



# Southeast M&A Update

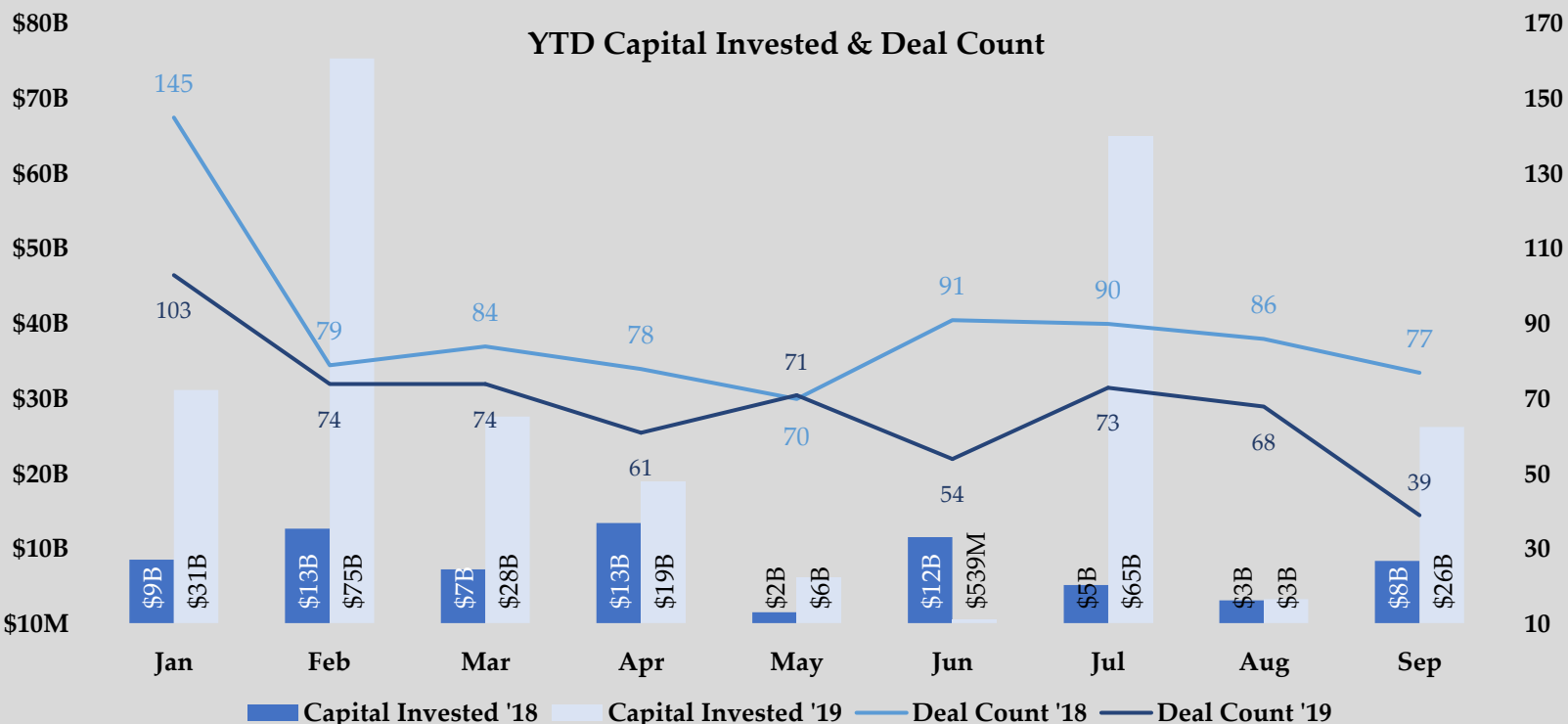
2019 September

## Notable Trends in September 2019

Year to date, southeastern U.S. M&A deal has continued to slow as the year progresses, the completed deal count is now down 22.9%. The YTD completed deal count as of the end of September is 617 deals versus 800 deals in 2018. Conversely,

capital invested is up 252.7%, going from \$72.2 billion YTD in 2018 to \$254.5 billion YTD in 2019. Year to date, the median deal size has increased from \$33.38 million in 2018 to \$67.33 million in 2019, correlating with the rise in capital invested.

YTD Capital Invested & Deal Count



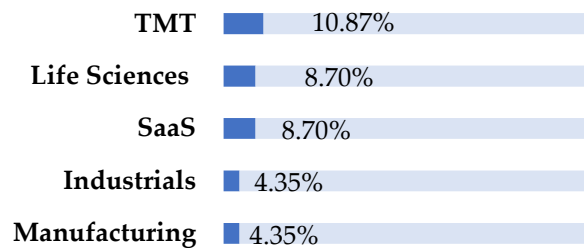
For the month of September, deal count is down 49.4% compared to 2018. Invested capital and median deal size are both up 212.1% and 120.2%. The high metrics in 2019 are partly contributed to the \$21.5 billion acquisition of Total System Services by Global Payments and the \$2.7 billion acquisition of Chesapeake Lodging Trust by Park Hotels and Resorts.

The top 3 most active verticals in the month of September were Technology, Media and Telecommunications (TMT) with 5 deals, Life Sciences with 4 deals, and Software as a Service (SaaS) with 4 deals for 10.9%, 8.8%, and 8.8% of all M&A deals completed, respectively.

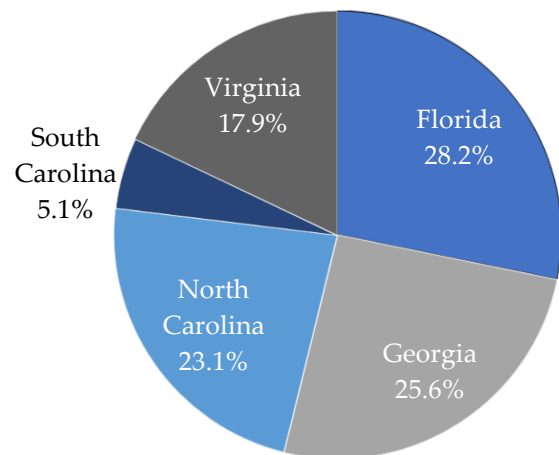
Florida and Georgia are the leaders in M&A activity in the Southeast for September. Florida had the most completed deals with 11, including BancorpSouth's acquisition of Summit Bank at the beginning of the month. Georgia was second with 10 deals including the largest deal of the month, the Total System Services acquisition. These two states accounted for 53.8% for the activity

with North Carolina behind. September was also only the third month this year where the 2018 EV/EBITDA multiples were higher than 2019, but both were still above the yearly average.

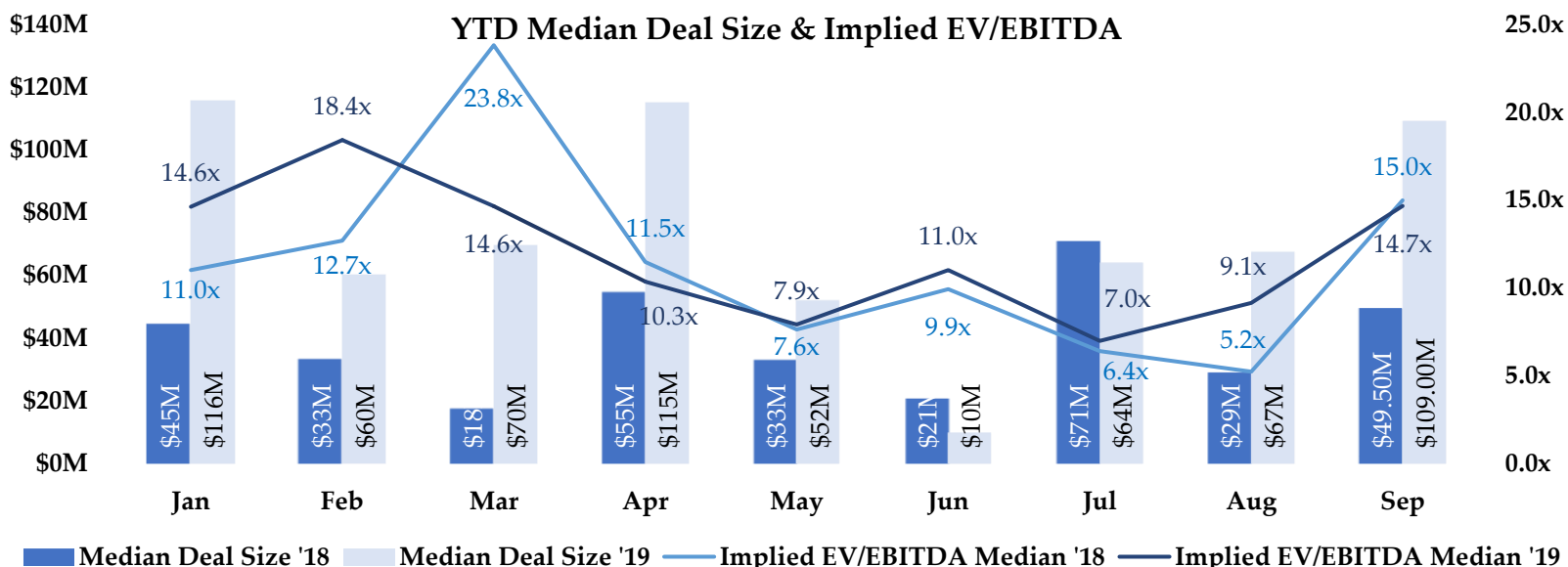
### Top 5 Associated Verticals



### Deal Count Percentage by State



### YTD Median Deal Size & Implied EV/EBITDA



## Selected Southeast Transactions

Deal Date	Buyer/Investors	Target/Issuer	Company State	Primary Industry	Deal Size (M)
9/18/2019	Global Payments	Total System Services	Georgia	Financial Services	21,500.00
9/18/2019	Park Hotels & Resorts	Chesapeake Lodging Trust	Virginia	Financial Services	2,700.00
9/30/2019	Swedish Orphan Biovitrum	Dova Pharmaceuticals	North Carolina	Healthcare	915.00
9/23/2019	Hershey	ONE Brands	North Carolina	Consumer Products and Services	397.00
9/15/2019	Elbit Systems	Elbit Systems of America - Night Vision	Virginia	Business Products and Services	350.00
9/27/2019	Misonix	Solsys Medical	Virginia	Healthcare	109.00
9/1/2019	BancorpSouth	Summit Bank	Florida	Financial Services	101.25
9/23/2019	Mercury Systems	American Panel Corporation	Georgia	Information Technology	100.00
9/11/2019	First Community Bancshares	Highlands Bankshares	Virginia	Financial Services	91.00
9/9/2019	Endurance International Group	Ecomdash	North Carolina	Information Technology	9.60
9/24/2019	First-Citizens Bank & Trust	Gwinnett Community Bank	Georgia	Financial Services	2.33
9/4/2019	Buffalo Groupe LLC	54 Brands	North Carolina	Business Products and Services	
9/4/2019	Thomas Howell Ferguson	Dowdy & Whittaker	Georgia	Business Products and Services	
9/4/2019	Katerra	Fortune-johnson	Georgia	Business Products and Services	
9/9/2019	Go-Forth	Intersect Termite & Pest Control Service	North Carolina	Consumer Products and Services	
9/10/2019	Visiativ	Living Actor	Florida	Information Technology	
9/11/2019	Allen Tate	Blowing Rock Investment Properties	North Carolina	Consumer Products and Services	
9/13/2019	Turnkey Capital	Egg Health Hub	Florida	Healthcare	
9/16/2019		Action Mail Services	Florida	Business Products and Services	
9/16/2019		Lima One Capital	South Carolina	Financial Services	
9/16/2019	Bala Consulting Engineers	Meta Engineers	Virginia	Business Products and Services	
9/18/2019	Otter Learning	Kids in the Country	Florida	Consumer Products and Services	
9/25/2019		Altria Group	Virginia	Consumer Products and Services	
9/26/2019	City National Bank of Florida	Executive National Bank	Florida	Financial Services	
9/30/2019	A3 Communications(Brian Thomas)	Converged Communications	Florida	Information Technology	

## Transactions Highlights

### Total System Services (Georgia)

The company was acquired by Global Payments (NYS: GPN) for \$21.5 billion on September 18, 2019. The acquisition will substantially expand Global Payments' e-commerce and omnichannel solutions presence in the United States and provide further opportunities for meaningful multinational omnichannel market share gains.



### Chesapeake Lodging Trust (Virginia)

The company was acquired by Park Hotels & Resorts (NYS: PK) for \$2.7 billion on September 18, 2019. This acquisition provides Park and its stockholders with identifiable synergies and opportunities to drive incremental growth through Park's proven asset management capabilities.

### **Dova Pharmaceuticals (North Carolina)**

The company, a U.S. based clinical-stage pharmaceutical company engaged in developing treatments for patients suffering from orphan diseases, reached a definitive agreement to be acquired by Swedish Orphan Biovitrum (STO: SOBI) for \$915 million on September 30, 2019. The acquisition of Dova will broaden the scope of Sobi's product portfolio into haematology and enhance Sobi's commercial presence in the United States.



### **ONE Brands (North Carolina)**

The company, a manufacturer and provider of sports nutrition products created to deliver healthy portable nutrition, was acquired by Hershey (NYS: HSY) for \$397 million on September 23, 2019.

### **Summit Bank (Florida)**

The company, a provider of banking services based in Florida, was acquired by BancorpSouth (NYS: BXS) for approximately \$101.25 million on September 1, 2019. The acquisition will expand BancorpSouth's presence in Florida.

