



# U.S. M&A Update

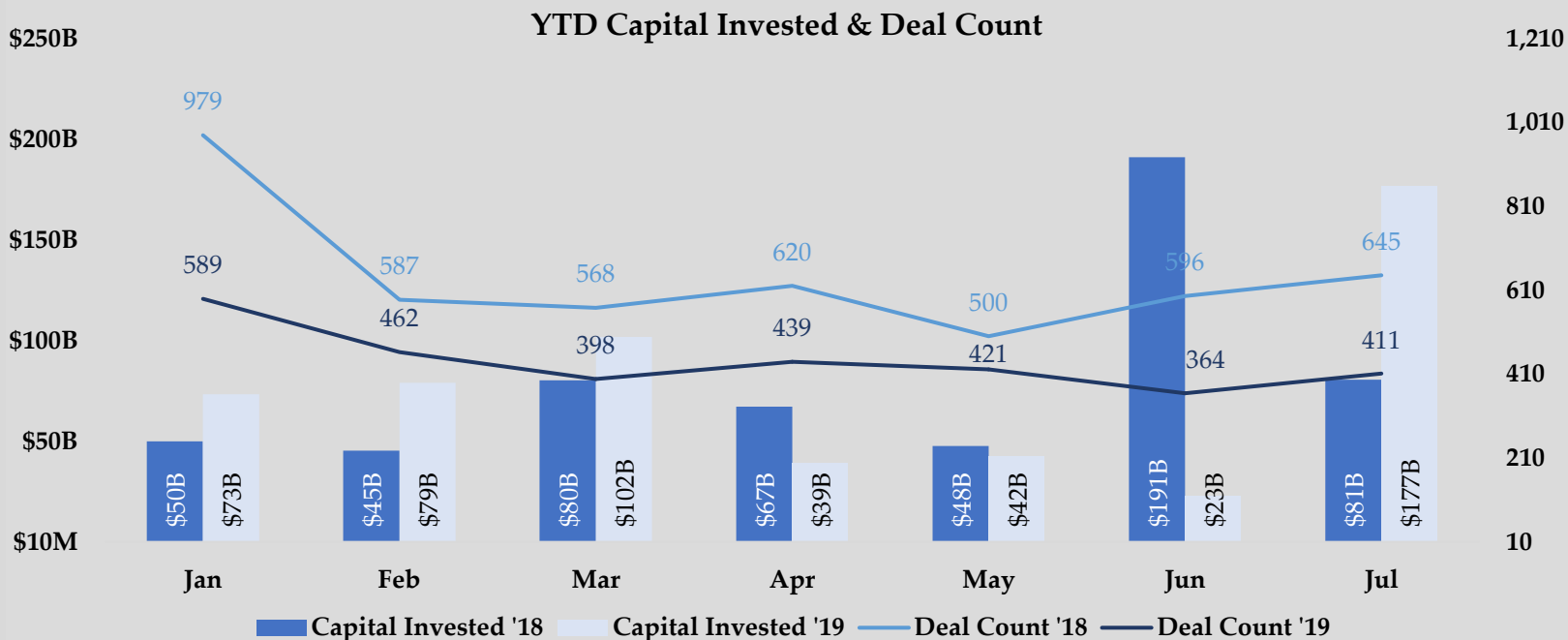
2019 July

## Notable Trends in July 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 July was 3,084 deals versus 4,495 deals in 2018. Capital invested was also down by 4.9%, going from \$562.6 billion YTD in 2018

to \$535.0 billion YTD in 2019. Year to date, the median deal size has increased from \$44.5 million in 2018 to \$81.8 million in 2019.

YTD Capital Invested & Deal Count

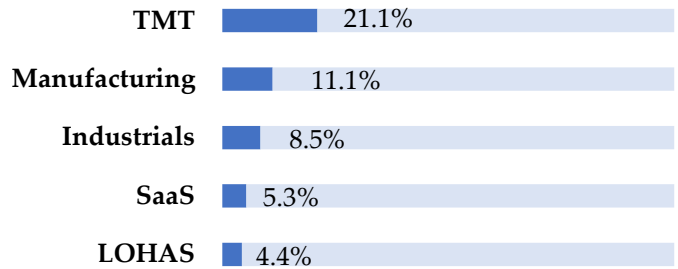


For the month of July, deal count was down 56.9% compared to 2018. Invested capital and median deal size both increased significantly in July, invested capital more than doubled, and median deal size grew by 27.4%. The relatively high metrics in 2019 are partly contributed to by the \$43 billion acquisition of Worldpay by Fidelity National Information Services and the \$37 billion acquisition of L3 Technologies by Harris.

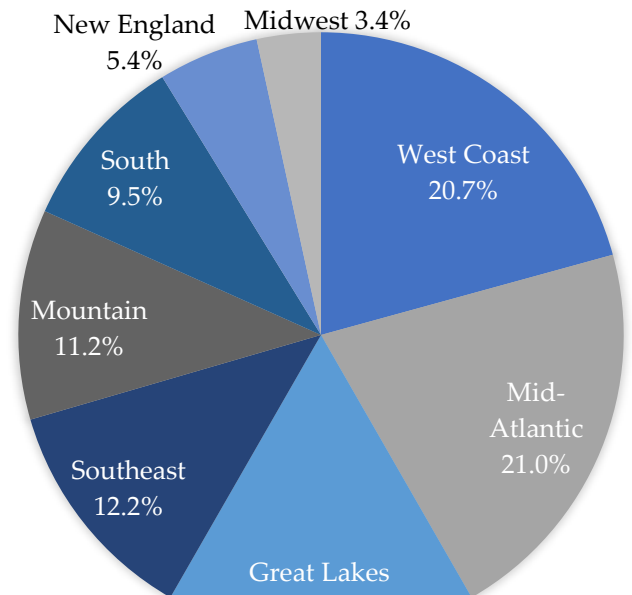
The top 3 most active verticals in the month of July were Telecommunications (TMT), Manufacturing, and Industrials for 21.1%, 11.1%, and 8.5% of all M&A deals completed, respectively.

The Mid-Atlantic, West Coast, and Great Lakes were the most active regions in the United States combining for 58.3% of all deals completed in the U.S. California, Texas, and Florida led the way in activity, with 67, 38, and 32 completed deals. This represented 42.2% share of all M&A deals in the month of July.

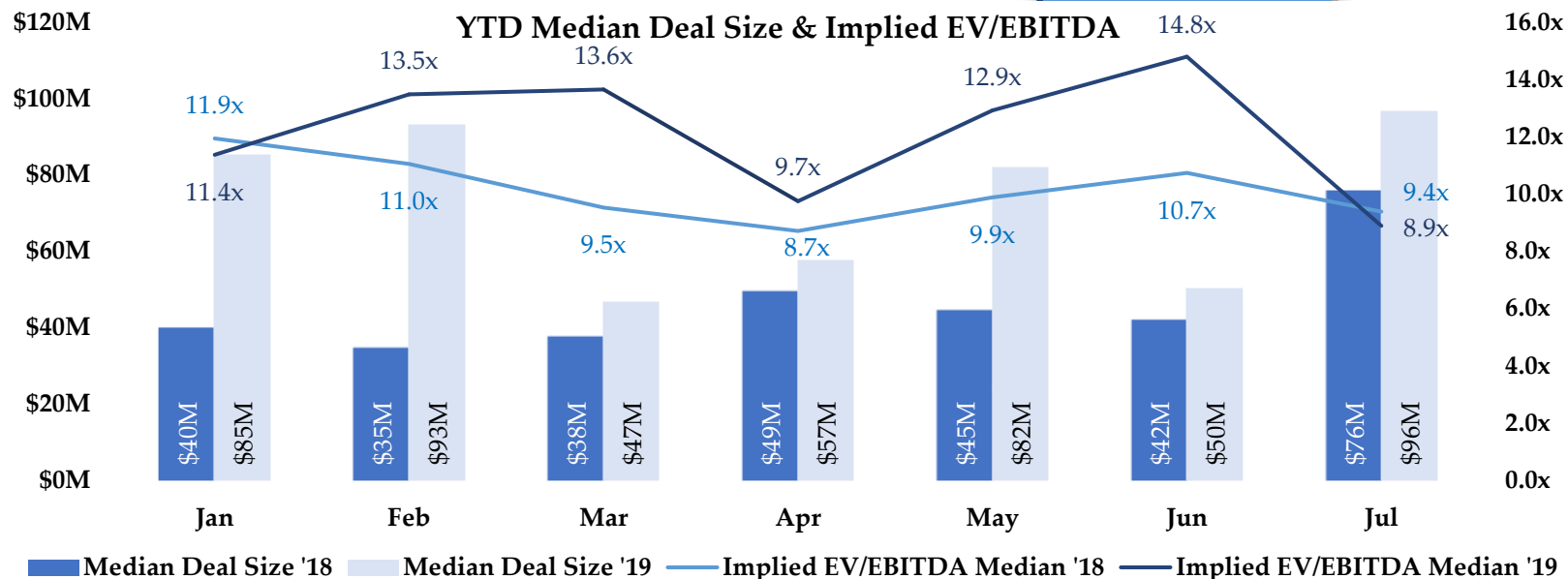
### Top 5 Associated Verticals



### 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)
7/31/2019	Fidelity National Information Services	Worldpay	Ohio	Financial Services	43,000.00
7/2/2019	Harris	L3 Technologies	New York	Business Products and Services (B2B)	37,000.00
7/9/2019	International Business Machines	Red Hat	North Carolina	Information Technology	34,000.00
7/29/2019	Fiserv	First Data	Georgia	Information Technology	22,000.00
7/30/2019	Pfizer	Array BioPharma	Colorado	Healthcare	11,400.00
7/2/2019	Publicis Groupe	Epsilon Data Management	Texas	Business Products and Services (B2B)	4,400.00
7/10/2019	PTT Exploration and Production	Murphy Oil (Murphy Sarawak and Murphy Sabah)	Arkansas	Energy	2,227.00
7/1/2019	JLL	Holliday Fenoglio Fowler	Texas	Financial Services	2,000.00
7/30/2019	Willis Towers Watson	TRANZACT	New Jersey	Business Products and Services (B2B)	1,400.00
7/29/2019	Ferrero International	Keebler (NYS: KBL)	Michigan	Consumer Products and Services (B2C)	1,300.00
7/11/2019	Merck & Co.	Peloton Therapeutics	Texas	Healthcare	1,050.00
7/16/2019	NextEra Energy	Trans Bay Cable	California	Energy	1,000.00
7/16/2019	Wieland Group	Global Brass & Copper Holdings	Illinois	Business Products and Services (B2B)	962.00
7/2/2019	NGL Energy Partners	Mesquite Disposals Unlimited	New Mexico	Business Products and Services (B2B)	892.50
7/9/2019	Harvest Enterprises	Verano Holdings	Illinois	Consumer Products and Services (B2C)	850.00
7/1/2019	Victory Capital Management	United Services Automobile Association	Texas	Consumer Products and Services (B2C)	850.00
7/1/2019	Ameris Bank	Fidelity Bank	Georgia	Financial Services	750.70
7/17/2019	The Goldman Sachs Group	United Capital Financial Partners	California	Financial Services	750.00
7/2/2019	Perrigo Company	Ranir	Michigan	Healthcare	750.00
7/31/2019	The Doctors Company	Hospitals Insurance Company	New York	Financial Services	650.00
7/10/2019	Prometheus Biosciences	Prometheus Laboratories	California	Healthcare	650.00
7/24/2019	JPMorgan Chase	InstaMed	Pennsylvania	Information Technology	600.00
7/1/2019	Chart Industries	Harsco (Air-X-Changers)	Oklahoma	Energy	592.00
7/1/2019	Arkema	ArrMaz Custom Chemicals	Florida	Materials and Resources	570.00

## Transaction Highlights

### Red Hat (*Raleigh, NC*)

On July 9<sup>th</sup>, IBM announced it would acquire Red Hat, a multinational software company and leader in the enterprise open source solutions space. The deal prescribed a \$34 billion equity valuation to Red Hat at \$190.00 per share in cash. IBM now claims leading hybrid cloud provider status and accelerates its high-value segmented approach. Despite its integration into IBM's platform, Red Hat will retain its independence and neutrality, merely strengthened by its new parent's platform.



### Fidelity Bank (*Georgia*)

The company was acquired by Ameris Bank (NAS: ABCB) for approximately \$750.7 million on July 1, 2019. The combination of Ameris and Fidelity joins two franchises that are very similar in culture, complementary in terms of our lines of business and well positioned competitively, resulting in a \$16 billion asset bank.

### **ArrMaz Custom Chemicals (Florida)**

The company was acquired by Arkema (PAR: AKE) for \$570 million on July 1, 2019. With this very complementary acquisition in terms of regional exposure, as well as commercial and technological capabilities, Arkema will accelerate its growth in specialty surfactants, in particular thanks to developments in new markets such as additives for nutrients, lithium extraction and oil & gas process aids.



### **Epsilon Data Management (Texas)**

The company, a provider of data-driven marketing technologies and services and a subsidiary of Alliance Data Systems (NYSE: ADS), was acquired by Publicis Group (PAR: PUB) for \$4.4 billion on July 2, 2019.

### **First Data (Georgia)**

The company, a provider of e-commerce solutions including payment and transactions services as well as credit solutions, was acquired by Fiserv (NAS: FISV) for \$22 billion on July 29, 2019. Fiserv Shareholders will own 57.5% of the combined company, while First Data shareholders will have 42.5%

