

This Issue:

US M&A News and Trends

- 2 **US Merger Metrics**
- 2 **US Middle Market Monitor**
- 3 **US Sector Activity & Value**
- 4 **Spotlight: Early Look at 2015 Proxy Fights**
- 5 **US Strategic Buyer Report**
- 5 **US Private Equity Report**
- 6 **Top US Advisors**
- 7 **Top US Deals Scoreboard**

U.S. M&A deal activity decreased in May, going down 6.3% with 903 announcements compared to 964 in April. However, aggregate M&A spending increased. In May 100.1% more was spent on deals compared to April.

Over the past 3 months, the sectors that have seen the biggest increases in M&A deal activity, relative to the same three month period one year ago, have been: Technology Services (526 vs. 477), Distribution Services (173 vs. 129), Finance (411 vs. 370), Health Services (144 vs. 125), and Communications (42 vs. 30). Seven of the 21 sectors tracked by FactSet Mergerstat posted relative gains in deal flow over the last three months compared to the same three months one year prior.

Over the past 3 months, the sectors that have seen the biggest declines in M&A deal volume, relative to the same three month period one year ago have been: Commercial Services (443 vs. 476), Consumer Services (207 vs. 234), Producer Manufacturing (171 vs. 195), Consumer Non-Durables (68 vs. 86), and Industrial Services (101 vs. 117). Fourteen of the 21 sectors tracked by FactSet Mergerstat posted negative relative losses in deal flow over the last three months compared to the same three months one year prior, for a combined loss of 198 deals.

Topping the list of the largest deals announced in May are: Charter Communications, Inc. agreeing to acquire Time Warner Cable, Inc. for \$55 billion; Monsanto Co.'s proposal to acquire Syngenta AG for \$44 billion; Avago Technologies Ltd.'s deal to acquire Broadcom Corp. for \$35 billion; The Williams Cos., Inc.'s agreement to acquire the remaining 42% stake not owned in Williams Partners LP for \$13.8 billion; and Danaher Corp. agreeing to acquire Pall Corp. for \$13.6 billion.

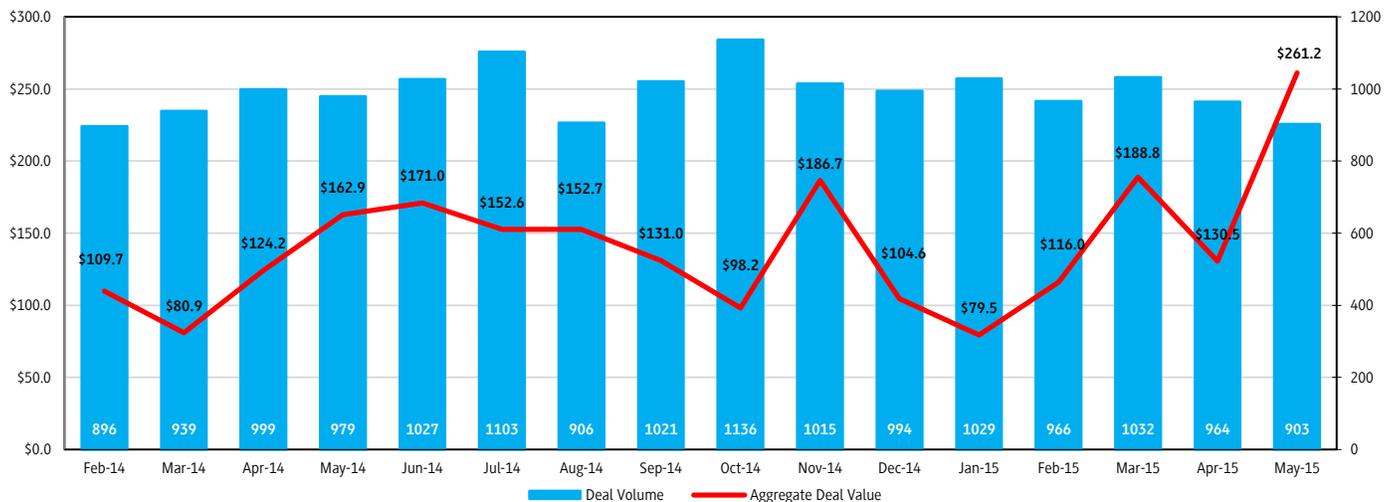
U.S. private equity activity increased in May, up 2.2% from April. There were 93 deals in May compared to 91 in April. However, aggregate base equity decreased, down by 53.6% to \$9.5 billion from April's \$20.4 billion.

Canadian firms were the biggest buyers of U.S. companies in May. They announced 30 deals for the month, with U.K. companies in second with 19 deals, followed by Japan, China, and Germany. The largest deal to purchase a U.S. business was the Singapore-based Avago Technologies Ltd.'s deal to acquire Broadcom Corp. for \$35 billion. U.K. firms were the biggest sellers to U.S. firms with 34 deals, followed by Canada, the Netherlands, and Germany. The largest U.S. deal to acquire a foreign company was Monsanto Co.'s proposal to acquire the Switzerland-based Syngenta AG for \$44 billion.

The top financial advisors for 2015 based on deal announcements, are: Goldman Sachs & Co., Morgan Stanley, JPMorgan Chase & Co, Bank of America Merrill Lynch, and Citigroup. The top five financial advisors, based on the aggregate transaction value of the deals worked on, are: Goldman Sachs & Co., JPMorgan Chase & Co, Morgan Stanley, Bank of America Merrill Lynch, and Citigroup.

The top legal advisors for 2015 based on deal announcements, are: Kirkland & Ellis LLP, Jones Day LP, Skadden, Arps, Slate, Meagher & Flom LLP, Fenwick & West LLP, Sullivan & Cromwell LLP, and Davis Polk & Wardwell LLP. The top five legal advisors, based on the aggregate transaction value of the deals worked on, are: Skadden, Arps, Slate, Meagher & Flom LLP, Sullivan & Cromwell LLP, Davis Polk & Wardwell LLP, Kirkland & Ellis LLP, and Wachtell, Lipton, Rosen & Katz.

The US Mergers & Acquisitions Market Index

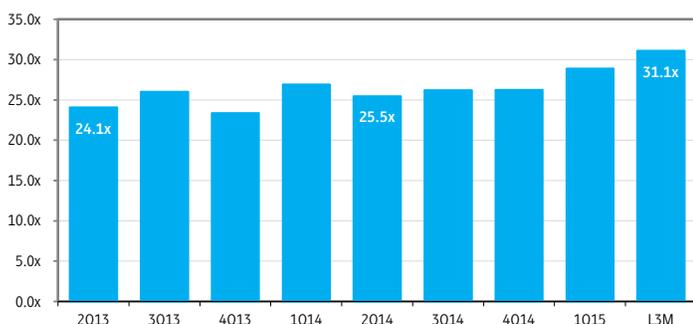


Merger Stats

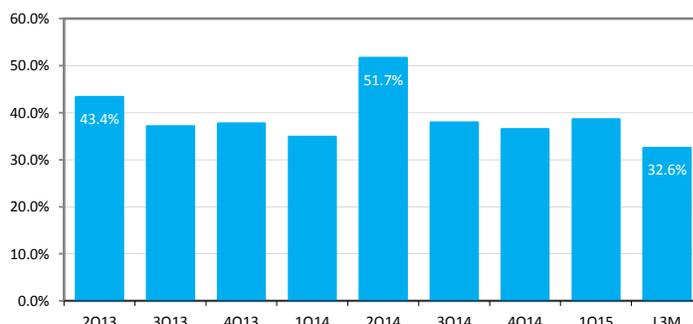
Deal Size	Number of Deals			Agg. Base Equity (\$Bil)			Average P/E
	12 Months Ended			12 Months Ended			
	5/31/15	5/31/14	Change	5/31/15	5/31/14	Change	
\$1 Billion +	311	250	24.4%	\$1,381.7	\$860.7	60.5%	33.8
\$500M to \$999.9M	208	200	4.0%	144.6	140.6	2.8%	31.4
\$250M to \$499.9M	323	280	15.4%	112.5	95.2	18.2%	23.6
\$100M to \$249.9M	500	454	10.1%	80.7	73.2	10.2%	23.0
\$50M to \$99.9M	393	358	9.8%	27.3	25.0	9.4%	23.8
\$25M to \$49.9M	412	371	11.1%	14.6	13.1	11.7%	19.1
\$10M to \$24.9M	505	499	1.2%	8.3	8.1	1.9%	23.6
Under \$10M	871	906	-3.9%	3.1	3.1	-1.0%	21.9
Undisclosed	<u>8,573</u>	<u>7,397</u>	<u>15.9%</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Total	12,096	10,715	12.9%	\$1,772.8	\$1,219.2	45.4%	26.8

M&A at a Glance

AVERAGE P/E

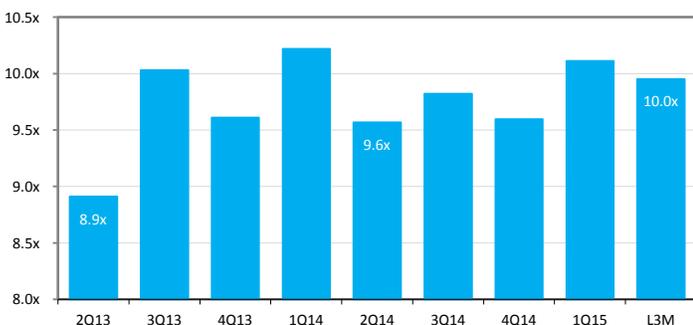


AVERAGE PREMIUM

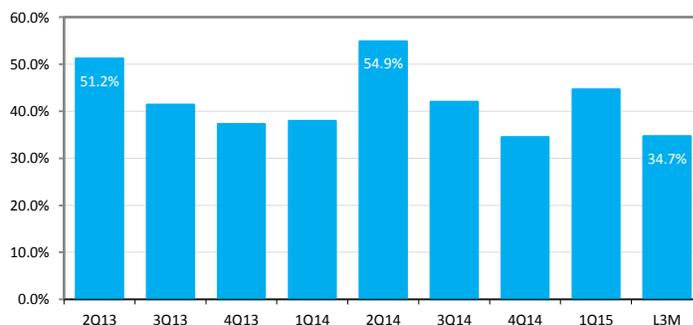


US Middle Market Monitor

AVERAGE EV/EBITDA



AVERAGE PREMIUM



*Middle Market defined as deals valued between \$1 million and \$500 million, plus undisclosed deals.

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SECTOR BY ACTIVITY

Target Sector	L3M 5/31/15 Deal Count	L3M 5/31/14 Deal Count	Difference
Technology Services	526	477	49
Distribution Services	173	129	44
Finance	411	370	41
Health Services	144	125	19
Communications	42	30	12
Government	5	1	4
Miscellaneous	7	5	2
Health Technology	106	108	(2)
Energy Minerals	33	36	(3)
Non-Energy Minerals	36	41	(5)
Process Industries	93	100	(7)
Transportation	59	67	(8)
Electronic Technology	119	129	(10)
Retail Trade	85	95	(10)
Utilities	37	48	(11)
Consumer Durables	33	48	(15)
Industrial Services	101	117	(16)
Consumer Non-Durables	68	86	(18)
Producer Manufacturing	171	195	(24)
Consumer Services	207	234	(27)
Commercial Services	443	476	(33)
Total	2,899	2,917	(18)

SECTOR BY VALUE

Target Sector	L3M 5/31/15 Value	L3M 5/31/14 Value	Difference
Finance	\$99,738.0	\$32,943.3	\$66,794.6
Electronic Technology	58,304.5	14,023.6	44,280.9
Process Industries	58,058.9	13,984.9	44,074.0
Consumer Non-Durables	50,276.1	15,052.3	35,223.8
Energy Minerals	27,646.4	6,552.0	21,094.4
Health Services	26,765.5	6,198.6	20,566.9
Technology Services	38,352.9	20,749.8	17,603.2
Transportation	16,044.6	3,232.8	12,811.7
Health Technology	57,427.6	47,423.6	10,004.0
Industrial Services	14,463.1	4,955.9	9,507.2
Consumer Services	86,533.0	79,408.0	7,125.0
Non-Energy Minerals	1,687.8	1,282.5	405.3
Government	0.0	0.0	0.0
Miscellaneous	0.6	217.3	(216.7)
Commercial Services	17,162.6	18,923.4	(1,760.8)
Distribution Services	8,078.6	11,279.1	(3,200.6)
Consumer Durables	1,327.0	6,594.1	(5,267.2)
Retail Trade	4,282.3	15,030.2	(10,747.8)
Utilities	2,695.0	17,073.1	(14,378.2)
Communications	2,662.6	21,105.6	(18,443.0)
Producer Manufacturing	9,019.8	31,861.5	(22,841.7)
Total	\$580,526.7	\$367,891.6	\$212,635.1

An early look at proxy fight statistics for the 2015 proxy season along with the high profile management victory at E.I. du Pont de Nemours and Company would on the surface provide the impression that companies may have turned the corner against ever increasing activist success. However, a deeper dive into the data shows that activist influence at US corporations continues to rise.

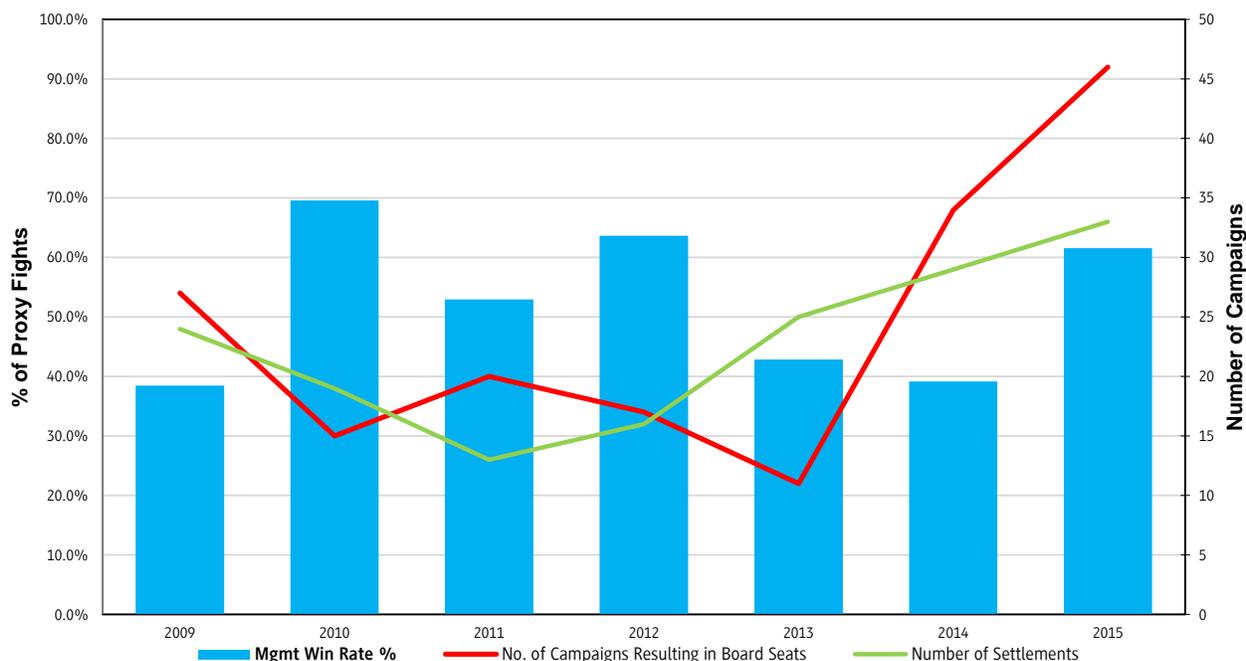
As of June 5th, the company win rate for board seat proxy contests that went to a shareholder vote stands at approximately 62%. That represents a 57% increase over 2014's win rate of only 39%. Additionally, support for activist candidates has also declined this year. Of the proxy contests that went to a vote where vote results have been disclosed, activist candidates have on average received support from approximately 33% of the votes outstanding. Activist candidates were supported by an average of 42% of the outstanding votes in 2014.

Of course, proxy fight votes don't tell the full story. Settlements continue to rise. The 33 proxy fights that have been formally settled (or were withdrawn after the company made material concessions) as of June 5th is the most at this point in any year since FactSet began tracking proxy fights in 2001. More importantly, many companies are choosing to grant activists board seats, often as part of a standstill agreement, before letting an activist situation escalate into a proxy fight. Forty-six non-proxy fight activist campaigns have resulted in a board seat as of June 1st, the most in any comparable period according to FactSet data. In comparison, 34 and 11 such campaigns resulted in board seats in the same period in 2014 and 2013 respectively. The data, which is based on the announcement date that the seat was granted, includes all campaigns where activist investors attained board seats directly or had a material say in the appointment of new independent director(s), that were granted as part of an activist campaign or to prominent activists that were schedule 13D filers but had not publicly agitated at the company.

Among the 2015 non-proxy fight campaigns which resulted in board seats were situations involving prominent activists Elliott Management Corporation at EMC Corporation and The Interpublic Group of Companies, Inc., Starboard Value LP at Staples, Inc., Pershing Square Capital Management LP at Zoetis Inc., Icahn Associates at The Manitowoc Company, Inc., and Triun Fund Management, L.P. at PepsiCo, Inc.

[John Laide](#)

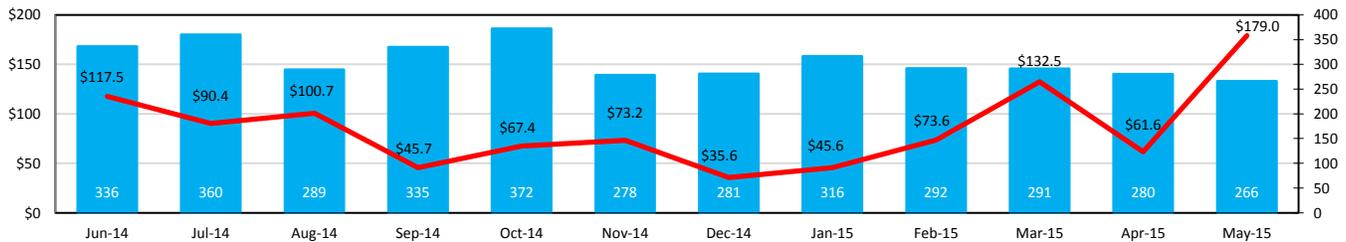
**Management Proxy Fight Win Rate is Up
But So Are Settlements and Non-Proxy Fight Campaigns Resulting in Board Seats**



Merger Stats

Deal Size	Number of Deals			Agg. Base Equity (\$Bil)			Average P/E
	12 Months Ended		Change	12 Months Ended		Change	
	5/31/15	5/31/14		5/31/15	5/31/14		
\$1 Billion +	176	114	54.4%	\$864.5	\$490.8	76.1%	34.2
\$500M to \$999.9M	112	117	-4.3%	77.5	80.5	-3.7%	33.4
\$250M to \$499.9M	191	165	15.8%	66.3	55.6	19.3%	24.0
\$100M to \$249.9M	323	311	3.9%	51.3	50.1	2.5%	24.6
\$50M to \$99.9M	298	284	4.9%	20.8	19.7	5.7%	23.0
\$25M to \$49.9M	314	289	8.7%	11.1	10.1	9.6%	16.8
\$10M to \$24.9M	397	385	3.1%	6.5	6.3	3.8%	26.4
Under \$10M	641	687	-6.7%	2.3	2.4	-4.9%	23.4
Undisclosed	6,885	5,870	17.3%	N/A	N/A	N/A	N/A
Total	9,337	8,222	13.6%	\$1100.4	\$715.5	53.8%	27.4

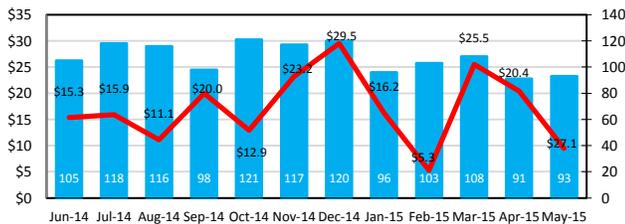
PUBLIC BUYER INDEX LTM 5/31/15



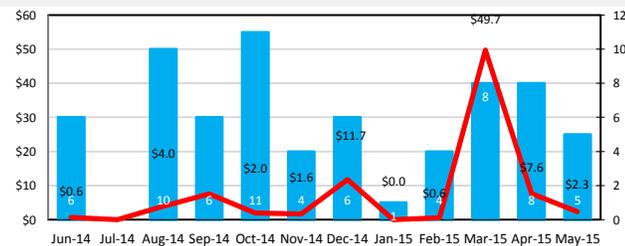
US Private Equity Report

Indices

PE BUYER INDEX: LTM 5/31/15



GOING PRIVATE INDEX: LTM 5/31/15



Top Private Equity Fundraisings: YTD 2015

Open Date	Value (\$Mil)	Fund (Private Equity Sponsor)
9-Jan-2015	\$5,500.0	Lone Star Real Estate Fund IV Lone Star Americas Acquisitions LLC
30-Mar-2015	5,000.0	Alinda Infrastructure Fund III Alinda Capital Partners Ltd.
14-Feb-2015	5,000.0	Dyal Capital Partners III Fund Dyal Capital Partners
6-Mar-2015	4,000.0	TA XII Fund TA Associates Management LP
1-Jan-2015	3,500.0	Brookfield Capital Partners Fund IV Brookfield Special Situations Management Ltd.
13-Jan-2015	3,150.0	New Enterprise Associates 15 Fund New Enterprise Associates LLC
10-Feb-2015	3,000.0	Summit Partners Growth Equity Fund IX Summit Partners LP
1-Jan-2015	3,000.0	TMA/Pathway Private Equity Fund IV LP Pathway Capital Management LP
20-Feb-2015	1,600.0	Kayne Anderson Energy Fund VII LP Kayne Anderson Capital Advisors LP (Private Equity)
20-Mar-2015	1,600.0	Norwest Equity Partners X, LP Norwest Equity Partners

BASED ON US ANNOUNCED DEALS – RANKED BY TRANSACTION VALUE: YTD 2015

Financial Advisor		Transaction Value (\$Mil)*	Total Deals**	Legal Advisor		Transaction Value (\$Mil)*	Total Deals**
1.	Goldman Sachs & Co.	\$275,829.4	84	1.	Skadden, Arps, Slate, Meagher & Flom LLP	\$257,339.4	72
2.	Morgan Stanley	274,608.2	69	2.	Sullivan & Cromwell LLP	237,749.0	46
3.	JPMorgan Chase & Co	254,261.8	73	3.	Davis Polk & Wardwell LLP	200,023.1	46
4.	Bank of America Merrill Lynch	253,731.2	63	4.	Kirkland & Ellis LLP	194,255.7	96
5.	Citigroup	211,512.9	47	5.	Wachtell, Lipton, Rosen & Katz	160,571.3	45
6.	Centerview Partners LLC	209,826.6	18	6.	Latham & Watkins LLP	157,907.4	36
7.	Credit Suisse	196,320.6	45	7.	Fried, Frank, Harris, Shriver & Jacobson LLP	131,020.6	27
8.	Barclays Plc	149,963.9	39	8.	Paul, Weiss, Rifkind, Wharton & Garrison LLP	127,040.8	41
9.	Lazard	121,539.6	42	9.	Simpson Thacher & Bartlett LLP	112,403.8	30
10.	LionTree LLC	98,891.7	5	10.	Cravath, Swaine & Moore LLP	84,227.8	22
11.	Deutsche Bank AG	97,321.6	42	11.	Shearman & Sterling LLP	82,146.2	30
12.	Evercore Partners, Inc.	92,981.5	24	12.	Gibson, Dunn & Crutcher LLP	67,811.4	26
13.	UBS Group AG	87,042.2	19	13.	Baker Botts LLP	66,921.1	18
14.	Allen & Co., Inc.	85,128.7	4	14.	Weil, Gotshal & Manges LLP	56,989.7	44
15.	Greenhill & Co., Inc.	38,460.0	10	15.	Cleary Gottlieb Steen & Hamilton LLP	56,505.8	24
16.	Guggenheim Capital LLC	37,627.4	10	16.	Ropes & Gray LLP	53,215.5	25
17.	Rothschild	32,666.4	23	17.	Wilson Sonsini Goodrich & Rosati	51,444.9	33
18.	Macquarie Group	28,257.4	19	18.	Slaughter & May Ltd.	43,338.2	14
19.	HSBC Holdings Plc	24,951.4	8	19.	Morrison & Foerster LLP	35,531.6	21
20.	Wells Fargo & Co.	23,404.1	16	20.	Clifford Chance LLP	35,352.6	15
21.	RBC Capital Markets	23,199.9	24	21.	Blake, Cassels & Graydon LLP	35,316.9	14
22.	Kimberlite Group LLC	22,928.8	5	22.	Hogan Lovells	32,227.4	32
23.	BNP Paribas SA	22,385.3	8	23.	Jones Day LP	26,126.1	79
24.	Moelis & Co.	21,119.9	24	24.	Dechert LLP	24,991.1	13
25.	PJT Partners LP	16,870.0	2	25.	Covington & Burling LLP	22,857.5	13
26.	Jefferies LLC	15,499.5	30	26.	Akin, Gump, Strauss, Hauer & Feld LLP	21,846.1	17
27.	William Blair & Co. LLC	13,391.5	28	27.	Freshfields Bruckhaus Deringer LLP	21,817.3	6
28.	The Blackstone Group LP	12,649.7	5	28.	Baker & McKenzie LLP (Illinois)	21,715.4	7
29.	Qatalyst Group LP	12,590.4	7	29.	Richards, Layton & Finger PA	18,077.3	3
30.	Houlihan Lokey	10,492.1	43	30.	Debevoise & Plimpton LLP	17,617.9	22
31.	KPMG International	8,295.5	37	31.	Allen & Overy LLP	17,384.8	30
32.	Sandler O'Neill & Partners	7,735.1	30	32.	Willkie Farr & Gallagher LLP	17,209.5	21
33.	Davy Corporate Finance Ltd.	7,531.2	1	33.	De Brauw Blackstone Westbroek NV	16,033.0	2
33.	FEXCO Group	7,531.2	1	34.	Proskauer Rose LLP	14,749.7	15
35.	Huatai Securities Co., Ltd.	7,366.5	1	35.	Alston & Bird LLP	14,721.6	19
35.	Southwest Securities Co., Ltd.	7,366.5	1	36.	Cadwalader, Wickersham & Taft LLP	14,700.3	4
37.	Peter J. Solomon Co.	6,993.3	3	37.	Squire Patton Boggs (US) LLP	14,299.7	16
38.	Nomura Securities Co., Ltd.	6,721.1	6	38.	Debevoise & Plimpton Ltd.	13,700.3	2
39.	LFCM Holdings LLC	6,296.0	2	39.	White & Case LLP	11,879.4	6
40.	Bank of Montreal	6,101.5	9	40.	Morgan, Lewis & Bockius LLP	10,842.2	8
41.	Tudor, Pickering, Holt & Co. LLC	5,959.4	2	41.	Sabin Bermant & Gould LLP	10,623.0	1
42.	Leerink Partners LLC	4,930.5	2	42.	Herbert Smith Freehills LLP	10,009.0	7
43.	Union Square Advisors LLC	4,586.4	3	43.	Stikeman Elliott LLP	8,970.7	30
44.	Oakley Capital Ltd.	4,047.7	2	44.	Axinn, Veltrop & Harkrider LLP	8,510.2	1
45.	Petrie Partners Securities LLC	3,635.9	1	45.	Vinson & Elkins LLP	8,063.9	16
46.	Piper Jaffray Cos.	3,537.9	12	46.	Paul Hastings LLP	8,052.4	21
47.	Raymond James Financial, Inc.	3,480.7	24	47.	Arthur Cox & Co. (UK)	7,531.2	1
48.	Mizuho Financial Group, Inc.	3,000.0	4	48.	Goodwin Procter LLP	7,326.4	19
49.	Simmons & Company International	2,598.9	12	49.	Mayer Brown LLP	7,232.5	8
50.	Arma Partners LLP	2,498.0	9	50.	Osler, Hoskin & Harcourt LLP	7,231.3	6

* Transaction Value is the aggregate base equity plus the target's net debt, where applicable.

** Total Deals includes deals that reported a deal value as well as those that did not.

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Rank	Seller (Unit Sold) Financial Advisor Legal Advisor	Buyer Financial Advisor Legal Advisor	Transaction Value** (\$Mil)	Seller Sector
1	Time Warner Cable, Inc. Allen & Co., Inc. Centerview Partners LLC Citigroup Morgan Stanley <i>Latham & Watkins LLP</i> <i>Paul, Weiss, Rifkind, Wharton & Garrison LLP</i> <i>Skadden, Arps, Slate, Meagher & Flom LLP</i>	Charter Communications, Inc. Bank of America Merrill Lynch Credit Suisse Goldman Sachs & Co. LionTree LLC <i>Fried, Frank, Harris, Shriver & Jacobson LLP</i> <i>Kirkland & Ellis LLP</i> <i>Wachtell, Lipton, Rosen & Katz</i>	\$55,090.3	Consumer Services
2	Kraft Foods Group, Inc. Centerview Partners LLC <i>Davis Polk & Wardwell LLP</i> <i>Sullivan & Cromwell LLP</i>	H.J. Heinz Co. Lazard <i>Cravath, Swaine & Moore LLP</i> <i>Kirkland & Ellis LLP</i>	\$45,784.7	Consumer Non-Durables
3	Syngenta AG Goldman Sachs & Co. UBS Group AG	Monsanto Co. Morgan Stanley	\$45,368.9	Process Industries
4	Broadcom Corp. Evercore Partners, Inc. JPMorgan Chase & Co. <i>Davis Polk & Wardwell LLP</i> <i>Morrison & Foerster LLP</i> <i>Paul, Weiss, Rifkind, Wharton & Garrison LLP</i> <i>Skadden, Arps, Slate, Meagher & Flom LLP</i> <i>Sullivan & Cromwell LLP</i>	Avago Technologies Ltd. Bank of America Merrill Lynch Barclays Plc Citigroup Credit Suisse Deutsche Bank AG <i>Latham & Watkins LLP</i>	\$35,046.7	Electronic Technology
5	Pharmacyclics, Inc. Centerview Partners LLC JPMorgan Chase & Co. <i>Wilson Sonsini Goodrich & Rosati PC</i>	AbbVie, Inc. Morgan Stanley <i>Davis Polk & Wardwell LLP</i> <i>Wachtell, Lipton, Rosen & Katz</i>	\$19,465.1	Health Technology
6	Hospira, Inc. Morgan Stanley <i>Davis Polk & Wardwell LLP</i> <i>Skadden, Arps, Slate, Meagher & Flom LLP</i>	Pfizer Inc. Guggenheim Securities LLC JPMorgan Chase & Co. Lazard <i>Clifford Chance LLP</i> <i>Gibson, Dunn & Crutcher LLP</i> <i>Ropes & Gray LLP</i>	\$15,398.2	Health Technology
7	Williams Partners LP Evercore Partners, Inc. <i>Baker Botts LLP</i>	The Williams Cos., Inc. Barclays Plc <i>Gibson, Dunn & Crutcher LLP</i> <i>Shearman & Sterling LLP</i>	\$13,799.5	Energy Minerals
8	Pall Corp. Goldman Sachs & Co. <i>Fried, Frank, Harris, Shriver & Jacobson LLP</i> <i>Shearman & Sterling LLP</i>	Danaher Corp. Citigroup <i>Skadden, Arps, Slate, Meagher & Flom LLP</i>	\$13,576.8	Health Technology
9	Catamaran Corp. <i>Baker & McKenzie Ltd.</i>	PacificCare Health Systems, Inc.; OptumRx, Inc. Bank of America Merrill Lynch JPMorgan Chase & Co. Morgan Stanley <i>Blake, Cassels & Graydon LLP</i> <i>Squire Patton Boggs (US) LLP</i> <i>Sullivan & Cromwell LLP</i>	\$12,760.9	Health Services
10	Salix Pharmaceuticals Ltd. Centerview Partners LLC JPMorgan Chase & Co. <i>Cadwalader, Wickersham & Taft LLP</i> <i>Covington & Burling LLP</i> <i>Debevoise & Plimpton Ltd.</i> <i>Willkie Farr & Gallagher LLP</i>	Valeant Pharmaceuticals International, Inc. Deutsche Bank AG HSBC Holdings Plc <i>Skadden, Arps, Slate, Meagher & Flom LLP</i> <i>Sullivan & Cromwell LLP</i>	\$11,115.0	Health Technology
**Total Market Value of Top 10 Deals YTD			\$267,406.1	