

Zephyr Monthly M&A Report

Global Private Equity, January 2011

You are free to use any data or commentary from this report in your articles as long as the source is cited as “Zephyr published by BvD”.

The following report details global private equity activity in January 2011 using data from the Zephyr database.

It focuses on deal activity by target company.

[Click here to access the raw data in an Excel spreadsheet.](#)

Deals by volume and value

The value of global private equity investment fell for the third consecutive month in January 2011, sinking 40 per cent to USD 14,331 million from USD 23,904 million in December 2010 - a low not recorded since June when only USD 14,077 million worth of deals were signed off.

Volume slipped 27 per cent to a new year-low of 220 deals from 300 transactions in December, ending two months of successive growth.

In a year-on-year comparison deal volume fared little better, weakening 37 per cent from 347 deals in January 2010. However, value has crept back into private equity investment over the 12 months, rising 27 per cent from USD 11,253 million.

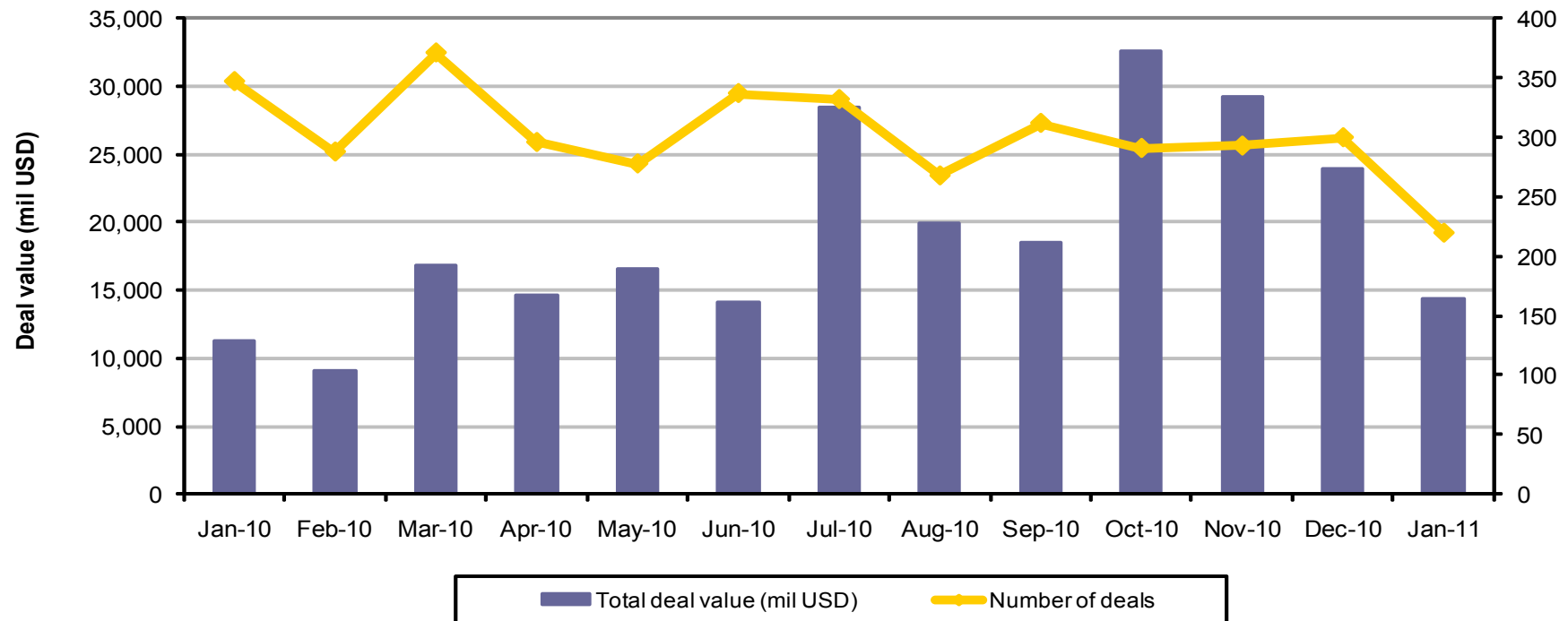
Announced date	No of deals	Total deal value (mil USD)
Jan-11	220	14,331
Dec-10	300	23,904
Nov-10	293	29,228
Oct-10	291	32,571
Sep-10	312	18,505
Aug-10	268	19,937
Jul-10	332	28,523
Jun-10	337	14,077
May-10	278	16,513
Apr-10	296	14,588
Mar-10	371	16,872
Feb-10	288	9,132
Jan-10	347	11,253

Zephyr Monthly M&A Report

Global Private Equity, January 2011

You are free to use any data or commentary from this report in your articles as long as the source is cited as "Zephyr published by BvD".

Deals by volume and value



Zephyr Monthly M&A Report

Global Private Equity, January 2011

You are free to use any data or commentary from this report in your articles as long as the source is cited as “Zephyr published by BvD”.

Top 20 deals by value

The largest deal by value in January was the announced institutional buyout of Acosta by Goldman Sachs and Thomas H Lee Partners for USD 2,300 million. AEA Investors is exiting the US food marketing company, though management will retain a significant stake.

The transaction was one of four worth more than USD 1,000 million in January, with the number two deal by value targeting Daewoo Engineering & Construction. Korea Development Bank, through its private equity fund, bought a 37 per cent stake in the South Korean engineering group for USD 1,936 million and in so doing upped its participation to 51 per cent.

While Patni Computer Systems was the only Indian target to feature in the top 20 deals by value in January, with Apax Partners providing private equity for a USD 921 million-purchase of a 63 per cent stake in the Mumbai-based software company, Avolon Aerospace Leasing was the only Cayman Islands-based target to feature in the month’s top 20.

Out of the top 20 by value, the US, the UK, and France were the only countries targeted more than once by private equity. The highest value deal involving a UK-based company was the announced institutional buyout of private mental health provider Priory Group by Advent International for USD 1,469 million while the leading France-based transaction involved AXA Investment Management Private Equity Europe buying a majority stake in Novacap for USD 321 million from Bain Capital.

Other regions to feature included Peru, Japan, China, Russia, Belgium and Italy.

Zephyr Monthly M&A Report

Global Private Equity, January 2011

You are free to use any data or commentary from this report in your articles as long as the source is cited as "Zephyr published by BvD".

Top 20 deals by value

	Deal value (mil USD)	Deal type	Target	Target region	Equity provider	Deal status
1	2,300	IBO majority stake	Acosta Inc.	US	Goldman Sachs; Thomas H Lee Partners LP	Announced
2	1,936	IBO 37%	Daewoo Engineering & Construction Co., Ltd	KR	KDB Value VI, LLC	Completed
3	1,711	Minority stake increased 27% to 38%	General Growth Properties Inc.	US	Brookfield Asset Management Inc.	Announced
4	1,469	IBO 100%	Priory Group Ltd	GB	Advent International plc	Announced
5	921	Acquisition 63%	Patni Computer Systems Ltd	IN	Apax Partners LLP	Announced
6	328	IBO 100%	Premier Foods plc's meat-free business	GB	Intermediate Capital Group plc; Exponent Private Equity LLP	Pending
7	328	IBO 100%	OpenBet Ltd	GB	Vitruvian Partners LLP	Pending
8	321	IBO majority stake	Novacap SAS	FR	AXA Investment Management Private Equity Europe	Pending
9	320	IBO 100%	Inkafarma	PE	Nexus Group	Completed
10	317	Minority stake	Towergate Partnership Ltd; Cullum Capital Ventures Ltd	GB	Advent International plc	Announced
11	311	IBO 100%	Works Applications Co., Ltd	JP	Polaris Capital Group Co., Ltd	Announced
12	265	IBO 100%	First Advantage Corporation	US	Symphony Technology Group LLC	Completed
13	250	IBO	Avolon Aerospace Leasing Ltd	KY	Cinven Group Ltd; CVC Capital Partners Ltd; Oak Hill Capital Management Inc.; Oak Hill Advisors LP	Completed
14	240	Minority stake 18%	LDK Silicon & Chemical Technology Co., Ltd	CN	China Development Bank Capital Corporation Ltd; Excel Rise Holdings Ltd; Prosper East Ltd	Pending
15	214	IBO 100%	NovaMed Inc.	US	HIG Capital LLC	Pending
16	200	IBO	Plastic Logic Inc.	US	Oak Management Corporation; Gosudarstvennaya Korporatsiya Rossiiskaya Korporatsiya Nanotekhnologii	Completed
17	200	Minority stake 20%	Kaspersky Lab	RU	General Atlantic LLC	Completed
18	194	Minority stake	Perceva Capital	FR		Completed
19	180	IBO 100%	Cytec Industries Inc.'s building block chemicals business	US	HIG Capital LLC	Announced
20	158	MBO	Belgische Distributiedienst; RSM Italia Srl	BE; IT	NPM Capital NV	Announced

Zephyr Monthly M&A Report

Global Private Equity, January 2011

You are free to use any data or commentary from this report in your articles as long as the source is cited as “Zephyr published by BvD”.

Sectors

Deals with targets classified as other services operators accounted for the largest proportion of deal volume and value in January 2011, with 82 transactions worth a combined USD 7,476 million.

With only one exception, there was year-on-year value growth recorded for the top five sectors in January, with the banking industry improving the most over the 12 months, rising to USD 2,008 million from just USD 294 million in January 2010.

Machinery, equipment and furniture was the exception to the rule as investment in the sector slipped 59 per cent to USD 468 million from USD 1,147 million in January 2010. It was also one of two industries which declined by value month-on-month, the other being the banking sector.

In a month-on-month and year-on-year comparison only one of the top five sectors had increased deal volume, namely education and health, which was up 36 per cent over the four weeks at 15 transactions from 11 in December and was 7 per cent higher over the 12 months from 14 deals in January 2010.

Top five target sectors by volume

Target sector	Jan-10	Dec-10	Jan-11
Other services	153	108	82
Machinery, equipment, furniture, recycling	45	44	31
Wholesale & retail trade	27	27	19
Education, health	14	11	15
Chemicals, rubber, plastics, non-metallic products	18	19	12

Top five target sectors by value

Target sector	Jan-10 (mil USD)	Dec-10 (mil USD)	Jan-11 (mil USD)
Other services	2,754	6,129	7,476
Banks	294	3,086	2,008
Education, health	301	56	1,884
Chemicals, rubber, plastics, non-metallic products	778	705	826
Machinery, equipment, furniture, recycling	1,147	993	468

Zephyr Monthly M&A Report

Global Private Equity, January 2011

You are free to use any data or commentary from this report in your articles as long as the source is cited as "Zephyr published by BvD".

Geography

The US was the most important target of private equity investment in January, despite volume slipping by more than a fifth over the month and value falling back 27 per cent. A total of 64 deals worth USD 5,529 million was signed off over the four weeks, accounting for 29 per cent of total volume for the month (220 transactions) and 39 per cent of total value (USD 14,331 million).

Without exception, there was no month-on-month volume growth recorded for any of the top ten countries in January and Sweden declined at the fastest rate, falling 64 per cent to four deals from 11 in December.

The value of private equity investment targeting UK-based companies weakened by 23 per cent year-on-year to USD 2,644 million from USD 3,444 million in January 2010. Meanwhile, year-on-year growth was recorded for the remaining top nine countries by value, with South Korea, Peru and the Cayman Islands improving the most over the 12 months.

Top 10 countries by volume and value

Target country	Jan-10	Dec-10	Jan-11
US	131	81	64
UK	37	39	29
India	19	27	22
France	37	23	20
Germany	9	15	13
China	12	14	11
Finland	4	8	8
Canada	12	9	6
Sweden	5	11	4
Italy	2	5	4

Target country	Jan-10 (mil USD)	Dec-10 (mil USD)	Jan-11 (mil USD)
US	3,567	7,208	5,259
UK	3,444	1,288	2,644
South Korea	0	58	2,029
India	368	965	1,447
France	330	928	573
Japan	69	367	364
China	244	600	335
Peru	0	0	320
Cayman Islands	0	110	250
Italy	73	387	203

Zephyr Monthly M&A Report

Global Private Equity, January 2011

You are free to use any data or commentary from this report in your articles as long as the source is cited as “Zephyr published by BvD”.

Top 20 private equity providers

	Company name	Number of deals	Number with consideration	Total deal value (mil USD)	Average deal value (mil USD)
1	Goldman Sachs	2	2	2,330	1,165
2	Thomas H Lee Partners LP	1	1	2,300	2,300
3	KDB Value VI, LLC	1	1	1,936	1,936
4	Advent International plc	2	2	1,786	893
5	Brookfield Asset Management Inc.	2	2	1,713	856
6	Apax Partners LLP	1	1	921	921
7	HIG Capital LLC	3	2	394	197
8	Intermediate Capital Group plc	1	1	328	328
9	Exponent Private Equity LLP	1	1	328	328
10	Vitruvian Partners LLP	1	1	328	328
11	AXA Investment Management Private Equity Europe	1	1	321	321
12	Nexus Group	1	1	320	320
13	Polaris Capital Group Co., Ltd	1	1	311	311
14	Symphony Technology Group LLC	1	1	265	265
15	Oak Hill Advisors LP	1	1	250	250
16	CVC Capital Partners Ltd	1	1	250	250
17	Oak Hill Capital Management Inc.	1	1	250	250
18	Cinven Group Ltd	1	1	250	250
19	Oak Management Corporation	2	2	248	124
20	China Development Bank Capital Corporation Ltd	1	1	240	240

Notes to editors

Activity is based on the activity of the target company

Deal status is announced within the time period

The sector breakdown uses targets' activities as defined to be 'Major Sectors' by Zephyr

When a deal has multiple targets the value of the deal will count against the target countries and sectors of companies involved in the deal