

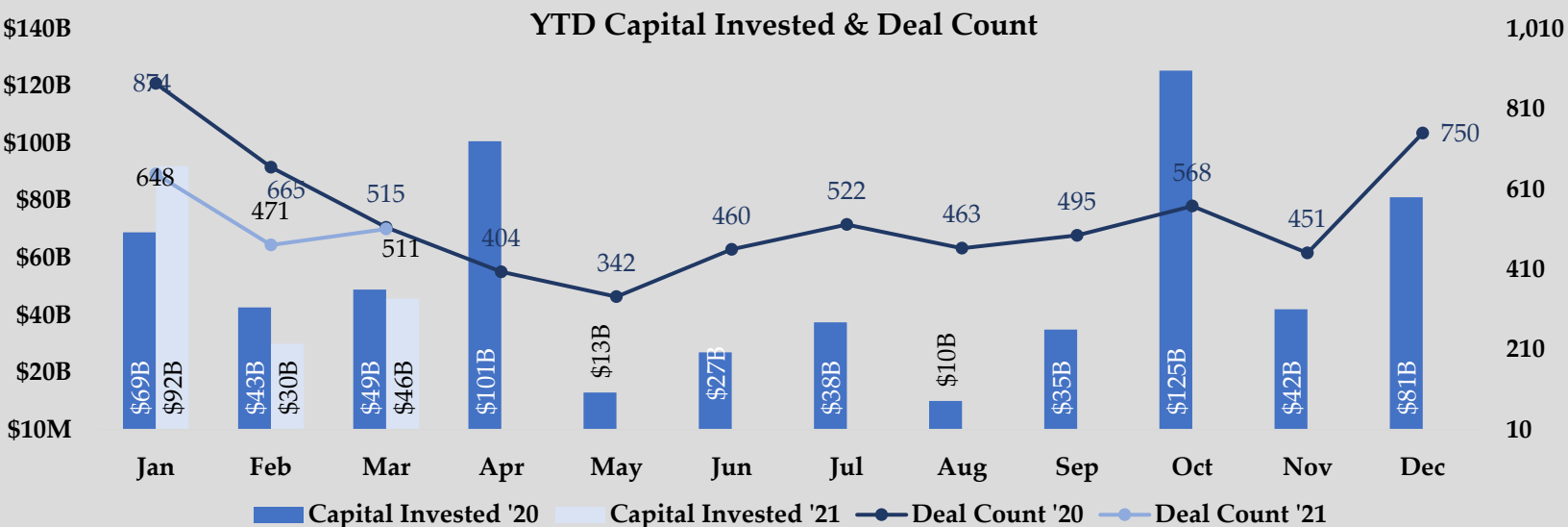
# U.S. M&A Update

March 2021

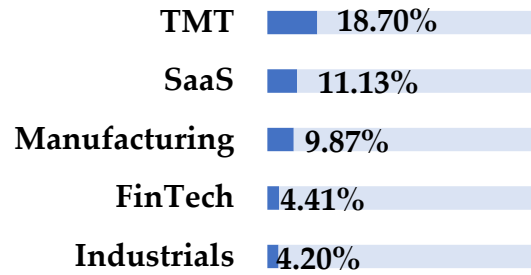
## Notable Trends in March 2021

Year-over-year, capital invested decreased by 6.12% and deal count only by 1.87%. However, when compared to the previous month, both capital invested and deal count increased by 53.3% and 8.49%. This is a strong sign as February represented a sizable decrease in both these categories. Median deal size in the U.S. increased 215.47% year-over-year and 26.1% compared to the prior month. This year-over-year increase shows that even though a similar number of deals are being completed, the median deal size has grown dramatically. The EV/EBITDA median has grown to 10.9x, which is

a 37.97% increase since February. Although this is a significant month-to-month increase, it still shows signs of stabilization compared to last year which saw EV/EBITDA median jump to as high as 21.0x. As we move into April and the start of the second quarter, these trends should start to stabilize as beginning of the year deal count slows.



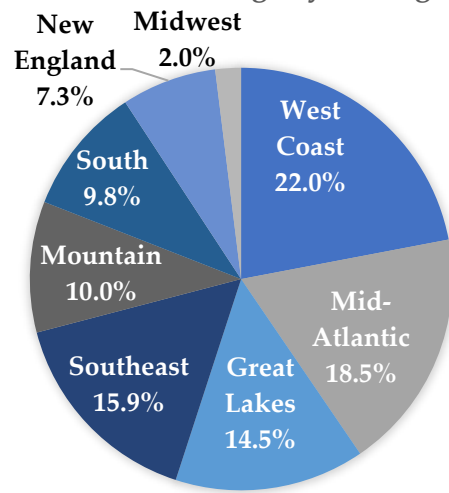
### Top 5 Associated Verticals



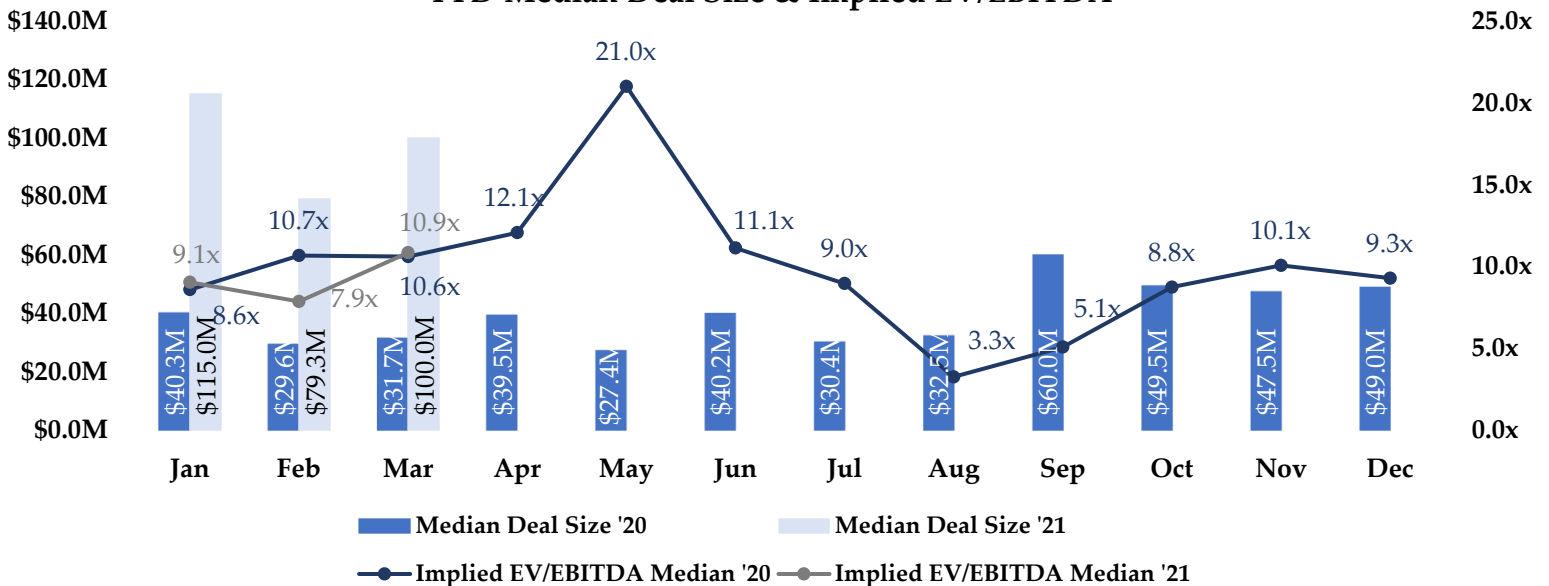
TMT was the most active vertical in March at 8.7% of total deal count, which included seven of the largest twenty-five deals completed this month. The next three verticals, Software as a Service (SaaS), Manufacturing, and FinTech accounted for 1.1%, 9.9%, and 4.4% of deals this month, respectively.

The West Coast led all regions with 112 deals followed by the Mid-Atlantic with 94 deals. The Southeast, Great Lakes, and Mountain regions followed behind with 81, 74, and 51 deals completed in the month of February. The Mid-Atlantic was the home of February's largest deal, which occurred in Maryland for \$7.50 billion.

Deal Count Percentage by US Regions



YTD Median Deal Size & Implied EV/EBITDA



## Selected U.S. Transactions for March

Deal Date	Buyer/Investors	Target/Issuer	Company State/Province	Verticals	Deal Size
09-Mar-2021	Microsoft (NAS: MSFT)(Phil Spencer), Pantheon International	ZeniMax Media	Maryland	Gaming, TMT	7,500.00
01-Mar-2021	Morgan Stanley (NYS: MS)(James Gorman)	Eaton Vance	Massachusetts		7,000.00
01-Mar-2021	Cisco Systems (NAS: CSCO)(David Goeckeler)	Acacia Communications	Massachusetts	Manufacturing, TMT	4,500.00
15-Mar-2021	Horizon Therapeutics (NAS: HZNP)(Timothy Walbert)	Viela Bio	Maryland	Life Sciences	3,050.00
01-Mar-2021	Citrix Systems (NAS: CTXS)(David Henshall)	Wrike	California	CloudTech & DevOps, SaaS	2,250.00
16-Mar-2021	Diamondback Energy (NAS: FANG)(Travis Stice)	QEP Resources	Colorado	Infrastructure, Oil & Gas	2,200.00
08-Mar-2021	Callaway Golf Company (NYS: ELY)(Oliver Brewer)	Topgolf Entertainment Group	Texas		1,707.96
16-Mar-2021	Qualcomm (NAS: QCOM)(Cristiano Amon)	NUVIA	California	Advanced Manufacturing, Manufacturing	1,400.00
01-Mar-2021	Griffin Capital Essential (GREY: GCEA)(Michael Escalante)	Cole Office & Industrial REIT	Arizona		1,200.00
31-Mar-2021	Autodesk (NAS: ADSK)(Andrew Anagnost)	Innovyze	Oregon	TMT	1,000.00
01-Mar-2021	Boston Scientific (NYS: BSX)(Charlie Atflan)	Preventice Solutions	Texas	Digital Health, Life Sciences, LOHAS & W	950.00
29-Mar-2021	Charles River Laboratories (NYS: CRL)(James Foster)	Cognate Bioservices	Tennessee	Manufacturing	875.00
30-Mar-2021	Amgen (NAS: AMGN)(Raymond Deshaies)	Rodeo Therapeutics	Washington	Life Sciences	721.00
10-Mar-2021	Franchise Group (NAS: FRG)(Brian Kahn)	Pet Supplies Plus	Michigan		700.00
18-Mar-2021	Roth CH Acquisition I(Byron Roth)	PureCycle Technologies (NAS: PC	Florida	CleanTech	700.00
31-Mar-2021	Kaiser Aluminum (NAS: KALU)(Keith Harvey)	Alcoa Warrick	Indiana	Manufacturing	670.00
15-Mar-2021	Veracyte (NAS: VCYT)(Bonnie Anderson)	Decipher Urologic Cancers (NAS: D	California	Life Sciences, Oncology, TMT	600.00
31-Mar-2021	Sangoma Technologies (TSX: STC)(William Wignall)	Star2Star Communications	Florida	SaaS, TMT	560.00
24-Mar-2021	TP ICAP (LON: TCAP)(Nicolas Breteau)	Liquidnet	New York	FinTech, SaaS	525.00
01-Mar-2021	Haemonetics (NYS: HAE)(Christopher Simon)	Cardiva Medical	California		510.00
05-Mar-2021	CF Finance Acquisition Corp. II(Howard Lutnick)	View (Smart Glass Maker) (NAS: V	California	Manufacturing	500.00
17-Mar-2021	JD Sports Fashion (LON: JD.)(Peter Cowgill)	DTLR	Maryland		495.00
19-Mar-2021	Agiliti Health (PINX: AGLY)	Northfield Medical	Michigan		475.00
04-Mar-2021	Accolade (NAS: ACCD)(Rajeev Singh)	2nd.MD	Texas	HealthTech, Mobile, SaaS, TMT	460.00
01-Mar-2021	Maximus (NYS: MMS)(Bruce Caswell)	Attain	Virginia	Industrials, TMT	430.00

## March Transaction Highlights

### ZeniMax Media (*Maryland*)

On March 9<sup>th</sup> Microsoft completed its acquisition of ZeniMax Media for \$7.5 billion. In acquiring ZeniMax Media, the parent company of Bethesda Softworks and its eight incredible studios, Microsoft plans to bring the creators of critically acclaimed and best-selling gaming franchises into the Xbox family. With unique investments in content, community, and the cloud, Microsoft's gaming strategy differs from others by empowering people to play the games they want, with the people they want, anywhere they want.



### Eaton Vance (*Massachusetts*)

On March 1<sup>st</sup>, Morgan Stanley finished acquiring Eaton Vance for \$7.0 Billion. Eaton Vance is a leading provider of advanced investment strategies and wealth management solutions with over \$500 billion in assets under management, for an equity value of approximately \$7 billion. The acquisition advances Morgan Stanley's strategic transformation with three world-class businesses of scale: Institutional Securities, Wealth Management and Investment Management.



### Acacia Communications (*Massachusetts*)

On March 1<sup>st</sup>, Cisco Systems completed the acquisition of Acacia Communications for \$4.5 Billion. Acacia designs, manufactures, and sells a complete portfolio of high-speed optical interconnect technologies addressing a range of applications across datacenter, metro, regional, long-haul, and undersea networks. The acquisition of Acacia reinforces Cisco's commitment to optics as a critical building block in their vision for the future of the internet.



### **Viela Bio (Maryland)**

On March 15<sup>th</sup>, Horizon Therapeutics completed the acquisition of Viela Bio for \$3.1 Billion. Viela Bio develops and commercializes therapeutics and medicines for the treatment of patients with autoimmune and severe inflammatory diseases. Horizon adds Viela's research and clinical development along with its deep, mid-stage biologics pipeline to expand their pipeline in order to accelerate long-term growth.



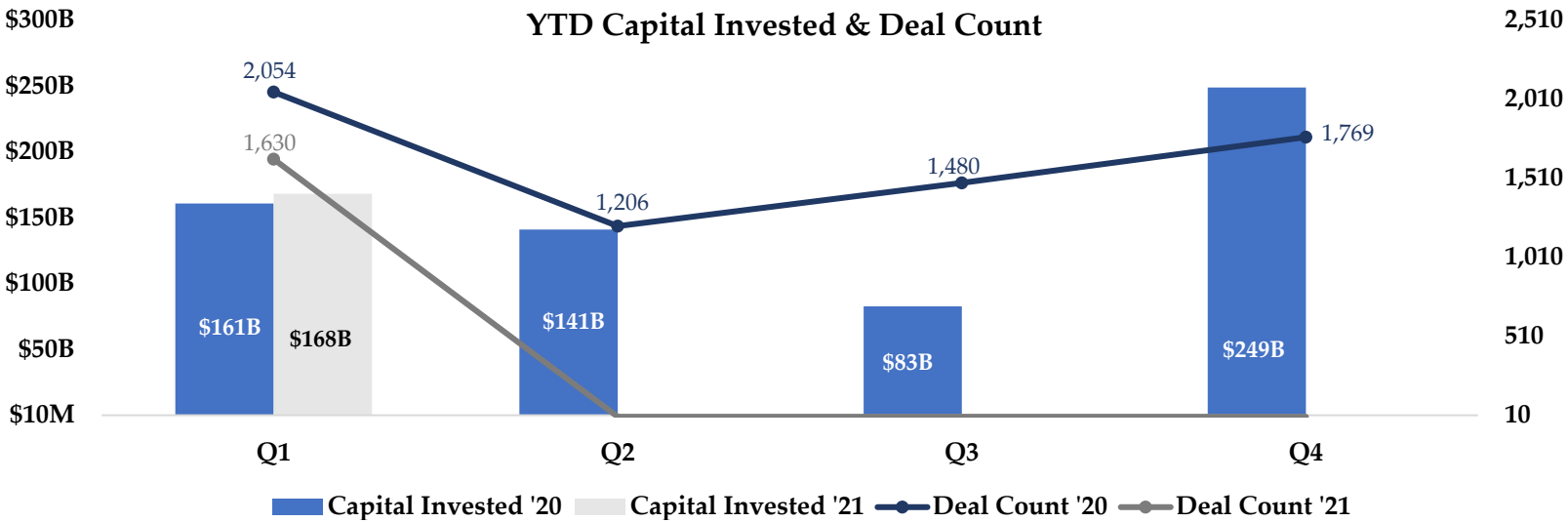
### **Wrike (California)**

On March 1<sup>st</sup>, Citrix Systems completed the acquisition of Wrike for \$2.3 Billion. Wrike is a work management platform that provides teams with full visibility and control over tasks and projects. This acquisition will bring together Citrix's digital work platform and Wrike's innovative work management solution. Furthermore, this acquisition will accelerate Citrix's business model transition to cloud-based technology and strategy to become a complete SaaS-based work platform.



# Notable Trends in Q1

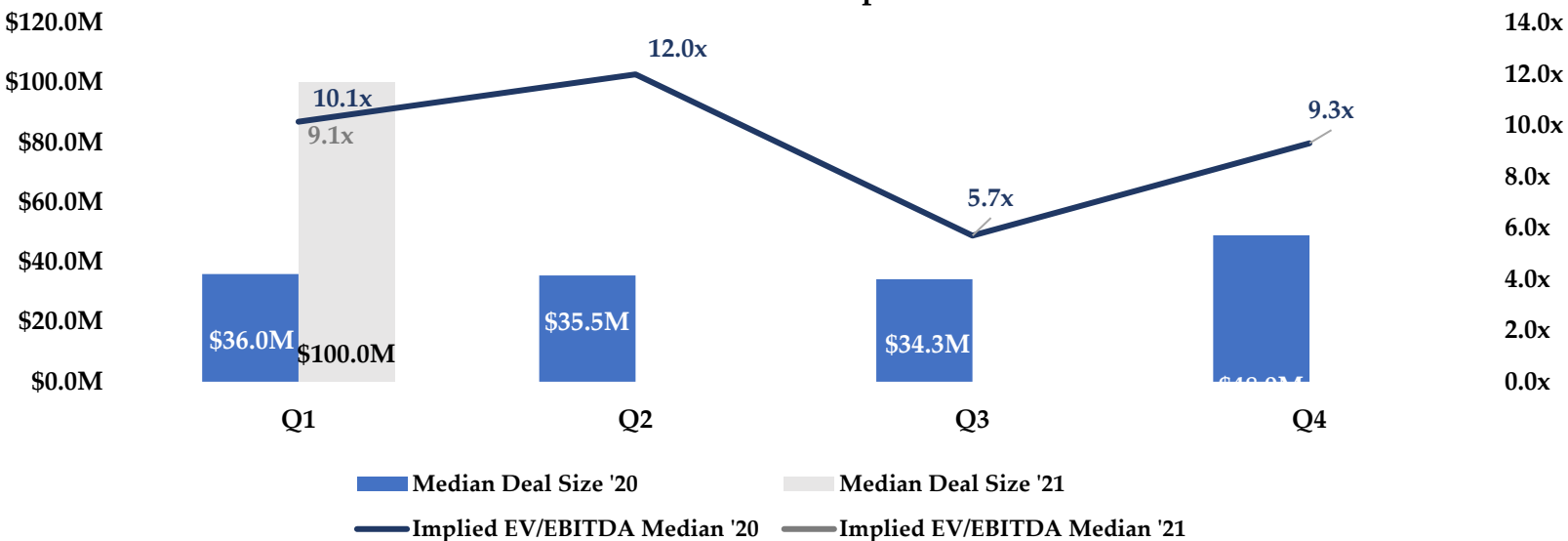
### YTD Capital Invested & Deal Count



As Q1 ended, we saw year-over-year deal count decrease by 20.6% while capital invested increased by 4.2%. Compared to the fourth quarter of 2020, both deal count and capital invested decreased by 7.9% and 32.5%, respectively. This decline in capital invested suggests that the M&A market has slowed down from its rapid pace in Q4 of 2020.

Median deal size was up 177.8% year over year and 104.5% compared to the fourth quarter of 2021. Two deals in the first quarter were over \$10 billion which helps explain this sharp increase. Median EV/EBITDA is down slightly year-over-year and compared to Q4 of 2021.

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





## Selected U.S. Transactions for Quarter 1 2021

Deal Date	Buyer/Investors	Target/Issuer	Company State/Province	Verticals	Deal Size
07-Jan-2021	LVMH Moët Hennessy Louis Vuitton (PAR: MC)(Bernard Arnault)	Tiffany	New York	Manufacturing	15,780.00
29-Jan-2021	London Stock Exchange Group (LON: LSEG)(David Schwimmer)	Refinitiv	New York	FinTech	14,800.00
15-Jan-2021	ConocoPhillips (NYS: COP)(Ryan Lance)	Concho Resources	Texas	Oil & Gas	9,700.00
12-Jan-2021	Pioneer Natural Resources (NYS: PXD)	Parsley Energy	Texas	Oil & Gas	7,600.00
09-Mar-2021	Microsoft (NAS: MSFT)(Phil Spencer), Pantheon International (LON: PIN)	ZeniMax Media	Maryland	Gaming, TMT	7,500.00
01-Mar-2021	Morgan Stanley (NYS: MS)(James Gorman)	Eaton Vance	Massachusetts		7,000.00
01-Mar-2021	Cisco Systems (NAS: CSCO)(David Goeckeler)	Acacia Communications	Massachusetts	Manufacturing, TMT	4,500.00
06-Jan-2021	Allstate (NYS: ALL)(Thomas Wilson)	National General Insurance	North Carolina		4,000.00
05-Jan-2021	NRG Energy (NYS: NRG)(Mauricio Gutierrez)	Direct Energy	Pennsylvania		3,625.00
04-Jan-2021	Empower Retirement(Edmund Murphy)	Massmutual Retirement Services	Massachusetts		3,350.00
15-Mar-2021	Horizon Therapeutics (NAS: HZNP)(Timothy Walbert)	Viela Bio	Maryland	Life Sciences	3,050.00
26-Jan-2021	BridgeBio (NAS: BBIO)(Neil Kumar)	Eidos Therapeutics	California	Life Sciences	2,830.00
01-Feb-2021	Kohlberg Kravis Roberts (NYS: KKR)(Henry Kravis)	Global Atlantic Financial Group	New York		2,820.00
09-Feb-2021	Philips (AMS: PHIA)(Frans Van Houten)	BioTelemetry	Pennsylvania		2,800.00
07-Jan-2021	The E.W. Scripps (NAS: SSP)(Adam Symson)	Ion Media	Florida	TMT	2,650.00
07-Jan-2021	Devon Energy (NYS: DVN)(David Hager)	WPX Energy	Oklahoma	Oil & Gas	2,600.00
04-Jan-2021	Builders Firstsource (NAS: BLDR)(Peter Jackson)	BMC Stock Holdings	Georgia	Manufacturing	2,456.00
04-Jan-2021	Empower Retirement	Massachusetts Mutual Life Insurance	Massachusetts		2,350.00
01-Mar-2021	Citrix Systems (NAS: CTXS)(David Henshall)	Wrike	California	CloudTech & DevOps, SaaS	2,250.00
16-Mar-2021	Diamondback Energy (NAS: FANG)(Travis Stice)	QEP Resources	Colorado	Infrastructure, Oil & Gas	2,200.00
05-Jan-2021	Exact Sciences (NAS: EXAS)(Kevin Conroy)	Thrive Earlier Detection	Massachusetts	Life Sciences, Oncology	2,150.00
14-Jan-2021	Alphabet (NAS: GOOGL)(Rick Osterloh)	Fitbit	California	Digital Health, LOHAS & Wellness, TMT	2,100.00
01-Feb-2021	AdaptHealth (NAS: AHCO)(Luke McGee)	AeroCare Holdings	Florida		2,000.00
01-Feb-2021	Novant Health(Carl Armato)	New Hanover Regional Medical Center	North Carolina		2,000.00
26-Feb-2021	Deutsche Börse Group (ETR: DB1)(Stephan Leithner)	Institutional Shareholder Services	Maryland		1,886.64



## Quarter 1 Transaction Highlights

### Tiffany (New York)

On January 7<sup>th</sup> Moët Hennessy Louis Vuitton completed its acquisition of Tiffany & Co. for \$15.7 billion. Tiffany & Co. is a world-renowned jeweler that will deeply transform LVMH's Watches and Jewellery division, complementing LVMH's 75 distinguished Maisons. The merger has finally been completed nearly 15 months after being announced.



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### Concho Resources (Texas)

On January 15<sup>th</sup> ConocoPhillips completed the acquisition of Concho Resources for \$9.7 Billion. Concho Resources held over \$63 billion in assets and had proved reserves of 5.3 Billion barrels of energy as of Dec. 31, 2019. The combined firm will work to provide affordable energy, generate higher returns on invested capital and demonstrate ESG leadership.

LVMH  
MOËT HENNESSY • LOUIS VUITTON

**TIFFANY & Co.**

### Refinitiv (New York)

In late January, the London Stock Exchange Group finished acquiring Refinitiv for \$14.8 Billion. Refinitiv is a global provider of financial market data and infrastructure. LSEG adding Refinitiv to its portfolio allows LSEG to transform into a global market infrastructure and data group and enhances its offering of data and analytics.

  
**ConocoPhillips**

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### **Parsley Energy (Texas)**

January 12<sup>th</sup>, 2021 Pioneer Natural Resources completed the acquisition of Parsley Energy for \$7.6 Billion. The all-stock acquisition valued at over \$7 billion gives Pioneer, based in Dallas, combined control of nearly 1 million acres across the Permian Basin with positions in both the Delaware and Midland sub-basins. Following closing, the executive management team of Pioneer will lead the combined company with the headquarters remaining in Dallas.



### **ZeniMax Media (Maryland)**

On March 9<sup>th</sup> Microsoft completed its acquisition of ZeniMax Media for \$7.5 billion. In acquiring ZeniMax Media, the parent company of Bethesda Softworks and its eight incredible studios, Microsoft plans to bring the creators of critically acclaimed and best-selling gaming franchises into the Xbox family. With unique investments in content, community, and the cloud, Microsoft's gaming strategy differs from others by empowering people to play the games they want, with the people they want, anywhere they want.