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**James A. Seale**  
*President*

**Brett M. Carmel**  
*Managing Director*

**Jeremy F. Rohen**  
*Managing Director*

**Felipe Bueno Viesca**  
*Managing Director*

**Martin B. Cohen**  
*Senior Director*

**Paul Roessel**  
*Senior Director*

**William H. Purcell**  
*Senior Director*

Seale & Associates, Inc.  
4301 N. Fairfax Drive  
Suite 305  
Arlington, Virginia 22203  
(703) 294-6770

[www.sealeassociates.com](http://www.sealeassociates.com)



# Global Mergers & Acquisitions Update

**First Quarter 2009**

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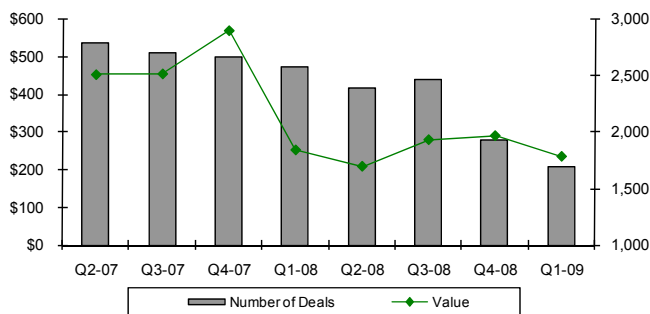
# United States & Canada

## M&A Activity

### U.S. and Canada Deal Activity Continues to Drop

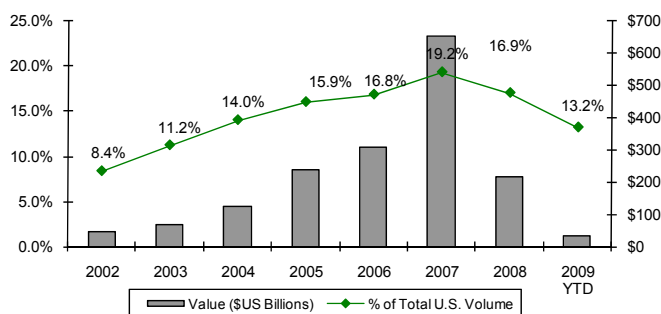
Completed deal volume in the U.S. & Canada in the first quarter of 2009 fell 34% compared to the same period in 2008. Completed deal value in the first quarter of 2009 reached US\$234 billion, 7% less than the same period the previous year. Lack of liquidity in the credit markets continues to hamper deal activity. Private Equity firms continue to remain on the sidelines, causing deal volume and value levels to decrease.

### Completed U.S. & Canada-Target Transactions



Source: Thomson Financial

### Historical Private Equity Involvement



Source: Thomson Financial

## Select M&A News

### Lufkin Industries acquires International Lift Systems

Lufkin Industries Inc., the listed US based supplier of oilfield pumping units, industrial gears and foundry castings, has acquired International Lift Systems LLC, the US based manufacturer of artificial lift systems serving oil and gas companies, for approximately US\$50m. The transaction value represents a multiple of 7.7x EBITDA and 1.6x Revenue. The acquisition is in line with Lufkin Industries' long term growth strategy to integrate strategic assets and maintain its market position. With this acquisition, Lufkin Industries will expand its artificial lift business, as well as its distribution and service network through an additional fourteen sales and service centers.

### Insituform Technologies acquires The Bayou Companies

Insituform Technologies, Inc., the listed US based provider of proprietary technologies and services, through its subsidiary TBC Acquisition Corp., has acquired The Bayou Companies, LLC, the US based provider of products and services to the oil and gas industry, for approximately US\$130m. The transaction value

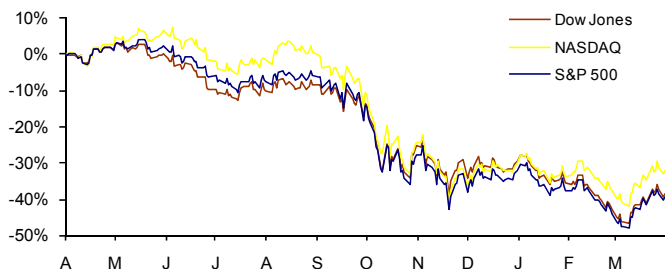
represents a multiple of 4.8x EBITDA and 1.0x Revenue. The transaction is in line with Insituform Technologies' strategy to become one of the premier, full-spectrum providers of pipeline and corrosion protection services in North America.

### Getinge AB acquires Datascope Corporation

Getinge AB, a Sweden based medical technology company with operations in the cardiac surgery and vascular surgery markets has acquired Datascope Corporation, a US based medical device company, engaged in the development, manufacture, and marketing of products for clinical health care markets in interventional cardiology and radiology, cardiovascular and vascular surgery, anesthesiology, emergency medicine, and critical care for approximately US\$594m. The transaction value represents a multiple of 10.8x EBITDA and 2.6x Revenue. The acquisition of Datascope strengthens Getinge's presence in the cardiovascular market and provides synergies through product and geographic cross selling opportunities.

## Market Trends

### LTM Equity Market Performance



Source: Yahoo! Finance

### Treasury & Government Issue Yields

	United States		Canada	
	4/1/2009	1 Year Ago	4/1/2009	1 Year Ago
3 Month	0.22%	1.40%	0.39%	1.98%
6 Month	0.41%	1.53%	0.48%	2.45%
1 Year	0.58%	1.62%	0.59%	2.71%
5 Year	1.65%	2.65%	1.75%	3.05%
10 Year	2.68%	3.57%	2.77%	3.56%

Source: U.S. Department of Treasury and Bank of Canada

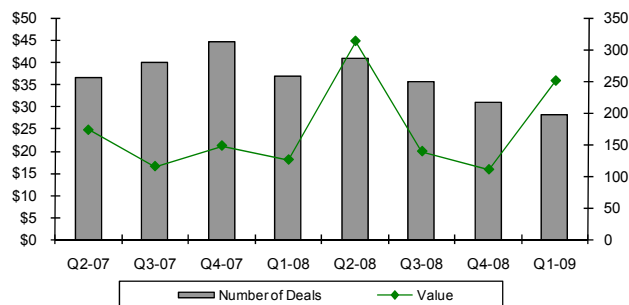
# Latin America

## M&A Activity

### Latin American M&A Deal Flow Drops

Completed deal volume in Latin America through the first quarter of 2009 decreased 37% from the same period in 2008. The drop in volume was not unexpected and was due to a combination of financing difficulties, an uncertain valuation climate and an equally uncertain regulatory landscape. Nonetheless, the devaluation of Latin-American currencies against the dollar could generate enticing opportunities for foreign companies desiring to establish a presence in the Latin American market.

### Completed Latin American-Target Transactions



Source: Thomson Financial

## Select M&A News

### • **Coca-Cola Company and Coca-Cola FEMSA acquire Bavaria SA-Agua Brisa Bottled**

An investor group, comprised of Coca-Cola de Chile SA, a unit of Coca-Cola Co., and Industria Nacional de Gaseosas SA, a unit of Coca-Cola FEMSA SAB de CV, has acquired the Agua Brisa bottled water business of Bavaria SA, a producer and wholesaler of beer and other malt beverages, health drinks, fermented or distilled beverages, refreshments, juices, carbonated and flavored water, and a unit of SABMiller PLC, for approximately US\$92m.

### • **Vale S.A. acquires Cementos Argos SA-Coal Mine**

Vale S.A., a Brazil based metals and mining company, has acquired the coal mine assets of Cementos Argos SA, a manufacturer of cement, and a unit of Inversiones Argos SA, for approximately US\$373m.

### Select Latin American Interest Rates

Most Recent as of March 28, 2009

	Current		1 Year Ago	
	3-month	10-year	3-month	10-year
Argentina	14.44%	NA	10.44%	N/A
Brazil	11.16%	6.16%*	11.18%	6.16%*
Chile	3.00%	3.65%*	6.48%	3.79%*
Colombia	8.13%	6.95%*	9.53%	5.74%*
Mexico	6.52%	7.74%	7.43%	7.49%*
Venezuela	17.01%	6.55%*	14.36%	6.55%*

Source: The Economist

\*USD denominated bonds

### Other Economic Indicators

% Change on Year Ago

	Consumer Prices		Gross Domestic Product		
	Latest	1 Year Ago	Q4	2008	2009F
Argentina	+6.3 Mar	+8.8	+4.8	+7.0	-3.5
Brazil	+5.6 Mar	+4.7	+1.2	+5.1	-1.5
Chile	+5.0 Mar	+8.5	+0.2	+3.2	-0.8
Colombia	+6.1 Mar	+5.9	-0.7	+2.5	-3.0
Mexico	+6.0 Mar	+4.2	-1.7	+1.4	-4.4
Venezuela	+28.8 Nov	+24.7	+3.2	+4.8	-5.0

Source: The Economist

### • **Cia Energetica de Minas Gerai acquires a 49% stake in Praia do Morgado**

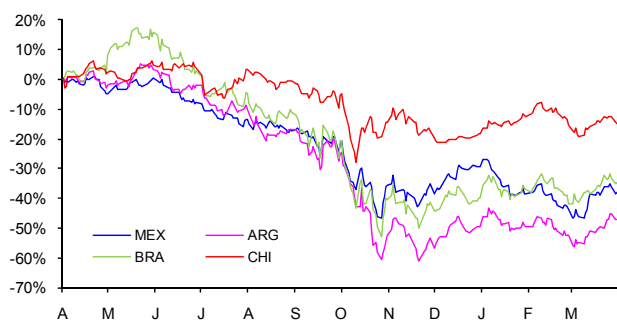
Cia Energetica de Minas Gerais (CE) has acquired a 49% stake in Praia do Morgado, a provider of wind energy services, from Industrias Metalurgicas Pescarmona. Simultaneously, CE acquired a 49% stake in Volta do Rio and in Praias de Parajuru. The three transactions had a combined value of US\$92m.

### • **Termogas SA acquires 50% stake in Termonorte Energia**

Termogas SA (TS), a unit of Grupo Carlos Suarez, has acquired a 50% interest in Termonorte Energia Ltda, an electric utility and a unit of El Paso Corp (EP). It also acquired CS Participacoes Ltda, from EP. Simultaneously, TS acquired the remaining 50% interests which it did not already own, in Termo O&A Energia Ltda and Dutonorte Investimentos Ltda. The three transactions had a combined value of US\$178m.

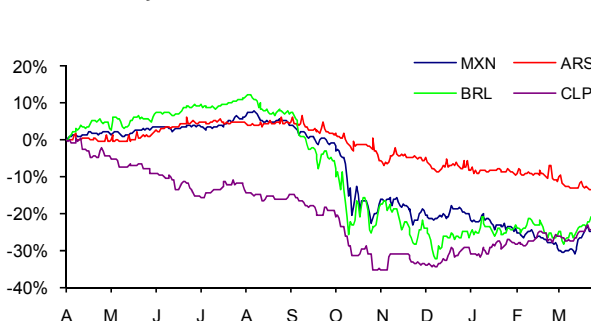
## Market Trends

### LTM Equity Market Performance



Source: Yahoo! Finance

### LTM Currency Performance Versus U.S. Dollar



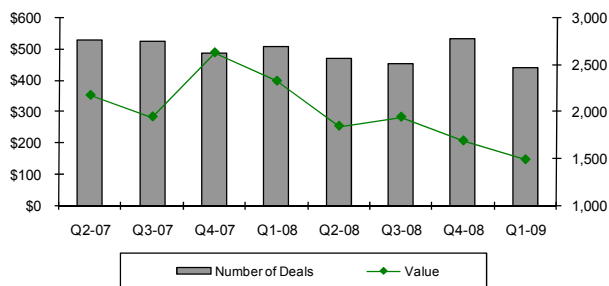
Source: OANDA Corporation

## M&A Activity

### European M&A Activity expected to stagnate

Completed deal volume in Europe in the first quarter of 2009 decreased 9% from the same period in 2008. Completed deal value in the first quarter of 2009 reached US\$147 billion, 63% less than the same period for the previous year. M&A activity is expected to stagnate for the remainder of 2009. Over 85% of the total value of European M&A this quarter has taken place in two sectors: energy, mining & utilities (58%) and financial services (29%). All of the top 10 announced deals for the region this quarter fall into one of these sectors.

### Completed European-Target Transactions



Source: Thomson Financial

## Select M&A News

### Avnet acquires Abacus Group

Avnet Inc., the listed US based distributor of semiconductors, electronic components, computer products and electrochemical components has acquired Abacus Group PLC, the UK based electronic components distributor for approximately US\$164m. The transaction value represents a multiple of 5.9x EBITDA and 0.3x Revenue. The acquisition will enable Avnet to strengthen and expand its existing product range and service offering throughout Europe.

### Francisco Partners LP; Sequoia Capital Israel acquire Dmatek Limited

Francisco Partners, a US based private equity firm and Sequoia Capital Israel, an Israel based venture capital firm have acquired Dmatek Limited, an Israel based provider of remote people monitoring technologies for approximately US\$64m in a

### Select European Interest Rates

Most Recent as of March 28, 2009

	Current		1 Year Ago	
	3-month	10-year	3-month	10-year
Britain	0.73%	3.54%	4.92%	4.52%
France	1.55%	3.64%	4.48%	4.08%
Germany	1.55%	3.14%	4.48%	3.88%
Italy	1.55%	4.37%	4.72%	4.43%
Spain	1.55%	3.88%	4.72%	4.24%

Source: The Economist

### Other Economic Indicators

% Change on Year Ago

	Consumer Prices		Gross Domestic Product		
	Latest	1 Year Ago	Q4	2008	2009F
Britain	+3.2 Feb	+2.5	-1.99	+0.7	-4.0
France	+0.3 Mar	+3.3	-1.2	+0.7	-3.5
Germany	+0.6 Mar	+3.0	-1.8	+1.3	-5.3
Italy	+1.0 Mar	+3.6	-2.9	-1.0	-4.5
Spain	-0.1 Mar	+4.5	-0.7	+1.2	+4.1

Source: The Economist

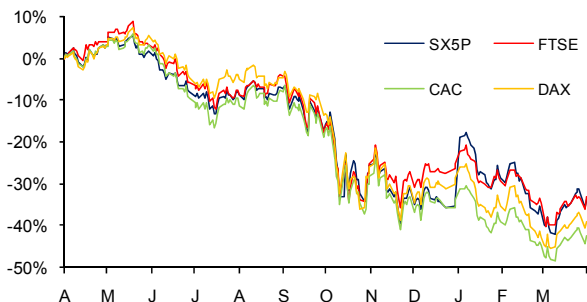
leveraged buyout transaction. The transaction value represents a multiple of 6.9x EBITDA and 1.4x Revenue. Shareholders received a premium of 82% relative to the last unchanged stock price (US\$1.94) and 72% relative to the average closing price of the 30 trading days prior and including October 6, 2008.

### Warburg Pincus acquires 16% stake in Premier Foods

Warburg Pincus, the US based private equity firm has acquired a 16% stake in Premier Foods PLC, the listed UK food producer and retailer of food products for approximately US\$160 along with the right to nominate one member to the board of directors of the food company. The acquisition will enable Premier Foods to expand its growth in Europe through the support of a private equity firm.

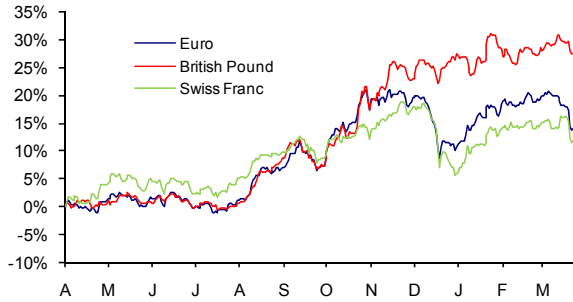
## Market Trends

### LTM Equity Market Performance



Source: Yahoo! Finance

### LTM Currency Performance Versus U.S. Dollar



Source: OANDA Corporation

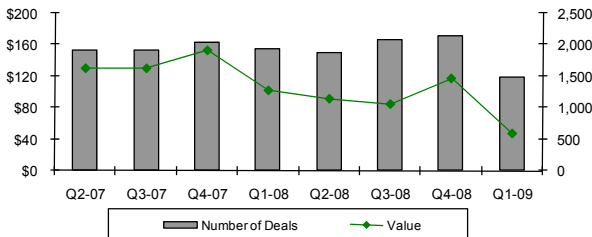
# Asia & India

## M&A Activity

### Asian M&A declining, China most targeted nation

Completed deal volume in Asia in the first quarter of 2009 decreased 23% from the same period in 2008. Completed deal value in the first quarter of 2009 reached US\$46 billion, 54% less than the same period for the previous year. China continues as the most targeted nation in the Asian region with a contribution of approximately 30% of the deal volume. Alternatively, many Japanese firms are considered to be acquisition ready, having used the last few years to build healthy cash reserves.

### Completed Asian-Target Transactions



Source: Thomson Financial

## Select M&A News

### AGL Energy acquires Sydney Gas

AGL Energy Ltd., the Australia based company engaged in oil and gas exploration activities has acquired Sydney Gas Ltd., the listed Australian gas producer for approximately US\$111m. The transaction value represents a multiple of 26.8x EBITDA and 13.2x Revenue. The acquisition will allow AGL full operational control of the Sydney/Hunter and Gloucester basins and will also give AGL access to use the highly prospective exploration area of Sydney Gas in close proximity with its market.

### ITE Tech acquires Afa Technologies

ITE Tech Inc., the Taiwanese based company engaged in the research, development, manufacture and distribution of integrated circuits, has acquired Afa Technologies Inc., the listed Taiwan based integrated circuit designer providing controllers in flash memory related applications, for approximately US\$146m.

### Select Asian Interest Rates

Most Recent as of March 28, 2009

	Current		1 Year Ago	
	3-month	10-year	3-month	10-year
China	1.23%	3.10%	4.50%	3.98%
Hong Kong	0.88%	1.83%	1.83%	2.35%
India	4.86%	7.40%	7.29%	8.09%
Japan	0.56%	1.29%	0.75%	1.26%
Singapore	0.56%	1.93%	1.38%	2.20%
South Korea	2.42%	4.93%	5.32%	5.39%

Source: The Economist

### Other Economic Indicators

% Change on Year Ago

	Consumer Prices		Gross Domestic Product		
	Latest	1 Year Ago	Q4	2008	2009F
China	-1.1 Mar	+8.3	+6.8	+9.0	+6.5
Hong Kong	+1.2 Mar	+1.2	-2.5	+2.5	-5.8
India	+9.6 Feb	+5.5	+4.5	+6.0	+5.0
Japan	+0.0 Feb	+1.0	-4.3	-0.7	-6.4
Singapore	+1.6 Mar	+6.7	-4.1	+1.1	-8.8
South Korea	+4.1 Feb	+3.6	-4.4	+2.3	-10.1

Source: The Economist

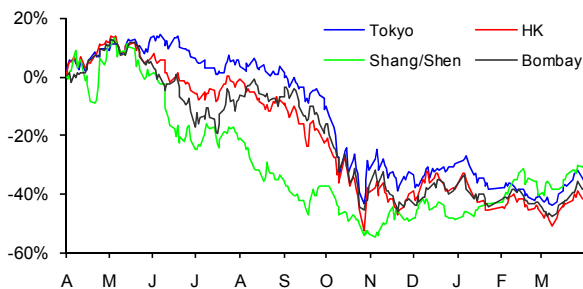
The transaction value represents a multiple of 28.4x EBITDA and 5.8x Revenue. The acquisition will make ITE more competitive and it will enjoy benefits from economies of scale. It will also enable ITE to strengthen core technology, cut development and production costs, enlarge customer base and expand product lines.

### Qatar Telecom acquires 40% stake in PT Indosat

Qatar Telecom QSC (Qtel), the Qatar based telecommunications company, has agreed to acquire a 40.81% stake in PT Indosat Tbk, the listed Indonesian provider of telecommunications services, from Asia Mobile Holdings Pte Ltd for approximately US\$216m. The transaction value represents a multiple of 2.9x EBITDA. The transaction represents a 25% premium over the original price acquisition in 2004.

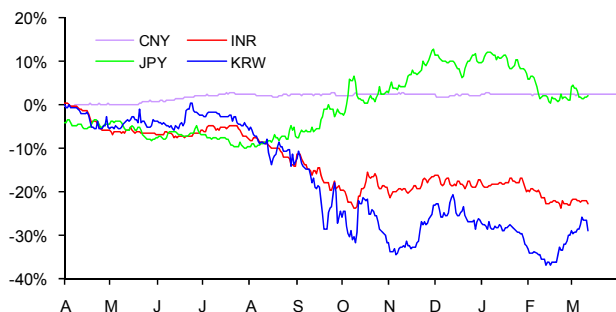
## Market Trends

### LTM Equity Market Performance



Source: Yahoo! Finance

### LTM Currency Performance Versus U.S. Dollar



Source: OANDA Corporation

# Seale & Associates

Investment Banking Services

For More Information:

James A. Seale  
*President*  
jseale@sealeassociates.com

Brett M. Carmel  
*Managing Director*  
bcarmel@sealeassociates.com

Jeremy F. Rohen  
*Managing Director*  
jrohen@sealeassociates.com

Felipe Bueno Viesca  
*Managing Director*  
fbueno@sealeassociates.com

Martin B. Cohen  
*Senior Director*  
mcohen@sealeassociates.com

Paul Roessel  
*Senior Director*  
proessel@sealeassociates.com

William H. Purcell  
*Senior Director*  
wpurcell@sealeassociates.com

Seale & Associates is a global investment bank applying a process driven approach to a wide array of services, including mergers and acquisitions, corporate finance, and enterprise level strategy consulting. Our professionals are trusted advisors maintaining a high level of quality and integrity while presenting innovative ideas and solutions to address our clients' most complex dealings. We believe our success as a firm can be measured in the strong references from our diversified global client base.

Seale & Associates, Inc.  
4301 N. Fairfax Drive  
Suite 305  
Arlington, Virginia 22203  
(703) 294-6770

[www.sealeassociates.com](http://www.sealeassociates.com)