



## **Global M&A activity declines in the first half of 2016 after reaching record high in H2 2015**

**M&A volume and value down in all regions, global PE/VC activity also declines across the board**

***Zephyr reports on M&A and private equity activity in H1 2016 – [access report](#)***

**London, 30<sup>th</sup> June 2016** – Both the volume and value of global mergers and acquisitions (M&A) dropped significantly in the first half of 2016, according to information collected by the leading M&A database Zephyr. In all there were 43,352 deals worth a combined USD 1,941,538 million in the opening six months of the year, compared to 53,287 deals worth USD 3,270,736 million in the second half of 2015. Declines were also recorded year-on-year; in H1 2015 USD 2,942,215 million was injected across 52,637 deals. The disappointing showing means the last time volume and value were this low for a six month period was in H1 2013 (43,065 deals worth USD 1,685,036 million).

Lisa Wright, Zephyr director, commented, “It was always going to be challenging for 2016 to keep up with the blistering pace of M&A dealmaking set in 2015 and many will have been concerned that activity would not be able to sustain the levels recorded last year. To that end, H1 appears to have confirmed many people’s worst fears. However, it is worth noting that in every year since 2012 the second half of the year has performed better than the first in terms of value. It would not be unheard of for activity to improve significantly over the course of the coming six months, in which case we could be looking at a very different picture at the end of December in terms of figures for the whole of 2016. The recent Brexit vote by the UK has caused consternation in the global financial markets, and the current uncertainty around the global markets could impede upon dealmaking appetites for the remainder of the year.”

Zephyr shows that the decline in value comes as a result of decreased deal volumes in H1 2016, combined with fewer “mega” deals being signed off over the six months. Just

12 deals broke the USD 10,000 million barrier in H1 2016, compared to 39 deals in the second half of 2015. However, a number of significant transactions were still announced, and the top deal over the six months featured a Swiss target, as ChemChina, through its CNAC Saturn (NL) vehicle, agreed to pick up Basel-headquartered agricultural pesticides and fertilisers manufacturer Syngenta for USD 43,000 million. However, at present the future of this deal is not clear, with recent reports suggesting the US government and the Committee on Foreign Investment may decide to block the transaction. This is one of only three deals worth more than USD 10,000 million announced during the period which did not feature a US target. The other transactions include the USD 13,185 million combination of Deutsche Boerse with the London Stock Exchange and Aegon's USD 17,601 million purchase of BlackRock's defined contribution pension platform and administration business.

The majority of world regions included in the report also declined in terms of both volume and value in H1 2015. The only exception was MENA, where value climbed 23 per cent to USD 15,720 million over the six months, although volume was in keeping with the global trend, dropping from 349 deals in H2 to 345 in H1 2016. All other regions declined over the six months, with the steepest drop reserved for Central and Eastern Europe, which slipped 52 per cent from USD 88,453 million in H2 2015 to USD 42,538 million.

Meanwhile, the Zephyr database shows private equity dealmaking followed the same pattern in the first six months of 2016; the last time value was lower was in H1 2013, when USD 172,978 million was invested, although even that figure was higher than the USD 129,492 million invested in H1 2012. In all there were 2,651 private equity deals worth USD 196,037 million signed off during the six months. In terms of volume this represents a 20 per cent decline on the 3,325 deals announced in H2 2015, while value fell 47 per cent from USD 367,516 million over the same timeframe. Both volume and value were also down year-on-year as the latter dropped 25 per cent on the USD 261,640 million invested in the first half of 2015 and the former declined at the slower rate of 22 per cent from 3,402 deals over the same timeframe.



*Lisa Wright, Zephyr director*

**Ends**

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- [Download a high-res photograph of Lisa Wright, director of Zephyr](#)

**Notes to Editors:**

**About the data**

1. Activity is based on the activity of the target country.
2. Deal status is announced within the time period.
3. The sector breakdown uses targets' activities as defined to be 'Major Sectors' by Zephyr.
4. The date range for H1 2016 is deals announced between 01/01/2016 – 26/06/2016 inclusive.
5. The Western Europe region covers target companies in Andorra, Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Gibraltar, Greece,

- Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, Turkey and the UK.
6. The Asia/Asia Pacific region covers target companies in the Far East, Southeast Asia, Central Asia and Oceania.
  7. The Russia/CEE region covers target companies in Albania, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Kosovo, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, Slovenia and Ukraine.
  8. The MENA region covers target companies in Algeria, Bahrain, Egypt, Iran, Iraq, Kuwait, Jordan, Lebanon, Libyan Arab Jamahiriya, Morocco, Oman, Palestinian Territory, Qatar, Saudi Arabia, Syrian Arab Republic, Tunisia, UAE and Yemen. It excludes Israel.
  9. Advisor league tables are based on advisors advising any party in the deal i.e. acquiror, target or vendor.
  10. Where deals have multiple targets the sector and region of each target is represented in the data.
  11. All deal types are included except joint ventures, IPOs, planned IPOs and share buybacks.

### **About Bureau van Dijk**

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### **About Zephyr**

Zephyr is an information solution containing M&A, IPO and venture capital deals and rumours with links to detailed financial company information. Winner of numerous recent M&A industry awards, including Best M&A Data Publisher 2015 at the Acquisition International M&A Awards, Zephyr is published by Bureau van Dijk (BvD). The deals on Zephyr are linked to the company financials and peer reports on BvD's product range. Zephyr contains information on over 1.4 million deals.

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