



Institute of Mergers, Acquisitions
and Alliances

Mergers & Acquisitions Report: **Vietnam** 2011



KUMMER & COMPANY

Zurich, 22 January 2012

Executive Summary

Mergers & Acquisitions activity (see Section 1)

- Mergers & Acquisitions with Vietnamese participation has increased in 2011 to hit a new record.
- While the number of deals has only slightly increased to 413 transactions (+7%), while the value has more than doubled to 4.7 bil. USD (+103%).

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

- The majority of all transactions have been national transactions (77%). By value however especially foreign acquisitions in Vietnam played a major role (66%).
- The new record in Vietnamese M&A is due to a increase in the number of national combinations, while the number of foreign acquisitions in Vietnam has decreased.
- The new record in value of M&A is caused by an increase in value of national M&A as well as by foreign acquisitions in Vietnam.
- The most important foreign acquiror in Vietnam – in both, number and value – are companies from Japan.

Industry (see Section 3)

- With respect to the number of transactions, the majority of M&A transactions took place in the industrials, consumer goods, and materials sector.
- By value of deals, transactions in the financial sector, media & entertainment and consumer goods ranked first.

Top deals (Section 4)

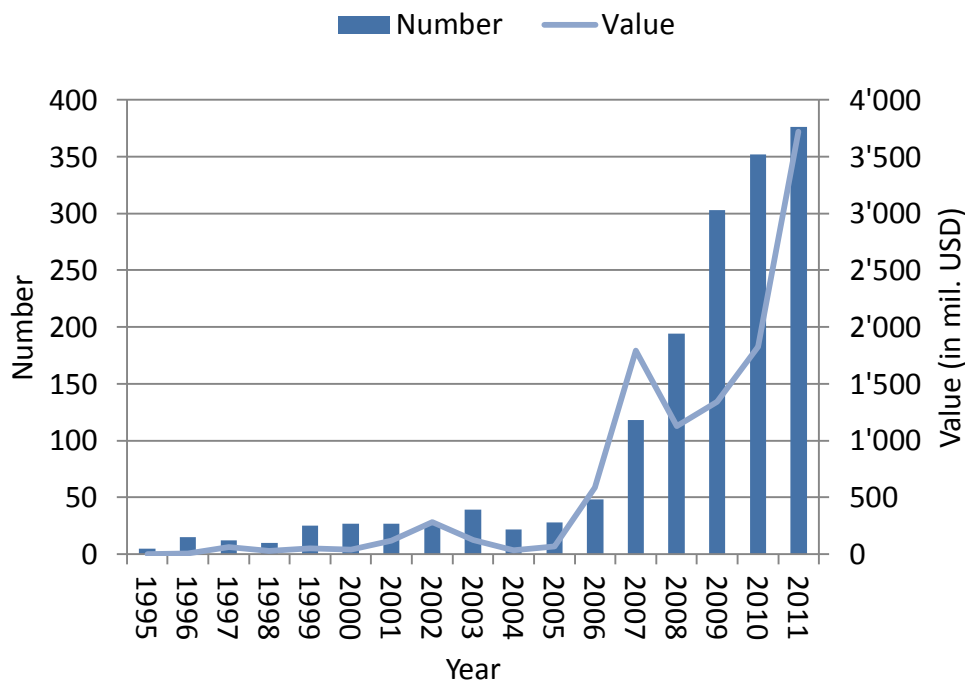
- The biggest M&A deal in 2011 was a national transaction. All other deals in the top ten were done by foreign acquirors in Vietnam.

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- 2) National and Cross-border M&A in Vietnam**
- 3) M&A in Vietnam by Industry**
- 4) Top Vietnamese Deals**

1) M&A ACTIVITY IN VIETNAM

Vietnamese M&A Activity in 2011



In 2011, there have been **413 transactions** valued at **4.7 bil. USD** with Vietnamese participation.

Trend in Vietnamese M&A

The **number of M&A have increased** (+7%). Compared with the 2010, the **value of deals has more than doubled** (+103%) – its highest level ever.

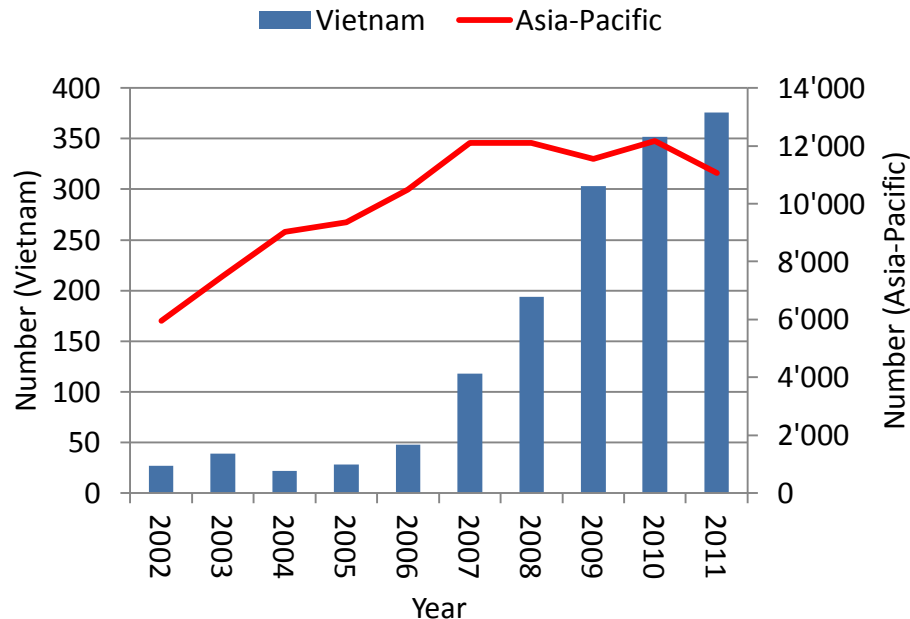
Number



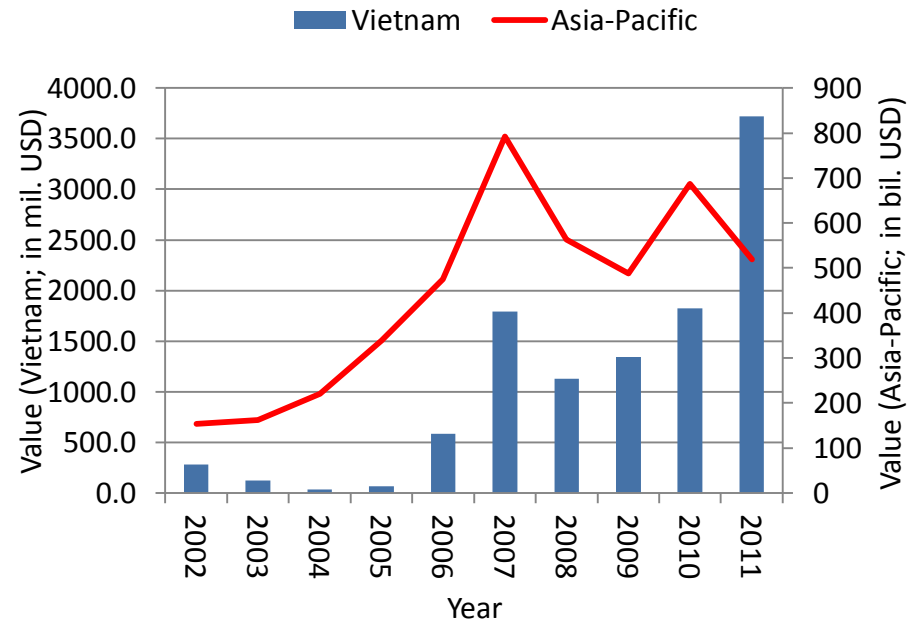
Value



Vietnames M&A Activity in 2011: Comparison with Asia-Pacific



The **number of transactions** in Asia Pacific (see left figure) has decreased compared to 2010, while Vietnamese M&A has continued to increase. The **value of transactions** in Asia-Pacific (see right figure) has decreased as well, but value of Vietnamese transactions has drastically increased.



Trend in Asia-Pacific M&A

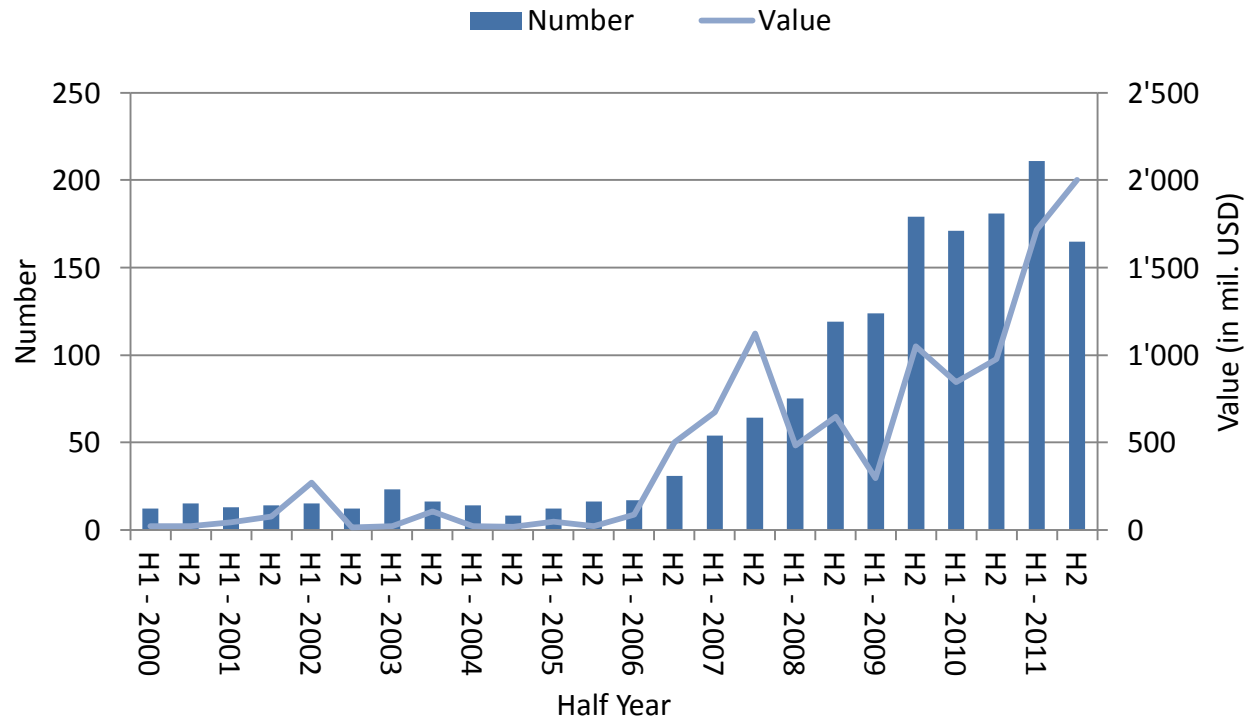
Number



Value



Vietname M&A Activity: 2nd Half of 2012



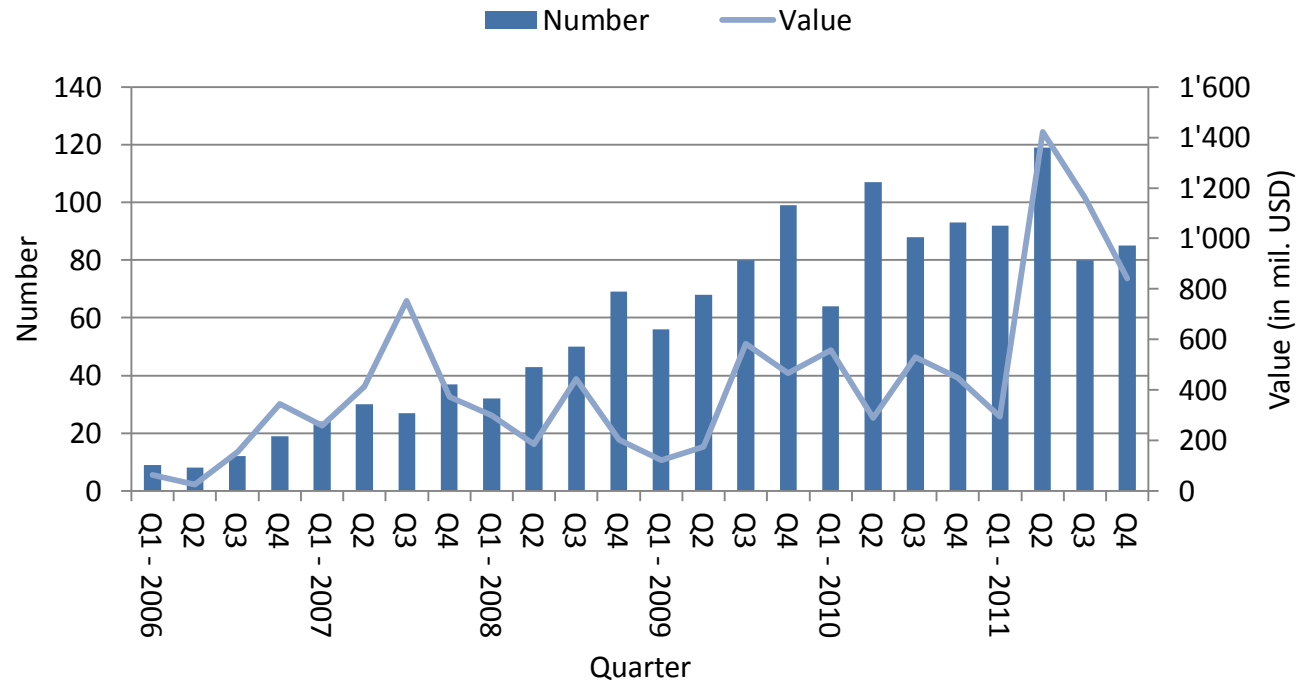
In the second half of 2011, there have been **165 transactions** valued at **2.0 bil. USD** with Vietnamese participation.

While the **value** of M&A has **increased** compared to the 2nd half of 2010 and the first half of 2011, the **number** however has **decreased**.

Trend in Vietnamese M&A

compared to	Number	Value
H2 - 2010	-8.8%	+104.8%
H1 - 2011	-21.8%	+16.8%

Vietnamese M&A Activity: Q4, 2011



In the fourth quarter of 2011, there have been **85 transactions** valued at **842 mil. USD** with Vietnamese participation.

The **number** of M&A compared to the 3rd quarter of 2011 has increased slightly, but is below the 4th quarter of 2010. The **value** has decreased compared to the quarter before, but increased over the 4th quarter 2010.

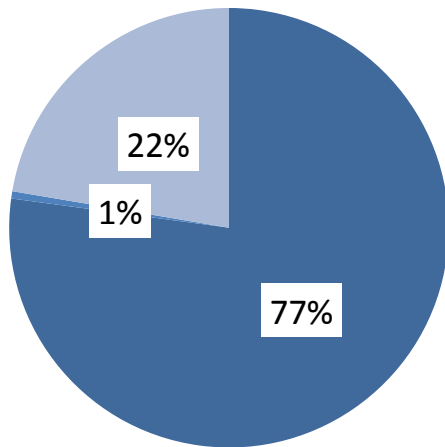
Trend in Vietnamese M&A

compared to	Number	Value
2010 - Q4	-8.6%	+87.4%
2011 - Q3	+6.3%	-27.4%

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

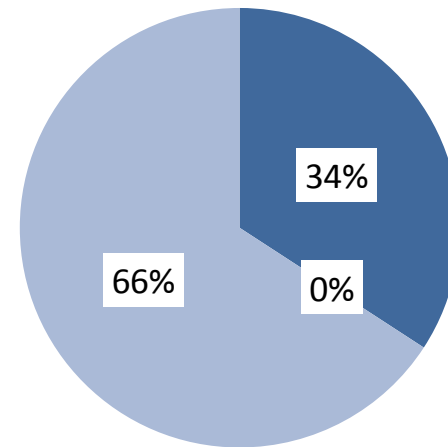
Vietnamese M&A Deals 2011: National vs. Crossborder

By number



■ National ■ Outbound ■ Inbound

By value

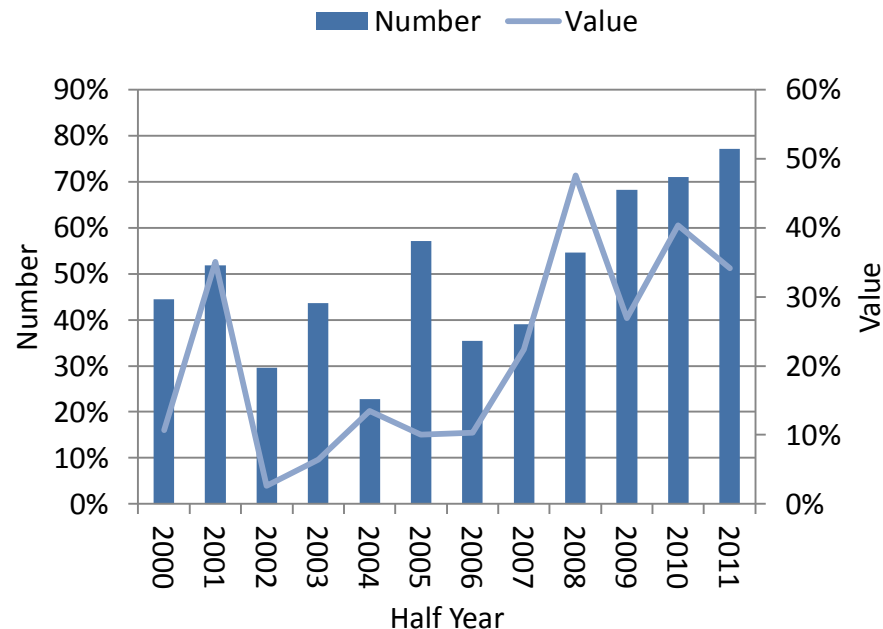


■ National ■ Outbound ■ Inbound

The majority of all transactions in 2011 have been national transactions (see figure on the left side). By value (see right) however especially foreign acquisitions in Vietnam played a major role, contributing two thirds to the total value.

National Vietnamese M&A Deals, 2000-2011

Share of Vietnamese national deals in total M&A activity



In 2011, there have been **290 national transactions** valued at **1.2 bil USD** - the highest number ever.

The **share of national M&A in total Vietnamese M&A has increased** to 77% (a new record) and the share of **value has decreased** to roughly one third (34%).

National combinations in Vietnam have played a **significant role** in 2011.

Acquisitions by foreign companies in Vietnam in 2011 by countries

Top 10 – By numbers

Rank	Country	Number of deals	Value of deals (in mil. USD)
1	Japan	19	596
2	Singapore	10	54
3	South Korea	9	461
4	United States	5	259
5	Netherlands	3	502
6	Thailand	2	208
7	Germany	2	110
8	India	2	64
9	Australia	2	55
10	Hong Kong	2	25

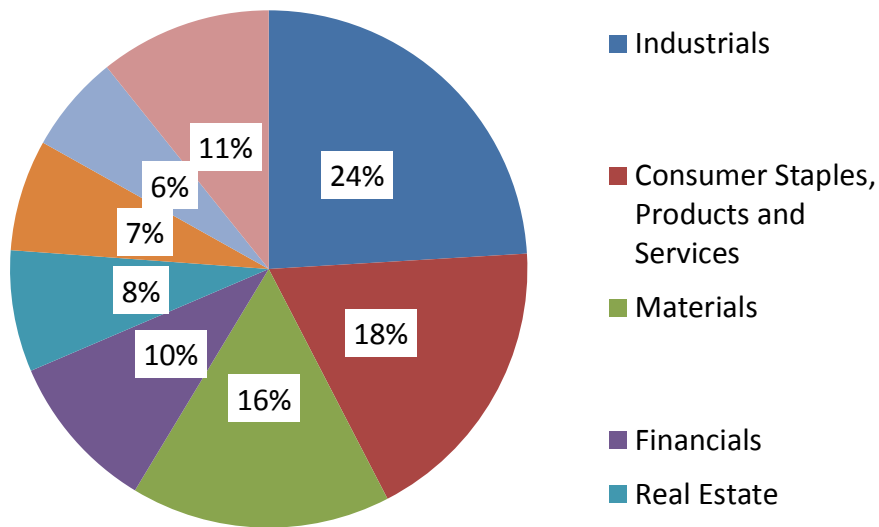
Top 10 – By value

Rank	Country	Value of deals (in mil. USD)	Number
1	Japan	596	19
2	Netherlands	502	3
3	South Korea	461	9
4	United States	259	5
5	Thailand	208	2
6	Germany	110	2
7	Denmark	86	1
8	India	64	2
9	Australia	55	2
10	Singapore	54	10

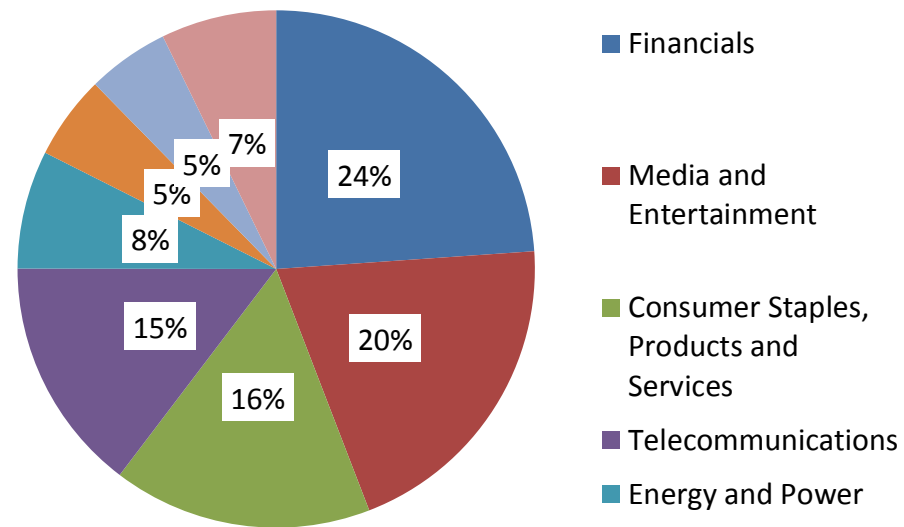
3) M&A IN VIETNAM BY INDUSTRY

Vietnamese 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 materials sector.
- By value of deals, transactions in the financial sector, media & entertainment and consumer goods ranked first.

4) TOP VIETNAMESE M&A DEALS

Vietnamese Top Deals 2011

Rank	Target Company	Target Country	Acquiror Company	Acquiror Country	Value (in mil. USD)	Status
1	Vinpearl JSC	Vietnam	Vincom JSC	Vietnam	649	Completed
2	Vietcombank	Vietnam	Mizuho Corporate Bank Ltd	Japan	567	Completed
3	GTEL Mobile JSC	Vietnam	VimpelCom Ltd	Netherlands	502	Pending
4	Diana JSC	Vietnam	Uni-Charm (Thailand) Co Ltd	Thailand	187	Completed
5	Masan Consumer Corp	Vietnam	Kohlberg Kravis Roberts & Co	US	159	Completed
6	AES-VCM Mong Duong Power Co	Vietnam	PSC Energy Global Co Ltd	South Korea	153	Pending
7	Thao Dien Investment JSC	Vietnam	Lotte Asset Development Co Ltd	South Korea	151	Completed
8	Masan Resources Corp	Vietnam	Mount Kellet Capital Mgt LP	US	100	Completed
9	PVI Holdings	Vietnam	HDI-Gerling Industrie AG	Germany	92	Completed
10	Hue Brewery Ltd	Vietnam	Carlsberg Breweries A/S	Denmark	86	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.

Contact



Institute of Mergers, Acquisitions
and Alliances



KUMMER & COMPANY

Institute of Mergers, Acquisitions and Alliances (IMAA)
Webster University
Berchtoldgasse 1
1220 Vienna
Austria

Phone +43 1 2699293 - 54
Fax +41 44 5002864
E-Mail info@imaa-institute.org
Homepage www.imaa-institute.org

President: Prof. Dr. Christopher Kummer
kummer@imaa-institute.org

Kummer & Company AG
Olgastrasse 10
8024 Zurich
Switzerland

Phone +41 44 586 75 99
Fax +41 44 575 31 09
E-Mail info@kummerco.com
Homepage www.kummerco.com