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2019 Global M&A Outlook

Unlocking value in a dynamic market

J.P.Morgan

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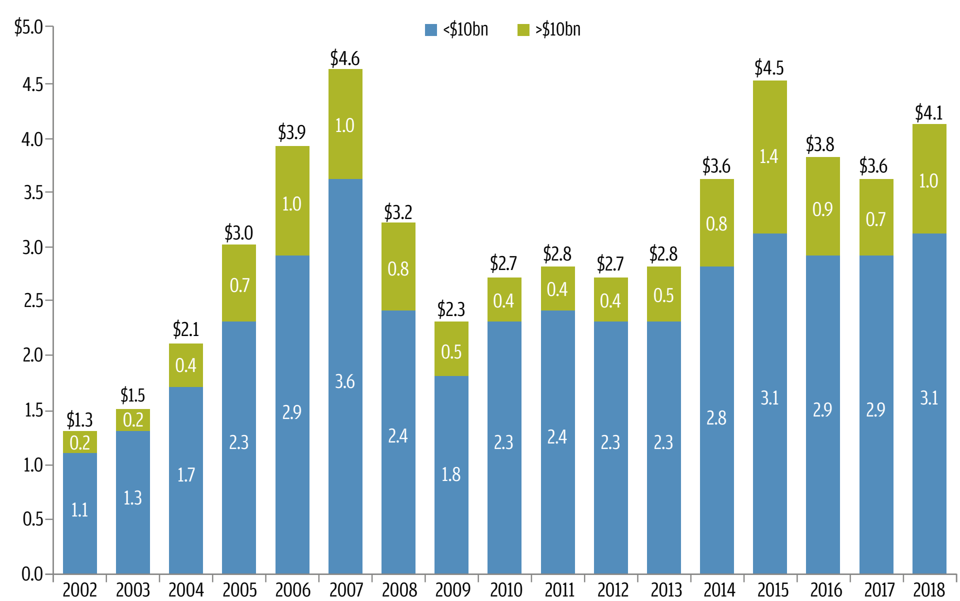
2018 – The year in review

The global M&A market remained strong in 2018 with announced transaction volumes reaching $4.1 trillion, the third highest year ever for M&A volumes. Announced volume in the first half of 2018 was robust, representing the second highest first half of all time ($2.4 trillion). Activity was largely driven by "megadeals" (greater than $10 billion in size). Thirty megadeals were announced in the first six months of 2018 – the highest first-half megadeal count on record – compared with 14 deals in the first half of 2017. The number of megadeals began to normalize throughout the second half of the year, although they continued to be a significant driver of activity in 2018 (overall up 38%, 44 deals in 2018 compared with 32 in 2017, the second highest in the past 10 years).

While megadeals were a large driver of M&A announced dollar volumes in 2018, the count for deals greater than $250 million also increased by 7% from 2017, with activity remaining robust across all deal types. Activity was brisk across domestic and international deals, strategic and private equity, and across all sectors, with technology (17%) and healthcare (12%) representing the largest contributors to global volume in 2018. Private equity funds continued to have ample "dry powder" and deployed this capital throughout 2018; sponsor buy-side volume was up 9% YOY.

Global M&A volumes 2002-18 ($tn)



Number of deals greater than $10bn

9	9	15	33	48	46	34	23	16	20	18	19	35	55	35	32	44

Number of deals greater than $250mm

939	991	1,333	1,678	2,230	2,765	1,893	1,293	1,789	1,845	1,843	1,912	2,108	2,293	2,164	2,151	2,298

Source: Dealogic data as of 12/31/18

Several of the key drivers and catalysts of M&A have continued from prior years. Positive global growth, improving cash flows, strengthening balance sheets, low cost of debt, investor support and CEO confidence all continued to boost M&A activity. The biggest new tailwind this year was the implementation of tax reform in the U.S., which helped generate incremental cash flows and provided access to overseas funds.

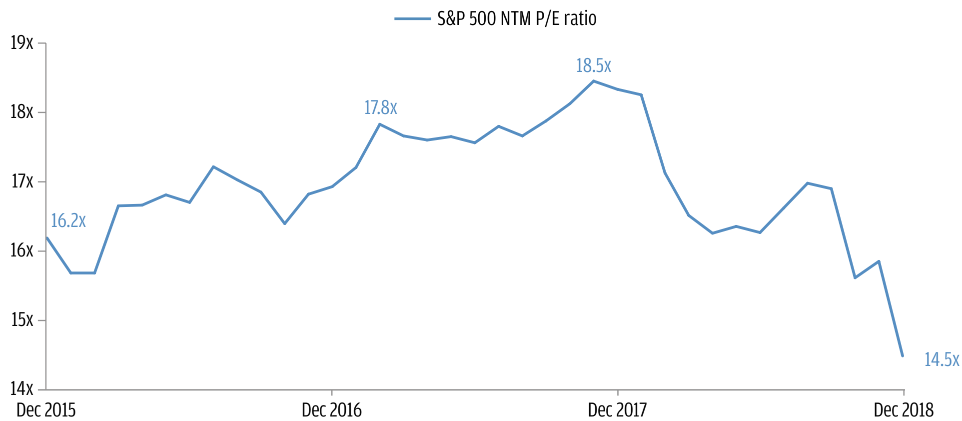
Innovation, disruption and the need for growth also contributed to M&A activity, driving change across industries, geographies and organizations. An accelerating rate of disruption has driven the need to act with urgency. As a result, new consumption patterns, new platforms and new business models are resetting the basis of competition, redistributing industry economics and reallocating value. We've seen a drastic increase in the technology sector over the past decade, more than doubling its share of the overall M&A market (from 6% in 2007 to 17% in 2018) as the sector continues to innovate to meet changing demands.

While geopolitical uncertainty was prominent throughout the year and created many headlines, it had limited effect on deal volumes in the first half of the year but may have contributed to the deceleration of activity toward the end of 2018. Meanwhile, cross-border M&A volume remained strong, accounting for 30% of the total M&A market, but with a different mix: China outbound M&A continued to decline (down 23% YOY), while Japan outbound M&A was robust throughout the year, with a record $184 billion in announced volume and a record number of deals larger than $1 billion (30 deals in 2018 versus 18 in the previous year). However, Japan's activity benefitted disproportionately from Takeda Pharmaceutical's acquisition of Shire for $81 billion.

The regulatory environment remained challenging as large deals took longer to close, including Monsanto/Bayer (746 days), Linde AG/Praxair (681 days) and Time Warner/AT&T (601 days), or were withdrawn entirely in the case of Qualcomm/Broadcom, NXP/Qualcomm and Ant Financial/MoneyGram. Meanwhile, regulation of foreign investment in the U.S. continued to increase as Congress expanded the range of transactions governed by the Committee on Foreign Investment in the U.S. (CFIUS) in August.

The U.S. equity market continued to climb throughout 2018 and reached record levels. However, its performance in Q4 partially relieved investor concerns on overpaying for assets and has presented buying opportunities for potential acquirers. After the P/E ratio of the S&P 500 hit its peak at the beginning of 2018, its pullback has allowed potential acquirers to pay a premium without breaking new ground on price.

Q4 2018 market decline has led to valuation levels decreasing to a three-year low



Source: FactSet as of 12/31/18

2018 takeaways

- **A resilient M&A market:**
  - The 2018 global M&A market posted $4.1 trillion in announced volumes in 2018, up 16% from $3.6 trillion in 2017, largely driven by robust activity in the first half of the year
  - Good strategic dialogue and high CEO/Board confidence kept the M&A market healthy overall
- **Megadeals were back:** Deal count $10 billion and above was up 38% from 32 deals in 2017 to 44 deals in 2018, with roughly two-thirds announced in the first six months of the year
- **Geopolitical and regulatory concerns, little tangible impact:** While geopolitical uncertainty was prominent throughout the year and the regulatory environment remained challenging, they had limited effect on deal volumes for the majority of 2018. However, these concerns may have contributed to the deceleration of M&A activity toward the end of the year
- **Cross-border activity continued to remain robust:** Cross-border transaction volume in 2018 was up 23% to $1.2 trillion, representing 30% of global M&A volume versus 28% in 2017
- **Cautious optimism, but with increased uncertainty in Q4 2018:**
  - Multiples plateaued toward the end of the year in 2018 and were particularly impacted by the recent stock market volatility. While this volatility motivated some companies to pursue M&A transactions at more attractive multiples, others chose to delay until the unpredictability in trading subsides
  - Investors started to factor "downside cases" into their analyses in light of potential cyclical economic headwinds

2019 – The year ahead

In 2019, we expect corporate clarity to be one of the key themes driving M&A activity as pressure remains on companies to review their business structures and unlock value. While many of the effects of tax reform and repatriated cash were used for share repurchases and dividends in 2018, it is anticipated that boards will also deploy extra cash for acquisition-driven growth.

Regulatory and geopolitical headwinds are likely to persist in 2019 as well as macroeconomic uncertainty; however, M&A activity is expected to remain strong. The lengthy regulatory process tends to affect transformational megadeals. In 2018, deals over $10 billion made up only 6% of the number of announced deals over $1 billion. We anticipate activity in $1 billion-$10 billion deals will continue to be robust and drive the M&A market.

Shareholder activism has solidified itself as a permanent investment strategy in the international financial markets and is expected to drive further focus on core operations across companies globally. We have seen activists disrupt traditional businesses in the U.S. and Europe and expect similar strategies to take on a more global scale.

Alternative sources of capital, including sovereign wealth funds and family offices, will continue to raise funds at a rapid pace. This new money can be deployed in unconventional ways to facilitate M&A transactions, leading to more options for both buyers and sellers in 2019.

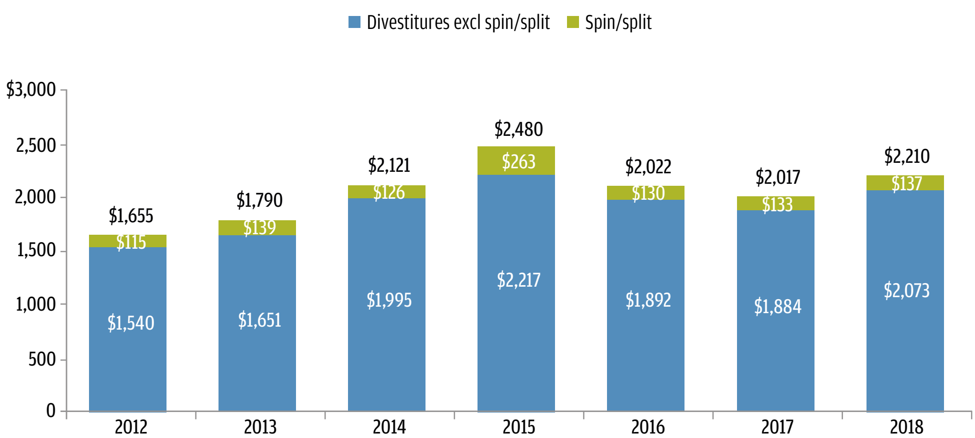
2019 key themes

- **Corporate clarity:** Companies will continue to realize the benefits of unlocking value and refocusing on core assets through divestiture activity, including spin-offs and split-offs, further catalyzed by increased activist pressure
- **Capital allocation strategy:** While many U.S. companies deployed much of their excess cash in share repurchases and dividends in 2018 as a result of tax reform, we expect companies will continue to engage in M&A to drive shareholder value
- **Impact of cross-border regulations:** Regulatory and geopolitical uncertainty could present a headwind to M&A activity in 2019 for transformational megadeals (greater than $10 billion), but expect the market to be fueled by $1 billion-$10 billion deal activity globally
- **Activism:** Shareholder activism is expected to persist as activists continue to seek attractive risk-reward opportunities outside the U.S. and as they focus on catalyzing strategic and operational change at companies with increasingly complex campaigns
- **Alternative sources of capital:** Continuing emergence of alternative sources holding capital yet to be deployed will continue to stimulate the M&A market by expanding the universe of buyers and increasing competitive tension, leading to higher asset values

2. Corporate clarity

Companies will continue to realize the benefits of unlocking value and refocusing on core assets through divestiture activity, including spin-offs and split-offs, further catalyzed by increased activist pressure.

Global divestitures and spin/split announced volume ($bn)



Source: Dealogic as of 12/31/18
Note: For spins/splits, based on completion date when SpinCo starts trading unless deal value disclosed at time of announcement and deal value based on SpinCo's enterprise value (if debt value not disclosed, will be based on equity value). Divestiture defined as transactions where a company is selling assets, a stake or entirety of another company.

In 2018, companies took advantage of a confluence of factors to drive divestiture and corporate clarity. We expect this trend to continue and even expand in 2019.

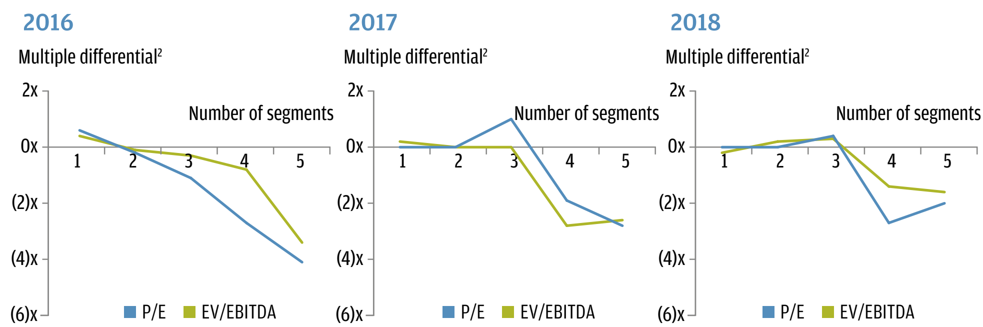
Factors driving divestitures:

- The market is rewarding spin-offs and split-offs with higher valuations while continuing to enforce a conglomerate discount
- Activist pressure for corporate clarity is continuing
- A lower U.S. corporate tax rate is decreasing tax leakage from taxable divestitures by U.S. companies
- Higher valuations are encouraging companies to monetize assets
- Financial buyers with excess capital waiting to be deployed are willing to consider higher multiples and lower return thresholds on prospective investments

Investors have been demonstrating continued preference for streamlined corporate structures in conjunction with adverse reactions toward companies with excess complexity. Data shows that firms with more than three reported segments trade at lower multiples than their more simplified peers, and this trend has consistently manifested itself over the past several years. Furthermore, as compared to five years ago, the ratio of acquisitions of targets in the same industry as the buyer has increased, suggesting that firms are placing greater emphasis on increasing scale within a sector, rather than diversifying into new business areas.

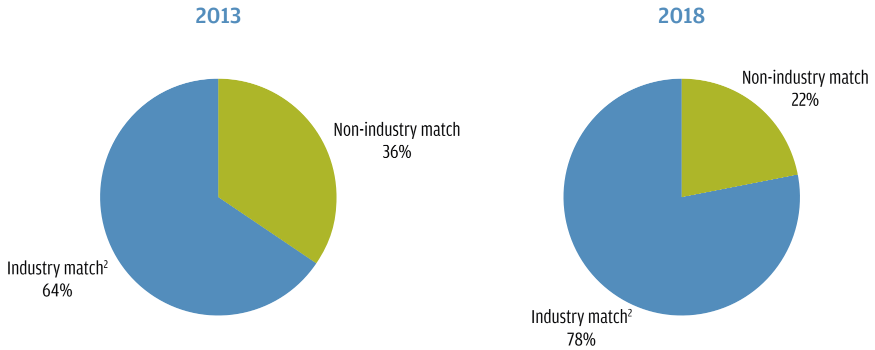
Additionally, corporations are facing increasing pressure to maintain performance and earnings results with punitive outcomes for companies that fail to achieve projections. Therefore, companies are continuing to streamline business models to focus on core, dependable businesses that generate consistent results.

Scale vs. diversity[1]
After segments increase past a certain point, valuation decreases



Sources: J.P. Morgan Corporate Finance Advisory, Bloomberg, FactSet, Dealogic
[1] Sample population includes all S&P 500 companies.
[2] Y-axis is the difference between the median multiple of all firms in the sector and the median multiple of firms with certain number of segments.

Comparison between 2013 and 2018 buyer-target industry relation[1]

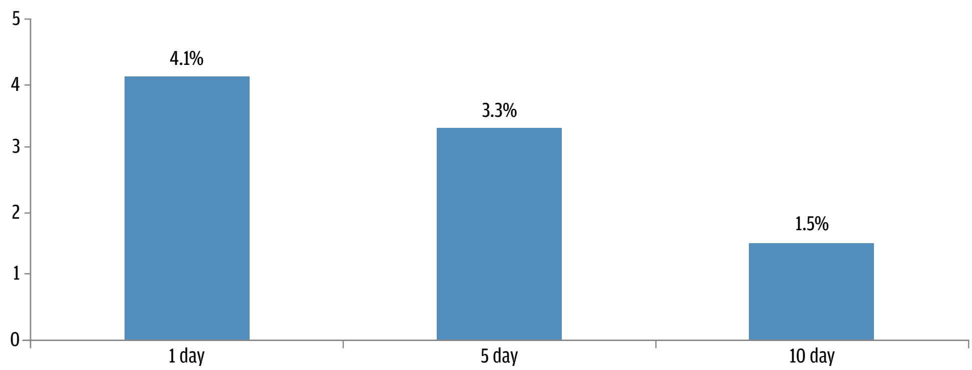


Sources: J.P. Morgan Corporate Finance Advisory, Bloomberg, FactSet, Dealogic
[1] Sample includes public U.S. companies for both buyer and target.
[2] Industry classification using Standard Industrial Classification (SIC), a four-digit classification code used by government departments to categorize industries.

Before 2018 in the U.S., tax-free spin-offs represented an advantageous method of achieving corporate clarity due to the 35% federal corporate tax rate applicable to taxable dispositions. However, a variety of favorable changes in U.S. corporate tax law have increased the attractiveness of taxable sales for cash. Lower corporate tax rates have further been bolstered by immediate tax deductibility of acquired tangible assets and a more tax-friendly approach to foreign subsidiaries that now provide companies multiple options to achieve their corporate clarity objectives. 2018 saw a meaningful year-over-year increase in corporate divestitures of 10%, and we expect this trend to continue in 2019 as corporations further settle into the friendlier taxpayer regime.

In both the U.S. and globally, a number of large conglomerates furthered their corporate clarity objectives through spin-offs and corporate transformations. In the U.S., General Electric, United Technologies and Honeywell were among several large industrial conglomerates that announced corporate separations, while Eli Lilly and Danaher also announced significant corporate clarity spin-offs. The newly merged DowDupont Company continued progress toward its separation into three new innovative and focused companies. In Europe, Siemens carved out its healthcare business into a separately listed company and Bayer completed the separation of its Covestro chemical business. Investor reactions to 2018 announced spin-offs continue to support the thesis that investors prefer and reward corporate clarity.

Market reaction to 2018 separation announcements by S&P 500 companies (%)



Sources: Bloomberg, FactSet, company filings as of 12/31/18
Note: Market reaction defined as price return of company stock less price return of the company's GICS Sector; "1 day" reflects the market reaction on the announcement date; "5 day" and "10 day" reflect the market reaction 5 and 10 trading days following the announcement; Median values shown.

While the tax-driven rationales do not apply for non-U.S. companies, we nevertheless see the corporate clarity trend continuing to strengthen around the globe. Activists continue to help catalyze the push for corporate clarity and have taken on an increasingly global presence. As the low-hanging fruit of capital allocation and returns has become scarce, activists are pursuing more complex campaigns focused on operational improvements and structural reorganizations. During the past year, activists have evolved beyond calls for simple company sales, which remain frequent, to more sophisticated demands. These are focused on reshaping a company's corporate structure, suggesting not only which assets to shed but also how to reorganize the ones that remain, or even become acquirers, to build scale. Conglomerates such as P&G, Samsung, G.E. and DowDupont were a few of many household names that fell victim to activist attacks due to their diverse business mix. Similarly, a number of established European corporations, including Nestle, Whitbread and thyssenkrupp, were also pushed to restructure or spin off underperforming divisions. Third Point summarized its views in its Q1 2018 investor letter when explaining its investment in a multi-industry company: "… fits a pattern of many underperforming conglomerates where value is diminished by the ill effects of a 'one-size-fits-all' approach to corporate strategy, incentive compensation, and capital allocation."

Similarly, 2018 saw a rise in the number of taxable spin-offs by U.S. companies, previously an uncommon strategy. Large and prominent transactions such as 21st Century Fox/Disney, La Quinta/Wyndham, GE/Wabtec and KLX/Boeing exemplified transformational acquisitions of companies with non-core businesses that may have previously been spun-off to shareholders. Lower tax thresholds may continue to facilitate acquisitions in situations where most, but not all, of a target company is attractive to a prospective acquirer.

With decreased tax barriers to sales and taxable divestitures, as well as continued investor and activist pressure for corporate focus and elimination of conglomerate discount, we see 2019 as another year with continued momentum in corporate divestiture transactions.

3. Capital allocation strategy

While many U.S. companies deployed much of their excess cash in share repurchases and dividends in 2018 as a result of tax reform, we expect companies in 2019 may look to engage in more M&A to drive shareholder value.

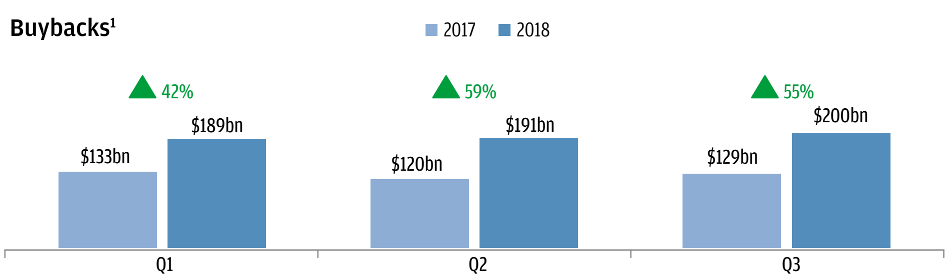
We anticipate that U.S. firms will continue to reap the benefits of enhanced cash access due to tax reform on foreign earnings, and that such benefits are likely to fuel continued momentum in share purchase activity, dividends, U.S. capital expenditures and M&A. These trends continue themes we observed in 2018, as adjustments to a post-tax reform regime crystallize and further entrench themselves into corporate finance decisions.

In 2018, tax reform brought forth an anticipation of immediate increases in cash access and use, and while U.S. corporations reaped meaningful benefits, many corporate taxpayers were conservative in deploying their foreign cash. Reasons for this included easing into new and complex international tax rules, waiting for short-term investments to mature, reinvesting in offshore opportunities and waiting out tax technicalities regarding fiscal year foreign subsidiaries. With a full year passed since tax reform, U.S. corporations that continue to hold large amounts of cash on their balance sheet should have enhanced access to offshore cash and will likely experience increased scrutiny from investors and activists to deploy that cash, including toward M&A. As a result of the shift from non-U.S.-held cash to U.S.-held cash, we expect a corresponding shift among U.S. corporations to look for M&A targets more domestically than in years past.

Share repurchase activity in the U.S. reached a historic high in 2018 and will likely continue its strong momentum in 2019. Fueled by increased cash access, the share purchases continued a trend from prior years, when the drivers were low cost of debt and the desire of many U.S. companies to increase balance sheet leverage, as well as ample cash flow generation. It is likely that 2019 will see continued cash flow generation and usable balance sheet cash. Activist pressures to utilize balance sheets show no signs of slowing, and temporary volatility in the equity markets could lead to attractive share repurchase opportunities.

S&P 500 metrics - Q1-Q3 2018

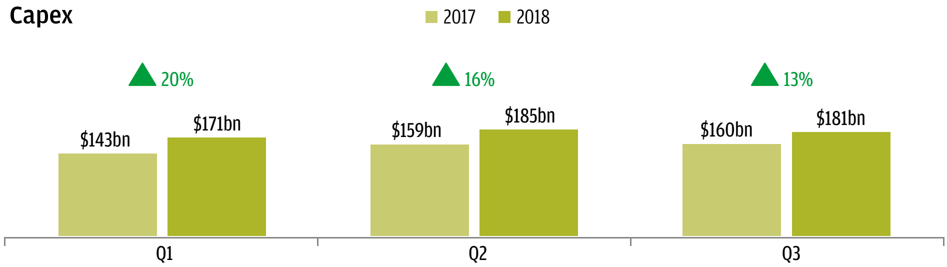
Buybacks[1]



- In 2018, Q1-Q3 showed robust YOY growth in executed repurchases, though growth in authorizations peaked in Q2 as firms announced post-tax reform plans[2]
- Information Technology firms accounted for the largest portion, 36%, of total buybacks through 9M 2018, up from 22% a year earlier

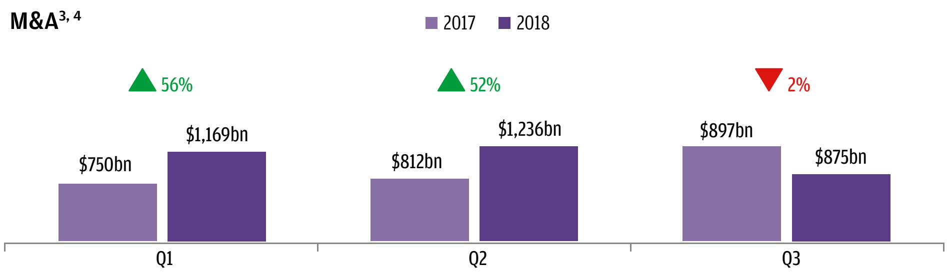
S&P 500 metrics - Q1-Q3 2018 (cont.)

Capex



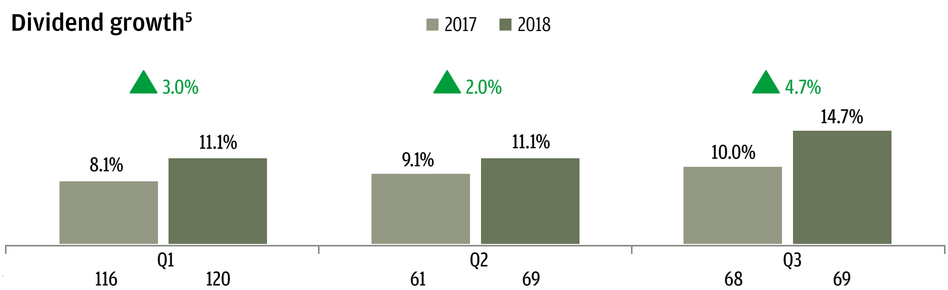
- 9M 2018 capital expenditures spending grew 16% YOY, compared to the same time the previous year, increasing from $463bn to $537bn
- Largest Q3 YOY sector change: Energy (+26%)
- Smallest Q3 YOY sector change: Industrials (-1%)

M&A[3, 4]



- The relative slowdown of M&A activity in Q3 was partially due to a significant decrease in megadeals

Dividend growth[5]



- Median dividend increases grew from 9.1% in the first three quarters of 2017 to 11.7% in 2018, with 13 more firms issuing increases compared to a year earlier
- In Q3 2018, Information Technology firms accounted for the largest dividend increases (median increase: 18.8%)

Sources: J.P. Morgan, FactSet, Bloomberg, Dealogic

[1] Reflects executed value of shares repurchased.
[2] Share repurchase authorizations were up 66%, 261%, and 132% YOY for Q1, Q2, and Q3, respectively.
[3] Global M&A volume for all deals.
[4] For deals less than $10bn, M&A increased 23%, 26%, and 0% YOY for Q1, Q2, and Q3, respectively.
[5] Reflects the percentage increase in dividends per share.

However, several factors could support a slowdown of the repurchase momentum. First, valuations continue to reach elevated levels and yet suffered a meaningful fourth quarter equity market correction. Hence, companies may hesitate to double down on share repurchases because of the perception of market volatility. Second, choppiness in debt capital markets driven by increased debt outstanding — as well as large maturities coming due in the next several years from debt incurred in the recent low interest rate environment — should also caution firms against aggressively pursuing debt-financed buybacks. Finally, general recession concerns and investor shifts toward less levered balance sheets may add to the wariness. With that said, while firms may act more cautiously on debt-financed buybacks than in recent years, the enhanced cash access from foreign reserves should continue to fuel a healthy buyback run.

Firms have strong incentives to pursue capital expenditures, but the pressure to achieve short-term results may continue to constrain any outsized investment boom in 2019. While tax reform in 2018 was expected to result in significantly increased U.S. capital expenditures, the actual increases were lower than expected. Access to capital has not been a major constraint in recent years, allowing firms ample opportunity to make value-additive investments. While firms with stronger growth prospects trade at a premium, translating investment into credit from equity investors for future growth has proved difficult. An increasing amount of capital expenditures is dedicated to defending against disruption, while new investment initiatives that drive long-term growth take more time to implement and often struggle to generate returns within the time horizon valued by investors. As a result, immediate tax deductibility should continue to fuel investment but we do not expect capital expenditures to erode the capital returned to shareholders.

Enhanced cash flows and access to cash should also provide an additional resource for companies to pursue attractive M&A activities. Compared with shareholder capital return policies, M&A transactions deliver longer-term results and therefore are likely to receive more investor scrutiny. However, attractive opportunities that can deliver long-term results should continue to be an important part of capital allocation strategies in 2019. Thus, the greater financial firepower enjoyed by firms should boost M&A capabilities, particularly for transactions that allow companies to achieve additional scale without incurring significant legal or regulatory risks.

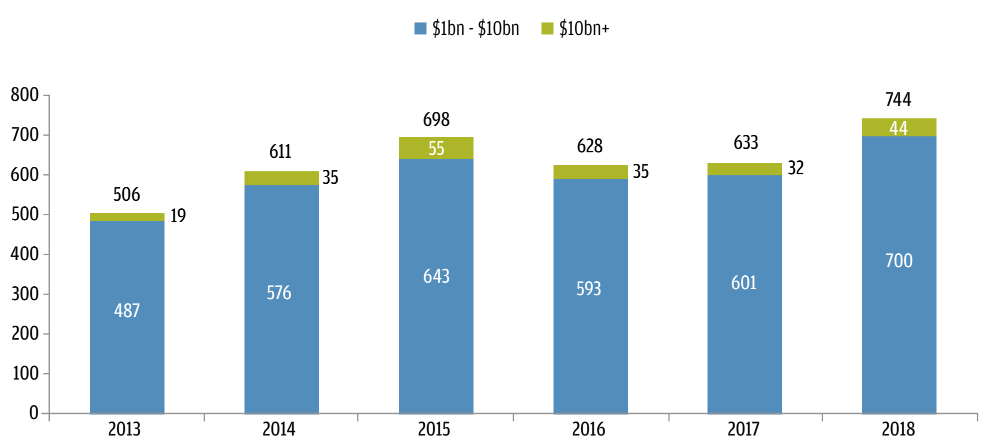
4. Impact of cross-border regulations

Regulatory and geopolitical uncertainty could present a headwind to M&A activity in 2019 for transformational megadeals (greater than $10 billion), but expect the market to be fueled by $1 billion-$10 billion deals globally.

One of the key headwinds for M&A activity is the continued uncertainty of the regulatory environment, whether related to antitrust, CFIUS approval of transactions or national security concerns raised by other countries. A number of large, transformative deals have either been knocked down or taken longer to close than anticipated. Cross-border transformational megadeals are the most challenging, as evidenced by Bayer's acquisition of Monsanto, which took 746 days to complete. Further, heightened scrutiny over Chinese investments in the U.S. has caused roadblocks to deal-making (e.g., the rejection of Broadcom's proposed acquisition of Qualcomm) and led to corresponding difficulty gaining approval from Chinese regulators (e.g., Qualcomm's proposed acquisition of NXP). Domestic industry-shaping deals are also increasingly difficult to close, as with the lengthy antitrust review of AT&T's acquisition of Time Warner, which took 601 days to complete.

Transformational megadeals are often the main targets of this enhanced regulatory scrutiny. Since the beginning of 2017, for example, 20[1] megadeals took more than a year from announcement until completion or withdrawal, highlighting the longer regulatory review process. However, on a deal count basis, megadeals are a small percentage of the overall market. In 2018, of the 744 announced global deals over $1 billion, only 44 deals were above $10 billion. If regulatory headwinds persist in 2019 and affect deals larger than $10 billion, we still expect a very active market supported by deal count in the $1 billion-$10 billion range.

Global announced deals above $1 billion (# of deals)



Source: Dealogic data as of 12/31/18

[1] Dealogic data as of 12/31/18. Based on date of completion or withdrawal regardless of announcement date. Includes Disney/Fox deal ($85 billion), which has been pending to close for over a year.

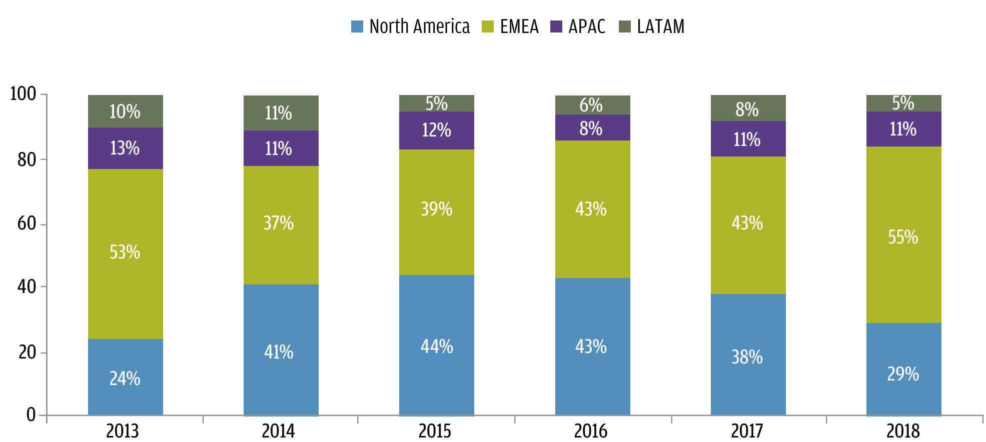
There is hope that 2019 will bring clarity on the path to approvals and shortened timelines, but significant progress still remains to be seen. It is becoming more important for advisors to help their clients craft contracts anticipating more time between signing and closing, in addition to factoring in the appropriate risk allocation and protection mechanisms. Further, it is key for advisors to work with clients to anticipate issues that may arise and be prepared to move quickly with appropriate solutions.

Despite the many headlines in 2018 about regulatory and geopolitical uncertainty, it was not a major impediment to M&A in the first six months of the year but may have contributed to the deceleration of M&A activity in the second half. Companies are still motivated to create value through acquisition-driven growth and are willing to dig in case by case and consider solutions in a thoughtful way. While large-cap megadeals may decrease and normalize in 2019, we expect a strong M&A market from $1 billion-$10 billion deals will continue to drive activity.

U.K. companies remain attractive despite Brexit uncertainty

Cross-regional volume shifted toward EMEA in 2018, with opportunities emerging following the effects of Brexit. EMEA as a target region accounted for 55% of the overall cross-regional volume in 2018, compared with 43% in 2017. To the contrary, North America as a target region accounted for only 29% of cross-regional volume in 2018, down from 38% in 2017.

Cross-regional announced volume by target region (%)



Source: Dealogic data as of 12/31/18

Despite uncertainty regarding Brexit discussions and the future relationship between the U.K. and EU, buyers were attracted to U.K. targets, with announced U.K. inbound volume reaching an all-time high of $251 billion in 2018, up 131% from a year earlier. However, this volume was largely driven by two significant deals: Takeda's acquisition of Shire, valued at $81 billion, and Comcast's acquisition of Sky, $53 billion. Even though these aforementioned deals contributed to a large portion of the U.K. inbound volume, there were still an additional 25 inbound U.K. takeovers greater than $1 billion in 2018. This is in line with 2017 deal activity (21 inbound U.K. deals greater than $1 billion), continuing to show strong international appetite for the U.K. market.

A continued weakness in the pound sterling has presented opportunities for foreign acquirers, particularly as U.K. corporations often have large international platforms, with 70%-75% of FTSE 100 revenues generated outside the U.K. Despite macro headwinds, a significant additional source of U.K. M&A activity is combinations between U.K. companies seeking strategic opportunities, as they search for growth and cost efficiencies through greater scale and geographic breadth to mitigate the potential negative effects of Brexit.

U.K. debt and equity investors strongly support strategic and synergistic transactions as they look for companies to drive growth and returns through M&A. Companies want to execute strategic transactions with a focus on a long-term view rather than the short term. Notable transactions include:

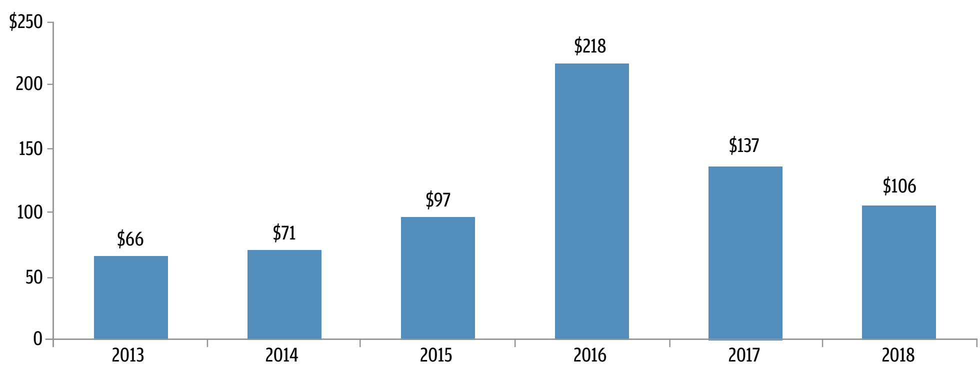
Select U.K. transactions with long-term focus	
JLT **Marsh & McLennan Companies** September 2018	• Acquisition of Jardine Lloyd Thompson accelerates Marsh & McLennan's strategy to be the pre-eminent global insurance firm, with increased presence in Asia, Latin America and the U.K. • Demonstrates foreign acquirers' willingness to increase U.K. exposure (~44% of revenue) despite ongoing Brexit negotiations
NEX **CME Group** March 2018	• Created a leading, client-centric, global markets company, generating significant efficiencies across futures, cash and OTC products at a time when market participants were seeking to lower their cost of trading and better manage risk • Transforms CME's global footprint and strengthens its distribution to a broader range of clients and geographies and built on NEX's deep roots in Europe and Asia
UBM **informa** January 2018	• Transaction created a large, globally significant, financially strong U.K.-listed B2B information services group • Combined group has leading positions in all of the key events growth markets; specifically, U.S., China, Middle East, ASEAN, South America and India • Highlights ongoing domestic consolidation with a significant share component to the transaction
GKN **Melrose** January 2018	• GKN, one of Britain's oldest engineering firms, was acquired by Melrose in the largest hostile takeover since Kraft acquired Cadbury in 2009 • Tightly fought defense, highlighting a more aggressive style of opportunistic buyer • Another example of a domestic combination with a large share component to the deal

U.K. M&A activity may be curbed by updated regulations that strengthen the U.K. government's powers to scrutinize transactions that may raise national security concerns, in line with a growing global trend (e.g., CFIUS' expansion in the U.S.). Increasing uncertainty over a "hard Brexit" and the looming March 29, 2019, deadline may cause some buyers to delay investment, but buying opportunities should arise in the future. Overall, despite global macro and regulatory concerns, we expect to see continued activity in the U.K.

China remains active in the global M&A market

With the backdrop of a Sino-U.S. trade war and heightened CFIUS scrutiny, China's outbound M&A volume in 2018 suffered its second straight year of decline (23%) after the "super-peak" in 2016. Despite this decrease, 2018 China outbound M&A volume was still roughly one-third higher than the levels before the 2016 peak in terms of total deal values.

China outbound M&A announced volume ($bn)



Number of deals greater than $1bn

2013	2014	2015	2016	2017	2018
18	20	23	41	31	15

Source: Dealogic data as of 12/31/18

Moderation in China's economic growth continues to drive the need to identify attractive growth opportunities abroad. Reasonably abundant capital availability and financing alternatives still enable Chinese acquirers to have strong purchasing power. There were many large-scale outbound transactions in 2018, including ANTA Sports' proposed $6.4 billion acquisition of Amer Sports.

Even with capital control and measures to curb "irrational" outbound investments, the Chinese government continues to support strategic outbound investments. Enterprise Outbound Investment Regulations ("Order No. 11") enacted by NDRC took effect in March 2018, simplifying and formalizing administrative procedures for outbound investments, potentially shortening review cycle time.

The U.S. Foreign Investment Risk Review Modernization Act (FIRRMA) was signed into law in August 2018. While the expansion of covered transactions may allow CFIUS to review additional types of Chinese investments, FIRRMA does not change CFIUS's analytical methodology per se, which is a case-by-case analysis of the threat and consequences of the particular transaction under review. As such, it is widely expected that CFIUS will continue to clear Chinese transactions that do not present unresolvable national security concerns. Recent approved transactions include COSCO Shipping and Shanghai International Port's $8.8 billion acquisition of Orient Overseas (International) and China Oceanwide's $2.7 billion acquisition of Genworth Financial.

In March 2018, China took a significant step toward consolidating its antitrust regulation and enforcement under a single administrator, the State Administration for Market Regulation (SAMR), ending a structure in which responsibilities were spread among several disparate government departments. The aim is to enhance consistency of enforcement and independence of antitrust review. Recent cases have drawn wide speculation that the Chinese merger control regime has been politicized by the ongoing Sino-U.S. trade dispute (e.g., NXP/Qualcomm), but most cases are reviewed in the ordinary course. For instance, in May 2018, China's antitrust authority approved multiple significant transactions without imposing any remedies, including Microchip's $9.8 billion acquisition of Microsemi and a Bain Capital-led consortium's $20.6 billion acquisition of Toshiba Memory. While political factors may add complications, straightforward cases without competition or policy concerns are expected to be cleared within the usual time frame.

On the back of a stabilized yuan and the irreversible trend of cross-border collaboration, we expect several possible trends for China outbound M&A in 2019:

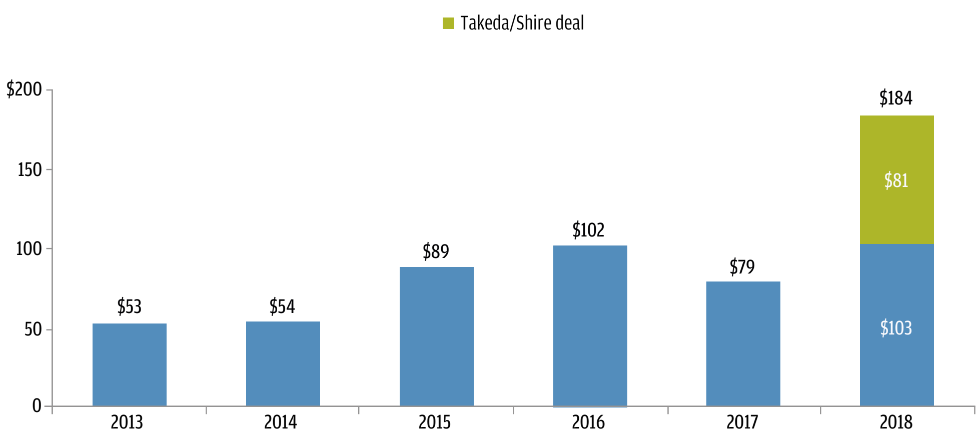
- Strategic outbound M&A intentions by Chinese acquirers will remain reasonably active, particularly those enabling access to advanced technology, well-recognized brands, international distribution networks or key natural resources
- As different jurisdictions seek greater reciprocity from China regarding its support for foreign investment, in return for continued China inbound M&A activities, we expect China to further open up for inbound foreign investments in sectors including autos and financial services
- Certain Chinese companies will continue to actively pursue deleveraging strategies and therefore continue to sell their assets, while controlling financial sector risk, which is still one of the nation's top priorities
- Chinese SOE consolidation (e.g., ChemChina/Sinochem merger) will remain active to prepare China for future international expansion in strategic sectors

Separately, China inbound M&A saw a year-over-year increase of 2% in 2018. China has been demonstrating its continued willingness to gradually open its market to foreign investors, as evidenced by the release in June 2018 of a new Negative List and associated measures to remove restrictions on foreign investors. For instance, after the Chinese government announced further opening up of the automotive industry in the next five years, BMW proposed to increase its ownership in BMW Brilliance Automotive, the Sino-foreign joint venture, from 50% to 75% by 2022.

Japanese companies continue to search for growth abroad

Slowing domestic growth, heightened expectations regarding shareholder accountability, and accumulation of cash, combined with cheap funding costs, have contributed to pushing Japanese corporations to pursue growth through outbound acquisitions (total announced transaction volume in 2018 was $184 billion versus $79 billion in 2017). The most notable transaction was the announcement of Takeda Pharmaceutical's acquisition of Shire ($81 billion). This transaction symbolizes a steady increase in the number of large Japanese outbound transactions (the number of transactions $1 billion+ in 2018 was 30 deals versus 18 deals in 2017). The saturated domestic market is leading companies to continue to seek large, significant acquisition targets overseas as a way to pursue higher returns and further business expansion.

Japan outbound M&A announced volume ($bn)



Number of deals greater than $1bn

2013	2014	2015	2016	2017	2018
10	6	17	14	18	30

Source: Dealogic data as of 12/31/18

We expect the current trend to continue in 2019, although external factors, such as global macroeconomic uncertainty, may become a risk to this trend. One additional trend that may become evident is the divestiture of non-core assets by larger Japanese conglomerates, as the pressure for achieving higher shareholder value continues to intensify. In June 2018, the Japanese Corporate Governance Code was amended, demanding that Japanese companies accurately identify their cost of capital and review their business portfolios appropriately, and we believe this amendment could support such a trend.

5. Activism

Shareholder activism is expected to persist as activists continue to seek attractive risk-reward opportunities outside the U.S. and as they focus on catalyzing strategic and operational change at companies with increasingly complex campaigns.

The end of 2018 marked the end of a period demonstrating the permanence of shareholder activism as an investment/engagement strategy as well as a maturation of companies' understanding of how to prepare for and respond to shareholder activism. Direct activist AUM stood at $126.9 billion as of Q3 2018, and institutional investors demonstrated an increasing acceptance of activism, with some at least partially adopting a shareholder activism strategy themselves. Thus, shareholder activism is expected to remain a focal point for investors, issuers and the broader global capital markets as a whole through 2019 and beyond.

Looking into 2019, we expect U.S. campaign activity to remain at levels similar to those in 2018, while activism outside the U.S. grows rapidly as activists seek attractive risk-reward opportunities in Europe and Asia. At the same time, companies are more aware than ever of the potential risk of becoming an activist target and are taking steps to identify vulnerabilities and act to minimize them before an activist emerges. Further, as companies have invested more energy in preparing for the prospect of shareholder activism, 2018 saw a heightened willingness to push back against an activist approach; companies are increasingly skeptical of settlement and are becoming more comfortable allowing campaigns to go to a shareholder vote if a reasonable settlement cannot be reached. A research paper[2] investigating the long-term economic consequence of activist interventions showed that pre-to-post activism long-term returns are "insignificantly different from zero" and found no evidence that activist engagement, asset sales or CEO/Board turnover led to long-term improvements in accounting performance measures. This research provides further confidence to management teams and boards that pushing back on an activist approach can often be the right response to ensure the creation and protection of long-term value for all shareholders.

Despite the growing confidence in pushing back, we expect shareholder activism to remain an important focus area for companies and the broader global financial markets. In particular, we see two key themes continuing: the continued growth of activism outside the U.S., and the trend toward more complex campaigns as activists focus on catalyzing strategic and operational change at companies and embrace the growing importance of environmental, social and governance issues to both active and passive institutional investors.

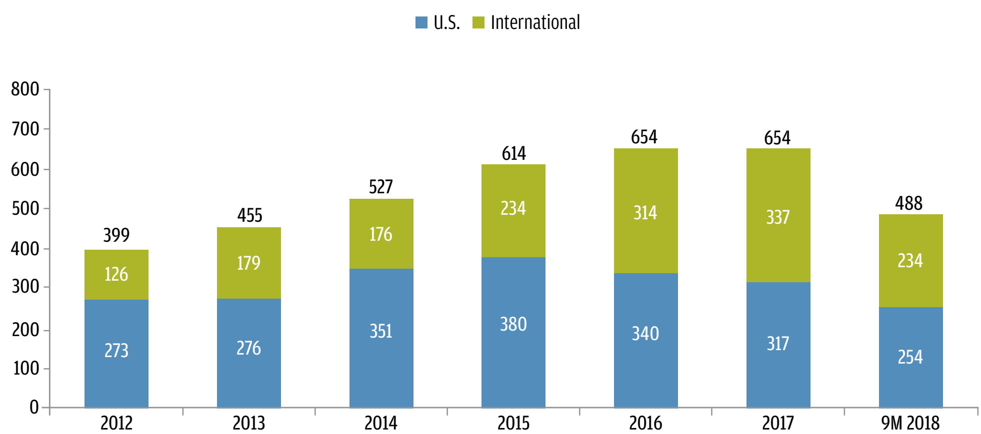
The growth of activism outside the U.S.

Of the 234 non-U.S. activism campaigns initiated in 9M 2018, 107 (~46%) targeted European companies. Additionally, a number of these campaigns represented some of the highest profile campaigns launched in the past 12 months. These include Sherborne Investors' campaign against Barclays, RBR Capital's targeting Credit Suisse, Elliott's involvement in thyssenkrupp and Whitbread, and Third Point's continued engagement with Nestle.

[2] Source: "Long-Term Economic Consequences of Hedge Fund Activist Interventions" by Ed deHaan, David Larker and Charles McClure, 9/17/18.

M&A-related items were activists' top concern in Europe: 32% of European campaigns had at least one M&A-related demand, 6% sought to oppose an announced transaction by demanding an improved consideration or seeking to block the transaction entirely and 29% aimed at catalyzing a deal by calling for a strategic review of alternatives, a spin-off, split or full sale.[3]

Number of shareholder activism campaigns globally



Sources: FactSet and Activist Insight as of 9/30/18. Represents the following campaign types: board control and representation, enhance corporate governance, maximize shareholder value, remove director(s), remove officer(s) and vote/activism against a merger. International campaigns include Europe, Asia and Australia.

Campaigns are becoming more complex

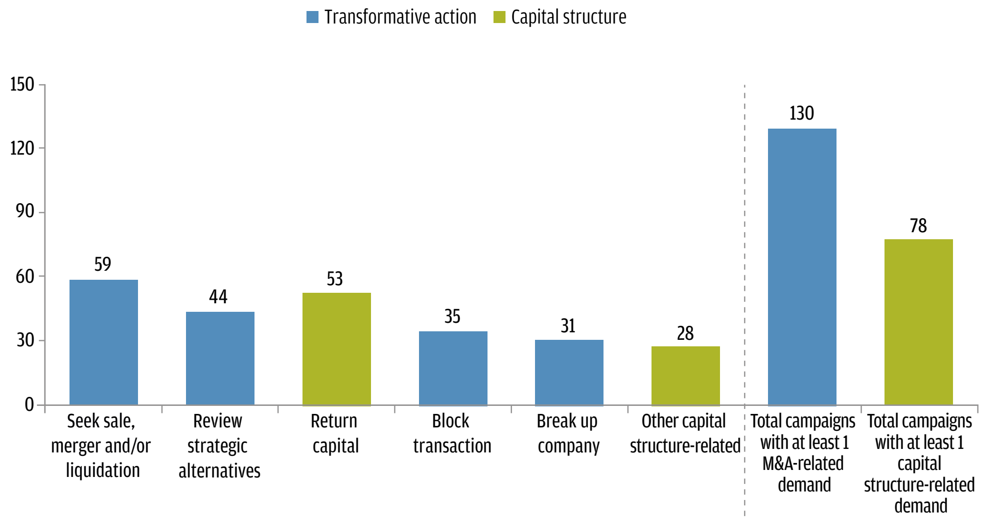
Despite campaign volumes dipping slightly, activists have increased the assets deployed. We see this trend continuing with an increased robust slate of activist campaigns, as activists write bigger checks and target mega-cap companies worldwide.

Big companies will continue to remain attractive targets of activists as they strive for additional growth in the uncertainty of 2019 and 2020. In 2018, 145 campaigns targeted companies with market capitalization of over $1 billion. Of these, 47 campaigns aimed at companies with market caps of over $10 billion. All told, these campaigns account for 30% of global activism activity. In particular, diversified companies were especially vulnerable to demands for splits, spins and corporate reshufflings due to their perceived trading discounts.

The increasingly pivotal role of institutional shareholders, particularly index funds, in the activism ecosystem is expected to drive the shift to campaigns with higher environmental and social focus (whereas governance has been a topic of conversation for some time). A study conducted by the Washington University in St. Louis demonstrated a strong positive correlation between index fund ownership and activist activity, underlining the significant role index funds play in driving activist agendas. The study showed that of 446 campaigns that were analyzed from 2008 to 2014, a three to four percentage point increase in the share of ownership held by passive investors was associated with a 30% increase in campaigns to change board representation, a 150% increase in the launch of a hostile proxy fight against incumbent directors on a board and an 11% increase in the likelihood of selling the business to a third party.

[3] Note: One campaign can have multiple demands

Number of global activism campaigns containing select value demands (9M 2018)



Sources: FactSet and Activist Insight as of 9/30/18. Represents the following campaign types: board control and representation, enhance corporate governance, maximize shareholder value, remove director(s), remove officer(s) and vote/activism against a merger. Global campaigns include U.S., Europe, Asia and Australia.
Note: Individual campaigns may be classified under various value demands.

Despite the nuanced changes to activists' approaches in recent proxy seasons, we see activists continuing to implement playbooks focused on demanding M&A/corporate clarity and other transformative corporate actions, as these strategies typically yield the potential for meaningfully larger theoretical value creation than campaigns focused on capital structure or operational improvement. Of the 130 campaigns with at least one M&A-related demand, 59 suggested sale/merger and 44 called for strategic alternatives.

Activists and shareholder activism are permanent features of the global capital markets. With potentially volatile stock prices on the horizon, their impact will be felt more than ever in 2019.

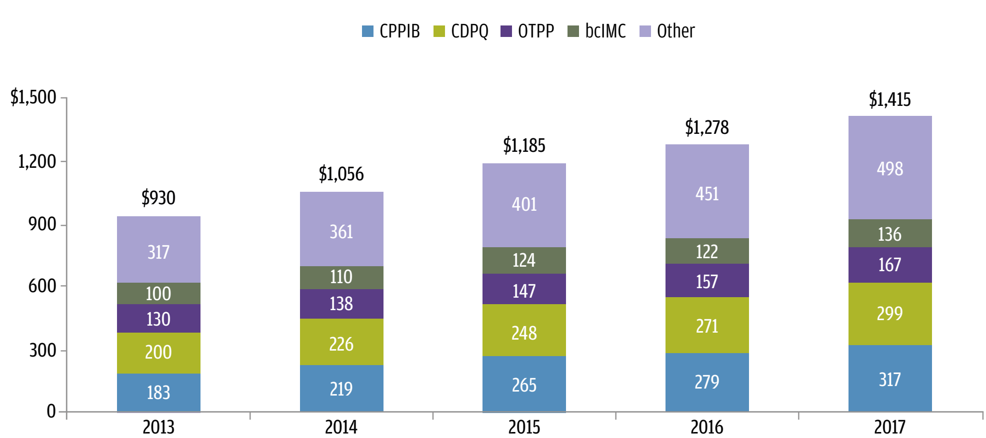
6. Alternative sources of capital

The continuing emergence of alternative sources holding capital yet to be deployed will continue to stimulate the M&A market by expanding the universe of buyers and increasing competitive tension, leading to higher asset values.

The amount of dry powder held by private equity funds at the end of 2018 reached a record $1.2 trillion.[4] While buyout funds have been the predominant players among alternative capital sources in the M&A market, other capital providers have become more meaningful participants over the past few years. These alternative sources have grown substantially in the past decade and they are showing an increasing willingness to invest directly both in the public and private markets.

One example of this growth is Canadian pension funds, which hold over $1.4 trillion of AUM and are heavily concentrated among the top players (85% of total AUM is held within the top 10 Canadian pension funds). Two of the largest Canadian funds, CPPIB and CDPQ, have grown AUM significantly over the past five years, raising AUM by 73% and 50%, respectively. In 2018, the top four Canadian pension funds had roughly the same AUM as the entirety of Canadian pension funds had in 2013.

Top 10 Canadian pension funds (AUM $bn)

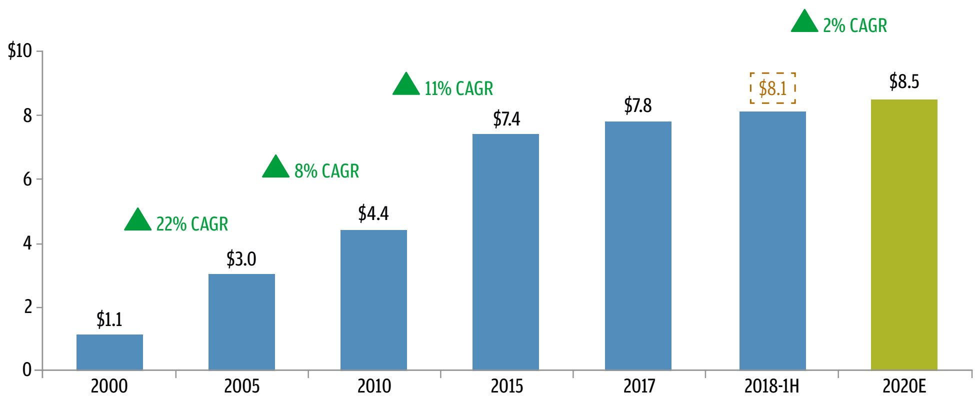


Source: Pension fund annual reports
Others are PSPIB, AIMCo, OMERS, HOOPP, IMCO, OPTrust

Another example of an alternative capital source is sovereign wealth funds (SWFs), which are likely to become big players in the M&A market, with 78 funds holding approximately $8.1 trillion of AUM. Increases in oil prices and global equities contributed to a 14% asset CAGR for the SWFs from 2000-15, a period in which 11 of today's 20 biggest funds were born.

[4] Source: Preqin as of January 2019

AUM growth of sovereign wealth funds since 2000 ($tn)



Number of SWFs

31	41	59	73	73	78	80

Sources: Sovereign Wealth Fund Institute, Preqin SWF Review 2018

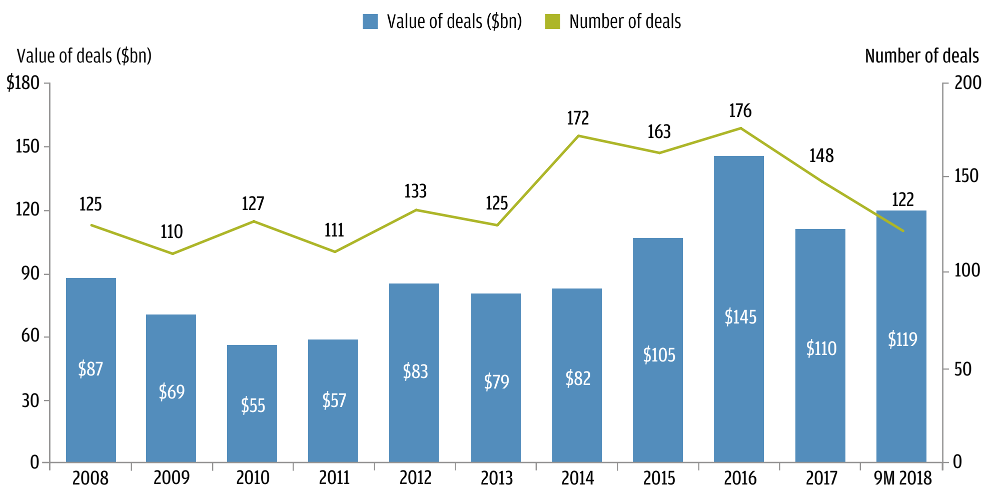
Canadian pension funds and SWFs have increased direct investments, in both size and quantity. These investors are able to commit large checks across different industries. They also tend to be providers of flexible, long-term capital by investing across the capital structure (equity, preferred equity or credit). The average annual direct investment of SWFs grew from $68 billion in the 2009-13 period to $119 billion in 2014-18 (up 75%).

Canadian pension funds and SWFs were parties in landmark transactions where they:

- Bought companies alongside a sponsor (e.g., October 2018: CDPQ and Generation acquiring FNZ) or to de-risk a sponsor (e.g., Apax selling a stake in Global Logic to PSP)
- Bought companies alongside corporations (e.g., July 2018: ADIA co-investing with UPL in Arysta by providing $1.2 billion together with TPG) or entrepreneurs (e.g., December 2017: PSP and CDPQ partnering with management to buy out Ardian's stake in Fives)
- Anchored strategic public equity deals (e.g., March 2018: Ontario Teachers partnering with Ubisoft to buy back Vivendi's stake in the company)
- Provided growth equity to fuel the next stage of companies' growth, and became relevant investors for J.P. Morgan's Global Equity Private Placements practice

These institutions are also building out their internal deal-making capabilities and exercising greater strategic control over their portfolio companies. They are increasingly partnering with other types of traditional and non-traditional investors that have experience deploying large amounts of capital, as seen with the Public Investment Fund of Saudi Arabia's $45 billion investment in the SoftBank Vision Fund.

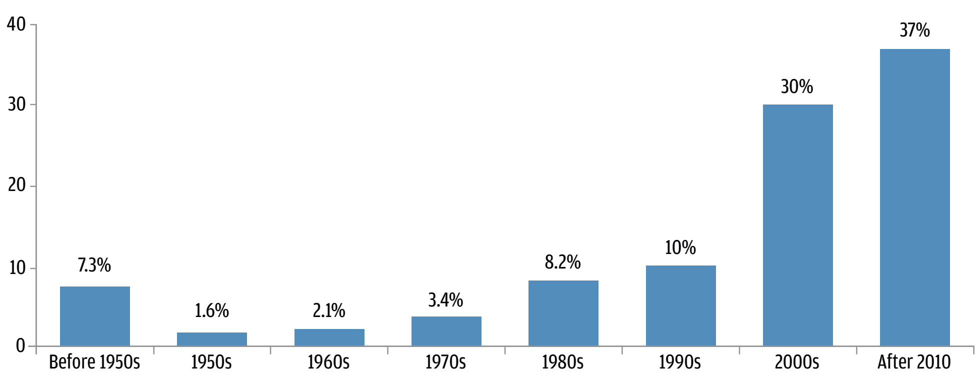
Sovereign wealth funds' direct investments – volume and deal count (public and private equity)



Source: Sovereign Wealth Fund Institute

Family offices represent another growing player in the alternatives universe. More than 5,300 single-family offices globally hold approximately $4 trillion of assets, with several additional multi-family offices emerging in recent years. Of the single-family offices, 41% are based in North America, 34% in Europe, 17% in Asia Pacific and 8% in emerging markets.[5] This is a recent phenomenon, as over 60% of family offices were founded in the past two decades.

Percentage of family offices founded by decade

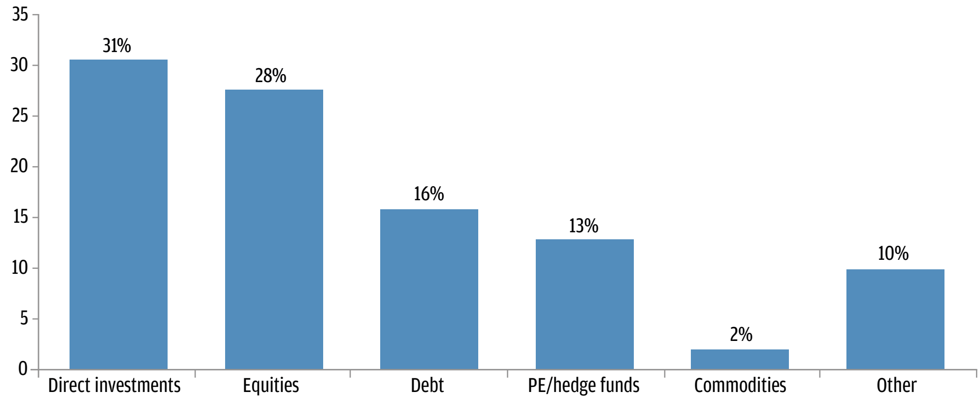


Source: UBS/Campden Wealth Global Family Office Report 2018

[5] Source: CampdenFB as of 4/25/17

The focus of family offices on direct investing has become substantial, with 61%[6] engaging in direct investments. Furthermore, 31% of the average family office portfolio assets are allocated to direct investments.

Average family office portfolio allocation (%)



Source: UBS/Campden Wealth Global Family Office Report 2018

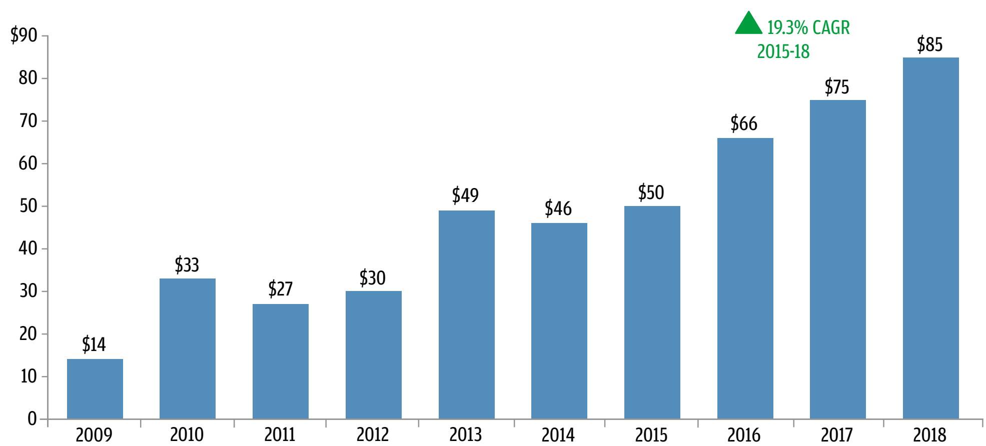
Family offices have made control and minority investments into companies individually, as well as co-invested with partners such as other family investment firms, private equity and sovereign wealth funds. Some recent and notable examples include:

- Koch Equity Development's (owned by the Koch family) $500 million minority investment in Getty Images, announced in November 2018
- Jacob Holding's (Jacobs family) acquisition of Cognita from Bregal & KKR for $2.6 billion, announced in September 2018
- JAB Holding Company's (90% owned by the Reimann family) acquisition of Pret a Manger for $2 billion, announced in May 2018
- Téthys' (owned by the Bettencourt-Meyers family) acquisition of a minority stake in Galileo Global Education, announced in April 2018
- PPC Partners' (led by Tony Pritzker) acquisition of C.H. Guenther, announced in April 2018
- Cambuhy Investimentos' (owned by the Moreira Salles family) acquisition of a majority stake in Alpargatas for $1.1 billion in July 2017
- CC Industries' (owned by the Crown family) partnership with KSL Capital Partners to acquire the Intrawest, Mammoth and Squaw ski resorts for $2.4 billion, announced in April 2017

[6] Source: UBS/Campden Wealth Global Family Office Report 2018

Infrastructure funds have also grown substantially in recent years, punctuated by a 19.3% CAGR in fundraising in the 2015-18 period. The $85 billion raised by private equity firms for infrastructure investing in 2018 marked a 14% increase over 2017 levels. The money flowing into infrastructure funds is expected to continue to increase as Blackstone makes progress toward closing its targeted $40 billion infrastructure fund, and Global Infrastructure Partners and Brookfield Infrastructure Partners each eye approximately $20 billion for their next respective funds.

Global infrastructure PE fundraising over past 10 years ($bn)

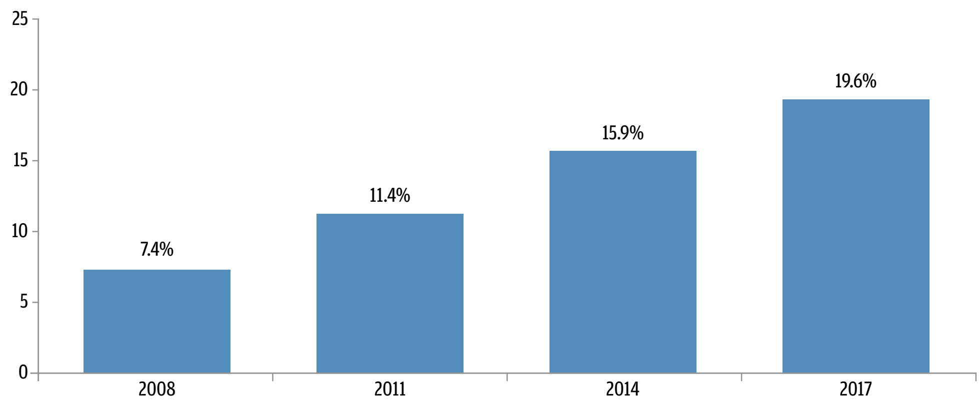


Source: Preqin as of January 2019

SWFs, Canadian pension funds, family offices and infrastructure funds are well known as patient capital. The newest segment within private equity, long-dated funds, are similarly minded and pursuing opportunities that are expected to involve longer hold periods than traditional buyout funds would typically accept.

The increased investment in alternative assets by traditional asset holders is best seen in the dramatic shift in asset allocation by pension funds over the past 20 years at the expense of public equities. As this continues, alternative investment vehicles will help fuel deal activity as these funds put capital to work and are viewed as credible buyers.

U.S. pension funds allocation to alternative investments over past 10 years (%)



Source: Preqin
Note: Alternatives include direct investments, PE, hedge funds, real estate, infrastructure, and commodities; only includes funds with at least 10 years of data and gives each fund equal weighting.

This new added firepower and the ability to “club” with other strategic and sponsor buyers leads us to anticipate that deal volume will likely rise as deals that were once unachievable will now be possible. The willingness to deploy capital in unconventional ways will facilitate co-investments to help megadeals get done and increase competition for deals less than $10 billion in value in 2019. In addition, this creates multiple sources of financial investors competing against each other for specific target opportunities. This should help drive valuations up as competition increases (hence lowering the expected return hurdles especially given pension funds, SWFs and family offices typically have lower return requirements than traditional private equity firms).

7. Outlook recap

We anticipate the 2019 M&A market to continue its robust volume and strong pace.

Despite geopolitical concerns and regulatory challenges, the 2018 global M&A market proved to be resilient throughout the majority of the year, even though activity decelerated in the second half. Megadeals (greater than $10 billion) were a significant driver of activity throughout the year, reaching a record first half deal count. While the number of these deals normalized in the second half of the year, activity remained robust across all deal types, even in the face of new challenges that began to surface toward the end of 2018, including macro headwinds in the U.S. equity market. While a challenging regulatory environment and geopolitical uncertainty will likely continue to affect markets in 2019, expectations are that M&A activity will remain strong. Many buyers will take a more watchful eye toward their targets; however, when value presents itself, acquisition-driven growth will remain an attractive option to drive shareholder value. Corporations from all jurisdictions will continue to strive to unlock value through additional avenues as well, including capital allocation or potential spinoffs to enhance corporate clarity. The significant growth of new types of alternative capital, ranging from pension funds to family offices, will also continue to drive volume, enabling many deals that were once unattainable. Last, and of equal importance, activism will remain a factor throughout 2019, with activist funds prompting companies to review their business portfolio and to maximize shareholder value around the globe.

8. About J.P. Morgan M&A Advisory

We advise corporations and institutions of all sizes on their most complex strategic needs, in their home markets and around the world. Whatever your strategic challenge or opportunity, J.P. Morgan provides a full M&A offering to address your needs. Drawing upon our deep industry-specific expertise and regional market acumen, we can evaluate your business with a long-term view to provide a tailored, comprehensive and integrated solution.

We have a track record of strategic defense. Our scale and breadth of experience with shareholder activism mean we provide a differentiated approach to defense for clients. We have successfully engaged with all the major activists in some of the most sophisticated campaigns around the world, and our deep understanding of activist tactics and firsthand knowledge bring unparalleled experience to your defense. As we advise only corporate clients and do not counsel any shareholder activist campaigns, our interests are fully aligned with your company's priorities.

Clients benefit from J.P. Morgan's global experience, leveraging our specialized advice, swift strategic execution and strong resources to help you seize opportunities and solve problems.

Our bespoke solutions combine:

- In-depth knowledge of sector and market dynamics with M&A bankers based locally in most major markets globally
- Innovative advice on valuation, transaction structures and deal tactics and negotiations
- Rigorous execution delivered with responsive and agile service
- Ability to partner with product experts across our full range of competencies, including comprehensive financing through our debt and equity issuance platforms, as well as derivatives and treasury services, such as escrow services

J.P. Morgan provides M&A advisory solutions across the full strategic life cycle of our clients:

Strategic expansion

- Acquisitions, including cross-border opportunities
- Mergers and joint ventures

Enhancing business value

- Corporate combinations
- Divestures
- Capital restructuring projects
- Spin-offs and other repositionings

Shareholder strategy

- Defense preparations for publicly announced and non-public approaches
- Dedicated shareholder activism advice

9. Select J.P. Morgan-advised transactions in 2018

2019 **$81.5bn** Advisor to **Takeda Pharmaceutical** on its acquisition of Shire	**Pending** **$59.6bn** Advisor to **Sprint** on its sale to T-Mobile	**Pending** **$36.7bn** Advisor to **IBM** on its acquisition of Red Hat	**2018** **$29.7bn** Advisor to **Atlantia** on its acquisition of 42.9% stake in Abertis Infraestructuras	**2018** **$28.6bn** Advisor to **Altice USA** on its separation from its European parent, Altice NV
2018 **$27.3bn** Advisor to **JAB Holdings** and **Keurig Green** on its merger with Dr Pepper Snapple	**2018** **$18.9bn** Advisor to **Broadcom** on its acquisition of CA Technologies	**2018** **$17.5bn** Advisor to **Blackstone** on its acquisition of a majority interest in Thomson Reuters' Financial & Risk business	**2018** **$16.0bn** Advisor to **Walmart** on its acquisition of 77% stake in Flipkart	**2018** **$15.4bn** Advisor to **AXA** on its acquisition of XL Group
Pending **$14.5bn** Advisor to **Suzano Papel e Celulose** on its acquisition of Fibria Celulose	**2018** **$14.0bn** Advisor to **Altaba** on its tender offer to repurchase 24.4% stake	**Pending** **$13.2bn** Advisor to **Brookfield Business Partners** on its acquisition of Johnson Controls' Power Solutions business	**2018** **$13.0bn** Advisor to **GlaxoSmithKline** on its acquisition of Novartis' stake in their consumer healthcare joint venture	**2018** **$12.8bn** Advisor to **Altria** on its acquisition of 35% stake in JUUL Labs
2018 **$12.5bn** Advisor to **AkzoNobel** on the sale of its specialty chemicals business to Carlyle and GIC	**2018** **$12.1bn** Advisor to **GKN** on the offer from Melrose	**2018** **$11.6bn** Advisor to **Bioverativ** on its sale to Sanofi	**Pending** **$10.0bn** Advisor to **GlaxoSmithKline** on the merger of Pfizer's consumer health businesses to form a 68:32 joint venture	**2018** **$9.9bn** Advisor to **Celgene** on its acquisition of Juno Therapeutics
2018 **$9.8bn** Advisor to **Microchip Technology** on its acquisition of Microsemi	**2018** **$9.6bn** Advisor to **Envision Healthcare** on its sale to KKR	**2018** **$8.9bn** Advisor to **ACS Group** on its acquisition of 42.8% stake in Abertis Infraestructuras	**2018** **$8.3bn** Advisor to **ProLogis** on its acquisition of DCT Industrial Trust	**2018** **$8.0bn** Advisor to **Blue Buffalo Pet Products** on its sale to General Mills

Cross-border deals

Note: Year represents year of deal completion; pending represents deals not yet completed.

Pending
$8.0bn

Advisor to **SAP** on its acquisition of Qualtrics

2018
$7.9bn

Advisor to **Liberty Interactive** on its acquisition of GCI and its subsequent split-off of GCI Liberty

2018
$7.8bn

Advisor to **Energen** on its sale to Diamondback Energy

Pending
$7.6bn

Advisor to **Newfield Exploration** on its sale to Encana

Pending
$7.3bn

Advisor to **CommScope** on its acquisition of ARRIS

Pending
$7.1bn

Advisor to **Fiat Chrysler Automobiles** on its sale of Magneti Marelli to CK Holdings

2018
$7.1bn

Advisor to **NRG Yield** on its sale by NRG Energy to Global Infrastructure Management

Pending
$6.9bn

Advisor to **Integrated Device Technology** on its sale to Renesas Electronics

Pending
$6.9bn

Advisor to **USG Corp.** on its sale to Gebr. Knauf KG

Pending
$6.5bn

Advisor to **Dun & Bradstreet** on its sale to Thomas H. Lee consortium

Pending
$6.5bn

Advisor to **thyssenkrupp** on the joint venture with Tata Steel of their European steel businesses

2018
$6.5bn

Advisor to **UBM** on its acquisition by Informa

Pending
$6.4bn

Fairness opinion to the Board of Directors of **Bharti Infratel** on its merger with Indus Towers

2018
$6.3bn

Advisor to **CME** on its acquisition of NEX

2018
$5.9bn

Advisor to **PUMA** on its spin-off of 70.6% stake by Kering

2018
$5.8bn

Advisor to **W. P. Carey** on its acquisition of CPA 17

Pending
$5.8bn

Advisor to **Idemitsu Kosan** on its acquisition of remaining 68.7% in Showa Shell Sekiyu

2018
$5.7bn

Advisor to **Validus** on its sale to AIG

2018
$5.7bn

Advisor to **AccorHotels** on its carve-out of AccorInvest to PIF consortium

Pending
$5.6bn

Advisor to **Jardine Lloyd Thompson** on its proposed sale to Marsh & McLennan

Pending
$5.5bn

Advisor to **Colfax** on its acquisition of DJO Global

2018
$5.4bn

Advisor to **Marriott Vacations Worldwide** on its acquisition of ILG

2018
$5.4bn

Advisor to **Macquarie Infrastructure** on the sale of its portfolio company Techem to Partners Group, OTPP and CDPQ

2018
$5.2bn

Advisor to **Ablynx** on its sale to Sanofi

Pending
$5.0bn

Advisor to **Alawwal Bank** on its merger with Saudi British Bank

Cross-border deals

Note: Year represents year of deal completion; pending represents deals not yet completed.

J.P.Morgan