



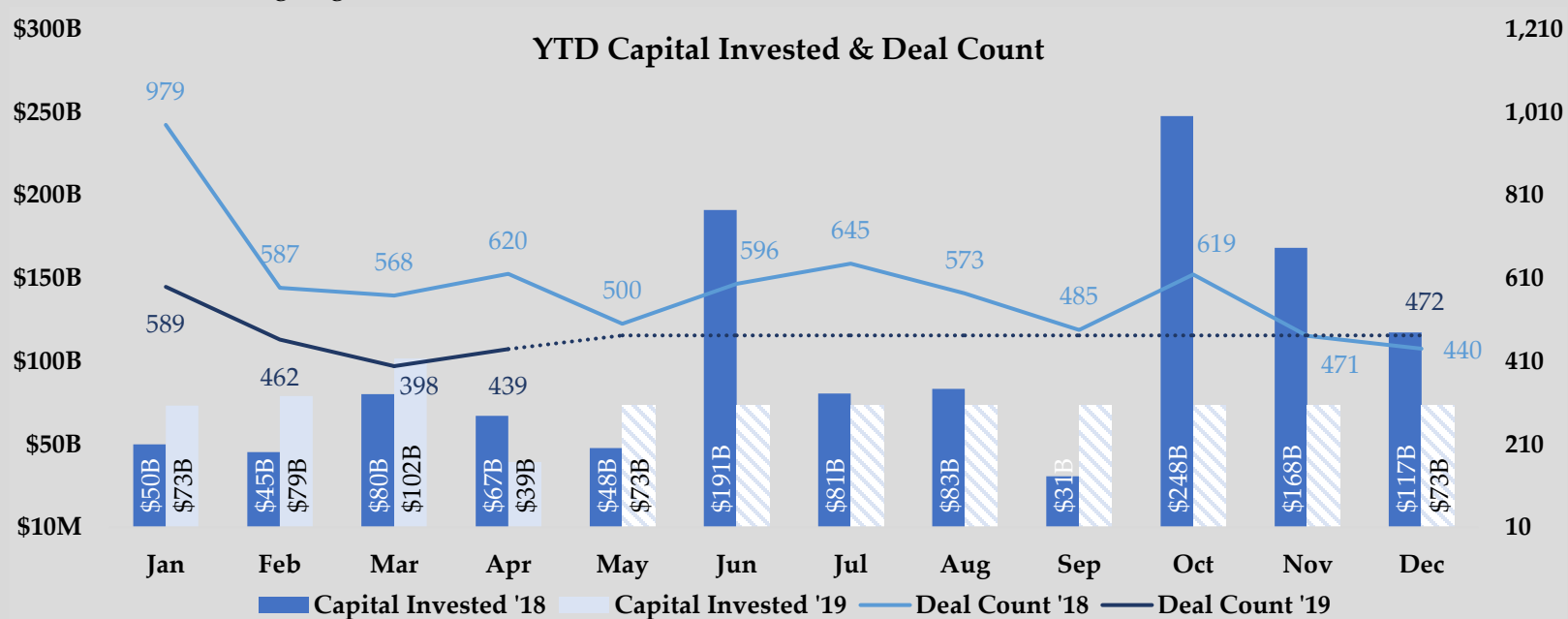
U.S. M&A Update

2019 April

Notable Trends in April 2019

Year to date, U.S. M&A deal activity has decreased on a year over year basis by 31%. The YTD completed deal count as of the end of April was 1,888 deals versus 2,754 deals in 2018. Conversely, capital invested was up 20.9%, going from \$242.5 billion YTD in

2018 to \$293.2 billion YTD in 2019. Year to date, the median deal size has increased from \$49.5 million in 2018 to \$57.4 million in 2019, correlating with the rise in capital invested.



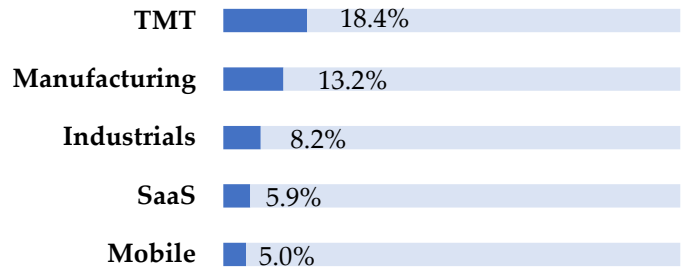
May '19 - Dec '19 are projections based on YTD average

For the month of August, deal count is down 29.2% compared to 2018. Invested capital was down 41.6% for the month of April but median deal size is up 16.1%. The relatively high metrics for median deal size were partly contributed to by the \$7.4 billion Arris International acquisition by Commscope and the \$7 billion acquisition of USG by Gebr. Knauf Verwaltungsgesellschaft.

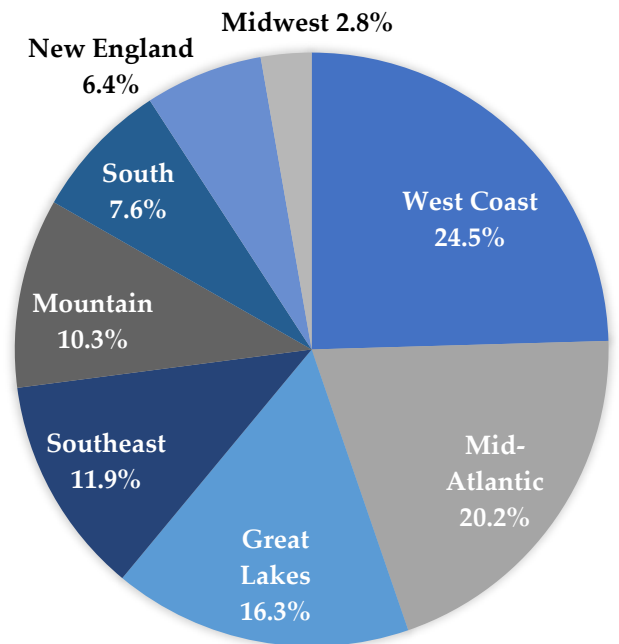
The top 3 most active verticals in the month of August were Technology, Media and Telecommunications (TMT) with 80 deals, Manufacturing with 57 deals, and Industrials with 36 deals for 18.4%, 13.2%, and 8.2% of all M&A deals completed, respectively.

The West Coast, Mid-Atlantic, Great Lakes were the most active regions in the United States combining for 61% of all deals completed in the U.S. The multiples for this month were not as high as the first three months of the year but continued the trend of staying above the median deal size of 2018.

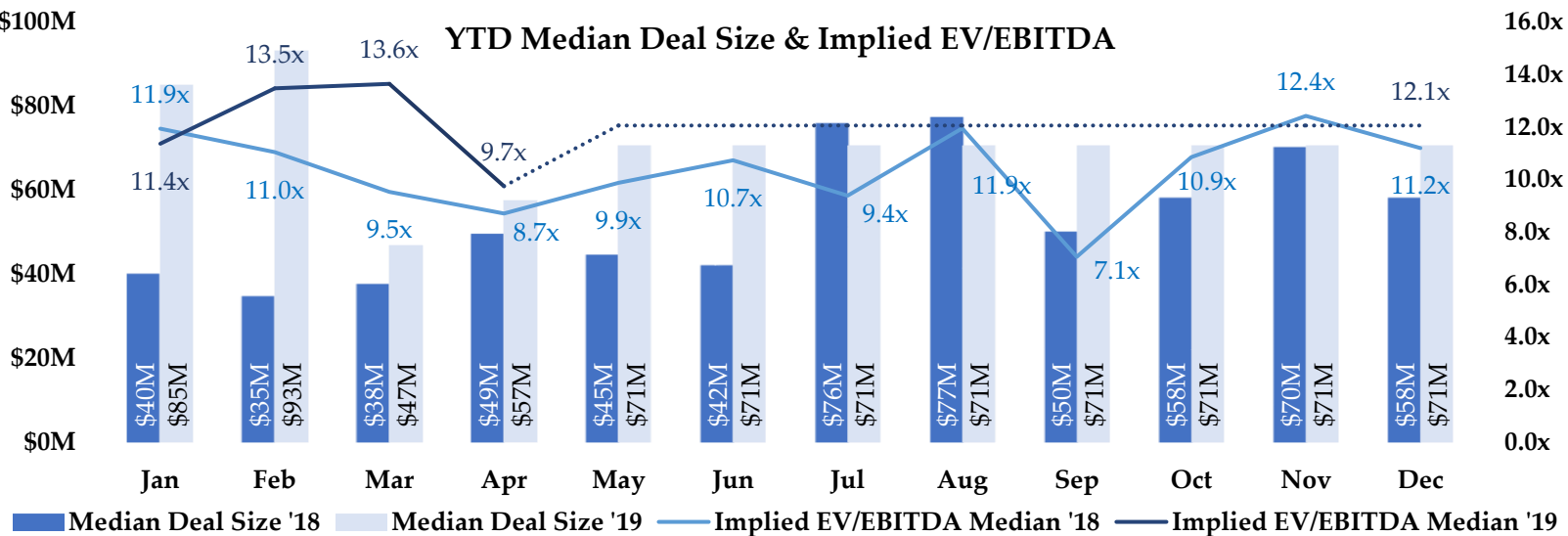
Top 5 Associated Verticals



Deal Count Percentage By US Regions



YTD Median Deal Size & Implied EV/EBITDA



May '19 - Dec '19 are projections based on YTD average

Selected U.S. Transactions

Deal Date	Buyer/Investors	Target/Issuer	Company State	Primary Industry	Deal Size (M)
4/4/2019	CommScope	Arris International	Georgia	Information Technology	7,400.00
4/24/2019	Gebr. Knauf Verwaltungsgesellschaft	USG	Illinois	Business Products and Services (B2B)	7,000.00
4/26/2019	WorleyParsons	Jacobs Engineering Group (Energy, Chemicals and Resources Division)	Texas	Energy	3,200.00
4/2/2019	Fortive	Advanced Sterilization Products	California	Healthcare	2,800.00
4/11/2019	Ensco International	Rowan Companies	Texas	Energy	2,380.00
4/1/2019	Merck & Co.	Allflex	Texas	Information Technology	2,300.00
4/3/2019	E & J Gallo Winery	Constellation (34 Wine and Spirit Brands)	New York	Consumer Products and Services (B2C)	1,700.00
4/19/2019	Principal Financial Group	Wells Fargo (Institutional Retirement & Trust Business)	North Carolina	Financial Services	1,350.00
4/22/2019	American Electric Power Company	Sempra Renewables	California	Energy	1,056.00
4/1/2019	Independent Bank Corp (Rockland)	Blue Hills Bank	Massachusetts	Financial Services	726.50
4/1/2019	The Toro	The Charles Machine Works	Oklahoma	Business Products and Services (B2B)	700.00
4/17/2019	Smith & Nephew	Osiris Therapeutics	Maryland	Healthcare	660.50
4/11/2019	Taylor Farms	Earthbound Farm	California	Consumer Products and Services (B2C)	500.00
4/18/2019	The Greenbrier Companies	American Railcar Industries	Missouri	Business Products and Services (B2B)	430.00
4/2/2019	Juniper Networks	Mist Systems	California	Information Technology	405.00
4/4/2019	Sarepta Therapeutics	Myonex Therapeutics	Ohio	Healthcare	371.00
4/12/2019	SolarWinds	Samange	North Carolina	Information Technology	350.00
4/1/2019	IBM Southeast Employees' Credit Union	Oculina Bank	Florida	Financial Services	350.00
4/2/2019	People's United Bank	BSB Bancorp	Massachusetts	Financial Services	327.00
4/17/2019	Lear	Xevo (Business/Productivity Software)	Washington	Business Products and Services (B2B)	320.00
4/17/2019	Appen	Figure Eight	California	Information Technology	300.00
4/3/2019	The We Company	Managed by Q	New York	Business Products and Services (B2B)	250.00
4/8/2019	Pacira BioSciences	Pacira CryoTech	California	Healthcare	220.00
4/1/2019	Comfort Systems USA	Walker Engineering	Texas	Business Products and Services (B2B)	203.00
4/2/2019	Waste Connections	Mountain Waste & Recycling	Colorado	Business Products and Services (B2B)	200.00

Transaction Highlights

Arris International (Georgia)

The company (NASDAQ: MLNX), a developer, manufacturer, marketer and seller of end-to-end Ethernet and InfiniBand intelligent interconnect solutions and services for servers, storage, and hyper-converged infrastructure, reached a definitive agreement to be acquired by Nvidia (NAS: NVDA) for approximately \$6.9 billion on May 23, 2019. The acquisition will enable Nvidia to enhance its high performance computing services.



WellCare Health Plans (Florida)

The company reached a definitive agreement to be acquired by Centene (NYSE:CNC) for \$17.27 billion on March 27, 2019. The cash and stock transaction sees Centene paying \$305.39 per share based on Centene's closing stock price on March 26, 2019 for a total enterprise value of \$17.3 billion. The deal is expected to close by the first half of 2020.

Samanage (North Carolina)

The company, a developer of a service management platform designed to simplify complex tasks and automate services across the entire organization, was acquired by SolarWinds (NYS: SWI) for \$350 million on April 12, 2019.



USG (Illinois)

The company was acquired by Gebr. Knauf for \$7 billion on April 24, 2019. Under the terms of the agreement, USG shareholders will receive \$44 per share, which consists of \$43.50 per share in cash payable upon closing of the transaction and a \$0.50 per share special dividend that would be paid following shareholder approval of the transaction. The combined company results in a global building materials industry leader that will maximize Knauf and USG's highly complementary businesses, products and global footprint to better meet the needs of both companies' end-market customers.



Allflex (Texas)

The company was acquired by Merck & Co. (NYSE: MRK) for \$2.3 billion on April 1, 2019. The company will be a wholly owned and separately operated subsidiary within the Merck Animal Health Division.



