

2019

Global M&A Intelligence Report

OVERVIEW VERSION



About the Global M&A Intelligence Report



Our annual Global M&A Intelligence Report is based on an analysis of key deal terms in over 2,000 private M&A transactions on which DLA Piper advised since 2015. Our report includes analysis and commentary on the following key topics:

- Typical transaction structures and deal processes used globally
- The impact that an auction process has on the legal terms of a sale and the apportionment of liability between buyers and sellers
- Who wins the auction game and how they do it
- What pricing mechanisms are used and the impact of geography
- Typical earn-out terms

- How Private Equity behaves when buying and selling and how this differs to the approach taken by trade
- MAC provisions and the general apportionment of risk in a conditional deal
- What is market for seller protections - caps, baskets, claim periods
- The impact of M&A insurance on deal terms.

Last year was the first for almost a decade to show an overall decline in M&A deal volume. Political instability, concerns over trade wars and a more interventionist approach to M&A by governments and regulators all took their toll on the market. In many ways the most surprising thing is that the market held up so well overall.

DLA Piper retained its ranking as number one for global deal volume for the ninth successive year, giving us the best visibility of any law firm on deal terms and a rich source of data to analyse for this year's report. Our report is based on analysis of over 2,000 private M&A deals undertaken since 2015 and draws data from M&A deals globally, allowing us to analyse global and regional trends. It leverages our position as number one advisor for European buy-outs last year and our third-place ranking globally, which gives us unparalleled insight to the approach that private equity takes compared to trade.

Overall, the data shows what in most cases looks like a strong M&A market. There may have been a little less M&A activity overall, but competition for good assets has remained strong and that has continued to drive a strong seller market.

M&A insurance continues to grow globally and the use of insurance has become common across the market, with all buyer and seller types willing to consider its use. Sellers have been successful in pushing more risk onto insurers and purchasers, leaving themselves with lower residual risk.

To request the full Global M&A Intelligence Report 2019, please visit www.dlapiper.com or speak to your usual DLA Piper contact.

Please note, all requests will be subject to an internal review.



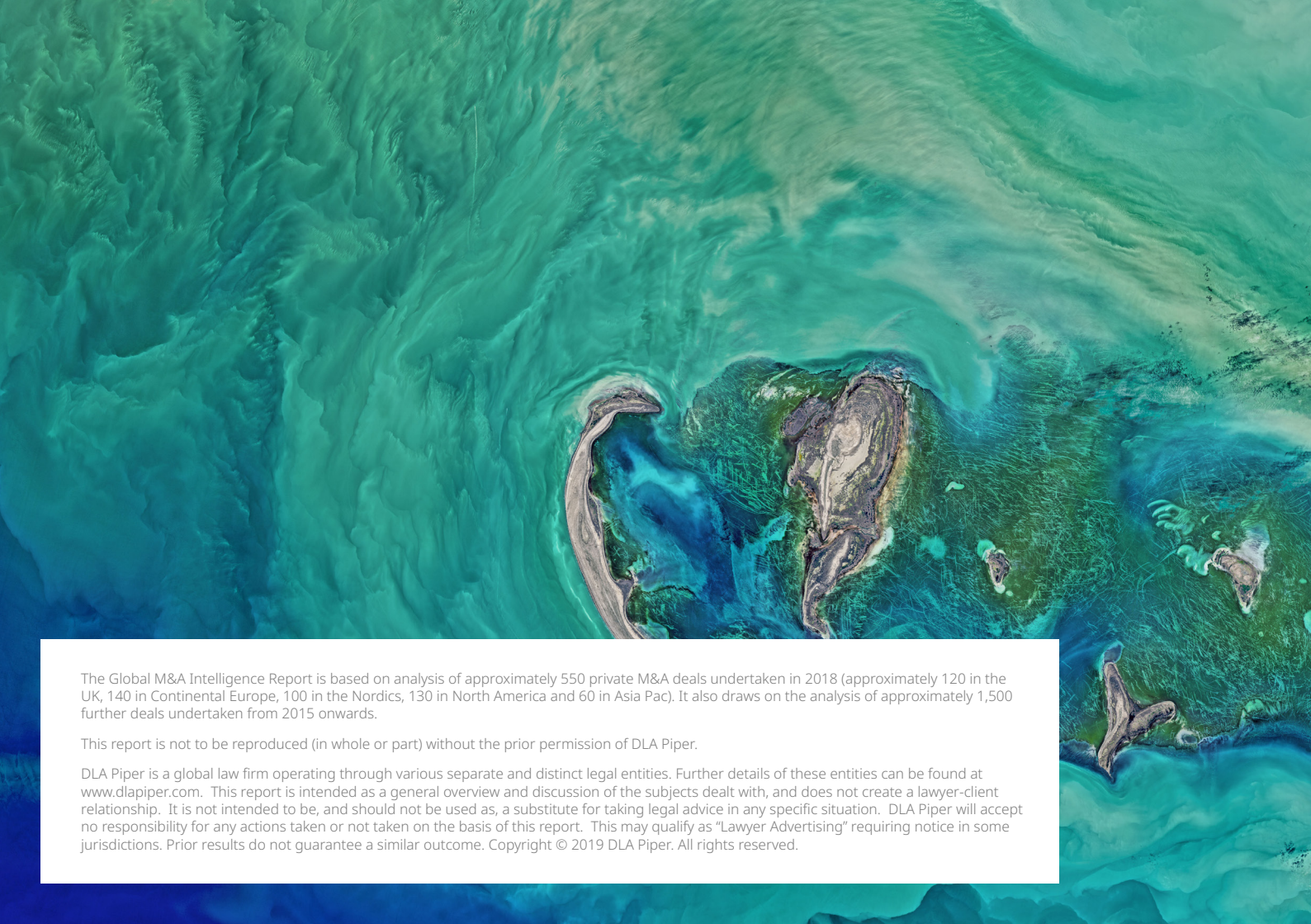
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An aerial photograph of a coastline, likely in the Mediterranean or Aegean region, showing a mix of turquoise and deep blue water, green land, and rocky shorelines. The water has a textured, rippled appearance. The land is a mix of green and brownish-grey, suggesting a mix of vegetation and rocky terrain. The overall scene is vibrant and scenic.

The Global M&A Intelligence Report is based on analysis of approximately 550 private M&A deals undertaken in 2018 (approximately 120 in the UK, 140 in Continental Europe, 100 in the Nordics, 130 in North America and 60 in Asia Pac). It also draws on the analysis of approximately 1,500 further deals undertaken from 2015 onwards.

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