



# U.S. M&A Update

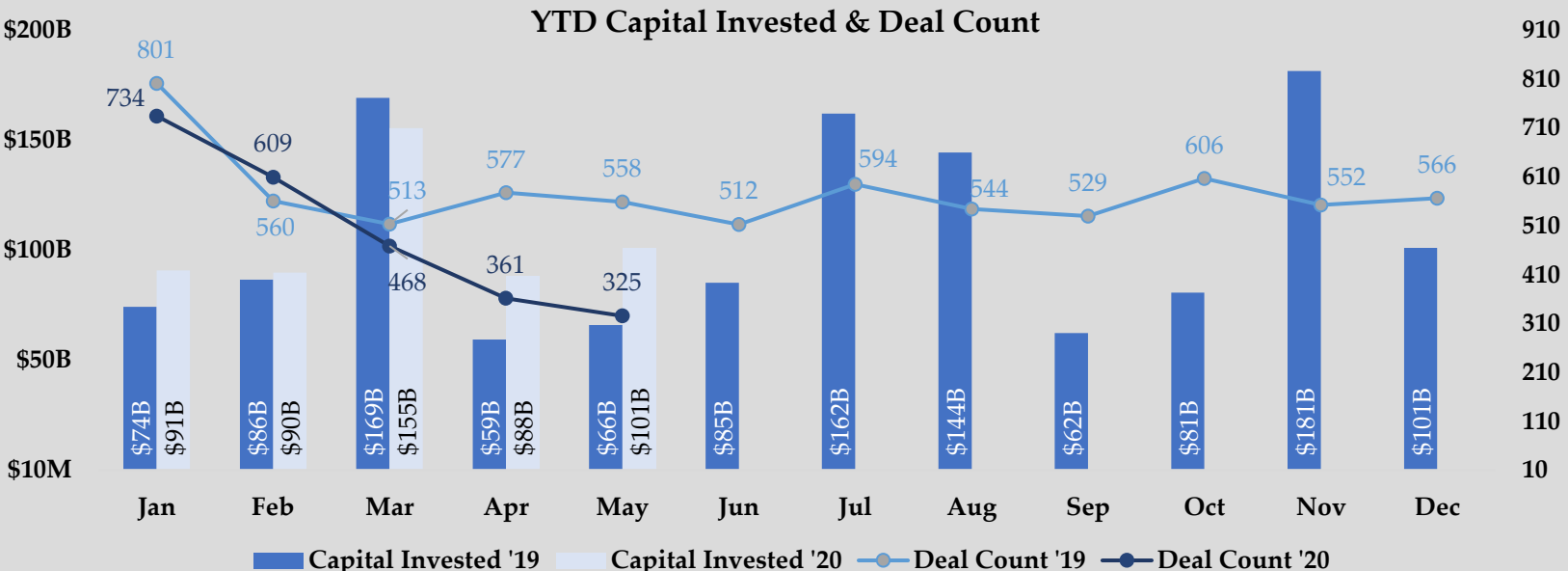
May 2020

## Notable Trends in May 2020

Year-over-year, deal count was down by 41.8% mainly due to the economic impact of COVID-19; however, capital invested increased YOY by 15.3% which was led by AbbVie's acquisition of Allergan for 63 billion, which was officially finalized this month. Deal count was significantly lower

in this month than it was in April, decreasing by 10%.

The EV/EBITDA median multiple increased by 102.6% YOY and 60.7% compared to the previous month, meaning that investors are willing to pay a significant premium for earnings in this climate.

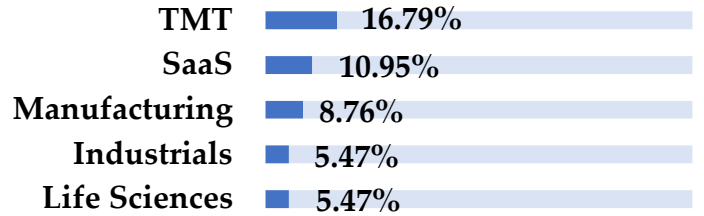


Deal count was relatively flat month over month, indicating that we could be seeing an investment trough at this time.

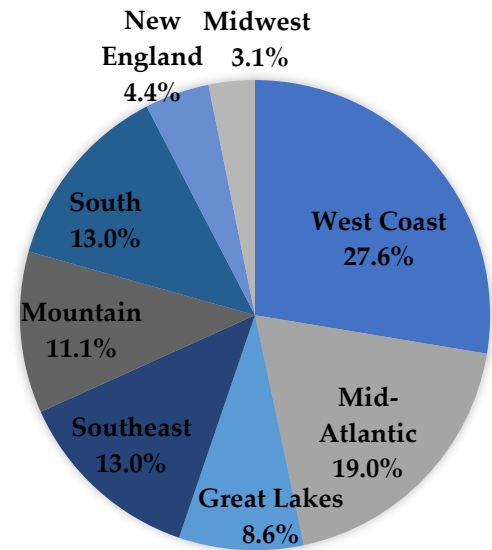
The top two most active verticals in the month of January were Technology, Media, and Telecommunications (TMT) and SAAS at 16.79% and 10.95%, respectively. The financial services segment dominated the most valuable deals of the month with 4 deals totaling almost 18 billion dollars. The largest deal of the month by far was AbbVie's acquisition of Allergan for 63 billion dollars.

The West Coast had the most completed deals at 87 making up right over a quarter of all deals done in the U.S. in April. The acquisition of Allergan by AbbVie means that while the Midwest had a low deal count, it had a great deal of the total capital invested.

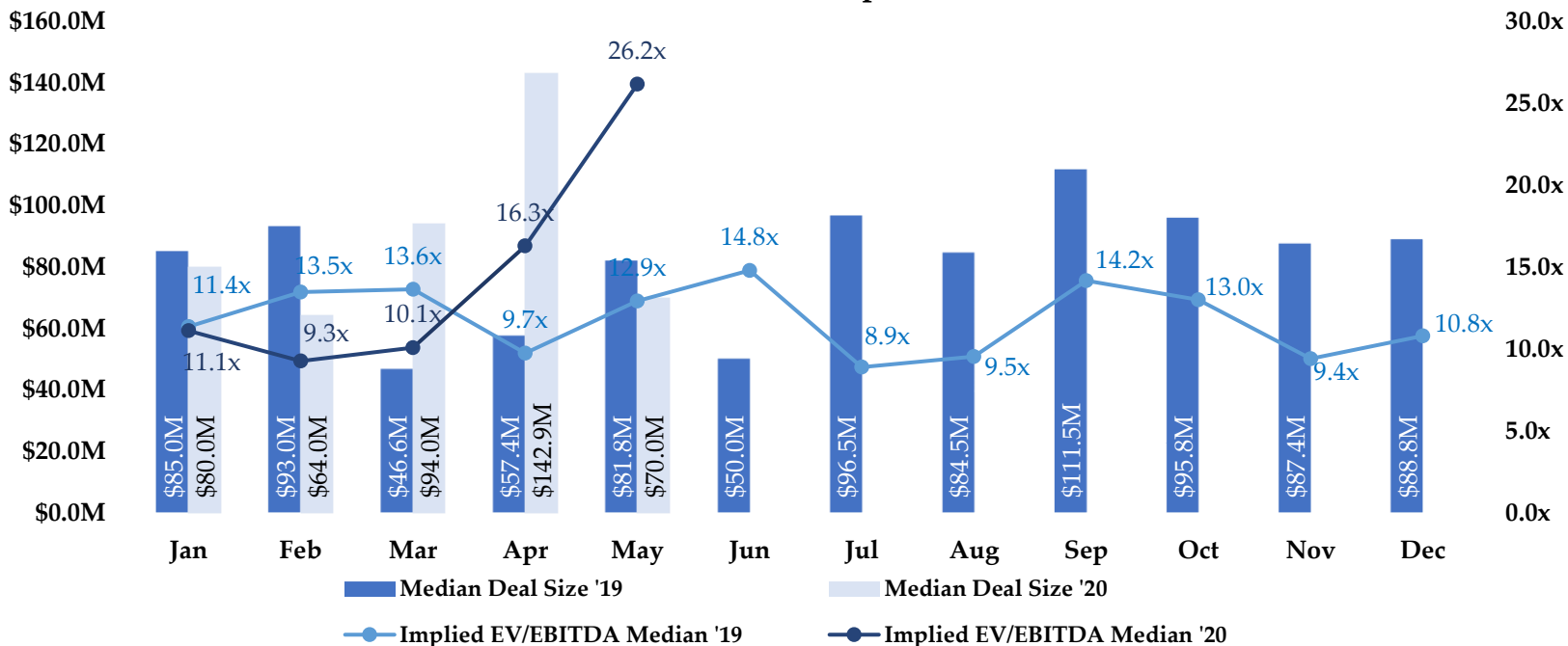
### Top 5 Associated Verticals



### DEAL COUNT PERCENTAGE BY US REGIONS



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



## Selected U.S. Transactions

Deal Date	Buyers/Investors	Target	Company State/Province	Verticals	Deal Size
08-May-2020	AbbVie (NYS: ABBV)(Richard Gonzalez)	Allergan	Dublin, Ireland	Healthcare	63,000.00
12-May-2020		PartnerRe (NYS: PREpF)	Pembroke, Bermuda	Financial Services	9,000.00
29-May-2020	ZF Friedrichshafen(Wolf-Henning Scheider)	Wabco	Bern, Switzerland	Business Products and Services (B2B)	7,400.00
26-May-2020		Texas Capital Bank (NAS: TCBI)	Dallas, TX	Financial Services	5,500.00
18-May-2020	Optum	NaviHealth	Brentwood, TN	Healthcare	2,954.00
04-May-2020		Front Yard Residential (NYS: RESI)	Christiansted, VI	Financial Services	2,300.00
05-May-2020	Alexion (NAS: ALXN)(Ludwig Hantson)	Portola Pharmaceuticals (NAS: PTLA)	South San Francisco, CA	Healthcare	1,410.00
01-May-2020	United Bank (Charleston) (NAS: UBSI)(Richard Adams)	Carolina Financial	Charleston, SC	Financial Services	1,100.00
04-May-2020	Leidos (NYS: LDOS)(Roger Krone)	L3Harris (Airport Security and Automation Business)	Melbourne, FL	Business Products and Services (B2B)	1,000.00
04-May-2020	Intel (NAS: INTC)(Robert Swan)	Moovit	Ness Ziona, Israel	Consumer Products and Services (B2C)	900.00
08-May-2020	Rayonier (NYS: RYN)(David Nunes)	Pope Resources	Poulsbo, WA	Materials and Resources	554.00
04-May-2020	Dairy Farmers of America (GREY: DFRMP)(Rick Smith)	Dean Foods	Dallas, TX	Consumer Products and Services (B2C)	433.00
15-May-2020	Verizon Communications (NYS: VZ)(Hans Vestberg)	BlueJeans	San Jose, CA	Information Technology	400.00
15-May-2020	Facebook (NAS: FB)	Giphy	New York, NY	Information Technology	400.00
01-May-2020		Farelogix	Miami, FL	Information Technology	360.00
06-May-2020	LogistiCare Solutions	National MedTrans Network	Atlanta, GA	Healthcare	305.00
18-May-2020	Huntsman (NYS: HUN)(Scott Wright)	CVC Thermoset Specialties	Moorestown, NJ	Materials and Resources	300.00
02-May-2020	BAE Systems (LON: BA.)(Charles Woodburn)	Raytheon (Airborne Tactical Radios)	Fort Wayne, IN	Business Products and Services (B2B)	275.00
05-May-2020	Sinch (STO: SINCH)(Oscar Werner)	SAP Digital Interconnect	San Ramon, CA	Information Technology	244.98
29-May-2020	MGG Investment Group	GenCanna	Winchester, KY	Materials and Resources	218.00
01-May-2020	Business First Bank (NAS: BFST)(Jude Melville)	Pedestal Bank	Houma, LA	Financial Services	211.20
01-May-2020	DocuSign (NAS: DOCU)(Scott Olrich)	Seal Software	Walnut Creek, CA	Information Technology	188.00

## Transactions Highlights

### Allergan (*Connecticut*)

Allergan PLC is one of the largest specialty pharmaceutical manufacturers. It specializes in aesthetics, ophthalmology, women's health, gastrointestinal, and central nervous system products. The products offered by the company include Botox, Celexa, Fetzima, Refresh, Ozurdex and Zenpep among others. The company was acquired by AbbVie (NYS: ABBV) for \$63 billion on May 8, 2020. The acquisition provides immediate scale and profitability to AbbVie's growth platform, excluding Humira, significantly expanding and diversifying its revenue base with new therapeutic areas, including the company's leading medical aesthetics business.



### Texas Capital Bank (*Texas*)

Texas Capital Bank is a commercial banking institution established in 1998 and headquartered in Dallas, Texas. The bank provides personalized financial services to businesses and individual clients across Texas. Texas Capital Bank's business services division offers services in areas of commercial account information, commercial real estate, energy industry banking, financial institutions, financial services for employees. TCBI also offers healthcare banking, investments, leasing, lender finance, equipment financing, term loans, asset-based lending and, property management. Texas Capital Bank operates as a wholly-owned subsidiary of Texas Capital Bancshares.

### **NaviHealth (Tennessee)**

Provider of post-acute care management services intended to optimize clinical and financial outcomes across the care continuum. The company's services include providing benchmarking and analytics, clinical design and support by utilizing evidence-based protocols and technology-enabled services to help optimize care plans, enabling hospitals to reduce readmission by developing and managing a network of providers to assess and manage patients after hospital discharge.

The company was acquired by Optum, a subsidiary of UnitedHealth Group (NYS: UNH), for an estimated \$2.95 billion on May 18, 2020.



### **Portola Pharmaceuticals (California)**

Portola Pharmaceuticals Inc is a biotechnology company focused on developing and commercializing novel therapeutics. The company focuses on areas of thrombosis, other hematologic disorders, and inflammation for patients who have limited or no approved treatment options. Portola focuses on biomarker or genetic approaches to clinical development that it believes will increase the probability of clinical, regulatory, and commercial success of first-in-class therapies. The company also uses collaborative agreements. The company was acquired by Alexion (NAS: ALXN) for \$1.41 billion on May 5, 2020. The acquisition is a clear strategic fit with Alexion's existing expertise in hematology and neurology allows it to demonstrate global commercial excellence to enhance access and broaden the number of patients helped by Andexxa.



### **GenCanna (Kentucky)**

Producer and developer of hemp genetics and (CBD) cannabidiol formulation intended to deliver wellness and quality of life. The company offers a full suite of packaged, white label products including custom bottled oil drops, pure hemp-derived crystalline cannabidiol (CBD), capsules, and topical creams, providing its customers with products for general and specific health-related uses. The company was acquired by MGG Investment Group, a subsidiary of McCourt Global, for \$218 million on May 29, 2020.

