



U.S. M&A Update

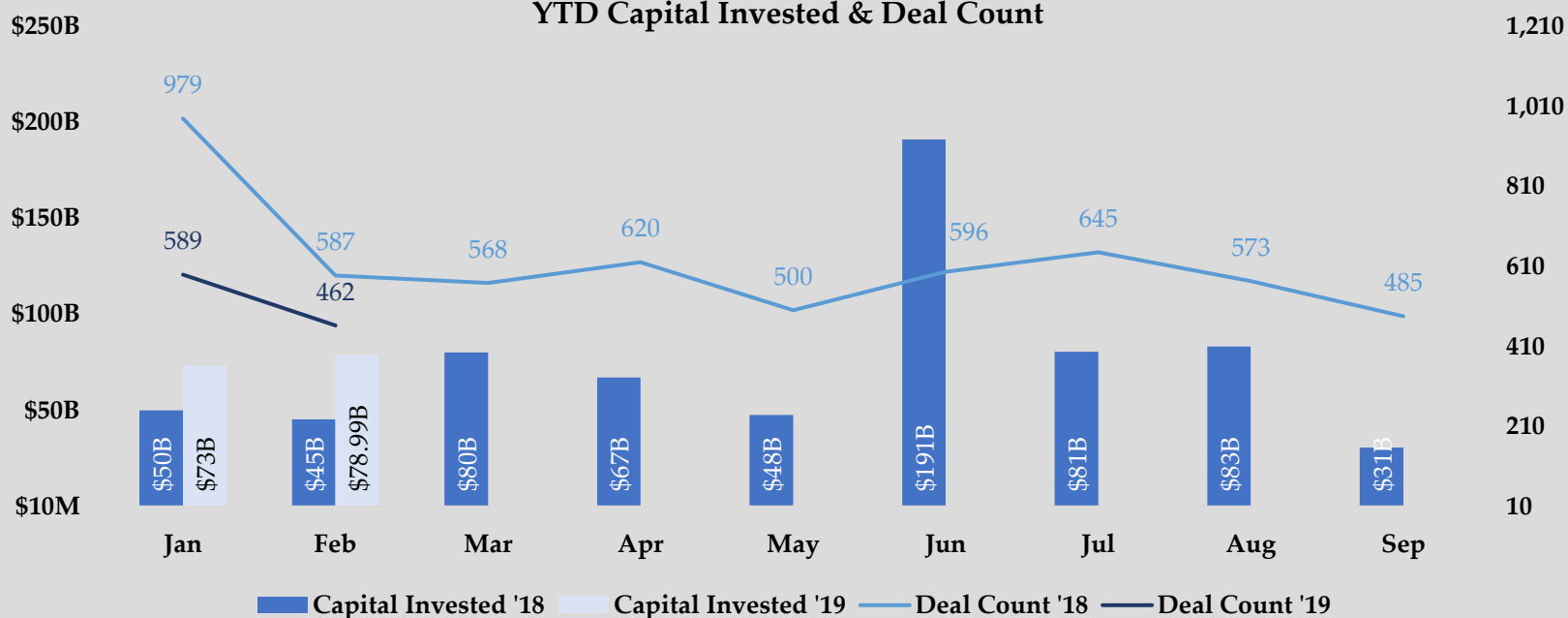
2019 February

Notable Trends in February 2019

Year to date, U.S. M&A deal activity has decreased on a year over year basis by 33%. The YTD completed deal count as of the end of February is 1,051 deals versus 1566 deals in 2018. Conversely, capital invested is up 60.1%, going from \$95.2 billion YTD in 2018

to \$152.3 billion YTD in 2019. Year to date, the median deal size has increased from \$44.5 million in 2018 to \$89 million in 2019, correlating with the rise in capital invested.

YTD Capital Invested & Deal Count

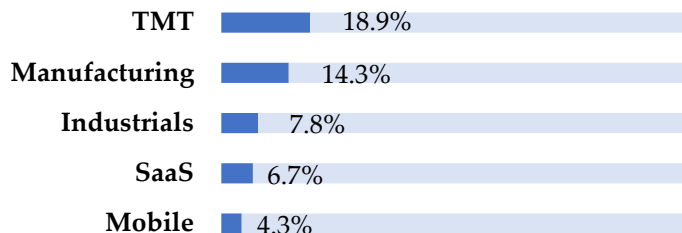


For the month of January, deal count is down 32.9% compared to 2018. Invested capital and median deal size are both respectively up 174.6% and 267.9%. The relatively high metrics in 2019 are contributed to by the \$11.1 billion acquisition of GE Transportation by Wabtec and the \$8.5 billion acquisition of Vecten by CenterPoint Energy.

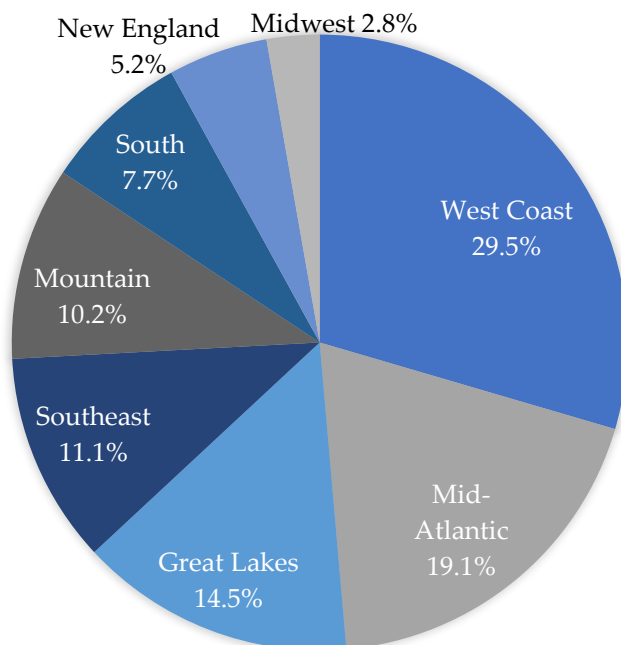
The top 3 most active verticals in the month of August were Technology, Media and Telecommunications (TMT) with 87 deals, Manufacturing with 66 deals, and Industrials with 36 deals for 18.9%, 14.3%, and 7.8% of all M&A deals completed, respectively.

The West Coast, Mid-Atlantic, and Great Lakes were the most active regions in the United States combining for 41% of all deals completed in the U.S. The EV/EBITDA median multiples took a jump this month rising from 11.4x in January to 13.5x in February.

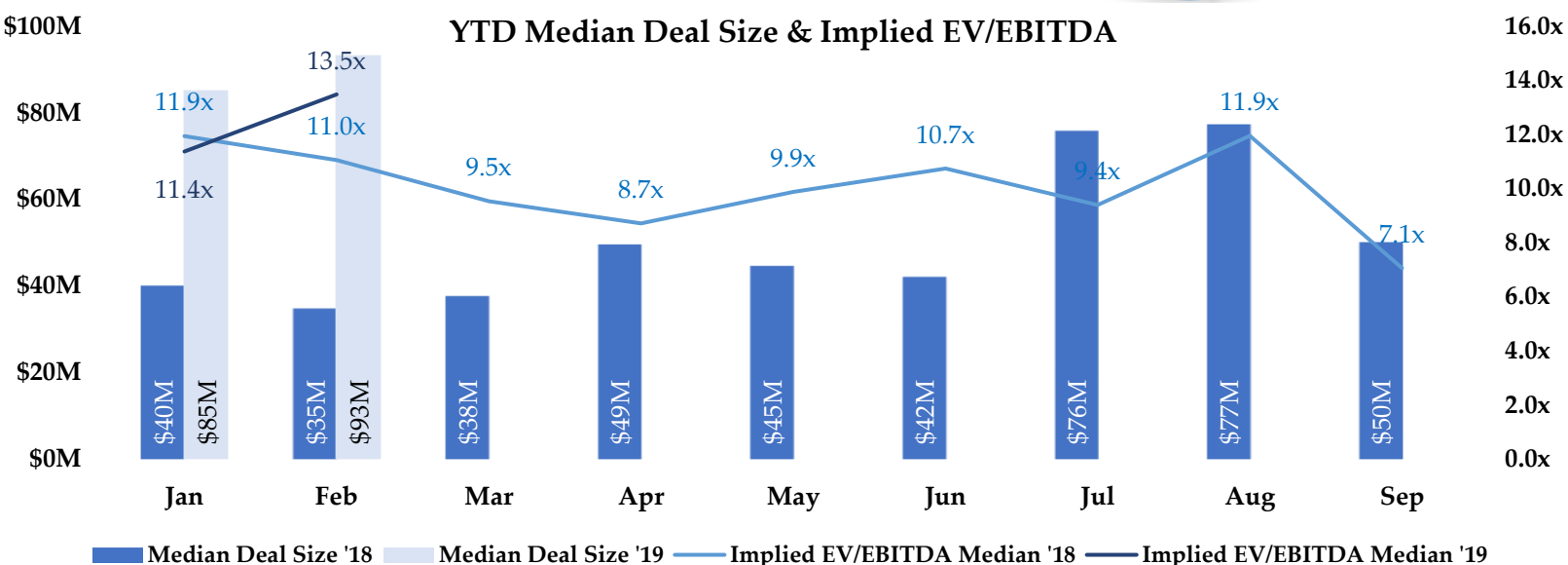
Top 5 Associated Verticals



Deal Count Percentage by US Regions



YTD Median Deal Size & Implied EV/EBITDA



Selected U.S. Transactions

Deal Date	Buyer/Investors	Target/Issuer	Company State	Primary Industry	Deal Size (M)
2/25/2019	Wabtec	GE Transportation	Illinois	Business Products and Services (B2B)	11,100.00
2/1/2019	CenterPoint Energy	Vectren	Indiana	Financial Services	8,500.00
2/15/2019	Eli Lilly	Loxo Oncology	Connecticut	Healthcare	7,935.00
2/13/2019	Johnson & Johnson	Auris	California	Healthcare	5,750.00
2/12/2019	Encana	Newfield Exploration	Texas	Energy	5,500.00
2/1/2019	UPL	Arysta LifeScience	North Carolina	Materials and Resources	4,200.00
2/1/2019	Sirius XM Radio	Pandora Media	California	Consumer Products and Services (B2C)	3,500.00
2/25/2019	Colfax	DJO Global	California	Healthcare	3,150.00
2/1/2019	Chesapeake Energy	WildHorse Resource Development	Texas	Energy	3,070.00
2/1/2019	Twilio	SendGrid	Colorado	Information Technology	3,000.00
2/26/2019	Fresenius Medical Care	NxStage Medical	Massachusetts	Healthcare	2,000.00
2/28/2019	Univar Solutions	Nexeo Solutions	Texas	Business Products and Services (B2B)	1,814.80
2/11/2019	Greif	Caraustar Industries	Georgia	Materials and Resources	1,800.00
2/1/2019	HCA Management Services	Mission Healthcare Foundation	North Carolina	Healthcare	1,500.00
2/21/2019	Blackberry	Cylance	California	Information Technology	1,400.00
2/1/2019	Mks Instruments	Electro Scientific Industries	Oregon	Business Products and Services (B2B)	1,188.00
2/22/2019	Pan American Silver	Tahoe Resources	Nevada	Materials and Resources	1,142.00
2/1/2019	3M	M*Modal (health care technology business)	Pennsylvania	Healthcare	1,000.00
2/28/2019	Montage Resources	Blue Ridge Mountain Resources	Texas	Energy	837.61
2/1/2019	Franklin Templeton Investments	Benefit Street Partners	New York	Financial Services	683.00
2/6/2019	Cisco Systems	Luxtera	California	Information Technology	660.00
2/1/2019	HollyFrontier	Sonneborn	New Jersey	Materials and Resources	655.00
2/1/2019	Union Bankshares	Access National Bank	Virginia	Financial Services	610.00
2/20/2019	Pepsico	Cytosport	California	Consumer Products and Services (B2C)	465.00
2/28/2019	Matheson Tri-Gas	Linde (HyCO Business)	Texas	Materials and Resources	413.07

Transactions Highlights

GE Transportation (*Illinois*)

The company, a subsidiary of General Electric (NYSE: GE) was acquired by Wabtec (NYSE: WAB) for \$11.1 billion on February 25, 2019. The consideration includes \$2.9 billion up-front payment in cash and its shareholders will own 50.1 percent of the combined company, while Wabtec shareholders will own the rest. This acquisition establishes Wabtec as a Fortune 500, global transportation and logistics leader by combining Wabtec's broad range of freight, transit and electronics products with the division's best-in-class equipment, services and digital solutions in the locomotive, mining, marine, stationary power and drilling industries.



GE Transportation



Wabtec
CORPORATION



Vectren (*Indiana*)

The company was acquired by CenterPoint Energy (NYSE: CNP) for \$8.5 billion on February 1, 2019. CenterPoint Energy is funding the deal using debt and equity. Upon completion of the transaction, the combined company plans to implement a unified business strategy, which aims to provide safe and reliable delivery of electricity, natural gas, and related services to customers.

Loxo Oncology (Connecticut)

The company, a developer of medicines for patients with genetically defined cancers, was acquired by Eli Lilly (NYS: LLY) for approximately \$8 billion on February 15, 2019. The acquisition expands the breadth of Lilly's portfolio into precision medicines and target cancers that are caused by specific gene abnormalities.



NEWFIELD



Newfield Exploration (Texas)

The company (NYSE: NFX) was acquired by Encana (TSE: ECA) for \$5.5 billion on February 12, 2019. In addition, Encana also assumed \$2.2 billion of the company's net debt. Encana will proceed with its previously announced \$1.25 billion share buyback in 2019, following receipt of regulatory approvals and increase its dividend by 25 percent. The remaining 36.5% stake will be held by shareholders of the company.

Arysta LifeScience (North Carolina)

The company, a subsidiary of Platform Specialty Products (NYSE: PAH), was acquired by UPL (NSE: UPL) for \$4.2 billion on February 1, 2019. The acquisition will give UPL access to a variety of patented products through collaborations and partnerships as well as enhanced in-house R&D capabilities.

