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Global Mergers & Acquisitions Update

Second Quarter 2009

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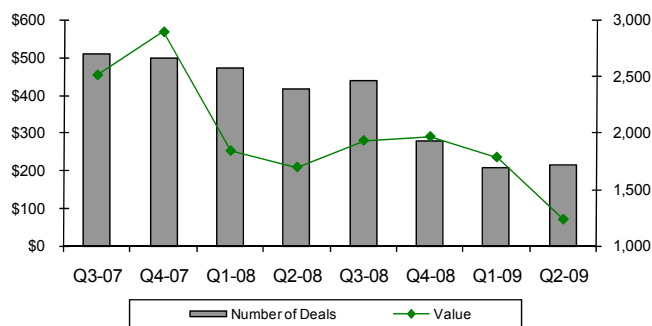
United States & Canada

M&A Activity

U.S. and Canada Deal Volume Surges, Deal Value Falls

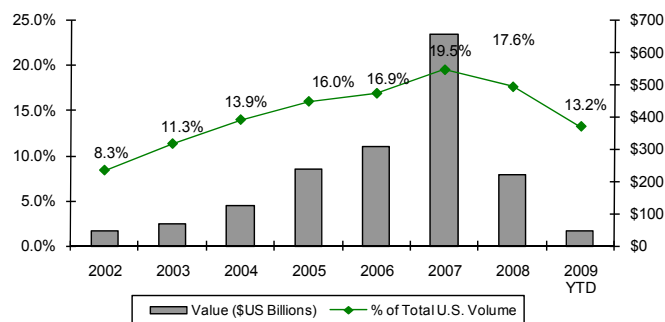
Completed deal volume in the U.S. & Canada in the second quarter of 2009 fell 28% compared to the same period in 2008. Completed deal value in the second quarter of 2009 reached US\$68 billion, 67% less than the same period the previous year. While the number of deals increased 1.5% compared to last quarter, completed deal value saw a major decline of 71%. Deal value decrease can be explained by the inability of banks to support large transactions.

Completed U.S. & Canada-Target Transactions



Source: Thomson Financial

Historical Private Equity Involvement



Source: Thomson Financial

Select M&A News

• Grupo Lala acquires National Dairy Holdings

Grupo Lala S.A. de C.V., a Mexican producer and distributor of milk and dairy products, has acquired National Dairy Holdings LP (NDA), the US based milk processing company, from Dairy Farmers of America, Inc. (DFA), a US producer of dairy products, for approximately \$US435m. The transaction value represents a multiple of 0.3x Revenue. Grupo Lala acquired DFA's 87.5% stake and the remaining 12.5% from an undisclosed vendor. The acquisition extends Grupo Lala's reach in the US market and enables DFA to invest in new strategic projects. Grupo Lala will also benefit from NDA's well established brands.

• Mechel Mining acquires Bluestone Coal Group

Mechel Mining OAO a Russian mining company subsidiary of Mechel OAO, has acquired Blue Stone Coal Group, the US based coal mining company, from the Justice family, for approximately \$US533m. The transaction value represents a multiple of 5.6x EBITDA and 1.6x Revenue. The transaction also includes a contingent share value right that guarantees

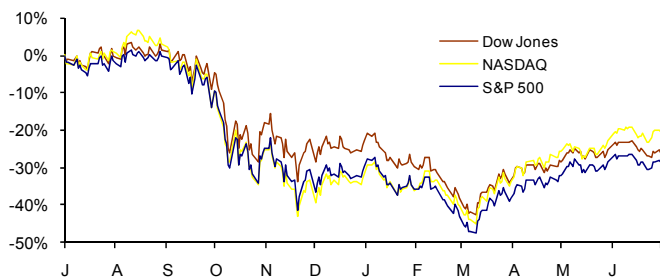
a total shareholder return from the preferred shares after a five year period and an obligatory contingent cash payment based on additional coal reserves and resources identified within a two year period under the planned drilling program.

• Aecon Group acquires Lockerbie & Hole

Aecon Group, Inc., a Canadian construction and infrastructure development company, has acquired Lockerbie & Hole, Inc., the Canadian based company engaged in providing mechanical, electrical, instrumentation, pipe fabrication, module assembly, boiler erection, insulation and civil services, for approximately \$US115m. The transaction value represents a multiple of 3.1x EBITDA and 0.3x Revenue. The acquisition will ensure leadership positions for the companies in their respective mechanical and electrical markets by integrating skills, experience and market positioning and other infrastructure.

Market Trends

LTM Equity Market Performance



Source: Yahoo! Finance

Treasury & Government Issue Yields

	United States		Canada	
	6/30/2009	1 Year Ago	6/30/2009	1 Year Ago
3 Month	0.19%	1.90%	0.24%	0.23%
6 Month	0.35%	2.17%	0.31%	0.32%
1 Year	0.56%	2.36%	0.51%	0.59%
5 Year	2.54%	3.34%	2.46%	3.45%
10 Year	3.53%	3.99%	3.36%	3.56%

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

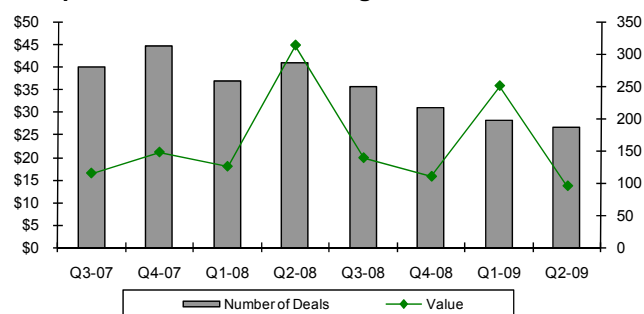
Latin America

M&A Activity

Brazil Remains Main Driver of Latin America M&A Activity

Completed deal volume in Latin America through the second quarter of 2009 decreased 35% from the same period in 2008. Completed deal value in the second quarter of 2009 reached US\$14 billion, 70% less than the same period the previous year. Brazil remained the main driver of Latin America M&A activity contributing more than 70% to the total value of transactions. Alternatively, during the first six months of 2009, Mexico has seen only two deals valued in excess of US\$100m, with no single reported deal valued at more than US\$250m. Total deal value for Mexico accounted for less than 5% of the region's total.

Completed Latin American-Target Transactions



Source: Thomson Financial

Select M&A News

• Cosan SA Industria e Comercio acquires Curupay

Cosan SA Industria e Comercio, the Brazilian producer of sugar and ethanol, has acquired Curupay SA, the Brazilian based company engaged in ethanol and sugar production activities, from Rezende Barbosa SA Administracao e Participacoes, the Brazilian based investment holding company having interest in sugar and ethanol production, for approximately US\$366m. Post acquisition, Cosan will be operating a total of 23 sugarcane processing mills with a total capacity of 60m tons per harvest.

• Grupo Arias acquires Compania Minera Poderosa

Grupo Arias, the Peruvian energy and mining company, has acquired a 50% stake in Compania Minera Poderosa, a Peru based mining company, from Atagold SA, the listed Peruvian mining group, for approximately US\$72m. Grupo Arias is

Select Latin American Interest Rates

Most Recent as of June 27, 2009

	Current		1 Year Ago	
	3-month	10-year	3-month	10-year
Argentina	14.63%	NA	16.50%	NA
Brazil	9.16%	6.16%*	12.17%	6.16%*
Chile	1.32%	3.07%*	6.72%	4.80%*
Colombia	5.54%	6.29%*	9.29%	5.95%*
Mexico	4.72%	8.13%	7.74%	9.12%
Venezuela	14.50%	6.55%*	17.18%	6.55%*

Source: The Economist

*USD denominated bonds

Other Economic Indicators

% Change on Year Ago

	Consumer Prices		Gross Domestic Product		
	Latest	1 Year Ago	Q1	2009F	2010F
Argentina	+5.5 May	+9.1	+0.2	-3.5	+0.5
Brazil	+5.2 May	+5.6	-3.3	-1.5	+2.7
Chile	+3.0 May	+8.9	-2.4	-1.0	+2.0
Colombia	+4.8 May	+6.4	4.1	-2.0	+1.8
Mexico	+6.0 May	+4.9	-21.5	-7.1	+2.8
Venezuela	+27.7 May	+31.4	NA	-5.5	-5.4

Source: The Economist

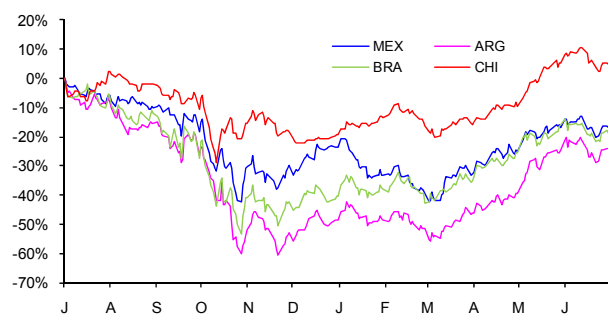
expected to invest an additional US\$8m upon closing. Production capacity of the mine is estimated to be expanded to 400 tons per annum

• Vale acquires Inversiones Argos

Cia. Vale do Rio Doce (Vale), the Brazilian mining company, has acquired the Cesar department area export coal assets and related logistics business of Inversiones Argos SA (Argos), a Colombia based cement manufacturer, for approximately US\$373m. Argos could earn an additional US\$73m payment based on the result of a geological study of mineral resources, to be developed over a span of two years. The acquisition is in line with Vale's strategy of accessing the Colombian market.

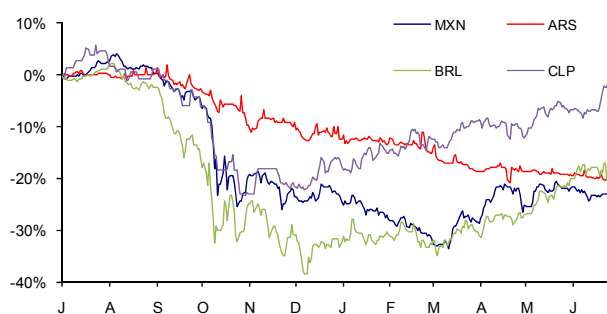
Market Trends

LTM Equity Market Performance



Source: Yahoo! Finance

LTM Currency Performance Versus U.S. Dollar



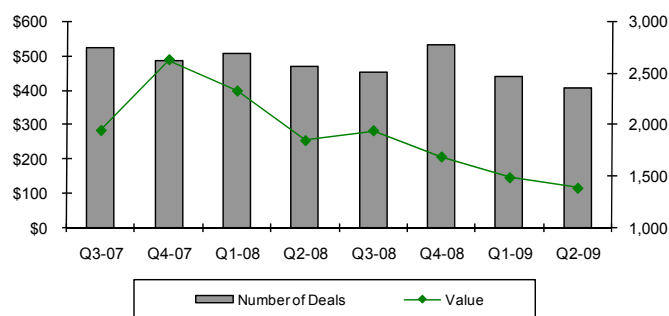
Source: OANDA Corporation

M&A Activity

European M&A Activity Continues Decline

Completed deal volume in Europe in the second quarter of 2009 decreased 8% from the same period in 2008. Completed deal value in the second quarter of 2009 reached US\$117 billion, 54% less than the same period for the previous year. While the Energy, Mining & Utilities sectors are in the top ten announced deals by value this year, the Consumer, Industrial & Chemicals, and Technology, Media & Telecommunications sectors have dominated deal activity, accounting for half the number of deals announced so far in 2009.

Completed European-Target Transactions



Source: Thomson Financial

Select M&A News

Emerson Electric Company acquires Roxar

Emerson Electric Company, the US manufacturer and technology conglomerate, has acquired Roxar ASA, a listed Norway based software developer and solutions provider for oil and gas reservoir management, for approximately US\$242m. The transaction value represents a multiple of 7.7x EBITDA and 1.2x Revenue. The offer represents a premium of 44%, 54%, and 34% respectively over Roxar's volume-weighted average daily closing share prices for the 3-month, 6-month, and 12-month periods ending February 27, 2009

Altor Fund III acquires the Medtech components business of Technitrol

Altor Fund III, the Swedish fund of Altor Equity Partners, has acquired the medtech business of Technitrol, the listed US based manufacturer of electronic components for approximately

Select European Interest Rates

Most Recent as of June 27, 2009

	Current		1 Year Ago	
	3-month	10-year	3-month	10-year
Britain	1.20%	3.70%	5.93%	5.11%
France	1.20%	3.81%	4.96%	4.78%
Germany	1.20%	3.44%	4.96%	4.60%
Italy	1.20%	4.55%	4.96%	5.21%
Spain	1.20%	4.10%	4.96%	4.87%

Source: The Economist

Other Economic Indicators

% Change on Year Ago

	Consumer Prices		Gross Domestic Product		
	Latest	1 Year Ago	Q1	2009F	2010F
Britain	+2.2 May	+3.3	-7.4	-3.7	+0.6
France	-0.3 May	+3.3	-4.7	-2.8	+0.5
Germany	-0.3 Jun	+3.3	-14.4	-5.5	+0.5
Italy	+0.5 May	+4.9	-10.1	-4.4	+0.3
Spain	-0.9 May	+4.6	-7.4	-3.5	-0.5

Source: The Economist

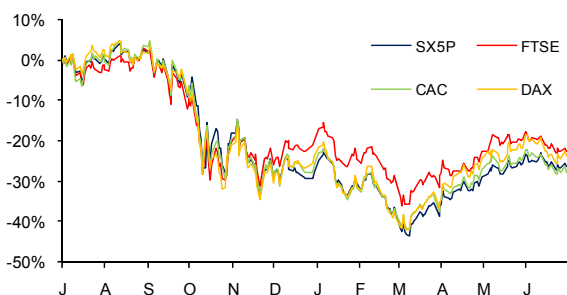
US\$200m. The transaction value represents a multiple of 1.8x Revenue. The sale of Medtech includes the balanced armature receivers, high-end microphones, and electromechanical devices for the hearing aid, high-end audio headset, and medical device business of Sonion A/S, the Denmark based developer, manufacturer and supplier of advanced electro acoustical and electromechanical miniature components.

Star Energy Group acquires Marathon Oil Ireland

Star Energy Group, PLC, the UK integrated energy company, has acquired Marathon Oil Ireland, the Ireland based gas exploration and production company, for approximately \$US180m. The transaction is in line with Marathon Oil's strategy to divest its non-core assets and focus on its core business segments.

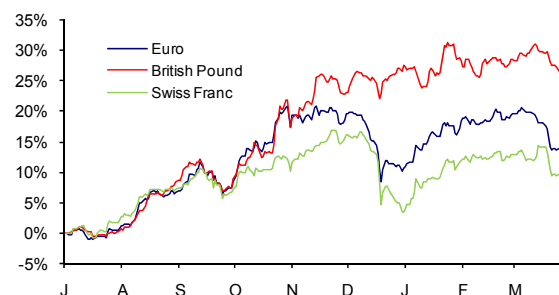
Market Trends

LTM Equity Market Performance



Source: Yahoo! Finance

LTM Currency Performance Versus U.S. Dollar



Source: OANDA Corporation

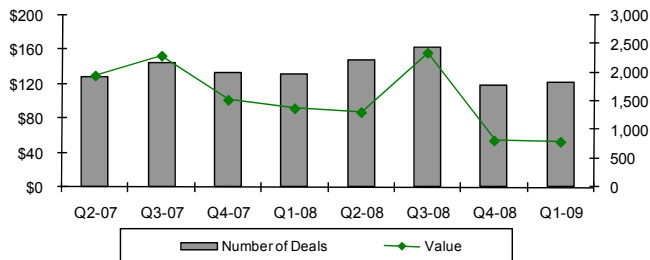
Asia & India

M&A Activity

Asian M&A Activity - Most Resilient to Crisis

Completed deal volume in Asia in the second quarter of 2009 increased 4% from last quarter. Deal value in the second quarter of 2009 reached US\$53 billion, 3% less than previous quarter. Compared to the US and Europe, the M&A market in Asia has been less affected by the current economic crisis. Deal activity has been opportunistic, mainly driven by cheap valuations and the need to expand operations to increase market share. Nevertheless access to funds and economic uncertainty continue to be dampers on growth in the Asian M&A market.

Completed Asian-Target Transactions



Source: Thomson Financial

Select M&A News

British American Tobacco acquires Bentoel Investama

British American Tobacco PLC (BAT), the UK tobacco manufacturer, has acquired an 85% stake in Bentoel Internasional Investama Tbk PT, the listed Indonesian producer and wholesaler of tobacco, for approximately US\$490m. The transaction value represents a multiple of 10.7x EBITDA and 0.9x Revenue. This transaction represents a strategic opportunity to enter the very large and growing Indonesian tobacco market and will provide a platform for future growth for BAT.

American Tower Mauritius acquires Xcel Telecom

American Tower Mauritius (ATC), the Mauritius telecommunications company, has acquired Xcel Telecom Pvt, Ltd., the India based company engaged in providing telecom infrastructure services, from Horse-Shoe Capital LLC, the US based investment company and an affiliate of Q Investments LP, the US based private equity firm, for approximately US\$136m.

Select Asian Interest Rates

Most Recent as of June 27, 2009

	Current		1 Year Ago	
	3-month	10-year	3-month	10-year
China	1.29%	3.44%	4.48%	4.45%
Hong Kong	0.35%	2.61%	2.33%	3.64%
India	3.35%	7.52%	8.04%	9.23%
Japan	0.44%	1.38%	0.75%	1.69%
Singapore	0.50%	2.42%	1.25%	3.10%
South Korea	2.41%	5.11%	5.36%	5.87%

Source: The Economist

Other Economic Indicators

% Change on Year Ago

	Consumer Prices		Gross Domestic Product		
	Latest	1 Year Ago	Q1	2009F	2010F
China	-1.4 May	+7.7	NA	+6.5	+7.3
Hong Kong	+0.1 May	+5.6	-16.1	-6.7	+0.9
India	+8.7 Apr	+7.8	NA	+5.5	+6.4
Japan	-0.1 Apr	+0.8	-14.2	-6.7	+0.8
Singapore	-0.3 May	+7.5	-4.1	-8.6	+1.3
South Korea	+2.7 May	+4.9	+0.5	-5.0	+0.6

Source: The Economist

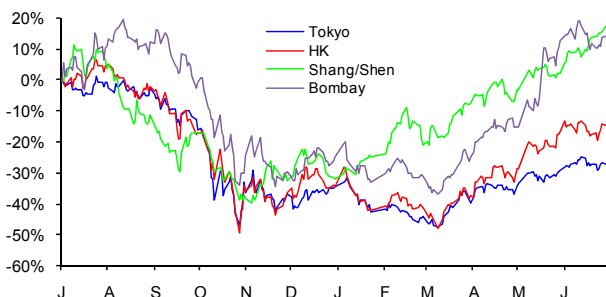
This transaction will enhance ATC's tower portfolio and position in India by giving it access to a new set of clients and geographies. Xcel will benefit from ATC's expertise in operating and expanding telecom businesses.

Pearson acquires Wall Street English

Pearson PLC, the UK media company, has acquired Wall Street English, the China based provider of English language learning materials, from Wall Street Institute, the US based provider of English language instruction and other educational services, for approximately US\$145m. This acquisition is in line with Pearson's strategy to consolidate its position as a provider of English language teaching services worldwide. The listed UK group expects English language teaching in China to remain a growth market, driven by trends including the development and globalization of the Chinese economy, sharp levels of private spending on education and the importance of English language skills to individual's development.

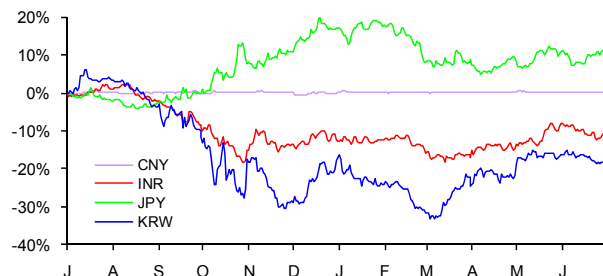
Market Trends

LTM Equity Market Performance



Source: Yahoo! Finance

LTM Currency Performance Versus U.S. Dollar



Source: OANDA Corporation

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