



BUREAU VAN DIJK

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DACH M&A Review Q3 2018

The following report details mergers and acquisitions activity in DACH in Q3 2018 using data from the Zephyr database.

It focuses on global deals activity by target company

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

DACH Q3 volume and value jumps year-on-year

The volume and value of mergers and acquisitions (M&A) targeting companies in the DACH region (Austria, Switzerland and Germany) declined to 1,959 deals worth EUR 54,205 million in Q3 2018. This represents a 3 per cent decrease by volume and a 49 per cent decline by value from 2,024 deals worth EUR 106,227 million in Q2 2018, while also representing the third consecutive decline by value this year.

However, on a more positive note, both the volume and value of M&A targeting DACH companies increased 31 per cent by volume and 75 per cent by value year-on-year from 1,498 deals worth EUR 30,898 million in Q3 2017. It is worth noting that while value fell back from the previous two quarterly results, these were two of the highest-recorded values on record for the region (Q1 2018: EUR 115,889 million).

Deals by volume and value

Announced date	No of deals	Total deal value (mil EUR)
Q3 2018	1,959	54,205
Q2 2018	2,024	106,227
Q1 2018	1,981	115,889
Q4 2017	1,645	43,341
Q3 2017	1,498	30,898
Q2 2017	1,451	86,755
Q1 2017	1,516	70,533
Q4 2016	1,523	55,246
Q3 2016	1,526	36,936



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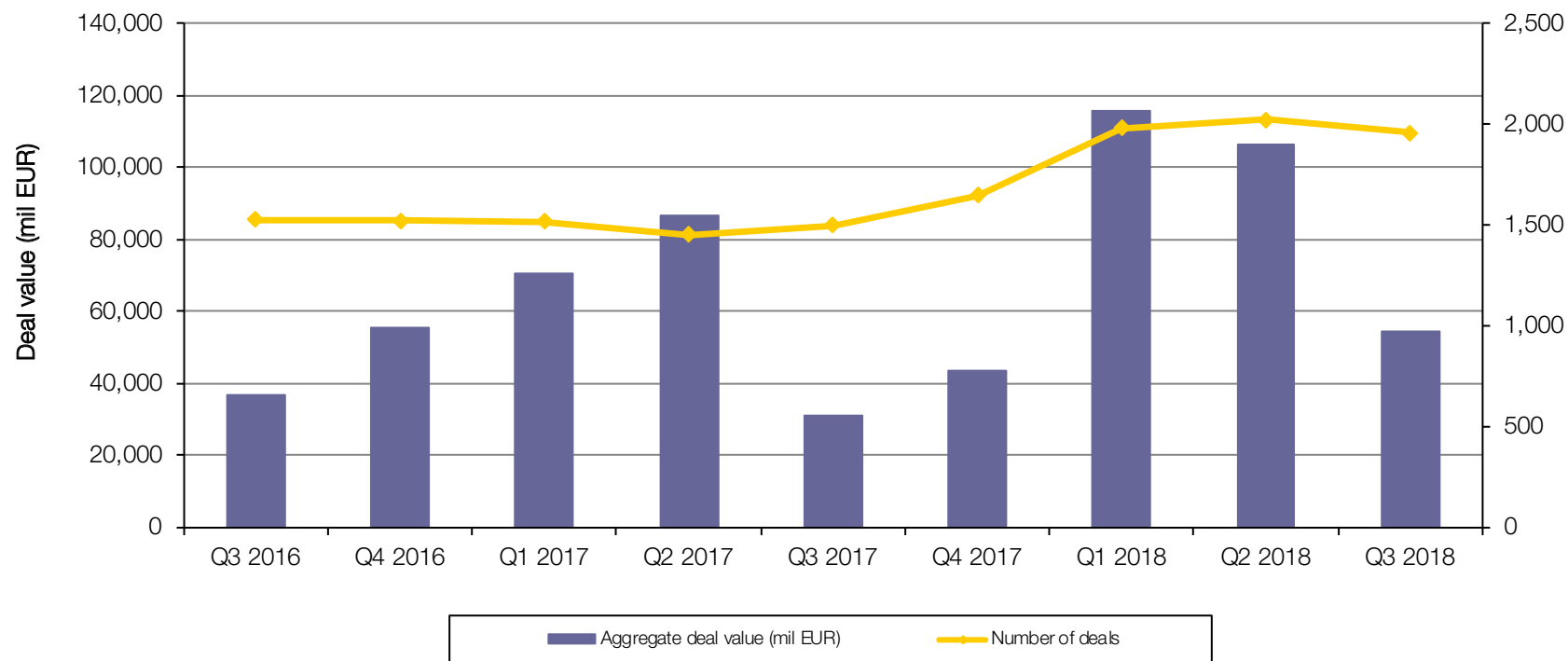
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Combining deal and company data

Deals by volume and value



Top deals by value

	Deal value (mil EUR)	Deal type	Target	Target country	Acquiror	Acquiror country	Deal status
1.	12,000	Acquisition 100%	DEA Deutsche Erdoel AG	DE	Wintershall Holding GmbH	DE	Pending
2.	2,172	IBO 100%	Suse Linux GmbH; Suse GmbH; mertus 435. GmbH; among other international assets	DE; DE; DE	Blitz 18-679 GmbH	DE	Pending
3.	2,100	Acquisition 100%	Erwin Hymer Group SE	DE	Tyr Holdings GmbH & Co AG	DE	Announced
4.	1,850	Acquisition 50% and 51%	Galeria Kaufhof GmbH's property company;Galeria Kaufhof GmbH's operating company	DE	New holding company	DE;DE	Pending
5.	1,196	Minority stake increased to 5%	Daimler AG	DE	Harris Associates LP	US	Completed
6.	1,086	IBO increased to 100%	VTG AG	DE	Warwick Holding GmbH	DE	Pending
7.	1,000	Acquisition 100%	Bayer AG's prescription dermatology business	DE	Leo Pharma A/S	DK	Pending
8.	817	Acquisition 100%	Development Partner AG	DE	Gateway Real Estate AG	DE	Pending
9.	758	Minority stake 26%	CA Immobilien Anlagen AG	AT	SOF-11 Starlight 10 EUR Sarl	LU	Completed
10.	735	Minority stake 35%	Sportradar AG	CH	TCMI Inc.; Canada Pension Plan Investment Board; Mr Carsten Koerl	US;CA;CH	Announced
11.	530	Minority stake 3%	Deutsche Bank AG	DE	Investors		Completed
12.	518	Acquisition 100%	GrazianoFairfield AG	CH	Dana Inc.	US	Announced
13.	506	Minority stake increased to 15%	MTU Aero Engines AG	DE	The Capital Group Companies Inc.	US	Completed
14.	500	Minority stake 4%	Evonik Industries AG	DE	Investors		Completed
15.	497	Capital Increase 13%	Sulzer AG	CH	Institutional Investors	CH	Completed
16.	450	IBO 100%	Hines Global REIT Inc.'s remaining property portfolio in Germany; Hines Global REIT Inc.'s remaining property portfolio in Poland	DE	The Blackstone Group LP	US	Completed
17.	404	Minority stake 50%	Instone Real Estate Group AG	DE	Investors		Completed
18.	378	Minority stake 3%	RWE AG	DE	Government of Norway	NO	Completed
19.	355	Minority stake 7%	Metro AG	DE	EP Global Commerce GmbH	DE	Completed
20.	350	Acquisition 100%	Sensile Medical AG	CH	Gerresheimer AG	DE	Completed

Target sectors by volume

Target sector	Q3 2017	Q2 2018	Q3 2018
Other services	483	673	558
Machinery, equipment, furniture, recycling	271	448	470
Chemicals, rubber, plastics	116	129	150
Wholesale & retail trade	99	136	145
Metals & metal products	78	87	90
Publishing, printing	70	72	85
Banks	48	96	83
Primary sector	52	27	69
Construction	45	60	61
Food, beverages, tobacco	34	36	48
Post and telecommunications	25	56	43
Gas, water, electricity	44	57	42
Textiles, wearing apparel, leather	50	67	39
Transport	38	29	28
Education, health	21	26	17
Hotels & restaurants	6	7	8
Insurance companies	15	19	6
Wood, cork, paper	10	7	2
Public administration and defence	0	0	1

Target sectors by value

Target sector	Q3 2017 (mil EUR)	Q2 2018 (mil EUR)	Q3 2018 (mil EUR)
Chemicals, rubber, plastics	9,650	16,614	15,213
Other services	5,871	35,741	13,159
Machinery, equipment, furniture, recycling	4,594	22,071	10,431
Wholesale & retail trade	1,166	1,411	4,571
Banks	1,470	5,093	2,894
Publishing, printing	284	1,509	2,534
Construction	1,662	535	2,387
Gas, water, electricity	265	15,132	1,376
Primary sector	1,064	416	926
Post and telecommunications	225	19,547	771
Metals & metal products	2,062	1,258	645
Textiles, wearing apparel, leather	430	1,966	566
Insurance companies	1,019	1,023	445
Transport	747	1,131	236
Food, beverages, tobacco	358	265	146
Education, health	20	28	117
Hotels & restaurants	13	504	7
Wood, cork, paper	52	65	0
Public administration and defence	0	0	0

Top target countries by volume

Target country	Q3 2017	Q2 2018	Q3 2018
1. Germany	1,118	1,625	1,569
2. UK	1,486	1,632	1,478
3. France	759	858	828
4. Spain	691	663	677
5. Netherlands	582	612	608
6. Italy	327	373	451
7. Sweden	344	750	447
8. Switzerland	318	334	334
9. Belgium	140	152	138
10. Finland	157	158	112
11. Norway	99	133	94
12. Denmark	107	100	78
13. Turkey	147	123	68
14. Austria	62	72	62
15. Ireland	59	61	57
16. Luxembourg	25	58	53
17. Portugal	42	47	41
18. Greece	5	12	14
19. Malta	9	10	12
20. Cyprus	17	29	10

Top target countries by value

Target country	Q3 2017 (mil EUR)	Q2 2018 (mil EUR)	Q3 2018 (mil EUR)
1. UK	64,566	129,863	104,613
2. Germany	24,656	88,118	46,252
3. Spain	33,957	37,328	26,677
4. France	32,828	24,084	24,830
5. Netherlands	21,486	30,999	18,082
6. Italy	15,299	16,714	17,003
7. Norway	2,631	3,668	7,091
8. Sweden	4,732	12,449	6,795
9. Switzerland	5,228	14,419	6,749
10. Ireland	2,299	1,760	6,463
11. Belgium	3,500	3,048	5,483
12. Luxembourg	9,336	5,835	4,572
13. Denmark	15,057	1,680	2,719
14. Finland	1,050	5,476	2,642
15. Portugal	1,721	14,553	2,075
16. Austria	1,014	3,701	1,243
17. Poland	0	0	845
18. Australia	0	10	817
19. Turkey	2,745	5,957	473
20. Malta	362	78	321

Germany targeted in Q3's largest deal

The disappointing result by value quarter-on-quarter in Q3 came despite seven of the top 20 deals by value breaking the EUR 1,000 million-barrier and one mega deal exceeding EUR 10,000 million. This deal took the form of an acquisition by German crude oil and natural gas production firm Wintershall Holding of petroleum refiner DEA Deutsche Erdoel for EUR 12,000 million. The deal was worth ten times more than the second-largest transaction and accounts for 22 per cent of total M&A value for the DACH region (EUR 54,205 million).

Private equity firm EQT Partners, via acquisition vehicle Blitz 18-679, paid EUR 2,172 million for the German and US-based assets from Suse and Micro Focus in the second-largest deal, including Suse Linux, Suse and mertus 435. This was followed by German caravans and recreational vehicle manufacturer Tyr Holdings agreeing to acquire Erwin Hymer Group, also of Germany, for EUR 2,100 million.

In total, 15 of the top 20 deals by value featured German-based targets, with the exceptions of Austria-based CA Immobilien Anlagen and Switzerland's Sportradar, GrazianoFairfield, Sulzer and Sensile Medical.

Chemicals, rubber and plastics tops sector rankings by value in Q3

The chemicals, rubber and plastics sector topped the value rankings in Q3 with USD 15,213 million, which is unsurprising, giving the industry featured in the largest deal of the three months under review. In terms of value, the machinery, equipment, furniture and recycling sector was a close second, with EUR 10,431 million. Targets in the wholesale and retail trade, publishing and printing, construction and the primary sector each increased quarter-on-quarter.

In terms of volume, the machinery, equipment, furniture and recycling, chemicals, rubber and plastics and wholesale and retail trade sectors all led the way, having featured in 470, 150 and 145 deals, respectively. Each of these increased over the three months under review and were followed by six other sectors which also recorded a higher result than Q2 2018, including publishing and printing, the primary sector, construction and food, beverages and tobacco.

PE volume up while value declines in Q3

In keeping with M&A, both the volume and value of private equity and venture capital (PE and VC) investment targeting the DACH region improved year-on-year; however, on a quarter-on-quarter comparison, volume increased 2 per cent against a 23 per cent decline by value to 177 deals worth EUR 7,069 million in Q3, from 173 deals worth EUR 9,240 million in Q2.

Volume increased 24 per cent on a 12-month comparison, while value improved 7 per cent from 143 deals worth EUR 6,630 million in Q3 2017.

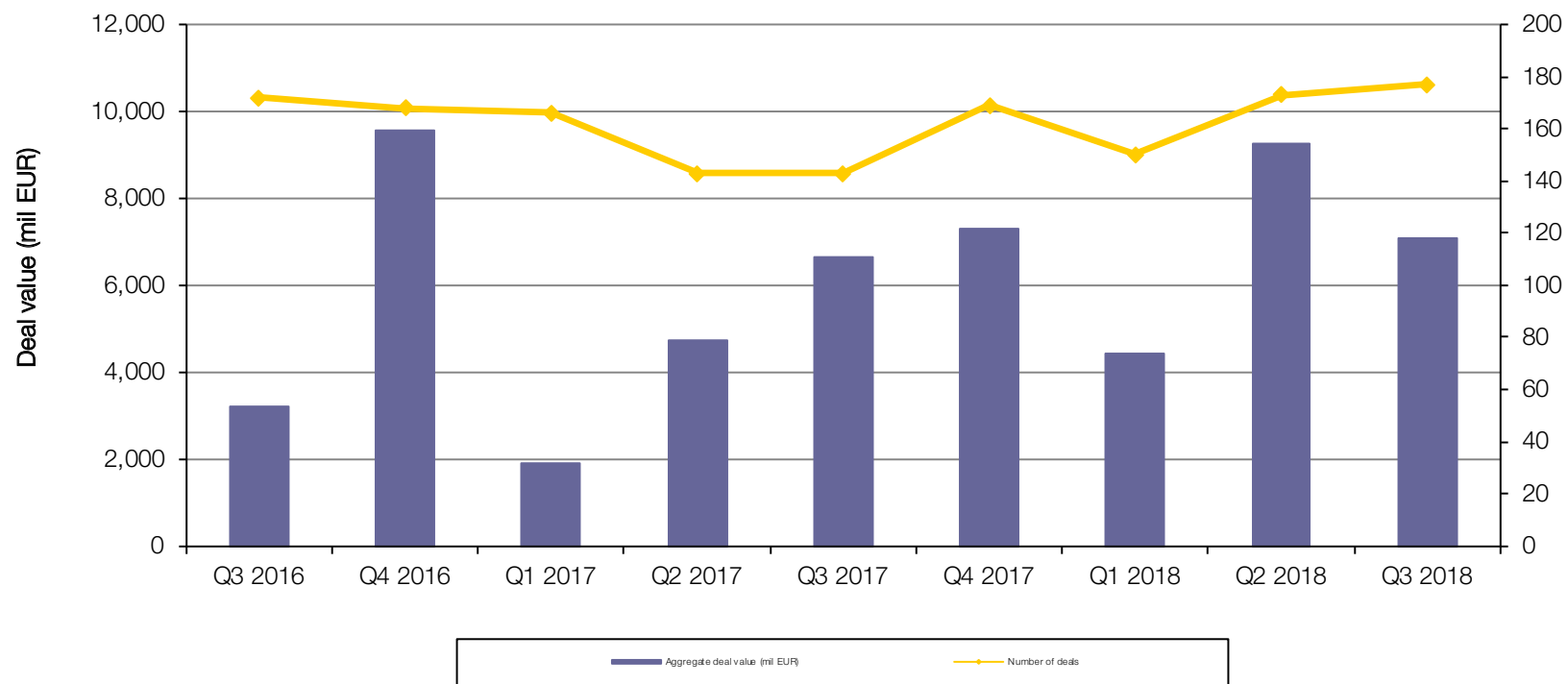
Two PE and VC deals exceeded EUR 1,000 million in Q3, the largest of which is the aforementioned acquisition of Suse and Micro Focus' German assets by EQT for EUR 2,172 million. This was followed by Morgan Stanley Infrastructure Holding's Warwick Holding picking up the remaining 71 per cent stake in German rail freight transportation services group VTG for EUR 1,086 million.

Of the top 20 deals signed off in Q3, German targets featured in 13 of them, Austria was targeted once - Starwood Capital Group, via an acquisition vehicle, paid EUR 758 million for a 26 per cent stake in CA Immobilien Anlagen - while Switzerland featured six times.

Private equity deals by volume and value

Announced date	No of deals	Total deal value (mil EUR)
Q3 2018	177	7,069
Q2 2018	173	9,240
Q1 2018	150	4,429
Q4 2017	169	7,311
Q3 2017	143	6,630
Q2 2017	143	4,748
Q1 2017	166	1,885
Q4 2016	168	9,568
Q3 2016	172	3,192

Private equity deals by volume and value



Top private equity deals by value

	Deal value (mil EUR)	Deal type	Target	Target country	General Partner/Fund Manager	Deal status
1.	2,172	IBO 100%	Suse Linux GmbH; Suse GmbH; mertus 435. GmbH; among other international assets	DE; DE; DE	EQT Partners AB	Pending
2.	1,086	IBO increased to 100%	VTG AG	DE	Morgan Stanley Infrastructure Inc.	Pending
3.	758	Minority stake 26%	CA Immobilien Anlagen AG	AT	Starwood Capital Group Management LLC	Completed
4.	735	Minority stake 35%	Sportradar AG	CH	TCMI Inc.; Canada Pension Plan Investment Board	Announced
5.	450	IBO 100%	Hines Global REIT Inc.'s remaining property portfolio in Germany; Hines Global REIT Inc.'s remaining property portfolio in Poland	DE	The Blackstone Group LP	Completed
6.	320	IBO 100%	Goldenes Haus; Undisclosed office building and 7 building office park in Berlin, Germany; among other international assets	DE; DE	Partners Group Holding AG	Completed
7.	260	Minority stake	DARAG Deutsche Versicherungs- und Rückversicherungs-AG	DE	Crestview Advisors LLC; Aleph Capital Partners LLP	Pending
8.	258	Minority stake	About You Holding GmbH	DE	GMPVC German Media Pool GmbH	Pending
9.	100	IBO	Rodenstock GmbH; among other international assets	DE	Compass Partners International II LLP	Completed
10.	100	IBO	FairConnect SA	CH	Palamon Capital Partners LP	Completed
11.	88	Minority stake	Deposit Solutions GmbH	DE	Vitruvian Partners LLP; e.ventures; Kinnevik AB	Completed
12.	86	IBO 100%	KO Campus	DE	Investcorp Bank BSC	Completed
13.	86	IBO 100%	AEMtec GmbH	DE	capiton AG	Pending
14.	69	Minority stake	Wayray AG	CH	China Merchants Capital Management Co., Ltd	Completed
15.	52	Minority stake	Therachon AG	CH	OrbiMed Advisors LLC; Versant Venture Management LLC; Inserm Transfert Initiative SAS; Tekla Capital Management LLC; BPIFrance SA; Novo Holdings A/S; Cowen Healthcare Investments	Completed
16.	30	Minority stake	Lesara GmbH	DE	Mangrove Capital Partners SA; Northzone Ventures Sweden AB; 3L Capital LLC	Completed
17.	27	Minority stake	Climeworks AG	CH	Zurcher Kantonalbank	Completed
18.	26	Minority stake	WunderCar Mobility Solutions GmbH	DE	Blumberg Capital LLC; KCK Group	Completed
19.	26	Minority stake	Scandit AG	CH	Nokia Growth Partners US LLC; Atomico (UK) Partners LLP	Completed
20.	23	IBO majority stake	FLS GmbH	DE	Deutsche Beteiligungs AG	Announced

Target sectors by volume for private equity deals

Target sector	Q3 2017	Q2 2017	Q3 2018
Other services	80	83	85
Publishing, printing	19	20	31
Machinery, equipment, furniture, recycling	22	33	22
Chemicals, rubber, plastics	4	7	10
Wholesale & retail trade	9	7	10
Construction	0	3	3
Insurance companies	2	1	3
Education, health	2	5	2
Food, beverages, tobacco	1	1	2
Textiles, wearing apparel, leather	1	2	1
Transport	0	0	1
Gas, water, electricity	2	2	1
Metals & metal products	1	7	1
Wood, cork, paper	1	1	1
Primary sector	0	0	0
Public administration and defence	0	0	0
Hotels & restaurants	2	1	0
Post and telecommunications	0	2	0
Banks	0	0	0

Target sectors by value for private equity deals

Target sector	Q3 2017 (mill EUR)	Q2 2018 (mill EUR)	Q3 2018 (mill EUR)
Other services	667	596	5,953
Publishing, printing	28	120	2,356
Insurance companies	773	0	360
Wholesale & retail trade	398	0	303
Machinery, equipment, furniture, recycling	1,057	6,365	234
Education, health	3	9	100
Chemicals, rubber, plastics	3,683	400	28
Primary sector	0	0	0
Transport	0	0	0
Post and telecommunications	0	13	0
Public administration and defence	0	0	0
Banks	0	0	0
Wood, cork, paper	0	0	0
Textiles, wearing apparel, leather	0	5	0
Food, beverages, tobacco	0	0	0
Metals & metal products	7	0	0
Hotels & restaurants	13	0	0
Construction	0	13	0
Gas, water, electricity	0	1,507	0

Top target countries by volume for private equity deals

Target country	Q3 2017	Q2 2018	Q3 2018
1. UK	263	276	251
2. France	171	210	138
3. Germany	109	133	132
4. Spain	61	72	64
5. Italy	44	50	55
6. Netherlands	57	52	45
7. Sweden	36	63	42
8. Switzerland	22	27	35
9. Belgium	20	23	24
10. Ireland	16	8	14
11. Finland	29	19	14
12. Norway	7	10	12
13. Denmark	11	13	11
14. Austria	12	13	10
15. Portugal	0	9	7
16. Luxembourg	5	10	6
17. Greece	0	3	4
18. Cyprus	3	4	3
19. Iceland	3	3	2

Top target countries by value for private equity deals

Target country	Q3 2017 (mil EUR)	Q2 2018 (mil EUR)	Q3 2018 (mil EUR)
1. UK	19,048	10,797	12,264
2. Spain	3,609	5,446	11,056
3. Italy	942	6,474	7,065
4. Germany	5,727	7,919	5,161
5. France	1,928	10,225	4,850
6. Netherlands	308	5,621	3,298
7. Sweden	308	313	1,415
8. Switzerland	880	420	1,144
9. Finland	140	2,166	817
10. Norway	312	1,227	785
11. Austria	23	900	763
12. Ireland	269	611	643
13. Belgium	959	189	453
14. Poland	0	0	450
15. Denmark	5,693	323	382
16. Luxembourg	16	2,757	364
17. Greece	0	213	104

Private equity providers

	Private equity firm	Number of deals	Number with consideration	Total deal value (mil EUR)	Average deal value (mil EUR)
1	EQT Partners AB	3	2	2,907	1,453
2	Morgan Stanley Infrastructure Inc.	1	1	1,086	1,086
3	Starwood Capital Group Management LLC	2	1	758	758
4	TCMI Inc.	1	1	735	735
5	Canada Pension Plan Investment Board	1	1	735	735
6	The Blackstone Group LP	3	1	450	450
7	Partners Group Holding AG	1	1	320	320
8	Crestview Advisors LLC	1	1	260	260
9	Aleph Capital Partners LLP	1	1	260	260
10	GMPVC German Media Pool GmbH	1	1	258	258
11	e.ventures	2	2	103	52
12	Palamon Capital Partners LP	1	1	100	100
13	Compass Partners International II LLP	1	1	100	100
14	Bridgepoint Advisers Ltd	1	1	100	100
15	Vitruvian Partners LLP	3	2	98	49
16	Kinnevik AB	2	2	98	49
17	Investcorp Bank BSC	2	1	86	86
18	capiton AG	1	1	86	86
19	China Merchants Capital Management Co., Ltd	1	1	69	69
20	Zurcher Kantonalbank	6	6	55	9

Notes to editors

Activity is based on the activity of the target company.

DACH targets refers to target companies from Germany, Austria and Switzerland.

Deal status: all deal statuses except rumoured, withdrawn and postponed.

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