



## BUREAU VAN DIJK

### Global M&A volume and value decline in 2016

**M&A value rises in MENA, declines in all other regions**

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

**London, 6<sup>th</sup> January 2017** – Both the volume and value of global mergers and acquisitions (M&A) declined in 2016 after a record breaking year on both fronts in 2015, according to information collected by the leading M&A database Zephyr. In all there were 96,665 deals worth a combined USD 4,734,165 million announced over the course of the 12 months. Value declined 21 per cent on 2015, when dealmaking of USD 6,011,581 million was announced, while volume fell 10 per cent from 107,182 over the same timeframe. Both volume and value were also surpassed by the 102,176 deals worth USD 4,802,023 million announced in 2014. However, despite the relatively disappointing showing when compared with 2014 and 2015, the latter of which was a record-breaking year, 2016's value is still significantly higher than any other year since the previous record deal levels of 2007.

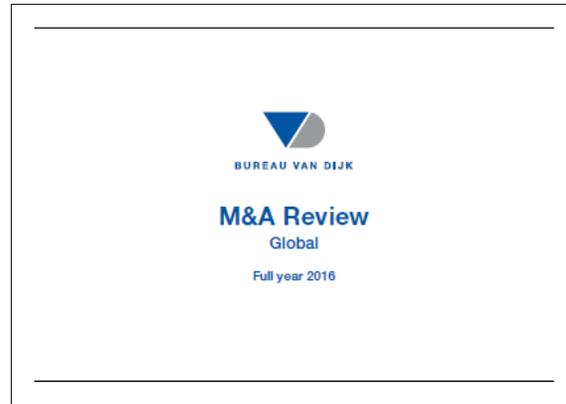
Despite the decline in value recorded in 2016, there have still been a number of “mega” deals announced over the course of year; in all there were 35 transactions worth USD 10,000 million or more announced in 2016. The most valuable deal to have been announced over the 12 months was worth USD 124,444 million as Anheuser-Busch InBev acquired beer manufacturer SABMiller via its Newbelco acquisition vehicle. This deal alone accounted for 30 per cent of total value involving UK target companies and 3 per cent of global value over the 12 months. Second place was taken by AT&T's USD 108,700 million purchase of US media and entertainment conglomerate Time Warner, which was announced in October and is expected to close by the end of 2017. This deal

represents 7 per cent of the total value of deals involving US targets in 2016 (USD 1,617,652 million) and 2 per cent of global dealmaking for the year. One other deal broke the USD 50,000 million barrier; German chemicals and pharmaceuticals giant Bayer agreed to pick up US agrochemical and agricultural biotechnology player Monsanto for USD 66,000 million. As such, although aggregate value declined in 2016 dealmakers are still clearly willing to pay high prices to get the companies they want, but a decline in volume after a record-breaking year in 2015 appears to have held value down over the 12 months.

Lisa Wright, Zephyr director, commented, "After an extremely impressive year in 2015 it was always going to be difficult for 2016 deal activity to keep up such a blistering pace. Geopolitical factors such as the UK Referendum on Europe and the US election brought economic concerns, both before and after their eventual outcomes. Based on the results from the last 12 months, it is clear that 2015's momentum has not gathered even more pace, but it is worth noting that 2016's value is not far behind 2014's and is still significantly higher than any yearly value generated between 2008 and 2013. There is undoubtedly still an appetite for the mega deals, as evidenced by the SABMiller and Time Warner acquisitions, among others. As such, it could be that dealmakers have simply been more cautious after spending so freely in 2015, which has led to the decline in volume which held down activity in 2016."

Zephyr shows that almost all world regions included in the report declined in terms of volume and value year-on-year. The only exceptions were MENA, where value doubled to USD 49,358 million in 2016, and Western Europe, where volume increased by two per cent to 27,454.

Meanwhile, the Zephyr database shows that 2016 was a challenging year in terms of private equity dealmaking as all regions declined by value and MENA proved to be the only region in which volume increased year-on-year. Globally there were 21,580 private equity and venture capital deals worth USD 558,008 million, meaning that both volume and value hit their lowest ebbs since 2013, when USD 488,992 million was invested across 21,440 deals.



*Lisa Wright, Zephyr director*

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**Ends**

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**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 FY 2016 is deals announced between 01/01/2016 – 31/12/2016 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.

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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 Global M&A Database 2016 at the Acquisition International M&A Awards, Zephyr is published by Bureau van Dijk. The deals on Zephyr are linked to the company financials and peer reports on Bureau van Dijk's product range. Zephyr contains information on over 1.4 million deals.

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### **About M&A Research Catalyst**

Drawing data from Orbis and Zephyr, M&A Research Catalyst delivers clear and easy-to-interpret reports specifically created for M&A research. They combine information on companies, comparable deals and valuations alongside an interface to help you identify targets, or acquirers, and value companies. M&A Research Catalyst provides you with M&A-tailored information in an easy-to-interpret report, including: financials; earnings estimates; news and deals; comparable companies and deals; DCF valuation; and valuation multiples. [www.bvdinfo.com/ma-catalyst](http://www.bvdinfo.com/ma-catalyst)