



# U.S. M&A Update

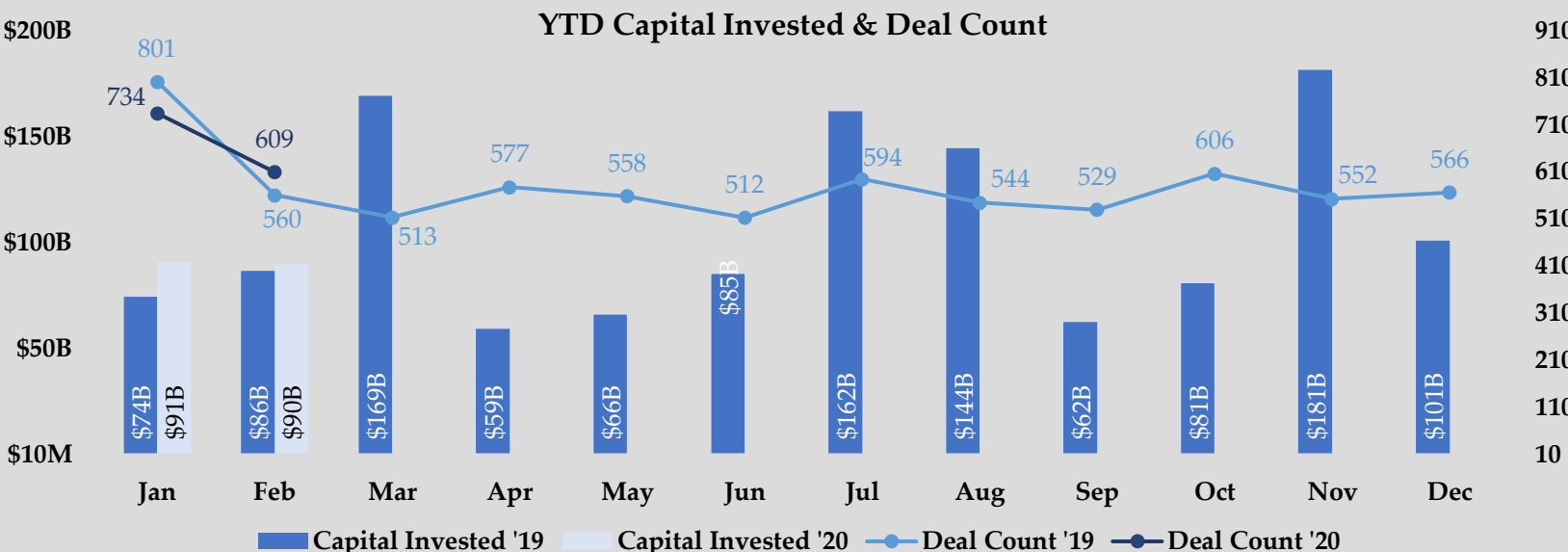
February 2020

## Notable Trends in February 2020

Year-over-year, both deal count and capital invested were up compared to 2019 with an increase of 8.7% and 3.8%, respectively.

Compared to the prior month, capital invested remained almost flat with a decrease of just 1%, while deal count decreased by 17%. Median deal size and the EV/EBITDA median multiple both

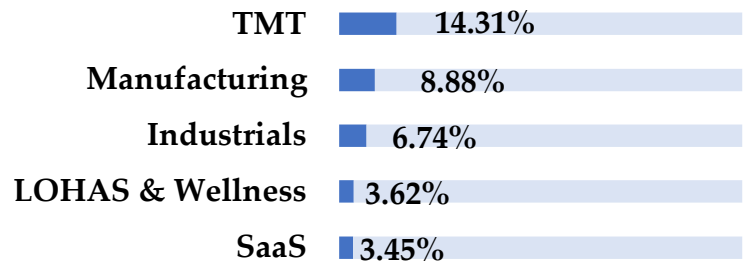
decreased year-over-year and from the prior month. Median deal size decreased 31.2% year-over-year and 20% from the prior month. Meanwhile, the EV/EBITDA median multiple decreased even more by 59.2% year-over-year and by 50.5% from the prior month.



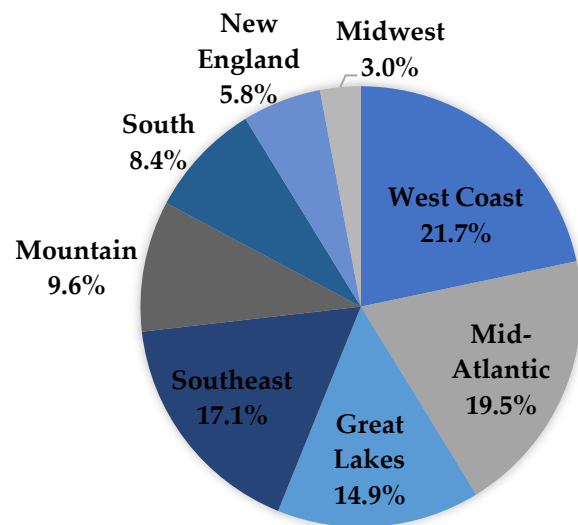
The top 3 most active verticles in the month of January were Technology, Media, and Telecommunications (TMT), Manufacturing, and Industrials for 14.31%, 8.88%, and 6.74% of all M&A deals completed in the U.S., respectively. Three of the largest five deals were in the TMT verticle. These same three verticles were the most active in the prior month as well.

The West Coast had the most completed deals at 132 making up about a fifth of all deals done in the U.S. in February. California has two of the largest five deals done during the month, and the West Coast has nine of the top 25 transactions. The Mid-Atlantic, Southeast, and Great Lakes regions are just behind the West Coast with 19.5%, 17.1%, and 14.9% of the deals done during the month, respectively.

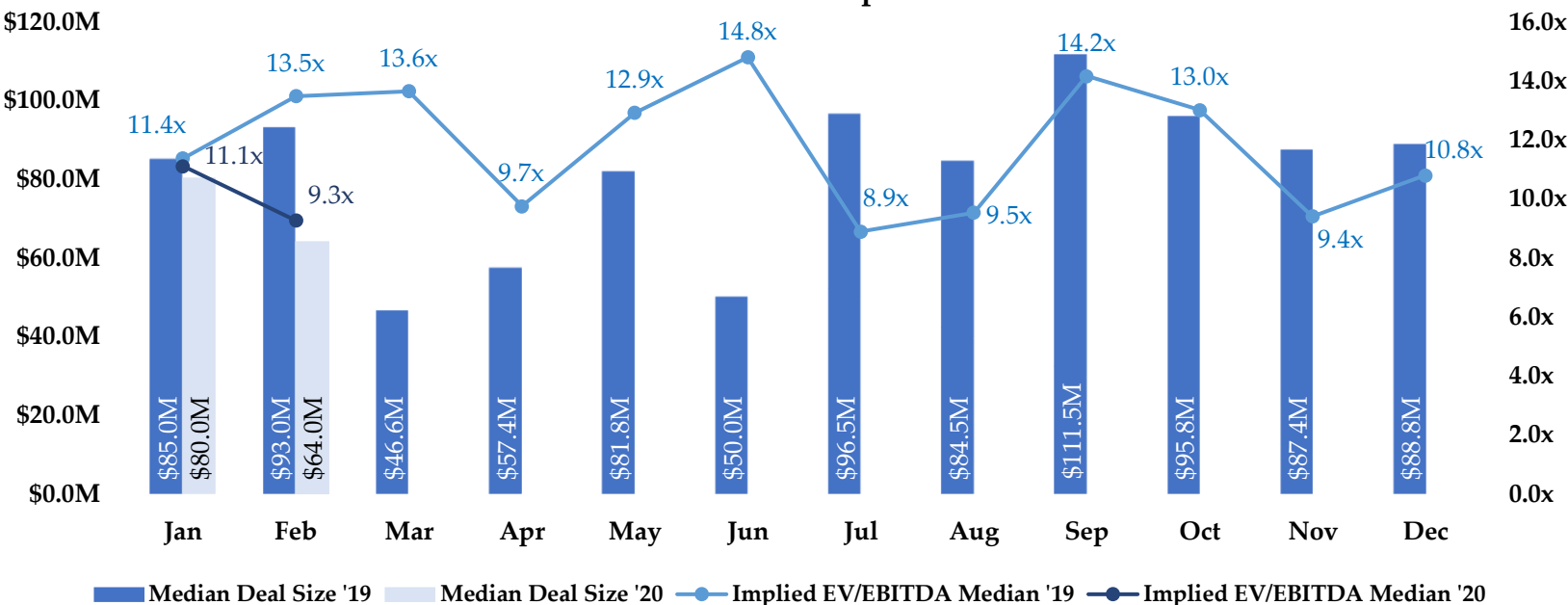
## Top 5 Associated Verticles



## 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/Province	Verticals	Deal Size
20-Feb-2020	Morgan Stanley (NYS: MS)(James Gorman)	E*Trade (NAS: ETFC)	Virginia	TMT	13,000.00
04-Feb-2020	Prologis (NYS: PLD)(Hamid Moghadam)	Liberty Property Trust	Pennsylvania		13,000.00
24-Feb-2020	Intuit (NAS: INTU)	Credit Karma	California	FinTech, Mobile, TMT	7,100.00
18-Feb-2020	Franklin Templeton Investments (NYS: BEN)(Jennifer Johnson)	Legg Mason (NYS: LM)	Maryland		4,500.00
13-Feb-2020	Viagogo(Eric Baker)	StubHub	California	E-Commerce, TMT	4,050.00
28-Feb-2020	Shell Midstream Partners (NYS: SHLX)(Kevin Nichols)	Mattox Pipeline Company	Texas	Oil & Gas	4,000.00
10-Feb-2020	Simon Property Group (NYS: SPG)(David Simon)	The Taubman Company (NYS: TCO)	Michigan		3,600.00
10-Feb-2020	Tokio Marine Holdings (TKS: 8766)	Privilege Underwriters	New York		3,100.00
07-Feb-2020	Fidelity National Financial (NYS: FNF)	Fidelity & Guaranty Life	Iowa		2,700.00
18-Feb-2020	Ally Financial (NYS: ALLY)(Jeffrey Brown)	CardWorks	New York		2,650.00
06-Feb-2020	Taylor Morrison (NYS: TMHC)(Sheryl Palmer)	William Lyon Homes	California	Industrials	2,400.00
18-Feb-2020	Amherst Securities Group	Front Yard Residential (NYS: RESI)	Virgin Islands		2,300.00
13-Feb-2020	Charles Schwab & Co. (NYS: SCHW)(Walter Bettinger)	USAA (Wealth Management Operations)	Texas		1,800.00
13-Feb-2020	F. Hoffmann-La Roche (SWX: ROG)	Promedior	Massachusetts	Life Sciences	1,390.00
10-Feb-2020		Harry's	New York	E-Commerce, TMT	1,370.00
25-Feb-2020	Salesforce (NYS: CRM)	Vlocity	California	Mobile, SaaS, TMT	1,330.00
14-Feb-2020	Advisor Group(James Price)	Ladenburg Thalmann Financial Services	Florida		1,300.00
26-Feb-2020	Eversource Energy (NYS: ES)(Michael Ausere)	Columbia Gas of Massachusetts	Massachusetts	Oil & Gas	1,100.00
20-Feb-2020	Eli Lilly (NYS: LLY)(Patrik Jonsson)	Dermira	California	Life Sciences	1,100.00
04-Feb-2020	Leidos (NYS: LDOS)	L3Harris (airport security and automation business)	Florida		1,000.00
03-Feb-2020	Pacific Premier Bancorp (NAS: PPBI)(Steven Gardner)	Opus Bank (NAS: OPB)	California		1,000.00
01-Feb-2020	Curaleaf (CNQ: CURA)(Joseph Lusardi)	Cura Cannabis Solutions	Oregon	Cannabis	948.80
11-Feb-2020	Digital Landscape Group (LON: DLGI)(Bill Berkman)	AP Wireless Infrastructure Partners	California	TMT	860.00
28-Feb-2020	Atlas Corp (NYS: ATCO)(Ryan Courson)	APR Energy	Florida	CleanTech, Industrials, Infrastructure, Oil & Gas	750.00
13-Feb-2020	GFL Environmental (NYS: GFL)	GFL Environemental (Trash Operations in Virginia and Pennsylvania)	New York		725.00

## Transactions Highlights

### **E\*Trade** (*Virginia*)

They are a financial services company who provides both brokerage and other services to clients. They were bought by Morgan Stanley, a financial holding company, for about \$13 billion on February 19, 2020. This combination increases Morgan Stanley's Wealth Management scale and enhances digital capabilities. Morgan Stanley will see significant cost and funding synergies that will help create more shareholder value.

The logo for E\*TRADE, featuring the word "E\*TRADE" in a bold, sans-serif font. The asterisk is stylized with a green and blue geometric design.The Morgan Stanley logo, consisting of the words "Morgan Stanley" in a white, serif font, centered within a dark blue square.

### **Liberty Property Trust** (*Pennsylvania*)

The company, a real estate investment trust investing in office buildings and industrial properties, was bought by Prologis Inc. in an all-stock transaction for approximately \$12.6 billion. Prologis Inc. is a real estate investment trust engaged in rental operations and development. This transaction bolsters their U.S. portfolio and customer base.



### **Credit Karma** (*California*)

The company, a multinational personal finance company, was bought by Intuit Inc. in a cash and stock mix for approximately \$7.1 billion. Intuit is a provider of business and financial management solutions. This transaction will help them further expand into the consumer finance industry and will offer significant data advantages.

The logos for Credit Karma and Intuit. "credit karma" is in a green, lowercase, sans-serif font, and "intuit" is in a blue, lowercase, sans-serif font. Both are followed by a registered trademark symbol (®).

### **Legg Mason (Maryland)**

Legg Mason is a diversified global asset management firm that offers products in equities and fixed income. On February 18, they were acquired by Franklin Templeton in an all-cash transaction of about \$4.5 billion. Franklin Templeton is a global investment management company, and this transaction serves to build on its expansive investment platform. This acquisition is expected to generate significant GAAP EPS accretion beginning in 2021.

**LEGG MASON**  
GLOBAL ASSET MANAGEMENT



### **StubHub (California)**

The company, an American ticket exchange and resale company, is the world's largest ticket marketplace. They were acquired by Viagogo, a London-based ticket exchange and resale company, for \$4.05 billion in an all-cash transaction. The CEO of Viagogo, Eric Baker, co-founded StubHub before the business was sold off to E-bay in 2007. Viagogo will maintain the StubHub brand, and they will now be able to reach a bigger audience and give consumers wider access to events.