
2	GP Investments	182	1
3	Pampa Capital Investors	20	1
4=	Linzor Capital Partner	-	1
4=	Sur Capital Partners	-	1

Source: mergermarket

volume

YTD 30-Apr- 2008	House	Value (\$m)	Deal count
1	Nexus Capital	200	1
2	GP Investments	182	1
3	Pampa Capital Investors	20	1
4=	Linzor Capital Partner	-	1
4=	Sur Capital Partners	-	1

Source: mergermarket

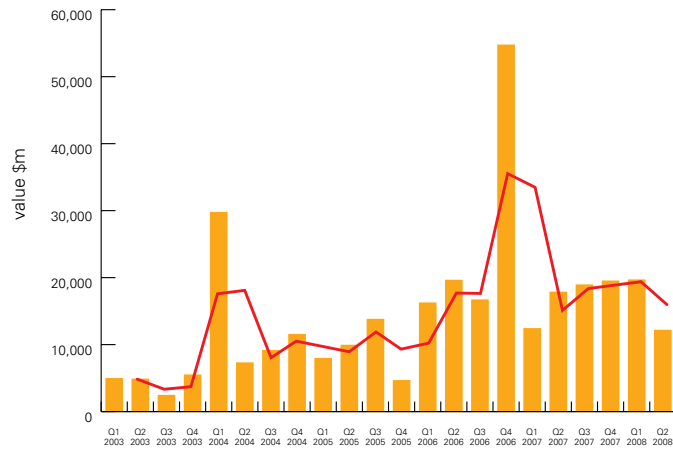
The Private Equity buyout activity tables by value and volume are based on private equity firms advising the bidder on buyout deals where the dominant geography of the target company is Latin America. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.



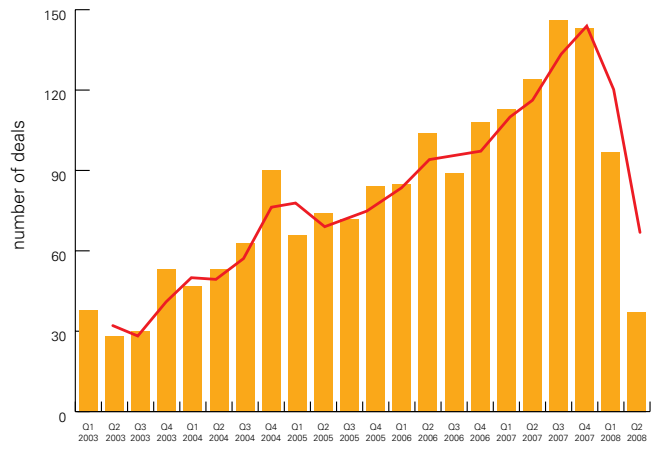
# Trend graphs

## Latin American M&A quarterly trends

value



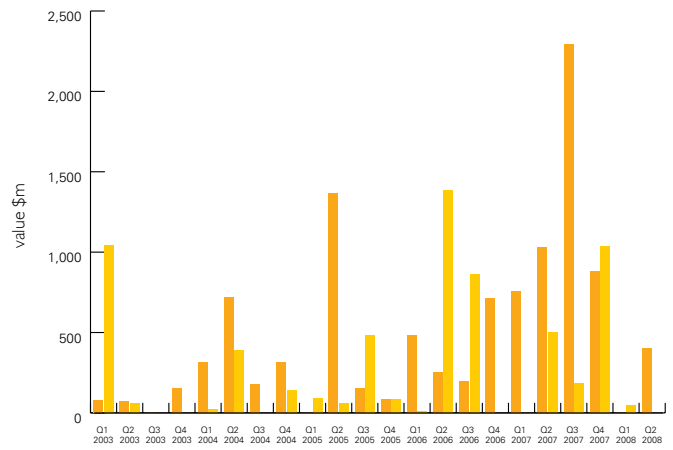
volume



— Moving average trend line

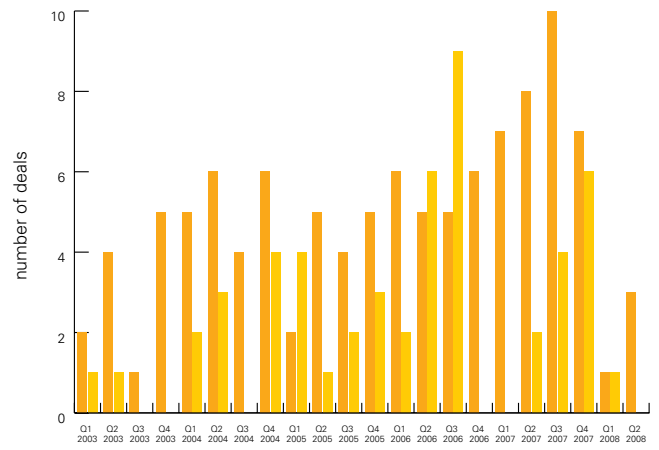
## Latin American M&A quarterly private equity trends

value



■ CEE and CIS buyouts  
■ CEE and CIS exits

volume

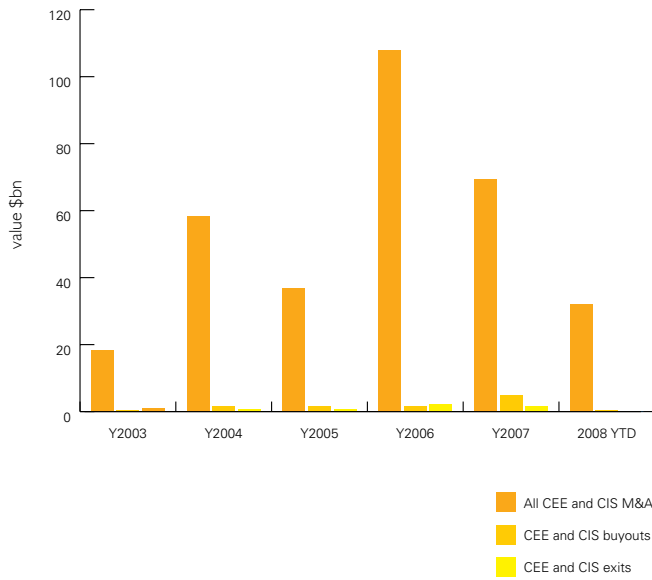


■ CEE and CIS buyouts  
■ CEE and CIS exits

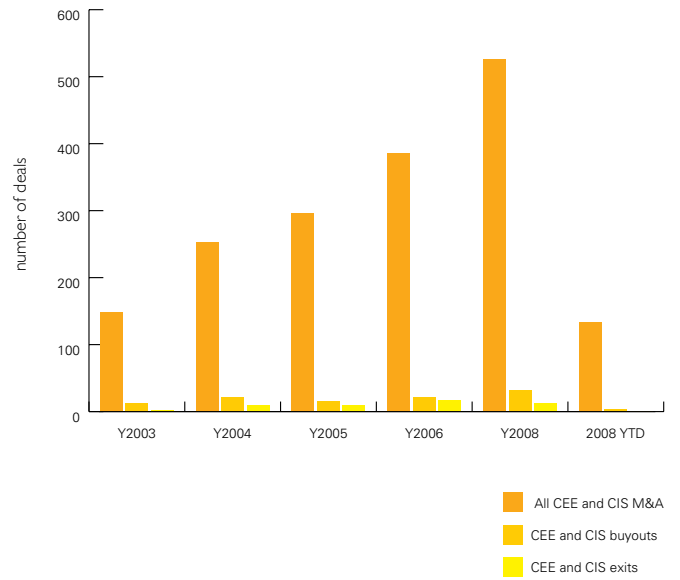
# Trend graphs

## Latin American M&A annual trends

value

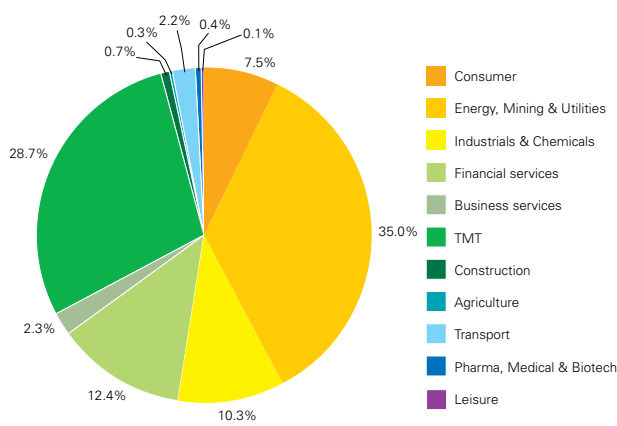


volume

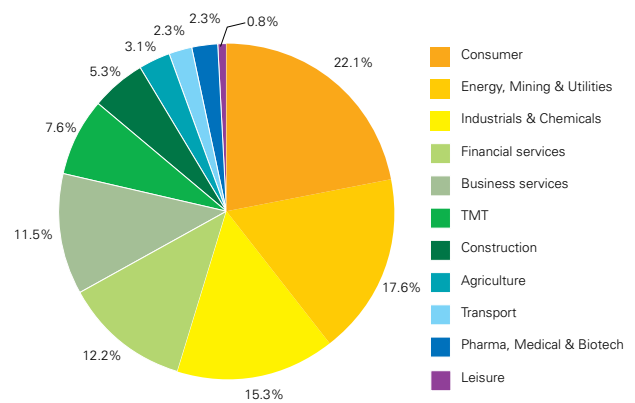


## Latin American M&A sector breakdown YTD 2008

value



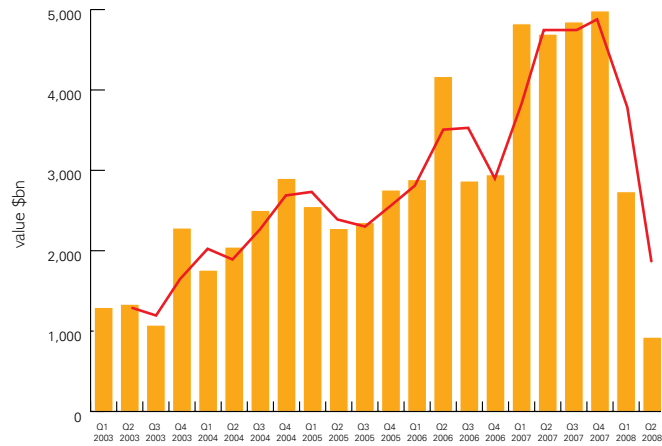
volume



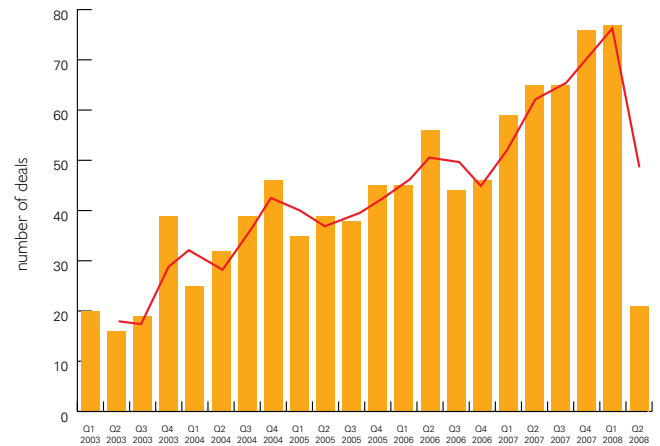
# Mid market deals

## Latin American M&A quarterly mid market trend

value



volume



— Moving average trend line

# Mid market league tables

## Top 10 mid market financial advisors – Latin America

(\$10m to \$250m)

YTD 30-Apr-2008	House	Value (\$m)	Deal count
<b>Value:</b>			
1	ABN	192	2
2	UBS	188	2
3	Credit Suisse	148	1
4	Macquarie Group Limited	90	1
5	Citigroup Inc	81	1
6	Investec Investment Banking	62	1
7	BDO Corporate Finance	58	1
8	Ernst & Young	58	1
9	Merrill Lynch	47	1
10	Rosenberg & Associados	44	1
<b>Volume:</b>			
1	ABN AMRO	192	2
2	UBS	188	2
3	Credit Suisse	148	1
4	Macquarie Group Limited	90	1
5	Citigroup Inc	81	1
6	Investec Investment Banking	62	1
7	BDO Corporate Finance	58	1
8	Ernst & Young	58	1
9	Merrill Lynch	47	1
10	Rosenberg & Associados	44	1

Source: mergermarket

The Financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Latin America.

## Legal advisors – Latin America

(\$10m to \$250m)

YTD 30-Apr-2008	House	Value (\$m)	Deal count
<b>Value:</b>			
1	Fulbright and Jaworski	200	1
2	Schulte Roth & Zabel	147	1
3	Gilbert & Tobin	90	1
4	Bowman Gilfillan	62	1
5	Linklaters	58	1
6	Pinheiro Neto Advogados	58	1
7	MBL & Partners	22	1
8	Baker & McKenzie	14	1
9	Shoosmiths	12	1
<b>Volume:</b>			
1	Fulbright and Jaworski	200	1
2	Schulte Roth & Zabel	147	1
3	Gilbert & Tobin	90	1
4	Bowman Gilfillan	62	1
5	Linklaters	58	1
6	Pinheiro Neto Advogados	58	1
7	MBL & Partners	22	1
8	Baker & McKenzie	14	1
9	Shoosmiths	12	1

Source: mergermarket

The Financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Latin America.

# Asia-Pacific

## Top 15 Asia-Pacific announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
3-Mar-08	P	The Korea Express Co Ltd (60% stake)	Transportation	Asiana Airlines Inc; Daewoo Engineering and Construction Company Limited; and Kumho Asiana Group		2.2			70.1%	4,357
3-Mar-08	P	Zinifex Ltd	Energy, Mining & Utilities	Oxiana Limited		2.3	3.3	8.3	13.9%	3,817
14-Mar-08	P	Tuas Power Limited	Energy, Mining & Utilities	China Huaneng Group Corporation	Temasek Holdings Pte Ltd	2.1	13.9	26.2	-	3,103
26-Mar-08	P	Bank Internasional Indonesia, Tbk	Financial Services	Malayan Banking Berhad	Sorak Financial Holdings Pte Ltd.	n/a	n/a	60.4	22.5%	2,710
11-Mar-08	P	Dyno Nobel Limited (87% stake)	Industrials & Chemicals	Incitec Pivot Ltd.		2.0	20.5	61.8	19.4%	2,468
29-Feb-08	P	Centurion Bank of Punjab	Financial Services	HDFC Bank Ltd.		n/a	n/a	75.6	3.7%	2,378
31-Jan-08	C	Mizuho Securities Ltd (4.35% stake)	Financial Services	Mizuho Corporate Bank Ltd.		n/a	n/a		-	2,350
10-Jan-08	C	Himart Co Ltd	Consumer	Eugene Corporation	Affinity Equity Partners; Government of Singapore Investment Corporation Pte Ltd; and Temasek Holdings Pte Ltd	0.9			-	2,073
18-Mar-08	P	Hua Xia Bank Co Ltd (15.73% stake)	Financial Services	Deutsche Bank AG; Shougang Group; and State Grid Corporation of China		n/a	n/a	30.4	1.2%	1,632
5-Feb-08	P	AES Ekibastuz LLP; and Maikuben West LLP	Energy, Mining & Utilities	Kazakhmys plc	AES Corporation	8.0			-	1,481
15-Jan-08	P	SBI E*Trade Securities Co Ltd (47.74% stake)	Financial Services	SBI Holdings Inc		n/a	n/a	24.0	-5.0%	1,362
13-Feb-08	C	Toyama Chemical Co Ltd (63.95% stake)	Industrials & Chemicals	FUJIFILM Holdings Corp		14.1	(loss)	(loss)	39.5%	1,296
14-Mar-08	P	Ashikaga Bank Limited	Financial Services	Nomura Holdings; Financial Partners Co; Next Capital Partners Co Ltd; and JAFCO Co Ltd	Deposit Insurance Corporation of Japan	n/a	n/a	1.8	-	1,212
6-Jan-08	C	The Straits Trading Company Ltd (77.54% stake)	Financial Services	Kambau Pte Ltd; Mellford Pte Ltd; Raffles Investments Limited; Siong Lim Private Limited; and Tecity Management Pte Ltd		n/a	n/a	4.5	35.3%	1,177
4-Feb-08	P	Stella Group (65% stake)	Leisure	CVC Asia Pacific Ltd	Octaviar Limited	5.4		21.1	-	1,101

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Top deals

## Top 5 Asia-Pacific announced deals of the month (April 2008)

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
29-Apr-08	P	SinoSing Power Pte Ltd	Energy, Mining & Utilities	Huaneng Power International, Inc.	China Huaneng Group Corporation				-	1,010
23-Apr-08	P	Bosch Corporation (38.52% stake)	Industrials & Chemicals	Robert Bosch GmbH		0.8	7.3	15.3	34.8%	1,005
16-Apr-08	P	Zhengzhou Coal Industry Group Co Ltd (6 subsidiaries)	Energy, Mining & Utilities	Zhengzhou Coal Industry & Electric Power Co. Ltd.	Zhengzhou Coal Industry Group Co Ltd				-	884
21-Apr-08	P	Pearl Energy Limited	Energy, Mining & Utilities	Mubadala Development Company PJSC	Aabar Petroleum Investments PJSC				-	833
30-Apr-08	P	Shaanxi Xiongshi Real Estate Development Co Ltd (65% stake); Weifang Guoda Real Estate Development Co Ltd (79% stake); Zhejiang International Jiaye Real Estate Development Co Ltd; Zhejiang Mingcheng Real Estate Group Co Ltd; and Zhongkai Corporate Group	Financial Services	Hunan Ava Holdings Co Ltd	Hangzhou Iron and Steel Group Company; Hangzhou Yuanyuan Investment Consulting Co Ltd; Zhang Minyi (private investor); Zhejiang Commercial Group Corp; Zhejiang Foodstuff Limited Company; Zhejiang Guoda Group; Zhejiang Sugar Tobacco and Wine Co Ltd; and Zh	n/a	n/a		-	654

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# League tables

## Top 15 financial advisors – Asia-Pacific excl Japan

value

YTD 30-Apr- 2008	House	Value (\$m)	Deal count
1	Citigroup	233,269	14
2	UBS	227,644	22
3	Lazard	226,003	7
4	Morgan Stanley	222,487	11
5	Merrill Lynch	221,454	12
6	Macquarie Group	220,419	16
7	Credit Suisse	219,368	7
8	Goldman Sachs	218,365	10
9	BNP Paribas	214,864	6
10	Deutsche Bank	214,069	9
11	HSBC Bank	213,313	4
12	Rothschild	211,753	8
13	Gresham Advisory Partners	211,243	3
14	JPMorgan	220,969	11
15	SG	210,868	1

Source: mergermarket

volume

YTD 30-Apr- 2008	House	Value (\$m)	Deal count
1	UBS	227,644	22
2	Macquarie Group	220,419	16
3	Citigroup	233,269	14
4	CIMB Group	3,543	14
5	Merrill Lynch	221,454	12
6	Ernst & Young	3,052	12
7	KPMG Corp Fin	1,247	12
8	Morgan Stanley	222,487	11
9	JPMorgan	220,969	11
10	Goldman Sachs	218,365	10
11	Deutsche Bank	214,069	9
12	Rothschild	211,753	8
13	PricewaterhouseCoopers Corp Fin	6,576	8
14	Lazard	226,003	7
15	Credit Suisse	219,368	7

Source: mergermarket

The Financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Asia-Pacific excluding Japan.

## Top 15 legal advisors – Asia-Pacific excl Japan

value

YTD 30-Apr- 2008	House	Value (\$m)	Deal count
1	Sullivan & Cromwell	227,992	7
2	Skadden Arps Slate Meagher & Flom	221,971	7
3	Allens Arthur Robinson	218,579	11
4	Lovells	215,130	5
5	Linklaters	213,463	9
6	Herbert Smith, Gleiss Lutz, Stibbe	213,168	2
7	Blake Dawson	212,688	11
8	Davies Ward Phillips & Vineberg	212,048	3
9	Slaughter and May	211,345	3
10	McCarthy Tetrault	211,097	2
11	Cravath Swaine & Moore	210,868	1
12	Mallesons Stephen Jaques	19,493	20
13	Clifford Chance	13,531	7
14	Ashurst	12,940	2
15	Simpson Thacher & Bartlett	12,740	1

Source: mergermarket

volume

YTD 30-Apr- 2008	House	Value (\$m)	Deal count
1	Mallesons Stephen Jaques	19,493	20
2	Freehills	3,612	15
3	Jones Day	1,101	14
4	Baker & McKenzie	2,265	13
5	WongPartnership	4,310	12
6	Allens Arthur Robinson	218,579	11
7	Blake Dawson	212,688	11
8	Allen & Gledhill	6,043	10
9	Freshfields Bruckhaus Deringer	4,211	10
10	Minter Ellison	1,526	10
11	Linklaters	213,463	9
12	White & Case	4,869	9
13	Corrs Chambers Westgarth	2,414	8
14	DLA Piper	296	8
15	Sullivan & Cromwell	227,992	7

Source: mergermarket

The Legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Asia-Pacific excluding Japan.

# League tables

## Activity Table of private equity firms on Asia-Pacific buyouts

### value

YTD 30-Apr- 2008	House	Value (\$m)	Deal count
1	CVC Capital Partners	1,213	2
2=	JAFCO Co	1,212	1
2=	Next Capital Partners Co	1,212	1
4	Citigroup Venture Capital Equity Partners	801	2
5	H&Q Asia Pacific	706	2
6	Ashmore Group	550	1
7	Cerberus Capital Management	416	1
8	Primus Pacific Partners	412	1
9=	Phoenix Capital Co	392	1
9=	Tokio Marine Capital Co	392	1

Source: mergermarket

### volume

YTD 30-Apr- 2008	House	Value (\$m)	Deal count
1	CVC Capital Partners	1,213	2
2	Citigroup Venture Capital Equity Partners	801	2
3	H&Q Asia Pacific	706	2
4	The Carlyle Group	39	2
5	KTB Network	29	2
6=	JAFCO Co	1,212	1
6=	Next Capital Partners Co	1,212	1
8	Ashmore Group	550	1
9	Cerberus Capital Management	416	1
10	Primus Pacific Partners	412	1

Source: mergermarket

The Private Equity buyout activity tables by value and volume are based on private equity firms advising the bidder on buyout deals where the dominant geography of the target company is Asia-Pacific. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.

## Activity table of private equity firms on Asia-Pacific exits

### value

YTD 30-Apr- 2008	House	Value (\$m)	Deal count
1	Temasek Holdings	5,176	2
2	Affinity Equity Partners	2,763	2
3	CCMP Capital Asia	690	1
4=	CVC Capital Partners	392	1
4=	JAFCO Co	392	1
6	GEM	115	1
7	Archer Capital	73	1
8	Phoenix Capital	37	2
9	Nikko antfactory	28	1
10	Navis Investment Partners (Asia)	27	1

Source: mergermarket

### volume

YTD 30-Apr- 2008	House	Value (\$m)	Deal count
1	Temasek Holdings	5,176	2
2	Affinity Equity Partners	2,763	2
3	Phoenix Capital	37	2
4	CCMP Capital Asia	690	1
5=	CVC Capital Partners	392	1
5=	JAFCO Co	392	1
7	GEM	115	1
8	Archer Capital	73	1
9	Nikko antfactory	28	1
10	Navis Investment Partners (Asia)	27	1

Source: mergermarket

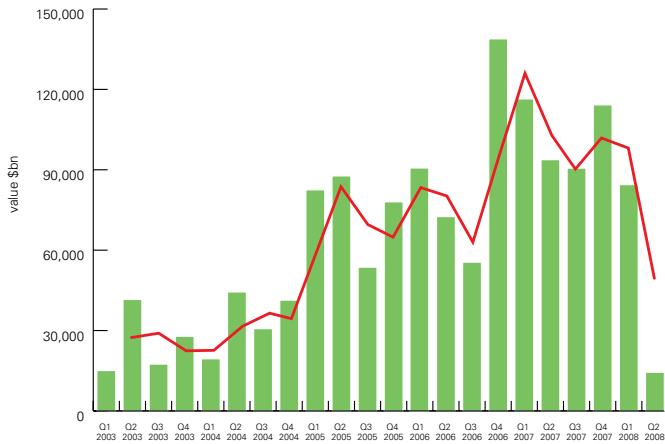
The Private Equity exit activity tables by value and volume are based on private equity firms advising the vendor on exit deals where the dominant geography of the target company is Asia-Pacific. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.



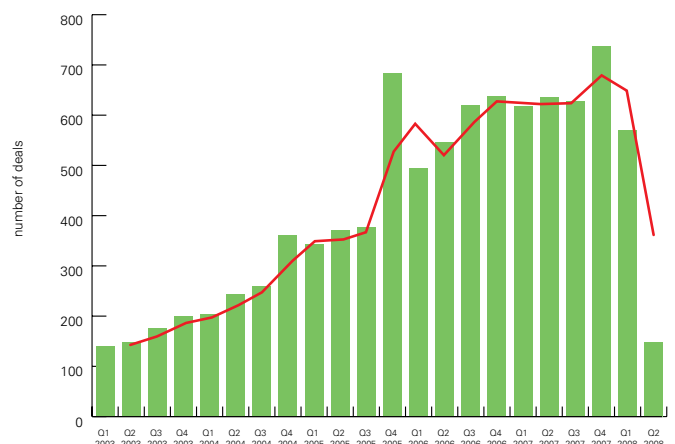
# Trend graphs

## Asia-Pacific M&A quarterly trend

value



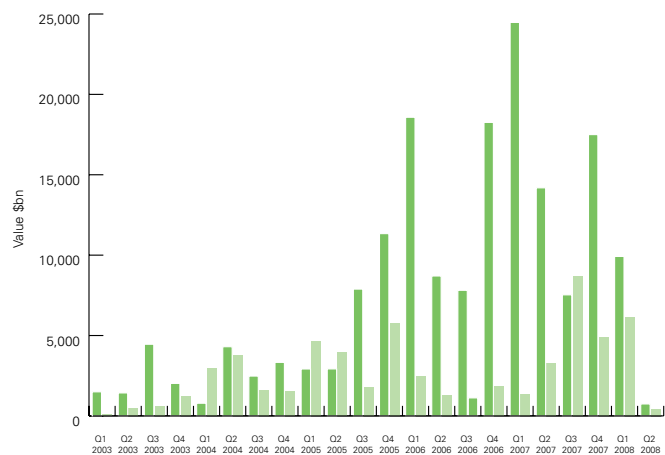
volume



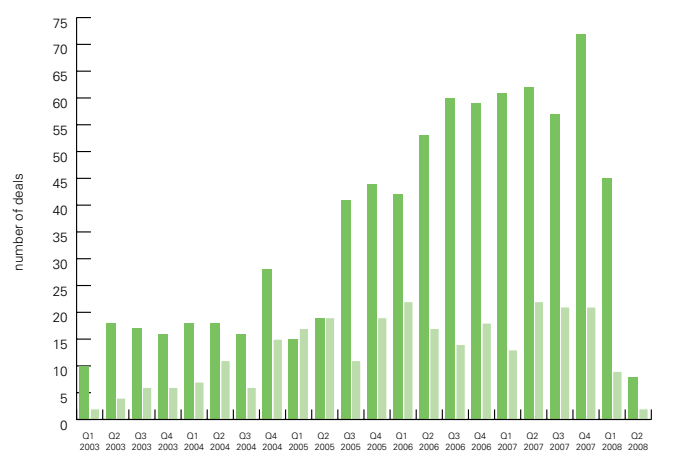
— Moving average trend line

## Asia-Pacific M&A quarterly private equity trend

value



volume



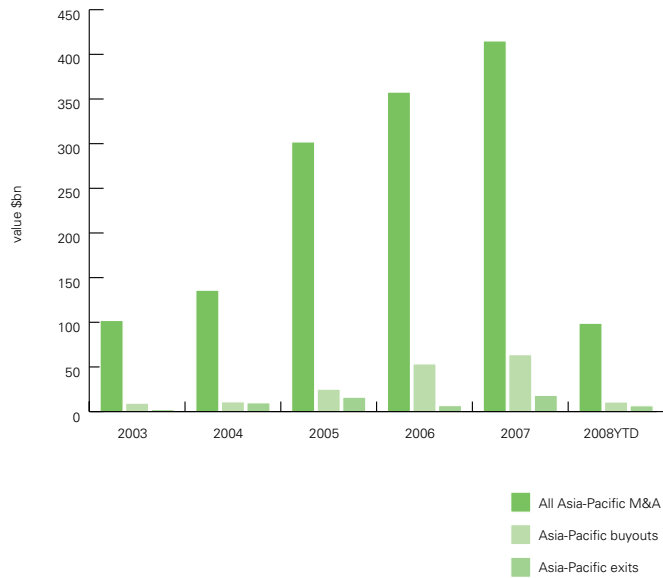
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■ Asia-Pacific buyouts  
■ Asia-Pacific exits

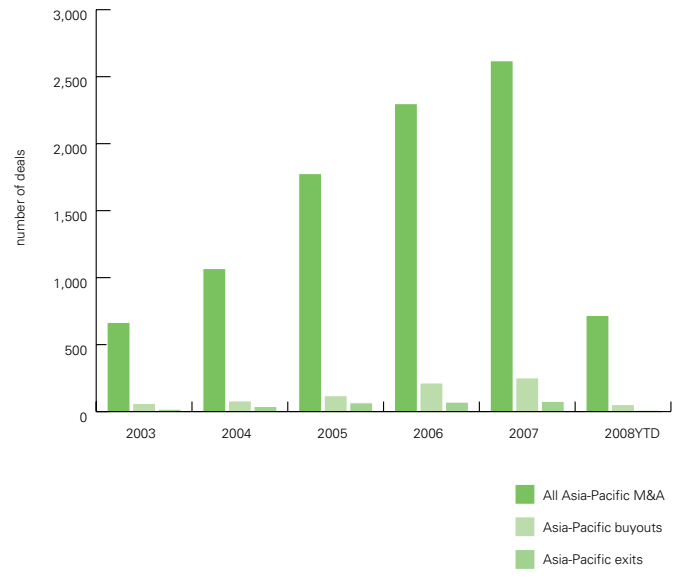
# Trend graphs

## Asia-Pacific M&A annual trends

value

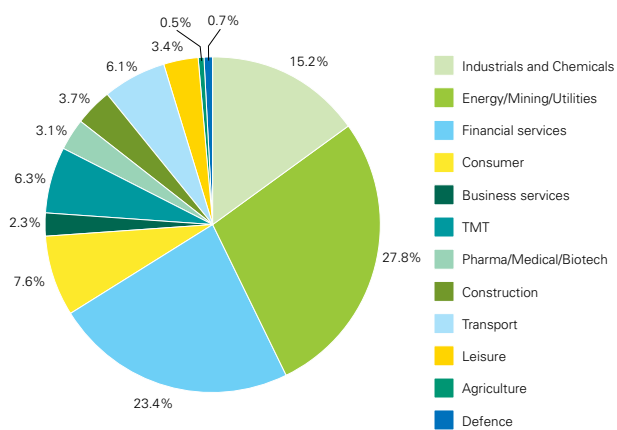


volume

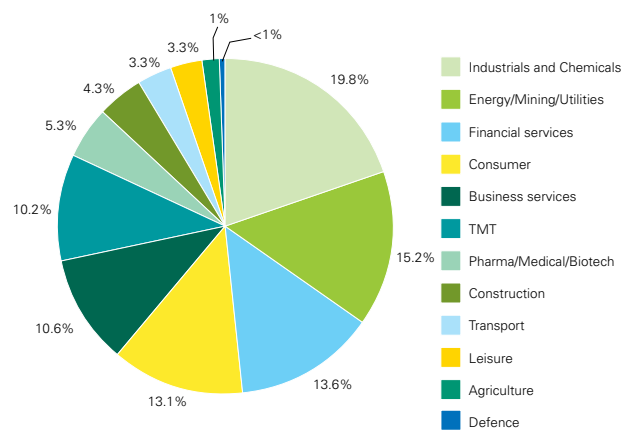


## Asia-Pacific M&A Sector Breakdown YTD 2008

value



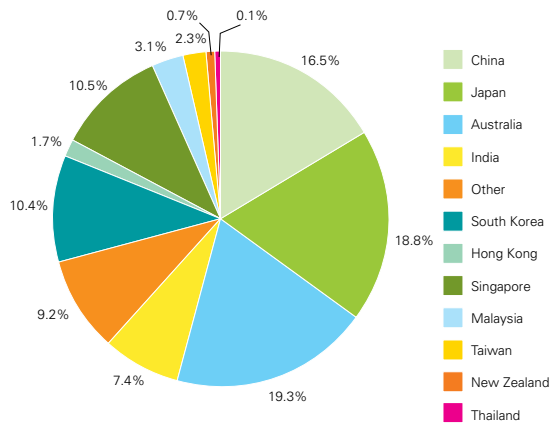
volume



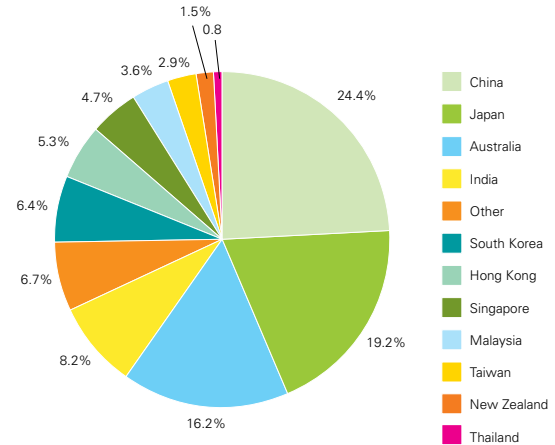
# Trend graphs

## Asia-Pacific M&A Geographic Breakdown YTD 2008

value

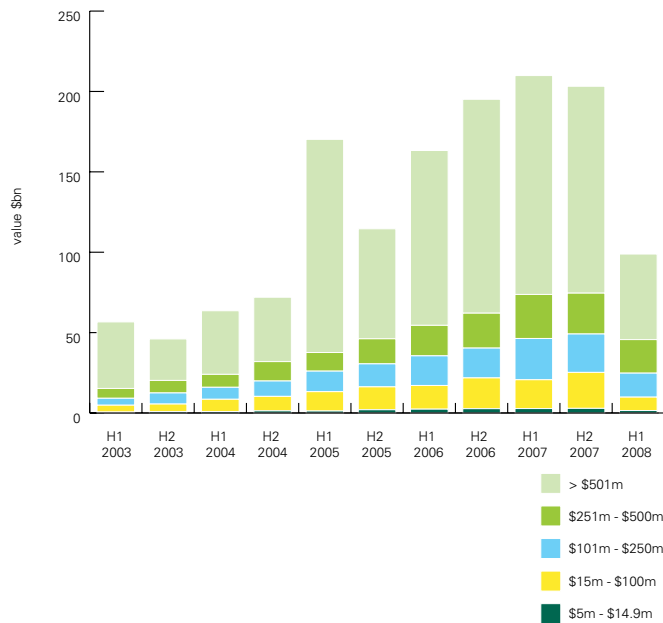


volume

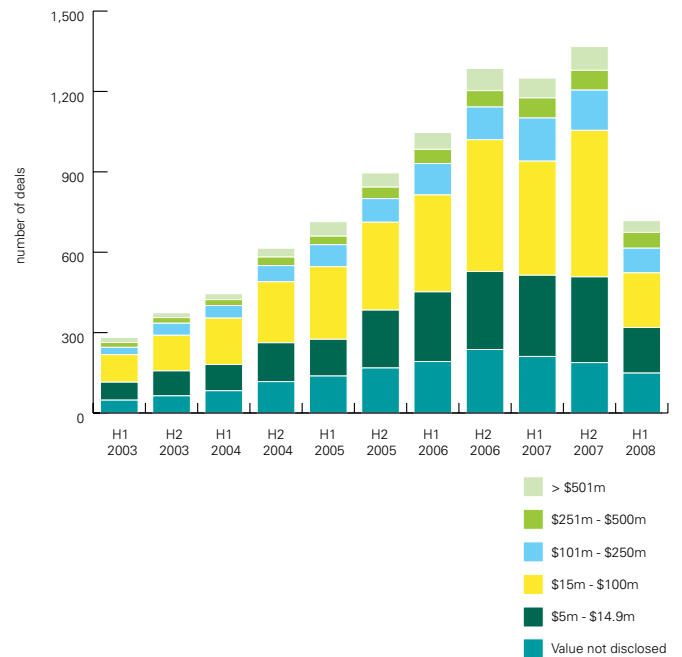


## Asia-Pacific M&A deal size breakdown

value



volume



# Mid market deals

## Top 10 Asia-Pacific announced mid-market deals for YTD 30 April 2008

(\$10m to \$250m)

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
23-Jan-08	C	First Philippine Union Fenosa Inc (40% stake)	Energy, Mining & Utilities	First Philippine Holdings Corporation	Union Fenosa SA				-	250
6-Feb-08	C	Bharti Infratel Limited (2% stake)	TMT	Kohlberg Kravis Roberts & Co	Bharti Airtel Limited				-	250
14-Feb-08	C	Sophia Power Company (23.40% stake)	Energy, Mining & Utilities	FIM Limited	Indiabulls Real Estate Ltd				-	249
17-Mar-08	C	The greenfield coal mine	Energy, Mining & Utilities	Reliance Power Ltd					-	245
25-Apr-08	C	JapanTelecom Invoice Co Ltd (85.10% stake)	Business Services	Softbank Telecom Co Ltd	Invoice Inc	0.9		11.3	-	245
17-Mar-08	C	ConnectEast Group (14.79% stake)	Transportation	John Holland Infrastructure Nominees Pty Ltd; and Thiess Infrastructure Nominees Pty Ltd				(loss)	-7.3%	240
28-Apr-08	P	Hong Leong Asia Limited (Building Materials Business)	Construction	Tasek Corporation Bhd	Hong Leong Asia Limited	1.0		11.9	-	239
28-Feb-08	P	Publishing Group (Publishing and Printing assets)	TMT	USTC Chuangxin	Anhui Publishing Group Co Ltd				-	236
28-Feb-08	C	Wuxi Little Swan Company Ltd (24.01% stake)	Consumer	Guangdong Midea Electric Appliances Co Ltd	Wuxi Guolian Development (Group) Company Limited	1.4	13.5	21.6	-	236
7-Jan-08	P	Saudi Pak Commercial Bank Limited	Financial Services	Bank Muscat; International Finance Corporation; Nomura European Investment Limited; and Shaukat Tarin (private investor)	Saudi Pak Industrial and Agricultural Investment Company	n/a	n/a	(loss)	6.4%	236

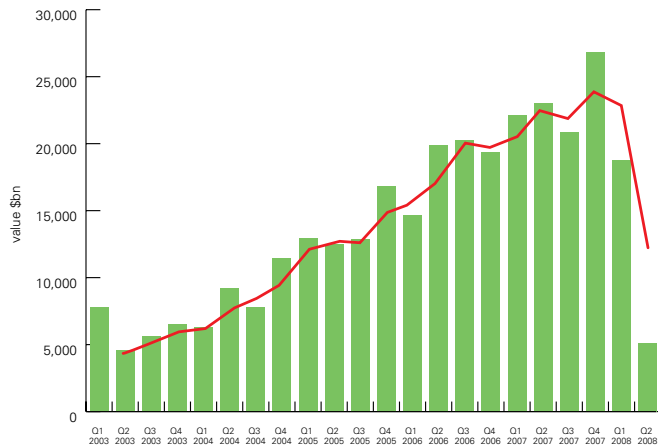
C = Completed; P = Pending; L = Lapsed

Source: mergermarket

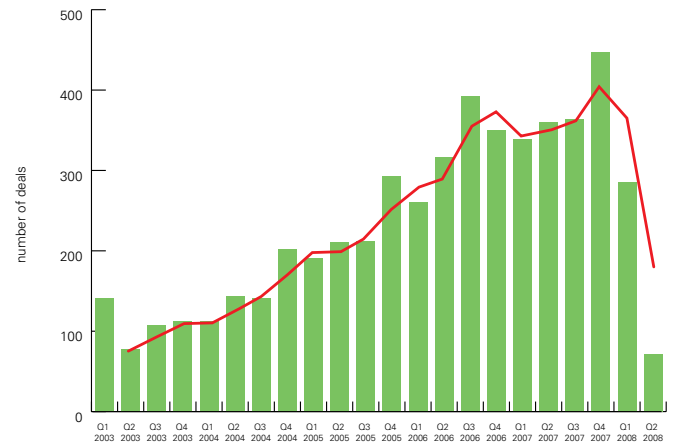
# Mid market deals

## Asia-Pacific M&A quarterly mid market trend

value



volume



— Moving average trend line

# Mid market league tables

## Top 10 mid market financial advisors – Asia-Pacific excl Japan

(\$10m to \$250m)

YTD 30-Apr 2008	House	Value (\$m)	Deal count
<b>Value:</b>			
1	CIMB Group	947	11
2	Macquarie Group	884	8
3	UBS	809	5
4	Citigroup	692	5
5	Deloitte	555	4
6	CITIC Securities	457	3
7	Goldman Sachs	435	3
8	GF Securities	422	2
9	ABN AMRO	417	3
10	Aseambankers Malaysia	403	4
<b>Volume:</b>			
1	CIMB Group	947	11
2	Macquarie Group	884	8
3	Ernst & Young	356	8
4	KPMG Corp Fin	285	7
5	UBS	809	5
6	Citigroup	692	5
7	Deloitte	555	4
8	Aseambankers Malaysia	403	4
9	M&A International	79	4
10	CITIC Securities	457	3

Source: mergermarket

The Financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Asia-Pacific (excluding Japan).

## Top 10 mid market legal advisors – Asia-Pacific excl Japan

(\$10m to \$250m)

YTD 30-Apr 2008	House	Value (\$m)	Deal count
<b>Value:</b>			
1	Jones Day	1,093	9
2	Mallesons Stephen Jaques	984	10
3	Minter Ellison	642	6
4	Allen & Gledhill	502	5
5	O'Melveny & Myers	484	3
6	Freehills	468	7
7	Freshfields Bruckhaus Deringer	442	5
8	WongPartnership	411	6
9	SJ Berwin	356	2
10	Shearman & Sterling	338	2
<b>Volume:</b>			
1	Mallesons Stephen Jaques	984	10
2	Jones Day	1,093	9
3	Freehills	468	7
4	Minter Ellison	642	6
5	WongPartnership	411	6
6	Baker & McKenzie	271	6
7	Allen & Gledhill	502	5
8	Freshfields Bruckhaus Deringer	442	5
9	Norton Rose	327	4
10	Linklaters	307	4

Source: mergermarket

The Legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Asia-Pacific (excluding Japan).

# Greater China

## Bidding war for Wing Lung Bank paves way for other medium-sized banks

- There have been rumors about a stake sale in Wing Lung Bank, the listed Hong Kong based family-controlled retail bank, since the death of its founder Wu Yee Sun in 2005. But the more Wing Lung denied the rumors, the more interested other banks became. When chairman Michael Wu finally announced that his family was seeking to dispose of a 53.12% family-owned stake in March 2008, it was approached by no fewer than five bidders from both mainland China and overseas.
- A bidding war quickly ensued between Industrial and Commercial Bank of China (ICBC), China Construction Bank (CCB), China Merchant Bank (CMB), Bank of Communications (BoCom), and Australia and New Zealand Banking Group (ANZ). The fierce competition for the stake has driven the bidding prices well above what some investors had first expected. CMB was eliminated in the second round of bidding after making a \$21.2 (HK\$165) per share offer. CMB's offer was at a 61% premium over \$13.14 (HK\$102.5), the price at which Wing Lung was trading just before the formal announcement about the stake sale on 20 March. The offer from CMB values Wing Lung Bank's entire equity at \$4.91bn (HK\$38.3bn). It is also more than 3 times Wing Lung's book value of \$6.89 (HK\$53.75) per share at the end of fiscal year 2007, and almost 28 times its 2007 earnings of \$0.76 (HK\$5.91) per share.
- CMB was not alone. CCB and BoCom also dropped out of the race in April. The two remaining bidders – ICBC and ANZ – would have to submit their final bids soon, possibly well above what CMB offered. However, some analysts suggested that the offers for Wing Lung already exceeded the retail bank's fair value. Indeed, the US credit crisis had a fairly remarkable impact on Wing Lung's outlook. Its 2007 earnings fell by 14.6% compared to its 2006 earnings. It even posted a quarterly loss of \$10.6m (HK\$82.5m) in Q1 2008 – the first Hong Kong bank to post a quarterly loss in eight years. The loss was attributed to a \$62m (HK\$480m) impairment in Wing Lung's SIV and CDO portfolios, whose exposure some analysts say were not fully disclosed. This may affect how ICBC and ANZ value their final offers for Wing Lung.
- Nonetheless, Wing Lung's stake sale would set a benchmark for many medium-sized Hong Kong banks. Wing Hang Bank, Chong Hing Bank, and Dah Sing Financial Holdings, three of Hong Kong's medium-sized banks, are also majority-owned by their founding families just like Wing Lung Bank. These shareholding families are keenly observing the development of the bidding war and valuation process for Wing Lung Bank. If Wing Lung Bank's stake sale is ultimately successful and provides an attractive premium, it will undoubtedly serve as a catalyst for future acquisitions in the banking sector in Hong Kong.

<sup>1</sup> All dollar values are in US currency unless stated otherwise

# Greater China

## Government policies drive domestic consolidation in Chinese automobile industry

- China's automotive sector is undergoing key reforms to confront global competition. Although there are more than 130 automakers in China in 2006, many of them are small and lag behind in technology expertise to compete with foreign rivals. Encouraging consolidation of the Chinese auto industry is seen as the faster way to cultivate larger domestic players to compete with its overseas peers. In light of this, the Chinese government had formulated policies back in 2004 to stimulate the growth of domestic automobile industry by encouraging M&A deals.
- The top five automakers in China – Shanghai Automotive Industry Corp (SAIC), China First Automobile Group Corp, Dongfeng Motor Corp, Chang'an Motors and Beijing Auto Industrial – had a 65% combined market share in the Chinese automotive space in 2007. Among them, the leading M&A player is SAIC. In 2007, the company had already made four domestic acquisitions. Earlier this year, SAIC acquired Shanghai Diesel Engine, a domestic electrical equipment manufacturer. In April, Dongfeng Motor also confirmed that it was in talks to buy Hafei Automobile and Harbin Dongan Auto Engine. Meanwhile, Beijing Auto Industrial is reiterating that acquisition is one of the company's main strategies for rapid expansion.
- There is a good reason for the amount of M&A activity in the domestic automobile industry. In its policies for the automobile industry, the Chinese government has a goal to boost the turnover of a select few enterprises to \$10bn within five years. Consequently, the bigger auto makers had to speed up its growth. A shortcut is through M&A.
- Aggressive national automakers will not be the only driving force behind M&A in the automobile industry. Smaller domestic players are also set to consolidate as profit margins continue to decline. The increase in raw material prices, introduction of new fuel taxes and new environmental standards give rise to cost pressure and could lead to further consolidation among manufacturers. As industry insiders point out, automakers whose annual productions are below 20m units are mostly likely to become acquisition targets.

<sup>1</sup> All dollar values are in US currency unless stated otherwise



# Deal of the month

<b>Target:</b>	Shaanxi Xiongshi Real Estate Development Co Ltd (65% stake); Weifang Guoda Real Estate Development Co Ltd (79% stake); Zhejiang International Jiaye Real Estate Development Co Ltd; Zhejiang Mingcheng Real Estate Group Co Ltd; and Zhongkai Corporate Group	<b>Announced:</b>	30 April 2008
<b>Bidder:</b>	Hunan AVA Holdings Co Ltd	<b>Deal value:</b>	\$654m
<b>Sellers:</b>	Hangzhou Iron and Steel Group Company; Hangzhou Yuanyuan Investment Consulting Co Ltd; Zhang Minyi (private investor); Zhejiang Commercial Group Corp; Zhejiang Foodstuff Limited Company; Zhejiang Guoda Group; Zhejiang Sugar Tobacco and Wine Co Ltd; and Zhejiang Tiandi Industry Development Co Ltd	<b>Deal nature:</b>	Recommended

- Hunan AVA Holdings Co Ltd, the listed Chinese seeds and dairy product company, has agreed to acquire stakes in five Chinese real estate companies from a consortium of Chinese vendors led by Zhejiang Commercial Group Corp (Zheshang Group), the Chinese state-owned commercial investment company, for an equity consideration of \$654m.
- The companies acquired comprise the following:
  - Zhejiang International Jiaye Real Estate Development Co Ltd (100% stake)
  - Zhongkai Corporate Group (ZK Group) (100% stake)
  - Zhejiang Mingcheng Real Estate Group Co Ltd (100% stake)
  - Shaanxi Xiongshi Real Estate Development Co Ltd (65% stake)
  - Weifang Guoda Real Estate Development Co Ltd (79% stake)
- The consortium of vendors comprise the following:
  - Zhejiang Commercial Group Corp
  - Zhejiang Guoda Group
  - Zhejiang Foodstuff Limited Company
  - Zhejiang Sugar Tobacco and Wine Co Ltd
  - Hangzhou Yuanyuan Investment Consulting Co Ltd
  - Zhejiang Tiandi Industry Development Co Ltd
  - Zhang Minyi (private investor)
  - Hangzhou Iron and Steel Group Company
- Pursuant to the agreement between the parties, Hunan AVA Holdings will issue 1,171,350,000 new shares at \$0.56 per share to the vendors. This transaction is part of a larger restructuring plan for Hunan AVA Holdings, which is also disposing of its dairy assets, biomedical assets, and other industrial assets to CITIC Capital Champ Full Investments Limited, the Hong Kong based investment company, and Hunan Agricultural Group Co, the Chinese state-owned agricultural products company. Post restructuring, Hunan AVA will no longer be engaged in its original businesses, but rather operate in the real estate industry.
- The shareholders of the vendors have already approved the transaction. The restructuring is still subject to approval from the shareholders of Hunan AVA, approval from Zhejiang State-owned Asset Supervision and Administration Commission, approval from the State Council State-owned Asset Supervision and Administration Commission, approval from the Ministry of Commerce, and approval from the China Securities Regulatory Commission.

## Conditions:

- Subject to approval from the shareholders of Hunan AVA Holdings
- Subject to approval from Zhejiang State-owned Asset Supervision and Administration Commission
- Subject to approval from the State Council State-owned Asset Supervision and Administration Commission
- Subject to approval from the Ministry of Commerce
- Subject to approval from the China Securities Regulatory Commission

# Deal of the month

Advisers			
Target/Seller		Bidder	
Financial	United Securities	Financial	Ping An Securities
Legal	King & Wood	Legal	Shanghai Jinmao Kaide Law Firm
PR		PR	
Mergermarket/dealReporter Intelligence			
30 April 2008	Zheshang Group to take over Hunan Ava for reverse listing		

# Top deals

## Top 15 Greater China announced deals YTD 30 April 2008

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
18-Mar-08	P	Hua Xia Bank Co Ltd (15.73% stake)	Financial Services	Deutsche Bank AG; Shougang Group; and State Grid Corporation of China		n/a	n/a	30.4	1.2%	1,632
16-Apr-08	P	Zhengzhou Coal Industry Group Co Ltd (6 subsidiaries)	Energy, Mining & Utilities	Zhengzhou Coal Industry & Electric Power Co Ltd	Zhengzhou Coal Industry Group Co Ltd				-	884
19-Mar-08	P	Dragon Steel Corporation (52.01% stake)	Industrials & Chemicals	China Steel Corporation				30.8	-	824
23-Feb-08	C	Shandong Luneng Group Co Ltd (63.1% stake)	Energy, Mining & Utilities	Shandong Electric Power Corporation; and Shandong Luneng Property Co	Beijing Guoyuan Lianhe				-	770
30-Apr-08	P	Shaanxi Xiongshi Real Estate Development Co Ltd (65% stake); Weifang Guoda Real Estate Development Co Ltd (79% stake); Zhejiang International Jiaye Real Estate Development Co Ltd; Zhejiang Mingcheng Real Estate Group Co Ltd; and Zhongkai Corporate Group	Financial Services	Hunan Ava Holdings Co Ltd	Hangzhou Iron and Steel Group Company; Hangzhou Yuanyuan Investment Consulting Co Ltd; Zhang Minyi (private investor); Zhejiang Commercial Group Corp; Zhejiang Foodstuff Limited Company; Zhejiang Guoda Group; Zhejiang Sugar Tobacco and Wine Co Ltd; and Zhejiang Tiandi Industry Development Co Ltd	n/a	n/a		-	654
3-Jan-08	P	Datang Yantan Hydropower Co Ltd (70% stake)	Energy, Mining & Utilities	Guangxi Guiguan Electric Power Co Ltd	China Datang Corporation	9.0		31.3	-	594
4-Mar-08	P	AVIC I Xi'an Aero-engine (Group) Ltd (engine manufacturing business)	Industrials & Chemicals	China Resources (Jilin) Bio-Chemical Co Ltd	AVIC I Xi'an Aero-Engine (Group) Ltd				-	558
5-Feb-08	P	Zhongneng International Petroleum Exploration (Beijing) Co Ltd	Energy, Mining & Utilities	Guangxi Beisheng Pharmaceutical Co Ltd	Ajin Investment (Beijing) Co Ltd; Beihai Hengyouyuan Technology and Development Co Ltd; Dongyang Dongfu Trading Co Ltd; Shenzhen Yudasheng Investment Development Co Ltd; and Zhao Qigong (private investor)				-	554
21-Jan-08	P	Jiangxi Copper Corporation (25 subsidiaries)	Energy, Mining & Utilities	Jiangxi Copper Company Limited	Jiangxi Copper Corporation				-	519

# Top deals

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
18-Jan-08	C	China Netcom Group Corporation (Hong Kong) Limited (2.22% stake)	TMT	Telefonica Internacional SA	China Railways Telecommunications Center Ltd; Chinese Academy of Sciences Holdings Co. Ltd; Information and Network Center of State Administration of Radio, Film and Television; and Shanghai Alliance Investment Limited	2.4	4.5	13.2	-4.5%	454
29-Apr-08	P	Shanghai Gaoyuan Property	Financial Services	Si Chuan Direction Photoelectricity		n/a	n/a	20.2	-	411
23-Feb-08	C	Shandong Luneng Group Co Ltd (32.37% stake)	Energy, Mining & Utilities	Shandong Electric Power Corporation; and Shandong Electric Power Union Committee	Beijing Shouda Energy Group Co Ltd				-	395
28-Mar-08	C	Jiangsu New Yangzi Shipbuilding Co Ltd (24.81% stake)	Industrials & Chemicals	Yanzijiang Shipbuilding (Holdings) Ltd	HongKong Hengyuan Investment Limited				-	353
19-Jan-08	C	Eastern Home Shopping & Leisure Co Ltd	Consumer	Peak Profit BVI	Eastern Multimedia Group	0.4			-	340
14-Feb-08	L	Pacific Century Premium Developments Limited (38.5% stake)	Financial Services	PCCW Limited		n/a	n/a	9.6	26.1%	338

C = Completed; P = Pending; L = Lapsed

Source: mergemarket

## Top 5 Greater China announced deals of the month (April 2008)

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
16-Apr-08	P	Zhengzhou Coal Industry Group Co Ltd (6 subsidiaries)	Energy, Mining & Utilities	Zhengzhou Coal Industry & Electric Power Co Ltd	Zhengzhou Coal Industry Group Co Ltd				-	884
30-Apr-08	P	Shaanxi Xiongshi Real Estate Development Co Ltd (65% stake); Weifang Guoda Real Estate Development Co Ltd (79% stake); Zhejiang International Jiaye Real Estate Development Co Ltd; Zhejiang Mingcheng Real Estate Group Co Ltd; and Zhongkai Corporate Group	Financial Services	Hunan Ava Holdings Co Ltd	Hangzhou Iron and Steel Group Company; Hangzhou Yuanyuan Investment Consulting Co Ltd; Zhang Minyi (private investor); Zhejiang Commercial Group Corp; Zhejiang Foodstuff Limited Company; Zhejiang Guoda Group; Zhejiang Sugar Tobacco and Wine Co Ltd; and Zhejiang Tiandi Industry Development Co Ltd	n/a	n/a		-	654
29-Apr-08	P	Shanghai Gaoyuan Property	Financial Services	Si Chuan Direction Photoelectricity		n/a	n/a	20.2	-	411
29-Apr-08	P	Lite-On Technology Corporation (Digital Display business)	TMT	Wistron Corporation	Lite-On Technology Corporation	0.1			-	303
29-Apr-08	C	Pingdingshan Coal Group Company Ltd (undisclosed stake)	Energy, Mining & Utilities	Wuhan Iron & Steel Company Limited					-	301

C = Completed; P = Pending; L = Lapsed

# Expected deals

## Pipeline of Greater China expected deals

Situation	Target company	Sector	Potential bidder company	Financial advisers to bidder (B); target (T); seller (S)	Seller company	Market cap est. value (\$m)	Comments
Significant M&A	China TieTong Telecommunications Corporation; and China Unicom Ltd	TMT	China Mobile Limited; China Netcom Group Corporation (Hong Kong) Limited; and China Telecom			25,742	A speculated reform in the Chinese telecommunications sector will merge the five largest telecom operators in China into three entities.
Significant M&A	Yuanta Financial Holdings	Financial Services				7,147	Yuanta Financial Holdings, the Taiwan-listed financial institution, is rumoured to sell a significant stake in the company.
Rumoured takeover target	Wing Lung Bank Limited	Financial Services	Australia and New Zealand Banking Group Limited; and Industrial and Commercial Bank of China Limited	Goldman Sachs (B); Merrill Lynch (B)		4,912	Wing Lung Bank Ltd, the Hong Kong listed commercial bank, is rumoured to be a takeover target.
Significant M&A	Haier Group Company (white electrical appliances)	Consumer	Qingdao Haier Co Ltd		Haier Group Company	4,239	Qingdao Haier's parent company is likely to inject its white electrical appliances assets into Qingdao Haier which is estimated to be worth of CNY 32bn.
Significant M&A	Wuyang Iron & Steel	Industrials & Chemicals	Handan Iron & Steel Co Ltd		Handan Group	3,671	Handan Iron & Steel, the Shanghai-listed iron and steel manufacturer, is rumoured to have asset injection from its parent, Handan Group.
Significant M&A	An Hui Wenergy	Energy, Mining & Utilities	China Yangtze Power Co Ltd		Wenergy Group	1,390	Wenergy Group is selling its 34% stakes in An Hui Wenergy to China Yangtze Power Co Ltd, the Beijing-based listed energy company for CNY 2.84bn.
Significant M&A	Insigma Technology	TMT	Microsoft Corporation			1,387	Insigma Technology, the Chinese listed IT company was reported to discuss private placement of new shares to Microsoft.
Significant M&A	Taiwan Business Bank	Financial Services			Mega Financial Holding	1,327	Taiwan Business Bank was reported to have a foreign investor to acquire 13.4% stake.
Rumoured takeover target	Zhejiang Juhua Co Ltd	Industrial & Chemicals				956	Zhejiang Juhua Co Ltd, the Shanghai-listed chemicals and materials company, is rumoured to be a takeover target.
Significant M&A	Capital Securities Corporation	Financial Services		Morgan Stanley (S)	Hong Tai Group	929	Capital Securities Corporation, the Taiwan listed securities firm was reported to be eyed by three potential buyers

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# League tables

## Top 15 financial advisors - Greater China

### value

YTD 30-Apr-08	House	Value (\$m)	Deal count
1	Lehman Brothers	16,495	4
2	China International Capital	12,812	2
3	JPMorgan	5,089	5
4	Merrill Lynch	4,172	4
5	Morgan Stanley	3,982	3
6	Credit Suisse	3,943	4
7	UBS	3,301	7
8	Deutsche Bank	2,052	4
9	China Galaxy Securities	1,723	3
10	DBS Bank	1,291	3
11	CITIC Securities	1,051	4
12	Everbright Securities	884	1
13	Goldman Sachs	866	2
14	Taiwan Securities	824	1
15	Ping An Securities	775	2

Source: mergermarket

### volume

YTD 30-Apr-08	House	Value (\$m)	Deal count
1	UBS	3,301	7
2	JPMorgan	5,089	5
3	Optima Capital	129	5
4	Lehman Brothers	16,495	4
5	Merrill Lynch	4,172	4
6	Credit Suisse	3,943	4
7	Deutsche Bank	2,052	4
8	CITIC Securities	1,051	4
9	M&A International	68	4
10	Morgan Stanley	3,982	3
11	China Galaxy Securities	1,723	3
12	DBS Bank Ltd	1,291	3
13	Piper Jaffray & Co	765	3
14	KPMG Corp Fin	267	3
15	China International Capital	12,812	2

Source: mergermarket

The Financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Greater China.

## Top 15 legal advisors - Greater China

### value

YTD 30-Apr-08	House	Value (\$m)	Deal count
1	Clifford Chance	13,194	2
2	Mallesons Stephen Jaques	12,920	2
3 =	Ashurst	12,740	1
3 =	Simpson Thacher & Bartlett	12,740	1
5	White & Case	3,953	4
6	Haiwen & Partners	3,404	5
7	Allen & Gledhill	3,383	4
8	Allen & Overy	3,357	1
9	Sullivan & Cromwell	3,103	2
10	Shook Lin & Bok Singapore	3,103	1
11	Freshfields Bruckhaus Deringer	2,113	5
12	WongPartnership	1,793	4
13	Macfarlanes	1,380	2
14 =	Cleary Gottlieb Steen & Hamilton	1,260	1
14 =	Wachtell Lipton Rosen & Katz	1,260	1

Source: mergermarket

### volume

YTD 30-Apr-08	House	Value (\$m)	Deal count
1	Haiwen & Partners	3,404	5
2	Freshfields Bruckhaus Deringer	2,113	5
3	White & Case	3,953	4
4	Allen & Gledhill	3,383	4
5	WongPartnership	1,793	4
6	O'Melveny & Myers	484	4
7	Linklaters	224	4
8	LCS & Partners	120	4
9	K&L Gates	224	3
10	Jones Day	106	3
11	Clifford Chance	13,194	2
12	Mallesons Stephen Jaques	12,920	2
13	Sullivan & Cromwell	3,103	2
14	Macfarlanes	1,380	2
15	Lauseed & Tittan Law Firm	1,165	2

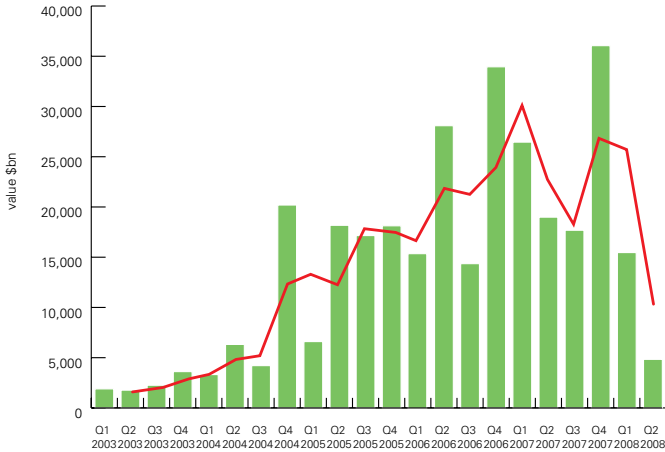
Source: mergermarket

The Legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Greater China.

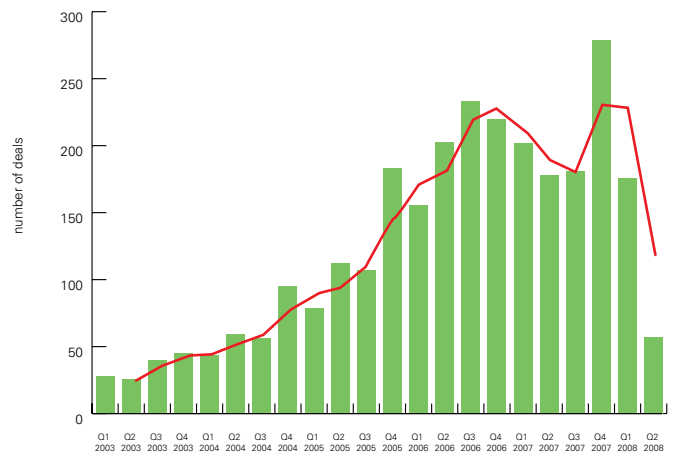
# Trend graphs

## Greater China M&A quarterly trend

value



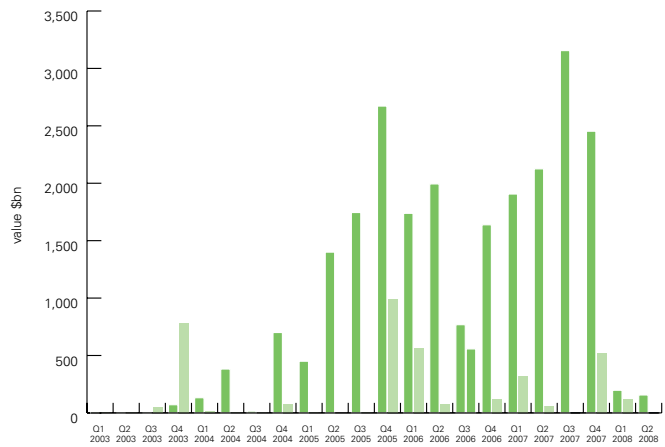
volume



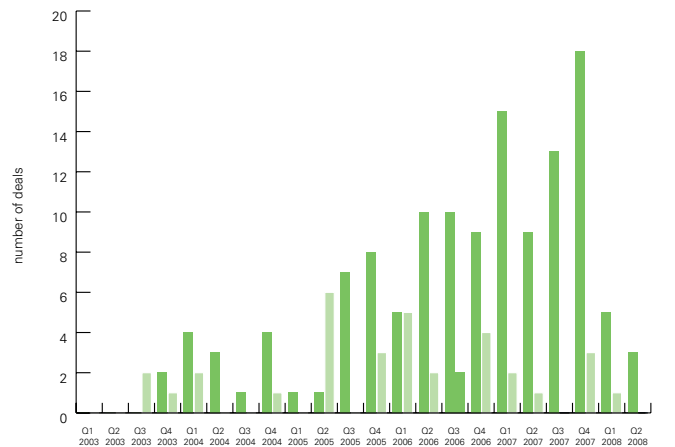
— Moving average trend line

## Greater China M&A quarterly private equity trend

value



volume



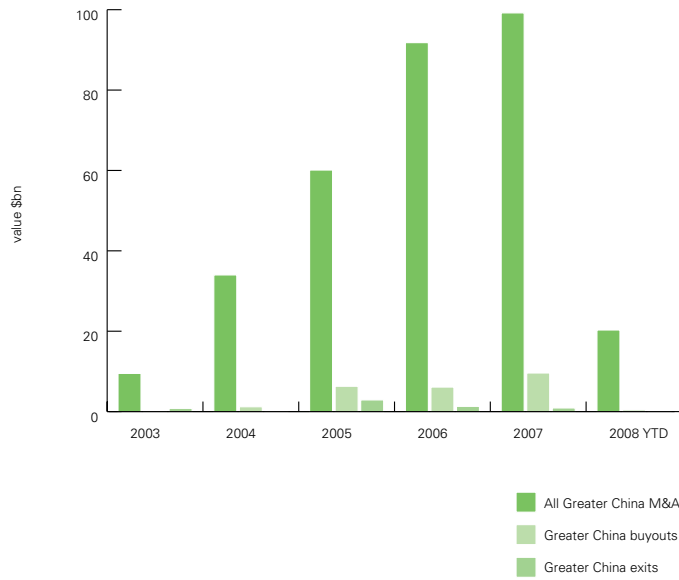
■ Greater China buyouts  
■ Greater China exits

■ Greater China buyouts  
■ Greater China exits

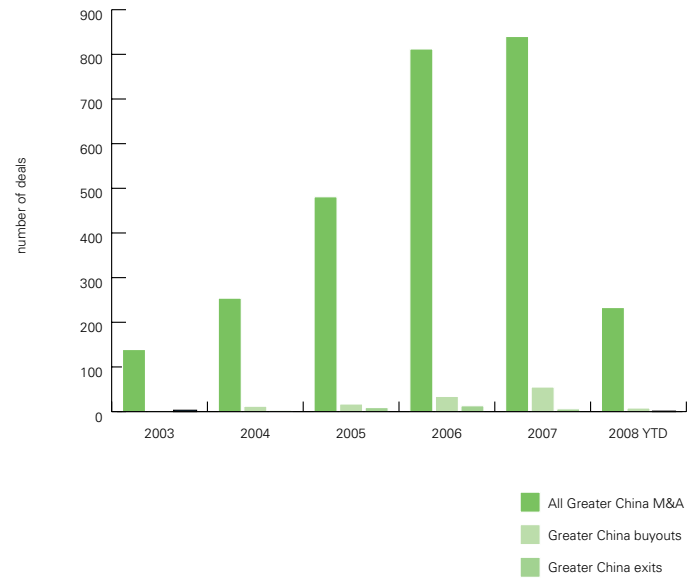
# Trend graphs

## Greater China M&A annual trends

value

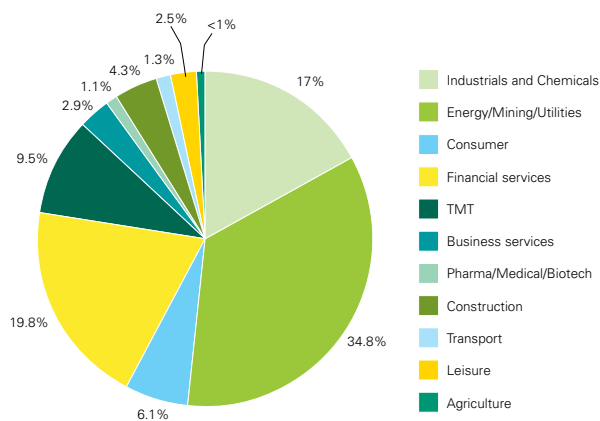


volume

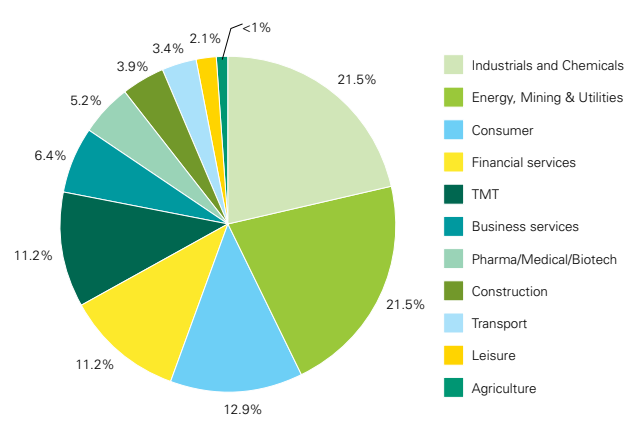


## Greater China M&A sector breakdown YTD 2008

value



volume





# Mid market deals

## Top 10 Greater China announced mid market deals for April 2008

(\$10m to \$250m)

Announced	Status	Target company	Sector	Target financial advisor	Target legal advisor	Bidder company	Bidder financial advisor	Bidder legal advisor	Seller company	Deal value (\$m)
28-Feb-08	P	Anhui Publishing Group Co Ltd (publishing and printing assets)	TMT			USTC Chuangxin	Haitong Securities		Anhui Publishing Group Co Ltd	236
28-Feb-08	C	Wuxi Little Swan Company Ltd (24.01% stake)	Consumer			Guangdong Midea Electric Appliances Co Ltd	CITIC Securities	Zhong Xin Xie Cheng Law Firm	Wuxi Guolian Development (Group) Company Limited	236
3-Mar-08	P	E-TEN Information Systems Company Limited	TMT	None used	None used	Acer Incorporated	KPMG	Not disclosed		231
23-Jan-08	P	Yunnan Xibu Mining Company Limited (80% stake)	Energy, Mining & Utilities			Glory Future Group Ltd			Leung Ngai Man (private investor)	231
15-Jan-08	P	Rongan Group Co Ltd (8 subsidiaries)	Financial Services			Success Information Industry Group Co Ltd	GF Securities	Zhe Jiang He Yi Law Office	Rongan Group Co Ltd	229
7-Apr-08	C	Chongqing Water Group (15% stake)	Energy, Mining & Utilities			NWS Holdings Limited; and Suez Environment	CIMB Group	Not disclosed		214
17-Jan-08	P	China Culture Development Digital Technology Co Ltd (49% stake)	Leisure			China Vanguard Group Ltd	Merrill Lynch; Somerley		Best Frontier Investments Limited	200
25-Jan-08	C	Ever Power Ipp Co Ltd (40% stake)	Energy, Mining & Utilities			Marubeni Corporation			China Development Industrial Bank; and Singapore Power International Pte Ltd	200
22-Apr-08	C	Jiang Su Province Broadcasting TV Info Network (20% stake)	TMT			CITIC Guoan Information Industry Co Ltd				195
26-Jan-08	C	Zhejiang Silk Holding Co Ltd	Industrials & Chemicals			China Honglou Group			State-owned Assets Supervision and Administration Commission of Zhejiang Province Government	194

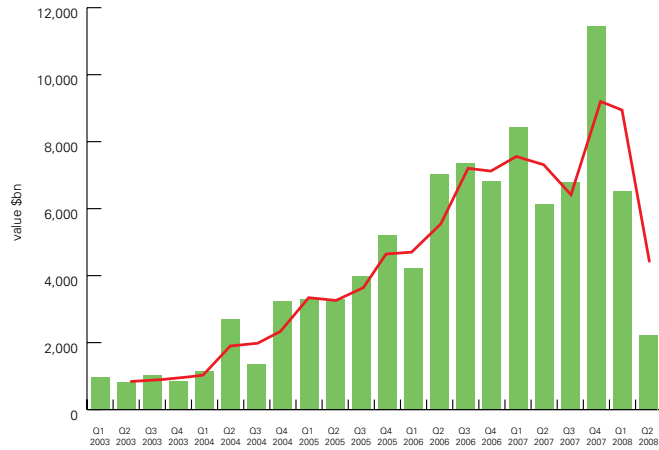
C = Completed; P = Pending; L = Lapsed

Source: mergermarket

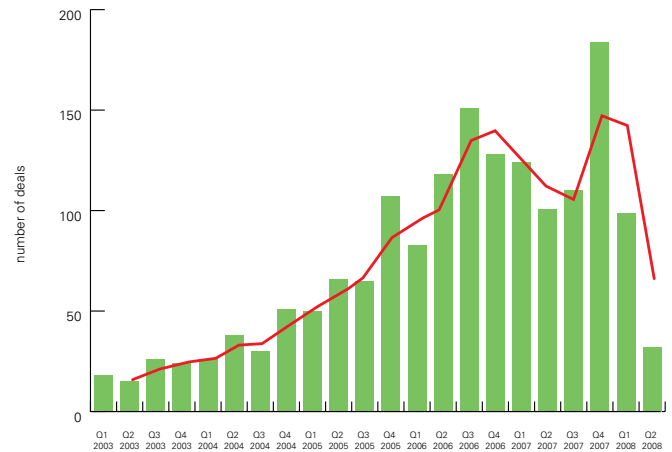
# Mid market deals

## Greater China M&A quarterly mid market trend

value



volume



— Moving average trend line

# Mid market league tables

## Top 10 mid market financial advisors – Greater China

(\$10m to \$250m)

YTD 30-Apr-08	House	Value (\$m)	Deal count
<b>Value:</b>			
1	CITIC Securities	457	3
2	GF Securities	422	2
3	UBS	420	2
4	Haitong Securities	388	2
5	Somerley	381	2
6	Merrill Lynch	350	2
7	DBS Bank	281	2
8	KPMG Corp Fin	267	3
9	CIMB Group	258	2
10	Piper Jaffray & Co	246	2
<b>Volume:</b>			
1	CITIC Securities	457	3
2	KPMG Corp Fin	267	3
3	M&A International	68	3
4	GF Securities	422	2
5	UBS	420	2
6	Haitong Securities	388	2
7	Somerley	381	2
8	Merrill Lynch	350	2
9	DBS Bank	281	2
10	CIMB Group	258	2

Source: mergermarket

## Top 10 mid market legal advisors – Greater China

(\$10m to \$250m)

YTD 30-Apr-08	House	Value (\$m)	Deal count
<b>Value:</b>			
1	O'Melveny & Myers	484	3
2	Allen & Gledhill	280	2
3	Woo Kwan Lee & Lo	240	2
4	Dechert	240	1
5	Blake, Cassels & Graydon	238	2
6	Zhong Xin Xie Cheng Law Firm	236	1
7	Zhe Jiang He Yi Law Office	229	1
8 =	Linklaters	224	3
8 =	K&L Gates	224	3
10	Baker Botts	213	1
<b>Volume:</b>			
1	O'Melveny & Myers	484	3
2 =	Linklaters	224	3
2 =	K&L Gates	224	3
4	Allen & Gledhill	280	2
5	Woo Kwan Lee & Lo	240	2
6	Blake, Cassels & Graydon	238	2
7	Beijing JiaYuan Law Firm	207	2
8	Grandall Legal Group	182	2
9	WongPartnership	180	2
10	Freshfields Bruckhaus Deringer	143	2

Source: mergermarket

The Financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Greater China.

Greater China: China, Hong Kong, Macau, Taiwan

The Legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Greater China.

## TCI battles over J-Power

- The government's decision over the J-Power has once again disappointed foreign investors. On 16 April 2008, the Ministry of Economy, Trade and Industry issued a press release to announce that the Children's Investment Fund (TCI), the London based asset management company "is recommended to discontinue the inward direct investment" into Japan. The argument is based on the Foreign Exchange and Foreign Trade Act, which required foreign investors to apply for prior approval when they plan to acquire more than a 10% stake in the listed companies engaged in the national security, such as weapons, aircrafts and nuclear energy. The application from TCI was rejected because if TCI increases its shareholding to 20%, "the stable supply of electric power and Japan's nuclear policy and nuclear fuel cycle-related policy may be affected."
- Like previous anti-foreign investment policies, this decision has also received two opposite reactions domestically. On one hand, the decision has successfully eased the vague anxiety about foreign influence over the stable power supply. Moreover, J-Power is planning a nuclear power plant, making it an important part of the national energy strategy. While it is not clear why the foreign investment might put the nation at risk, it seems that some people feel safer when the companies engaged in the public infrastructure are in the hands of Japanese nationals.
- Others argue that there is no predictability in the Japanese government's decision. When Japan tries to invite foreign investment to help the economic growth, it now became unclear to investors which companies are available for foreign acquisition for how much stake. Investors naturally seek certain return on investment, and the government has to clarify its policy to ensure the predictability in their return.
- TCI acquired a 9.9% stake in J-Power through the market transaction in 2006, when shares were traded above JPY4,500 per share. Since the beginning of year 2008, the share price is mostly staying below JPY4,000, and TCI cannot exit from the investment at the current price level. TCI is expected to rebuff the government recommendation.

## Prospect for generic products and reorganization in the pharmaceutical industry

- In 2007, the Japanese government has announced its policy to double the shares of generic products in the pharmaceutical market by 2012. Against the backdrop of increasing medical cost, the government pointed out the relatively low market share of generic products, which is only 16.8% in Japan compared to 56% in the US or 49.3% in the UK, and decided to change the prescription system to help it expand its share. This policy has raised the expectation of higher demand for generic products, and boosted the M&A market in the sector.
- On 14 March 2008, Nichi-Iko has announced a basic agreement to acquire Teikoku Medix, which is expected to create the top generic drug supplier in Japan. This is the third acquisition of the Japanese generic drug supplier since the above government announcement, after Zydus' acquisition of Nippon Universal Pharmaceutical and Lupin's acquisition of Kyowa Pharmaceutical Industry. Most of the Japanese players, such as Nihon Chouzai are relatively small in size, with annual sales of less than \$100m, and the industry is expecting further reorganization.

## Softbank Telecom acquires JapanTelecom Invoice

- Softbank Telecom has announced on 25 April 2008 that it will acquire JapanTelecom Invoice, the company created with the joint venture partner Invoice. Under the scheme, Softbank Telecom will acquire an 85.1% stake in JapanTelecom Invoice for a consideration of \$245m and make it a wholly owned subsidiary upon completion. The consideration seems to be too large for a company that recorded net losses of \$188m and \$70m in the year 2006 and 2007, respectively, but a high return is expected in the fiscal year 2008
- Invoice is a listed Japanese communication services company and expanded its business area in the peripheral field. Invoice is currently going through an internal restructuring, and the sale of JapanTelecom Invoice is the second divestment after the sale of Invoice RM in 2007. The proceeds from the sale is expected to be used to pay up the interest bearing debt and reinforce its financial standing.

# Deal of the month

<b>Target:</b>	Bosch Corporation (38.52% stake)	<b>Announced:</b>	23 April 2008
<b>Bidder:</b>	Robert Bosch GmbH	<b>Deal value:</b>	\$1bn
<b>Seller:</b>		<b>Deal nature:</b>	Public

- Robert Bosch GmbH, the Germany based electronics components manufacturer, has agreed to acquire the 38.52% it does not own of Bosch Corporation, its Japan listed electronics parts manufacturer subsidiary.

## Structure

- The transaction is in the form of a cash tender offer to acquire remaining 38.52% of Bosch Corporation.

## Terms

- \$5.8 in cash per Bosch Corp share.
- The offer price represents a 34.83% premium over the closing price of Bosch Corp of \$4.3 on 23 April 08 (announcement made after closing).
- The offer price values Bosch Corp at \$2.61bn, valued using the closing exchange ratio of \$1: JPY 103.118, the closing exchange rate on 23 Apr 08).
- Bosch Corp does not have outstanding convertible bonds.

## Substantial shareholders

- Robert Bosch directly owns a 59.7% stake of Bosch Corporation.
- Robert Bosch GmbH has a collective interest of 61.48% in Bosch Corp.

## Financing

- Robert Bosch GmbH will require an aggregate \$1bn of cash to finance the acquisition.

## Post-deal

- Robert Bosch GmbH intends to delist Bosch Corp.

## Conditions

- The offer is unconditional.

## Deal of the month

Exit multiples - Y/E 31 Dec 2007			Premium analysis	
	Multiples	Value (JPYm)	Offer price per share (JPY)	
Revenue	0.8x	343,406	1 day before	600
EBITDA	6.8x	39,499	1 month before	34.83%
EBIT	9.4x	28,585	1 day after	44.23%
Earnings	14.2x	18,776	Pre-rumor	n/a

Advisers			
Target		Bidder	
Financial	KPMG Corp Fin	Financial	UBS
Legal	Nakamura, Tsunoda & Matsumoto	Legal	Freshfields Bruckhaus Deringer
PR		PR	Gavin Anderson & Company

Timetable and expected events			
Offer timetable	Date		Notes
Target's official response	23 April 2008	Y	Board of directors agrees with the tender offer to be made by Robert Bosch GmbH
Offer commences	24 April 2008	Y	from company; offer commencement notice issued on the same day, Article 27-9
Last day to extend offer	19 June 2008		latest at closing date, Article 27-6(3)
Last day for rival offer	19 June 2008		latest at closing date, original offer period extended by rival offer period, Code 13-5(ro)
Last day to revise offer	19 Jun 2008		latest at closing date, offer period extended by 10 calendar days, Article 27-6(3), Code 13
Offer closes	19 June 2008		from company
Offer results	20 June 2008		normally next calendar day from closing date of offer
Settlement	26 June 2008		normally 7 calendar days from closing date for cash offers, intermediary restricted to trust companies, Article 1-3
Company events	Date		Notes
6041 Q1 2008	23 April 2008		ref first quarter of financial result of Bosch Corporation
6041 ex-dividend date (interim)	30 June 2008		estimate end Jun 08; ref last day to purchase Bosch Corp shares to receive interim dividend of JPY 5 per share; 3 trading days prior to record date
6041 interim dividend date (payment)			estimate mid Sept 08; transfer of interim dividend of exp JPY 5 per share to Bosch Corp shareholders

Mergermarket/dealReporter Intelligence	
30 April 2008	Bosch: June 30 cut-off day for shareholders who will be eligible to receive dividend
24 April 2008	Robert Bosch offer for subsidiary needs no regulatory approval; Freshfields and Nakamura advising

# Top deals

## Top 15 Japanese announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
31-Jan-08	C	Mizuho Securities Ltd (4.35% stake)	Financial Services	Mizuho Corporate Bank Ltd		n/a	n/a		-	2,350
15-Jan-08	P	SBI E*Trade Securities Co Ltd. (47.74% stake)	Financial Services	SBI Holdings Inc		n/a	n/a	24.0	-5.0%	1,362
13-Feb-08	C	Toyama Chemical Co Ltd (63.95% stake)	Industrials & Chemicals	FUJIFILM Holdings Corp		14.1	(loss)	(loss)	39.5%	1,296
14-Mar-08	P	Ashikaga Bank Limited	Financial Services	Nomura Holdings; Nomura Financial Partners Co; Next Capital Partners Co Ltd; and JAFCO Co Ltd	Deposit Insurance Corporation of Japan	n/a	n/a	1.8	-	1,212
23-Apr-08	P	Bosch Corporation (38.52% stake)	Industrials & Chemicals	Robert Bosch GmbH		0.8	7.3	15.3	34.8%	1,005
31-Mar-08	C	Shinsei Bank Limited (13.70% stake)	Financial Services	Deposit Insurance Corporation of Japan		n/a	n/a	(loss)	6.8%	979
27-Mar-08	P	Tokyu Store Chain (60.40% stake)	Consumer	Tokyu Corporation		0.3	8.7	(loss)	28.3%	689
31-Mar-08	C	Chiyoda Corporation (23.13% stake)	Construction	Mitsubishi Corporation		0.5	7.6	8.7	-3.3%	608
16-Jan-08	C	Nippei Toyama Corporation (70.67% stake)	Industrials & Chemicals	Komatsu Ltd		1.1	7.9	11.7	54.3%	595
25-Mar-08	P	Shin Caterpillar Mitsubishi Ltd (16.60% stake)	Industrials & Chemicals	Caterpillar Inc	Mitsubishi Heavy Industries Ltd	0.7			-	500
21-Jan-08	C	Sanyo Electric (mobile phone business)	TMT	KYOCERA Corporation	Sanyo Electric Co Ltd	0.2			-	470
13-Feb-08	C	Aiful Corporation (15.19% stake)	Financial Services	Yamakatsu Co		n/a	n/a	(loss)	-	460
3-Mar-08	C	Aozora Bank Limited (8% stake)	Financial Services	Cerberus Capital Management LP		n/a	n/a	9.6	15.2%	416
27-Feb-08	C	Hitachi Displays Ltd (24.90% stake)	TMT	Canon Inc	Hitachi Ltd				-	402
15-Feb-08	C	Hitachi Displays Ltd (24.90% stake)	TMT	Matsushita Electric Industrial Company Limited	Hitachi Ltd				-	402

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Top deals

## Top 5 Japanese announced deals of the month (30 April 2008)

Announced	Status	Target Company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
23-Apr-08	P	Bosch Corporation (38.52% stake)	Industrials & Chemicals	Robert Bosch GmbH		0.8	7.3	15.3	34.8%	1,005
1-Apr-08	P	Showa Yakuin Kako Co	Pharma, Medical & Biotech	AIG Japan Partners Inc; Phoenix Capital Co Ltd; and Tokio Marine Capital Co Ltd	CVC Asia Pacific Ltd; and JAFCO Co Ltd	4.9			-	392
25-Apr-08	C	JapanTelecom Invoice Co. Ltd (85.10% stake)	Business Services	Softbank Telecom Co Ltd	Invoice Inc	0.9		11.3	-	245
3-Apr-08	C	Riken Vitamin Co Ltd (30.07% stake)	Consumer	SFCG Co Ltd	TZCS Inc	1.1	11.5	42.8	-	219
10-Apr-08	P	U-Store Co Ltd (35.76% stake)	Consumer	Uny Co Ltd		0.2	8.1	14.4	7.0%	88

C = Completed; P = Pending; L = Lapsed

Source: mergermarket



# Expected deals

## Pipeline of Japans expected deals

Situation	Target Company	Sector	Potential bidder company	Financial adviser to bidder (B); target (T); seller (S)	Seller company	Market cap/ est. value (\$m)	Comments
Expected Deal	Central Finance/ QUOQ Inc/ OMC Card	Financial Services	Sumitomo Mitsui Financial Group Inc	Citigroup (T)		23,000 (2006 turnover of the three companies to be merged)	Sumitomo Mitsui Financial Group announces basic agreement on merger of OMC Card, Central Finance and Quoq. SMFG holds a 33% stake in OMC, 23% in CF and 32% in Quoq, but currently has not intention to acquire the full control. No definitive plan has been announced regarding the listing of the newly merged company
Expected Deal	Mitsubishi UFJ Nicos	Financial Services	Mitsubishi UFJ Financial Group	Nomura (B), Mitsubishi UFJ Securities (T)		725 (34.5% stake)	Mitsubishi UFJ Financial Group (MUFG) issued a company press release regarding a report that it planned to make Mitsubishi UFJ Nicos, a consumer credit firm, into a wholly owned subsidiary. MUFG is planning to increase its stake in Nicos.
Expected Deal	Sapporo Holdings Limited	Consumer	Steel Partners	Mizuho Corp Bank, Nikko Citigroup (T)		3,045 (49% stake and net debt)	Steel Partners Japan Strategic Fund, the wholly owned subsidiary of US-based investment fund Steel Partners, has submitted a revised offer on 10 March 2008 to raise the offer price to JPY 875 per share to acquire 33.3% of voting rights in Sapporo Holdings
Expected Deal	Bank of Ikeda	Financial Services	Senshu Bank			741 (market cap)	Bank of Ikeda announced with Senshu Bank an agreement on a planned merger with the new holding company.
Expected Deal	Electric Power Development Company Limited (J-Power)	Energy, Mining & Utilities	TCl (The Children's Investment Fund)			6,000 (market cap)	TCl applied for increasing its stake in J-Power from 9.9% to 20%, and the government has recommended it to abandon the proposal. TCl is expected to launch a proxy fight.
Expected Deal	Teikoku Medix Co Ltd	Pharma, Medical & Biotech	Nichi-iko Pharmaceutical Co Ltd		Teikoku Seiyaku Co Ltd	JPY 6bn (estimated deal value)	Nichi-iko has signed a basic agreement to acquire Teikoku Medix, creating the top generic drug supplier in Japan.
Legal Action	Marubeni Corporation	Financial Services				3,240 (market cap)	Marubeni Corp, a Japan-based trading company, faces legal action from Lehman Brothers over alleged fraud perpetrated by two former employees of the Japanese group. Lehman Brothers has filed suit on 31 March 2008 for JPY 35bn (USD 352m).
Takeover target	Maruichi Steel Tube Co Ltd	Industrials & Chemicals	Steel Partners			95 (market cap)	Maruichi Steel Tube Ltd. a Japan-based steel products manufacturer, is rumoured to be a takeover target from PE firm, Steel Partners.

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# League tables

## Top 10 financial advisors - Japan

### value

YTD 30-Apr-08	House	Value (\$m)	Deal count
1	UBS	9,358	4
2	Goldman Sachs	8,558	5
3	Nomura	5,613	19
4	KPMG Corp Fin	4,441	10
5	Mizuho Financial Group	3,491	17
6	JPMorgan	3,262	3
7	SBI Holdings	2,724	1
8	Daiwa Securities Group	2,596	15
9	Merrill Lynch	2,320	4
10	Citigroup	1,852	11
11	Credit Suisse	1,572	2
12	GCA Savvian	1,551	8
13	Ernst & Young	1,362	2
14	Rothschild	1,310	1
15	Mitsubishi UFJ Securities	1,273	11

Source: mergermarket

### volume

YTD 30-Apr-08	House	Value (\$m)	Deal count
1	Nomura	5,613	19
2	Mizuho Financial Group	3,491	17
3	Daiwa Securities Group	2,596	15
4	Citigroup	1,852	11
5	Mitsubishi UFJ Securities	1,273	11
6	KPMG Corp Fin	4,441	10
7	GCA Savvian	1,551	8
8	Goldman Sachs	8,558	5
9	UBS	9,358	4
10	Merrill Lynch	2,320	4
11	Morgan Stanley	790	4
12	JPMorgan	3,262	3
13	Credit Suisse	1,572	2
14	Ernst & Young	1,362	2
15	Lazard	526	2

Source: mergermarket

The Financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Japan.

## Top 10 legal advisors - Japan

### value

YTD 30-Apr-08	House	Value (\$m)	Deal count
1	Skadden Arps Slate Meagher & Flom	9,554	3
2=	Edwards Angell Palmer & Dodge	7,555	1
2=	Gibson Dunn & Crutcher	7,555	1
2=	WilmerHale	7,555	1
5	Nishimura & Asahi	6,301	11
6	Mori Hamada & Matsumoto	2,893	10
7	Sullivan & Cromwell	2,164	6
8	Shearman & Sterling	1,805	3
9	Anderson Mori & Tomotsune	1,634	3
10	TMI Associates	1,466	2
11	Nagashima Ohno & Tsunematsu	1,368	8
12	Nakamura, Tsunoda & Matsumoto	1,162	2
13	Freshfields Bruckhaus Deringer	1,030	2
14	Goodwin Procter	600	1
15	Abe, Ikubo & Katayama	595	1

Source: mergermarket

### volume

YTD 30-Apr-08	House	Value (\$m)	Deal count
1	Nishimura & Asahi	6,301	11
2	Mori Hamada & Matsumoto	2,893	10
3	Nagashima Ohno & Tsunematsu	1,368	8
4	Sullivan & Cromwell	2,164	6
5	Morrison & Foerster	120	5
6	Skadden Arps Slate Meagher & Flom	9,554	3
7	Shearman & Sterling	1,805	3
8	Anderson Mori & Tomotsune	1,634	3
9	Baker & McKenzie	492	3
10	TMI Associates	1,466	2
11	Nakamura, Tsunoda & Matsumoto	1,162	2
12	Freshfields Bruckhaus Deringer	1,030	2
13	Linklaters	320	2
14	CAST Itoga Law	268	2
15	Latham & Watkins	260	2

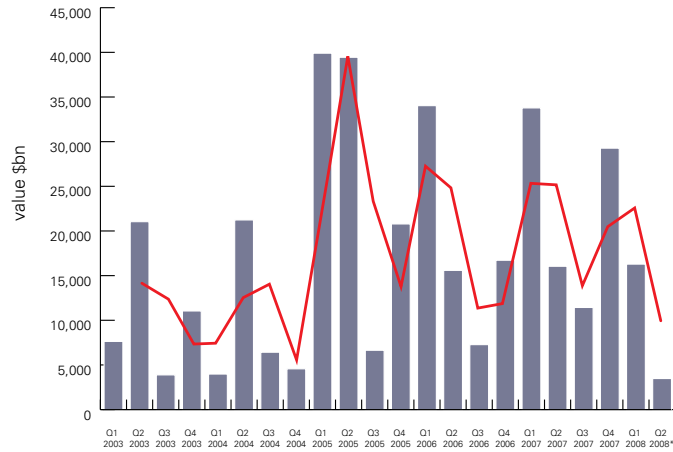
Source: mergermarket

The Legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Japan.

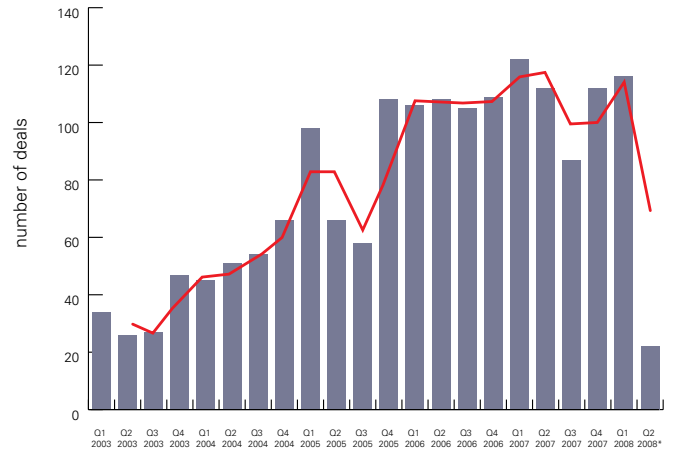
# Trend graphs

## Japanese M&A quarterly trend

value



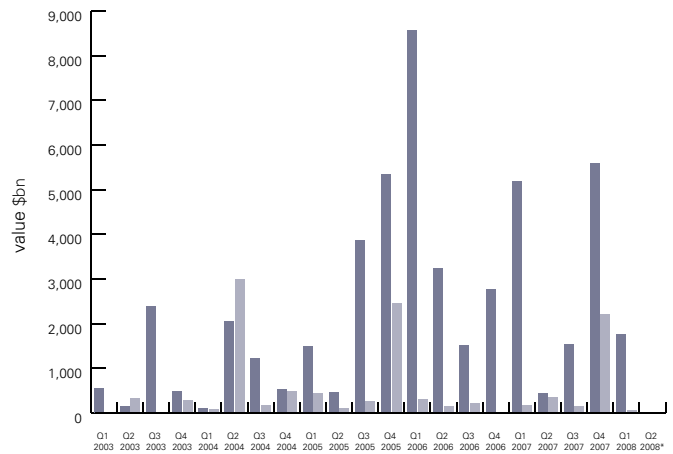
volume



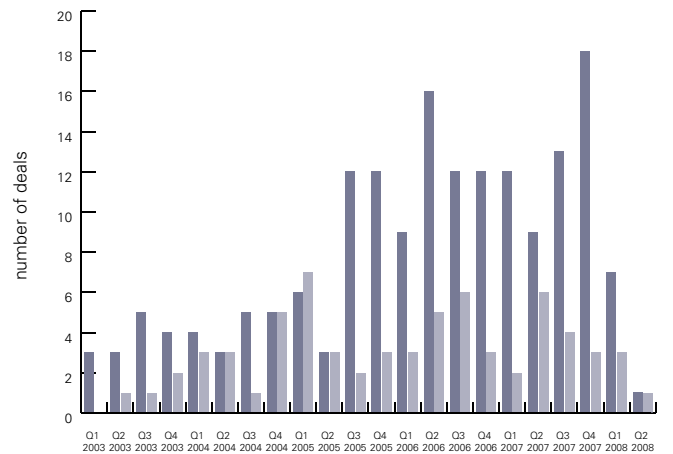
— Moving average trend line

## Japanese M&A quarterly private equity trend

value



volume



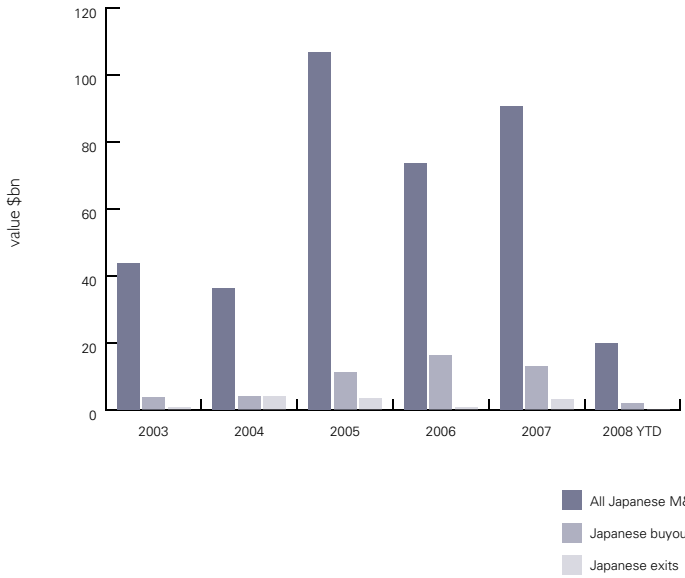
■ Japanese buyouts  
■ Japanese exits

■ Japanese buyouts  
■ Japanese exits

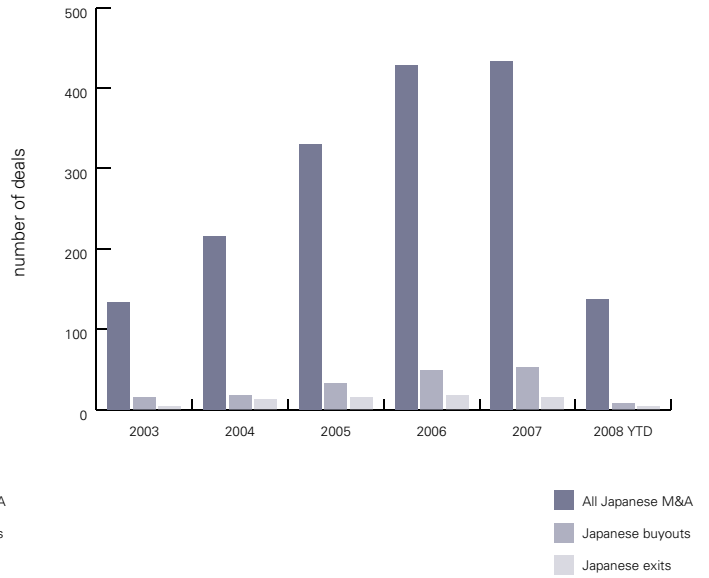
# Trend graphs

## Japanese M&A annual trends

value

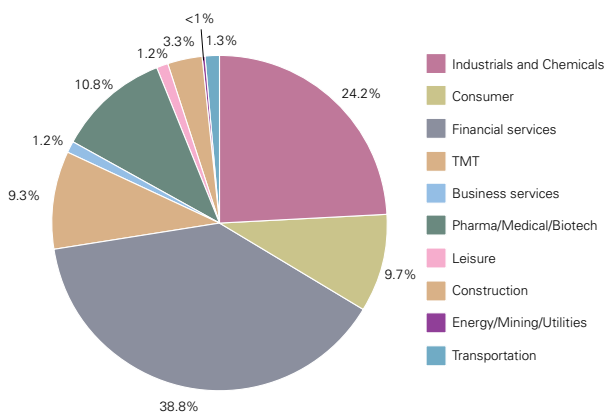


volume

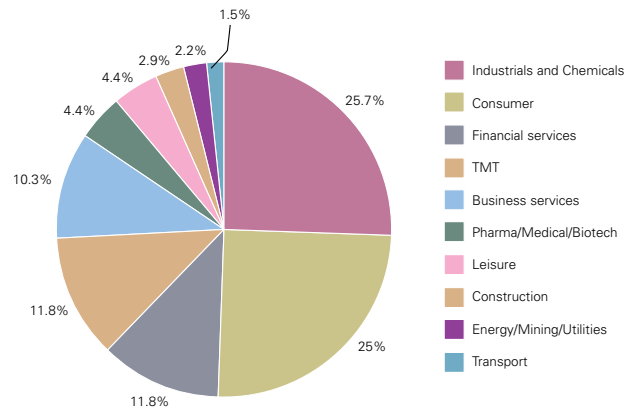


## Japanese M&A sector breakdown YTD 2008

value



volume



# Mid market deals

## Top 10 Japanese announced mid market deals for YTD 30 April 2008

(\$10m to \$250m)

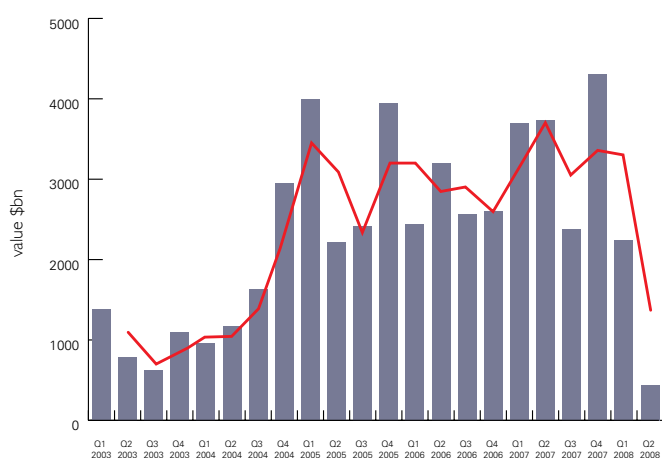
Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
25-Apr-08	C	JapanTelecom Invoice Co Ltd (85.10% stake)	Business Services	Softbank Telecom Co. Ltd	Invoice Inc	0.9		11.3	-	245
1-Feb-08	C	Nippon Mail Transportation Co Ltd (88.06% stake)	Transportation	Japan Post Holdings Co Ltd					-	228
3-Apr-08	C	Riken Vitamin Co Ltd (30.07% stake)	Consumer	SFCG Co Ltd	TZCS Inc	1.1	11.5	42.8	-	219
11-Mar-08	P	The Goodwill Group Inc (16.54% stake)	Business Services	Cerberus Capital Management		0.7	21.8	(loss)	-61.5%	194
10-Jan-08	P	Ginza Cozy Corner Co Ltd	Consumer	Lotte Holdings Co Ltd					-	182
19-Mar-08	P	Kibun Food Chemifa Co Ltd (49.94% stake)	Consumer	Kikkoman Co Ltd		0.1	1.4	20.4	19.0%	157
29-Feb-08	C	Japan Alcohol Corporation (66.60% stake)	Consumer	Japan Alcohol Trading Co Ltd	Government of Japan				-	139
14-Mar-08	C	Sunshine City Corporation (27.77% stake)	Financial Services	Mitsubishi Estate Co Ltd		1.8		12.8	-	130
31-Mar-08	C	Invoice RM Inc	Financial Services	Apamanshop Holdings	Bougainvillea Consulting	0.3			-	112
30-Jan-08	C	Renesas Technology Corp (Kumamoto semiconductor plant)	TMT	Mitsubishi Electric Corporation	Renesas Technology Corp				-	102

C = Completed; P = Pending; L = Lapsed

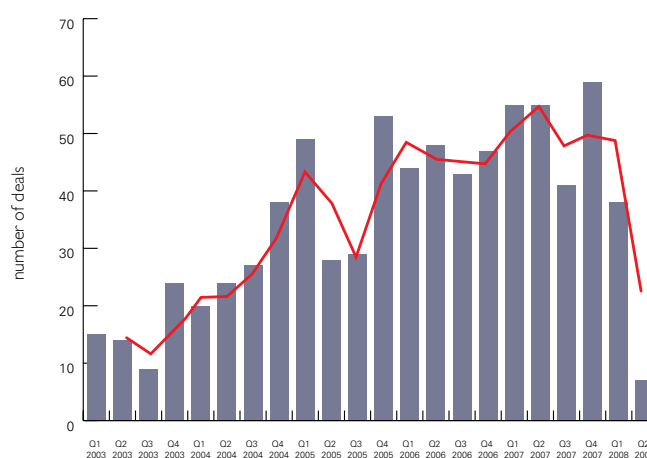
Source: mergermarket

## Japanese M&A quarterly mid market trend

value



volume



— Moving average trend line

# Mid market league tables

## Top 10 mid market financial advisors – Japan

(\$10m to \$250m)

YTD 30-Apr-08	House	Value (\$m)	Deal count
<b>Value:</b>			
1	Mizuho Financial Group	776	9
2	Mitsubishi UFJ Securities	671	6
3	Nomura	438	8
4	Morgan Stanley	374	3
5	Daiwa Securities Group	358	8
6	GCA Savvian	289	3
7=	Deutsche Bank	233	1
7=	Goldman Sachs	233	1
9	Lazard	226	1
10	KPMG Corp Fin	209	4
<b>Volume:</b>			
1	Mizuho Financial Group	776	9
2	Nomura	438	8
3	Daiwa Securities Group	358	8
4	Mitsubishi UFJ Securities	671	6
5	KPMG Corp Fin	209	4
6	Morgan Stanley	374	3
7	GCA Savvian	289	3
8	Citigroup	126	3
9=	Deutsche Bank	233	1
9=	Goldman Sachs	233	1

Source: mergermarket

The Financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Japan.

## Top 10 mid market legal advisors – Japan

(\$10m to \$250m)

YTD 30-Apr-08	House	Value (\$m)	Deal count
<b>Value:</b>			
1	Nishimura & Asahi	541	4
2	Nagashima Ohno & Tsunematsu	416	5
3	CAST Itoga Law	268	2
4	Sullivan & Cromwell	250	3
5	Shearman & Sterling	233	1
6	Mori Hamada & Matsumoto	208	3
7	Nakamura, Tsunoda & Matsumoto	157	1
8=	Shook Lin & Bok Singapore	118	1
8=	Stamford Law	118	1
8=	WongPartnership	118	1
<b>Volume:</b>			
1	Nagashima Ohno & Tsunematsu	416	5
2	Nishimura & Asahi	541	4
3	Sullivan & Cromwell	250	3
4	Mori Hamada & Matsumoto	208	3
5	CAST Itoga Law	268	2
6	Kitamura & Hiraga	113	2
7	White & Case	59	2
8	Shearman & Sterling	233	1
9	Nakamura, Tsunoda & Matsumoto	157	1
10=	Shook Lin & Bok Singapore	118	1
10=	Stamford Law	118	1

Source: mergermarket

The Legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Japan.

# Australia

## Consolidation efforts continue in the Energy, Mining & Utilities sector

- The energy and mining space has seen increasing consolidation and following this trend Australian Worldwide Exploration ended media speculation by announcing that it will merge with Perth based ARC Energy in a deal worth \$512m<sup>1</sup>. As part of the deal, ARC Energy's exploration assets in Canning Basin, Western Australia will be spun-off into a separate entity and listed on the ASX as Buru Energy. In the cash-and-scrip deal, AWE is offering ARC shareholders cash, AWE shares and Buru shares totaling AU\$1.59 per share. The deal is in line with the recent trend of Australian mid-size resource companies looking to merge with their rivals amid rising oil prices and increased project costs.
- Following the BHP Billiton/Rio Tinto merger announcement in early 2008, a string of large Australian resource deals seems to be coming to the market, most recently BG Group approached Origin Energy with a proposal to acquire all outstanding shares in a deal valued at over \$11bn. The Board of Macarthur Coal has also confirmed an approach from a third party in relation to a potential \$3bn+ transaction.
- Just a week after the AWE and ARC merger announcement, Nexus Energy and Anzon released a statement confirming their decision to terminate their proposed merger. The termination was due to lower results of Anzon's Basker 6STI well drilling project than were expected. Nexus worried that the results would negatively affect projected future earnings and thus insisted on renegotiating the proposed merger terms. ARC Energy has subsequently confirmed that the company is not interested in returning with a new bid for Anzon.
- The current year has also seen the failure to complete Australian mining company Murchison Metals agreement to acquire its Australian counterpart Midwest Corporation, due to an irreconcilable value gap and lack of shareholder support.

## But all efforts are not successful...

- Despite the vast mass of consolidation efforts, a large number of announced Australian resource deals have recently lapsed. Last October, ARC Energy was in talks with mid-size producer Anzon about a possible merger after Anzon received interest from several parties and put itself up for sale. ARC Energy eventually came out trumps with an offer to buy out Anzon Energy and its subsidiary and largest shareholder Anzon Australia. However, money would always be the determining factor for the deal and in the end another industry player, Nexus Energy, came in with a higher bid to exceed the original ARC offer.
- Australian insurance group QBE recently advised that its proposal to merge with fellow insurer IAG in an \$8bn transaction has been extended until 19 May 2008. The extension has been given to allow stakeholders more time to consider the impact of IAG's recent profit downgrade and the value of QBE shares. QBE remains interested in seeing through a friendly merger with the recommendation of IAG's board. The IAG board has so far stuck by its initial rejection of the offer, despite the increased pressure to speak with QBE and begin discussions on an agreed proposal.
- The delay in finding a friendly solution has sparked market rumors that rival bidders are now looking at IAG, which could complicate the bid from QBE. Zurich and AIG are believed to be among the potential suitors, with Zurich chief executive, David Smith, being a former boss at IAG New Zealand. Australian insurer NRMA is also believed to hold a key role for the outcome for IAG, as the company owns a 3% stake in IAG and its members are understood to represent around 60% of IAG's shareholder base.

<sup>1</sup>All values are in US dollars unless otherwise specified

# Deal of the month

<b>Target:</b>	ARC Energy Limited	<b>Announced:</b>	24 April 2008
<b>Bidder:</b>	Australian Worldwide Exploration Limited	<b>Deal value:</b>	\$512m (all values in US dollars unless stated otherwise)
<b>Seller:</b>		<b>Deal nature:</b>	Recommended

- Australian Worldwide Exploration Limited, the Australia listed oil exploration company, has agreed to merge with ARC Energy Limited, the Australia listed energy company, in a deal valued at \$512m.
- In relation to the transaction ARC will demerge its exploration assets in Canning Basin, Western Australia into a new ASX listed company called Buru Energy. ARC will be a cornerstone shareholder in Buru Energy Limited, with a 15% stake. Buru will be well funded and expected to have total cash of \$70.6m on listing. The company will retain the delivery obligations of ARC under the Alcoa gas sales contract.
- Under basic terms, AWE will issue 0.3 shares, pay AU\$0.19 in cash plus issue 0.425 Buru Energy shares per ARC share. Under the maximum cash elective, AWE will issue 0.268 shares, pay AU\$0.31 in cash plus issue 0.425 Buru shares per ARC share.
- The basic exchange terms implies an offer price of AU\$1.634, based on the AWE closing price of AU\$3.78 on 23 Apr 08, the last trading day prior to the announcement. The offer represents a premium of 6.10% over the ARC Energy closing price of AU\$1.54 on 23 Apr 08, the last trading day prior to the announcement.
- The basic terms will require AWE to issue 95.4m new shares, leading to a 17.48% dilution of the existing share capital, while the max cash alternative will lead to a 15.91% dilution. AWE has committed AUD 100m towards the maximum cash alternative.
- ARC Energy and AWE have mutually agreed on an amount of AUD 4.5m to be paid to the other party should there be any events falling into the pre-described Material Adverse Change, any misrepresentation of materials, material break of the MIA and failure in commitment from Boards.

## Conditions:

- ASX approval on demerger of 85% of Buru Energy Limited from ARC Energy.
- Approval from ARC Energy Limited shareholders on the Scheme.
- Confirmation from Australian Taxation Office on scrip-for-scrip rollover relief for ARC shareholders.
- No Material Adverse Change for both parties.
- No Prescribed Occurrences for both parties.
- Exclusivity on the Scheme



## Deal of the month

Exit Multiples - 30/06/2007			Premium analysis	
	Multiples	Value (\$m)	Offer price per share (AUD)	
Revenue	5.1x	100.62	1 day before	1.54
EBITDA	10.7x	48.00	1 month before	6.1%
EBIT	64.3x	7.96	1 day after	61.78%
Earnings	68.2x	5.16	Pre-Rumor	-

Advisers			
Target/Seller		Bidder	
Financial	ABN AMRO Macquarie Group	Financial	Goldman Sachs
Legal	Mallesons Stephen Jaques	Legal	Clayton Utz
PR		PR	

mergermarket/dealReporter Intelligence	
01-May-08	Arc expects to appoint Deloitte as independent experts on AWE deal; Buru Energy indicative listing date mid-August.
24-Apr-08	ARC Energy: AWE unlikely to face rival bids, no regulatory clearances needed, source says.
24-Apr-08	AWE likely to make cash and scrip offer for ARC Energy through scheme, floating cash component set at minimum 19c/share - sources say.
15-Apr-08	AWE/ARC merger: due diligence underway; AWE to have \$300m in cash for expansion; synergies expected in JV projects, sources say.

Timetable and expected events	
Offer timetable	
MIA lodgment	Expected mid June 08. Merger Implementation Agreement lodged with ASIC, latest 2 months from announcement, Section 631.
1st court hearing	Expected late June 08. Approval from Federal Court.
MIA document issued	Expected end Jun 08. Merger implementation document issued under Companies Act 1993 and notification to secured creditors of companies involved. Latest 20 trading days prior to Effective Date.
Scheme meeting	Approval of the merger of ARC Energy Limited and Australian Worldwide Exploration Limited.
2nd court hearing	Expected early August 08. Approval from Federal Court.
Settlement	Transfer of new AWE shares to ARQ shareholders.
Company events	
ARQ ex-rights	Last day to purchase ARQ shares to be eligible to vote at the Scheme Meeting. Ex-right date 4 trading days prior to record date and record date 2 trading days prior to Scheme Meeting.

# Top deals

## Top 15 Australian announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
3-Mar-08	P	Zinifex Ltd	Energy, Mining & Utilities	Oxiana Limited		2.3	3.3	8.3	13.9%	3,817
11-Mar-08	P	Dyno Nobel Limited (87% stake)	Industrials & Chemicals	Incitec Pivot Ltd		2.0	20.5	61.8	19.4%	2,468
4-Feb-08	P	Stella Group (65% stake)	Leisure	CVC Asia Pacific Ltd	MFS Limited	5.4		21.1	-	1,101
20-Mar-08	P	Equigold NL	Energy, Mining & Utilities	Lihir Gold Limited		10.5	19.2	31.7	24.0%	962
14-Mar-08	P	Midwest Corporation Ltd (80.31% stake)	Energy, Mining & Utilities	Sinosteel Corporation		34.7	(loss)	(loss)	34.9%	879
31-Mar-08	P	Just Group Limited (99.1% stake)	Consumer	Premier Investments Limited		1.3	8.4	14.9	18.6%	836
18-Jan-08	P	Tenix Defence Pty Ltd	Defence	BAE Systems plc	The Tenix Group	1.1	14.3		-	682
1-Feb-08	P	Queensland Gas Company Ltd (9.90% stake); and Queensland Gas Company Ltd (coal seam gas assets in the Surat) (20% stake)	Energy, Mining & Utilities	BG Group Plc					-	601
23-Jan-08	L	Anzon Australia Limited	Energy, Mining & Utilities	Nexus Energy Limited	Anzon Energy Ltd				29.2%	530
24-Apr-08	P	ARC Energy Limited	Energy, Mining & Utilities	Australian Worldwide Exploration Limited		5.1	10.7	68.2	6.1%	512
27-Mar-08	P	Programmed Maintenance Services Limited	Business Services	Spotless Group Limited		1.8	11.9	21.6	31.7%	480
2-Feb-08	P	SOCO Yemen Pty Limited (Australia)	Energy, Mining & Utilities	Sinochem Petroleum Limited	SOCO International plc				-	465
25-Mar-08	P	Inghams Enterprises (bloodstock operations)	Leisure	Darley Stud	Ingham Enterprises				-	400
11-Feb-08	P	Shell Development Australia (North West Shelf oil interest) (16.70% stake)	Energy, Mining & Utilities	Woodside Energy Ltd	Shell Development Australia Pty Ltd				-	399
30-Jan-08	P	Herald Resources Ltd	Energy, Mining & Utilities	Aneka Tambang; and Shenzhen Zhongjin Lingnan Nonfemet		68.7	(loss)	(loss)	-	368

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Top deals

## Top 5 Australian announced deals of the month (April 2008)

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
24-Apr-08	P	ARC Energy Limited	Energy, Mining & Utilities	Australian Worldwide Exploration Limited		5.1	10.7	68.2	6.1%	512
4-Apr-08	P	Cracow Mining (70% stake)	Energy, Mining & Utilities	Beadell (Cracow) Pty Ltd	Newcrest Mining Limited				-	181
20-Apr-08	C	Ivf Australia Pty Ltd	Pharma, Medical & Biotech	Quadrant Private Equity Pty Limited					-	93
15-Apr-08	C	VineCrest	Consumer	Indage Holdings Limited					-	93
30-Apr-08	P	Strides Arcolab Limited (Australian and Asian business)	Pharma, Medical & Biotech	Geneparm Australasia	Strides Arcolab Limited				-	61

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Expected deals

## Pipeline of Australian expected deals

Situation	Target company	Sector	Potential bidder company	Financial adviser to bidder (B); target (T); seller (S)	Seller company	Market cap est. value (\$m)	Comments
Rumoured Takeover Target	Fortescue Metals Group Ltd	Energy, Mining & Utilities	China Investment Corporation; and China Shenhua Energy Company		Leucadia; and Harbinger Capital	14,513	Fortescue Metals has become a rumoured takeover target after confirming it has held discussions with a range of potential investors.
Expected deal	Origin Energy	Energy, Mining & Utilities	BG Group Plc	Macquarie Bank (T); Goldman Sachs (B); Gresham Partners (B)		11,111	BG Group has approached Origin Energy with a proposal to acquire all Origin shares at a cash price of AUD 14.70 per share. The proposal is subject to shareholder and regulatory approvals and other terms and customary conditions.
Rumoured Takeover Target	Santos Ltd	Energy, Mining & Utilities				9,306	Santos, the Australian listed energy company announced that it is at a preliminary stage of considering various potential strategic initiatives.
Expected deal	Insurance Australia Group Limited	Financial Services	QBE Insurance Group Limited	UBS (T)		7,145	QBE has approached IAG regarding a possible merger between IAG and QBE through a scheme of arrangement. The proposal is subject to IAG board recommendation, satisfactory due diligence, discussions with business relationship partners and signing a merger implementation deed.
Expected deal	Mirvac Group	Financial Services	Lend Lease Corporation Limited			3,625	Lend Lease, the Australian-listed property group, has been rumoured to team up with Stockland, the Australian-listed property group, to make a bid for Mirvac, the Australian-listed property group. Meanwhile, Mirvac Group has confirmed a strategic partnership with Nakheel, the Dubai-based developer, via a AUD 300m (USD 265m) placement.
Expected deal	Macarthur Coal	Energy, Mining & Utilities	Undisclosed bid	JPMorgan (T)		2,940	The Board of Macarthur Coal Limited has confirmed an approach from a third party in relation to a potential transaction. The announcement has sparked speculation of possible bids from Citic, Shenhua Energy Baosteel, Rio Tinto, BHP Billiton, Vale, AMCI, Anglo American and Xstrata among others.
Rumoured Takeover Target	Aquila Resources Limited	Energy, Mining & Utilities				1,677	Aquila Resources Limited, the Australia listed miner, is rumoured to be a takeover target from its shareholder, AMCI Australia Pty Ltd.
Expected deal	Australian Pharmaceutical Industries	Pharma, Medical & Biotech		Citibank (T)		373	Australian Pharmaceutical Industries, the Australia-listed pharma, would wait the outcome of takeover moves around listed peer Symbion before talking about options for further consolidation.
Expected deal	Equity Trustees	Financial Services			Trust Company L.	200	Trust Company has confirmed that it is in preliminary discussions with Equity Trustees regarding a possible merger. The board of directors is yet to consider a proposal nor have the parties commenced any due diligence.

Source: mergermark

# League tables

## Top 15 financial advisors

value

YTD 30-April- 08	House	Value (\$m)	Deal count
1	UBS	218,711	11
2	Citigroup	217,572	6
3	Morgan Stanley	215,984	4
4	Macquarie Group	215,914	12
5	Lazard	214,764	3
6	Credit Suisse	214,437	3
7	JPMorgan	212,012	3
8	Rothschild	211,602	4
9	Goldman Sachs	211,459	3
10	Merrill Lynch	211,349	3
11	BNP Paribas	211,333	2
12	Gresham Advisory Partners	211,243	3
13	Deutsche Bank	210,868	2
14=	HSBC Bank	210,868	1
14=	SG	210,868	1

Source: mergermarket

volume

YTD 30-April- 08	House	Value (\$m)	Deal count
1	Macquarie Group	215,914	12
2	UBS	218,711	11
3	KPMG Corp Fin	1,176	9
4	Citigroup	217,572	6
5	Morgan Stanley	215,984	4
6	Rothschild	211,602	4
7	Caliburn Partnership	5,615	4
8	Deloitte	555	4
9	Lazard	214,764	3
10	Credit Suisse	214,437	3
11	JPMorgan	212,012	3
12	Goldman Sachs	211,459	3
13	Merrill Lynch	211,349	3
14	Gresham Advisory Partners	211,243	3
15	PricewaterhouseCoopers Corp Fin	1,107	3

Source: mergermarket

The Financial adviser league tables by value and volume have been run from 1 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Australia.

## Top 15 Legal Advisors

value

YTD 30-April- 08	House	Value (\$m)	Deal count
1	Allens Arthur Robinson	218,579	10
2	Sullivan & Cromwell	213,336	2
3	Blake Dawson	212,688	11
4	Skadden Arps Slate Meagher & Flom	211,481	4
5	Lovells	211,275	3
6=	Cravath Swaine & Moore	210,868	1
6=	Davies Ward Phillips & Vineberg	210,868	1
6=	Herbert Smith, Gleiss Lutz, Stibbe	210,868	1
6=	Linklaters	210,868	1
6=	McCarthy Tetrault	210,868	1
6=	Slaughter and May	210,868	1
12	Malleons Stephen Jaques	6,712	18
13	Clayton Utz	5,371	6
14	Freehills	3,612	15
15	Blake, Cassels & Graydon	2,468	1

Source: mergermarket

volume

YTD 30-April- 08	House	Value (\$m)	Deal count
1	Malleons Stephen Jaques	6,712	18
2	Freehills	3,612	15
3	Blake Dawson	212,688	11
4	Minter Ellison	1,538	11
5	Allens Arthur Robinson	218,579	10
6	Baker & McKenzie	981	9
7	Corrs Chambers Westgarth	2,414	8
8	Clayton Utz	5,371	6
9	Deacons	1,871	6
10	Jones Day	480	6
11	Gilbert + Tobin	1,085	5
12	McCullough Robertson	96	5
13	Skadden Arps Slate Meagher & Flom	211,481	4
14	Cochrane Lishman	1,447	4
15	DLA Piper	114	4

Source: mergermarket

The Legal adviser league tables by value and volume have been run from 1 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Australia.

# League tables

## Activity table of private equity firms on Australian buyouts

value

YTD 30-April- 08	House	Value (\$m)	Deal count
1	CVC Capital Partners	1,101	1
2	AMP Capital Investors	269	1
3	ANZ Private Equity	260	1
4	Hastings Funds Management	260	1
5	Quadrant Private Equity	93	1

Source: mergermarket

volume

YTD 30-April- 08	House	Value (\$m)	Deal count
1	CVC Capital Partners	1,101	1
2	AMP Capital Investors	269	1
3	ANZ Private Equity	260	1
4	Hastings Funds Management	260	1
5	Quadrant Private Equity	93	1

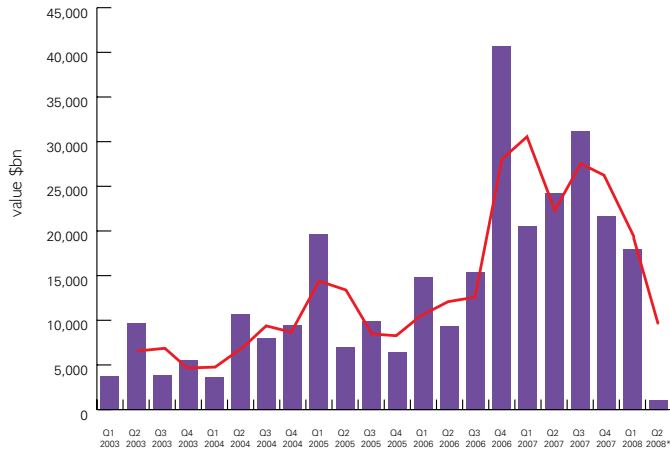
Source: mergermarket

The private equity buyout activity tables by value and volume are based on private equity firms advising the bidder on buyout deals where the dominant geography of the target company is Australia. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.

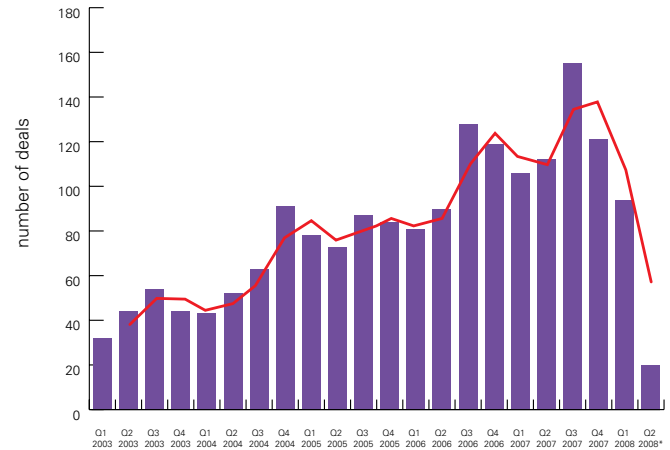
# Trend Graphs

## Australian M&A quarterly trends

value



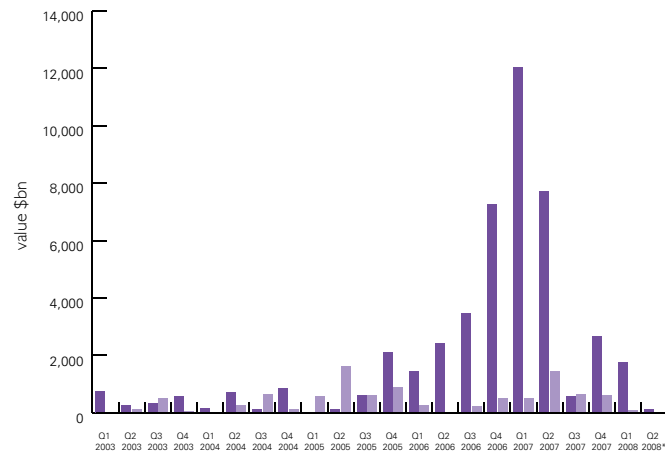
volume



— Moving average trend line

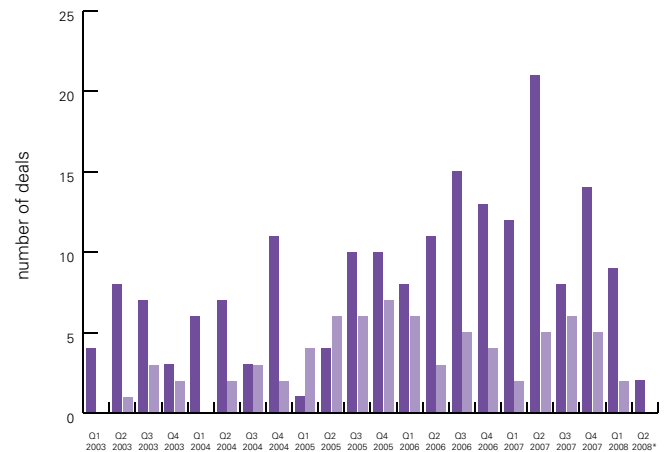
## Australian M&A quarterly private equity trends

value



■ Australia buyouts  
■ Australia exits

volume

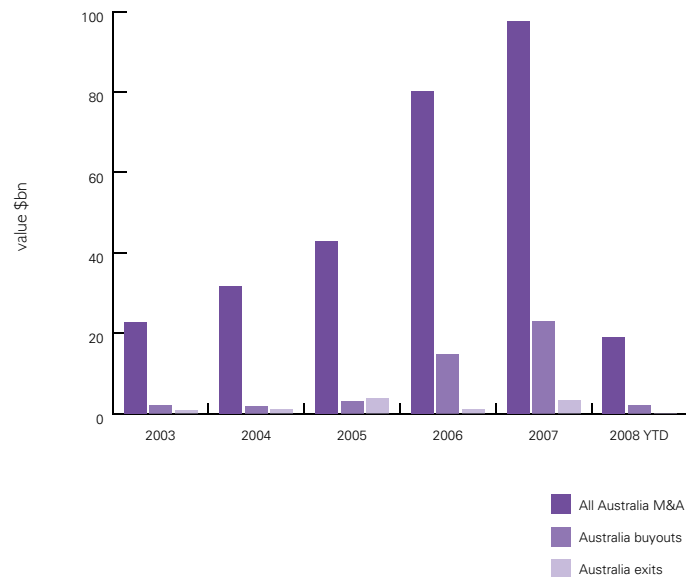


■ Australia buyouts  
■ Australia exits

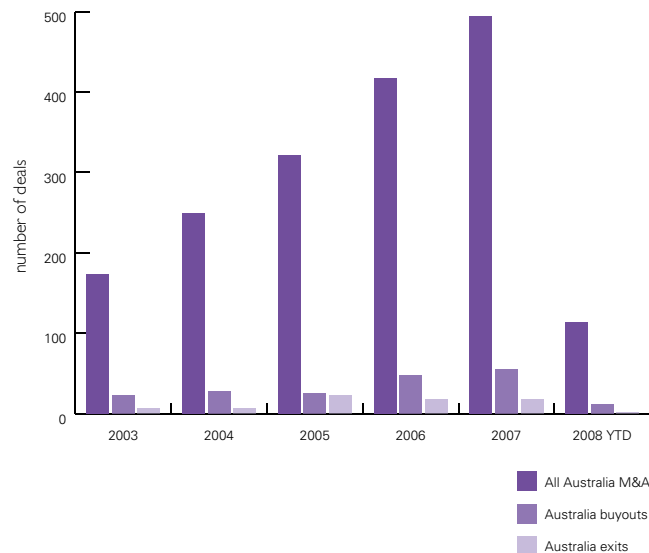
# Trend graphs

## Australian M&A Annual Trends

value

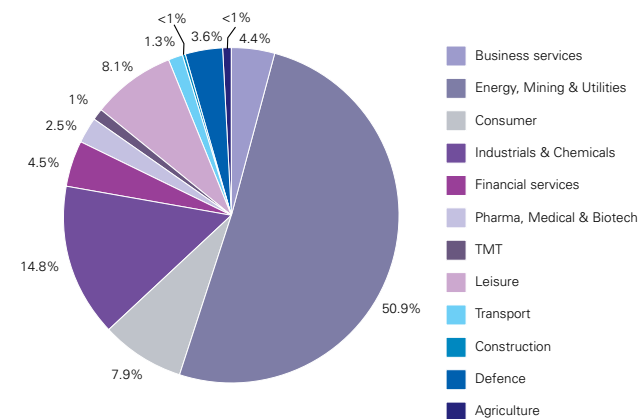


volume

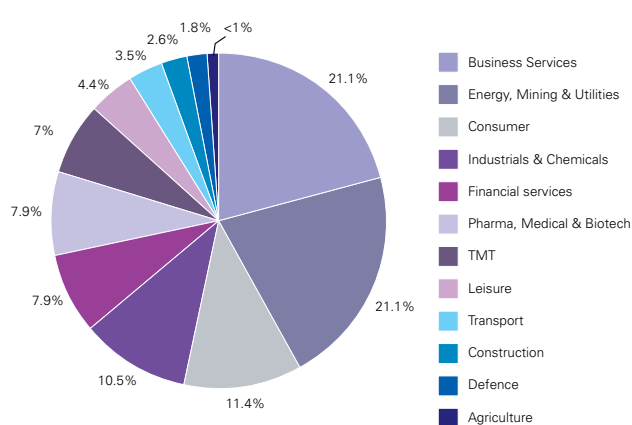


## Australian M&A Sector Breakdown YTD 2008

value



volume





# Mid market deals

## Top 10 Australian announced mid market deals for YTD 30 April 2008

(\$10m to \$250m)

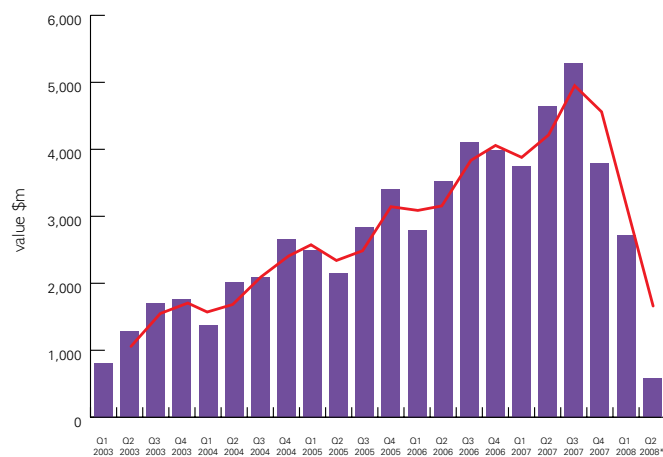
Announced	Status	Target company	Sector	Bidder company	Seller company	Exit Multiples (x)			Bid premia 1-day before	Deal value (\$m)
						Revenue	EBITDA	P/E		
17-Mar-08	C	ConnectEast Group (14.79% stake)	Transportation	John Holland Infrastructure Nominees Pty Ltd; and Thiess Infrastructure Nominees Pty Ltd				(loss)	-7.3%	240
8-Feb-08	P	Suncorp-Metway Ltd (credit card portfolio)	Financial Services	Citibank Australia	Suncorp-Metway Ltd	n/a	n/a		-	206
29-Jan-08	P	Mineral Securities Limited	Energy, Mining & Utilities	CopperCo Ltd		35.8	(loss)	3.0	2.1%	199
4-Apr-08	P	Cracow Mining (70% stake)	Energy, Mining & Utilities	Beadell (Cracow) Pty Ltd	Newcrest Mining Limited				-	181
31-Jan-08	P	Mount Gibson Iron Limited (9.74% stake)	Energy, Mining & Utilities	Shougang Concord International Enterprises Company Ltd	Gazmetall Holdings Cyprus Limited	14.0	20.0	60.7	15.6%	180
21-Jan-08	C	Collotype International Holdings Pty Ltd	Industrials & Chemicals	Multi Color Corporation		1.3			-	175
5-Mar-08	C	Tasman group	Agriculture	Swift Australia Pty Limited		0.3			-	148
6-Feb-08	P	QM Technologies Limited	Business Services	Computershare Communication Services Ltd	JGL Investments Pty Ltd	2.5	10.4	17.7	51.1%	142
9-Jan-08	C	Karrinyup Shopping Centre (25% stake)	Consumer	UniSuper Management Pty Limited; and Westfield Group	Stockland Corporation Limited				-	135
6-Feb-08	P	TPG Holdings Pty Ltd	TMT	Soul					-	134

C = Completed; P = Pending; L = Lapsed

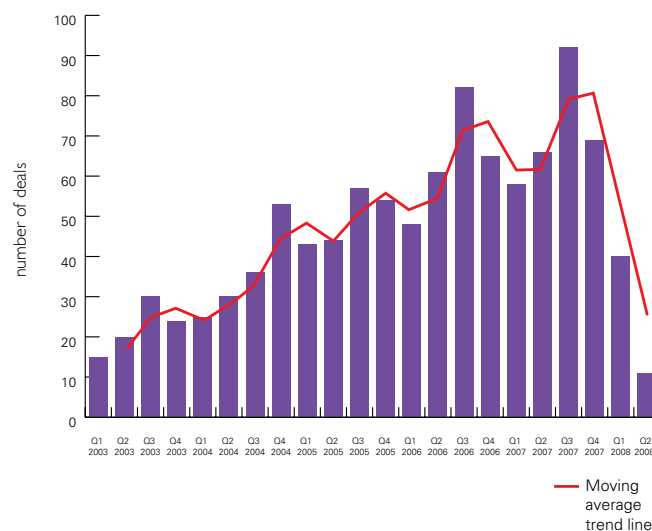
Source: mergermarket

## Australian M&A quarterly mid market trend

value



volume



— Moving average trend line

# Mid market league tables

## Top 10 mid market financial advisors

### – Australia

(\$10m to \$250m)

YTD 30-Apr-08	House	Value (\$m)	Deal count
<b>Value:</b>			
1	Macquarie Group	736	6
2	Deloitte	555	4
3	UBS	521	3
4	Citigroup	419	3
5	Rothschild	254	2
6	Pottinger Associates	206	1
7	RBC Capital Markets	199	1
8	Noble & Co	186	1
9	KPMG Corp Fin	153	4
10	ABN AMRO	142	1
<b>Volume:</b>			
1	Macquarie Group	736	6
2	Deloitte	555	4
3	KPMG Corp Fin	153	4
4	UBS	521	3
5	Citigroup	419	3
6	Rothschild	254	2
7	Ernst & Young	33	2
8	Pottinger Associates	206	1
9	RBC Capital Markets	199	1
10	Noble & Co	186	1

Source: mergermarket

The Financial adviser league tables by value and volume have been run from 1 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Australia.

## Top 10 mid market legal advisors

### – Australia

(\$10m to \$250m)

YTD 30-Apr-08	House	Value (\$m)	Deal count
<b>Value:</b>			
1	Mallesons Stephen Jaques	943	9
2	Minter Ellison	642	6
3	Jones Day	480	3
4	Freehills	468	7
5	Allens Arthur Robison	328	2
6	Corrs Chambers Westgarth	321	2
7	Arnold Bloch Leibler	296	2
8	Freshfields Bruckhaus Deringer	267	2
9=	Cochrane Lishman	199	1
9=	Franklyn Legal	199	1
<b>Volume:</b>			
1	Mallesons Stephen Jaques	943	9
2	Freehills	468	7
3	Minter Ellison	642	6
4	Baker & McKenzie	140	5
5	Blake Dawson	170	4
6	Jones Day	480	3
7	Gilbert + Tobin	143	3
8	Allens Arthur Robison	328	2
9	Corrs Chambers Westgarth	321	2
10	Arnold Bloch Leibler	296	2

Source: mergermarket

The Legal adviser league tables by value and volume have been run from 1 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Australia.

# Europe

## Top 15 European announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
6-Feb-08	P	Rio Tinto plc	Energy, Mining & Utilities	BHP Billiton Ltd		7.1	19.7	19.4	3.2%	144,085
30-Jan-08	C	Philip Morris International Inc	Consumer	Altria Group Inc (Shareholders)	Altria Group Inc				-	71,922
25-Jan-08	C	Scottish & Newcastle plc	Consumer	Carlsberg A/S; and Heineken NV		3.2	22.6	22.7	4.4%	13,007
1-Feb-08	C	Rio Tinto plc (12% stake)	Energy, Mining & Utilities	Aluminum Corporation of China; and Alcoa Inc		5.4	14.9	20.5	21.1%	9,458
7-Apr-08	P	Alcon Inc (24.85% stake)	Pharma, Medical & Biotech	Novartis AG	Nestle SA	7.0	18.8	25.3	-3.5%	6,746
31-Mar-08	P	Vin & Sprit AB	Consumer	Pernod-Ricard SA	Government of Sweden	5.1	23.3	33.9	-	5,626
23-Apr-08	P	Neuf Cegetel SA (60.32% stake)	TMT	SFR SA		2.6	11.8	29.0	0.8%	5,558
17-Apr-08	P	KM Invest ZAO (50% stake)	Financial Services	Interros Company	Onexim Group OOO	n/a	n/a		-	4,641
3-Mar-08	P	Scania AB (16.84% stake)	Industrials & Chemicals	Volkswagen AG	Investor AB; Marcus and Amalia Wallenberg Foundation; Marianne and Marcus Wallenberg Foundation; and The Knut and Alice Wallenberg Foundation	2.3	12.2	18.8	17.4%	2,863
28-Feb-08	P	Fiedler & Lundgren AB; House of Prince AS; and JL Tiedemanns Tobaksfabrik AS	Consumer	British American Tobacco Plc	Skandinavisk Tobakskompagni A/S		11.2		-	2,668
17-Mar-08	P	Hellenic Telecommunications Organisation SA (20% stake)	TMT	Deutsche Telekom AG	Marfin Investment Group Holdings SA	2.4	9.8	22.1	35.8%	2,549
29-Feb-08	P	TGK-10 (Territorial Generating Company)	Energy, Mining & Utilities	Fortum Oyj	Unified Energy System of Russia	3.7	39.9	177.9	13.3%	2,283
17-Apr-08	P	Expro International Group Plc	Energy, Mining & Utilities	AlpInvest Partners NV; Candover Partners Limit; and GS Capital Partners					8.5%	2,221
14-Feb-08	P	Migros Turk Ticaret AS	Consumer	BC Partners Ltd; Turkven Private Equity; and DeA Capital SpA	Koc Holding AS	0.8	5.1	6.8	11.4%	2,203
2-Apr-08	P	Fortis Investment Management (50% stake)	Financial Services	Ping An Insurance Company of China Ltd	Fortis NV	n/a	n/a	42.2	-	2,150

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

## Top 5 European announced deals of the month (April 2008)

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
7-Apr-08	P	Alcon Inc (24.85% stake)	Pharma, Medical & Biotech	Novartis AG	Nestle SA	7.0	18.8	25.3	-3.5%	6,746
23-Apr-08	P	Neuf Cegetel SA (60.32% stake)	TMT	SFR SA		2.6	11.8	29.0	0.8%	5,558
17-Apr-08	P	KM Invest ZAO (50% stake)	Financial Services	Interros Company	Onexim Group OOO	n/a	n/a		-	4,641
17-Apr-08	P	Expro International Group Plc	Energy, Mining & Utilities	AlpInvest Partners NV; Candover Partners Limit; and GS Capital Partners					8.5%	2,221
2-Apr-08	P	Fortis Investment Management (50% stake)	Financial Services	Ping An Insurance Company of China Ltd	Fortis NV	n/a	n/a	42.2	-	2,150

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# League tables

## Top 20 financial advisors - Europe

### value

YTD 30-Apr 2008	House	Value (€m)	Deal count
1	JPMorgan	261,153	45
2	Deutsche Bank	254,026	26
3	Credit Suisse	253,156	28
4	Goldman Sachs	241,979	28
5	Citigroup	235,024	28
6	UBS	181,067	38
7	Merrill Lynch	173,328	33
8	Rothschild	171,711	55
9	Morgan Stanley	165,300	27
10	Lazard	151,718	25
11	SG	150,773	11
12	HSBC Bank	148,438	14
13	BNP Paribas	147,769	17
14	Macquarie Group	144,211	3
15	Gresham Advisory Partners	144,085	1
16	Lehman Brothers	102,423	16
17	Centerview Partners	71,922	1
18	FIH PARTNERS	13,265	6
19	CALYON	12,912	6
20	China International Capital	8,607	1

Source: mergermarket

### volume

YTD 30-Apr 2008	House	Value (€m)	Deal count
1	Rothschild	171,711	55
2	Deloitte	4,241	53
3	PricewaterhouseCoopers Corp Fin	4,508	48
4	JPMorgan	261,153	45
5	KPMG Corp Fin	3,095	44
6	Ernst & Young	8,553	39
7	UBS	181,067	38
8	Merrill Lynch	173,328	33
9	Credit Suisse	253,156	28
10	Goldman Sachs	241,979	28
11	Citigroup	235,024	28
12	Morgan Stanley	165,300	27
13	BDO Corporate Finance	342	27
14	Deutsche Bank	254,026	26
15	Lazard	151,718	25
16	Close Brothers Group	2,365	23
17	ABN AMRO	5,019	19
18	BNP Paribas	147,769	17
19	Lehman Brothers	102,423	16
20	Grant Thornton Corporate Finance	699	16

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Europe

## Top 20 legal advisors - Europe

### value

YTD 30-Apr 2008	House	Value (€m)	Deal count
1	McCarthy Tetrault	221,804	6
2	Linklaters	178,446	49
3	Sullivan & Cromwell	161,856	13
4	Cravath Swaine & Moore	155,431	6
5	Slaughter and May	151,632	20
6	Skadden Arps Slate Meagher & Flom	151,267	16
7	Herbert Smith, Gleiss Lutz, Stibbe	150,974	18
8	Lovells	150,147	28
9	Davies Ward Phillips & Vineberg	145,229	2
10	Allens Arthur Robinson	144,684	6
11	Blake Dawson	144,085	1
12=	Hunton & Williams	71,922	1
12=	Sutherland Asbill & Brennan	71,922	1
14	Clifford Chance	37,856	55
15	Allen & Overy	34,866	46
16	Freshfields Bruckhaus Deringer	31,282	57
17	Ashurst	24,525	27
18	Vinge	23,660	24
19	Hammarskiöld & Co	15,884	3
20	Kromann Reumert	15,675	6

Source: mergermarket

### volume

YTD 30-Apr 2008	House	Value (€m)	Deal count
1	Freshfields Bruckhaus Deringer	31,282	57
2	Clifford Chance	37,856	55
3	Linklaters	178,446	49
4	Allen & Overy	34,866	46
5	DLA Piper	2,163	33
6	Jones Day	5,868	32
7	Lovells	150,147	28
8	CMS	3,304	28
9	Ashurst	24,525	27
10	White & Case	9,342	27
11	Mannheimer Swartling	1,305	26
12	Vinge	23,660	24
13	Addleshaw Goddard	1,093	23
14	Eversheds	638	23
15	Osborne Clarke	483	23
16	Slaughter and May	151,632	20
17	Baker & McKenzie	2,955	20
18	Travers Smith	1,717	20
19	SJ Berwin	2,448	19
20	Herbert Smith, Gleiss Lutz, Stibbe	150,974	18

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Europe

# League tables

## Activity table of private equity firms on European buyouts

value

YTD 30-Apr 2008	House	Value (€m)	Deal count
1	GS Capital Partners	2,771	2
2	AlpInvest Partners	2,221	2
3	Candover Partners	2,221	1
4=	BC Partners	2,203	1
4=	DeA Capital	2,203	1
4=	Turkven Private Equity	2,203	1
7=	Global Infrastructure Partners	2,107	1
7=	Montagu Private Equity	2,107	1
7=	UCIL	2,107	1
10	Nordic Capital	1,238	2
11	3i Group	1,235	9
12=	Grove International Partners	1,127	1
12=	JC Flowers & Co	1,127	1
14	GIC Special Investments	1,121	2
15	Altor Equity Partners	1,017	2

Source: mergermarket

volume

YTD 30-Apr 2008	House	Value	Deal count
1	3i Group	1,235	9
2	Lloyds TSB Development Capital	113	5
3	Penta Investments	108	5
4	ISIS Private Equity Partners	50	4
5	AXA Private Equity	331	3
6	Argos Soditic	27	3
7	CapMan Group	11	3
8	TVM Capital	-	3
9	GS Capital Partners	2,771	2
10	AlpInvest Partners	2,221	2
11	Nordic Capital	1,238	2
12	GIC Special Investments	1,121	2
13	Altor Equity Partners	1,017	2
14	Apax Partners	1,008	2
15	Charterhouse Capital Partners	906	2

Source: mergermarket

The private equity buyout activity tables by value and volume are based on private equity firms advising the bidder on buyout deals where the dominant geography of the target company is Europe. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.

## Activity table of private equity firms on European exits

value

YTD 30-Apr 2008	House	Value (€m)	Deal count
1	Marfin Investment Group Holdings	2,549	1
2	Permira	1,631	1
3	3i Group	1,028	14
4=	Compagnie Nationale a Portefeuille / Nationale Portefeuillemaatschappij	836	1
4=	Eurazeo	836	1
4=	Lehman Brothers Private Equity	836	1
4=	One Equity Partners	836	1
8	Bridgepoint Capital	792	2
9	EQT Partners	756	2
10	CCMP Capital Advisors	715	1
11	Investcorp	631	1
12	Montagu Private Equity	550	1
13	Barclays Private Equity	541	2
14	HgCapital	431	4
15	Natexis Industrie	415	1

Source: mergermarket

volume

YTD 30-Apr 2008	House	Value (€m)	Deal count
1	3i Group	1,028	14
2	HgCapital	431	4
3	LGV Capital	260	3
4	Industri Kapital	226	3
5	Bridgepoint Capital	792	2
6	EQT Partners	756	2
7	Barclays Private Equity	541	2
8	Waterland Private Equity Investments	346	2
9	Gresham	235	2
10	BS Private Equity	200	2
11	Lloyds TSB Development Capital	142	2
12	BP Marsh & Partners	110	2
13	Primary Capital	98	2
14	Equita Management	90	2
15	ISIS Private Equity Partners	73	2

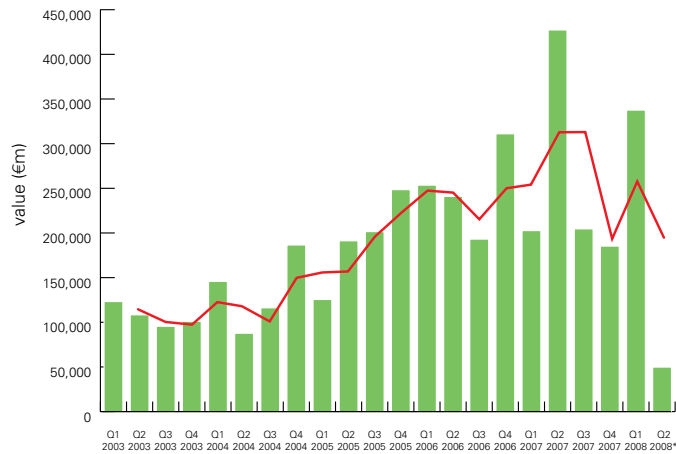
Source: mergermarket

The private equity exit activity tables by value and volume are based on private equity firms advising the vendor on exit deals where the dominant geography of the target company is Europe. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.

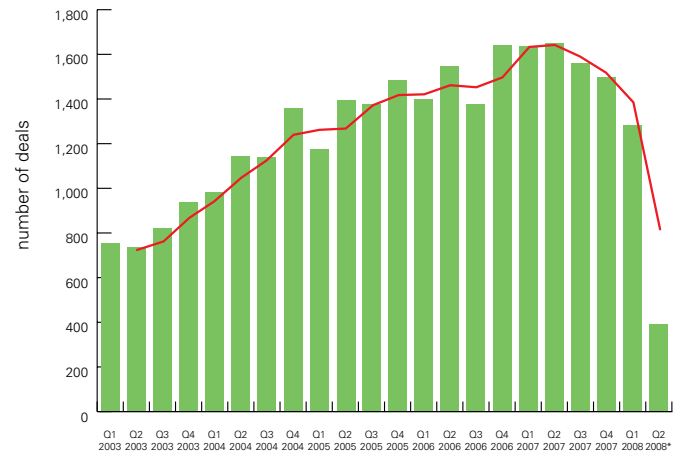
# Trend graphs

## European M&A quarterly trend

value



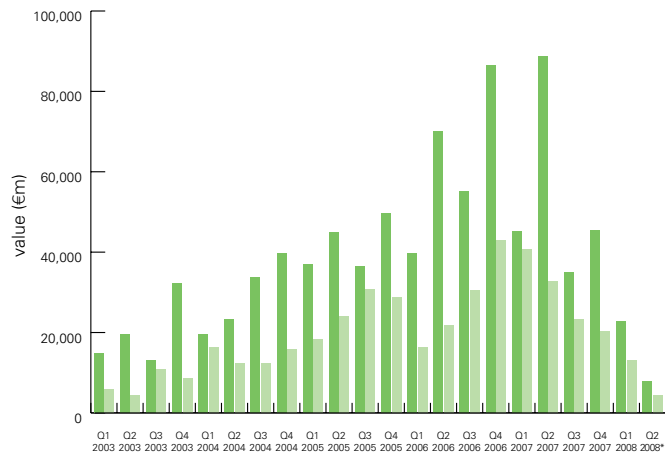
volume



— Moving average trend line

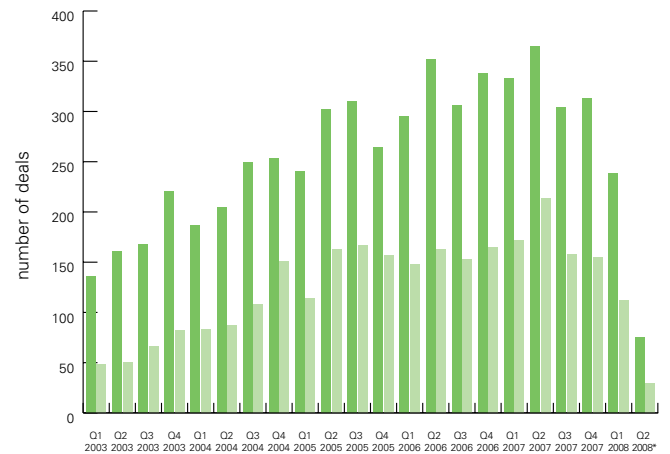
## European M&A quarterly private equity trend

value



■ European buyouts  
■ European exits

volume

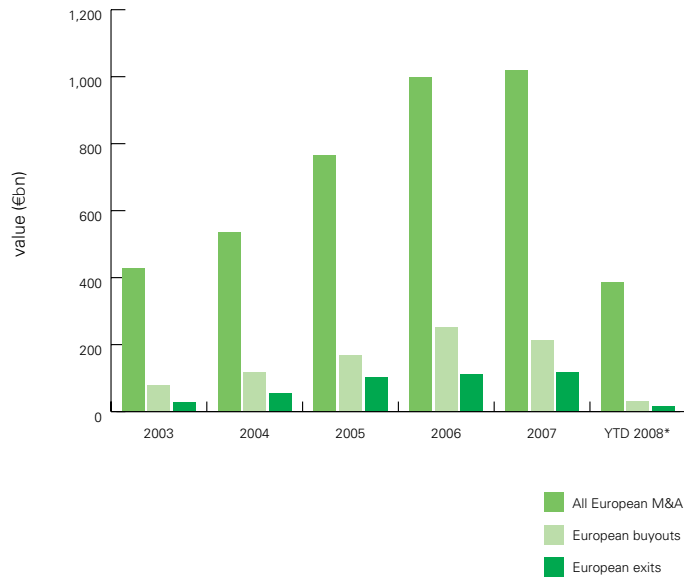


■ European buyouts  
■ European exits

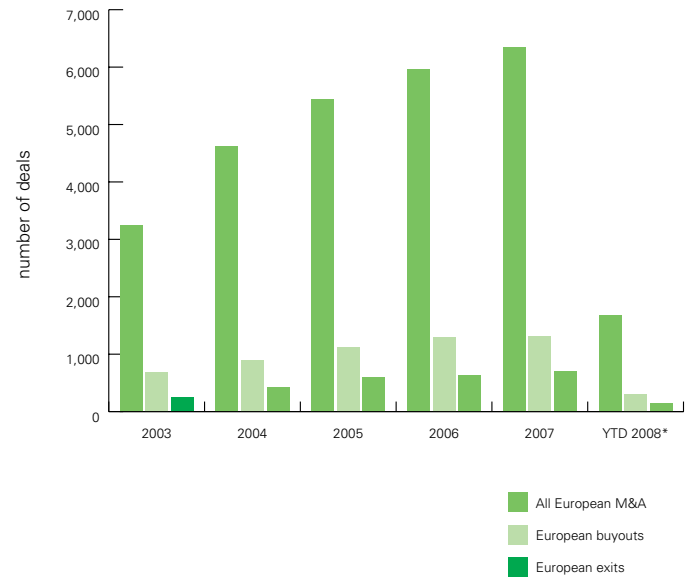
# Trend graphs

## European M&A annual trends

value

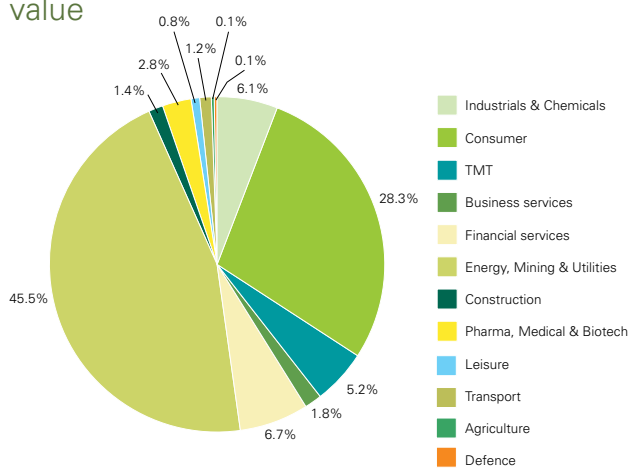


volume

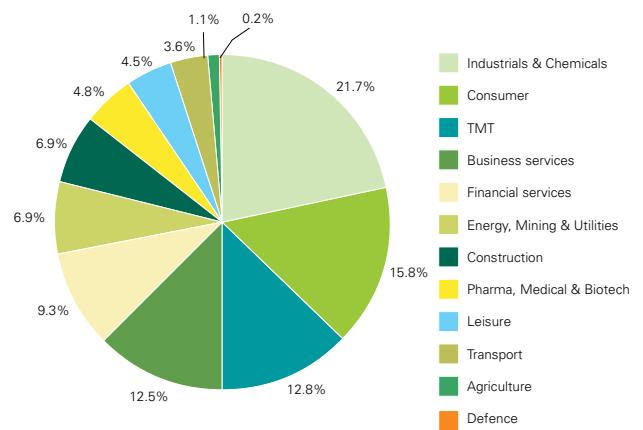


## European M&A sector breakdown YTD 2008

value



volume

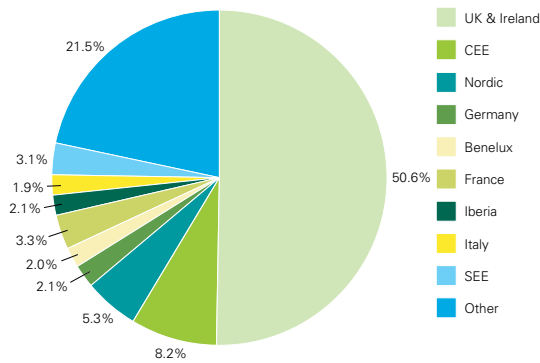




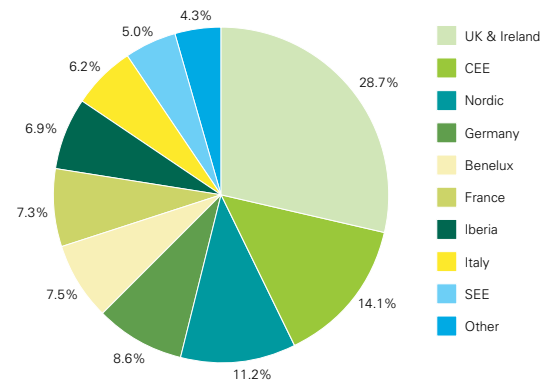
# Trend graphs

## European M&A geographic breakdown YTD 2008

value

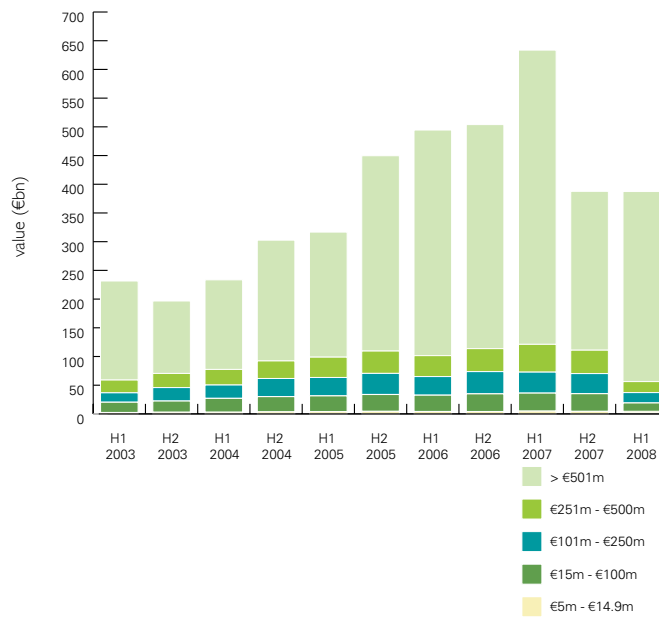


volume

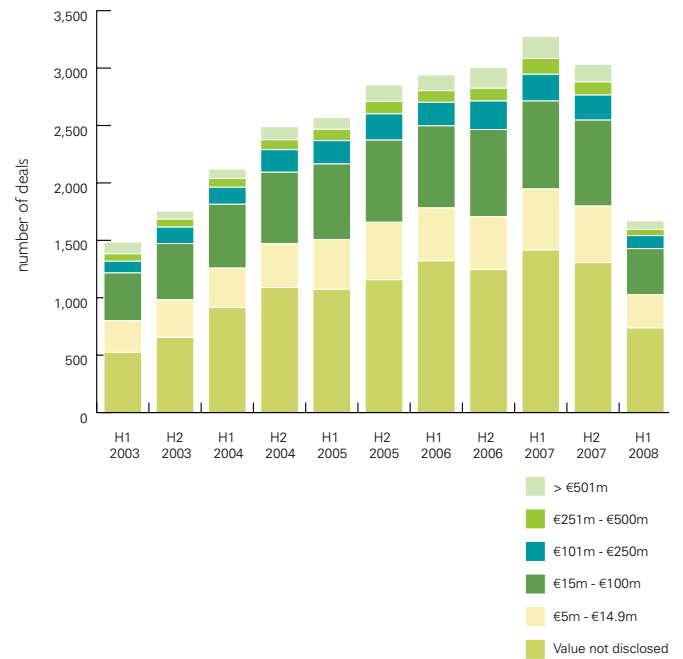


## European M&A deal size breakdown

value



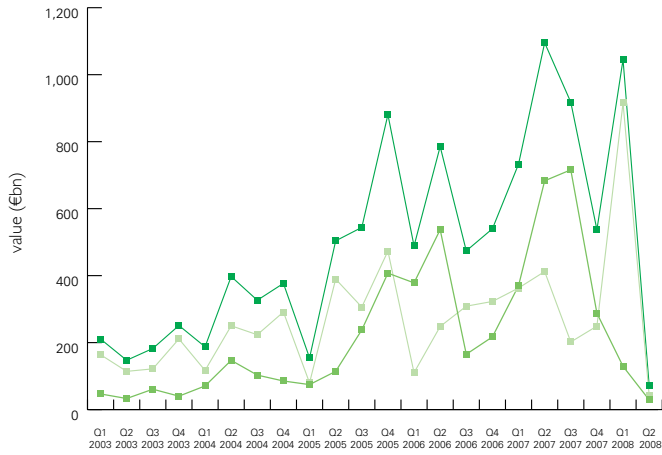
volume



# Trend graphs

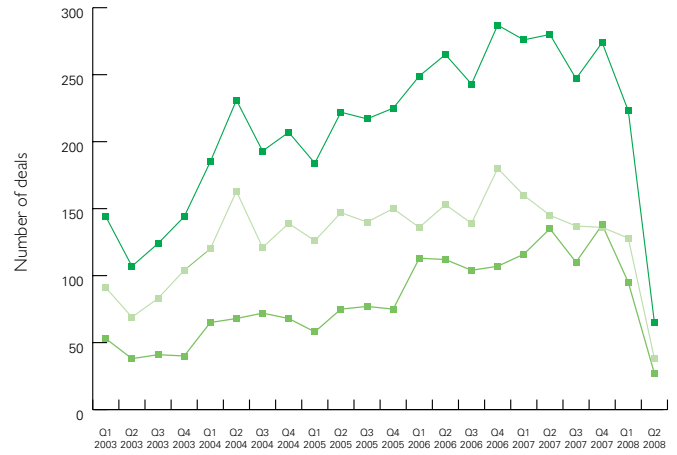
## Transatlantic deals

value



- Value deals European bidder acq North American target
- Value deals Nth American bidder acq European target
- Total Transatlantic activity

volume



- Value deals European bidder acq North American target
- Value deals Nth American bidder acq European target
- Total Transatlantic activity

# Mid market deals

## Top 15 European announced mid market deals for YTD 30 April 2008

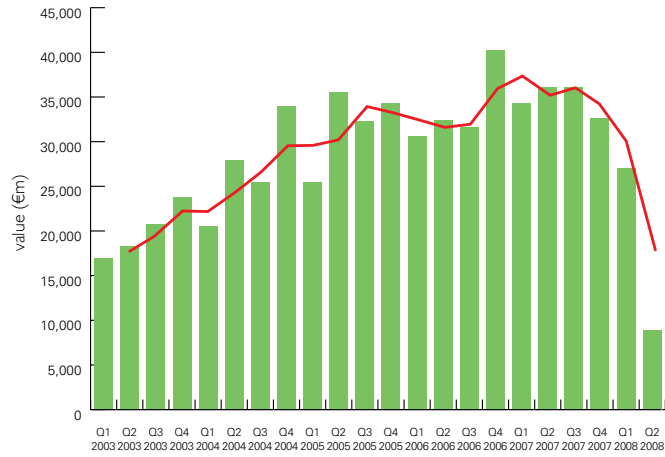
(€10m to €250m)

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
21-Apr-08	P	Koc Allianz Sigorta AS (47.10% stake)	Financial Services	Allianz SE	Koc Holding AS				-	248
24-Apr-08	C	Petrol AD Sofia (75 fuel stations and Iliantsi petrol storage base in Sofia)	Energy, Mining & Utilities	Lukoil Bulgaria Limited	Petrol AD Sofia				-	237
30-Apr-08	P	Cision AB	TMT	Triton Partners		1.2	8.5	18.9	66.0%	232
24-Apr-08	P	Caixa Sabadell Vida SA de Seguros y Reaseguros (50% stake); and Caixa Sabadell Companyia d'Assegurances Generals SA (50% stake)	Financial Services	Zurich Financial Services Group	Caixa d'Estalvis de Sabadell				-	230
16-Apr-08	C	Union Radio Digital SA (16.63% stake)	TMT	3i Group Plc	Grupo Godo de Comunicacion SA; and Promotora de Informaciones SA				-	225
14-Apr-08	P	Bank VTB North-West (13.54% stake)	Financial Services	JSC VTB Bank					-	207
25-Apr-08	P	Innogenetics NV (93.23% stake)	Pharma, Medical & Biotech	Solvay Pharmaceuticals SA		4.0	(loss)	(loss)	53.7%	203
28-Apr-08	P	National Logistic Company (90% stake)	Transportation	Itella Corporation	Citigroup Venture Capital Equity Partners Ltd; and RosEvroGroup				-	200
12-Apr-08	C	Radici Film SpA	Industrials & Chemicals	Taghleef Industries LLC	BS Private Equity S.p.A; Centrobanca Sviluppo Impresa SGR; Radici Group				-	200
15-Apr-08	P	Belon Group JSC (17.39% stake)	Energy, Mining & Utilities	Onarbay Enterprises Ltd					8.2%	197
29-Apr-08	P	Banca Monte dei Paschi di Siena SpA (bank depository operations)	Financial Services	Intesa Sanpaolo SpA	Banca Monte dei Paschi di Siena SpA				-	196
7-Apr-08	C	Lowell Holdings Limited	Financial Services	Exponent Private Equity LLP	Cabot Square Capital LLP				-	190
9-Apr-08	C	Nezavisimost Group (49.95% stake)	Industrials & Chemicals	A1 Group Limited; and Alfa Capital Partners					-	177
29-Apr-08	P	Malo-Elginsky (coal deposit)	Energy, Mining & Utilities	Sakha Ugol	Yakutnedra				-	175
25-Apr-08	P	BAWAG Bank CZ as	Financial Services	Landesbank Baden-Wuerttemberg	BAWAG PSK				-	160

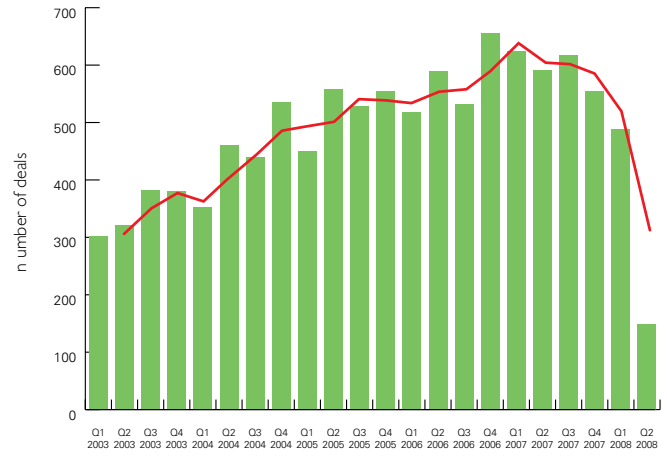
Source: mergemarket

### European M&A quarterly mid market trend

value



volume



— Moving average trend line

# Mid market league tables

## Top 15 mid market financial advisors – Europe

(€10m to €250m)

YTD 30-Apr-08	House	Value (€m)	Deal count
<b>value:</b>			
1	Deloitte	1,805	24
2	PricewaterhouseCoopers Corp Fin	1,596	22
3	Rothschild	1,581	20
4	KPMG Corp Fin	1,542	20
5	Lazard	1,525	16
6	UBS	1,340	10
7	Close Brothers Group	1,276	15
8	Ernst & Young	1,230	19
9	Morgan Stanley	1,169	8
10	Credit Suisse	947	8
11	Merrill Lynch	918	8
12	BNP Paribas	791	7
13	Jefferies & Company	767	5
14	HSBC Bank	746	6
15	Goldman Sachs	711	5
<b>volume:</b>			
1	Deloitte	1,805	24
2	PricewaterhouseCoopers Corp Fin	1,596	22
3	Rothschild	1,581	20
4	KPMG Corp Fin	1,542	20
5	Ernst & Young	1,230	19
6	Lazard	1,525	16
7	Close Brothers Group	1,276	15
8	Grant Thornton Corporate Finance	438	11
9	UBS	1,340	10
10	ABN AMRO	639	9
11	Morgan Stanley	1,169	8
12	Credit Suisse	947	8
13	Merrill Lynch	918	8
14	Citigroup	703	8
15	JPMorgan	585	8

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Europe.

## Top 15 mid market legal advisors – Europe

(€10m to €250m)

YTD 30-Apr-08	House	Value (€m)	Deal count
<b>value:</b>			
1	Freshfields Bruckhaus Deringer	2,076	21
2	DLA Piper	1,898	27
3	Allen & Overy	1,742	20
4	Linklaters	1,229	14
5	Clifford Chance	1,216	17
6	Weil Gotshal & Manges	1,144	7
7	SJ Berwin	1,117	13
8	Travers Smith	979	11
9	Jones Day	975	16
10	Vinge	973	11
11	Garrigues	957	7
12	Arthur Cox	937	13
13	Taylor Wessing	921	13
14	Ashurst	867	13
15	Kirkland & Ellis	797	6
<b>volume:</b>			
1	DLA Piper	1,898	27
2	Freshfields Bruckhaus Deringer	2,076	21
3	Allen & Overy	1,742	20
4	Clifford Chance	1,216	17
5	Jones Day	975	16
6	Linklaters	1,229	14
7	SJ Berwin	1,117	13
8	Arthur Cox	937	13
9	Taylor Wessing	921	13
10	Ashurst	867	13
11	Osborne Clarke	454	13
12	Eversheds	625	12
13	Travers Smith	979	11
14	Vinge	973	11
15	CMS	770	11

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Europe.

## An auction for Infineum

- On 19 October 2007, ExxonMobil and Royal Dutch Shell, the listed energy groups, launched a strategic review for their Infineum additives petroleum products joint venture. At that time no decisions have been made but the companies started reassessing their opportunities for growth, restructuring or divestment by studying market interest among Infineum's potential buyers. On 10 March 2008, ExxonMobil and Royal Dutch Shell confirmed their plan to divest Infineum International. JP Morgan was hired to conduct strategic study and run the auction.
- The confirmation of Infineum's potential divestment attracted a number of several private equity groups, such as Apollo Management, BC Partners, TPG Capital, Cinven, Carlyle, KKR and Vestar. Infineum's EBITDA is approximately \$360m, and the company could sell for 7x to 9x EBITDA, which also equates to a figure from \$2.5bn to \$3.25bn, according to an industry source. According to a Sunday Telegraph report, Shell and ExxonMobil are believed to be looking to secure bids in the range of €2bn (\$2.57bn) to €2.5bn (\$3.87bn). In mid- April, according to a dealreporter report, NewMarket, the listed US based provider of chemical additives that enhance the performance of petroleum products, started working with GS Capital Partners to bid for Infineum.
- However, if a private equity firm is bidding on its own, it may not be able to pay more than 7x to 8x EBITDA, as lenders would probably not commit more than 4x to 4.5x EBITDA on a transaction, due to lack of liquidity and credibility in the financial markets. However, on 16 April 2008, the Financial Times reported that JPMorgan withdrew the staple financing that had been made initially available to the potential bidders. The private equity groups TPG Capital, Carlyle Group, Cinven and Kohlberg Kravis Roberts (KKR) are among the parties to have either submitted £1.5bn (€1.8bn) offer for Infineum or are likely to do so soon. It is important for the private equity groups and banks to be able to secure the financing necessary to back the deal in times such as now where that debt financing is rare and difficult to obtain.

## BHP Billiton's hostile bid

- On 4 April 2008, there were speculations, according to a Financial Times report that BHP Billiton, the listed Australian mining group, could increase its bid for rival Rio Tinto. As a result of the speculation, Rio Tinto's shares hit a record of 6,000p, which represents the price paid by Chinalco, for its 9% stake in Rio Tinto. Rio Tinto saw again its shares rise on 16 April 2008, on market speculation that BHP Billiton may go hostile with its bid.
- However, Tom Albanese, Rio Tinto's CEO stated that Rio Tinto has a leading position in the gas and mining industry, having a world-leading position in aluminium and being the second biggest producer, while BHP only ranked around 60th globally in the oil and gas sector. Furthermore, Albanese stated that Xstrata's share price was a solid proof of the strength of the mining sector and disputed BHP's claim that Rio's share price would drop if the deal lapsed. If BHP did increase its hostile bid, it would then look to secure a recommendation from Rio Tinto's board ahead of the start of an investigation by European regulators into the proposed takeover, according to the Financial Times report. According to a Wall Street Journal, there is an increased concern shareholders and regulators will prevent a deal from happening.

# Deal of the month

<b>Target:</b>	Expro International Group Plc	<b>Announced:</b>	17 April 2008
<b>Bidder:</b>	Candover Partners Limited Goldman Sachs Capital Partners Alphinvest Partners NV	<b>Deal value:</b>	€2,221m
<b>Seller:</b>	Candover Partners Limited	<b>Deal nature:</b>	IBO, Public, Take Private

- Umbrellastream Limited, a BidCo formed and owned by Candover Partners Limited, together with Goldman Sachs Capital Partners and Alphinvest Partners NV, has agreed to acquire the entire issued and to be issued share capital of Expro International Group Plc, the listed UK based provider of well flow management services and products.

## Structure

- The transaction will be conducted via a scheme of arrangement

## Terms

- Under the terms of the agreement, Expro shareholders will receive £14.35 in cash per each share held.
- The offer values the entire issued and to be issued share capital of Expro at approximately £1,605m.
- The offer represents a premium of 8.55% over Expro's closing price of £13.22 per share as of 16 April 2008, the last trading day prior to the announcement.
- It also represents a premium of 54.88% over Expro's closing price of £9.265 per share as of 27 February 2008, the last trading day prior to the announcement of talks that may or may not lead to the formal offer.

## Financing

- The cash consideration payable under the acquisition and the costs of the acquisition will be financed by funds managed or advised by the consortium and by a banking syndicate including Royal Bank of Scotland plc, Lloyds TSB Bank plc, Royal Bank of Canada, HSBC Bank plc and DnB NOR Bank ASA

## Irrevocable undertakings

- The Directors of Expro will recommend that Expro shareholders vote in favour of the transaction at the meetings as they have irrevocably undertaken to do so in respect of their own beneficial holdings, representing approximately 0.37% of the existing issued share capital of Expro.
- These irrevocable undertakings shall cease to be binding in the event that a third party announces a firm intention to make an offer on or before 11.59pm on the tenth business day prior to the date of the Court Meeting and EGM which values the ordinary shares of Expro at least 12.5% higher than the current offer.

## Inducement Fee

- Expro has also agreed to pay an inducement fee to Umbrellastream equal to 1% of the value of the consideration payable under the acquisition if:
- The Expro directors withdraw or adversely modify their recommendation to shareholders or agree to resolve to or announce their intention to recommend an independent competing transaction.
- or a Third Party transaction is announced prior to the scheme lapsing or being withdrawn, which Third Party Transaction subsequently becomes or is declared wholly unconditional or is completed.

## Background

- On 29 February 2008, Expro announced it had received a preliminary proposal which may or may not lead to an offer for Expro. This initial offer from the consortium was taken to Expro's Board and rejected.
- On 14 March 2008, the Board of Expro received a revised proposal from the consortium of 1435 pence per Expro share.
- Since then the Board has been involved in discussions with the consortium as well as a number of other parties about their possible interest in making an offer for Expro. As part of these discussions, a number of parties were given the same access to management and due diligence as the Consortium. As at 17 April 2008, one of those parties continues to conduct due diligence on Expro.

## Conditions

- The transaction is subject to approval by Expro's shareholder, to High Court approval and relevant regulatory approvals.

## Deal of the month

Sources of funding				
Equity provider	Amount (€m)	Stake	Debt provider	Terms
AlpInvest Partners NV	n/d	n/d	DnB NOR	n/d
Candover Partners Limited	n/d	n/d	HSBC	n/d
GS Capital Partners	n/d	n/d	Lloyds TSB	n/d
			Royal Bank of Canada	n/d
			Royal Bank of Scotland Group	n/d

Premium analysis	
Offer price per share (€)	17.97
1 day before	8.55%
1 month before	34.24%
1 day after	-4.97%
Pre-rumor	48.21%

Advisers			
Target/seller		Bidder	
Financial	JPMorgan Cazenove	Financial	Goldman Sachs
RBC Capital	-	Legal	Clifford Chance Slaughter and May
Legal	Freshfields Bruckhaus Deringer		
PR	Weber Shandwick Worldwide	PR	Tulchan Communications

mergermarket/dealReporter Intelligence	
21 April 2008	Expro: Schlumberger seen unlikely to bid for competition issues
21 April 2008	Expro: Halliburton waiting for Umbrellastream offer document before bidding; financing largely from internal resources
17 Apr 2008	Expro rival bidder has full timetable to act but no indication of bid intention so far

Timetable and Expected Events		
Regulatory	Date	Notes
HSR (USA)		dR estimate; 30 calendar days waiting period; further 30 calendar days following compliance with the request for additional information
OFT (UK)		dR estimate; 20-35 trading days for phase I, further 24 weeks if referred to Competition Commission (phase II)
Konkurransetilsynet (Norway)		dR estimate; 25 trading days for phase 1 decision, further 70 trading days if referred for preliminary phase 2 decision
Offer Timetable	Date	Notes
Announcement		Refers to 2.5 announcement
SoA doc issued		latest 28 calendar days from announcement
Court Meeting		normally 1 month after SoA doc issued
High Court		normally 3-4 weeks after Court Meeting & EGM, referring to sanction of SoA
Effective Date		next trading day from High Court sanction
Settlement		latest 14 calendar days from Effective Date
Company Events	Date	Notes
EXR EGM ex-vote right		last day to acquire shares and be entitled to vote in EGM, 4 trading days prior to EGM date (Record Date 2 trading days, ex-date 2 trading days prior to Record Date)
EXR EGM		alongside Scheme Meeting, normally 1 month from SoA document is issued; 75% of votes cast required
EXR Last day for Directors Irrevocables to be revoked		Refers to the last day for Expro directors' irrevocables to be revoked, latest 10 business days prior to EGM, requires a competing offer valued at minimum of GBP 16.14375 (12.5% greater than current offer)



# Top deals

## Top 15 UK announced deals for YTD 30 April 2008

Announced	Status	Target Company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
6-Feb-08	P	Rio Tinto plc	Energy, Mining & Utilities	BHP Billiton		7.1	19.7	19.4	3.2%	144,085
25-Jan-08	P	Scottish & Newcastle plc	Consumer	Carlsberg AS; and Heineken NV		3.2	22.6	22.7	4.4%	13,007
01-Feb-08	P	Rio Tinto plc (12% stake)	Energy, Mining & Utilities	Alcoa Inc; and Aluminum Corporation of China		5.4	14.9	20.5	21.1%	9,458
17-Apr-08	P	Expro International Group Plc	Energy, Mining & Utilities	*AlpInvest Partners NV; Candover Partners Limited; and GS Capital Partners					8.5%	2,221
08-Feb-08	P	Biffa Plc	Industrials & Chemicals	Montagu Private Equity LLP; Global Infrastructure Partners; and UCL		1.9	9.4	19.9	6.7%	2,107
26-Mar-08	P	Jaguar Limited; and Land Rover Limited	Industrials & Chemicals	Tata Motors Limited	Ford Motor Company				-	1,452
14-Apr-08	P	Enodis Plc	Industrials & Chemicals	Manitowoc Company Inc		1.1	10.8	21.8	11.7%	1,316
22-Apr-08	P	FKI plc	Industrials & Chemicals	Melrose Plc					8.4%	1,038
26-Mar-08	P	Oriel Resources Plc	Energy, Mining & Utilities	Mechel OAO					4.0%	941
30-Apr-08	P	Safety-Kleen Europe Ltd.	Industrials & Chemicals	Warburg Pincus LLC	CCMP Capital Advisors LLC				-	715
10-Mar-08	P	World Duty Free Europe Limited	Consumer	Autogrill SpA	BAA Limited	1.2	15.3	21.3	-	708
05-Mar-08	C	Tunstall Group Limited	Industrials & Chemicals	Charterhouse Capital Partners LLP	Bridgepoint Capital Limited				-	671
24-Mar-08	P	Global Ship Lease Inc	Financial Services	Marathon Acquisition Corp	CMA-CGM SA	11.2	18.6		-	663
29-Mar-08	C	Welcome Break Ltd	Leisure	Challenger Financial Services Group; ING; and NIBC Bank NV	Investcorp SA	0.1	6.1	14.2	-	631
31-Mar-08	P	GCap Media Plc	TMT	Global Radio UK Limited		1.8	15.1		14.6%	517

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Top deals

## Top 5 UK announced deals of the month (April 2008)

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
17-Apr-08	P	Expro International Group Plc	Energy, Mining & Utilities	AlpInvest Partners NV; Candover Partners Limited; and GS Capital Partners					8.5%	2,221
14-Apr-08	P	Enodis Plc	Industrials & Chemicals	Manitowoc Company Inc		1.1	10.8	21.8	11.7%	1,316
22-Apr-08	P	FKI plc	Industrials & Chemicals	Melrose Plc					8.4%	1,038
30-Apr-08	P	Safety-Kleen Europe Ltd.	Industrials & Chemicals	Warburg Pincus LLC	CCMP Capital Advisors LLC					715
7-Apr-08	C	The Link Asset And Securities Company Limited	Financial Services	Intercapital Plc		n/a	n/a			316

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Expected deals

## Pipeline of UK expected deals

Situation	Target company	Sector	Potential bidder company	Financial adviser to bidder (B); target (T); seller (S)	Seller company	Market cap/est. value (€m)	Comments
Expected deal	British Energy	Energy, Mining & Utilities	Electricite de France SA; Centrica plc; RWE AG; Iberdrola SA; Scottish & Southern Energy Plc;	UBS (T); NM Rothschild (T)		6,672	British Energy could be part of several consortia that will participate in UK nuclear new-build. British Energy is most likely to be bought in an all cash deal. Rothchild, British energy's adviser, has brought forward a deadline to 9 May.
Expected deal	Infineum International	Energy, Mining & Utilities		JP Morgan (T)		2,000	The private equity groups TPG Capital, Carlyle Group, Cinven and Kohlberg Kravis Roberts (KKR) are among the parties to have either submitted GBP 1.5bn (EUR 1.8bn) offer for Infineum or are likely to do so soon. Apollo Management, Bain Capital, BC Partners and Vestar Capital Partners, the buyout groups, are also said to be interested in bidding for Infineum.
Expected deal	Friends Provident Plc	Financial Services	JC Flowers & Co LLC	Goldman Sachs (T); JPMorgan Cazenove (T); Morgan Stanley (B)		4,737	J.C. Flowers said that it was abandoning its 3.5 billion pound bid (US\$6.9 billion; €4.4 billion) bid to acquire Friends Provident PLC.
Expected deal	Raymarine Plc	Industrials and Chemicals	Undisclosed bidder			312	According to a Financial Times report, Garmin, the listed Cayman Islands-based marine electronics group, and Navico, its Norwegian counterpart, were tipped by stockbroker Panmure Gordon as potential bidders for Raymarine.
Expected deal	FREEDOM4 Communications plc	TMT	Oakley Capital Private Equity; United Internet; and Thus Group	UBS (T)		196	Pipex, has announced it intends to demerge its Wireless division in addition to selling the remaining of the Group and has received at least three bids: Oakley Capital Private Equity LP; German listed United Internet; and UK listed telecommunications business Thus Group, are among those to have submitted bids in the last few weeks, it is understood.
Expected deal	Anite Group plc	Business Services	Undisclosed bidder			225	Anite, the listed UK consulting service firm confirmed that it has received a preliminary approach from a third party. Rumours in the press suggested Alchemy and Northgate as the preliminary bidder.

Source: mergermarket

# League tables

## Top 15 financial advisors - UK

### value

YTD 30-Apr-2008	House	Value (€m)	Deal count
1	UBS	167,323	18
2	Credit Suisse	166,754	11
3	Rothschild	166,573	33
4	Deutsche Bank	165,660	11
5	Goldman Sachs	154,698	13
6	JPMorgan Cazenove	160,980	19
7	Merrill Lynch	153,549	14
8	Morgan Stanley	150,889	9
9	Citigroup	150,263	13
10	BNP Paribas	146,467	7
11	HSBC Bank	145,984	6
12	Lazard	144,757	6
13	Macquarie Group	144,211	3
14	SG	144,085	3
15	Gresham Advisory Partners	144,085	1

Source: mergermarket

### volume

YTD 30-Apr-2008	House	Value (€m)	Deal count
1	Rothschild	166,573	33
2	BDO Corporate Finance	358	24
3	KPMG Corp Fin	919	22
4	PricewaterhouseCoopers Corp Fin	3,276	21
5	Deloitte	2,614	21
6	Ernst & Young	1,453	20
7	JPMorgan Cazenove	160,980	19
8	UBS	167,323	18
9	Merrill Lynch	153,549	14
10	Goldman Sachs	154,698	13
11	Citigroup	150,263	13
12	Grant Thornton Corporate Finance	633	13
13	Credit Suisse	166,754	11
14	Deutsche Bank	165,660	11
15	Close Brothers	1,779	11

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being UK

## Top 15 legal advisors - UK

### value

YTD 30-Apr-2008	House	Value (€m)	Deal count
1	Linklaters	168,501	20
2	Sullivan & Cromwell	152,248	7
3	Slaughter and May	151,446	19
4	Herbert Smith, Gleiss Lutz, Stibbe	150,764	8
5	Skadden Arps Slate Meagher & Flom	149,339	6
6	Lovells	148,977	18
7	McCarthy Tetrault	147,579	2
8	Cravath Swaine & Moore	147,177	4
9	Davies Ward Phillips & Vineberg	145,229	2
10	Allens Arthur Robinson	144,563	5
11	Blake Dawson	144,085	1
12	Freshfields Bruckhaus Deringer	25,577	23
13	Ashurst	24,418	20
14	Allen & Overy	22,566	26
15	Clifford Chance	22,205	23

Source: mergermarket

### volume

YTD 30-Apr-2008	House	Value (€m)	Deal count
1	DLA Piper	1,710	27
2	Allen & Overy	22,566	26
3	Freshfields Bruckhaus Deringer	25,577	23
4	Clifford Chance	22,205	23
5	Addleshaw Goddard	1,093	23
6	Osborne Clarke	483	22
7	Linklaters	168,501	20
8	Ashurst	24,418	20
9	Eversheds	638	20
10	Slaughter and May	151,446	19
11	Travers Smith	1,687	19
12	Lovells	148,977	18
13	Jones Day	4,083	15
14	Pinsent Masons	374	15
15	SJ Berwin	2,104	14

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being UK

# League tables

## Activity table of private equity firms on UK buyouts

value

YTD 30-Apr-2008	House	Value (€m)	Deal count
1=	AlpInvest Partners	2,221	1
1=	Candover Partners	2,221	1
1=	GS Capital Partners	2,221	1
4=	Global Infrastructure Partners	2,107	1
4=	Montagu Private Equity	2,107	1
4=	UCIL	2,107	1
7	Charterhouse Capital Partners	906	2
8	Warburg Pincus	728	2
9	CCMP Capital Advisors	715	1
10	3i Group Plc	682	7

Source: mergermarket

volume

YTD 30-Apr-2008	House	Value (€m)	Deal count
1	3i Group	682	7
2	Lloyds TSB Development Capital	255	7
3	ISIS Private Equity Partners	107	5
4	Primary Capital	123	3
5	Bridgepoint Capital	1,129	2
6	Charterhouse Capital Partners	906	2
7	Warburg Pincus	728	2
8	Gresham	336	2
9	Exponent Private Equity	190	2
10	Graphite Capital Management	171	2

Source: mergermarket

The private equity buyout activity tables by value and volume are based on private equity firms advising the bidder on buyout deals where the dominant geography of the target company is UK. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.

## Activity table of private equity firms on UK exits

value

YTD 30-Apr-2008	House	Value (€m)	Deal count
1	Bridgepoint Capital	792	2
2	CCMP Capital Advisors	715	1
3	Investcorp	631	1
4	HgCapital	431	4
5	LGV Capital	260	3
6	Gresham	235	2
7	Cabot Square Capital	190	1
8	Lloyds TSB Development Capital	142	2
9=	Add Partners Limited	140	1
9=	DVC Deutsche Venture Capital	140	1

Source: mergermarket

volume

YTD 30-Apr-2008	House	Value (€m)	Deal count
1	3i Group	50	7
2	HgCapital	431	4
3	LGV Capital	260	3
4	Bridgepoint Capital	792	2
5	Gresham	235	2
6	Lloyds TSB Development Capital	142	2
7	BP Marsh & Partners	110	2
8	Primary Capital	98	2
9	ISIS Private Equity Partners	73	2
10	Langholm Capital Partners	64	2

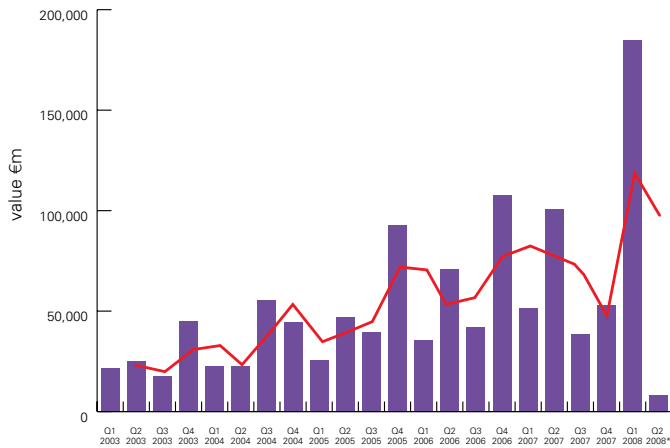
Source: mergermarket

The Private Equity exit activity tables by value and volume are based on private equity firms advising the vendor on exit deals where the dominant geography of the target company is UK. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.

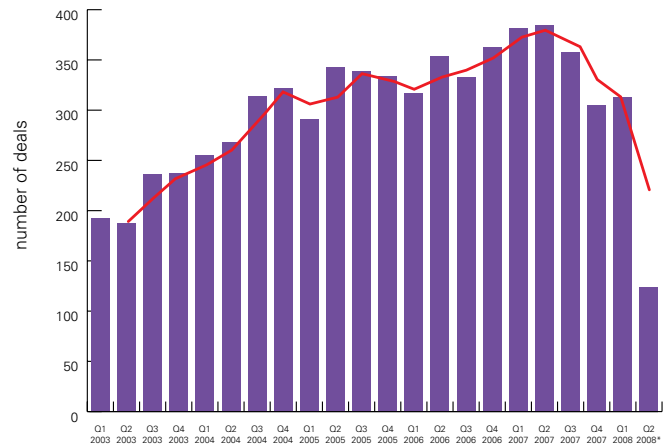
# Trend graphs

## UK M&A quarterly trends

value



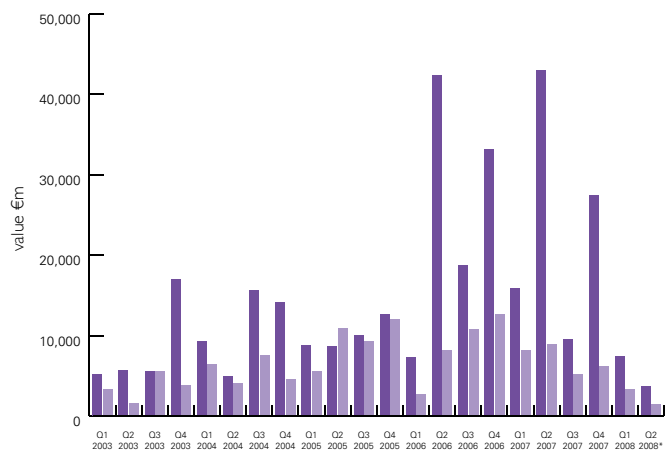
volume



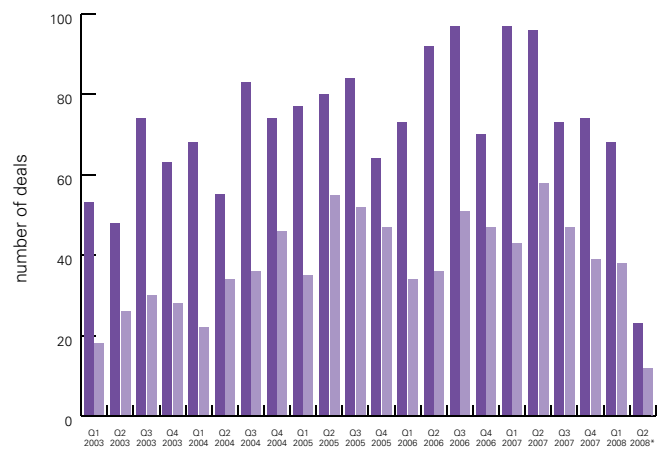
— Moving average trend line

## UK M&A quarterly private equity trends

value



volume



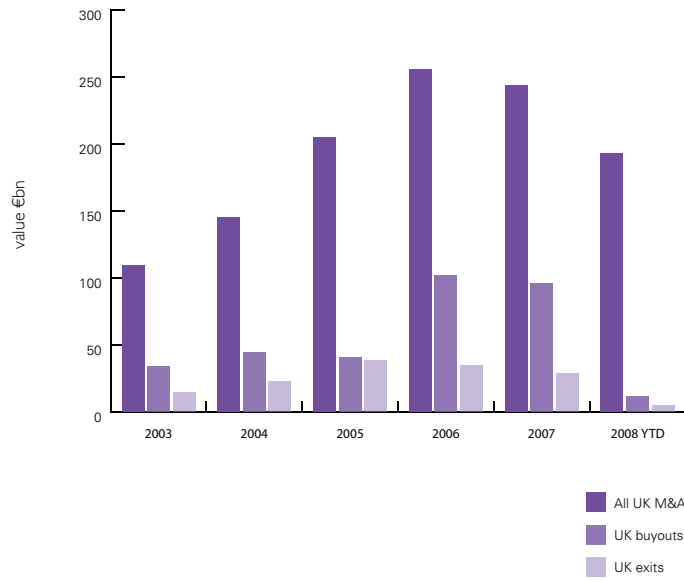
■ UK buyouts  
■ UK exits

■ UK buyouts  
■ UK exits

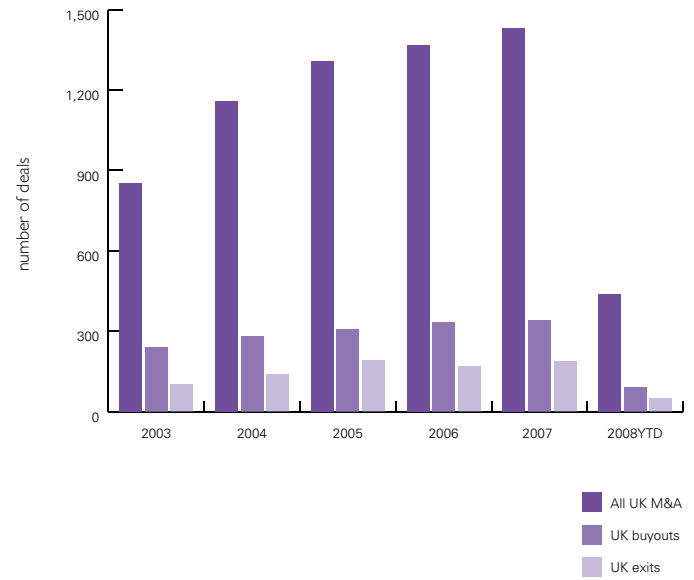
# Trend graphs

## UK M&A annual trends

value

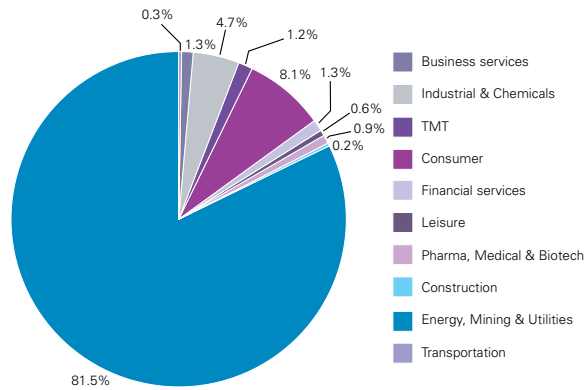


volume

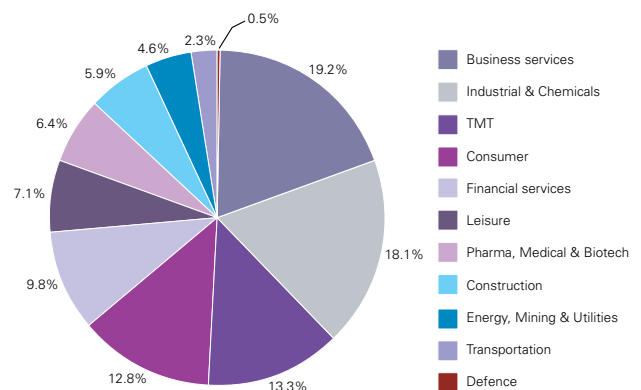


## UK M&A sector breakdown YTD 2008

value



volume



# Mid market deals

## Top 10 UK announced mid market deals for YTD 30 April 2008

(€10m to €250m)

Announced	Status	Target company	Sector	Target/seller financial adviser	Target/seller legal adviser	Bidder company	Bidder financial adviser	Bidder legal adviser	Seller company	Deal Value (€m)
3-Mar-08	C	Giles Insurance Brokers Limited (41%)	Financial Services	Deloitte	DLA Piper	Charterhouse Capital Partners		Ashurst	Gresham	235
14-Feb-08	P	Ultralase Ltd	Pharma, Medical & Biotech	Morgan Stanley	Garrigues; Taylor Wessing	3i Group	Park Place Corporate Finance; UBS	Cobbetts; Cuatrecasas - Goncalves Pereira, Castelo Branco; Travers Smith	Corporacion Dermoestetica SA	235
31-Jan-08	P	Coda Plc	TMT	Landsbanki Corporate Finance	Burges Salmon	Agresso Limited	ING; Piper Jaffray & Co	Brown, Rudnick, Berlack Israels; Van Doorne		211
3-Feb-08	C	Classic Hospitals Group Limited	Pharma, Medical & Biotech	Rothschild	Ashurst	Spire Healthcare		Freshfields Bruckhaus Deringer; Norton Rose	LGV Capital	193
7-Apr-08	C	Lowell Holdings Limited	Business Services	Hawkpoint Partners	Herbert Smith, Gleiss Lutz, Stibbe	Exponent Private Equity	BNP Paribas	Travers Smith	Cabot Square Capital LLP	190
31-Mar-08	C	Energy Cranes International Limited	Industrials & Chemicals	Ernst & Young; Arbutnot Securities; Simmons & Company International	Paul & Williamsons	Close Brothers Group	KPMG Corp Fin	Dundas & Wilson; Maclay Murray & Spens; Vinson & Elkins	LMS Capital Limited	178
7-Mar-08	C	Morrison plc (utilities services business)	Business Services	Rothschild	Linklaters	Cognetas; and Englefield Capital	Jamieson Corporate Finance; PricewaterhouseCoopers Corp Fin	DLA Piper; and Pinsent Masons	Anglian Water Group Ltd	177
21-Jan-08	P	Laing Rail Limited	Transportation		DLA Piper	Deutsche Bahn AG		Field Fisher Waterhouse	John Laing plc	170
20-Feb-08	C	Clarion Events Limited	Business Services	Close Brothers	Weil Gotshal & Manges	Veronis Suhler Stevenson	Jefferies & Company; PriceWaterHouse Coopers Corp Fin; Trillium Partners	Joelson Wilson & Co.; Kirkland & Ellis; Macfarlanes	HgCapital	159
7-Feb-08	C	Eastwood Bookmakers	Leisure			Ladbrokes plc		SJ Berwin	-	158

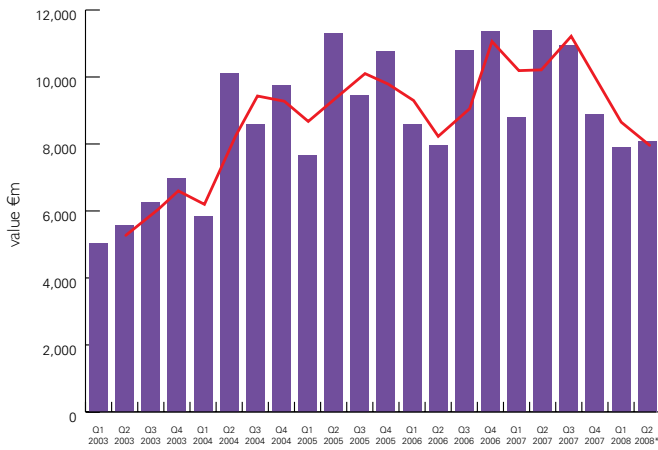
C = Completed; P = Pending; L = Lapsed

Source: mergermarket

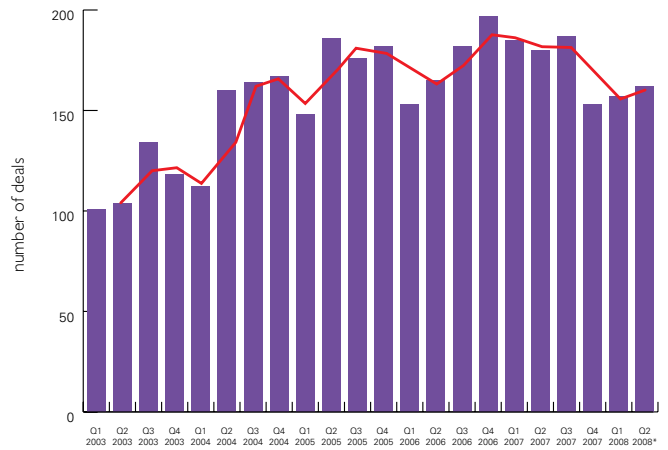


### UK M&A quarterly mid market trend

value



volume



— Moving average trend line

# Mid market league tables

## Top 10 mid market financial advisors - UK

(€10m to €250m)

YTD 30-Apr-2008	House	Value (€m)	Deal count
<b>Value:</b>			
1=	Deloitte	1,107	14
1=	Rothschild	1,107	14
3	PricewaterhouseCoopers Corp Fin	894	12
4	UBS	769	5
5	Ernst & Young	745	11
6	Close Brothers	690	5
7	KPMG Corp Fin	597	10
8	Jefferies & Company	549	4
9	HSBC Bank	447	3
10	Hawkpoint Partners	409	4
<b>Volume:</b>			
1=	Deloitte	1,107	14
1=	Rothschild	1,107	14
3	PricewaterhouseCoopers Corp Fin	894	12
4	Ernst & Young	745	11
5	KPMG Corp Fin	597	10
6	Grant Thornton Corporate Finance	380	10
7	BDO Corporate Finance	320	7
8	Investec Investment Banking	316	7
9	IMAP	272	6
10	Cenkos Securities	186	6

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being UK

## Top 10 mid market legal advisors - UK

(€10m to €250m)

YTD 30-Apr-2008	House	Value (€m)	Deal count
<b>Value:</b>			
1	DLA Piper	1,324	21
2	Travers Smith	949	10
3	Freshfields Bruckhaus Deringer	917	8
4	Weil Gotshal & Manges	890	5
5	Taylor Wessing	803	11
6	Allen & Overy	782	11
7	SJ Berwin	773	10
8	Ashurst	758	10
9	Macfarlanes	648	9
10	Eversheds	625	12
<b>Volume:</b>			
1	DLA Piper	1,324	21
2	Osborne Clarke	454	13
3	Eversheds	625	12
4	Taylor Wessing	803	11
5	Allen & Overy	782	11
6	Travers Smith	949	10
7	SJ Berwin	773	10
8	Ashurst	758	10
9	Addleshaw Goddard	485	10
10	Halliwell	344	10

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being UK

## **OTE: Deutsche Telekom deadline for agreement 14 May, looking to increase stake to just below 33%, insiders and banker say**

- Deutsche Telekom is still in negotiations with the Greek government over conditions for the purchase agreement for Athens-listed telco OTE, a DT insider said. The insider added that Deutsche Telekom has until 14 May at the latest to find a conclusion.
- The insider said DT is looking to buy shares to a level just below 33%, as anything above this threshold would trigger a public offer. It is understood that these shares could come from both the government (which has provisionally agreed to sell 3%) and the open market. The DT insider said DT is not interested in a public offer, though it is interested in gaining a holding that would guarantee control of the company, describing a stake of just below 33% as a potential threshold for full control. He added that DT is looking to get further shares from the Greek government, beyond the 3% already pledged.
- DT may be presently buying stock on the open market to top up the approximately 23% it will get from Marfin Investment Group Holdings (MIG) and the Greek government, according to banking and brokerage sources. This is not part of a tender offer, they noted. A banking source close to the sell side told this news service that DT was expected today, Friday, to start buying around 2% on the open market, at market prices. He added that there may be loopholes in ASE regulations allowing DT to buy below €26. He noted that there had been some dissatisfaction from minority shareholders about talk of the 2% being acquired at a lower price than the price offered to controlling shareholders.
- A brokerage source said that DT has begun buying stock. A Marfin Investment Group Holdings (MIG) insider also said that this is the strategy, following the government green-light yesterday to move to the next phase of the deal. MIG has agreed to sell its stake in OTE, just under 20%, to DT at €26 per share, as soon as the government stake is sold, which was a DT condition, a MIG source added. The government has agreed to sell 3% at between €26 and €29 per share, as earlier reported.
- Preparations are being made to complete the sale next week, the MIG source added. On the 8th of May, in an announcement, the committee said that it has also authorised financial and legal advisers to progress with

discussions for the drafting of a final shareholders agreement, which will be examined in a future meeting of the committee. Deutsche Telekom (DT) is set to initially buy 3% from the government for between €28 to €29 per share and could buy a further 2% of Athens-listed telco OTE at current market prices.

## **ThyssenKrupp restarts Presta sale, sources say**

- ThyssenKrupp Technologies have restarted the sale of its automotive components business Presta Steering, having failed to reach a deal for all of the company in January, sources have said. In a statement to this news service ThyssenKrupp Technologies confirmed it is "currently evaluating strategic options for the Presta Steering business." ThyssenKrupp Technologies added "no decision as to the future strategy has been taken" and it was leaving "all options open".
- A source familiar with the situation said Goldman Sachs continued to advise on the sale of the company, which no longer has the precision forge business it sold to the Indian group Sona towards the end of January. Goldman Sachs declined to comment.
- Another source familiar with the original sales process said ThyssenKrupp Technologies had been unable to come to an agreement with potential buyers, thought to have included the private equity firms Orlando and Silverlake, because of the price demanded at the time. Other firms reported at the time to have taken an interest included Magna Steyr and Bharat Forge. It had been rumoured that an initial price tag of €500m had been put out to the market. Although the source said this price would have been "laughable" at the time, the source was reluctant to speculate on what might be a reasonable price for the remainder of Presta now.
- Separately a market observer familiar with the sector estimated that the precision forge business had accounted for approximately €200m of Presta's total turnover of around €1bn. The sector banker said Orlando in particular might find a use for Presta because of synergies with other companies in Orlando's portfolio. According to its website Orlando also owns drive shaft maker tedrive and casting firm Buderus Guss. Presta Steering manufactures and supplies steering shafts, steering columns and steering gears.

# Germany

## **Nordenia: Oaktree scraps sale because of downturn**

- Nordenia, the German foil packaging manufacturer, is no longer on the block after its private equity owner called off a sale of the company. In a statement to this news service Nordenia said Oaktree Capital Management and the company's other shareholders had looked at selling Nordenia in 2007: "Oaktree informed NORDENIA in October 2007 that due to the general situation on the financial markets, a sale of the NORDENIA Group is not intended at present," Nordenia said.
- A source familiar with the situation said Deutsche Bank had been engaged to advise Nordenia on strategic options and had contacted several firms including the packaging firm Mondi. A second source agreed with the first source that an information memorandum for a sale had been issued near the beginning of 2007 adding that interested parties had also included the Blackstone-owned Kloeckner Pentaplast Weert.
- The second source said one of the factors that had cooled potential buyers' enthusiasm for Nordenia had been what they saw as the cyclical nature of the business, relatively low margins and its exposure to rising oil prices. Nordenia's flexible packaging, technical films, and product components for various industrial and consumer sectors draw some of their raw materials from petroleum products.
- Oaktree bought a majority stake in Nordenia in 2005 for an undisclosed sum when the firm was expecting to have a turnover of €430m for the year. In 2006, Nordenia reported revenues of €703m, which represents a 152.2% increase over the previous year. The management led by Ralph Landwehr still retain stakes in the company.

# Deal of the month

<b>Target:</b>	D+S europe AG	<b>Announced:</b>	15 April 2008
<b>Bidder:</b>	Apax Partners	<b>Deal value:</b>	€593m
<b>Seller:</b>	-	<b>Deal nature:</b>	Cross border; IBO; Public

Pyramus S.à r.l., a company based in Luxembourg and controlled by funds advised by Apax Partners Worldwide LLP, announced that it intends to launch a public offer to the shareholders in D+S europe AG, the German-listed internet media company.

## Structure

- The transaction will be conducted via a public offer.

## Terms

- D+S shareholders will receive €13.00 in cash per each share held.
- The offer values the entire issued and to be issued share capital of D+S europe at approximately €530m.
- It represents a premium of 29.6% to D+S's closing price of €10.03 on 15 April 2008, the last trading day prior to the firm announcement.

## Holdings and irrevocables

- Apax has signed a capital increase of 3,271,000 shares, which corresponds to 8.71% of the undiluted share capital of D+S europe.
- In addition, Apax has entered into SPAs and irrevocable undertakings to accept the offer, respectively, with a number of large institutional shareholders of D+S europe including the AvW Group, TOCOS Beteiligungsgesellschaft, and ASP Holding, a company connected to the Management Board member Sven Heyrowsky.

- As a result, Apax has secured 27% of the share capital post capital increase.

## Financing

- The offer is completely financed through Apax equity.

## Background

- Apax has signed a capital increase of 3,271,000 shares, which corresponds to 8.71% of the undiluted share capital of D+S europe.
- The share capital after this capital increase amounts to €40,842,941.
- The capital increase is executed out of authorized capital under the exclusion of existing shareholders' pre-emption rights at an offering price of €13.00 per share.

## Conditions

- Relevant regulatory approval

## Deal of the month

Sources of funding		
Equity provider	Amount (€m)	Stake
Financial	531	100%

Exit multiples - Y/E 31/12/07			Premium analysis	
	Multiples	Value (EUR m)	Offer price per share (€)	
				13
Revenue	2.6x	231.5	1 day before	31.3%
EBITDA	12.5x	47.3	1 month before	55.9%
EBIT	18.2x	32.7	1 day after	1.0%
Earnings	31.0x	14.5	Pre-rumour	-

Advisers			
Target/seller		Bidder	
Financial	Norddeutsche Landesbank FCF Fox Corporate Finance	Financial	Deutsche Bank
Legal	Freshfields Bruckhaus Deringer	Legal	Milbank Tweed Hadley & McCloy
PR	-	PR	CNC

Timetable and expected events		
Regulatory	Date	Notes
Bundeskartellamt (BKartA)		dR estimate; refers to Bundeskartellamt (BKartA); phase 1 – 1 month; phase 2 - additional 3 months
Offer timetable	Date	Notes
BaFin notification		max 4 weeks from announcement of offer
BaFin approval		max 10 trading days from notification
Offer document issued		same trading day
Offer period commences		same trading day
Publication of target's response		2 weeks from publication of offer doc
Latest day for bidder's shareholder approval		5 trading days prior to offer closing
Last day for revised/ competing offer		1 trading day from closing date
Closing Date		min 4 weeks-max 10 weeks
Final Offer results		5 trading days after closing date
Subsequent Offer Period commences		next trading day of provisional results
Subsequent Offer Period closing date		2 week offer period
Settlement		3 to 7 trading days after offer declared wholly unconditional
Company events	Date	Notes
DSJ interim result Q1 08	15-May-08	from company
DSJ AGM	04-Jun-08	from company

# Top deals

## Top 15 German announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
27-Apr-08	P	Debitel AG	TMT	Freenet AG	Debitel (Netherlands) Holding BV	0.5	6.4		-	1,631
16-Apr-08	P	Hypo Real Estate Holding AG (24.90% stake)	Financial Services	Grove International Partners LLP; J.C Flowers & Co LLC; and Shinsei Bank Limited		n/a	n/a	7.5	21.8%	1,127
2-Jan-08	C	Otto Group (25% stake)	Consumer	OTTO Aktiengesellschaft fuer Beteiligungen	WAZ Media Group	0.7	12.5	11.1	-	1,000
15-Apr-08	P	D+S europe AG	TMT	Apax Partners		2.6	12.5	31.0	31.3%	593
30-Apr-08	P	Tognum GmbH (22.30% stake)	Industrials & Chemicals	Daimler AG	EQT Partners AB	1.0	6.1	11.8	12.0%	586
14-Feb-08	C	Stabilus GmbH	Industrials & Chemicals	Paine & Partners LLC	Montagu Private Equity LLP	1.4			-	550
3-Mar-08	P	Borsig Beteiligungsverwaltungsgesellschaft mbH	Industrials & Chemicals	KNM Process Systems Sdn Bhd	Capiton Zweite Kapitalbeteiligungsgesellschaft mbH				-	350
11-Apr-08	P	Loewen Play GmbH (Majority stake)	Leisure	AXA Private Equity	Waterland Private Equity Investments BV				-	300
7-Jan-08	C	Premiere AG (14.58% stake)	TMT	News Corporation	Unity Media GmbH	2.2	25.7	(loss)	37.4%	287
21-Feb-08	C	Allgeier DL GmbH	Business Services	USG People NV	Allgeier Holding AG	0.9			-	175
4-Mar-08	P	Siemens AG (Wireless Modules business)	TMT	Granville Baird; SAPFI Kapital Management GmbH; and T-Venture Holding GmbH	Siemens AG	0.6			-	150
31-Jan-08	C	FranconoRheinMain AG (54% stake)	Financial Services	Grainger FRM (No. 1) GmbH & Co. KG; and Grainger FRM GmbH	Franconofurt AG	n/a	n/a	6.8	-12.3%	118
22-Jan-08	C	Pfleiderer AG (15.02% stake)	Industrials & Chemicals	One Equity Partners LLC					-	114
14-Mar-08	C	Z&J Technologies GmbH	Industrials & Chemicals	ILP Private Equity Funds	Equita Fonds 3				-	90
17-Jan-08	P	Kinowelt GmbH	TMT	StudioCanal SA					-	90

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

## Top deals

## Top 5 German announced deals of the month (April 2008)

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
27-Apr-08	P	Debitel AG	TMT	Freenet AG	Debitel (Netherlands) Holding BV	0.5	6.4		-	1,631
16-Apr-08	P	Hypo Real Estate Holding AG (24.90% stake)	Financial Services	Grove International Partners LLP; J.C Flowers & Co LLC; and Shinsei Bank Limited		n/a	n/a	7.5	21.8%	1,127
15-Apr-08	P	D+S europe AG	TMT	Apax Partners		2.6	12.5	31.0	31.3%	593
30-Apr-08	P	Tognum GmbH (22.30% stake)	Industrials & Chemicals	Daimler AG	EQT Partners AB	1.0	6.1	11.8	12.0%	586
11-Apr-08	P	Loewen Play GmbH (Majority stake)	Leisure	AXA Private Equity	Waterland Private Equity Investments BV				-	300

C = Completed; P = Pending; L = Lapsed

Source: mergermarket



# Expected deals

Situation	Target company	Sector	Potential bidder company	Seller company	Financial advisor	Market cap/ est. value (€m)	Comments
Takeover target	Hypo Real Estate Holding AG	Financial Services	J.C Flowers & Co LLC; Grove Capital; and Shinsei Bank Limited	JPMorgan (T)		4,470	A group of investors led by J.C. Flowers has bought 24.9% of German-listed Hypo Real Estate Holding AG. A spokesperson for J.C. Flowers declined to comment on whether they would increase their stake.
Expected deal	Nordex AG	Industrials & Chemicals	Undisclosed bidder		Capital Management Partners; and Goldman Sachs	1,785	Nordex, the listed German wind turbine manufacturer, is looking more likely to be sold, Frankfurter Allgemeine reported. In an unsourced commentary toward the end of an article about the company, the German daily said growing demand means that certain major shareholders could see their chances of getting a good price increasing.
Takeover target	IKB Deutsche Industriebank AG	Financial Services	WestLB AG; Bayerische Landesbank; and J.C Flowers & Co LLC		KfW Bankengruppe	1,206	IKB, the listed German bank, has reportedly received a non-binding bid from regional landesbank BayernLB. WestLB is said to be preparing a EUR 500m offer. But sources have already told this news service that a bid is unlikely without an independent audit to prove that the bank's disastrous exposure to the US subprime market has been separated from the bank's more attractive mittelstand business. KfW, the German state-owned bank with more than 37% of IKB, is to appoint a new CEO after Ingrid Matthaeus-Maier resigned, citing the pressures of the intractable crisis.
Takeover target	MLP AG	Financial Services	Assicurazioni Generali SpA; and Deutsche Postbank AG			1,080	MLP, the German financial services company, has been the subject of takeover rumours. Italian insurer Generali has been amongst potential bidders mentioned in press reports a Generali spokesperson was quoted as saying it was not interested. Another press report said that MLP shareholder Manfred Lautenschlaeger has previously said his 29% stake is not for sale.

## Expected deals

Situation	Target company	Sector	Potential bidder company	Seller company	Financial advisor	Market cap/ est. value (€m)	Comments
Expected deal	Taylor Nelson Sofres Plc; and GfK AG	Business Services	WPP Group Plc; Taylor Nelson Sofres Plc; and GfK AG	Deutsche Bank (T); JPMorgan (T)		1,043	The Boards of GfK and TNS note the press speculation regarding a merger between the two companies and confirm that they are in discussions which may lead to a possible nil premium merger of equals. GfK and TNS have agreed a non-binding heads of agreement which set out the key terms currently envisaged of the potential combination. TNS has described an unsolicited takeover offer from WPP as "derisory". A report on the Daily Telegraph website quoted a TNS spokesperson for the comment, and said UK-listed marketing giant WPP would not be granted access to TNS' books. WPP had requested it be given the same data to which Germany-based GfK had been granted access, the report said, noting that GfK and TNS have already agreed a trade merger.
Takeover target	QSC AG	TMT	Apax Partners			279	QSC, the listed German telecom company, is the subject of rumors that private equity firm Apax will take a stake, according to press reports. In an interview with Boersen-Zeitung, QSC chairman Bernd Schlobohm noted that its DSL company Plusnet, currently 67.5% owned by QSC, could see investment from a new partner. Schlobohm said that QSC is not holding talks with potential investors.

# League tables

## Top 15 financial advisors - Germany

### value

YTD 30-Apr-08	House	Value (€m)	Deal count
1	UBS	6,343	6
2	JPMorgan	5,051	6
3	Deutsche Bank	4,831	5
4	SEB Enskilda	2,921	3
5	Credit Suisse	2,836	4
6	Goldman Sachs	2,836	3
7	Merrill Lynch	2,649	2
8=	EFG Eurobank Ergasias	2,549	1
8=	Investment Bank of Greece	2,549	1
10=	Arma Partners	1,631	1
10=	UBS	1,631	1
12	Morgan Stanley	1,513	4
13	Erneholm & Haskel	1,002	1
14	KPMG Corp Fin	744	5
15	Sal. Oppenheim jr & Cie	700	4

Source: mergermarket

### volume

YTD 30-Apr-08	House	Value (€m)	Deal count
1	UBS	6,343	6
2	JPMorgan	5,051	6
3	PricewaterhouseCoopers Corp Fin	184	6
4	Deutsche Bank	4,831	5
5	KPMG Corp Fin	744	5
6	Lazard	297	5
7	Credit Suisse	2,836	4
8	Morgan Stanley	1,513	4
9	Sal. Oppenheim jr & Cie	700	4
10	Ernst & Young	300	4
11	Close Brothers Group	165	4
12	Rothschild	-	4
13	SEB Enskilda	2,921	3
14	Goldman Sachs	2,836	3
15	UniCredit Group	393	3

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Germany

## Top 15 legal advisors - Germany

### value

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Freshfields Bruckhaus Deringer	5,434	24
2	Clifford Chance	4,269	13
3	Hengeler Mueller	3,422	7
4	Linklaters	3,111	8
5	Roschier	2,863	2
6=	Hammarskiold & Co	2,863	1
6=	Vinge	2,863	1
8	Davis Polk & Wardwell	1,631	1
9	Shearman & Sterling	1,459	12
10	Pollath & Partner	1,046	4
11	Milbank Tweed Hadley & McCloy	1,043	3
12	Nakamura, Tsunoda & Matsumoto	631	1
13	Wolf Theiss	460	3
14	Hogan & Hartson	382	4
15	Hoelters & Elsing	380	3

Source: mergermarket

### volume

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Freshfields Bruckhaus Deringer	5,434	24
2	Clifford Chance	4,269	13
3	Shearman & Sterling	1,459	12
4	Baker & McKenzie	230	9
5	Linklaters	3,111	8
6	CMS	328	8
7	Hengeler Mueller	3,422	7
8	Jones Day	64	6
9	Pollath & Partner	1,046	4
10	Hogan & Hartson	382	4
11	DLA Piper	241	4
12	Herbert Smith, Gleiss Lutz, Stibbe	101	4
13	Noerr Stiefenhofer & Lutz	78	4
14	White & Case	34	4
15	Milbank Tweed Hadley & McCloy	1,043	3

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Germany

## League tables

### Activity table of private equity firms on German buyouts

value

YTD 30-Apr-08	House	Value (€m)	Deal count
1=	Grove International Partners	1,127	1
1=	J.C Flowers & Co	1,127	1
3	Apax Partners	593	1
4	Paine & Partners	550	1
5	AXA Private Equity	300	1

Source: mergermarket

volume

YTD 30-Apr-08	House	Value (€m)	Deal count
1	TVM Capital	-	2
2=	Grove International Partners	1,127	1
2=	J.C Flowers & Co	1,127	1
4	Apax Partners	593	1
5	Paine & Partners	550	1

Source: mergermarket

The private equity buyout activity tables by value and volume are based on private equity firms advising the bidder on buyout deals where the dominant geography of the target company is Germany. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals

### Activity table of private equity firms on German exits

value

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Permira	1,631	1
2	EQT Partners	586	1
3	Montagu Private Equity	550	1
4	Waterland Private Equity Investments	346	2
5	Equita Management	90	2

Source: mergermarket

volume

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Waterland Private Equity Investments	346	2
2	Equita Management	90	2
3	Permira	1,631	1
4	EQT Partners	586	1
5	Montagu Private Equity	550	1

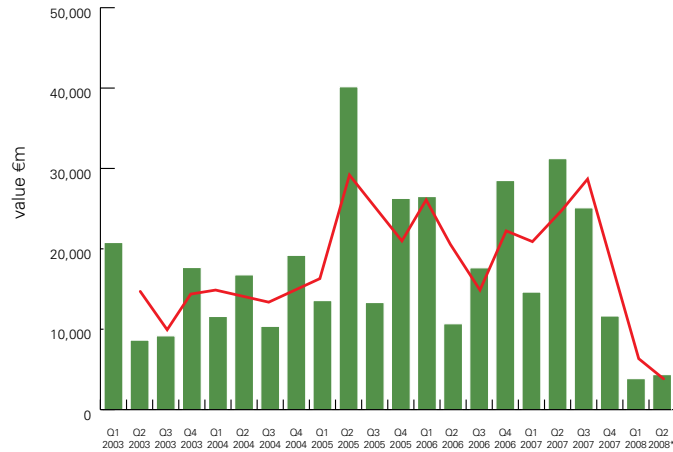
Source: mergermarket

The private equity exit activity tables by value and volume are based on private equity firms advising the vendor on exit deals where the dominant geography of the target company is Germany. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals

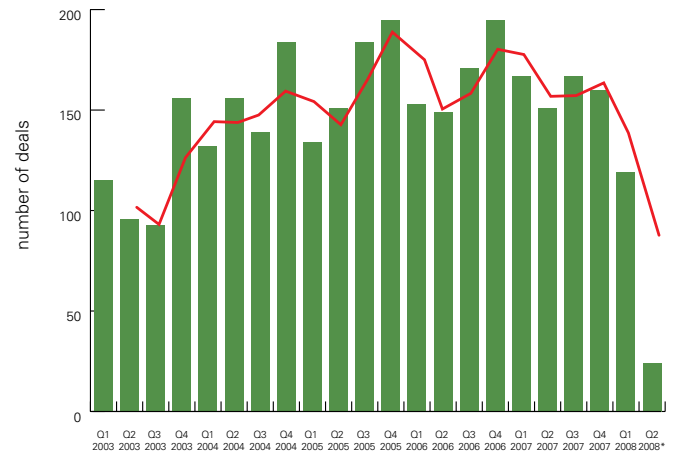
# Trend graphs

## German M&A quarterly trend

value



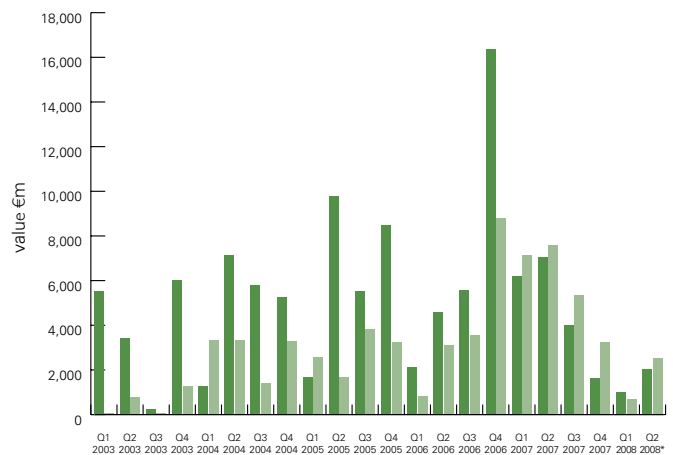
volume



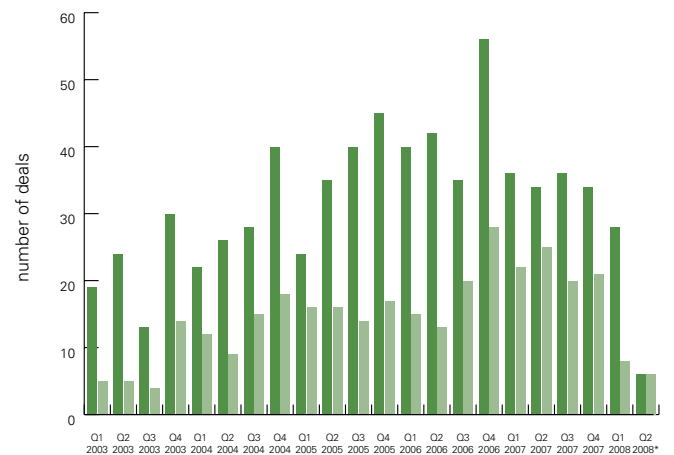
— Moving average trend line

## German M&A quarterly private equity trend

value



volume



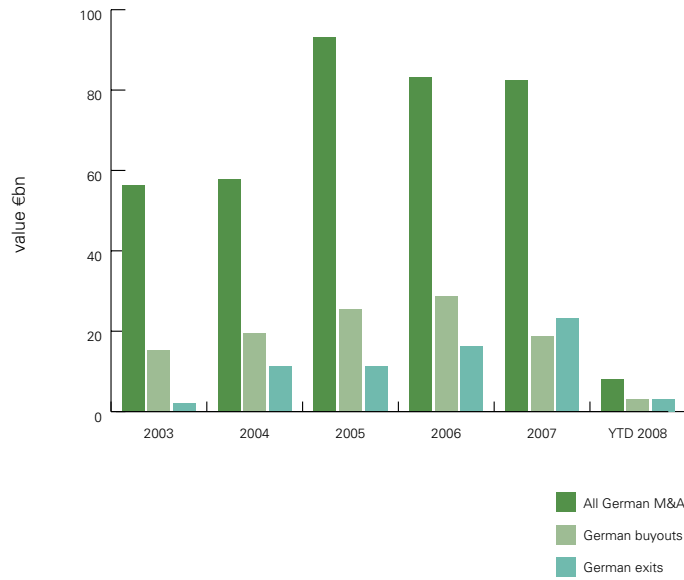
■ German buyouts  
■ German exits

■ German buyouts  
■ German exits

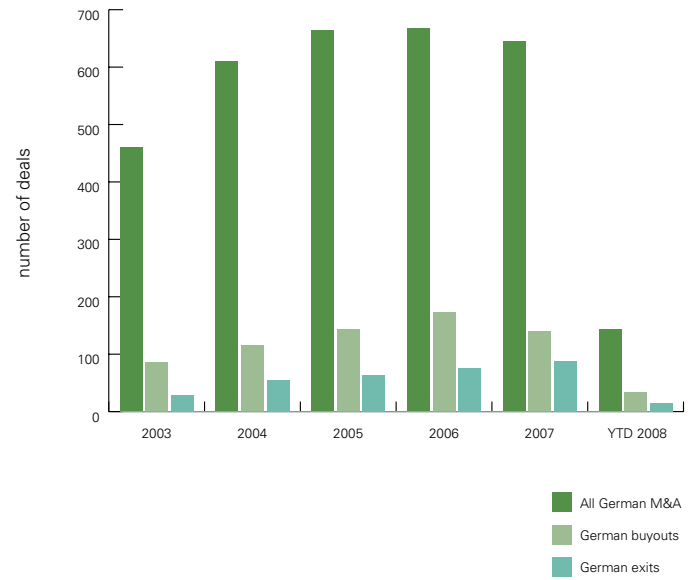
# Trend graphs

## German M&A annual trends

value

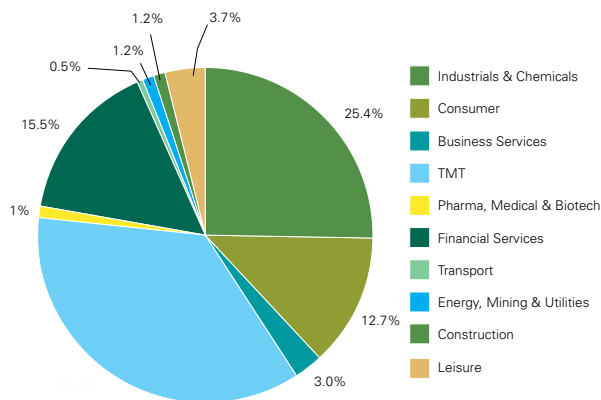


volume

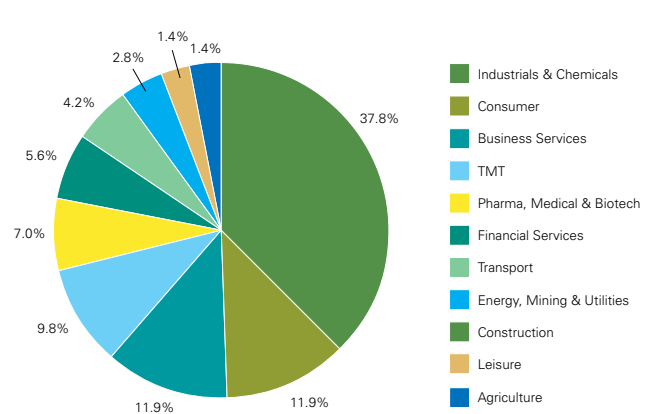


## German M&A sector breakdown YTD 2008

value



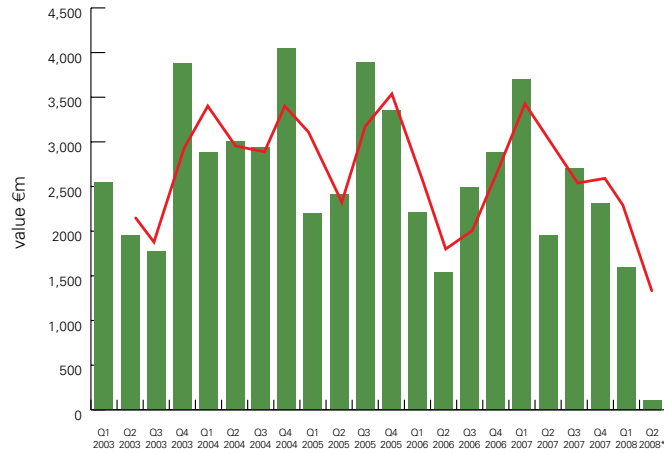
volume



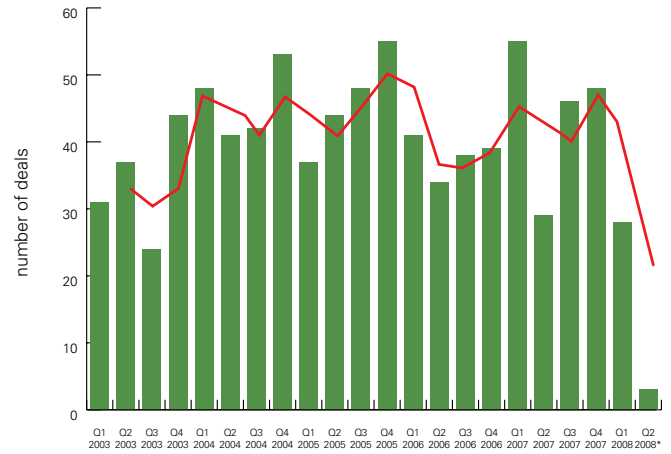
# Mid market deals

## German M&A quarterly mid market trend

value



volume



— Moving average trend line

# Mid market deals

## Top 10 German announced mid market deals for YTD 30 April 2008

(€10m to €250m)

Announced	Status	Target company	Sector	Target/seller financial adviser	Target/seller legal adviser	Bidder company	Bidder financial adviser	Bidder legal adviser	Seller company	Deal Value (€m)
21-Feb-08	C	Allgeier DL GmbH	Business Services	Internal	Internal; Beiten Burkhardt	USG People NV	Pricewaterhouse-Coopers Corp Fin		Allgeier Holding AG	175
4-Mar-08	P	Siemens AG (Wireless Modules business)	TMT	Morgan Stanley	Baker & McKenzie	Granville Baird; SAPFI Kapital Management GmbH; and T-Venture Holding GmbH	Sal. Oppenheim jr & Cie	Esche Shuemann Commichau; Freshfields Bruckhaus Deringer; Milbank Tweed Hadley & McCloy; PricewaterhouseCoopers legal; Watson, Farley & Williams	Siemens AG	150
31-Jan-08	C	Francono-RheinMain AG (54% stake)	Financial Services	JPMorgan	Buse Heberer Fromm	Grainger FRM (No. 1) GmbH & Co. KG; and Grainger FRM GmbH	Lazard	Freshfields Bruckhaus Deringer	Franconofurt AG	118
22-Jan-08	C	Pfleiderer AG (15.02% stake)	Industrials & Chemicals	HSBC Bank		One Equity Partners LLC				114
14-Mar-08	C	Z&J Technologies GmbH	Industrials & Chemicals		Clifford Chance	ILP Private Equity Funds			Equita Fonds 3	90
17-Jan-08	P	Kinowelt GmbH	TMT		Beiten Burkhardt	StudioCanal SA		Hogan & Hartson		90
26-Mar-08	P	Blau Mobilfunk GmbH	TMT	Corporate Finance Partners	Rittstieg Rechtsanwalt; Taylor Wessing	KPN NV	Internal	Baker & McKenzie		80
8-Feb-08	C	Demag Ergotech GmbH; and Van Dorn Demag Corporation	Industrials & Chemicals	Hauck & Aufhauser Corporate Finance GmbH; Lazard	Hengeler Mueller; Katten Muchin Rosenman	Sumitomo Heavy Industries Ltd	GCA Savvian	Morrison & Foerster; Noerr Stiefenhofer & Lutz	KraussMaffei Financial Services GmbH; and MPM US HoldCo Inc	78
25-Feb-08	P	SAUERESSIG GmbH + Co KG (78% stake)	Industrials & Chemicals			Matthews International Corporation		Reed Smith		76
28-Apr-08	P	Burgbad AG	Construction			Eczacibasi Holding A S; and Eczacibasi Yapı Gereçleri San ve TAS	BHF-Bank		Ruddies Beteiligungs- und Vermögensverwaltungs-gesellschaft mbH	71

C = Completed; P = Pending; L = Lapsed

Source: mergermarket



# Mid market league tables

## Top 10 mid market financial advisors – Germany

(€10m to €250m)

YTD 30-Apr-08	House	Value (€m)	Deal count
<b>Value:</b>			
1	Morgan Stanley	386	3
2	Alegro Capital	320	2
3	Lazard	297	3
4	JPMorgan	239	2
5	PricewaterhouseCoopers Corp Fin	175	1
6	Close Brothers Group	165	3
7	Lehman Brothers	160	1
8	Sal. Oppenheim jr & Cie	150	1
9	Mooreland Partners	140	1
10	Blackstone Group Holdings	121	1
<b>Volume:</b>			
1	Morgan Stanley	386	3
2	Lazard	297	3
3	Close Brothers Group	165	3
4	Alegro Capital	320	2
5	JPMorgan	239	2
6	KPMG Corp Fin	113	2
7	Corporate Finance Partners	104	2
8	PricewaterhouseCoopers Corp Fin	175	1
9	Lehman Brothers	160	1
10	Sal. Oppenheim jr & Cie	150	1

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Germany

## Top 10 mid market legal advisors – Germany

(€10m to € 250m)

YTD 30-Apr-08	House	Value (€m)	Deal count
<b>Value:</b>			
1	Freshfields Bruckhaus Deringer	742	7
2	Herguener Bilgen & Oezeke	373	2
3	Shearman & Sterling	332	3
4	Clifford Chance	297	5
5	Beiten Burkhardt	265	2
6	Linklaters	248	3
7	DLA Piper	241	3
8	Baker & McKenzie	230	2
9	Lovells	170	2
10	Field Fisher Waterhouse	170	1
<b>Volume:</b>			
1	Freshfields Bruckhaus Deringer	742	7
2	Clifford Chance	297	5
3	Shearman & Sterling	332	3
4	Linklaters	248	3
5	DLA Piper	241	3
6	Herguener Bilgen & Oezeke	373	2
7	Beiten Burkhardt	265	2
8	Baker & McKenzie	230	2
9	Lovells	170	2
10	Taylor Wessing	118	2

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Germany

## **SNCF is likely to become the fourth largest European freight company**

- The €135 per share proposed offer for French logistics company Geodis by French state owned railway company, SNCF, will not require antitrust notification to any jurisdiction, according to a SNCF spokesperson. The spokesperson said that the deal will not require any antitrust approval to complete. "If the Geodis board recommends the offer, then it will go through," she concluded. On the 28 April 2008 Geodis' Board of Directors unanimously recommended to shareholders of Geodis to tender their shares to the public offer initiated by SNCF Participations.
- The price has been fixed at €135 which values Geodis at €1.1bn. On the French stock exchange, Geodis's value increased 30% to €132.55 in anticipation for the IPO. If the IPO is accepted, SNCF should be prepared to pay €660m.
- The new group will also become the 4th biggest European group of freight after the German DHL and Deutsche Bahn and the Swiss Kuehne & Nagel. Pierre Blayau, Geodis's CEO has been offered the position of head of the new entity.
- Other shareholders of the Geodis Group are AGF Vie, the French insurance company, which holds 9.2% of the company, and Salvepar, the investment company which holds 5.9%. The employees hold 5% of the stakes. French insurance group AGF, owned by Germany's Allianz, will tender its shares in Geodis, to SNCF according to sources. Geodis currently has 26,000 employees in 120 countries.
- Still on the acquisition side, SNCF also announced it was ready to acquire 75% of the German Import Transport Logistik (ITL). ITL had a turnover of €45m in 2007.

## **Sacyr Vallermoso agrees to sell stakes of Eiffage to French investors at €63 per share**

- Sacyr, the listed Spanish construction group, has decided to sell its 33.32% stake held in French rival, Eiffage, to a group of French investors, according to some newspapers, the group of investors include BNP Paribas, Axa, AGF, CNP Assurances, state-owned CDC, as well as Groupama.
- Negotiations between Sacyr and the French group have concluded, and the Spanish firm would cede its stake to the French group at a price of €63 per share.
- According to a company's press release, the arrival of an agreement to sell, waives Sacyr of any outstanding legal procedures associated with Eiffage, which the press release explained would enable Sacyr to have more time to dedicate to other initiatives.
- The announcement added that Sacyr has taken the measures necessary for the deal to be soon completed.

### **In terms of other potential investors**

- An unsourced report in *Expansión* said Belgian financier Albert Frère (described as a long-time ally of Jean François Riverato, Eiffage's chairman) was thought to have acquired between 1% and 2% of Eiffage.
- Eiffage was not in favour of Fayat, the French construction company, to bid for Sacyr's 33.32% stake in the company, Eiffage's chairman, has said.
- Speaking at a press conference, Riverato said Eiffage did "not need" Fayat as a shareholder and that, in the event that it did acquire Sacyr's stake, he would ask Eiffage's board of directors to adopt the same stance it has adopted with Sacyr, adding that it was not desirable to have a competitor as a shareholder. He said Eiffage would view any attempt to acquire Sacyr's stake by a shareholder that did not meet with the approval of Eiffage's board as "hostile".
- According to *El Confidencial*, Juan Abelló (second vice chairman and owner of 10% of the company) and another board member Demetrio Carceller (with 6.04%) are willing to sell Sacyr's 33.32% stake as soon as possible, even if it means making a loss.

# Deal of the month

<b>Target:</b>	Neuf Cegetel SA	<b>Announced:</b>	23 April 2008
<b>Bidder:</b>	SFR SA	<b>Deal value:</b>	€5,558m
<b>Seller:</b>		<b>Deal nature:</b>	Recommended

SFR, the France based mobile phone operator, has launched a simplified offer to acquire the entire issued share capital it does not already own of Neuf Cegetel, the France listed telecoms group.

## Structure

- The transaction will be conducted via a simplified public offer.

## Terms

- Neuf Cegetel shareholders will receive €35.90 in cash per each share held. Neuf Cegetel will pay a €0.60 dividend in respect of the financial year ended 31-Dec-07 with an ex-div date of 28-Apr-08 and payment due on 02-May-08.
- The offer values each Neuf Cegetel share at €36.50 cum-div.
- The offer values the entire issued share capital of Neuf Cegetel at approximately €7.66bn cum-div.
- The cum-div offer represents a premium of 0.77% to Neuf Cegetel's closing price of €36.22 on 21-Apr-08, the last trading day prior to the firm announcement.
- The cum-div offer represents a discount of 0.65% to Neuf Cegetel's closing price of €37.74 on 18-Dec-07, the last trading day

## Holdings and irrevocables

- SFR currently holds 68.13% in Neuf.

## Background

- On 20-Dec-07, SFR and Louis Dreyfus group signed the letter of intent to sell Louis Dreyfus's 28.45% stake in Neuf Cegetel to SFR at a price of €34.50 per share cum-div.
- On 15-Apr-08, Following the receipt of the approval of the relevant antitrust authorities, Neuf Cegetel has been informed of the sale of the entire stake held by Louis Dreyfus group in Neuf Cegetel (28.45% of the capital) to SFR.
- Consequently, SFR holds 68.13% of the capital of Neuf Cegetel and confirmed that a simplified public tender offer would be filed with the AMF followed, if the case may be, by a squeeze-out procedure, at a price of €36.50 cum-div.

## Conditions

- Offer unconditional.

## Deal of the month

Exit Multiples - Y/E 31/12/07			Premium analysis	
	Multiples	Value (€m)	Offer price per share (EUR)	36.5
Revenue	2.6x	3,348	1 day before	0.77%
EBITDA	11.8x	728	1 month before	4.43%
EBIT	35.7x	241	1 day after	0.47%
Earnings	29x	262	Pre-rumour	-

Advisers			
Target/seller		Bidder	
Financial	Merrill Lynch Lazard Ricol et Lasteyrie Associes	Financial	JPMorgan SG Natixis CALYON Credit Mutuel – CIC Asset Management
Legal	Cleary Gottlieb Steen & Hamilton	Legal	Clifford Chance
PR	Internal	PR	Brunswick Group

mergermarket/dealReporter Intelligence	
04-Apr-08	Neuf Cegetel/SFR: Decision on phase II within two weeks; parties offer behavioral remedies for mobile network and optical fibre access - sources
17-Jan-08	Vodafone remains committed to SFR, spokesperson says
08-Jan-08	Neuf Cegetel: SFR could launch public offer by September, person familiar says

Timetable and expected events			
Offer timetable	Date		Notes
AMF filing	23-Apr-08	Y	Same trading days for Garantie de Cours
AMF clearance			Normally 5 trading days from filing
AMF Visa			Normally 5 trading days from CMF decision (or max 10 trading days from filing) In case of Garantie de Cours, the AMF clearance and AMF visa can occur same day
Offer period commences			Latest 3 trading days after AMF Visa, offer document issued previous trading days
Target's official response			Ref defense document from target board, filing latest 5 trading days after AMF Visa, approval latest 3 trading days from filing, issued same/next trading day
Last day for revised/ competing offer			Latest 5 trading days prior to closing date
Closing Date			Normally 10 trading days for Garantie de Cours - max 35 trading days
Offer results			5 trading days for Garantie de Cours
Settlement			1 trading day after offer results for Garantie de Cours
Company events	Date		Notes
NEUF ex-div date	28-Apr-08		ref €0.60 dividend for fy ended 31-Dec-08
NEUF div payment			ref €0.60 dividend for fy ended 31-Dec-08

# Top Deals

## Top 15 French announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
23-Apr-08	P	Neuf Cegetel SA (60.32% stake)	TMT	SFR SA		2.8	12.9	29.0	0.77%	5,558
23-Jan-08	C	YSL Beaute	Consumer	L'Oreal SA	PPR SA				-	1,150
26-Mar-08	C	Compagnie de Saint-Gobain (5.10% stake)	Industrials & Chemicals	Wendel Investissement		0.7	4.9	12.8	-	969
17-Apr-08	C	Eiffage SA (10.95% stake)	Construction	Caisse des Depots et Consignations	Sacyr Vallehermoso SA	0.4		5.8	3.25%	633
30-Jan-08	C	BUT International	Consumer	Decomeubles Partners SAS	Kesa Electricals plc	1.3	25.4	81.6	-	550
01-Apr-08	C	Petit-Couronne refinery; and Reichstett refinery	Energy, Mining & Utilities	Petroplus Holdings AG	Royal Dutch Shell plc				-	503
27-Mar-08	C	Maisons du Monde	Consumer	Apax Partners and LBO France	Barclays Private Equity Limited; and Natexis Industrie				-	415
31-Mar-08	C	Banque Palatine (36.36% stake)	Financial Services	Caisse Nationale des Caisses d'Epargne et de Prevoyance	Intesa Sanpaolo SpA				-	367
14-Feb-08	C	Gaztransport & Technigaz (30% stake)	Energy, Mining & Utilities	Hellman & Friedman	Saipem				-	310
08-Feb-08	C	Groupe Etanco	Industrials & Chemicals	Industri Kapital AB	Lebraut family				-	255
19-Feb-08	P	Genesys	Business Services	West International Holdings Limited		1.2	9.1	12.5	49.7%	183
01-Feb-08	C	Frial	Consumer	Groupe Alpha					-	170
22-Feb-08	P	Doctissimo	TMT	Lagardere		11.8			1.8%	136
09-Jan-08	C	Defi Mode	Consumer	Vivarte	3i Group Plc				-	130
25-Feb-08	P	LOGIX Group	Business Services	Arrow Electronics	Groupe OPEN	0.2			-	120

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

## Top 5 French announced deals of the month April 2008

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
23-Apr-08	P	Neuf Cegetel SA (60.32% stake)	TMT	SFR SA		2.6	11.8	29.0	0.77%	5,558
17-Apr-08	C	Eiffage SA (10.95% stake)	Construction	Caisse des Depots et Consignations	Sacyr Vallehermoso SA	0.4		5.8	3.25%	633
01-Apr-08	C	Petit-Couronne refinery; and Reichstett refinery	Energy, Mining & Utilities	Petroplus Holdings AG	Royal Dutch Shell plc				-	503
08-Apr-08	C	EOLE 76 (wind assets); and Eurocape(wind assets)	Energy, Mining & Utilities	Novas Energias do Occidente SA	EOLE 76; and Eurocape				-	95
30-Apr-08	P	Banco Popular France	Financial Services	Credit Mutuel SA	Banco Popular Espanol SA				-	85

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Expected deals

## Pipeline of French expected deals

Situation	Target Company	Sector	Financial adviser to bidder (B); target (T); seller (S)	Potential bidder company	Seller company	Market cap/ est. value (€m)	Comments
Rumoured Takeover Target	Schneider Electric SA	Industrials & Chemicals		ABB Limited		23,211	Analysts believe ABB, the listed Swiss technology giant, could be interested in the French group. ABB saw its shares up 1.3% following speculation it is interested in French competitor Schneider valued at EUR 24bn.
Rumoured Takeover Target	Vallourec Group SA	Industrials & Chemicals		Gazprom; and Metalloinvest		10,104	Vallourec, is prepared to accept a cash takeover bid of approximately €389 per share from Gazprom. Vallourec shares rose 4% to €148.6 on speculation that Russian investor Alisher Usmanov, the owner of metals holding Metalloinvest, is considering a bid at €194.3 per share. Vallourec has been recently reported to have a market capitalisation of €11.12bn.
Rumoured Takeover Target	Hermes International SA	Consumer		LVMH		8,078	Hermes has seen rumours of potential interest from competitor LVMH.
Rumoured Takeover Target	Eramet SA	Energy, Mining & Utilities		ArcelorMittal; Caisse des Depots et Consignations; Government of France; and AREVA SA	Duval family	7,869	Shares in Eramet, the listed French mining group, rose by 1.34% on rumours that the Duval family is considering selling its 37% stake to Areva.
Rumoured Takeover Target	Safran SA	Defence	Merrill Lynch (T)	Thales; Zodiac; or Alstom		7,373	Rumours are that Safran could join forces with French companies Thales, Zodiac or Alstom.
Rumoured Takeover Target	Aeroports de Paris	Transportation		Vinci SA; Fraport AG; Macquarie Airports; Bridgepoint Capital Limited; Balfour Beatty Plc; Flughafen Wien AG; and Hochtief AG	French government	6,423	Aeroports de Paris could be sold by the French government. The French government could decide to dispose of its 68.4% stake. On 2 Jan 2008, French listed construction group Vinci reportedly acquired 3.3% of ADP.
Rumoured Takeover Target	Capgemini SA	Business Services		Reliance Communications; Infosys Technologies Ltd; and Wipro Limited		6,370	Capgemini, the listed French IT consultancy group, could see a takeover offer from Wipro in January 2008. The bid would likely be priced at €48 per share and value the consulting firm for as much as €7bn.
Rumoured Takeover Target	Geodis SA	Business Services	Lazard (T); BNP Paribas (T)	Butler Capital Partners		1,137	Geodis could be considering altering the assets of the company or even modifying its shareholder structure. The top management of SNCF, the 43% owner of Geodis, does not agree on the potential sale of the unit.
Rumoured Takeover Target	Geodis SA	Transportation	Houlihan Lokey (T); BNP Paribas (T); Lazard (T); UBS (B); Deutsche Bank (B)	SNCF Participations		1,033	On April 28th, Geodis' Board of Directors today unanimously recommended to shareholders of Geodis to tender their shares to the public offer initiated by SNCF Participations. Directors expressed their intention to tender their own shares to the offer, except the shares that must be held by each director, pursuant to the bylaws of the Company.
Rumoured Takeover Target	AREVA SA	Industrials & Chemicals	Bain (T); Calyon (T); Lazard (T); HSBC Bank (T)	EDF; Total; and Alstom	French government; and Commissariat a l'Energie Atomique	1,011	French president Nicolas Sarkozy would like to reduce the stake of the government in Areva to less than 50%, and maybe try a potential alliance with electricity group EDF or oil group Total.

Source: mergermarke

# League tables

## Top 15 financial advisors - France

### value

YTD 30-Apr-08	House	Value (€m)	Deal count
1	JPMorgan	15,377	7
2	CALYON	11,912	4
3	Deutsche Bank	7,006	3
4	SG	6,688	9
5	Lazard	6,532	7
6	Merrill Lynch	6,467	3
7	Ernst & Young	6,021	6
8	Morgan Stanley	5,886	2
9	Ricol et Lasteyrie et Associes	5,741	2
10	PK Partners	5,626	1
11=	Credit Mutuel-CIC Asset Management	5,558	1
11=	Natixis	5,558	1
13	Rothschild	4,209	14
14	UBS	3,212	8
15	Lehman Brothers	1,462	4

Source: mergermarket

### volume

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Rothschild	4,209	14
2	Close Brothers Group	760	10
3	SG	6,688	9
4	UBS	3,212	8
5	JPMorgan	15,377	7
6	Lazard	6,532	7
7	Ernst & Young	6,021	6
8	BNP Paribas	174	5
9	PricewaterhouseCoopers Corp Fin	43	5
10	CALYON	11,912	4
11	Lehman Brothers	1,462	4
12	Deutsche Bank	7,006	3
13	Merrill Lynch	6,467	3
14	Goldman Sachs	714	3
15	HSBC Bank	185	3

Source: mergermarket

The Financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being France.

## Top 15 legal advisors

### value

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Debevoise & Plimpton	8,418	5
2	Clifford Chance	7,308	4
3	Cleary Gottlieb Steen & Hamilton	7,214	5
4	Gide Loyrette Nouel	7,097	12
5	Davis Polk & Wardwell	6,851	4
6	Vinge	5,702	2
7	Dechert	5,638	3
8=	Gernandt & Danielsson	5,626	1
8=	Macfarlanes	5,626	1
8=	McDermott Will & Emery	5,626	1
11	Linklaters	2,489	8
12	Jones Day	2,149	8
13	White & Case	1,946	7
14	Darros Villey Maillot Brochier	1,783	2
15	Allen & Overy	1,592	4

Source: mergermarket

### volume

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Gide Loyrette Nouel	7,097	12
2	Linklaters	2,489	8
3	Jones Day	2,149	8
4	Mayer Brown	747	8
5	White & Case	1,946	7
6	Bredin Prat	1,444	6
7	Willkie Farr & Gallagher	985	6
8	SJ Berwin	540	6
9	Debevoise & Plimpton	8,418	5
10	Cleary Gottlieb Steen & Hamilton	7,214	5
11	CMS	639	5
12	Ashurst	163	5
13	Lovells	35	5
14	Clifford Chance	7,308	4
15	Davis Polk & Wardwell	6,851	4

Source: mergermarket

The Legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being France.

# League tables

## Activity table of private equity firms on French buyouts

value

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Wendel Investissement	969	1
2	Colony Capital	550	2
3=	GS Capital Partners	550	1
3=	Merchant Equity Partners	550	1
5	LBO France	473	2
6	AXA Private Equity	429	4
7	Apax Partners	415	1
8	Hellman & Friedman	310	1
9	Industri Kapital	255	1
10	Groupe Alpha	170	1

Source: mergermarket

volume

YTD 30-Apr-08	House	Value (€m)	Deal count
1	AXA Private Equity	429	4
2	Colony Capital	550	2
3	LBO France	473	2
4	Naxicap Partners	31	2
5	Argos Soditic	27	2
6=	Activa Capital	-	2
6=	Edmond de Rothschild Capital Partners	-	2
8	Wendel Investissement	969	1
9=	GS Capital Partners	550	1
9=	Merchant Equity Partners	550	1

Source: mergermarket

The Private Equity buyout activity tables by value and volume are based on private equity firms advising the bidder on buyout deals where the dominant geography of the target company is France. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.

## Activity table of private equity firms on French exits

value

YTD 30-Apr-08	House	Value (€m)	Deal count
1=	Barclays Private Equity	415	1
1=	Natexis Industrie	415	1
3	3i Group	165	3
4	AtriA Capital Partenaires	58	2
5	Finadvance	35	1
6	Astorg Partners	33	1
7	Initiative et Finance	13	2
8	Platina Finance	-	2
9=	Acland Capital Investissement	-	1
9=	Argos Soditic	-	1

Source: mergermarket

volume

YTD 30-Apr-08	House	Value (€m)	Deal count
1	3i Group	165	4
2	AtriA Capital Partenaires	58	2
3	Initiative et Finance	13	2
4	Platina Finance	-	2
5=	Barclays Private Equity	415	1
5=	Natexis Industrie	415	1
7	Waterland Private Equity Investments BV	300	1
8	NBGI Private Equity	45	1
9	Finadvance	35	1
10	Astorg Partners	33	1

Source: mergermarket

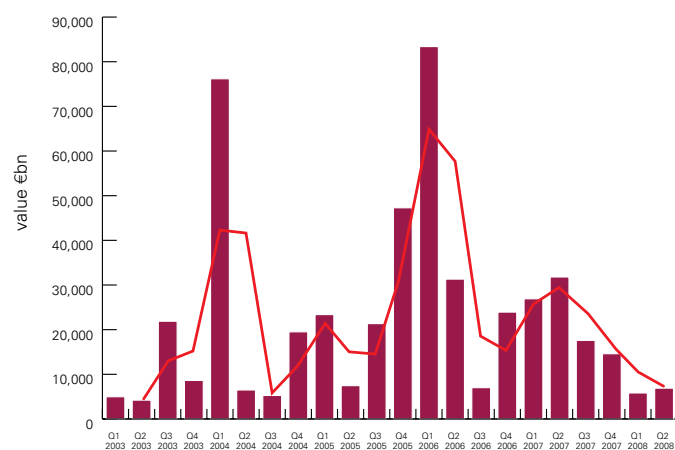
The Private Equity exit activity tables by value and volume are based on private equity firms advising the vendor on exit deals where the dominant geography of the target company is France. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.



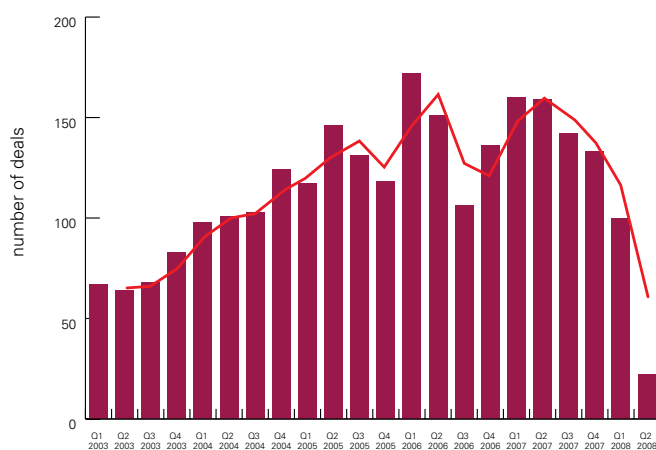
# Trend graphs

## French M&A quarterly trend

value



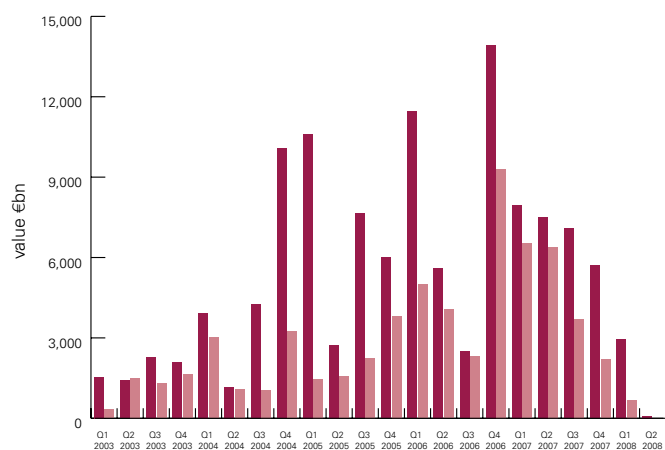
volume



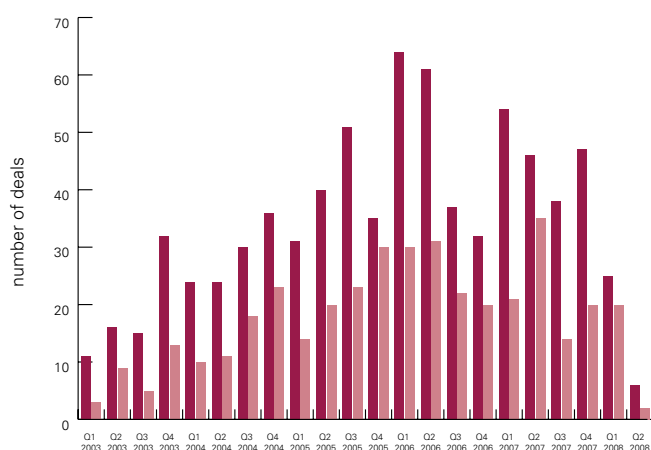
— Moving average trend line

## French M&A quarterly private equity trend

value



volume



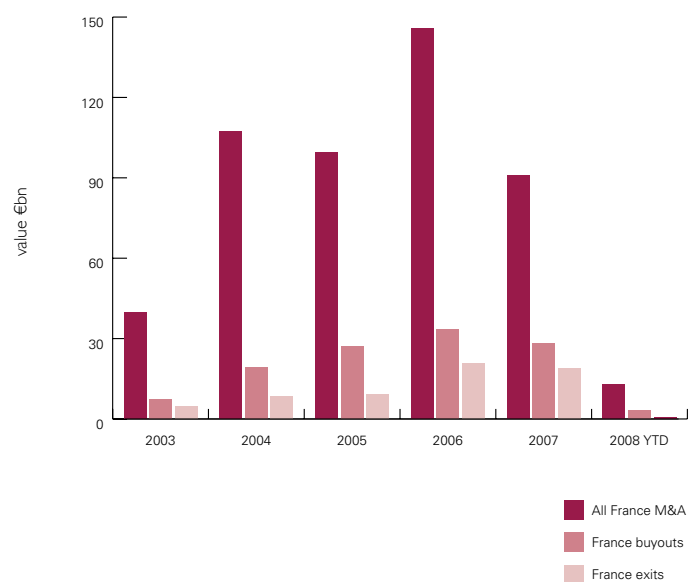
■ France buyouts  
■ France exits

■ France buyouts  
■ France exits

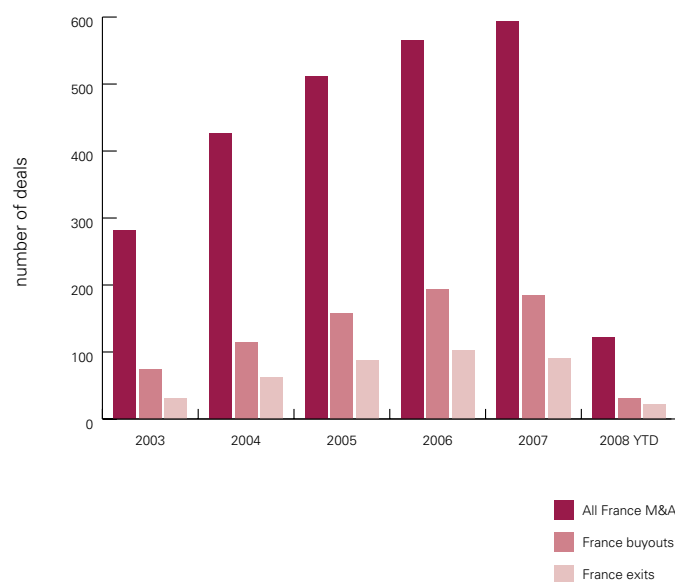
# Trend graphs

## French M&A annual trends

value

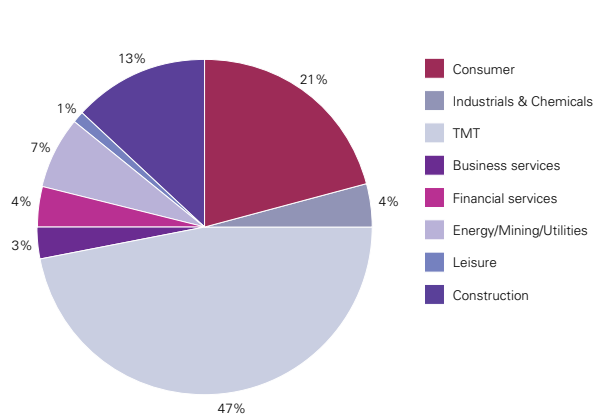


volume

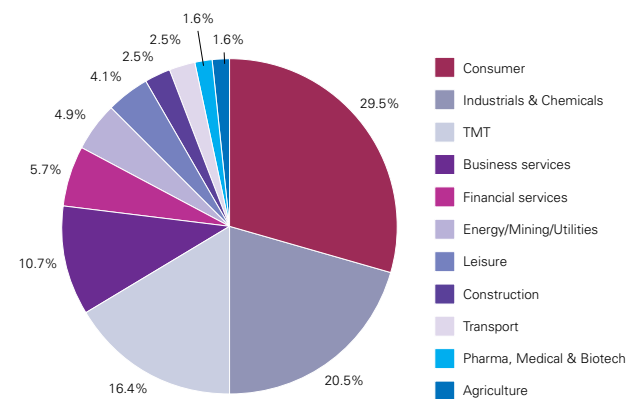


## French M&A sector breakdown YTD 2008

value



volume



# Mid market deals

## Top 10 French announced mid market deals for YTD 30 April 2008

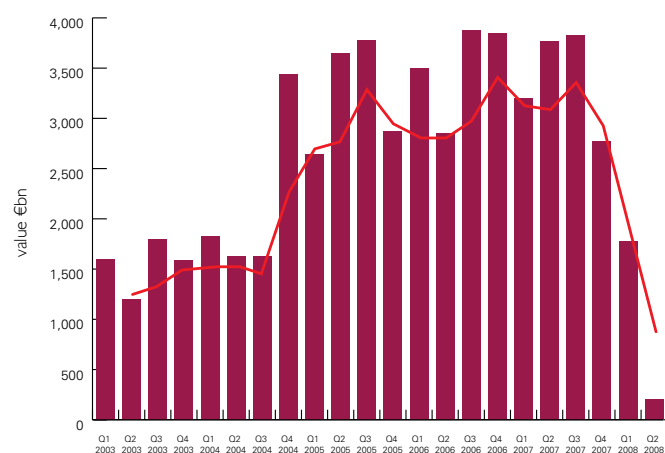
(€10m to €250m)

Announced	Status	Target company	Sector	Target/seller financial adviser	Target/seller legal adviser	Bidder company	Bidder financial adviser	Bidder legal adviser	Seller company	Deal value (€m)
19-Feb-08	P	Genesys SA	Business Services	Houlihan Lokey; Ricol et Lasteyrie et Associes	Cleary Gottlieb Steen & Hamilton; Weil Gotshal & Manges	West International Holdings Limited	Lehman Brothers	Weil Gotshal & Manges; Linklaters		183
01-Feb-08	C	Frial SA	Consumer		Hoche Societe D'Avocats; Mayer Brown; Sarrau Thomas Couderc	Glacies Holding	Barclays Bank; Aforge Finance	Field Fisher Waterhouse; Linklaters; EY Law		170
22-Feb-08	P	Doctissimo SA	TMT	Lazard	Fidufrance	Lagardere SCA	HSBC Bank	Bredin Prat		136
09-Jan-08	C	Defi Mode SAS	Consumer	BNP Paribas	Sarrau Thomas Couderc	Vivarte SA		Ashurst	3i Group Plc	130
25-Feb-08	P	LOGIX Group	Business Services	Close Brothers Group	Jeantet Associes	Arrow Electronics Inc	Goldman Sachs		Groupe OPEN SA	120
14-Feb-08	P	Thales e-Transactions Espana SA; Thales E-Transactions GmbH; Thales E-Transactions Ltd; and Thales E-Transactions SA	Industrials & Chemicals		Willkie Farr & Gallagher	Hypercom Corporation		DLA Piper	Thales SA	102
10-Mar-08	P	Du Pareil au Meme	Consumer	Detroyat Associes		H Partners Capital LLC	SG	Bredin Prat		97
08-Apr-08	C	EOLE 76 (wind assets); and Eurocape(wind assets)	Energy, Mining & Utilities	Lazard		Novas Energias do Ocidente SA	Lazard; CALYON	Gide Loyrette Nouel	EOLE 76; and Eurocape	95
20-Mar-08	P	Leon de Bruxelles SA	Leisure	Finexsi		OFI Private Equity Capital			Pleiade Investissement	65
05-Feb-08	C	La City	Consumer	UBS	Vatier & Associes	21 Centrale Partners	Ernst & Young	Gide Loyrette Nouel; Vaisse & Associes; Mayer Brown; EY Law		60

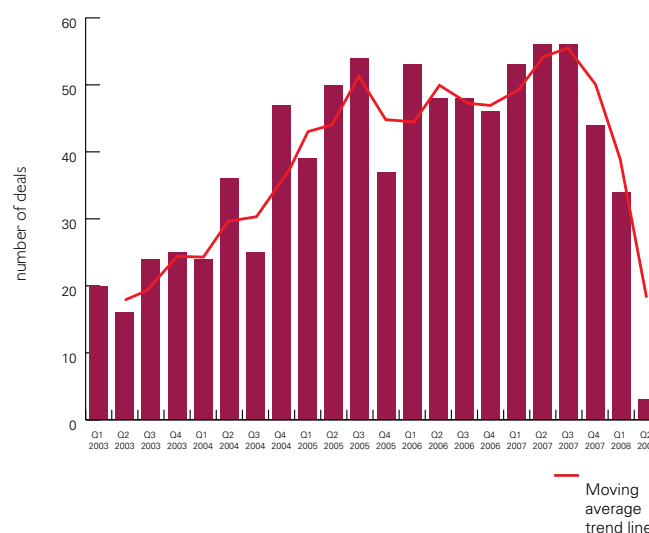
Source: mergermarket

## French M&A Quarterly Mid Market Trend

value



volume



# Mid market league tables

## Top 10 mid market financial advisors – French

(€10m to €250m)

YTD 30-Apr-08	House	Value (€m)	Deal count
<b>Value:</b>			
1	Lazard	424	3
2	Close Brothers Group	345	6
3	SG	242	4
4=	Cowen & Co	217	1
4=	Credit Suisse	217	1
6	HSBC Bank	185	2
7=	Houlihan Lokey	183	1
7=	Lehman Brothers	183	1
7=	Ricol et Lasteyrie et Associes	183	1
10	BNP Paribas	174	2
<b>Volume:</b>			
1	Close Brothers Group	345	6
2	SG	242	4
3	Lazard	424	3
4	HSBC Bank	185	2
5	BNP Paribas	174	2
6	Goldman Sachs	164	2
7	Ernst & Young	95	2
8	Rothschild	88	2
9=	Cowen & Co	217	1
9=	Credit Suisse	217	1

Source: mergermarket

The Financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being France

## Top 10 mid market legal advisors – French

(€10m to €250m)

YTD 30-Apr-08	House	Value (€m)	Deal count
<b>Value:</b>			
1	Weil Gotshal & Manges	366	1
2	Mayer Brown	332	4
3	Cleary Gottlieb Steen & Hamilton	313	2
4	Sarrau Thomas Couderc	300	2
5	Milbank Tweed Hadley & McCloy	266	2
6	Bredin Prat	261	3
7	Gide Loyrette Nouel	249	5
8	EY Law	230	2
9	Hoche Societe D'Avocats	228	2
10	Debevoise & Plimpton	217	1
<b>Volume:</b>			
1	Gide Loyrette Nouel	249	5
2	Mayer Brown	332	4
3	Bredin Prat	261	3
4	Jones Day	68	3
5	Cleary Gottlieb Steen & Hamilton	313	2
6	Sarrau Thomas Couderc	300	2
7	Milbank Tweed Hadley & McCloy	266	2
8	EY Law	230	2
9	Hoche Societe D'Avocats	228	2
10	Jeantet Associes	168	2

Source: mergermarket

The Legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being France

## M&A activity in the Italy

- The subprime credit crunch which started in the United States, has spread all through Europe and it has seriously affected levels of M&A activity. As far as Italy is concerned: in the first quarter of 2007, the total value of M&A was €15m and the total number of M&A amounted to 85, as opposed to the first quarter of 2008 where the value of the M&A decreased by 68.66% to €4.7m.
- Furthermore, comparing the same period in 2007 vs 2008 up to date, the value of M&A in Financial Services sector was €8bn as opposed to 2008 where the value reached €2bn. Given the Financial Services sector results have been 73% less active in 2008 clearly shows the hesitation of companies and banks to take part in a transaction involving debt.
- The Telecommunication sector in 2007, (up to the 30 April 2007) already had a total value of €9.3bn with 5 deals compared to this year where only one deal has been announced for an undisclosed amount.
- However, Energy and Automotive sectors increased the value to €940m with 4 deals and €1480m with 6 deals respectively, as opposed to 2007 where the value of M&A in the Energy sector was €377 with 6 deals and €32 with 5 deals for Automotive, which means that the Energy sector increased by 60% and Automotive increased by approximately 98%.

## Consolidation of Italian utilities sector

- The biggest deal of April in the utility sector was the sale of Hydro Dolomiti Enel. Dolomiti Energia, the Italy based utility firm which acquired Hydro Dolomiti Enel, the Italian company consisting of Hydroelectric Generation Operations of Enel, the listed Italian energy group for an assumed cash consideration of €563m.
- The consolidation of the Italian utilities market has continued, as talks between Iride, the listed utility for the city of Turin, Acea, the listed utility for the city of Rome and Hera and Enia, the listed utilities based in the Emilia Romagna continue regarding the possibility of a merger involving two or several of the companies.
- However, talks between these companies are still at a very early stage as they have been debating for months as to whether a merger would be possible, with no viable solution being met as yet, according to sources and people close to the situation. A source concurred that any merger needs to be analysed from an industrial, territorial and political point of view.
- Iride, which is the gas and electrical energy distributor, is the only utility with an upstream activity according to an industrial point of view. Thus, Iride, compared to Enia and Hera, is the only utility that could compensate the lack of upstream business, one source said. Acea, on the other hand, is very strong on the water sector, which makes this utility highly attractive.
- Given Enia and Hera are based in the Emilia Romagna region the two are considered complementary from a territorial point of view.
- According to two sources, Acea the listed utility for the city of Rome could be the only company left out from this merger as it is geographically farther than the other three. In addition, another fact that could penalise Acea is the political situation, which differentiates the whole three. Iride, Enia and Hera are all governed by left wing councils, while Acea even after the recent elections still run by a right wing party.
- A merger between Enia, Hera and Iride would create an entity with a market capitalisation of €4.8bn.

# Deal of the month

<b>Target:</b>	Bipitalia Ducato SpA	<b>Announced:</b>	29 April 2008
<b>Bidder:</b>	Agos Itafinco SpA	<b>Deal value:</b>	€1000m
<b>Sellers:</b>	Banco Popolare	<b>Deal nature:</b>	Acquisition; Domestic

- Agos Itafinco SpA, the Italian financial services company providing consumer loans, leasing and factoring services, and a subsidiary of Credit Agricole SA, the listed France based provider of financial services in retail and wholesale banking services, property, casualty and life insurance, and asset management, has agreed to acquire Bipitalia Ducato SpA, the Italian consumer credit unit of Banco Popolare, the listed Italy based bank operating in financial services, including retail and commercial loan and deposit products, credit cards, insurance, and online brokerage, for a consideration of €1000m
- Under the terms of the agreement, a dividend payment of €30.5m will be made to Banco Popolare following which the latter will underwrite an increase in Ducato's capital of €130m. Ducato will then be sold to Agos following which Agos will increase its capital by €1bn. This capital increase will also be underwritten by Banco Popolare which would give Banco Popolare a stake in the merged entity. Post acquisition, Sofinco, the French consumer credit bank and subsidiary of Credit Agricole, will hold a 61% stake in the combined entity while Banco Popolare will hold the remaining 39%.
- Credit Agricole will control the combined entity and Banco Popolare will have veto rights on some decisions. Banco Popolare might also request the merged entity to be listed on the stock exchange in the future in order to assure the liquidity of its investment. The transaction will create a leading consumer credit operator with a market share of 14% in Italy. The completion of the transaction remains subject to necessary authorisation from the relevant authorities.

Advisers			
Target/seller		Bidder	
<b>Financial</b>	JPMorgan	<b>Financial</b>	Rothschild CALYON Borghesi, Colombo e Associati
<b>Legal</b>	-	<b>Legal</b>	-
<b>PR</b>	-	<b>PR</b>	M:Communications

# Top deals

## Top 15 Italian announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
16-Mar-08	L	Alitalia SpA	Transportation	Air France-KLM SA					-81.5%	1,418
29-Apr-08	P	Bipitalia Ducato SpA	Financial Services	Agos Itafinco SpA	Banco Popolare	n/a	n/a		-	1,000
11-Mar-08	P	Speed SpA	Industrials & Chemicals	Pirelli & C SpA	Capitalia SpA; Gruppo Banca Leonardo SpA; Intesa Sanpaolo SpA; Lehman Brothers Holdings Incorporated; Mediobanca SpA; and One Equity Partners LLC				-	836
27-Mar-08	C	Ludica SpA	Consumer	Giochi Preziosi SpA; Intesa Sanpaolo SpA; and Clessidra SGR	3i Group Plc	1.1			-	800
24-Apr-08	P	Hydro Dolomiti Enel Srl (51% stake)	Energy, Mining & Utilities	Dolomiti Energia	Enel SpA				-	563
19-Feb-08	P	Ducati Motor Holding SpA (71% stake)	Industrials & Chemicals	Investindustrial SpA		1.4	10.3	42.1	21.4%	407
23-Apr-08	P	So.Ge.Par SpA	Industrials & Chemicals	Outokumpu Oyj		0.6			-	335
12-Feb-08	C	POLYNT SpA (72% stake)	Industrials & Chemicals	Polimeri Speciali Srl		0.8	6.8	22.9	4.9%	331
23-Jan-08	C	Co-ver Industrial Holding srl (50% stake)	Energy, Mining & Utilities	Oxara Energy Group Limited					-	250
30-Jan-08	P	Immobiliare Lombarda SpA (38.70% stake)	Financial Services	Fondiarìa - SAI SpA		n/a	n/a	112.1	23.1%	234
3-Mar-08	P	Inalca SpA (50% stake)	Consumer	JBS SA					-	219
12-Apr-08	C	Radici Film SpA	Industrials & Chemicals	Taghleef Industries LLC	BS Private Equity SpA; Centrobanca Sviluppo Impresa SGR; and Radici Group				-	200
29-Apr-08	P	Banca Monte dei Paschi di Siena SpA (bank depository operations)	Financial Services	Intesa Sanpaolo SpA	Banca Monte dei Paschi di Siena SpA	n/a	n/a		-	196
12-Mar-08	C	Mer Mec SpA	Industrials & Chemicals	Investitori Associati SpA		2.5	10.0		-	175
29-Mar-08	P	Banco Popolare (33 branches in Tuscany)	Financial Services	Credito Emiliano SpA	Banco Popolare	n/a	n/a		-	155

C = Completed; P = Pending; L = Lapsed

# Top deals

## Top 5 Italian announced deals of the month (April 2008)

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
29-Apr-08	P	Bipitalia Ducato SpA	Financial Services	Agos Itafinco SpA	Banco Popolare	n/a	n/a	n/a	-	1,000
24-Apr-08	P	Hydro Dolomiti Enel Srl (51% stake)	Energy, Mining & Utilities	Dolomiti Energia	Enel SpA				-	563
23-Apr-08	P	So.Ge.Par SpA	Industrials & Chemicals	Outokumpu Oyj		0.6			-	335
12-Apr-08	C	Radici Film SpA	Industrials & Chemicals	Taghleef Industries LLC	BS Private Equity SpA; Centrobanca Sviluppo Impresa SGR; and Radici Group				-	200
29-Apr-08	P	Banca Monte dei Paschi di Siena SpA (bank depository operations)	Financial Services	Intesa Sanpaolo SpA	Banca Monte dei Paschi di Siena SpA	n/a	n/a		-	196

C = Completed; P = Pending; L = Lapsed

Source: mergermarket



# Expected deals

## Pipeline of Italian expected deals

Situation	Target company	Sector	Potential bidder company	Financial advisor to bidder (B); target (T); seller (S)	Seller company	Market cap/est. value (€m)	Comments
Expected deal	Tiscali SpA	TMT	BT Group Plc; Vodafone Group Plc; The Carphone Warehouse Group Plc; British Sky Broadcasting Group Plc; or Orange SA	Banca IMI/ Intesa Sanpaolo (T); Borghesi, Colombo e Associati (T); JPMorgan (T)		1,481	End of this month is the deadline for final bids for Tiscali. The potential bidders include the UK-listed phone groups BT, Vodafone, Carphone Warehouse, as well as broadcaster BSkyB and France-based telecoms company Orange.
Expected deal	Enia SpA; and Acea SpA	Energy, Mining & Utilities	Hera SpA; or Iride SpA			4,760	Talks between listed Italian utilities, Iride, Hera, Enia and Acea are still at a preliminary stage, according to sources and people close to the situation. Mediobanca is in talks with all the utilities except for Hera and is to look at whether a merger between the four utilities would be possible, said a source with direct knowledge of the matter.
Rumoured Takeover Target	Beni Stabili SpA	Financial Services				1,460	Beni Stabili, the listed Italian real estate group, may be delisted based on an analysis mentioning that the share price was low when compared to the actual value of the group, therefore making a delisting operation "not improbable." Fonciere des Regions, the listed French real estate player, holds 68% of Beni Stabili after its public offer last year
Rumoured Takeover Target	Safilo SpA	Consumer	CVC Capital Partners Limited; Cinven Ltd; Candover Investments Plc; or Permira			616	Safilo, the listed Italian eyewear manufacturer, has attracted the attention of private equity firms with the intention to delist the company. However founder Vittorio Tabacchi holds a 34% stake in the company and is not interested in selling.
Rumoured Takeover Target	Ascopiave SpA	Energy, Mining & Utilities	ACEGAS SpA; ASM Brescia SpA or HERA SpA			376	Ascopiave, the listed Italian utility, is looking to merge with A2A. Talks would be progressing, and a merger between the two utilities might be seen further this year.
Rumoured Takeover Target	Aeffe SpA	Consumer	Permira			217	Aeffe, the listed Italian fashion house would have attracted the attention of private equity Permira.
Rumoured Takeover Target	Juventus Football Club SpA	Leisure	Severstal OAO		IFIL - Finanziaria di Partecipazioni SpA	211	Shares in listed Italian football club Juventus rose 1.89% to EUR 1.03 on the back of rumors that it could be taken over by Russia's Severstal.

Source: mergermarket

# League tables

## Top 15 financial advisors - Italy

### value

YTD 30-Apr-2008	House	Value (€m)	Deal count
1	Rothschild	2,543	8
2	UniCredit Group	2,507	7
3	Banca IMI/Intesa Sanpaolo	2,396	6
4	Mediobanca	1,574	6
5	UBS	1,385	4
6	Goldman Sachs	1,196	2
7	Morgan Stanley	1,169	3
8	Lehman Brothers	1,146	3
9	Gruppo Banca Leonardo	1,032	2
10	JPMorgan	1,020	3
11	Credit Suisse	1,001	3
12=	Borghesi, Colombo e Associati	1,000	1
12=	CALYON	1,000	1
14=	Merrill Lynch	708	1
14=	Santander Global Banking and Markets	708	1

Source: mergermarket

### volume

YTD 30-Apr-2008	House	Value (€m)	Deal count
1	Rothschild	2,543	8
2	UniCredit Group	2,507	7
3	Banca IMI/Intesa Sanpaolo	2,396	6
4	Mediobanca	1,574	5
5	UBS	1,385	4
6	KPMG Corp Fin	359	4
7	Morgan Stanley	1,169	3
8	Lehman Brothers	1,146	3
9	JPMorgan	1,020	3
10	Credit Suisse	1,001	3
11	Lazard	293	3
12	Ernst & Young	267	3
13	Fineurop Soditic	32	3
14	Tamburi & Associati	13	3
15	PwC Corp Fin	9	3

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Italy

## Top 15 legal advisors - Italy

### value

YTD 30-Apr-2008	House	Value (€m)	Deal count
1	Linklaters	2,952	4
2	Chiomenti Studio Legale	2,214	9
3	Bonelli Erede Pappalardo	1,821	7
4	Sullivan & Cromwell	1,754	2
5	Lovells	1,708	5
6	Debevoise & Plimpton	1,647	3
7	d'Urso Gatti e Associati Studio Legale	1,438	7
8	Jones Day	1,418	1
9	Di Tanno e Associati	1,407	3
10	Dewey & LeBoeuf	1,060	4
11	Gianni, Origoni, Grippo & Partners	1,050	3
12=	Elvinger Hoss & Prussen	1,000	1
12=	Studio Vitali Romagnoli Piccardi e Associati	1,000	1
14	Legance Studio Legale Associato	916	2
15	Studio Labruna Mazziotti Segni	836	1

Source: mergermarket

### volume

YTD 30-Apr-2008	House	Value (€m)	Deal count
1	Chiomenti Studio Legale	2,214	9
2	Bonelli Erede Pappalardo	1,821	7
3	d'Urso Gatti e Associati Studio Legale	1,438	7
4	Clifford Chance	216	6
5	Lovells	1,708	5
6	Simmons & Simmons	823	5
7	MBL & Partners	71	5
8	Linklaters	2,952	4
9	Dewey & LeBoeuf	1,060	4
10	Grimaldi e Associati	10	4
11	Debevoise & Plimpton	1,647	3
12	Di Tanno e Associati	1,407	3
13	Gianni, Origoni, Grippo & Partners	1,050	3
14	Cleary Gottlieb Steen & Hamilton	480	3
15	Allen & Overy	195	3

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Italy

# League tables

## Activity table of private equity firms on Italian buyouts

value

YTD 30-Apr- 2008	House	Value (€m)	Deal count
1	Intesa Sanpaolo	832	2
2	Clessidra	800	1
3	Investitori Associati	175	1
4=	Palladio Finanziaria	100	1
4=	Natexis Cape	32	2
6	Athena Private Equity	32	1
7=	Mittel	32	1
7=	Siparex Croissance	19	1
9	AAC Capital Partners	18	1
10	Efibanca Palladio Finanziaria	18	1

Source: mergermarket

volume

YTD 30-Apr- 2008	House	Value (€m)	Deal count
1	Intesa Sanpaolo	832	2
2	Natexis Cape	32	2
3	Orlando Management	-	2
4	Clessidra	800	1
5=	Investitori Associati	175	1
5=	Palladio Finanziaria	100	1
7=	Athena Private Equity	32	1
7=	Mittel	32	1
9	Siparex Croissance	19	1
10	AAC Capital Partners	18	1

Source: mergermarket

The private equity buyout activity tables by value and volume are based on private equity firms advising the bidder on buyout deals where the dominant geography of the target company is Italy. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.

## Activity table of private equity firms on Italian exits

value

YTD 30-Apr- 2008	House	Value (€m)	Deal count
1=	Compagnie Nationale a Portefeuille / Nationale Portefeuillemaatschappij	836	1
1=	Eurazeo	836	1
1=	Lehman Brothers Private Equity	836	1
1=	One Equity Partners	836	1
5	3i Group	800	1
6	BS Private Equity	200	2
7	Centrobanca Sviluppo Impresa	200	1
8	Industria & Finanza	32	1
9	Natexis Cape	19	1
10	Alice Ventures	-	1

Source: mergermarket

volume

YTD 30-Apr- 2008	House	Value (€m)	Deal count
1	BS Private Equity	200	2
2=	Compagnie Nationale a Portefeuille / Nationale Portefeuillemaatschappij	836	1
2=	Eurazeo	836	1
2=	Lehman Brothers Private Equity	836	1
2=	One Equity Partners	836	1
6	3i Group	800	1
7	Centrobanca Sviluppo Impresa	200	1
8	Industria & Finanza	32	1
9	Natexis Cape	19	1
10	Alice Ventures	-	1

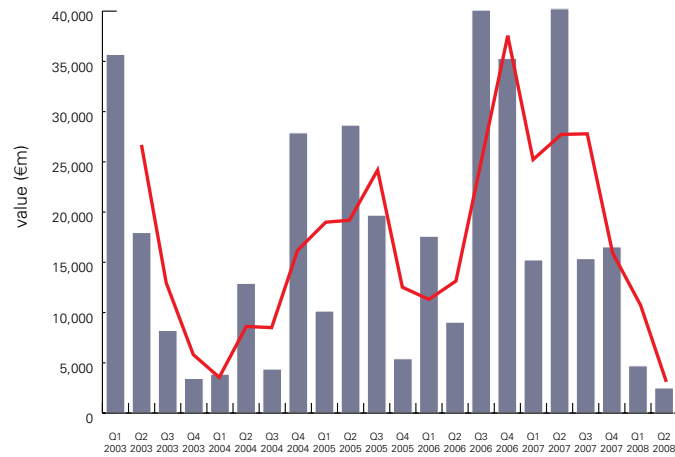
Source: mergermarket

The private equity exit activity tables by value and volume are based on private equity firms advising the vendor on exit deals where the dominant geography of the target company is Italy. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.

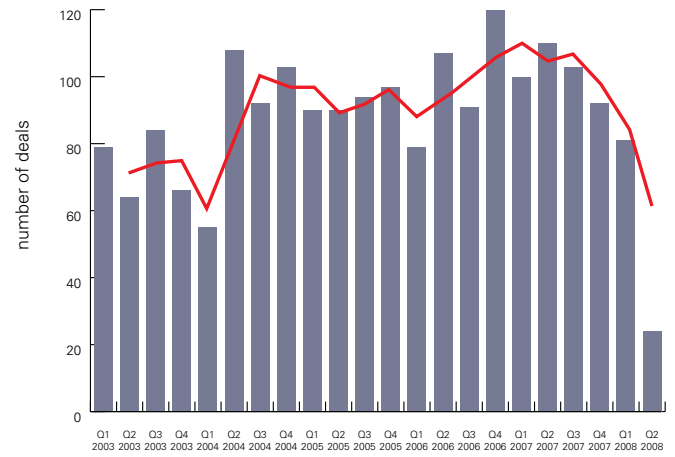
# Trend graphs

## Italian M&A quarterly trend

value



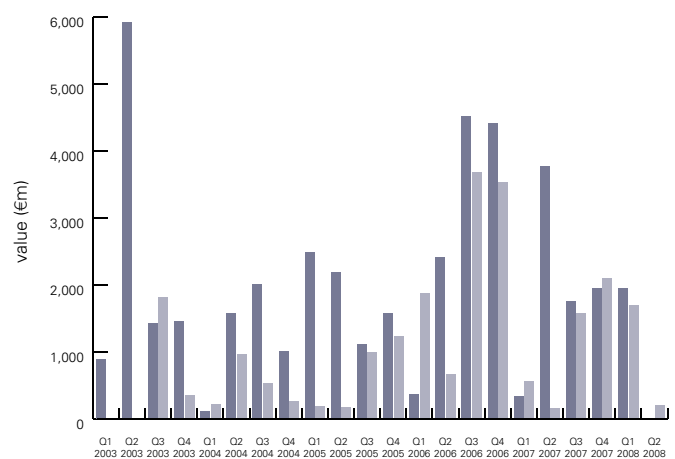
volume



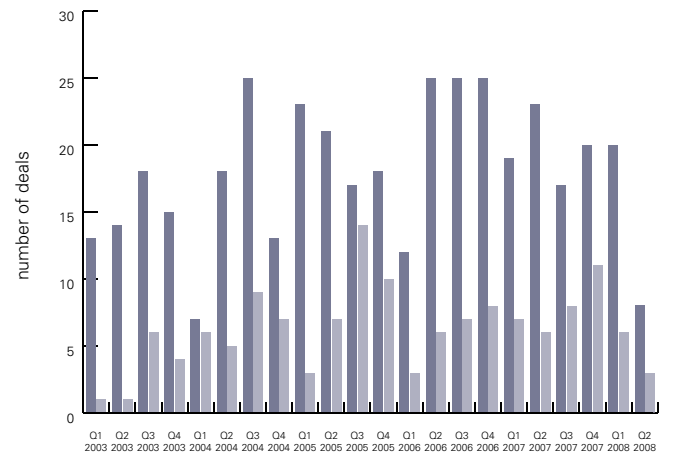
— Moving average trend line

## Italian M&A quarterly private equity trend

value



volume



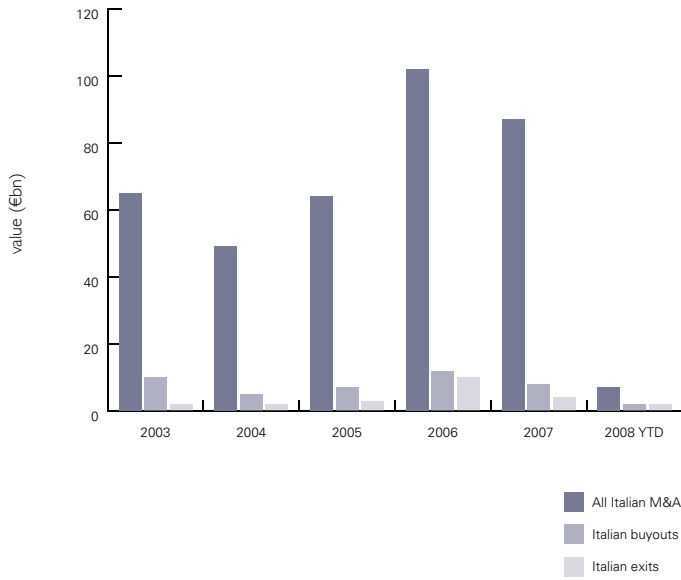
■ Italian buyouts  
■ Italian exits

■ Italian buyouts  
■ Italian exits

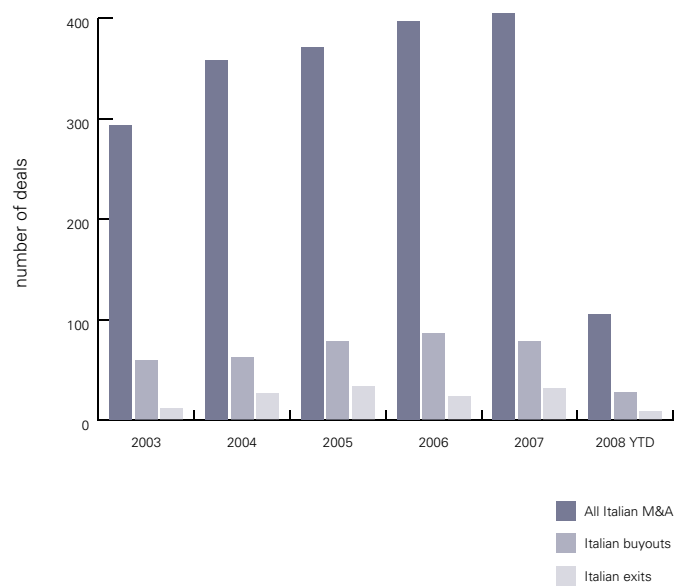
# Trend graphs

## Italian M&A annual trends

value

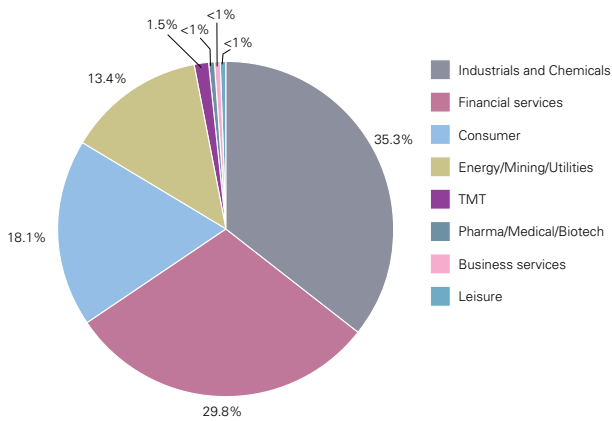


volume

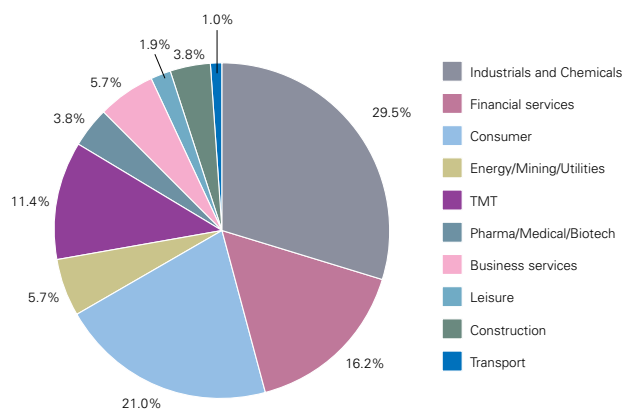


## Italian M&A sector breakdown YTD 2008

value



volume



# Mid market deals

## Top 15 Italian announced mid market deals for YTD 30 April 2008

(€10m to €250m)

Announced	Status	Target company	Sector	Target/seller financial adviser	Target/seller legal adviser	Bidder company	Bidder financial adviser	Bidder legal adviser	Seller company	Deal value (€m)
23-Jan-08	C	Co-ver Industrial Holding s.r.l. (50% stake)	Energy, Mining & Utilities		Baker & McKenzie	Oxara Energy Group Limited		Simmons & Simmons		250
30-Jan-08	P	Immobiliare Lombarda SpA (38.70% stake)	Financial Services		d'Urso Gatti e Associati Studio Legale	Fondiarria - SAI SpA	KPMG Corp Fin	d'Urso Gatti e Associati Studio Legale		234
3-Mar-08	P	Inalca SpA (50% stake)	Consumer	Advicorp	Sciume e Associati	JBS SA		SJ Berwin		219
12-Apr-08	C	Radici Film SpA	Industrials & Chemicals	Advisor to sellers: Ernst & Young	Advisors to Sellers: Di Tanno e Associati; Studio Vita Samory Fabbrini e Associati	Taghleef Industries LLC			BS Private Equity SpA; Centrobanca Sviluppo Impresa SGR; and Radici Group	200
29-Apr-08	P	Banca Monte dei Paschi di Siena SpA (bank depository operations)	Financial Services	Advisor to Seller: Goldman Sachs		Intesa Sanpaolo SpA	Gruppo Banca Leonardo	Studio Legale Benessia Maccagno	Banca Monte dei Paschi di Siena SpA	196
12-Mar-08	C	Mer Mec SpA	Industrials & Chemicals	Banca IMI/ Intesa Sanpaolo; Lazard	Allen & Overy	Investitori Associati SpA		Giliberti Pappalettera Triscornia e Associati		175
29-Mar-08	P	Banco Popolare (33 branches in Tuscany)	Financial Services	Advisor to Seller: Morgan Stanley		Credito Emiliano SpA			Banco Popolare	155
31-Mar-08	P	Cremonini SpA	Consumer	Banca Akros		Luigi Cremonini	UniCredit Group	Sciume e Associati		138
11-Apr-08	P	Edison SEL Joint Venture	Energy, Mining & Utilities			Edison SpA; and Societa Elettrica Altoatesina SEL SpA	Lazard			118
27-Mar-08	C	Po Vita Compagnia di Assicurazione SpA (50% stake)	Financial Services	Advisor to Seller: KPMG Corp Fin		Cassa di Risparmio di Parma e Piacenza SpA			Fondiarria - SAI SpA	105

Based on announced deals, including lapsed and withdrawn bids.

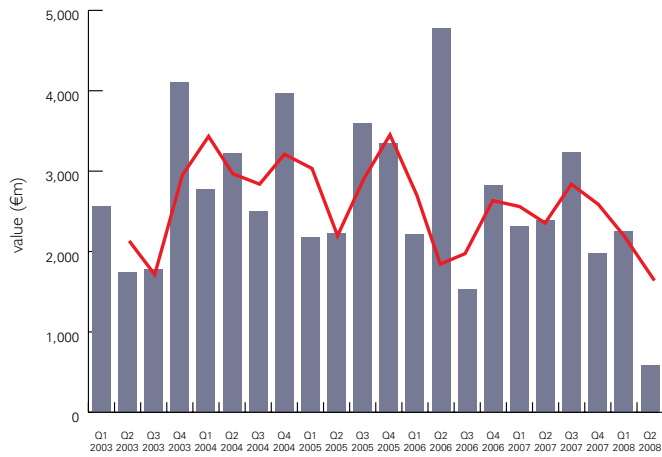
Source: mergermarket

Based on dominant geography of target company

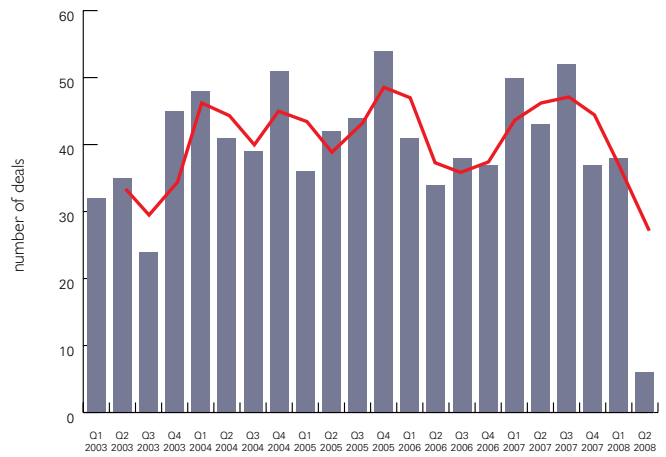
# Mid market deals

## Italian M&A quarterly mid market trend

value



volume



— Moving average trend line

# Mid market league tables

## Top 10 mid market financial advisors – Italy

(€10m to €250m)

YTD 30-Apr- 2008	House	Value (€m)	Deal count
<b>Value:</b>			
1	KPMG Corp Fin	359	3
2	Banca IMI/Intesa Sanpaolo	345	2
3	UniCredit Group	308	2
4	Lazard	293	2
5	Ernst & Young	267	3
6	Rothschild	233	3
7	Advicorp	219	1
8=	Goldman Sachs	196	1
8=	Gruppo Banca Leonardo	196	1
10	Banca Akros	173	2
<b>Volume:</b>			
1	KPMG Corp Fin	359	3
2	Ernst & Young	267	3
3	Rothschild	233	3
4	Banca IMI/Intesa Sanpaolo	345	2
5	UniCredit Group	308	2
6	Lazard	293	2
7	Banca Akros	173	2
8	Credit Suisse	165	2
9	Advicorp	219	1
10=	Goldman Sachs	196	1
10=	Gruppo Banca Leonardo	196	1

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Italy

## Top 10 mid market legal advisors – Italy

(€10m to €250m)

YTD 30-Apr- 2008	House	Value (€m)	Deal count
<b>Value:</b>			
1	d'Urso Gatti e Associati Studio Legale	593	3
2	Sciume e Associati	357	2
3	Simmons & Simmons	260	2
4	Baker & McKenzie	250	1
5	Studio Vita Samory Fabbrini e Associati	232	2
6	SJ Berwin	219	1
7	Di Tanno e Associati	200	1
8	Clifford Chance	199	2
9	Studio Legale Benessia Maccagno	196	1
10	Allen & Overy	195	2
<b>Volume:</b>			
1	MBL & Partners	71	4
2	d'Urso Gatti e Associati Studio Legale	593	3
3	Chiomenti Studio Legale	58	3
4	Sciume e Associati	357	2
5	Simmons & Simmons	260	2
6	Studio Vita Samory Fabbrini e Associati	232	2
7	Clifford Chance	199	2
8	Allen & Overy	195	2
9	Bonelli Erede Pappalardo	105	2
10	Studio Pedersoli e Associati	95	2

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Italy



## ThiemeMeulenhoff on the way to a change of hands

- PCM, the private Dutch publisher, will supposedly decide on the sale of its educational arm ThiemeMeulenhoff before the summer. PCM is believed to be in talks with some interested parties. The division could attract attention from various foreign players because of the channel it offers to the Dutch market. ThiemeMeulenhoff generated a turnover of €65m in 2007, with net profits of €24m. It has 255 employees.
- For-sale French publisher Editis would be a noteworthy potential bidder. Other possible suitors could come from the ranks of those who last year pursued Wolters Kluwer Education which was finally sold to private equity firm Bridgepoint for €774m by listed Dutch media giant Wolters Kluwer. However, bankers differ on the likelihood of a bid by Finnish publisher Sanoma and express conflicting opinions on the likelihood of a private equity bid by a player such as Parcom. The latter collaborated with Sanoma regarding WKE.
- Editis, owned by listed French private equity group Wendel Investissement, could be a strong contender despite being for sale. Editis should not be seen as purely a private equity player, but as a publisher whose private equity backing gives it access to plentiful financing. It would be a desirable step for Editis to buy ThiemeMeulenhoff, given its absence from the Dutch market but also since in educational publishing, building a strong relationship with the government and schools is paramount. On the other hand, Wendel entered in exclusive negotiations with Planeta to sell Editis, according to a company press release issued on 21 April.

## Staples' offer modification for Corporate Express

- Staples has bumped up its bid for Corporate Express, the Dutch listed stationary group, by permitting shareholders to keep the Corporate Express dividend within its offer price, by keeping the offer price for Corporate Express at €7.25 but by giving now the dividend separately. A trader said Staples has "done the obvious bump and raised the offer to €7.25, not including dividend which are expected to be €0.21". Staples launched a hostile bid on 18 March confirming that it would be going ahead with an offer at its original price of €7.25 that was rejected by the board. This was despite the share price trading above the offer price, indicating that the market expected a higher bid. Corporate Express quickly re-iterated its rejection. Corporate Express' board expectation would be a bid of €8.50-9.25

# Benelux

## Royal Ahrend looks into for expansion.

- Royal Ahrend, the Netherlands-based privately-owned office furniture company, is interested in further acquisitions which will help the company expand into markets in Central and Eastern Europe where it sees good growth potential. Expansion would be through a combination of organic growth and acquisitions as opportunities arose. Acquisitions in Russia and Georgia would make particular sense due to the distance involved, also because dealers and distribution companies, as well as assembly operations, were of interest. Transport costs from Ahrend's existing manufacturing facilities in the Netherlands and the Czech Republic are expensive and it makes economic sense, therefore, to have operations in those markets. Target companies will likely be of a similar size to Czech office manufacturer and retailer Techo, which Royal Ahrend acquired in 2005. Techo has annual turnover of €43.4m and plans to more than double that by 2015. It would also be possible that Ahrend later acquires Strojmoda and Martela, companies which it currently cooperates with in Russia and Poland respectively, as well as two companies it has co-operation agreements with in Dubai, Summertown and Kanu.

## Royal Dutch Shell's portfolio adjustment programme.

- Royal Dutch Shell, the European oil major, would see a further \$4bn of disposals taking place in the balance of 2008. Shell has already completed \$500m of sales in the first quarter of 2008 under its portfolio adjustment programme, including the sale of a key French refinery, and plans a further \$4bn of sales in the year. Shell is planning net investments of \$27bn in 2008 as a whole.
- The company would still be in talks with its Russian partners about potential upstream oil projects in the Arctic area, but the company is now only a minority holder in the gigantic Sakhalin-1 oil and gas development in Siberia.

## Akzo Nobel's possible divestment.

- Akzo Nobel is in the middle of a first round auction process to sell its Speciality Starch business and would be looking to complete the process by June. Several trade buyers would be in the running, some of which would be food ingredient companies. The company has retained Morgan Stanley as the advisor on the deal. Likely candidates would be large international food ingredient players such as Danisco, headquartered in the Netherlands, Kerry Group in Ireland, Archer Daniels Midland, based in the US, and Denmark-based Christian Hansen.
- Kerry Group has recently acquired Breeo Foods consumer-food business of Reox Holdings for a consideration of €165m, and the acquisition of Starch might however not fit within Kerry's acquisition strategy. Akzo Nobel would be looking to divest its Speciality Starch business after selling National Starch to Henkel since it is not core to its business. Akzo picked up National Starch as part of its takeover of Imperial Chemical Industries (ICI), completed on 2 January 2008, but pre-sold most of it to Henkel before completing the ICI acquisition.
- It is expected that the company may find it difficult to sell the business as raw material prices for corn and potatoes have recently "gone through the roof" but maybe also due to the division being in a very niche market of food starches and the price being too high. It was previously reported that last year Akzo Nobel was looking for a fairly high valuation for the business at 10x EBITDA but the business would more likely sell for around 8x to 9x EBITDA. Specialty Starches generated around \$180m in EBITDA last year.

# Deal of the month

<b>Target:</b>	Innogenetics NV (93.23% stake)	<b>Announced:</b>	25 April 2008
<b>Bidder:</b>	Solvay Pharmaceuticals SA	<b>Deal value:</b>	€203m
<b>Seller:</b>		<b>Deal nature:</b>	Acquisition, Public

- Solvay Pharmaceuticals SA, the Belgium based research driven pharmaceutical company specializing within cardiology, gastroenterology, mental health, and andrology, and a subsidiary of Solvay SA, the listed Belgium based chemicals and pharmaceuticals company, has launched a conditional tender offer to acquire the remaining 93.23% stake it does not already own in Innogenetics NV, the listed Belgium based biopharmaceutical company focused in the specialty diagnostics business, at a cash offer price of €5.75 per share, valuing the entire share capital of the company at €177.55m.
- The offer price represents a premium of 53.74% over Innogenetics' closing price of €3.74 per share as on 24 April 2008, the last trading day prior to the announcement, and a premium of 43.75% over its closing price of €4 per share as on 25 March 2008, one month prior to the announcement.
- Under the terms of the agreement, Solvay will also offer to purchase Innogenetics' warrants and convertible bonds at the same offer price. The board of Innogenetics has already approved the transaction and Rudi Marien, Biovest CVA, Marigest Holding SA, S.A.T.E. SA, and Gengest BVBA, who hold a combined 18.48% stake in Innogenetics, have also agreed to tender their shares to Solvay.
- Solvay supports Innogenetics' strategic plans of divesting its therapeutic division Genimmune BV and focus on expanding its diagnostics activities. The acquisition will enable both companies to take advantage of their combined R&D competencies and accelerate the development of Solvay's therapeutic pipeline.
- The transaction is expected to be completed in the second quarter of 2008, and is subject to customary closing conditions, approval by the competition authorities, and acceptance of 90% + 1 of the outstanding shares of Innogenetics.

Exit multiples - Y/E 07			Premium analysis	
	multiples	value (€m)	Offer price per share (JPY)	
Revenue	4.0x	54.13	1 day before	53.74%
EBITDA	-	-3.63	1 month before	43.75%
EBIT	-	-14.61	1 day after	1.23%
Earnings	-	-17.38	Pre-Rumor	-

Advisers			
Target		Bidder	
Financial	Credit Suisse	Financial	Petercam
Legal		Legal	
PR		PR	

mergermarket/dealReporter intelligence	
25 April 2008	Innogenetics being advised by Credit Suisse on offer from Solvay; hopes to find buyer for GENimmune by summer

# Top deals

## Top 15 Benelux announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
2-Apr-08	P	Fortis Investment Management (50% stake)	Financial Services	Ping An Insurance Company of China Ltd	Fortis NV	n/a	n/a	42.2	-	2,150
12-Mar-08	P	Sintonia SA (3% stake)	Construction	GIC Special Investments Pte Ltd	Sintonia SpA				-	1,000
23-Apr-08	P	Schuitema NV (73.20% stake)	Business Services	CVC Capital Partners Limited	Royal Ahold NV	0.3	8.1	21.8	-3.0%	744
31-Mar-08	P	De Rooter Seeds Group BV	Pharma, Medical & Biotech	Monsanto Company		5.1			-	546
31-Mar-08	C	Shurgard Europe (51% stake)	Business Services	New York State Common Retirement Fund	Public Storage Inc	7.4			-	383
21-Feb-08	P	ICOS Vision Systems Corporation NV	TMT	KLA-Tencor Corporation		4.1	39.1	46.8	64.4%	329
13-Mar-08	P	2waytraffic NV	TMT	Sony Pictures Entertainment Inc	Atharva Investments; and Grupo Contenidos				0.5%	218
14-Feb-08	P	La Perla International Living	Financial Services	Mandarine Group		n/a	n/a		-	216
25-Apr-08	P	Innogenetics NV (93.23% stake)	Pharma, Medical & Biotech	Solvay Pharmaceuticals SA		4.0	(loss)	(loss)	53.7%	203
27-Mar-08	P	Air Energy sa	Energy, Mining & Utilities	Eneco Holding NV		21.1	25.4	45.9	80.1%	188
15-Feb-08	P	Scarlet NV	TMT	Belgacom SA					-	185
24-Jan-08	C	Owens Corning (composite plants in Belgium, Norway)	Construction	Platinum Equity LLC	Owens Corning				-	155
12-Feb-08	P	Pack2pack Group NV	Industrials & Chemicals	TowerBrook Capital Partners LP		1.2			-	150
31-Mar-08	P	Koninklijke Econosto NV (91.40% stake)	Industrials & Chemicals	Eriks Group NV		0.5		6.9	15.0%	121
21-Jan-08	C	Ballarpur Paper Holdings BV (21.00% stake)	Industrials & Chemicals	GIC Special Investments Pte Ltd; and Principal Investment Management Group	Ballarpur Industries Limited				-	121

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Top deals

## Top 5 Benelux announced deals of the month (April 2008)

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
2-Apr-08	P	Fortis Investment Management (50% stake)	Financial Services	Ping An Insurance Company of China Ltd	Fortis NV	n/a	n/a	42.2	-	2,150
23-Apr-08	P	Schuitema NV (73.20% stake)	Business Services	CVC Capital Partners Limited	Royal Ahold NV	0.3	8.1	21.8	-3.0%	744
25-Apr-08	P	Innogenetics NV (93.23% stake)	Pharma, Medical & Biotech	Solvay Pharmaceuticals SA		4.0	(loss)	(loss)	53.7%	203
30-Apr-08	C	The Heating Company bvba	Construction	ABV Vaessen	Masco Corporation	0.9			-	99
8-Apr-08	P	Europa Apotheek Venlo BV (majority stake)	Consumer	Medco Health Solutions Inc					-	76

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

## Top 5 Belgium announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Target/seller Financial advisor	Target/seller legal Adviser	Bidder company	Bidder financial adviser	Bidder legal adviser	Seller company	Deal value (€m)
2-Apr-08	P	Fortis Investment Management (50% stake)	Financial Services	Merrill Lynch	Allen & Overy	Ping An Insurance Company of China Ltd	JPMorgan	White & Case	Fortis NV	2,150
31-Mar-08	C	Shurgard Europe (51% stake)	Business Services		Wachtell Lipton Rosen & Katz	New York State Common Retirement Fund	Heitman	Morgan Lewis & Bockius	Public Storage Inc	383
21-Feb-08	P	ICOS Vision Systems Corporation NV	TMT		Eubelius	KLA-Tencor Corporation		Davis Polk & Wardwell; NautaDutilh		329
25-Apr-08	P	Innogenetics NV (93.23% stake)	Pharma, Medical & Biotech	Credit Suisse		Solvay Pharmaceuticals SA	Petercam			203
27-Mar-08	P	Air Energy sa	Energy, Mining & Utilities	ABN AMRO	Linklaters	Eneco Holding NV	Kempen & Co	Clifford Chance		188

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

## Top 5 Netherlands announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Target/seller financial advisor	Target/seller legal adviser	Bidder company	Bidder financial adviser	Bidder legal adviser	Seller company	Deal value (€m)
23-Apr-08	P	Schuitema NV (73.20% stake)	Business Services			CVC Capital Partners Limited	Rabobank	Clifford Chance	Royal Arnold NV	744
31-Mar-08	P	De Ruiters Seeds Group BV	Biotechnology	ABN AMRO; Evercore Partners		Monsanto Company		Freshfields Bruckhaus Deringer	Atharva Investments; and Grupo Contenidos	546
13-Mar-08	P	2waytraffic NV	TMT	Oakley Capital	DLA Piper	Sony Pictures Entertainment Inc	Jefferies & Company	Freshfields Bruckhaus Deringer; Setterwalls		218
14-Feb-08	P	La Perla International Living	Financial Services		Allen & Overy	Mandarine Group		Brandford-Griffith Baverez Cotty		216
15-Feb-08	P	Scarlet NV	TMT	Rabobank	Allen & Overy	Belgacom SA		De Brauw Blackstone Westbroek; Eubelius		185

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Expected deals

## Pipeline of Benelux expected deals

Situation	Target company	Sector	Potential bidder company	Financial advisor to bidder (B); target (T); seller (S)	Seller company	Market cap/ est. value (€m)	Comments
Rumoured Takeover Target	Distrigas SA	Energy, Mining & Utilities	ENI SpA; RWE AG; E.ON AG; and Exmar SA		Suez SA; and Gaz de France SA	3,583	EDF has confirmed its interest in Suez Group's shareholding in Distrigas, the listed Belgian gas pipeline operator.
Rumoured Takeover Target	Agfa-Gevaert NV	Consumer				2,182	Agfa Gevaert has appointed French business bank Lazard to study all strategic options, but it abandons the plan to split up in three independent listed companies due to pension costs.
Expected Deal	Corporate Express NV	Business Services	Staples Incorporated			1,369	Staples Inc has made a proposal to acquire all the outstanding shares of Corporate Express ordinary stock for a per ordinary share consideration of €7.25 (excluding dividends of €0.21), representing a total enterprise value of approximately €2.5bn.
Expected Deal	VastNed Retail	Financial Services	GECINA SA; Metrovacesa S.A.; Retail Estates NV; Leasinvest S.A.; IEF Capital; Kroonberg Groep; or Unibail-Rodamco	JPMorgan Chase & Co (T), Kempen & Co NV (T), Rabo Securities (B)	VastNed Groep	1,131	IEF Capital renewed its earlier proposal to make a €70 per share offer for VastNed Retail.
Rumoured Takeover Target	USG People NV	Business Services	Adecco SA			960	Shares in Dutch-listed staffing/recruitment company USG People moved 5% due to rumoured bid interest from Adecco. Adecco declined to comment on the rumour.
Rumoured Takeover Target	Akzo nobel (Speciality Starch business)	Industrials & Chemicals	Danisco; Kerry Group; Archer Daniels Midland; or Christian Hansen		Akzo Nobel	-	Akzo Nobel is in the middle of first round auction process to sell its Speciality Starch business and would be looking to complete the process by June.
Rumoured Takeover Target	ThiemeMeulenhoff	TMT	Editis; or Sanoma		PCM	-	PCM, the private Dutch publisher, will supposedly decide on the sale of its educational arm ThiemeMeulenhoff before the summer. ThiemeMeulenhoff generated a turnover of €65m in 2007, with net profits of €24m. It has 255 employees.

Source: mergermarket

# League tables

## Top 15 financial advisors - Benelux

### value

YTD 30-Apr-08	House	Value (€m)	Deal count
1	JPMorgan	3,846	6
2	Merrill Lynch	3,125	4
3	Goldman Sachs	2,377	3
4	UBS	1,333	2
5	Rabobank	1,039	6
6	Morgan Stanley	1,001	3
7	ABN AMRO	973	8
8	Rothschild	932	4
9	Challenger Capital Group	631	1
10	Close Brothers Group	554	6
11	Evercore Partners	546	1
12	Heitman	383	1
13	KBC Securities	357	5
14	Citigroup	352	1
15	Lehman Brothers	350	1

Source: mergermarket

### volume

YTD 30-Apr-08	House	Value (€m)	Deal count
1	ABN AMRO	973	8
2	JPMorgan	3,846	6
3	Rabobank	1,039	6
4	Close Brothers Group	554	6
5	KPMG Corp Fin	193	6
6	KBC Securities	357	5
7	Deloitte	40	5
8	BDO Corporate Finance	0	5
9	Merrill Lynch	3,125	4
10	Rothschild	932	4
11	Kempen & Co	298	4
12	PricewaterhouseCoopers Corp Fin	252	4
13	Goldman Sachs	2,377	3
14	Morgan Stanley	1,001	3
15	Ernst & Young	332	3

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Benelux.

## Top 15 legal advisors - Benelux

### value

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Allen & Overy	4,425	11
2	White & Case	3,183	4
3	Freshfields Bruckhaus Deringer	2,030	9
4	Linklaters	1,278	4
5	Cleary Gottlieb Steen & Hamilton	1,264	4
6	Clifford Chance	1,139	8
7	Lovells	1,100	3
8	Sullivan & Cromwell	1,093	2
9	De Brauw Blackstone Westbroek	1,072	4
10	Debevoise & Plimpton	1,033	1
11=	Bonelli Erede Pappalardo	1,000	1
11=	Elvinger Hoss & Prussen	1,000	1
11=	Gianni, Origoni, Grippo & Partners	1,000	1
11=	Studio Vitali Romagnoli Piccardi e Associati	1,000	1
15	CMS	974	4

Source: mergermarket

### volume

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Loyens & Loeff	302	14
2	Allen & Overy	4,425	11
3	Freshfields Bruckhaus Deringer	2,030	9
4	Clifford Chance	1,139	8
5	Herbert Smith, Gleiss Lutz, Stibbe	236	8
6	Houthoff Buruma	390	7
7	NautaDutilh	461	6
8	Baker & McKenzie	99	6
9	White & Case	3,183	4
10	Linklaters	1,278	4
11	Cleary Gottlieb Steen & Hamilton	1,264	4
12	De Brauw Blackstone Westbroek	1,072	4
13	CMS	974	4
14	DLA Piper	295	4
15	Lovells	1,100	3

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Benelux.

# League tables

## Activity table of private equity firms on Benelux buyouts

### value

YTD 30-Apr-08	House	Value (€m)	Deal count
1	GIC Special Investments Pte	1,121	2
2	CVC Capital Partners	744	1
3	Platinum Equity	155	1
4	TowerBrook Capital Partners	150	1
5	CCMP Capital Advisors	121	1
6	Deutsche Beteiligungs	100	1
7	Friesland Bank Investments	16	2
8	Aksigorta	13	1
9=	Antea Participaties	-	2
9=	Bencis Capital Partners	-	2

Source: mergermarket

### volume

YTD 30-Apr-08	House	Value (€m)	Deal count
1	GIC Special Investments Pte	1,121	2
2	Friesland Bank Investments	16	2
3=	Antea Participaties	-	2
3=	Bencis Capital Partners	-	2
5	CVC Capital Partners	744	1
6	Platinum Equity	155	1
7	TowerBrook Capital Partners	150	1
8	CCMP Capital Advisors	121	1
9	Deutsche Beteiligungs	100	1
10	Aksigorta	13	1

Source: mergermarket

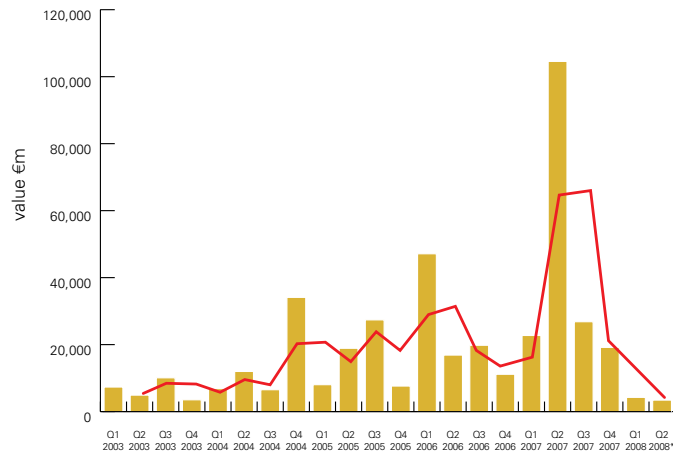
The private equity buyout activity tables by value and volume are based on private equity firms advising the bidder on buyout deals where the dominant geography of the target company is Benelux. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.



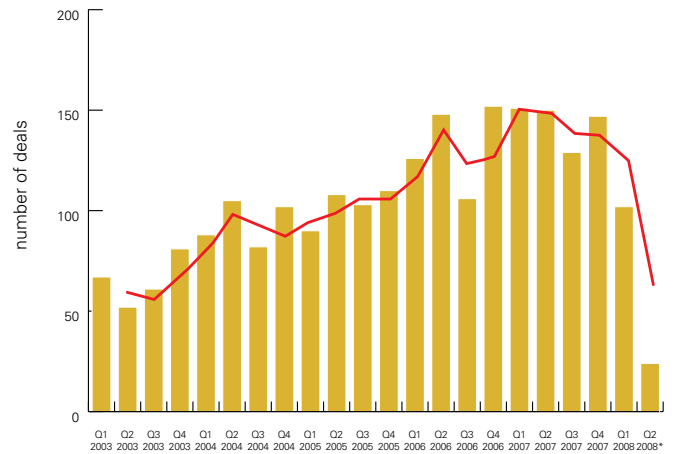
# Trend graphs

## Benelux M&A quarterly trend

value



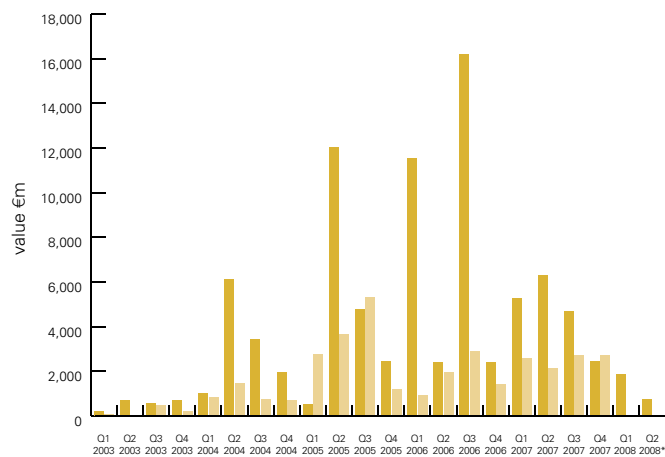
volume



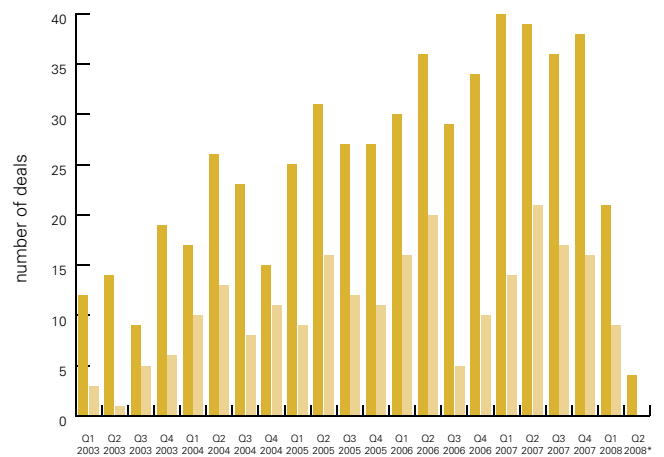
— Moving average trend line

## Benelux M&A quarterly private equity trend

value



volume



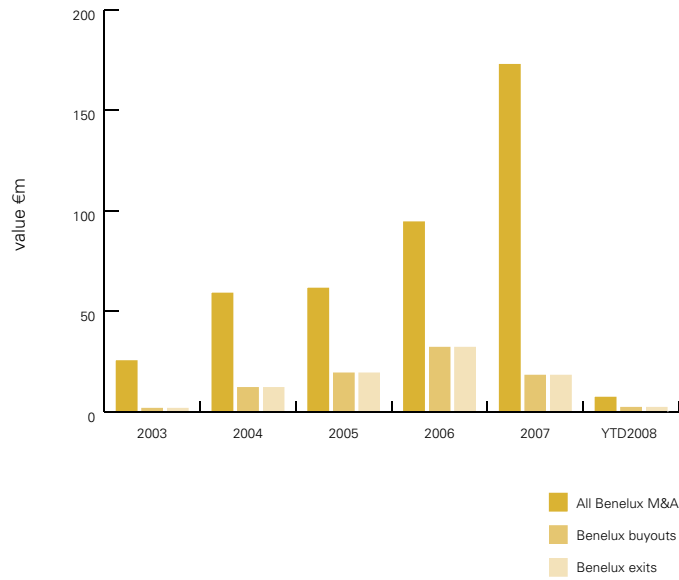
■ Benelux buyouts  
■ Benelux exits

■ Benelux buyouts  
■ Benelux exits

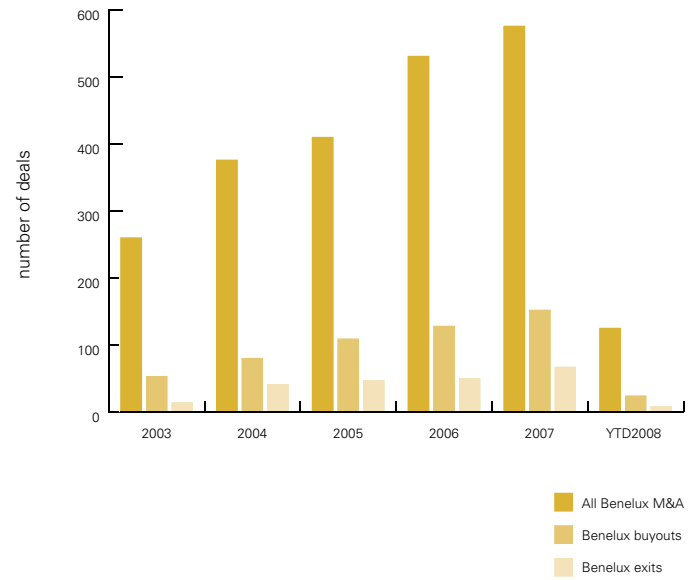
# Trend graphs

## A sector breakdown YTD 2008

value

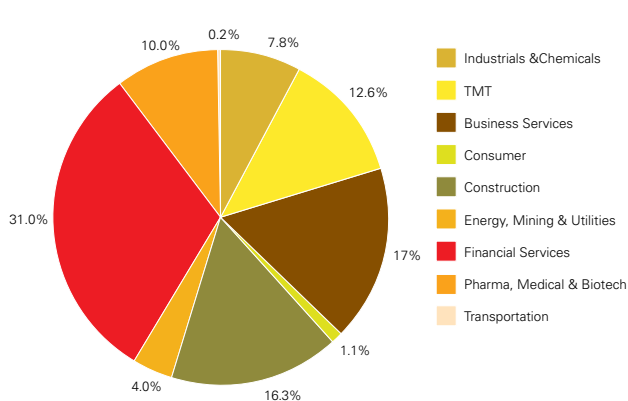


volume

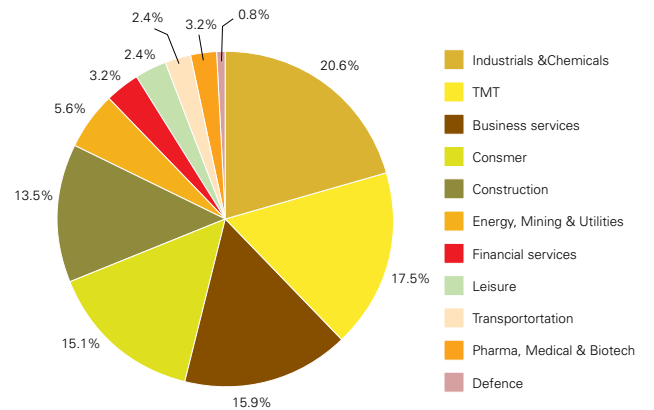


## Benelux M&A sector breakdown YTD 2008

value



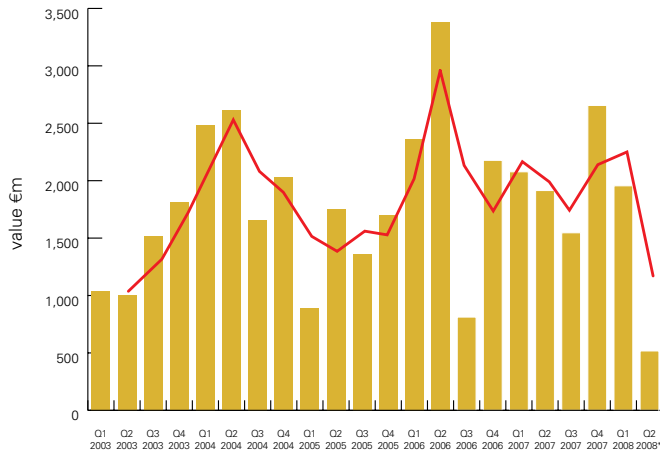
volume



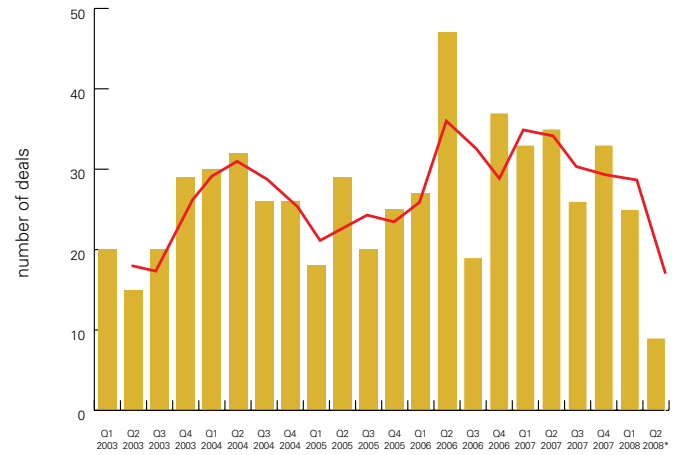
# Mid market deals

## Benelux M&A quarterly mid market trend

value



volume



— Moving average trend line

# Mid market league tables

## Top 10 Mid market financial advisors – Benelux (€10m to €250m)

YTD 30-Apr-08	House	value (€m)	Deal count
<b>Value:</b>			
1	Close Brothers Group	554	5
2	ABN AMRO	427	5
3	Morgan Stanley	345	2
4	Merrill Lynch	319	2
5	Rothschild	301	2
6	Kempen & Co	298	2
7	Credit Suisse	296	2
8	Rabobank	295	2
9	PricewaterhouseCoopers Corp Fin	252	2
10=	Jefferies & Company	218	1
10=	Oakley Capital	218	1
<b>Volume:</b>			
1	Close Brothers Group	554	5
2	ABN AMRO	427	5
3	KPMG Corp Fin	193	3
4	Deloitte	40	3
5	Morgan Stanley	345	2
6	Merrill Lynch	319	2
7	Rothschild	301	2
8	Kempen & Co	298	2
9	Credit Suisse	296	2
10	Rabobank	295	2

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Benelux.

## Top 10 mid market legal advisors - Benelux (€10m to €250m)

YTD 30-Apr-08	House	value (€m)	Deal count
<b>Value:</b>			
1	Allen & Overy	631	5
2	Freshfields Bruckhaus Deringer	416	4
3	De Brauw Blackstone Westbroek	416	3
4	Clifford Chance	395	3
5	Houthoff Buruma	390	4
6	Loyens & Loeff	302	5
7	DLA Piper	295	3
8	Linklaters	278	2
9	Herbert Smith, Gleiss Lutz, Stibbe	236	4
10	Skadden Arps Slate Meagher & Flom	233	2
<b>Volume:</b>			
1	Allen & Overy	631	5
2	Loyens & Loeff	302	5
3	Freshfields Bruckhaus Deringer	416	4
4	Houthoff Buruma	390	4
5	Herbert Smith, Gleiss Lutz, Stibbe	236	4
6	De Brauw Blackstone Westbroek	416	3
7	Clifford Chance	395	3
8	DLA Piper	295	3
9	Linklaters	278	2
10	Skadden Arps Slate Meagher & Flom	233	2

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Benelux.

## High profile Spanish transactions on a lull

- With 91 deals announced in Q1 2008, the number of deals announced has dropped 33% in comparison to Q1 2007 where 137 deals were announced. The average deal value for the year 2008 was €300m and this year the average value has reduced to €66m. However, one can argue that 2007 was skewed by the €40bn Endesa deal. This given, the 2006 deal value average, €157m, is still a great deal higher than YTD 2008. For the quarterly analysis of the average deal value, Q1 2007 saw €168m much higher than the €73m of Q1 2008. One has to go back to Q2 2005 to find an average deal value lower than Q1 2008's.
- A more detailed analysis shows the problem has perhaps arisen from the lack of high profile transactions this year. In 2008 so far the largest announced deal has been the €1.7bn acquisition of a 29% stake in Metrovacesa, the real estate company by the Sanahuja family. This transaction marks the only deal to break the €1bn threshold, while at this time last year already 6 deals were announced with a deal value of over €1bn.
- The mid-market, however, has not been affected in the same light. With respect to Q1 2007, volume is down 25% but the value figure is only slightly affected with Q1 2008 showing a figure of €2bn where as Q1 2007 had a total value of a similar €2.4bn.
- As we would imagine, the investment banks are suffering this large decline in the M&A activity. So far Citigroup, a dominant financial advisor in the region, sits at the top of the table with 4 deals valued at €2.1bn. In 2007 Citigroup topped the table with 15 deals announced valued at €107.6bn. In YTD 2008 it is Deloitte who tops the mid-market table with 16 deals announced valued at €1.5bn, while in 2007 they also finished first, advising on 53 deals valued at €5.2bn, even though by April 2008 they were one deal behind Atlas Capital Close Brothers in the volume table.

## Abertis CEO still has 'dream' of constructing pan-European player, but rules out hostile moves

- Abertis chief executive Salvador Alemany said that the Barcelona-based motorway toll road company still has the "dream" of creating a pan-European group with a strong shareholder base. However, the executive told reporters that there will clearly be no hostile deals in the sector, adding that a failed attempt to buy Autostrade (now Atlantia) in Italy was a totally agreed deal.
- The executive declined to comment on whether or not Abertis would like to merge with its Portuguese counterpart Brisa at some point in the future. He said that Abertis aims to maintain its 15% stake and board seat and look for commercial synergies. Alemany said that although Abertis could unlock tax advantages by taking its stake to 20%, the company has no plans to do so. He said that the company is "comfortable" with its current stake and would talk to Brisa if further opportunities to invest emerged in the medium term.
- Both Alemany and Abertis chairman, Isidro Faine, were speaking at a press conference ahead of the Spanish company's annual general meeting (AGM). Faine is due to tell shareholders that the company has "closed the book" on its plan to merge with Atlantia in Italy.
- In general terms, Faine said that Abertis is betting on diversification. He said that the company always has 20 possible projects on the go at any one time, although it chooses its investment opportunities carefully so that it can retain its "sacred" dividend policy. Fainé said that Abertis has "stuck up its periscope in emerging markets," adding that since its investments tend to be for 40 years, it will only invest if it is clear that the legal and political systems are totally solid. Alemany said that Abertis's investment criteria include rigour and prudence; to be the senior partner; to be selective; to extend the average life of its investments; and to guarantee the sustainability of cash-flow.

# Deal of the month

<b>Target:</b>	Energias de Portugal SA (2% stake)	<b>Announced:</b>	9 April 2006
<b>Bidder:</b>	International Petroleum Investment Company	<b>Deal value:</b>	€330m
<b>Sellers:</b>	-	<b>Deal nature:</b>	Recommended

- International Petroleum Investment Company, the United Arab Emirate based investment company engaged in the petroleum and energy sectors, has agreed to acquire a 2% stake in Energias de Portugal SA, the listed Portugal based producer and supplier of hydro and renewable power energy, for a consideration of €303.49m.
- Under the terms of the agreement IPIC will acquire 73,130,755 EDP shares at a price of EUR 4.15 per share, the closing share price as on 8 April 2008, the last trading day prior to the announcement. The offer price represents a premium of 8.36% over the EDP's closing share price of €3.83 per share as on 10 March 2008, one month prior to the announcement.
- The transaction in line with the EDP's strategy to facilitate the engagement of these operations with leading gas producers in the Middle East; and promote interactions between EDP and companies in IPIC's portfolio that are active in the energy sector. Also, this transaction will allow both companies to pursue investment opportunities in the MENA (Middle East/ North Africa) region.

Exit multiples - Y/E 07			Premium analysis	
	Multiples	Value (€m)	Offer price per share (€m)	
Revenue	2.4x	11,010.8	1 day before	n/a
EBITDA	10.2x	2,628.3	1 month before	8.36%
EBIT	17.2x	1,560.3	1 day after	1.47%
Earnings	1.5x	1,019.9	Pre-rumour	-

Advisers			
Target/Seller		Bidder	
Financial	Internal	Financial	UBS
Legal	Morais Leitao Galvao Teles Soares Da Silva & Associados	Legal	Not disclosed
PR	Internal	PR	Not disclosed

# Top deals

## Top 15 Iberian announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
7-Jan-08	P	Metrovacesa SA (29.48% stake)	Financial Services	Sanahuja Group		n/a	n/a	12.2	1.7%	1,709
25-Jan-08	P	Compania de Distribucion Integral Logista SA (40.38% stake)	Transportation	Imperial Tobacco Group plc		0.5	13.6	17.4	5.0%	939
28-Jan-08	P	Morgan Stanley Wealth Management SV, SAU	Financial Services	La Caixa	Morgan Stanley	n/a	n/a		-	600
27-Mar-08	C	Abertis Infraestructuras SA (3% stake)	Services	Criteria Caixa Corp SA	Caixa d'estalvis De Catalunya	6.9	11.0	18.0	-	368
28-Apr-08	P	Invin SA	Transportation	Abertis Infraestructuras SA	Actividades de Construccion y Servicios SA				-	348
10-Mar-08	P	Companhia Produtora de Conservas Alimentares SA (80% stake)	Consumer	Companhia Industrial de Frutas e Bebidas SA	Caixa Geral de Depositos SA				-	318
28-Feb-08	P	Gamesa Solar SA	Energy, Mining & Utilities	First Reserve Corporation	Gamesa Corporacion Tecnologica SA		12.1		-	314
9-Apr-08	C	Energias de Portugal SA (2% stake)	Energy, Mining & Utilities	International Petroleum Investment Company		2.4	10.2	14.9	-	303
10-Mar-08	P	Aldeasa SA (49.95% stake)	Consumer	Autogrill Espana SA	Imperial Tobacco Group plc	0.7			-	275
24-Apr-08	P	CaixaSabadell Compania d'Assegurances Generals SA (50% stake); and CaixaSabadell Vida SA de Seguros y Reaseguros (50% stake)	Financial Services	Zurich Financial Services Group	Caixa d'Estalvis de Sabadell	n/a	n/a		-	230
16-Apr-08	C	Union Radio Digital SA (16.63% stake)	TMT	3i Group Plc	Grupo Godo de Comunicacion SA; and Promotora de Informaciones SA				-	225
7-Feb-08	C	Preteresa-Prenavis (80% stake)	Construction	Magnum Capital Industrial Partners		2.5	8.3		-	200
15-Feb-08	C	France Telecom Espana SA (2.50% stake)	TMT	Credit Suisse Group	Union Fenosa SA				-	197
21-Jan-08	C	Hotel le Meridien Dona Filipa; Hotel Le Meridien Penina; and San Lorenzo Golf Course	Leisure	JJW Hotels & Resorts	Starman Hotels				-	185
8-Feb-08	P	Grupo GLA SL (50% stake)	Construction	Lafarge SA	Monje Tunon Family	1.0			-	130

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

## Top deals

### Top 5 Iberian announced deals of the month (April 2008)

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit Multiples (x)			Bid Premia 1-day before	Deal ealue (€m)
						Revenue	EBITDA	P/E		
28-Apr-08	P	Invin SA	Transportation	Abertis Infraestructuras SA	Actividades de Construccion y Servicios SA				-	348
9-Apr-08	C	Energias de Portugal SA (2% stake)	Energy, Mining & Utilities	International Petroleum Investment Company		2.4	10.2	14.9	-	303
24-Apr-08	P	CaixaSabadell Companyia d'Assegurances Generals SA (50% stake); and CaixaSabadell Vida SA de Seguros y Reaseguros (50% stake)	Financial Services	Zurich Financial Services Group	Caixa d'Estalvis de Sabadell				-	227
16-Apr-08	C	Union Radio Digital SA (16.63% stake)	TMT	3i Group Plc	Grupo Godo de Comunicacion SA; and Promotora de Informaciones SA				-	225
24-Apr-08	C	Adubos de Portugal SA	Industrials & Chemicals	Fertiberia SA	Grupo Jose de Mello - SGPS SA				-	98

C = Completed; P = Pending; L = Lapsed

Source: mergermarket



# Expected deals

## Pipeline of Iberian expected deals

Situation	Target company	Sector	Potential bidder company	Financial adviser to bidder (B); target (T); seller (S)	Seller company	Market Cap/ est. value (€m)	Comments
Expected Deal	Iberdrola SA	Energy, Mining & Utilities	Electricite de France SA / Actividades de Construccion y Servicios SA	Morgan Stanley (T)		46,090	"Electricite de France (EdF) an ACS have had initial discussions regarding a potential joint offer for Iberdrola, the Financial Times reported. The report cited politicians and investment bankers for the claim."
Rumoured Takeover Target	Cintra Concesiones de Infraestructuras de Transporte SA	Transportation	Ferrovial SA			5,983	Ferrovial, the listed Spanish infrastructure group, is to acquire a further 10% stake in Cintra, the listed Spanish international infrastructure company, according to the report in Cinco Dias. The report cited an announcement made by Ferrovial chairman Rafael del Pino and also a confirmation at a press conference by chief executive Joaquin Ayuso.
Rumoured Takeover Target	Gamesa Corporacion Tecnologica SA	Energy, Mining & Utilities	Iberdrola SA			4,085	Iberdrola, the listed Spanish electricity company, now owns 24% in Gamesa and is rumoured to be planning a bid for the wind power company. The offer is expected to be in excess of EUR 20 per share.
Expected Deal	Iberia Lineas Aereas de Espana SA	Transportation	British Airways and Lufthansa	Goldman Sachs (T); and Morgan Stanley (T)		2,411	Caja Madrid, the leading shareholder in Iberia, wants to "resolve" the carrier's future, reported ABC. The report cited unspecified Caja Madrid sources who said there it was "necessary" to "close" the airline's future with regard to whether it would be a "partner" with British Airways (BA) or Lufthansa who they see as an equally good, if not better, partner than BA, the article said.
Rumoured Takeover Target	Inmobiliaria Colonial SA	Financial Services	Undisclosed bidder			1,456	Following the expired agreement between the shareholders of Colonial and Investment Corporation of Dubai (ICD), the shareholders will continue to seek alternatives for the company. ICD has failed to reach an agreement with the creditors of Colonial.
Rumoured Takeover Target	Amper SA	TMT	Undisclosed bidder			362	Amper, the listed Spanish telecommunication services company, could soon see a EUR 15 per share takeover bid, reported La Gaceta. Experts have observed share movements that could signal a forthcoming offer, the report said. Meanwhile, Amper's board is seeking to attract a core of shareholders as a defense against from hostile bids.
Rumoured Takeover Target	Spanair SA	Transportation	Iberia Lineas Aereas de Espana SA; Viajes Marsans SA; Longstock Financial Group; Grupo Gestair and Gadair European Airlines	UBS (V)	Scandinavian Airlines Systems	300	Spanair owner, the Scandinavian Airlines Systems (SAS), has set a deadline for its sale in the second quarter of this year, Cinco Dias reported. Jansson the CEO of SAS, gave no details of the bidders, which the report said included Iberia [with unlisted rival Gestair], the private operator Gadair, the Portuguese investment fund Longstock Financial and the Spanish travel agency Viajes Marsans.
Rumoured Takeover Target	Vueling Airlines SA	Transportation	Clickair SA	Lehman Brothers (B)		137	Vueling, the listed Spanish low-cost airline, and its private rival Clickair have agreed to negotiate a merger of equals, according to a regulatory filing. The two companies expect to complete talks within the next few weeks.

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# League tables

## Top 15 financial advisors – Iberia

### value

YTD 30-Apr 2008	House	Value (€m)	Deal count
1	Citigroup	2,161	4
2	Morgan Stanley	1,774	3
3	Deloitte	1,526	16
4	Santander Global Banking and Markets	1,257	2
5	KPMG Corp Fin	980	9
6	Lehman Brothers	939	1
7	UBS	813	3
8	CALYON	728	2
9	Rothschild	688	2
10	JPMorgan	633	2
11	SG	633	1
12	Atlas Capital Close Brothers	418	5
13	ABN AMRO	412	3
14	Lazard	262	3
15	Park Place Corporate Finance	235	1

Source: mergermarket

### volume

YTD 30-Apr 2008	House	Value (€m)	Deal count
1	Deloitte	1,526	16
2	KPMG Corp Fin	980	9
3	Atlas Capital Close Brothers	418	5
4	Citigroup	2,161	4
5	Morgan Stanley	1,774	3
6	UBS	813	3
7	ABN AMRO	412	3
8	Lazard	262	3
9	Banco Espirito Santo de Investimento	115	3
10	Ernst & Young	73	3
11	Santander Global Banking and Markets	1,257	2
12	CALYON	728	2
13	Rothschild	688	2
14	JPMorgan	633	2
15	Socios Financieros	218	2

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Iberia

## Top 15 legal advisors – Iberia

### value

YTD 30-Apr 2008	House	Value (€m)	Deal count
1	Uria Menendez	2,844	10
2	KPMG Abogados	1,583	8
3=	Linklaters	1,263	3
3=	Allen & Overy	1,214	2
5	CMS	1,143	5
6	Garrigues	957	7
7	Freshfields Bruckhaus Deringer	849	6
8	Cuatrecasas - Goncalves Pereira, Castelo Branco	731	14
9=	Bredin Prat	633	1
9=	Darros Villey Maillot Brochier	633	1
9=	Davis Polk & Wardwell	633	1
12=	Powell Goldstein	585	1
12=	Cleary Gottlieb Steen & Hamilton	444	2
14	Clifford Chance	341	2
15	Morais Leitao Galvao Teles Soares Da Silva & Associados	303	1

Source: mergermarket

### volume

YTD 30-Apr 2008	House	Value (€m)	Deal count
1	Cuatrecasas - Goncalves Pereira, Castelo Branco	731	14
2	Uria Menendez	2,844	10
3	KPMG Abogados	1,583	8
4	Araoz & Rueda	229	8
5	Garrigues	957	7
6	Freshfields Bruckhaus Deringer	849	6
7	CMS	1,143	5
8	Linklaters	1,263	3
9	AM Pereira, Saragga Leal, Oliveira Martins, Judice & Associados	107	3
10	Jones Day	18	3
11	Allen & Overy	1,214	2
12	Cleary Gottlieb Steen & Hamilton	444	2
13	Clifford Chance	341	2
14	Taylor Wessing	243	2
15	DLA Piper	37	2

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Iberia

# League tables

## Activity table of private equity firms on Iberian exits

value

YTD 30-Apr 2008	House	Value (€m)	Deal count
1	3i Group	316	2
2	First Reserve Corporation	314	1
3	Magnum Capital Industrial Partners	200	1
4	The Carlyle Group	50	1
5=	Espirito Santo Capital	48	1
5=	SES Iberia Private Equity	48	1
5=	Siparex Croissance	48	1
8	Nazca Capital	30	1
9	Dinamia Capital Privado	27	1
10	CVC Capital Partners	18	1

Source: mergermarket

volume

YTD 30-Apr 2008	House	Value (€m)	Deal count
1	3i Group	316	2
2	First Reserve Corporation	314	1
3	Magnum Capital Industrial Partners	200	1
4	The Carlyle Group	50	1
5=	Espirito Santo Capital	48	1
5=	SES Iberia Private Equity	48	1
5=	Siparex Croissance	48	1
8	Nazca Capital	30	1
9	Dinamia Capital Privado	27	1
10	CVC Capital Partners	18	1

Source: mergermarket

The private equity buyout activity tables by value and volume are based on private equity firms advising the bidder on buyout deals where the dominant geography of the target company is Iberia. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals

## Activity table of private equity firms on Iberian exits

value

YTD 30-Apr 2008	House	Value (€m)	Deal count
1	Espiga Capital Inversion	30	1
2	3i Group	13	2
3	Talde Group	13	1
4	ARQUES Industries	11	1
5	Baring Private Equity Partners	-	1

Source: mergermarket

volume

YTD 30-Apr 2008	House	Value (€m)	Deal count
1	3i Group	13	2
2	Espiga Capital Inversion	30	1
3	Talde Group	13	1
4	ARQUES Industries	11	1
5	Baring Private Equity Partners	-	1

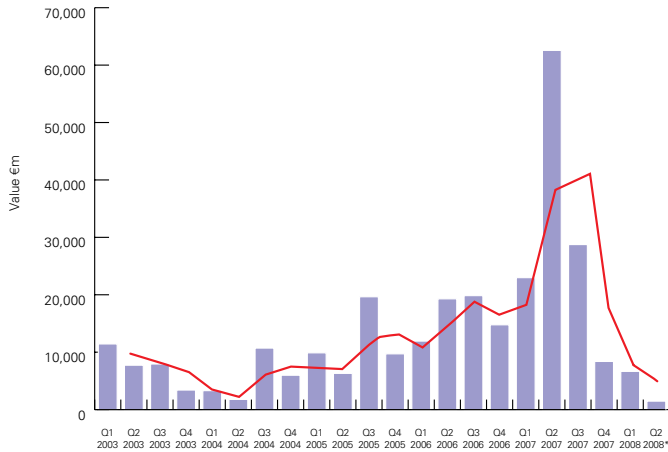
Source: mergermarket

The private equity exit activity tables by value and volume are based on private equity firms advising the vendor on exit deals where the dominant geography of the target company is Iberia. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals

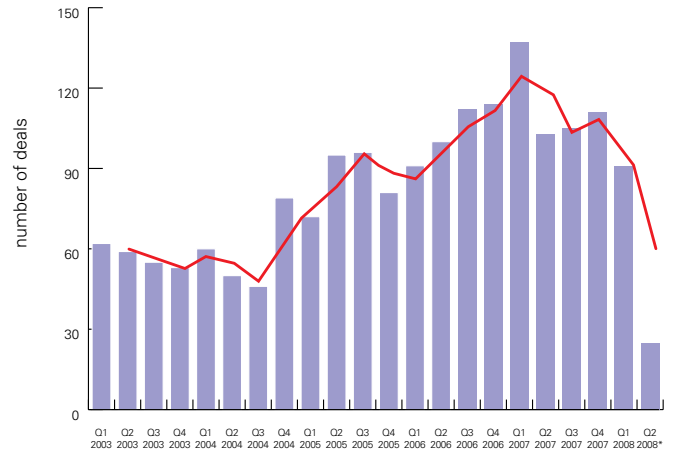
# Trend graphs

## Iberian M&A quarterly trend

value



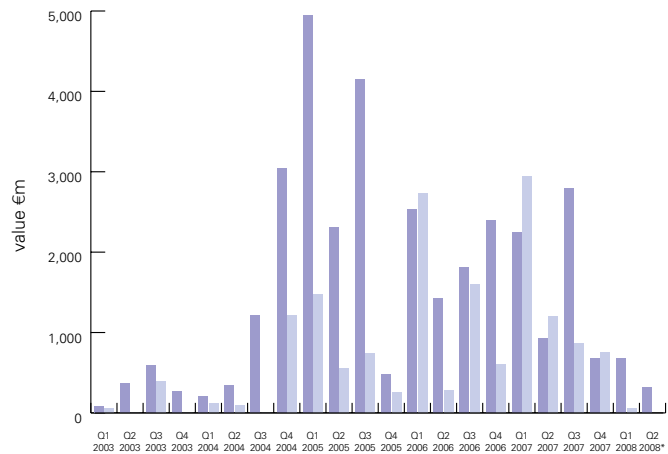
volume



— Moving average trend line

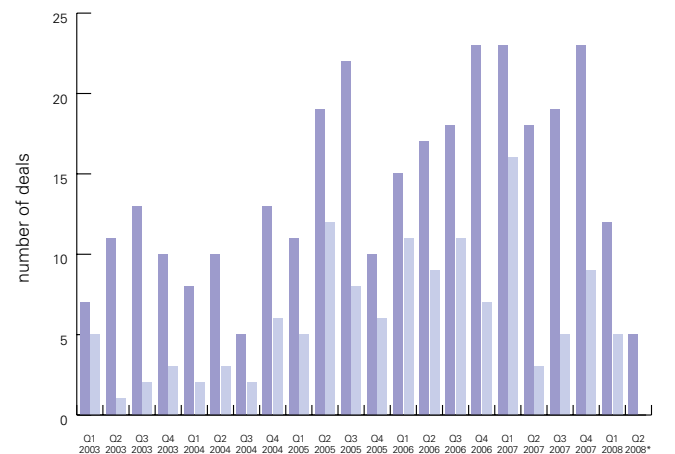
## Iberian M&A quarterly private equity trend

value



■ Iberian buyouts  
■ Iberian exits

volume

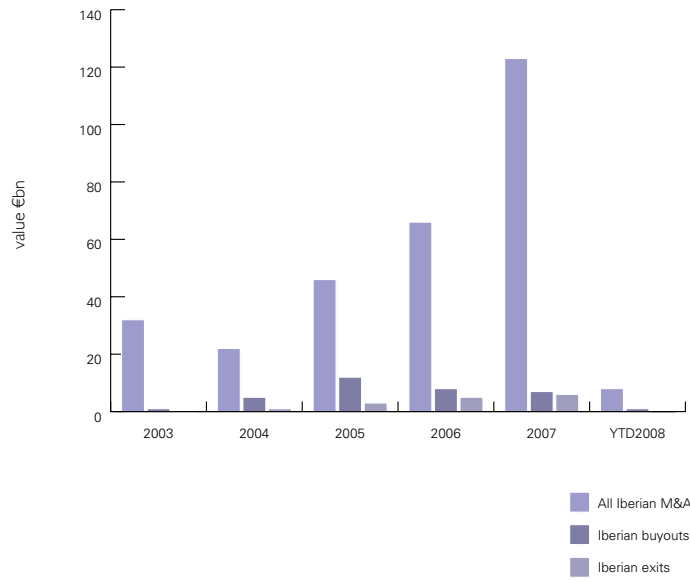


■ Iberia buyouts  
■ Iberia exits

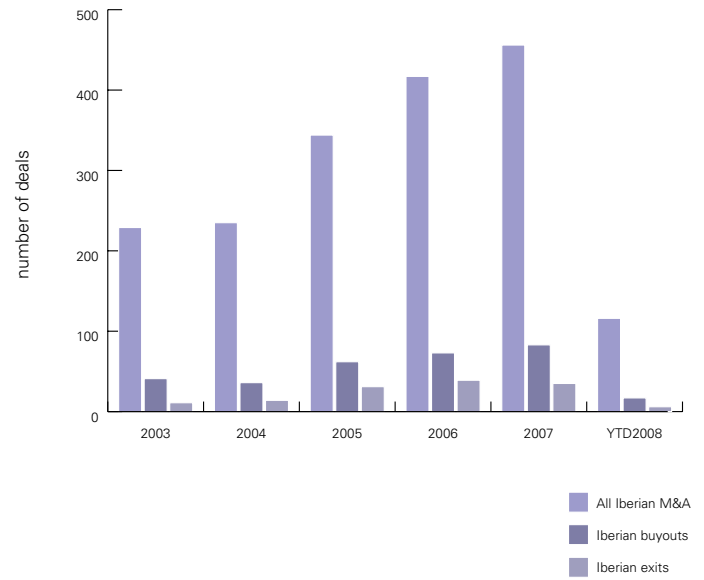
# Trend graphs

## Iberian M&A Annual Trends

value

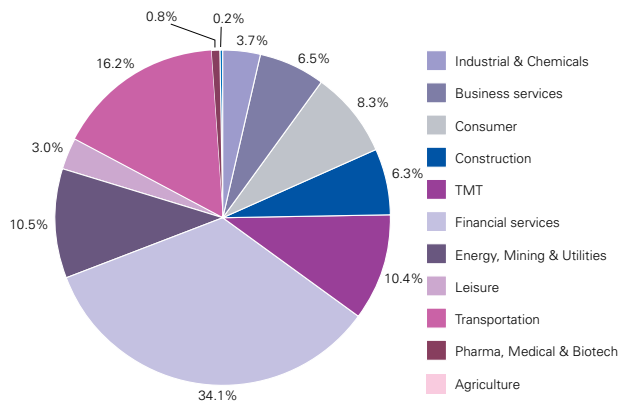


volume

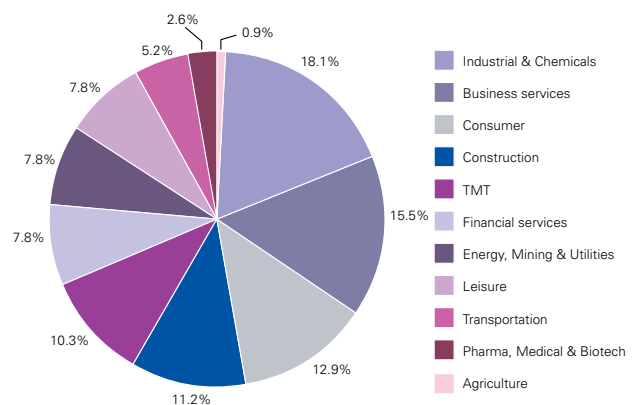


## Iberian M&A sector breakdown YTD 2008

value



volume



# Mid market deals

## Top 5 Iberian mid market announced seals for YTD 30 April 2008

(€10m to €250m)

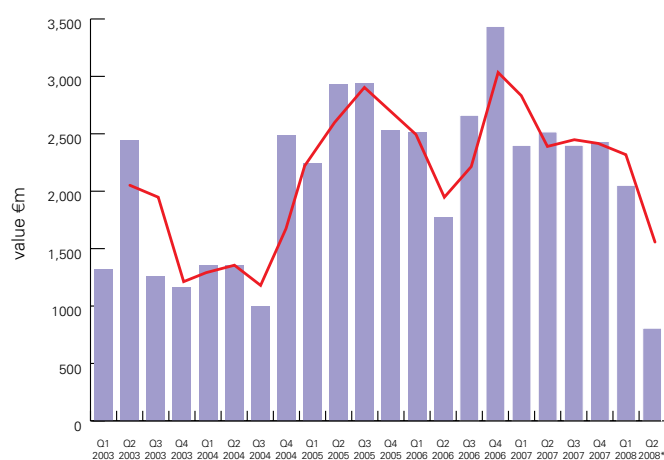
Announced	Status	Target company	Sector	Target/seller financial advisor	Target/seller legal advisor	Bidder company	Bidder financial advisor	Bidder legal advisor	Seller company	Deal value (€m)
24-Apr-08	P	Caixa Sabadell Vida SA de Seguros y Reaseguros (50% stake); and Caixa Sabadell Companyia d'Assegurances Generals SA (50% stake)	Financial Services			Zurich Financial Services Group			Caixa d'Estalvis de Sabadell	230
16-Apr-08	C	Union Radio Digital SA (16.63% stake)	TMT	Internal	Internal	3i Group Plc	Deloitte	Akin Gump Strauss Hauer & Feld; Cuatrecasas - Goncalves Pereira, Castelo Branco	Grupo Godo de Comunicacion SA; and Promotora de Informaciones SA	225
24-Apr-08	C	Adubos de Portugal SA	Industrials & Chemicals	ABN AMRO		Fertiberia SA			Grupo Jose de Mello - SGPS SA	98
15-Apr-08	C	SOLON AG fuer Solartechnik (power stations in Spain)	Energy, Mining & Utilities			Meinl International Power Limited			SOLON AG fuer Solartechnik	87
16-Apr-08	C	Grupo Salgar (majority stake)	Industrials & Chemicals			Espirito Santo Capital SA; SES Iberia Private Equity SA; and Siparex Croissance SCA				48

C = Completed; P = Pending; L = Lapsed

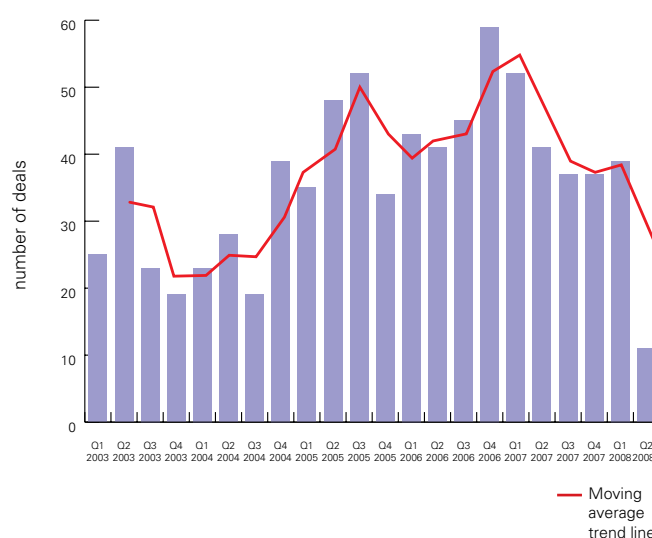
Source: mergermarket

## Iberian M&A quarterly mid market trend

value



volume



— Moving average trend line

# Mid market league tables

## Top 10 mid market financial advisors – Iberia

(€10m to €250m)

YTD 30-Apr 2008	House	Value (€m)	Deal count
<b>Value:</b>			
1	Deloitte	597	7
2	Atlas Capital Close Brothers	418	4
3	KPMG Corp Fin	380	3
4	Lazard	262	3
5=	Morgan Stanley	235	1
5=	Park Place Corporate Finance	235	1
5=	UBS	235	1
8	Socios Financieros	218	2
9	Molinaro Koger	185	1
10	Banco Espirito Santo de Investimento	115	2
<b>Volume:</b>			
1	Deloitte	597	7
2	Atlas Capital Close Brothers	418	4
3	KPMG Corp Fin	380	3
4	Lazard	262	3
5	Socios Financieros	218	2
6	Banco Espirito Santo de Investimento	115	2
7	PricewaterhouseCoopers Corp Fin	93	2
8	Ernst & Young	73	2
9=	Morgan Stanley	235	1
9=	Park Place Corporate Finance	235	1
9=	UBS	235	1

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Iberia

## Top 10 mid market legal advisors – Iberia

(€10m to €250m)

YTD 30-Apr 2008	House	Value (€m)	Deal count
<b>Value:</b>			
1	Garrigues	957	7
2	Cuatrecasas - Goncalves Pereira, Castelo Branco	711	9
3	Uria Menendez	535	5
4	KPMG Abogados	330	2
5	Freshfields Bruckhaus Deringer	242	3
6=	Cobbetts	235	1
6=	Taylor Wessing	235	1
6=	Travers Smith	235	1
9	Araoz & Rueda	229	4
10	Akin Gump Strauss Hauer & Feld	225	1
<b>Volume:</b>			
1	Cuatrecasas - Goncalves Pereira, Castelo Branco	711	9
2	Garrigues	957	7
3	Uria Menendez	535	5
4	Araoz & Rueda	229	4
5	Freshfields Bruckhaus Deringer	242	3
6	KPMG Abogados	330	2
7	CMS	197	2
8	DLA Piper	37	2
9=	Cobbetts	235	1
9=	Taylor Wessing	235	1
9=	Travers Smith	235	1
10	Akin Gump Strauss Hauer & Feld	225	1

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Iberia

## Lantmannen and Dan Agro battles over Hedegaard

- Lantmannen, the Swedish farmers' cooperative, has made an offer for the remaining 70.95% stake it does not already own in the Hedegaard agricultural company in Denmark. The offer price initially started at €69.73 per share, valuing Hedegaard at €73.04m. The aim was to acquire enough shares to increase Lantmannen's holding to a minimum of 51% and thereby to make Lantmannen the majority owner of the company. An acquisition that was seemingly straightforward was interrupted in mid-April by another takeover offer from the Danish holding company, Dan Agro Holding. The rival offer was to acquire 87.87% of the company at an offer price of €87.12 per share. Towards the end of the month the competition started escalating as both companies increasingly showed the importance of getting their hands on Hedegaard. Lantmannen gave a counterbid of €96.47 per share on 22 April, which represented a 63.64% premium over Hedegaard's closing share price prior to the original deal announcement. On that same day Dan Agro again increased its bid and called Lantmannen's offer with a mere cents to €96.64 per share, an offer which was already beaten the very next day as Lantmannen put €99.16 per share on the table. In the latest developments in the transaction Dan Agro increased its offer yet again to €99.84 per share, an offer that was made possible as the company received financial artillery from Yara, the Norwegian chemical company. Nevertheless, Lantmannen is remaining persistent and boosted its offer to €100.5 per Hedegaard share.

## Seadrill to acquire Scorpion Offshore and eyes Pride International

- Seadrill, the Norwegian oil rig company, seems to be out on a spending spree these days. The company has recently launched a mandatory offer to acquire the remaining 64% it does not already own in Bermuda based offshore drilling rig operator, Scorpion Offshore Limited. Seadrill has offered €9.98 per share, valuing Scorpion's share capital at €540.9m. On 28 April Seadrill acquired over 8m shares in Scorpion at the same price. This mandatory offer comes as a counterbid to an offer from Dubai based Fortune Super Equity Management, which

made an offer to acquire the company in February this year also at €9.88 per share. This offer is not supported by Scorpion's board of directors, who has recommended shareholders to reject the offer.

- Recent developments in the transaction shows that Scorpion expects Seadrill to offer an equity alternative to its mandatory cash bid. Although this is not certain, the option to take shares in Scandinavian oil services takeover situations is often used. A Scandinavian energy sector lawyer who is not involved in the process confirmed that in takeover situations in the oil sector, an equity alternative has been used fairly commonly in the past. However, a cash option is apparently required by law in mandatory takeover situations.
- Besides the Scorpion deal, Seadrill is clearly signaling a wish to expand, and may be looking to acquire its US based peer Pride International. The company has acquired a 9.9% stake in Pride, and although it was announced that the investment is a mere strategic interest and should not be considered hostile, Seadrill has reportedly contacted Pride in order to arrange a meeting to discuss a potential transaction. Also, Pride's Board of Directors has taken action under the company's Stockholder Rights Plan to lower, solely with respect to Seadrill Limited and its affiliates and associates, the threshold level of beneficial ownership of the company's common stock, a move that would trigger the rights from 15% to 10%. A potential outcome of this action is that Pride can be acquired by Seadrill. However, if such an event should occur, the Stockholder Rights Plan will come into effect giving Pride the possibility to initiate a new share issue towards the company's other shareholders and therefore diluting Seadrill's stake. Seadrill, on the other hand has not provided further information about its intentions, plans or proposals with respect to Pride or its acquisition of the common stock, although a possible acquisition has not been excluded. Furthermore, Seadrill has stated its interest in participating in a market consolidation and that the company is searching for an inexpensive target, which Pride has been so far. The company is allegedly lagging behind its peers Noble, Transocean, and Seadrill with regards to its EBITDA multiple. Further rumors are circulating suggesting that several Norwegian investors have taken stakes in Pride.



# Deal of the month

<b>Target:</b>	Ocean Rig ASA	<b>Announced:</b>	22 April 2008
<b>Bidder:</b>	DryShips Inc	<b>Deal value:</b>	€440m
<b>Seller:</b>	-	<b>Deal nature:</b>	Recommended

- DryShips Inc, the listed Greek provider of drybulk carriers, will launch an offer to acquire Ocean Rig ASA, the listed Norwegian drilling rig owner operator.

## Structure

- The acquisition will be carried out via a mandatory offer under Norwegian Law.

## Terms

- The mandatory offer is estimated at €5.66 per Ocean Rig share.
- The offer values the entire share capital of Ocean Rig at approximately €964m.
- The offer values the 45.66% stake to be acquired at €440m
- The offer represents a premium of 4.90% to Ocean Rig's €5.39 closing price on 21 April 2008, last trading day prior to the firm announcement of the offer.

## Financing

- DryShips Inc. will use a combination of cash on hand and debt financing which is already in place to acquire the remaining outstanding shares of Ocean Rig ASA.

## Background

- On 21 April 2008, after close of market, DryShips Inc. purchased 33,254,576 shares of Ocean Rig at a price of €5.65 per share.
- Following these transactions DryShips Inc. and close associates own 92,579,891 shares, corresponding to 54.34% of the shares and votes in Ocean Rig.
- This purchase has triggered the obligation to launch a mandatory offer for the remaining share capital of Ocean Rig.

## Conditions

- Unconditional mandatory offer.

Exit multiples Y/E 30/4/08			Premium analysis	
	Multiples	Value (EURm)	Offer price per share (€)	
Revenue	14.6x	143	1 day before	5.66
EBITDA	34.3x	61	1 month before	4.9%
EBIT	81x	26	1 day after	18.52%
Earnings	(loss)	-34	Pre-rumor	-

Advisers			
Target / Seller		Bidder	
Financial	-	Financial	Cantor Fitzgerald Dnb Nor Markets
Legal	Wiersholm	Legal	Wikborg Rein & Co
PR	-	PR	Capital Link

Mergermarket/dealReporter Intelligence	
29-Apr-08	Ocean Rig: DryShips mandatory bid expected next week, competing offers unlikely
31-Jul-07	Ocean Rig views recent mergers as a potential catalyst to sector consolidation

# Deal of the month

Timetable and expected events		
<b>Offer timetable</b>		
<b>Offer doc issued</b>	upon OSE approval	
<b>Offer period commences</b>	same day to publication	
<b>Last day for target's response</b>	1 week prior to FCD	
<b>Last day for revised offer</b>	FCD	
<b>Last day for competing offer</b>	FCD	
<b>FCD</b>	minimum 4 weeks - maximum 6 weeks	
<b>Preliminary results</b>	next trading day to FCD	
<b>Final results</b>	1 week or 4 trading days after FCD	
<b>Settlement</b>	14 calendar days after FCD	
<b>Company events</b>		
<b>OCR 1Q 08</b>	29-Apr-08	first quarter 2008 results
<b>OCR AGM</b>	26-Jun-08	annual general meeting

# Top deals

## Top 15 Nordic announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
31-Mar-08	P	Vin & Sprit AB	Consumer	Pernod-Ricard SA	Government of Sweden	5.1	23.3	33.9	-	5,626
3-Mar-08	P	Scania AB (16.84% stake)	Industrials & Chemicals	Volkswagen AG	Investor AB; Marcus and Amalia Wallenberg Foundation; Marianne and Marcus Wallenberg Foundation; and The Knut and Alice Wallenberg Foundation	2.3	12.2	18.8	17.4%	2,863
28-Feb-08	P	Fiedler & Lundgren AB; House of Prince AS; and JL Tiedemanns Tobaksfabrik AS	Consumer	British American Tobacco Plc	Skandinavisk Tobakskompagni A/S		11.2		-	2,668
20-Mar-08	P	TietoEnator Oyj (95.60% stake)	TMT	Nordic Capital		0.7	10.9	(loss)	37.5%	1,238
8-Jan-08	C	FAST Search & Transfer ASA	TMT	Microsoft Corporation					43.5%	718
6-Mar-08	C	Papyrus AB	Industrials & Chemicals	Altor Equity Partners	Stora Enso Oyj	0.3			-	640
15-Apr-08	P	Tinfos AS	Industrial products and services	Eramet SA		0.6	7.8		-	592
16-Jan-08	C	MySQL AB	TMT	Sun Microsystems Inc					-	546
22-Apr-08	P	Ocean Rig ASA (45.66% stake)	Industrials & Chemicals	DryShips Inc		14.6	34.3	(loss)	4.9%	440
8-Jan-08	C	Sonion A/S	Industrials & Chemicals	Technitrol Inc	Erhvervsinvest Nord A/S; Intermediate Capital Group; Nordic Capital; and Polaris Private Equity A/S				-	385
26-Feb-08	C	AGR Group AS (68.80% stake)	Energy, Mining & Utilities	Altor Equity Partners					15.1%	377
25-Mar-08	P	Aker Yards Ukraine Holding AS (70% stake)	Industrials & Chemicals	FLC West	Aker Yards ASA				-	292
22-Feb-08	P	Nord Pool Clearing ASA; Nord Pool Consulting AS; and Nord Pool International	Financial Services	OMX AB	Nord Pool ASA				-	273
6-Feb-08	C	Alpharma Active Pharmaceutical Ingredients business	Pharma, Medical & Biotech	3i Group Plc	Alpharma Inc				-	270
30-Apr-08	P	Cision AB	TMT	Triton Partners		1.2	8.5	18.9	66.0%	232

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Top deals

## Top 5 Nordic announced deals of the month (April 2008)

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit Multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
15-Apr-08	P	Tinfos AS	Industrials & Chemicals	Eramet SA		0.6	7.8		-	592
22-Apr-08	P	Ocean Rig ASA (45.66% stake)	Industrials & Chemicals	DryShips Inc.		14.6	34.3	(loss)	4.9%	440
30-Apr-08	P	Cision AB	TMT	Triton Partners		1.2	8.5	18.9	66.0%	232
28-Apr-08	C	Odense Energi A/S	Energy, Mining & Utilities	Energi Fyn A/S	Odense Kommune	6.3			-	201
9-Apr-08	P	Blucher Metal A/S	Construction	Watts Water Technologies Inc		2.1			-	116

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

## Top 5 Danish announced deals of the month (April 2008)

Announced	Status	Target company	Sector	Target/seller financial adviser	Target/seller legal adviser	Bidder company	Bidder financial adviser	Bidder legal adviser	Seller company	Deal value (€m)
28-Apr-08	C	Odense Energi A/S	Energy, Mining & Utilities		Jonas Bruun	Energi Fyn A/S		Focus Advokater	Odense Kommune	201
9-Apr-08	P	Blucher Metal A/S	Construction	FIH PARTNERS	Lassen Ricard	Watts Water Technologies Inc	Deloitte	Delacour Advokatfirma		116
2-Apr-08	P	Hedegaard A/S (70.95% stake)	Agriculture			Lantmennen	Danske Markets Corporate Finance			92
17-Apr-08	P	Hedegaard A/S (87.87% stake)	Agriculture			Dan Agro Holding	Nordea Corporate Finance			77
25-Apr-08	P	Talisman Oil Denmark Limited	Energy, Mining & Utilities			Norwegian Energy Company ASA			Talisman Energy Inc	53

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

## Top 5 Norwegian announced deals of the month (April 2008)

Announced	Status	Target company	Sector	Target/seller financial adviser	Target/seller legal adviser	Bidder company	Bidder financial adviser	Bidder legal adviser	Seller company	Deal value (€m)
15-Apr-08	P	Tinfos AS	Industrials & Chemicals		Thommessen; Wikborg Rein & Co	Eramet SA	UBS	Davis Polk & Wardwell; Wiersholm		592
22-Apr-08	P	Ocean Rig ASA (45.66% stake)	Industrials & Chemicals		Wiersholm	DryShips Inc	Cantor Fitzgerald; DnB NOR Markets	Wikborg Rein & Co		440
21-Apr-08	P	Profdoc ASA (89.69% stake)	TMT	Medici Corporate	Wikborg Rein & Co	CompuGROUP Holding AG	SEB Enskilda	Thommessen		58
17-Apr-08	P	Brubakken Truckservice AS	Industrials & Chemicals			Reiten & Co	Reiten & Co	Thommessen		30
17-Apr-08	P	Teeness ASA (92.55% stake)	Industrials & Chemicals	Danske Markets Corporate Finance		Sandvik AB				26

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Expected deals

## Pipeline of Nordic expected deals

Situation	Target company	Sector	Potential Bidder company	Financial advisor to target (T); seller (S)	Seller company	Market cap/ est. value (€m)	Comments
Unconfirmed takeover rumour	Nordea AB	Financial Services	Sampo; Swedbank; or SEB		Swedish Government	28,011	Sampo, the Finnish financial concern, is rumoured to be keen on buying the Swedish government's shares in the Nordic bank Nordea. Sampo has SEK 45bn (EUR 4.97bn) in cash after the sale of its banking division to the Danske bank.
Takeover target	TeliaSonera	TMT	France Telecom	Goldman Sachs (T); Merrill Lynch (T); Morgan Stanley (V)	Swedish Government; Government of Finland	20,600	TeliaSonera and France Telecom may consider a merger.
Takeover target	Stora Enso Oyj	Industrials & Chemicals				8,026	Stora Enso, the Finnish paper and pulp group, is reported to be in strategic negotiations, which may lead to a takeover of the company.
Unconfirmed takeover rumour	Pride International	Energy, Mining & Utilities	Seadrill Limited			4,522	Seadrill, the Norwegian oil rig company, may be looking to acquire its US based peer Pride International, as the company has acquired a 9.9% stake in Pride. The investment is a mere strategic interest and should not be considered hostile, but Seadrill has reportedly contacted Pride in order to arrange a meeting to discuss a potential transaction.
Takeover target	Norske Skogindustrier ASA	Industrials & Chemicals	Stora Enso and UPM-Kymmene			1,452	Norske Skog's largest shareholder, Skogseierforeningene, is reported to be open to Norske Skog merging with a foreign peer as long as the HQ stays in Norway. Rivals Stora Enso and UPM-Kymmene are seen as possible bidders although their size could make it difficult to meet the head office requirement.
Takeover target	Norgani Hotels	Financial Services			Norwegian Property ASA	636	Norwegian Property ASA/Oslo Properties AS, the Norwegian property company, has received an offer for Norgani Hotels.
Takeover target	Aker Drilling	Energy, Mining & Utilities				394	Seadrill, the Norwegian oil rig company, has purchased and entered into forward contracts for 672,400 shares in Aker Drilling. As a result, Seadrill controls 20.7%, and can be looking to acquire more.
Takeover target	Ramnas Bruk	Industrials & Chemicals	Kolbjoern Invest		SRK; and Arvid Svensson	10	Ramnas Bruk, the Swedish manufacturer of offshore mooring chain, is to be acquired by a Norwegian investor consortium. The price is reportedly more than SEK 100m (EUR 10.7m). The Norwegian consortium is led by the Norwegian private investor, Carl Arnet, and his company, Kolbjorn Invest.

Source: mergermarket

# League tables

## Top 15 financial advisors – Nordic

### value

YTD 30-Apr- 2008	House	Value (€m)	Deal count
1	Deutsche Bank	25,030	6
2	UBS	20,760	7
3	Credit Suisse	18,080	7
4	FIH PARTNERS	13,265	6
5	Rothschild	13,262	4
6	Lehman Brothers	13,007	1
7	JPMorgan	9,132	7
8	Morgan Stanley	7,249	3
9	Ernst & Young	5,701	7
10=	CALYON	5,626	1
10=	PK Partners	5,626	1
12	SEB Enskilda	4,337	10
13	Merrill Lynch	3,433	4
14	Goldman Sachs	2,832	3
15	Alfa Bank	2,283	1

Source: mergermarket

### volume

YTD 30-Apr- 2008	House	Value (€m)	Deal count
1	SEB Enskilda	4,279	9
2	Credit Suisse	18,080	7
3	Ernst & Young	5,701	7
4	Danske Markets Corporate Finance	462	7
5	Deutsche Bank	25,030	6
6	UBS	20,168	6
7	JPMorgan	8,546	6
8	PricewaterhouseCoopers Corp Fin	358	6
9	Deloitte	185	6
10	FIH PARTNERS	13,149	5
11	Nordea Corporate Finance	1,402	5
12	Merrill Lynch	3,433	4
13	Access Partners	1,879	4
14	Rothschild	13,262	3
15	Morgan Stanley	7,249	3

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Nordic

## Top 15 legal advisors – Nordic

### value

YTD 30-Apr- 2008	House	Value (€m)	Deal count
1	Vinge	23,428	21
2	Linklaters	21,049	10
3	Hammarstiöld	15,884	3
4	Kromann Reumert	15,675	5
5	Plesner	13,410	9
6	Allen & Overy	13,360	4
7	Norton Rose	13,297	3
8	Ashurst	13,027	3
9	Freshfields Bruckhaus Deringer	13,007	4
10	Davis Polk & Wardwell	6,218	2
11	Gernandt & Danielsson	5,811	5
12	Gide Loyrette Nouel	5,702	2
13=	Debevoise & Plimpton	5,626	1
13=	Dechert	5,626	1
13=	Macfarlanes	5,626	1

Source: mergermarket

### volume

YTD 30-Apr- 2008	House	Value (€m)	Deal count
1	Mannheimer Swartling	1,277	23
2	Vinge	23,428	22
3	Linklaters	21,065	11
4	Plesner	13,410	9
5	White & Case	3,845	9
6	Bech-Bruun	34	8
7	Kromann Reumert	15,675	6
8	Roschier	4,338	6
9	Setterwalls	112	6
10	Delphi & Co	39	6
11	Gernandt & Danielsson	5,811	5
12	Thommessen	1,614	5
13	Lindahl	848	5
14	Wiersholm	644	5
15	Selmer	-	5

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Nordic

# League tables

## Activity table of private equity firms on Nordic buyouts

### value

YTD 30-Apr- 2008	House	Value (€m)	Deal count
1	Nordic Capital	1,238	2
2	Altor Equity Partners	1,017	2
3	3i Group	270	1
4	Triton Partners	232	1
5	Polaris Management	121	2
6	Atorka Group	106	1
7	Andlinger & Company	90	1
8	Litorina Kapital	42	2
9	Verdane Capital	32	1
10	Garden Growth Capital	30	1

Source: mergermarket

### volume

YTD 30-Apr- 2008	House	Value (€m)	Deal count
1	CapMan Group	11	3
2	Nordic Capital	1,238	2
3	Altor Equity Partners	1,017	2
4	Polaris Management	121	2
5	Litorina Kapital	42	2
6=	LD Equity	-	2
6=	Sentica Partners	-	2
8	3i Group	270	1
9	Triton Partners	232	1
10	Atorka Group	106	1

Source: mergermarket

The private equity buyout activity tables by value and volume are based on private equity firms advising the bidder on buyout deals where the dominant geography of the target company is Nordic. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.

## Activity table of private equity firms on Nordic exits

### value

YTD 30-Apr- 2008	House	Value (€m)	Deal count
1=	Erhvervsinvest Nord	385	1
1=	Intermediate Capital Group	385	1
1=	Nordic Capital	385	1
1=	Polaris Private Equity	385	1
5	Industri Kapital	226	3
6	EQT Partners	170	1
7	FL Group	106	1
8	Lime Rock Partners	50	1
9	BrainHeart Capital	43	2
10	NEF Fonden	37	1

Source: mergermarket

### volume

YTD 30-Apr- 2008	House	Value (€m)	Deal count
1	Industri Kapital	226	3
2	BrainHeart Capital	43	2
3=	Erhvervsinvest Nord	385	1
3=	Intermediate Capital Group	385	1
3=	Nordic Capital	385	1
3=	Polaris Private Equity	385	1
7	EQT Partners	170	1
8	FL Group	106	1
9	Lime Rock Partners	50	1
10	NEF Fonden	37	1

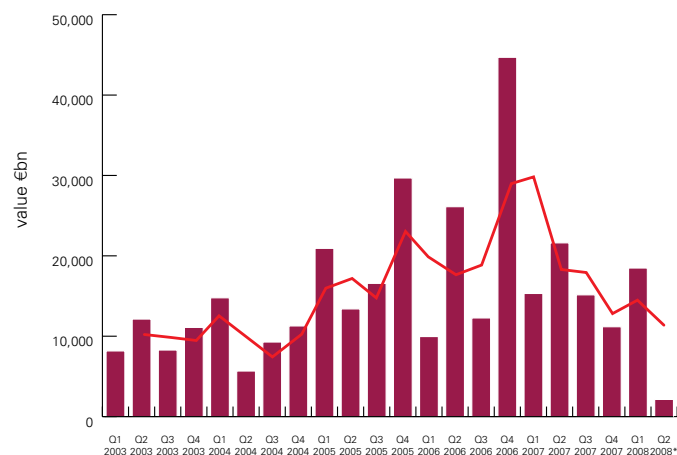
Source: mergermarket

The private equity exit activity tables by value and volume are based on private equity firms advising the vendor on exit deals where the dominant geography of the target company is Nordic. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals.

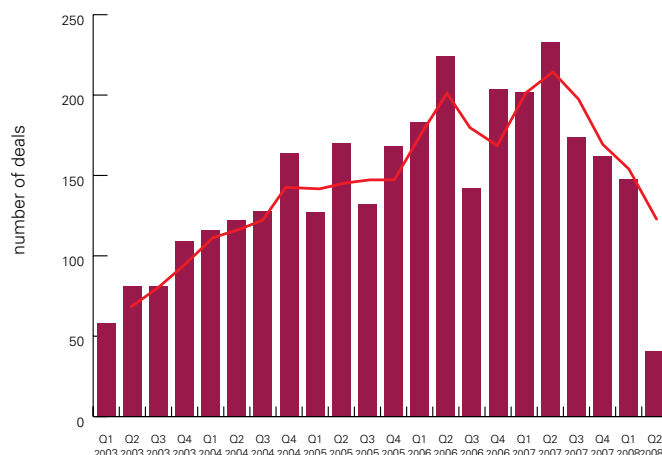
# Trend graphs

## Nordic M&A quarterly trend

value



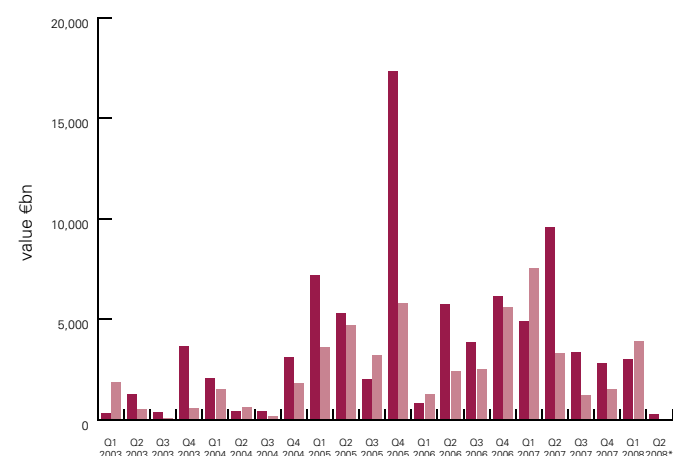
volume



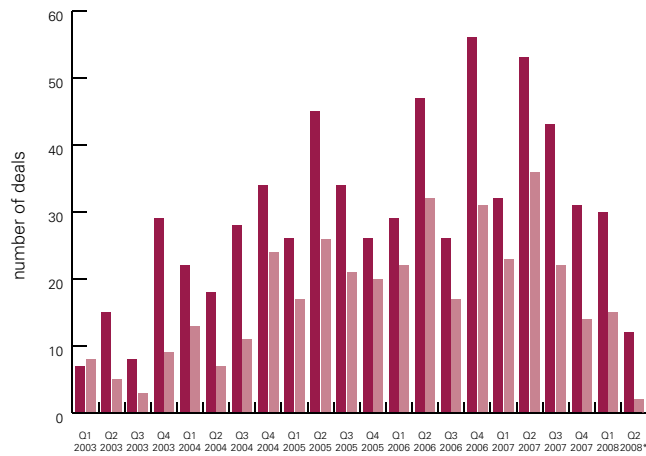
— Moving average trend line

## Nordic M&A quarterly private equity trend

value



volume



■ Nordic buyouts  
■ Nordic exits

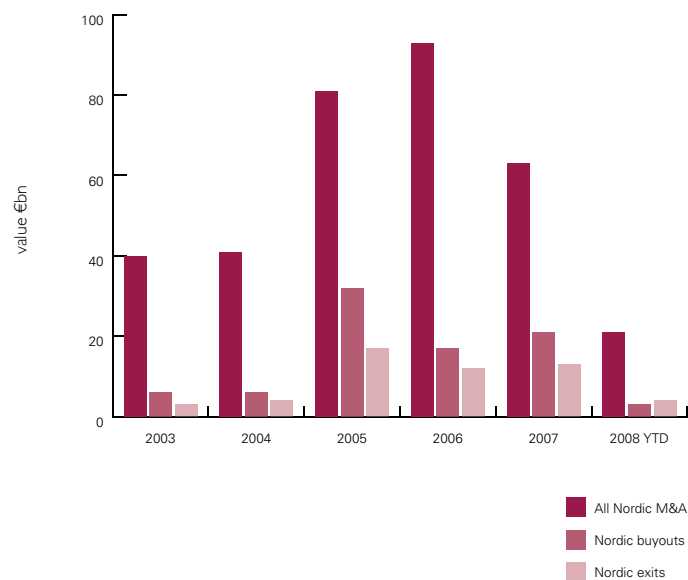
■ Nordic buyouts  
■ Nordic exits



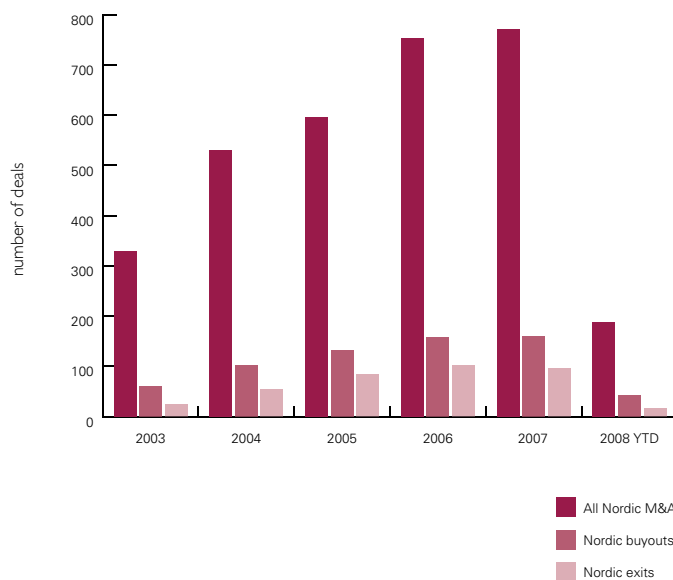
# Trend graphs

## Nordic M&A annual trends

value

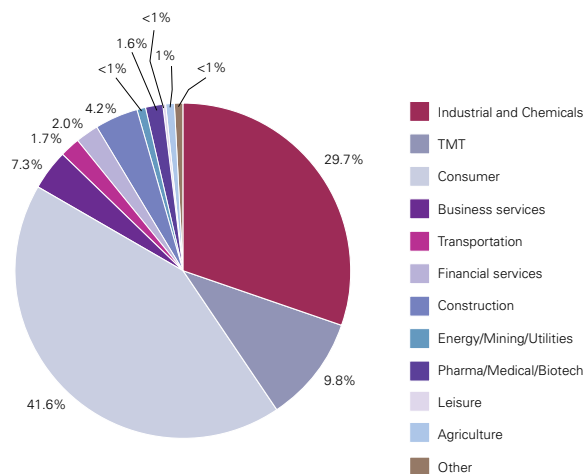


volume

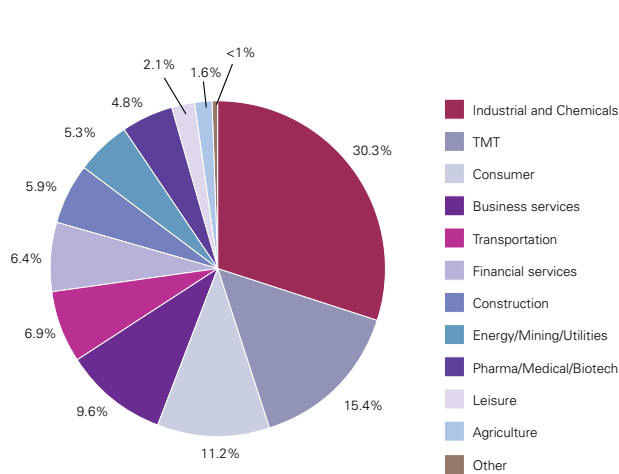


## Nordic M&A sector breakdown YTD 2008

value



volume



# Mid market deals

## Top 10 Nordic announced mid market deals for YTD 30 April 2008

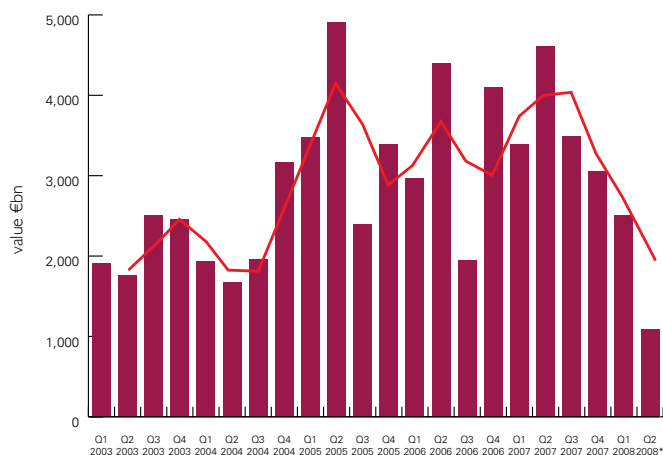
(€10m to €250m)

Announced	Status	Target company	Sector	Target/seller financial adviser	Target/seller legal adviser	Bidder company	Bidder financial adviser	Bidder legal adviser	Seller company	Deal value (€m)
30-Apr-08	P	Cision AB	TMT	Lazard	Foretagsjuridik Nord & Co AB	Triton Partners				232
19-Mar-08	C	Elfa AB	Industrials & Chemicals	Access Partners	Accura; Vinge	Daetwyler Holding AG	Pricewaterhouse-Coopers Corp Fin	Lindahl	Industri Kapital AB; and Jensen family	226
19-Feb-08	C	JB Ugland Shipping AS	Transportation	Pareto	BAHR	Siva Ventures Ltd	Standard Chartered	Norton Rose; Wikborg Rein & Co	JB Ugland Holding AS	205
28-Apr-08	C	Odense Energi A/S	Energy, Mining & Utilities		Jonas Bruun	Energi Fyn A/S		Focus Advokater	Odense Kommune	201
31-Jan-08	C	Finn-Power Oyj	Industrials & Chemicals		Hannes Snellman; Vinge; Waselius & Wist	Prima Industrie SpA	Banca IMI/ Intesa Sanpaolo; Terranova; UniCredit Group	Castren & Snellman (Advising UniCredit Group); Cleary Gottlieb Steen & Hamilton; Clifford Chance; Jones Day (Advising Intesa Sanpaolo; UniCredit Group); Roschier; Tosetto Weigmann e Associati	EQT Partners AB	170
9-Jan-08	C	IS Partner	TMT		Thommessen	EDB Business Partner ASA			StatoilHydro ASA	151
5-Feb-08	P	Tollpost Globe AS (50% stake)	Transportation	FIH PARTNERS A/S	Plesner	Posten AB	SEB Enskilda		De Sammenslut Vogn A/S	133
24-Jan-08	C	Tojeksperten	Consumer		Gorrissen Federspiel Kierkegaard	Polaris Management AS				121
9-Apr-08	P	Blucher Metal A/S	Construction	FIH PARTNERS	Lassen Ricard	Watts Water Technologies Inc	Deloitte	Delacour Advokatfirma		116
1-Feb-08	C	Boss Media AB	TMT	HDR Partners	Setterwalls	GEMed AB	D Carnegie & Co	Gernandt & Danielsson; White & Case		112

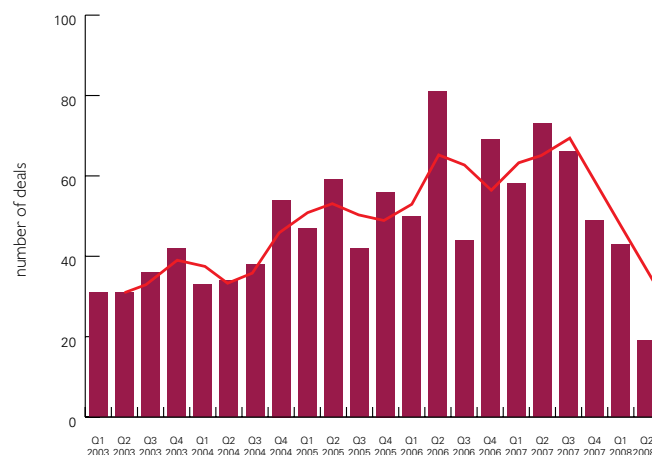
Source: mergermarket

## Nordic M&A quarterly mid market trend

value



volume



# Mid market league tables

## Top 10 mid market financial advisors – Nordic

(€10m to €250m)

YTD 30-Apr-2008	House	Value (€m)	Deal count
<b>Value:</b>			
1	Nordea Corporate Finance	437	5
2	SEB Enskilda	300	4
3	Danske Markets Corporate Finance	229	3
4	PricewaterhouseCoopers Corp Fin	226	1
5	Deloitte	206	2
6	Standard Chartered	205	1
7=	Banca IMI/Intesa Sanpaolo	170	1
7=	Terranova	170	1
7=	UniCredit Group	170	1
10	Mooreland Partners	140	1
<b>Volume:</b>			
1	Nordea Corporate Finance	437	5
2	SEB Enskilda	300	4
3	Danske Markets Corporate Finance	229	3
4	Deloitte	206	2
5	Glitnir	105	2
6	Access Partners	92	2
7	PricewaterhouseCoopers Corp Fin	226	1
8	Standard Chartered	205	1
9=	Banca IMI/Intesa Sanpaolo	170	1
9=	Terranova	170	1

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Nordic

## Top 10 mid market legal advisors – Nordic

(€10m to €250m)

YTD 30-Apr-2008	House	Value (€m)	Deal count
<b>Value:</b>			
1	Vinge	577	9
2	Wikborg Rein & Co	255	3
3	Lindahl	239	2
4	Roschier	237	2
5	Norton Rose	205	1
6	Focus Advokater	201	1
7	Freshfields Bruckhaus Deringer	200	1
8	Thommessen	183	3
9=	Cleary Gottlieb Steen & Hamilton	170	1
9=	Clifford Chance	170	1
<b>Volume:</b>			
1	Vinge	577	9
2	Wikborg Rein & Co	255	3
3	Thommessen	183	3
4	Mannheimer Swartling	143	3
5	Lindahl	239	2
6	Roschier	237	2
7	Gernandt & Danielsson	142	2
8	Wragge & Co	135	2
9	Allen & Overy	95	2
10	Borenus & Kempainen	71	2

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Nordic

# CEE and CIS

## Lukoil filling up in Romania

- LUKOIL's Bulgarian subsidiary has reached an agreement to acquire 75 filling stations, as well as a storage base in Sofia, from Petrol AD Sofia, a Bulgarian listed company active in the oil and gas refining and marketing industry.
- The transaction is valued at €237 million, with €156.1 million being paid for the filling stations, and €80.9 million for the storage facility. The agreement is likely to boost Bulgaria's fuel market as it will annul a fifteen year contract on fuel deliveries between the two companies which had been the source of disputes. It also opens the door for the conclusion of new product delivery contracts between Lukoil and Petrol AS.

## Mechel keen on metal and Romanian wire

- Mechel, one of Russia's leading metals and mining companies, has acquired Romania's Ductile Steel, a producer of wire and wire products, in a €142 million deal, through its Switzerland bases subsidiary Mechel International Holdings.
- In a statement, Mechel said the deal is part of the company's strategy to consolidate its position in the Romanian rolled and wire product market, as well developing its own steel business.
- Mechel Management Company's CEO, Vladimir Polin, said the transaction will allow Mechel to "further develop its steel business, particularly in Romania and the rest of Eastern Europe, and will contribute to the economy of Romania"

## LPP dressing to kill in Polish fashion industry

- LPP, Poland's biggest fashion retailer, has signed a letter of intent to merge with its WSE-listed rival Artman for PLN 394.8 million, or €115.1 million. The proposed deal indicates that LPP is attempting to position itself at the forefront of expected consolidation in the Polish fashion industry, and comes just two years after another landmark M&A deal in the sector, where Vistula merged with Wolczanka.
- More acquisitions are in the pipeline for LPP according to vice president Dariusz Pachla, who said "we are in talks with several Polish and foreign firms and one or more M&A transactions could be completed before the end of the year". Pachla refused to comment on rumours that one of LPP's targets is the Estonian clothing producer Silvano Fashion Group.

## To merge or not to merge is the question in Poland's construction industry

- The proposed merger between Pol-Aqua SA, the listed Polish construction company, and peer company Polnord SA, which would create a company worth around PLN 4 billion, or \$ 1.86 billion by market capitalization, has been met with skepticism by shareholders.
- Pol-Aqua would initially acquire a 20% stake in Polnord, to be completed by 21 July 2008. After this, the companies would merge, a move touted by management to be profitable for shareholders by opening the door to participation in large infrastructure projects due to be executed in Poland.
- However, shares in both companies dropped at the news as investors assessed the benefits of the proposal. A source at Templeton, which holds a 6.4% percent stake in Polnord, said the deal "made sense" from its perspective. Others were more cautious, with a source at Bank Zucchini WBK's Arka fund, which holds a 5.1% stake in Pol-Aqua, pointing to the negative market reaction when asked about the deal.
- Pol-Aqua's Chief Executive, Marek Stefanski has said the transaction will not go ahead if he fails to persuade shareholders before the 21st of July. "I will not do anything against the will of minority shareholders", he said.
- If the merger does go ahead, Polnord shareholders will receive 1.45 Pol-Aqua shares in exchange for 1 share in Polnord. According to Stefanski the merger would allow the new company to "compete with the biggest players". He also said that it would enable them to "apply for bigger infrastructure projects and stand a far better chance of winning more credit."

# Deal of the month

<b>Target:</b>	Asiban SA	<b>Announced:</b>	9 April 2008
<b>Bidder:</b>	Groupama SA	<b>Deal value:</b>	€350
<b>Seller:</b>	Banca Comerciala Romana SA Banca Transilvania SA CEC Bank BRD - Groupe Societe Generale SA	<b>Deal nature:</b>	Recommended

- Groupama SA, the French financial services company offering insurance, savings products and banking services, has won an auction to acquire Asiban S.A., the Romanian insurance company, from Banca Comerciala Romana SA, the Romanian commercial bank, Banca Transilvania and BRD - Groupe Societe Generale, the listed Romanian financial services company, and Casa de Economii Si Consemnatiuni, the state owned Romania based commercial bank, for a consideration of €350m.
- Under the terms of the agreement, the four vendors each holding an approximate 25% stake in Asiban, will get approximately €87.5m each for the sale of their stakes. Groupama won an online tender against Dutch groups Aegon and Eureko, the European financial services companies, which had offered more than €300m. For the year 2007 Asiban had a premium income of €185.8m customer loans of \$587m and customer deposits of \$592m.
- The acquisition is in line with Groupama's strategy to expand its international operations and especially in the Central European regions. The transaction, which is subject to approval from the Romanian competition regulator, is expected to be completed in July this year.

Advisers			
Target/Seller		Bidder	
<b>Financial</b>	Rothschild	<b>Financial</b>	Raiffeisen Investment Altium Capital
<b>Legal</b>	Tuca Zbarcea & Asociatii	<b>Legal</b>	Gide Loyrette Nouel
<b>PR</b>		<b>PR</b>	Hogarth Partnership

# Top deals

## Top 15 CEE & CIS announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid Premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
5-Feb-08	P	AES Ekibastuz LLP; and Maikuben West LLP	Energy, Mining & Utilities	Kazakhmys plc	AES Corporation	8.0			-	1,011
18-Jan-08	P	Vakaru Skirstomieji Tinklai (97.10% stake)	Energy, Mining & Utilities	LEO LT	NDX Energija	2.9	8.2	42.6	9.8%	847
10-Mar-08	C	MOL Hungarian Oil and Gas Public Limited Company (8% stake)	Energy, Mining & Utilities	Oman Oil Company SAOC		0.9	7.0	9.2	10.2%	831
18-Jan-08	P	Lietuvos Energija AB (96.40% stake)	Energy, Mining & Utilities	LEO LT	Government of Lithuania	2.1	11.9	53.0	-6.2%	706
11-Feb-08	P	OTP Garancia Insurance Ltd	Financial Services	Groupama SA	OTP Bank Plc				-	612
18-Jan-08	P	Rytu Skirstomieji Tinklai AB (71.35% stake)	Energy, Mining & Utilities	LEO LT	Government of Lithuania	1.8	12.7	92.9	18.8%	607
4-Feb-08	P	Pravex-Bank Joint Stock Commercial Bank	Financial Services	Intesa Sanpaolo SpA		n/a	n/a		-	504
11-Mar-08	C	Czech Coal Group (80% stake)	Energy, Mining & Utilities	Czech Coal Group					-	459
12-Feb-08	C	Pivovarna Lasko (58% stake)	Consumer	Info Holding; and Fidina					5.8%	438
25-Jan-08	P	Naftna industrija Srbije AD (51% stake)	Energy, Mining & Utilities	Gazprom Neft	Government of the Republic of Serbia				-	400
17-Mar-08	P	JSC Bank CenterCredit (29.99% stake)	Financial Services	Kookmin Bank					-	393
20-Mar-08	P	Istobanka AS	Financial Services	KBC Bank & Verzekering NV	Bawag PSK	n/a	n/a		-	350
7-Feb-08	P	Rudarsko Topionicarski Bazen Bor	Energy, Mining & Utilities	A-Tec Minerals and Metals Holding GMBH; A-Tec industries AG; and Montanwerke Brixlegg	Government of the Republic of Serbia				-	322
3-Mar-08	P	Plus Warenhandelsgesellschaft mbH (Czech Republic)	Consumer	Rewe Group	Tengelmann Group	0.5			-	250
22-Feb-08	C	Karasu Operating Company (85% stake); and Kura Valley Operating Company (80% stake)	Energy, Mining & Utilities	Global Investment Energy	Nations Petroleum Company Ltd				-	229

C = Completed; P = Pending; L = Lapsed

Source: mergemarket

# Top Deals

## Top 5 CEE & CIS announced deals for the month ending 30 April 2008

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid Premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
9-Apr-08	P	Asiban SA	Financial Services	Groupama SA	Banca Comerciala Romana SA; Banca Transilvania SA; BRD - Groupe Societe Generale SA; and Casa de Economii Si Consemnatiuni CEC SA	n/a	n/a			350
24-Apr-08	C	Petrol AD Sofia (75 fuel stations and Iliantsi petrol storage base in Sofia)	Energy, Mining & Utilities	Lukoil Bulgaria Limited	Petrol AD Sofia					237
25-Apr-08	P	BAWAG Bank CZ as	Financial Services	Landesbank Baden-Wuerttemberg	BAWAG PSK	n/a	n/a			160
8-Apr-08	C	SC Ductil Steel SA	Industrials & Chemicals	Mechel International Holdings AG	Lakewind Limited					142
10-Apr-08	P	Industrija Masina i Traktora (94.50% stake)	Industrials & Chemicals	Home Art & Sales Services AG; and SIP Strojna industrija dd	Government of the Republic of Serbia; and Serbian Privatization Agency					121

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Top Deals

## Top 5 Romania announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Target/seller financial adviser	Target legal adviser	Bidder company	Bidder financial adviser	Bidder legal adviser	Seller company	Deal value (€m)
9-Apr-08	P	Asiban SA	Financial Services	Rothschild	Tuca Zbarcea & Asociatii	Groupama SA	Altium Capital Limited; and Raiffeisen Investment	Gide Loyrette Nouel	Banca Comerciala Romana SA; Banca Transilvania SA; and BRD - Groupe Societe Generale S.A. and Casa de Economii Si Consemnatiuni CEC SA	350
29-Feb-08	P	SC Bere Mures SA	Consumer			Heineken NV		Schoenherr Rechtsanwälte OEG		150
8-Apr-08	C	SC Ductil Steel SA	Industrials & Chemicals			Mechel International Holdings AG			Lakewind Limited	142
6-Feb-08	C	LaborMed Pharma SA	Pharma, Medical & Biotech	Raiffeisen Investment	Popovici, Nitu & Asociatii	Advent International Corporation		CMS		123
12-Mar-08	C	Adama Holding Public Limited	Financial Services			Immoeast Immobilien Anlagen AG; Lehman Brothers Holdings Incorporated; and Morgan Stanley Real Estate		Jones Day		100

C = Completed; P = Pending; L = Lapsed

Source: mergermarket



# Top Deals

## Top 5 Serbia & Montenegro announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Target/seller financial adviser	Target legal adviser	Bidder company	Bidder financial adviser	Bidder legal adviser	Seller company	Deal value (€m)
25-Jan-08	P	Naftna industrija Srbije AD (51% stake)	Energy, Mining & Utilities			Gazprom Neft	JPMorgan		Government of the Republic of Serbia	400
7-Feb-08	L	Rudarsko Topionicarski Bazen Bor	Energy, Mining & Utilities			A-Tec Minerals and Metals Holding GmbH; A-Tec industries AG; and Montanwerke Brixlegg AG	Internal	Drazic, Beatovic & Partneri	Government of the Republic of Serbia	322
10-Apr-08	P	Industrija Masina i Traktora (94.50% stake)	Automotive			Home Art & Sales Services AG; and SIP Strojna industrija dd	Not disclosed	Not disclosed	Government of the Republic of Serbia; and Serbian Privatization Agency	121
4-Apr-08	P	Roksped Petrol (6 petrol stations)	Consumer			OAo Lukoil			Roksped Petrol	27
3-Mar-08	C	David Pajic Daka	Industrials & Chemicals			Anbo doo Belgrade			Serbian Privatization Agency	15

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Expected Deals

Situation	Target company	Sector	Potential bidder company	Financial adviser to bidder (B); target (T); seller (S)	Seller company	Market cap/ est. value (€m)	Comments
Takeover target	Globe Trade Centre SA	Construction	Kardan NV			2,323	Israeli listed investment and holding company Kardan NV is considering an acquisition of the remaining stake listed Polish real estate company GTC, said a report in Globes. Such move would increase the value of both companies and create a larger holding house specializing in emerging markets. Kardan NV currently holds 64.3% of GTC. So far no information is available on the price of the remaining shares of GTC, or on whether the transaction would involve an exchange of shares.
Takeover target	Alliance Bank	Financial Services			Seimar Group	1,381	Seimar Group, majority shareholders of kazak Alliance Bank, have made a decision to reduce their stake below a controlling stake by 2009, and the bank is actively seeking a strategic investor.
Takeover target	Poslovni sistem Mercator dd	Consumer	Infond Holding			1,224	Infond Holding, the listed Slovenian private equity fund, is preparing to launch a mandatory public offer for the rest of shares in Mercator, the listed food retailer. Infond Holding and Pivovarna Lasko feature as the main shareholders in Mercator. Infond has a 25% stake, while Pivovarna controls a stake of 20.76% in the retailer, as posted on the Ljubljana Stock Exchange. Besides Infond and Pivovarna, another significant shareholder in Mercator is Istrabenz, the Slovenian energy-to-tourism holding, with 11.92%. Other investment funds hold less than 4% each. The remaining free float is around 38%.
Takeover target	Mercor	Industrials & Chemicals			Innova Capital	195	Innova Capital is looking at the possibility of a full exit from Mercor, but is in "no hurry" to do so. Mercor, the Polish manufacturer of fire protection systems, was acquired by Innova Capital's 3rd fund at the start of 2006. Innova partially exited from the investment in the IPO of Mercor which took place in the summer of 2007, and Innova's lock-in period on its stake expired in Q1 this year. Currently Innova Capital holds a 16.35% stake in Mercor, with founder and president of the company Krzysztof Krempec holding the largest stake (25.99%) and around 26% of the company in a free float.
Expected deal	Artman SA	Consumer	LPP SA				LPP and Artman, the listed Polish clothing designers and retailers, have signed a letter of intent over a merger, LPP announced. LPP will buy 100% in Artman for PLN 394.8m (EUR 115m). Artman's main shareholders will be able to acquire up to 80,000 new shares issued in LPP at PLN 2350 per share for a total sum of up to PLN 188m (EUR 54.8m). By mid June, LPP will announce an offer for 100% in Artman at PLN 92.65 per share. This development was also reported in Puls Biznesu. The paper cited LPP vice-president Dariusz Pachla, who confirmed that LPP is planning more acquisitions. Pachla noted that LPP is already in talks, but did not reveal any names. Pachla told PB that one or more transactions could be finalized in 2008. Pachla refused to comment on speculation that LPP could target Estonian clothing producer Silvano Fashion Group, PB noted. Speaking to Parkiet, Pachla said that LPP will finance buys with loans and added that the company has PLN 700m (EUR 204m) worth credit ability.

# Expected Deals

Situation	Target company	Sector	Potential bidder company	Financial adviser to bidder (B); target (T); seller (S)	Seller company	Market cap/ est. value (€m)	Comments
Expected deal	Pol-Aqua	Construction	Polnord				Pol-Aqua, the listed Polish construction company, and Polnord, the listed real estate developer, could have better chances to expand operations in Russia once they are merged. A report in Parkiet cited Polnord president Wojciech Ciurzynski. According to Ciurzynski, the merger will be profitable for shareholders in both companies for a possibility of participating in large infrastructure projects which will soon be executed in Poland. Parkiet wrote that next week it will become clear whether financial shareholders in both Pol-Aqua and Polnord accept the merger between the companies. From 4 May, the managements of Pol-Aqua and Polnord have planned meetings with investors, regarding the merger. Polnord shareholders will receive 1.45 Pol-Aqua shares in exchange for 1 share in Polnord, the paper noted. Polnord's market capitalization on the Warsaw Stock Exchange stood at PLN 1.79bn (EUR 520.8m) and Pol-Aqua at PLN 1.92bn (EUR 558.6m) on 28 April.
Takeover target	Bank Ochrony Srodowiska	Financial Services			Government of Poland		The Polish Ministry of the Environment wants listed Bank Ochrony Srodowiska S.A. (BOS) privatised again, said Minister of the Treasury, Alexander Grad, during a meeting with Polish businessmen held in Business Centre Club (BCC) today, Wednesday. According to a BCC press release, Grad added that Swedish bank Skandinaviska Enskilda Banken (SEB) is considering investing in BOS again. BOS' main shareholders are currently Narodowy Fundusz Ochrony Œrodowiska i Gospodarki Wodnej (NFOSiGW) - 77.54%, Panstwowe Gospodarstwo Lesne Lasy Panstwowe (PGLLP) - 5.74% and Wojewódzki Fundusz Ochrony Œrodowiska i Gospodarki Wodnej w Katowicach - 5.6%.

Source: mergermarket

# League tables

## Top 15 financial advisors - CEE & CIS

### value

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Evli Bank	2,155	4
2	HSBC Bank	2,155	3
3	JPMorgan	1,761	3
4	Lehman Brothers	1,521	3
5	Merrill Lynch	1,012	2
6	ABN AMRO	1,011	1
7	Raiffeisen Investment	994	5
8	KBC Securities	854	4
9	Rothschild	854	2
10	BNP Paribas	831	1
11	Deutsche Bank	612	1
12	Citigroup	504	1
13=	Morgan Stanley	393	1
13=	Visor Capital	393	1
15	Altium Capital Limited	350	1

Source: mergermarket

### volume

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Raiffeisen Investment	994	5
2	Evli Bank	2,155	4
3	KBC Securities	854	4
4	Deloitte	-	4
5	HSBC Bank	2,155	3
6	JPMorgan	1,761	3
7	Lehman Brothers	1,521	3
8	PricewaterhouseCoopers Corp Fin	147	3
9	Merrill Lynch	1,012	2
10	Rothschild	854	2
11	C Spolka z ograniczona odpowiedzialnoscia	25	2
12	Ernst & Young	25	2
13	M&A International	24	2
14	KPMG Corp Fin	20	2
15	TPA Horwath Corporate Finance Consulting	12	2

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being CEE & CIS

## Top 15 legal advisors - CEE & CIS

### value

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Sorainen	2,155	4
2	Allen & Overy	1,995	4
3	Baker & McKenzie	1,458	3
4	Freshfields Bruckhaus Deringer	1,301	4
5	Dorda Brugger Jordis	1,011	2
6	Gide Loyrette Nouel	972	3
7	Vinson & Elkins	831	1
8	Linklaters	724	4
9	Wolf Theiss	510	2
10	Magister	504	1
11	White & Case	400	2
12=	Cleary Gottlieb Steen & Hamilton	393	1
12=	Grata Law Firm	393	1
12=	Shin & Kim	393	1
15	Tuca Zbarcea & Asociatii	350	1

Source: mergermarket

### volume

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Linklaters	724	6
2	Clifford Chance	191	5
3	Sorainen	2,155	4
4	Allen & Overy	1,995	4
5	Freshfields Bruckhaus Deringer	1,301	4
6	Baker & McKenzie	1,458	3
7	Gide Loyrette Nouel	972	3
8	Dorda Brugger Jordis	1,011	2
9	Wolf Theiss	510	2
10	White & Case	400	2
11	Weil Gotshal & Manges	254	2
12	Shearman & Sterling	250	2
13	Vasil Kasil & Partners	201	2
14	Jones Day	33	2
15	Norcous & Partners	-	2

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being CEE & CIS

# Activity tables

## Activity table of private equity firms on CEE & CIS buyouts

value

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Advent International	123	1
2	Penta Investments	108	5
3	Arca Investments	10	2
4=	European Bank for Reconstruction and Development	10	1
4=	Societe Generale de France	10	1

Source: mergermarket

volume

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Penta Investments	108	5
2	Arca Investments	10	2
3	Advent International	123	1
4=	European Bank for Reconstruction and Development	10	1
4=	Societe Generale de France	10	1

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being CEE & CIS

## Activity table of private equity firms on CEE & CIS exits

value

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Advent International	25	1
2	Global Finance	19	1
3=	Hermis Capital	0	1
3=	Penta Investments	0	1
3=	TPG	0	1

Source: mergermarket

volume

YTD 30-Apr-08	House	Value (€m)	Deal count
1	Advent International	25	1
2	Global Finance	19	1
3=	Hermis Capital	0	1
3=	Penta Investments	0	1
3=	TPG	0	1

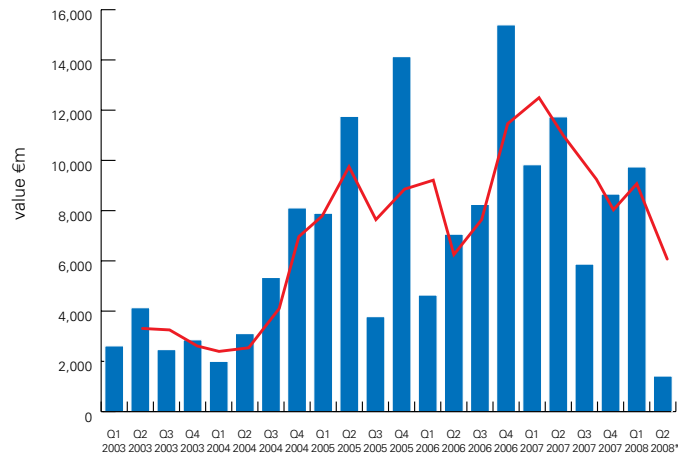
Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being CEE & CIS

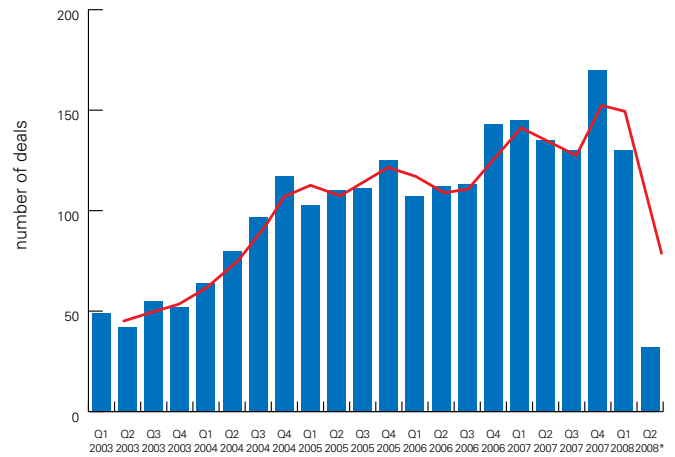
# Trend graphs

## CEE and CIS M&A quarterly trend

value



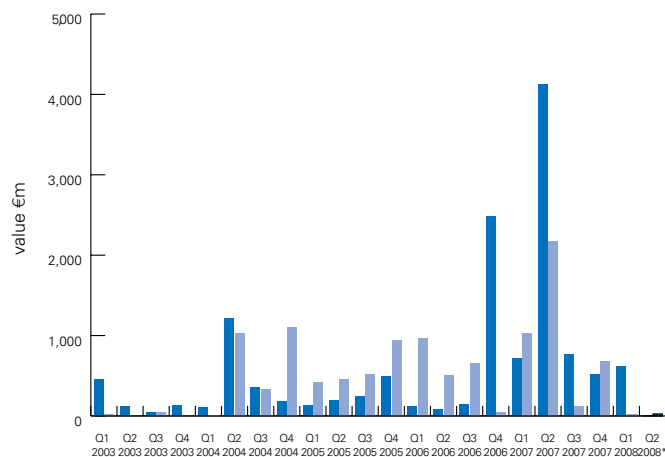
volume



— Moving average trend line

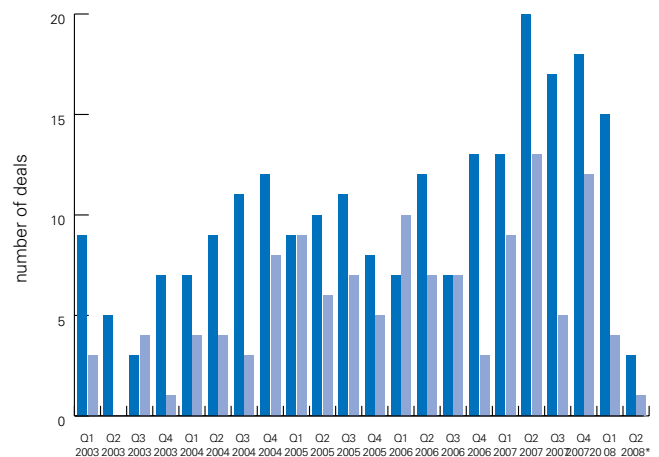
## CEE and CIS M&A quarterly private equity trend

value



■ CEE and CIS buyouts  
■ CEE and CIS exits

volume

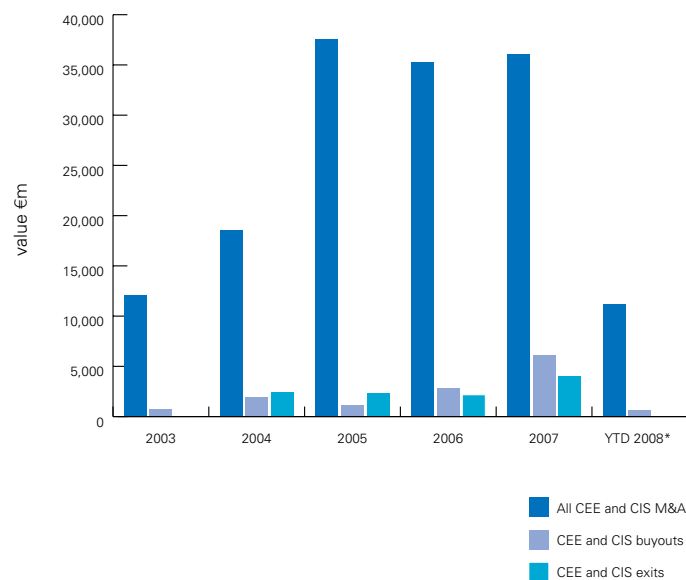


■ CEE and CIS buyouts  
■ CEE and CIS exits

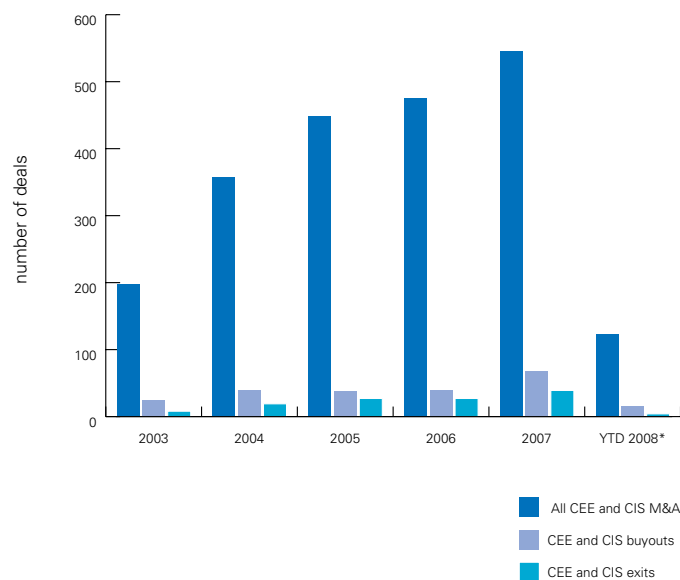
# Trend graphs

## CEE and CIS M&A annual trends - value

value

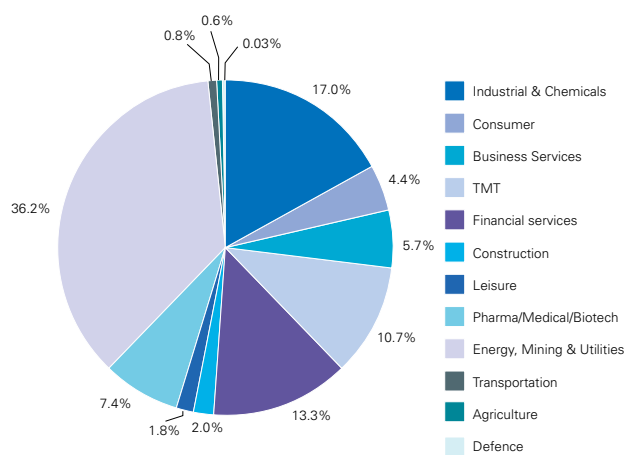


volume

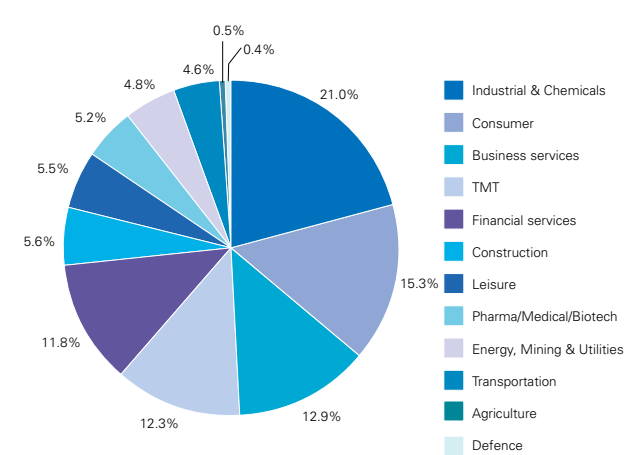


## CEE and CIS M&A annual trends - volume

value



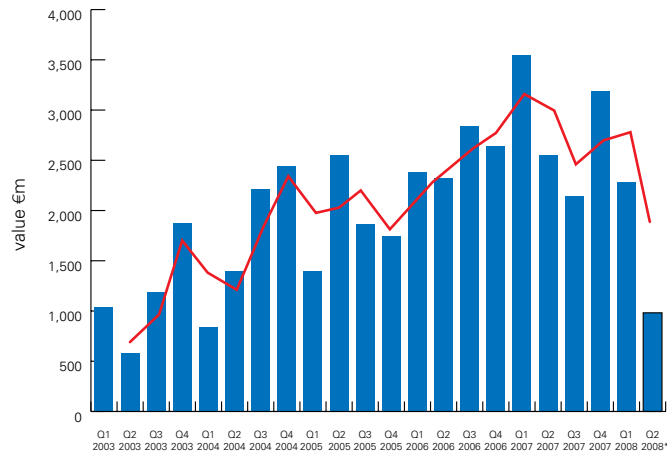
volume



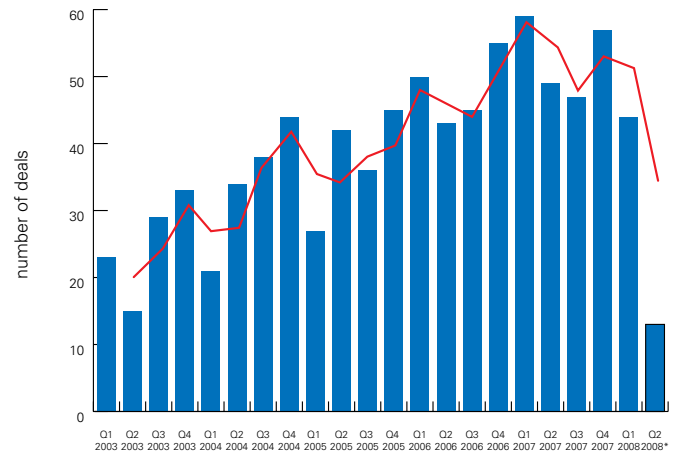
# Mid market deals

## CEE & CIS M&A quarterly mid market trend

value



volume



— Moving average trend line



# Mid market deals

## Top 10 CEE & CIS announced mid market deals for YTD 30 April 2008

(€10m to €250m)

Announced	Status	Target company	Sector	Target/seller financial adviser	Target/seller legal adviser	Bidder company	Bidder financial adviser	Bidder legal adviser	Seller company	Deal value (€m)
3-Mar-08	P	Plus Warenhandelsgesellschaft mbH (Czech Republic)	Consumer	Alegro Capital	Shearman & Sterling	Rewe Group		Freshfields Bruckhaus Deringer	Tengelmann Group	250
24-Apr-08	C	Petrol AD Sofia (75 fuel stations and Iliantsi petrol storage base in Sofia)	Consumer			LukOil Bulgaria Limited			Petrol AD Sofia	237
22-Feb-08	C	Karasu Operating Company (85% stake); and Kura Valley Operating Company (80% stake)	Energy, Mining & Utilities	Not disclosed	Not disclosed	Global Investment Energy			Nations Petroleum Company Ltd	229
22-Feb-08	P	Bulgarian American Credit Bank (49.99% stake)	Financial Services	UniCredit Group	Dimitrov, Tchompalov & Todorova; Kirkland & Ellis	Allied Irish Banks Plc	AIB Corporate Finance	Sidley Austin	Bulgarian-American Investment Fund	216
25-Apr-08	P	BAWAG Bank CZ as	Financial Services	Lehman Brothers	Wolf Theiss	Landesbank Baden-Wuerttemberg		Linklaters	BAWAG PSK	160
29-Feb-08	P	S.C. Bere Mures SA	Consumer			Heineken NV		Schoenherr Rechtsanwälte		150
5-Feb-08	P	Studio 1+1 (30% stake)	Media			Central European Media Enterprises Ltd		Debevoise & Plimpton; and Vasil Kisil & Partners		150
8-Apr-08	C	SC Ductil Steel SA	Industrial products & services			Mechel International Holdings AG			Lakewind Limited	142
22-Feb-08	P	P4 Sp zoo (23.40% stake)	TMT	ING	Weil Gotshal & Manges	Novator Telecom Poland Sarl; and Tollerton Investments Ltd		Clifford Chance	Netia Spolka Akcyjna UMTS SKA	130
29-Jan-08	P	Centralny Dom Maklerski Pekao SA (corporate brokerage and investment banking services)	Financial Services	Credit Suisse; Keefe Bruyette & Woods		UniCredit CA IB Polska SA	UBS	Weil Gotshal & Manges	Centralny Dom Maklerski Pekao SA	124

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Mid market league tables

## Top 10 mid market financial advisors - CEE & CIS

(€10m to €250m)

YTD 30-Apr-08	House	Value (€m)	Deal count
<b>Value:</b>			
1	Alegro Capital	250	1
2	Raiffeisen Investment	244	2
3=	AIB Corporate Finance	216	1
3=	UniCredit Group	216	1
5	Lehman Brothers	160	1
6	PricewaterhouseCoopers	147	3
7	ING	130	1
8=	Credit Suisse	124	1
8=	Keefe Bruyette & Woods	124	1
8=	UBS	124	1
<b>Volume:</b>			
1	PricewaterhouseCoopers	147	3
2	Raiffeisen Investment	244	2
3	Alegro Capital	250	1
4=	AIB Corporate Finance	216	1
4=	UniCredit Group	216	1
6	Lehman Brothers	160	1
7	ING	130	1
8=	Credit Suisse	124	1
8=	Keefe Bruyette & Woods	124	1
8=	UBS	124	1

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being CEE & CIS

## Top 10 mid market legal advisors - CEE & CIS

(€10m to €250m)

YTD 30-Apr-08	House	Value (€m)	Deal count
<b>Value:</b>			
1	Freshfields Bruckhaus Deringer	290	2
2	Weil Gotshal & Manges	254	2
3	Shearman & Sterling	250	1
4	Linklaters	220	3
5=	Dimitrov, Tchompalov & Todorova	216	1
5=	Kirkland & Ellis	216	1
5=	Sidley Austin	216	1
8	Vasil Kisol & Partners	201	2
9	Clifford Chance	191	4
10	Wolf Theiss	160	1
<b>Volume:</b>			
1	Clifford Chance	191	4
2	Linklaters	220	3
3	Freshfields Bruckhaus Deringer	290	2
4	Weil Gotshal & Manges	254	2
5	Vasil Kisol & Partners	201	2
6	Shearman & Sterling	250	1
7=	Dimitrov, Tchompalov & Todorova	216	1
7=	Kirkland & Ellis	216	1
7=	Sidley Austin	216	1
10	Wolf Theiss	160	1

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being CEE & CIS

## Rusal could launch cash/share offer for Norilsk Nickel, bid not seen before autumn 2008

- Rusal could decide to launch a public offer combining cash and shares for Russian, listed metals group Norilsk Nickel, financial sources said. A financial source that is already providing debt financing for Rusal's acquisition of a 25% plus one share stake in Norilsk from Mikhail Prohorov's Onexim, said that a combination cash plus share offer by Rusal for Norilsk is becoming an increasingly likely option.
- The source said that the cash plus share swap option would lower debt financing requirements by Rusal while at the same time make the idea of a reverse takeover of Norilsk more palatable to minority shareholders. The source could not say whether Interros' Vladimir Potanin would accept a deal in which he would receive partial payment in Rusal shares for his large minority stake in Norilsk, but that a deal could be structured where Potanin could receive redemption rights or a cash pay-out after an eventual new listing of the Rusal-Norilsk entity.
- The head of CEEMEA of one the world's top investment banks said that he is confident that financing can be found for a Rusal bid for Norilsk, notwithstanding the current credit crunch. However, the source said that it is unlikely that such a deal can be arranged before autumn 2008.
- Speaking to mergermarket, Barclays Capital chairman Hans-Joerg Rudloff said he expects there will be an almost a complete halt to financing major deals in the region, and that the situation will only improve after the "banks get themselves out of intensive care".

## Lenta prefers sale to strategic buyer over IPO, insider and sources say

- Lenta, a Russian private supermarket retail chain is open top talks with strategic buyers, said a company insider. The insider said Lenta was interested in attracting a foreign strategic buyer, rather than considering the IPO route, but could not state exactly what stake could be sold. The insider said it would be a "large stake".
- Vedomosti reported on the 21 April that Lenta shareholders, founder, Oleg Zharebtsov, and the company's US shareholder, August Meyer, decided to end a dispute and consider a joint sale. On the 24 April Kommersant wrote that Vladimir Senkin, a member of Lenta's board of directors, said a likely scenario will be a private placement of a 15-20% stake in the company worth \$200m – \$300m (€130m – €195m). The Lenta spokesperson did not want to elaborate on the details of a private placement.
- One local dealmaker noted it was not an ideal time to look for strategic buyers. Multiples have fallen, and there are few deals that are being discussed with strategic players, he added. Another dealmaker concurred Lenta was looking at a strategic route, and that international players with reported interest on the Russian market such as Finnish Kesko and French Carrefour could be among the interested parties.
- Reportedly, Lenta had been valued at \$1.4bn and \$1.5bn (€900m and €970m), excluding the company's approximate debt worth \$300m (€195m). Meyer holds a 36% and Zharebtsov a 35% stake in Lenta. The company also has the European Bank for Reconstruction and Development a shareholder.

# Russia

## TGK – 6 sells to IES and New Russian Generation

- On March 14 2008, Integrated Energy Systems, the listed Russia based energy company and New Russian Generation, the listed Russian investment fund (and a structure of Prosperity Capital Management), won the auction to acquire 34.06% stake in TGK 6, Russian producer of thermal and electric power, from listed state-controlled Russian power group - Unified Energy Systems of Russia.
- The consortium, including Integrated Energy Systems and New Russian Generation as a minority partner, bought 439 217 262 097 ordinary shares (34.06% stake) for \$0.00106 per share.
- On March 26, TGK-6 announced that it also accepted the additional share issue offer from Primagate Trading Limited, which represented interests of IES and Prosperity Capital Management.
- Following TGK-6's additional 570bn shares issue on April 24 2008, IES and PCM through Primagate Trading Limited, bought the majority of additional shares in the company (about 60% of the additional shares, according to Interfax news agency). The amount of shares issued following the offer of Primagate Trading Limited amounted to 343 014 675 330 (\$0.00106 each). At the same time IES and New Russian Generation have acquired some of the remaining additional shares directly using their pre-emptive rights due to already owned stakes in the company (19.7% and 18.9%, respectively).
- According to Alfa Kapital analyst Semen Birg, the consortium now has around 84% of TGK-6 stake with IES holding a controlling stake of the company.
- TGK-6 gained \$598m (€380m) in the result of the additional shares transaction. They will be directed at TGK investment program realisation.
- On 29 April, the TGK-6 management discussed the possibility of giving the executive powers to IES. The recommendations to the shareholders will be made at a meeting scheduled for 26 May.
- If IES becomes the executive body of TGK-6, IES will reorganize the company management, said one of the IES top managers (Vedomosti).
- IES was established in 2002 and is controlled by Viktor Vekselberg. IES is interested in electric energy. It already holds a controlling stake in TGK -9, significant stakes in TGK -5, TGK -7, and in other energy companies.
- The TGK-6 objects are located in five Russian regions: Vladimir, Ivanoskaya, Nizhegorodskaya, Penzenskaya provinces and Mordovian Republic.

# Deal of the month

<b>Target:</b>	JGC TGK-4	<b>Announced:</b>	07 April 2008
<b>Bidder:</b>	Onexim Group OOO	<b>Deal value:</b>	€1.019bn
<b>Vendor:</b>	-	<b>Deal nature:</b>	Recommended

- Onexim Holdings Ltd, the private Russian investment company owned by Mikhail Prokhorov, has agreed to acquire 32% share capital of TGK-4, the listed Russian power generator. Following the stake acquisition Onexim will have to launch a mandatory public offer to the remaining shareholders of TGK-4.

## Structure

- The transaction will be conducted via a mandatory public offer under Russian law.

## Terms

- The shareholders of TGK-4 will receive RUB 0.027 (\$0.1147) in cash per TGK-4 share held.
- The offer values the entire share capital of TGK-4 at RUB 35.67bn (\$1.52bn).
- It represents a premium of 5.09% over TGK-4 closing share price of RUB0.02719 on 4-Apr-2008, the last trading day prior to the announcement.

## Post-deal details

- Onexim will acquire additional share issued in TGK-4 at a similar price of RUB0.027.
- Through additional share purchase Onexim could increase its stake in the TGK-4 to 45% - 50%.

## Conditions

- FSFR approval
- The mandatory offer will be unconditional

	Exit multiples		Premium analysis	
	Multiples	Value (€)	Offer price per share	
Revenue	-	n/a	1 day before	0.0073
EBITDA	-	n/a	1 month before	5.34%
EBIT	-	n/a	1 day after	1.25%
Earnings	-	n/a	Pre-Rumor	6.41%
				-

Advisers			
Target/Seller		Bidder	
Financial	Merrill Lynch Halcyon Advisors	Financial	-
Legal	-	Legal	-

**Timetable and expected events**

<b>Offer timetable</b>			
Announcement	07-Apr-08	Y	from co
FSFR Filing	09-Apr-08	Y	ref filing offer docs with Federal Service for Financial Markets
FSFR Approval	10-May-08		normally 15 to 45 cd
Offer commences	25-May-08		min 15cd after FSFR approval
Closing Date	10-June-08		normally 45cd; up to 80 cd for mandatory offers
Offer results	15-June-08		from co
Settlement	05-July-08		25cd after Closing Date
Company Events			
TGKD BoA approval	15-April-08	Y	ref TGK-4's Board of Directors determines additional shares' price
TGKD additional share issue	30-April-08		ref est. date of TGK-4 additional share issue
TGKD a/r 07	30-May-08		ref TGK-4's publication of 2007 annual results

**mergermarket/dealReporter Intelligence**

<b>22-Apr-2008</b>	TGK-4 additional share issue to take place by end of April; Onexim to launch mandatory offer - head of strategy RAO UES
<b>19-Mar-08</b>	CEZ still in running for TGK-4, partner bid possible, says M&A director
<b>05-Mar-08</b>	RAO UES extends to 7 April deadline for bids for 32% stake in TGK-4

# Top deals

## Top 15 Russian announced deals for YTD 30 April 2008

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
17-Apr-08	P	KM Invest ZAO (50% stake)	Financial Services	Interros Company	Onexim Group OOO				-	4,641
29-Feb-08	P	TGK-10	Energy, Mining & Utilities	Fortum Oyj	Unified Energy System of Russia	3.7	39.9	177.9	13.3%	2,283
3-Mar-08	P	Rosbank JSCB (50% stake)	Financial Services	Societe Generale de France SA	KM Technologies (Overseas) Limited	n/a	n/a	21.5	6.0%	1,913
11-Feb-08	P	TGK-8	Energy, Mining & Utilities	OAO Lukoil	Financial Group IFD Capital				4.3%	1,508
7-Apr-08	P	JGC TGK-4	Energy, Mining & Utilities	Onexim Holdings Ltd	Unified Energy System of Russia				5.3%	1,019
20-Mar-08	P	Lebedyansky JSC	Consumer	Pepsi Bottling Group Inc; and PepsiCo Inc					-3.8%	936
17-Feb-08	C	NK Alliance OAO	Energy, Mining & Utilities	West Siberian Resources Ltd	Bazhaev family				-	911
29-Feb-08	C	AvtoVAZ (25% stake)	Industrials & Chemicals	Renault SA	Russian Technologies State Corporation				-	768
22-Feb-08	L	BIN Bank	Financial Services	Vadim Nikolaevich Moshkovich		n/a	n/a	60.2	-	674
11-Apr-08	P	Formata Holding BV	Consumer	X5 Retail Group NV		1.1	13.1	46.2	-	584
14-Mar-08	P	TGK-2 (52.36% stake)	Energy, Mining & Utilities	Kores Invest	Unified Energy System of Russia				-	554
17-Apr-08	P	JSC Open Investments (27.50% stake)	Financial Services	Onexim Group OOO	KM Invest ZAO	n/a	n/a	26.7	-	517
8-Apr-08	P	SIA International Ltd (50% stake)	Pharma, Medical & Biotech	TPG LLP		0.6			-	509
3-Mar-08	P	Expobank Commercial Bank	Financial Services	Barclays plc	Petropavlovsk-Finance				-	489
24-Apr-08	P	Musa Motors Group	Consumer	Inchcape plc	Bradholm Networks Ltd; Brightport Merchants Ltd; Broadzone Ltd; and Harnley Experts Ltd	1.1			-	446

C = Completed; P = Pending; L = Lapsed

Source: mergermarket

# Top Deals

## Top 5 Russian announced deals of the month (April 2008)

Announced	Status	Target company	Sector	Bidder company	Seller company	Exit multiples (x)			Bid premia 1-day before	Deal value (€m)
						Revenue	EBITDA	P/E		
17-Apr-08	P	KM Invest ZAO (50% stake)	Financial Services	Interros Company	Onexim Group OOO				-	4,641
7-Apr-08	P	JGC TGK-4	Energy, Mining & Utilities	Onexim Holdings Ltd	Unified Energy System of Russia				5.3%	1,019
11-Apr-08	P	Formata Holding BV	Consumer	X5 Retail Group NV		1.1	13.1	46.2	-	584
17-Apr-08	P	JSC Open Investments (27.50% stake)	Financial Services	Onexim Group OOO	KM Invest ZAO	n/a	n/a	26.7	-	517
8-Apr-08	P	SIA International Ltd (50% stake)	Pharma, Medical & Biotech	TPG LLP		0.6			-	509

C = Completed; P = Pending; L = Lapsed

Source: mergermarket



# Expected deals

## Pipeline of Russian expected deals

Situation	Target company	Sector	Financial advisor	Seller company	Potential bidder company	Market cap/ est. value (€m)	Comments
Expected Deal	Norilsk Nickel MMC	Energy, Mining & Utilities		Metalloinvest Managing Company LLC		35,953	Norilsk Nickel, expects a decision on the deal structure of the proposed merger with Metalloinvest within a month, said Norilsk Nickel's chief executive officer and chairman, Denis Morozov.
Takeover Target	Raspadskaya Mine JSC	Energy, Mining & Utilities	AOA UK Yuzhkuzbassugol			3,596	Negotiations over a merger between the Russian coal enterprises Raspadskaya and Yuzhkuzbassugol are in final stage
Expected Deal	TGK-6	Energy, Mining & Utilities		Integrated Energy Systems		744	Terms of the transaction: 1 TGKF = \$0.0011
Expected Deal	TGK-2	Energy, Mining & Utilities		Kores Invest		702	RAO UES, has announced that Korest Invest has offered RUB 9.3bn (€ 251.7m) for the 33.47% stake owned by the state and held by UES in TGK-2.
Expected Deal	Amtel-Vredestein NV	Industrials & Chemicals	Goldman Sachs (T); Rothschild (T); and Morgan Stanley (B)	Sibur Holding JSC		75	Amtel-Vredestein NV, announces that it is in preliminary discussions with SIBUR Holding JSC, about a possible business combination with SIBUR-Russian Tyres, the Russian tyre business owned by SIBUR.

# League tables

## Top 15 financial advisors - Russia

### value

YTD 30-Apr-2008	House	Value (€m)	Deal count
1	Merrill Lynch	5,578	7
2	Deutsche Bank	4,749	5
3	Troika Dialog Group	4,625	6
4	JPMorgan	4,596	3
5	UBS	3,259	3
6	Alfa Bank	3,176	3
7	Morgan Stanley	2,881	4
8	ABN AMRO	2,415	2
9	Citigroup	2,364	5
10	Svenska Handelsbanken	2,233	1
11	Credit Suisse	1,999	2
12	Dresdner Kleinwort	1,936	3
13	Goldman Sachs	1,474	2
14	Halcyon Advisors	1,019	1
15	Renaissance Capital	987	3

Source: mergermarket

### volume

YTD 30-Apr-2008	House	Value (€m)	Deal count
1	Merrill Lynch	5,578	7
2	Troika Dialog Group	4,625	6
3	Deutsche Bank	4,749	5
4	Citigroup	2,364	5
5	Morgan Stanley	2,881	4
6	JPMorgan	4,596	3
7	UBS	3,259	3
8	Alfa Bank	3,176	3
9	Dresdner Kleinwort	1,936	3
10	Renaissance Capital	987	3
11	Rothschild	880	3
12	ABN AMRO	2,415	2
13	Credit Suisse	1,999	2
14	Goldman Sachs	1,474	2
15	Canaccord Adams	955	2

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Russia

## Top 15 legal advisors - Russia

### value

YTD 30-Apr-2008	House	Value (€m)	Deal count
1	Clifford Chance	5,665	6
2	White & Case	2,929	4
3	Dewey & LeBoeuf	2,767	3
4	Akin Gump Strauss Hauer & Feld	2,672	3
5	Blake, Cassels & Graydon	2,415	2
6	Cleary Gottlieb Steen & Hamilton	2,241	3
7	McCarthy Tetrault	2,233	1
8	Chadbourne & Parke	1,829	3
9	Allen & Overy	1,688	3
10	Cravath Swaine & Moore	1,508	1
11	Linklaters	1,489	5
12	Skadden Arps Slate Meagher & Flom	1,373	3
13	Norton Rose	1,004	2
14	Baker & McKenzie	911	1
15	Gibson Dunn & Crutcher	759	1

Source: mergermarket

### volume

YTD 30-Apr-2008	House	Value (€m)	Deal count
1	Clifford Chance	5,665	6
2	Linklaters	1,489	5
3	White & Case	2,929	4
4	Dewey & LeBoeuf	2,767	3
5	Akin Gump Strauss Hauer & Feld	2,672	3
6	Cleary Gottlieb Steen & Hamilton	2,241	3
7	Chadbourne & Parke	1,829	3
8	Allen & Overy	1,688	3
9	Skadden Arps Slate Meagher & Flom	1,373	3
10	Blake, Cassels & Graydon	2,415	2
11	Norton Rose	1,004	2
12	Freshfields Bruckhaus Deringer	637	2
13	Squire, Sanders & Dempsey	49	2
14	McCarthy Tetrault	2,233	1
15	Cravath Swaine & Moore	1,508	1

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Russia

## League tables

YTD 30-Apr-2008	House	Value (€m)	Deal count
1	TPG	509	1
2=	GLG Partners	217	1
2=	Troika Capital Partners	217	1
4	Alfa Capital Partners	177	1
5	Brysam Global Partners	103	1

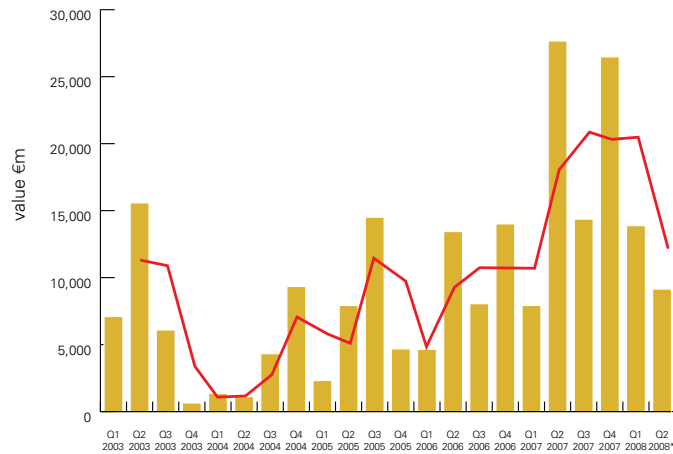
YTD 30-Apr-2008	House	Value (€m)	Deal count
1	TPG	509	1
2=	GLG Partners	217	1
2=	Troika Capital Partners	217	1
4	Alfa Capital Partners	177	1
5	Brysam Global Partners	103	1

The private equity buyout activity tables by value and volume are based on private equity firms advising the bidder on buyout deals where the dominant geography of the target company is Russia. The tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals

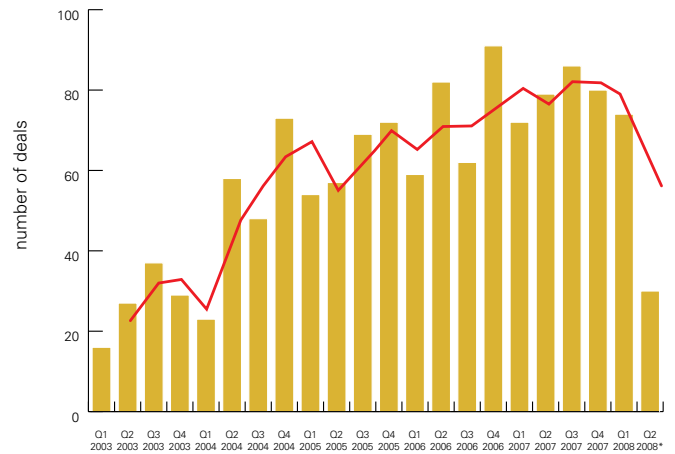
# Trend graphs

## Russian M&A quarterly trend

value



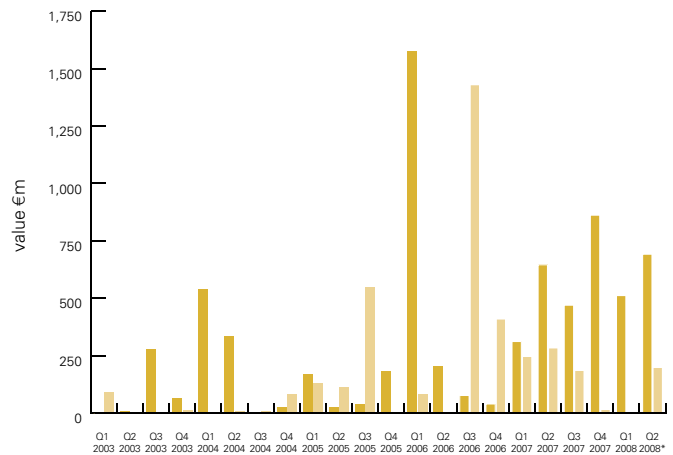
volume



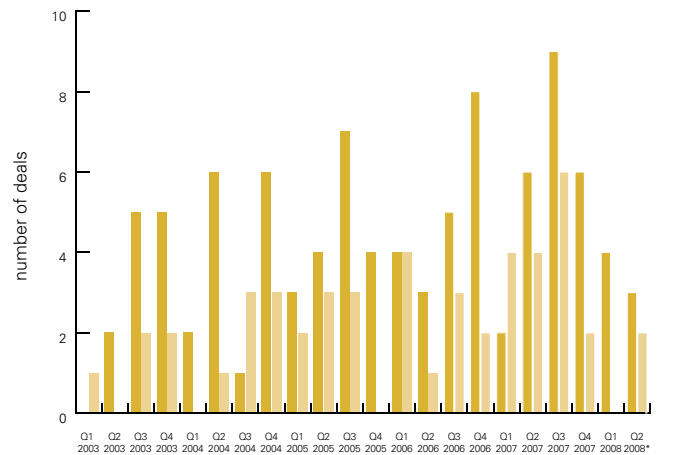
— Moving average trend line

## Russian M&A quarterly private equity trend

value



volume



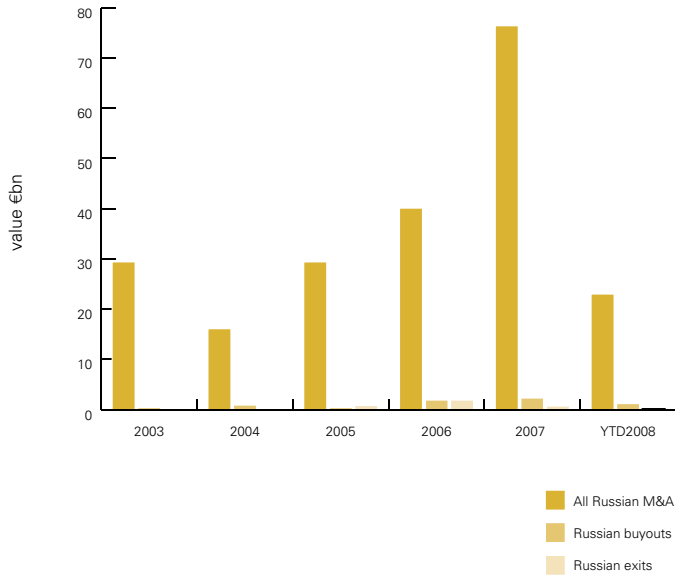
■ Russian buyouts  
■ Russian exits

■ Russian buyouts  
■ Russian exits

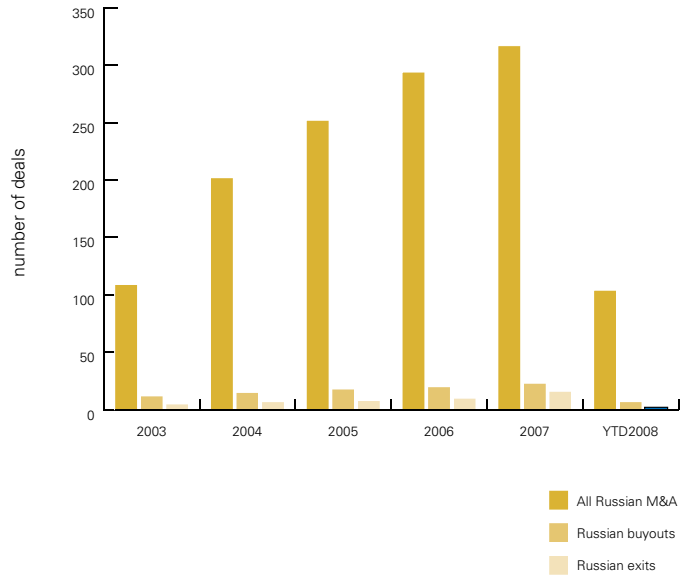
# Trend graphs

## Russian M&A annual trends

value

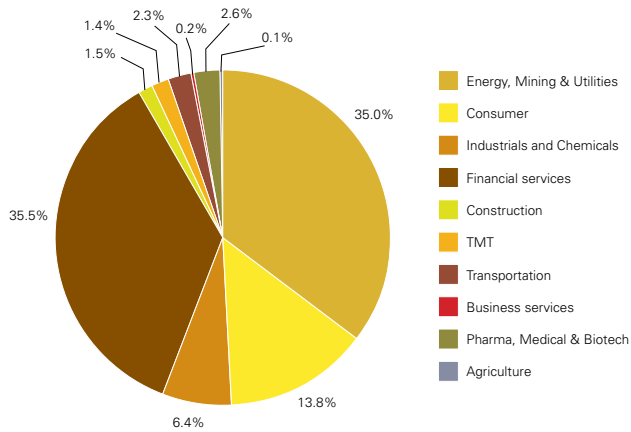


volume

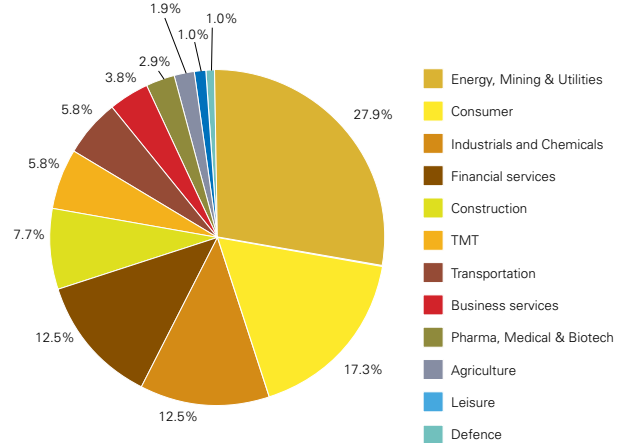


## Russian M&A sector breakdown YTD 2008

value



volume



# Mid market deals

## Top 5 Russian announced mid market deals of the month (April 2008)

(€10m to €250m)

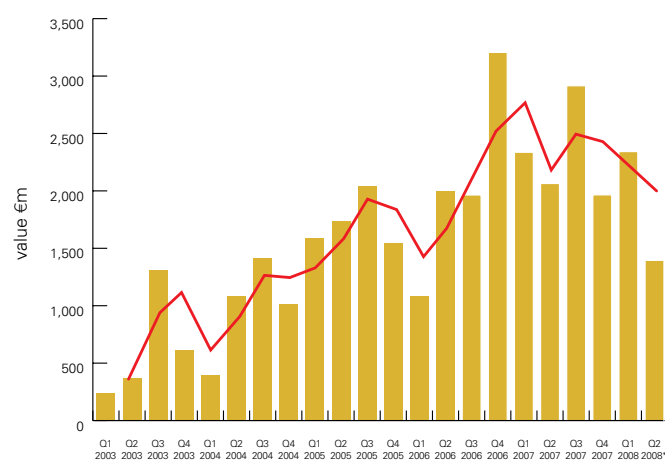
Announced	Status	Target company	Sector	Target/seller financial advisor	Target/seller legal advisor	Bidder company	Bidder financial advisor	Bidder legal advisor	Seller company	Deal value (€m)
14-Apr-08	P	Bank VTB North-West (13.54% stake)	Financial Services			JSC VTB Bank				207
28-Apr-08	P	National Logistic Company (NLC) (90% stake)	Transportation	Citigroup Inc		Itella Corporation		Freshfields Bruckhaus Deringer	Citigroup Venture Capital Equity Partners Ltd; and RosEvroGroup	200
15-Apr-08	P	Belon Group JSC (17.39% stake)	Energy, Mining & Utilities			Onarbay Enterprises Ltd				197
9-Apr-08	C	Nezavisimost Group (49.95% stake)	Consumer			A1 Group Limited; and Alfa Capital Partners				177
29-Apr-08	P	Malo-Elginsky (coal deposit)	Energy, Mining & Utilities			Sakha Ugol			Yakutnedra	175

C = Completed; P = Pending; L = Lapsed

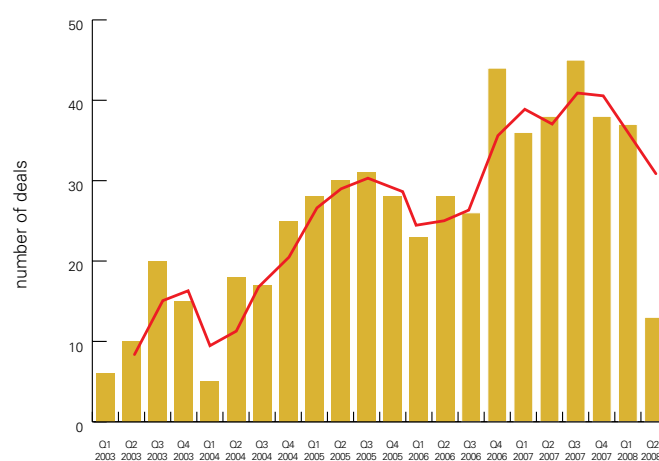
Source: mergemarket

## Russian M&A quarterly mid market trend

value



volume



— Moving average trend line

## Mid market deals

### Top 10 mid market financial advisors - Russia (€10m to €250m)

YTD 30-Apr-2008	House	Value (€m)	Deal count
<b>Value:</b>			
1	Citigroup	302	2
2=	Troika Dialog Group	217	1
2=	UBS	217	1
4	Rothschild	112	2
5=	Credit Suisse	102	1
5=	Merrill Lynch	102	1
7=	Falcon Advisers	96	1
7=	Investment Company Aquila Capital Partners	96	1
9	UniCredit Group	90	2
10	Glitnir	85	1
<b>Volume:</b>			
1	Citigroup	302	2
2	Rothschild	112	2
3	UniCredit Group	90	2
4=	Troika Dialog Group	217	1
4=	UBS	217	1
6=	Credit Suisse	102	1
6=	Merrill Lynch	102	1
8=	Falcon Advisers	96	1
8=	Investment Company Aquila Capital Partners	96	1
10	Glitnir	85	1

Source: mergermarket

The financial adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and exclude lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Russia

### Top 10 mid market legal advisors - Russia (€10m to €250m)

YTD 30-Apr-2008	House	Value (€m)	Deal count
<b>Value:</b>			
1	Freshfields Bruckhaus Deringer	200	1
2	Jones Day	133	1
3	Noerr Stiefenhofer & Lutz	103	1
4=	Allen & Gledhill	102	1
4=	Linklaters	102	1
4=	WongPartnership	102	1
7	White & Case	96	1
8	Skadden Arps Slate Meagher & Flom	80	1
9=	Getz, Prince, Wells	63	1
9=	Norton Rose	63	1
<b>Volume:</b>			
1	Freshfields Bruckhaus Deringer	200	1
2	Jones Day	133	1
3	Noerr Stiefenhofer & Lutz	103	1
4=	Allen & Gledhill	102	1
4=	Linklaters	102	1
4=	WongPartnership	102	1
7	White & Case	96	1
8	Skadden Arps Slate Meagher & Flom	80	1
9=	Getz, Prince, Wells	63	1
9=	Norton Rose	63	1

Source: mergermarket

The legal adviser league tables by value and volume have been run from 01 January 2008 to 30 April 2008 and include lapsed and withdrawn deals. The tables cover all sectors and are based on the geography of either the target, bidder or seller being Russia

# Mergermarket events

# 08

*Highlights include:*

**Spanish M&A Forum**

Casino de Madrid - Madrid..... 28th May

**German M&A Forum**

Frankfurt - Germany ..... June

**American Energy M&A Forum**

Houston - Texas ..... 10th June

**DW Distressed Debt Forum**

Dorchester Hotel - London..... June

**Brazilian M&A Forum**

Renaissance Hotel - Sao Paulo, Brazil..... 12th August

**Australian M&A Forum**

Sydney - Australia..... August

If you would like to find out more about The Mergermarket Group's events, talk about sponsorship, or have any other ideas you would like to discuss, please contact: **Simon Anam** Tel: **+44 (0)20 7059 6124** Email: **events@mergermarket.com**



The following notes pertain to data contained in this publication:

- Deals are included where the deal value is greater than or equal to EUR5m.
- Where no deal value has been disclosed, deals are included if the turnover of the target is greater than or equal to EUR10m.
- Deals are included in the graphs and Top Deals in each section based on the dominant geography and dominant sector of the target company. Data underlying the League Tables are based on deals where the bidder, target or parent geography of either is that of the geography in focus.
- YTD 2008 refers to the period 01 January 2008 to 30 April 2008

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# [www.mergermarket.com](http://www.mergermarket.com)

80 Strand  
London, WC2R 0RL  
United Kingdom

t: +44 (0)20 7059 6100  
f: +44 (0)20 7059 6101  
[sales@mergermarket.com](mailto:sales@mergermarket.com)

895 Broadway #4  
New York, NY 10003  
USA

t: +1 212 686-5606  
f: +1 212 686-2664  
[sales.us@mergermarket.com](mailto:sales.us@mergermarket.com)

Suite 2001  
Grand Millennium Plaza  
181 Queen's Road, Central  
Hong Kong

t: +852 2158 9700  
f: +852 2158 9701  
[sales.asia@mergermarket.com](mailto:sales.asia@mergermarket.com)

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