

imaa

Institute of Mergers, Acquisitions
and Alliances

Mergers & Acquisitions Report:
Germany
2011

Webster
UNIVERSITY

KUMMER & COMPANY

Vienna, 31 January 2012

Executive Summary

Mergers & Acquisitions activity (see Section 1)

- Mergers & Acquisitions with German participation has increased this year.
- The number of deals has increased to 2'057 transactions (+16%) and the value is up by 13% to 51 bil. EUR. This is contrary to the overall European trend where number and value has decreased.

National vs. Cross-border M&A (see Section 2)

- More than half of the number of all German M&A have been national combinations. The share of value of national M&A in total German M&A has slightly increased to 47%.
- Most important countries for German companies to grow abroad by M&A have been the US, Switzerland and the Netherlands (in terms of numbers of deals).
- Most frequent foreign acquirors in Germany have been companies from the US, UK and Switzerland.

Industry (see Section 3)

- The majority of deals in terms of number has taken place in the industrials, consumer goods, and high technology industries.
- By transaction value, deals in the industrial, financial and real estate sector ranked first.

Top deals (Section 4)

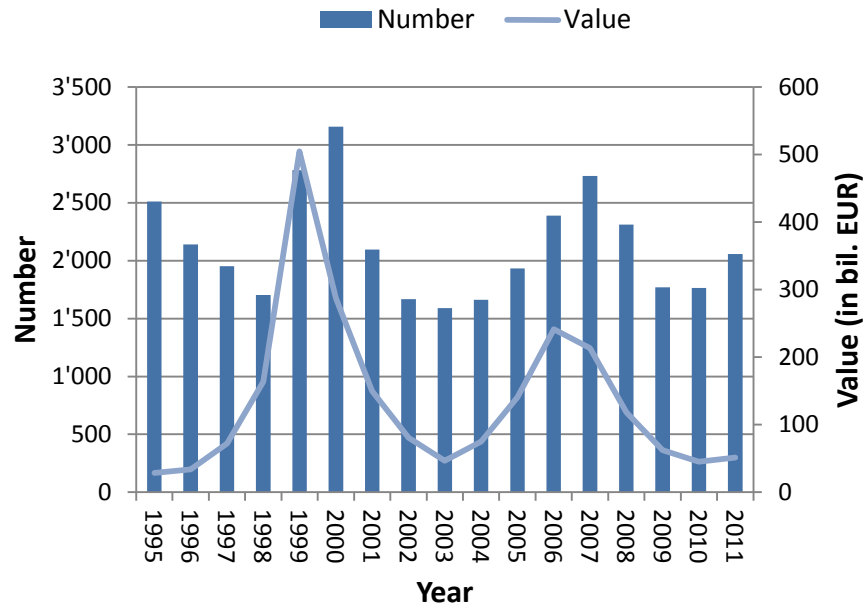
- The biggest deal in 2011 was the increase of Volkswagen's share in MAN for 3.4 bil. EUR.
- Only half of the top 10 deals were national German transactions.

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- 4) Top German M&A Deals**

1) GERMAN M&A ACTIVITY

German M&A Activity in 2011



In 2011, there have been **2'057 transactions** valued at **51 bil. EUR** with German participation.

Trend in German M&A

Both the **number and value of M&A have increased.**

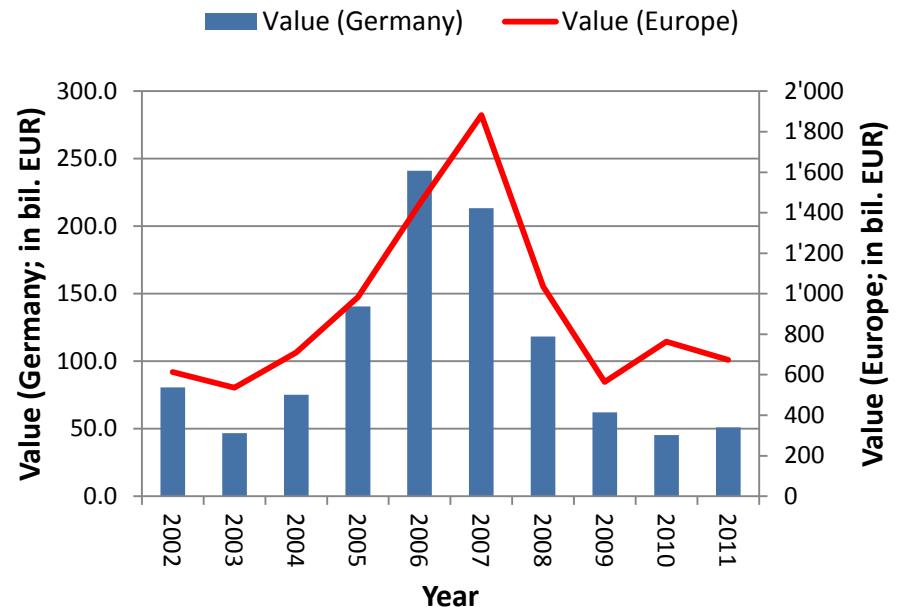
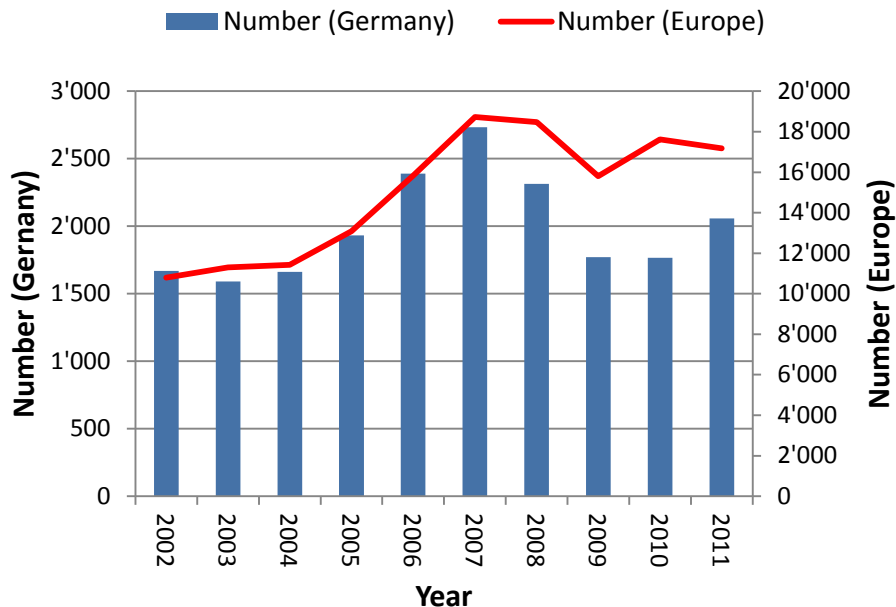
Number



Value



German M&A Activity in 2011: Comparison with Europe

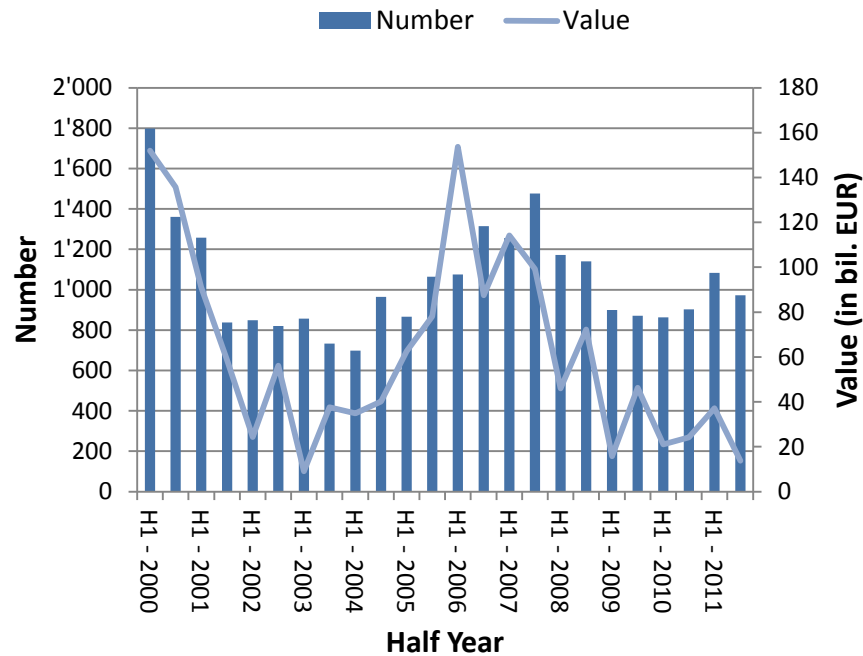


The **number of transactions** in Europe (see left figure) has decreased compared to 2010, while German M&A has increased. The **value of transactions** in Europe (see right figure) has decreased as well, while value of German M&A has increased.

Trend in European M&A



German M&A Activity: 2nd Half of 2012



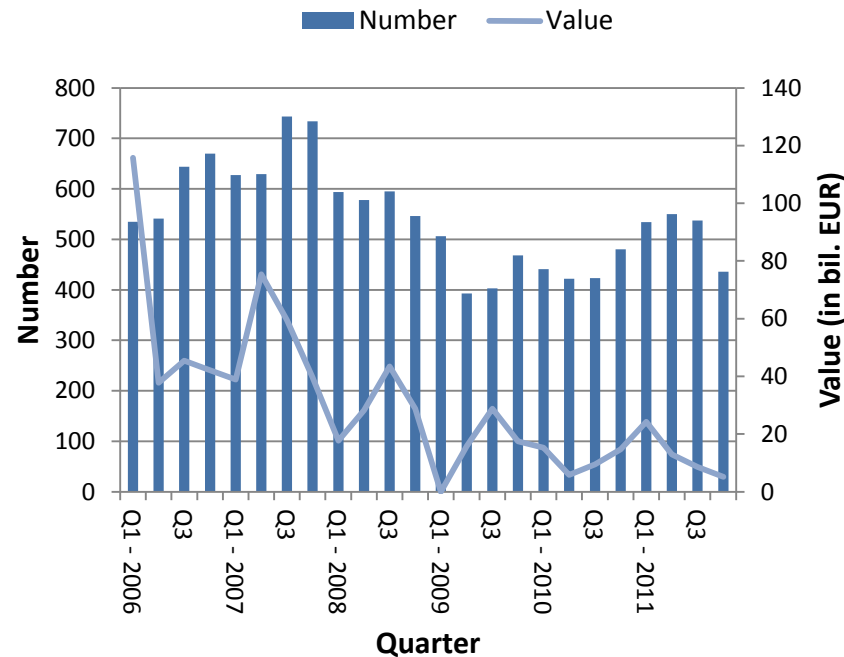
In the second half of 2011, there have been **973 transactions** valued at **13.9 bil. EUR** with German participation.

Both, the **number and value of M&A have decreased** compared to the 1st half of 2011.

Trend in German M&A

compared to	Number	Value
H2 - 2010	+7.8%	-47.7%
H1 - 2011	-10.2%	-62.8%

German M&A Activity: Q4, 2011



In the fourth quarter of 2011, there have been **436 transactions** valued at **5.2 bil. EUR** with German participation.

Both the **number and value of M&A has decreased** compared to the 3rd quarter 2011 (see table on the right).

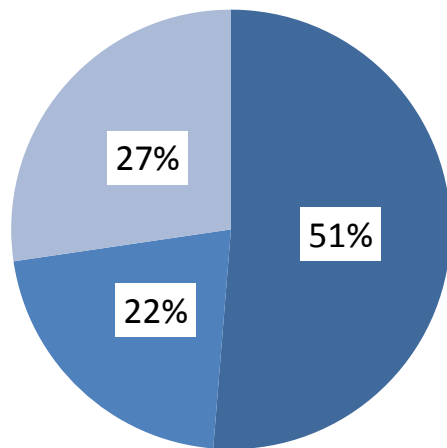
Trend in German M&A

compared to	Number	Value
2010 - Q4	-9.2%	-64.6%
2011 - Q3	-18.8%	-39.9%

2) NATIONAL AND CROSS-BORDER M&A ACTIVITY IN GERMANY

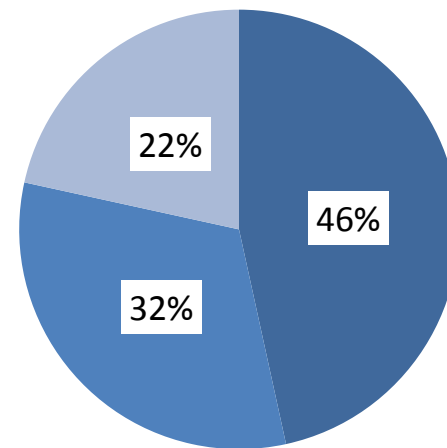
German M&A Deals 2011: National vs. Crossborder

By number



■ National ■ Outbound ■ Inbound

By value

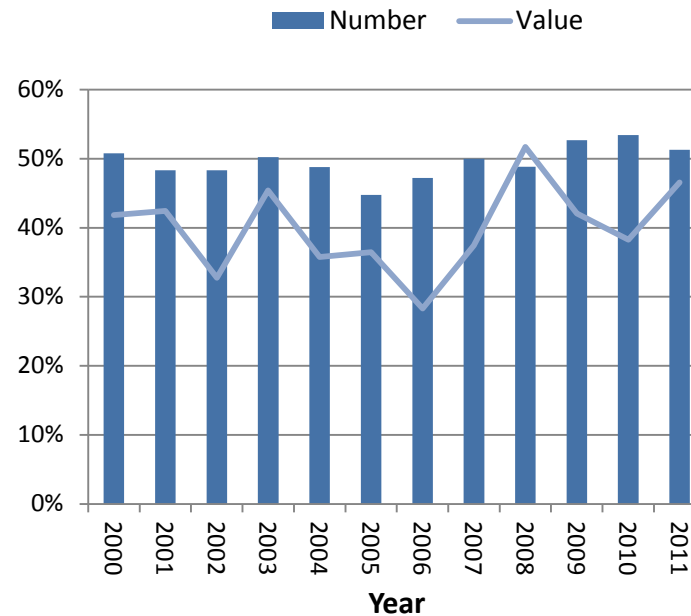


■ National ■ Outbound ■ Inbound

More than the half of all German transactions in 2011 have been national transactions (see figure on the left side) followed by foreign acquisitions in Germany. The value of national transactions makes up 46% of the total value, while German acquisitions abroad make up almost one third (see right).

National German M&A Deals, 2000-2011

Share of German National Deals in Total M&A Activity



In 2011, there have been **1'055 national transactions** valued at **23.8 bil. EUR**.

The **share of national M&A** in total German M&A has **increased** to 51% and their share of **value increased** to 47%.

Most Favorite Countries for German Acquisitions Abroad in 2011

Top 10 – By numbers

Rank	Country	Number of deals	Value of deals (in mil. EUR)
1	United States	52	9'376
2	Switzerland	41	556
3	Netherlands	35	2'462
4	United Kingdom	27	185
5	France	25	297
6	Austria	25	13
7	Italy	23	92
8	Spain	16	77
9	Poland	14	809
10	India	13	1'163

Top 10 – By value

Rank	Country	Value of deals (in mil. EUR)	Number of deals
1	United States	9'376	52
2	Netherlands	2'462	35
3	India	1'163	13
4	Poland	809	14
5	Switzerland	556	41
6	Greece	400	1
7	France	297	25
8	Japan	281	4
9	United Kingdom	185	27
10	Australia	128	9

Acquisitions by Foreign Companies in Germany in 2011 by Countries

Top 10 – By numbers

Rank	Country	Number of deals	Value of deals (in mil. EUR)
1	United States	120	4'130
2	United Kingdom	74	1'291
3	Switzerland	55	2'032
4	Netherlands	40	352
5	Austria	38	226
6	France	24	228
7	Canada	14	408
8	Sweden	14	387
9	Japan	12	613
10	Italy	12	26

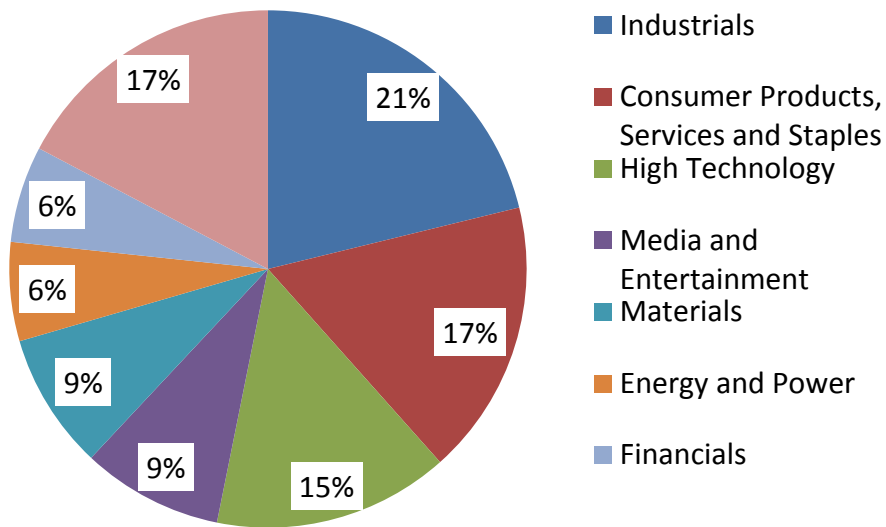
Top 10 – By value

Rank	Country	Value of deals (in mil. EUR)	Number of deals
1	United States	4'130	120
2	Switzerland	2'032	55
3	United Kingdom	1'291	74
4	Japan	613	12
5	Canada	408	14
6	Sweden	387	14
7	Netherlands	352	40
8	Spain	271	9
9	Denmark	250	6
10	France	228	24

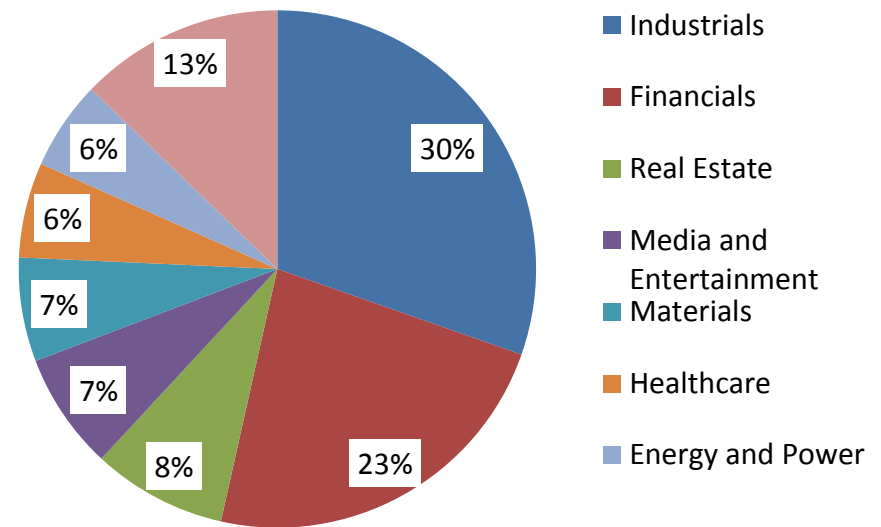
3) GERMAN M&A BY INDUSTRY

German Transactions by Industry in 2011

By number



By value



- With respect to the number of transactions, the majority of M&A transactions took place in the industrials, consumer goods, and high technology industry.
- By value of deals, transactions in the industrial, financial and real estate sector ranked first.

4) TOP GERMAN M&A DEALS

German Top Deals 2011

Rank	Target Company	Target Country	Acquiror Company	Acquiror Country	Value (in mil. EUR)	Status
1	MAN SE	Germany	Volkswagen AG	Germany	3'416	Completed
2	Tognum AG	Germany	Engine Holding GmbH	Germany	3'336	Completed
3	Musketeer GmbH	Germany	UPC Germany HoldCo 2 GmbH	Germany	3'160	Completed
4	DekaBank Deutsche Girozentrale	Germany	Deutscher Sparkassen- und Giroverband eV	Germany	1'300	Completed
5	Liberty Dialysis LLC	United States	Fresenius Medical Care AG & Co	Germany	1'198	Pending
6	Siemens Ltd	India	Siemens AG	Germany	988	Completed
7	Evonik (Carbon Black Business)	Germany	Investor Group	US	900	Completed
8	Sued Chemie AG	Germany	Clariant AG	Switzerland	794	Completed
9	Demag Cranes AG	Germany	Terex Industrial Holding AG	Germany	778	Completed
10	EPZ NV	Netherlands	RWE AG	Germany	754	Completed

Appendix

Unless otherwise stated:

- All sources of data have been: Thomson Financial, Institute of Mergers, Acquisitions and Alliances (IMAA) analysis.
- Deals analyzed have been "announced" which is the standard of analysis for most reports. Announced means that we have included deals with the status: Completed, Unconditional, Intended, Pending Due to Regulatory Reasons, and Pending, Partially Completed, Status Unknown, and Withdrawn. This explicitly excludes the deals with the status: Seeking Buyer, Rumor, Discontinued Rumor, and Seeking Buyer.

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