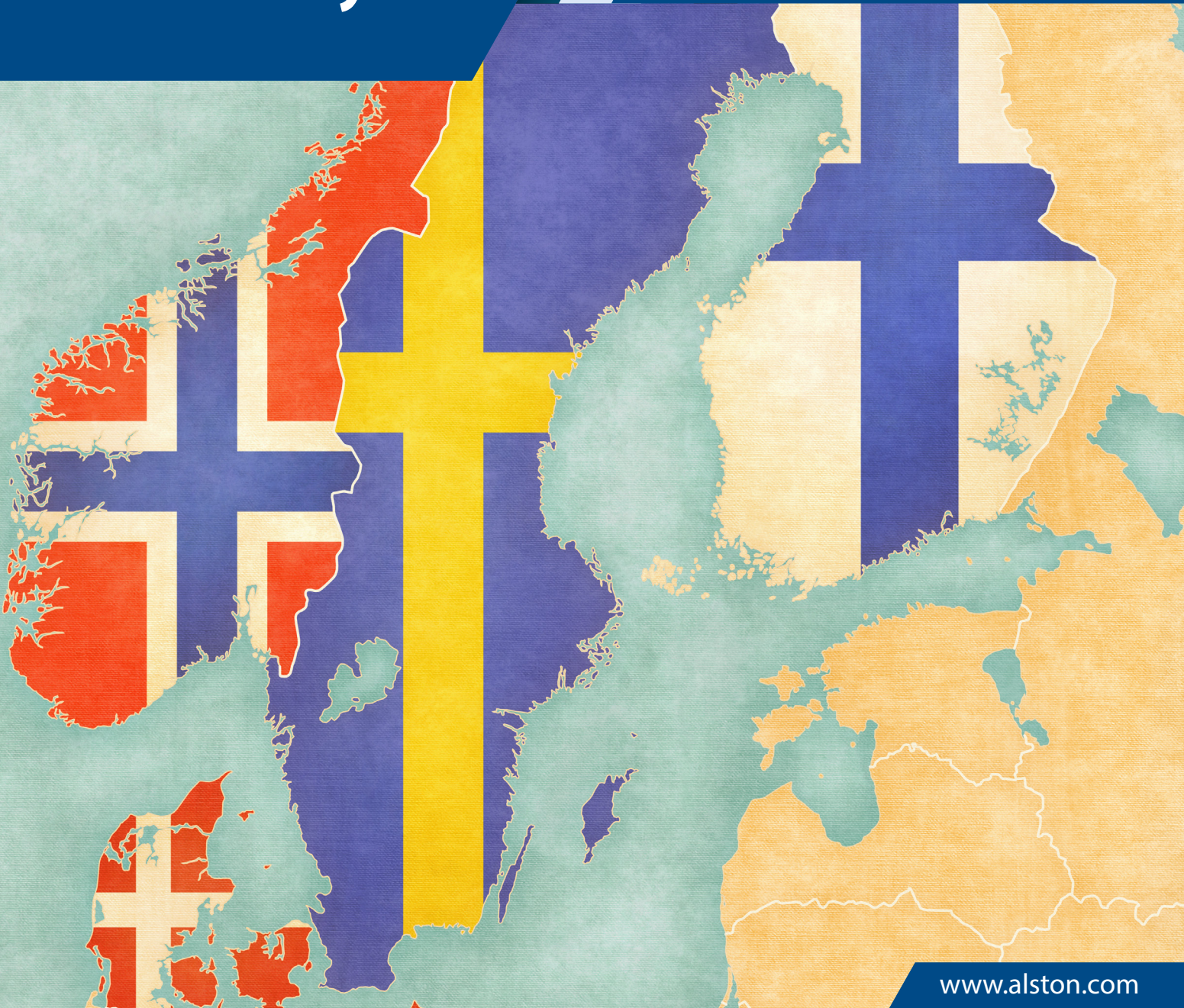


ALSTON & BIRD

2018 Nordic-U.S. M&A Study



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This study provides key data on M&A transactions between the Nordic countries (Denmark, Finland, Norway, and Sweden) and the United States during the past four years (2015-2018). The data included in this study is based on searches on various leading M&A databases. It does not include results containing undisclosed buyers.

(February 2019)

Founded in 1893, Alston & Bird is a leading national law firm with offices in Atlanta, Beijing, Brussels, Charlotte, Dallas, Los Angeles, New York, Raleigh, San Francisco, Silicon Valley, and Washington, D.C. The firm's attorneys provide a full range of services to domestic and international clients conducting business around the world.

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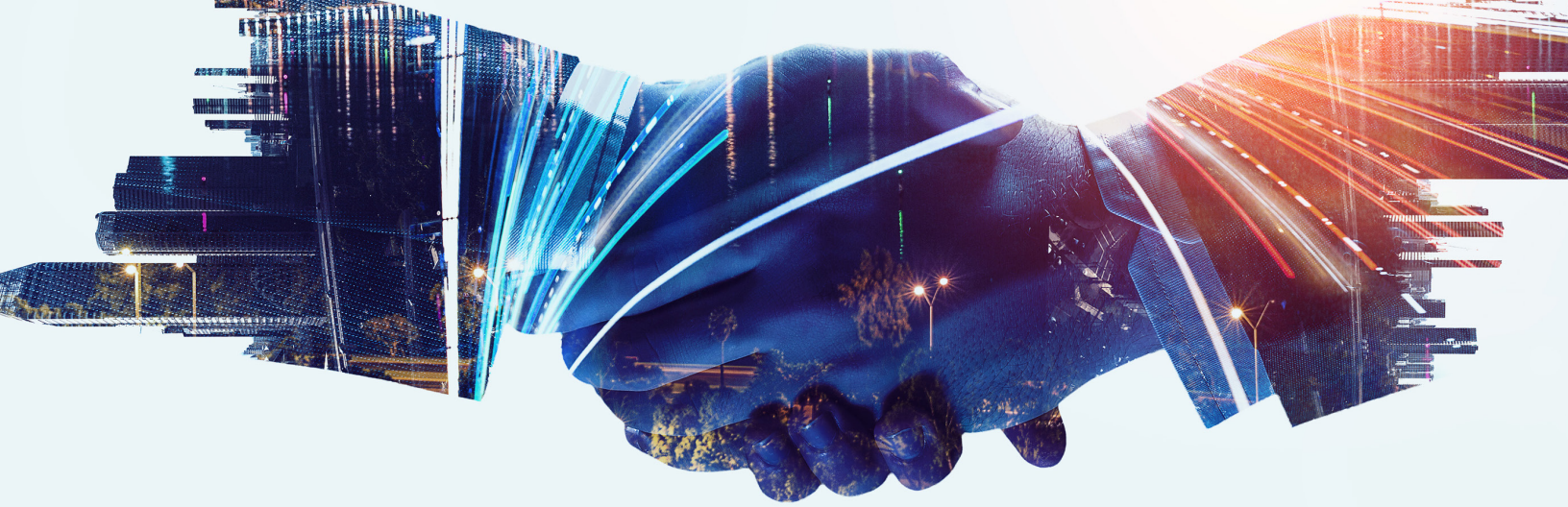
Based in Alston & Bird's Dallas and New York offices, Soren Lindstrom leads an active M&A practice in a range of industries and has extensive experience representing clients in complex U.S. and international mergers and acquisitions, tender offers, and other strategic alliances. He represents clients in capital market transactions, including IPOs, and frequently counsels management and boards of directors on corporate governance and SEC compliance.

Author

A native of Denmark, Soren enjoys working with his Nordic clients and regularly advises Nordic and other European companies in U.S. legal matters, including M&A transactions and the establishment of businesses in the U.S.

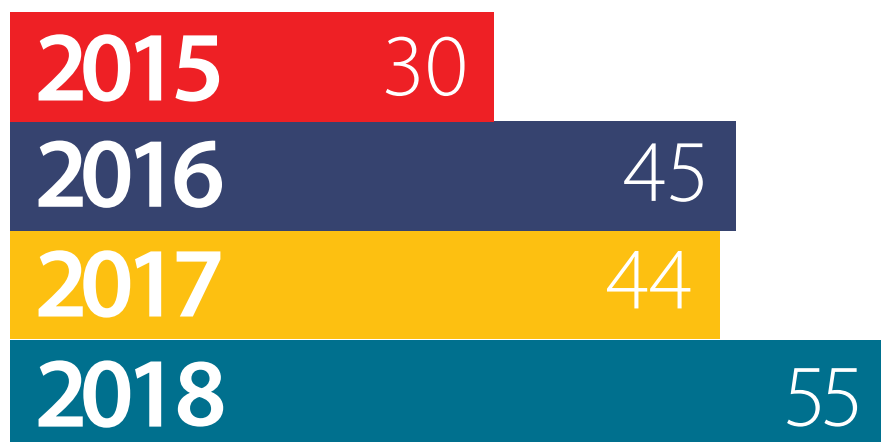
Key Findings & Trends

- The number of acquisitions of U.S. targets by Nordic buyers increased in 2018 (44 transactions in 2017 and 55 transactions in 2018), but the total reported deal value declined in 2018, from \$6.3 billion in 2017 to \$5.1 billion in 2018.
- The number of acquisitions of Nordic targets by U.S. buyers declined in 2018, from 62 transactions in 2017 to 50 transactions in 2018. Similarly, the total reported deal value declined in 2018, from \$10.3 billion in 2017 to \$7 billion in 2018.
- U.S. buyers have been significantly more acquisitive in the Nordic region than Nordic buyers in the U.S. During the past four years, U.S. buyers have acquired a total of 247 Nordic targets for a total of \$37.3 billion. Meanwhile, Nordic buyers have acquired a total of 174 U.S. targets for a total of \$23.3 billion. In other words, U.S. buyers have invested approximately 60% more in the Nordic region than Nordic buyers in the U.S. during the same period.
- Of the four Nordic countries, Swedish companies were by far the most acquisitive in the U.S. Of the total 174 reported acquisitions of U.S. targets by Nordic buyers during 2015–2018, 104 were by Swedish buyers for a total of \$17.2 billion (approximately 74% of the total investments made by Nordic buyers in the U.S.). Swedish companies were also the most attractive targets for U.S. buyers. Of the total 247 reported acquisitions of Nordic targets by U.S. buyers, 94 were of Swedish targets for a total purchase price of \$17.4 billion, followed by 75 Danish targets for a total purchase price of \$8.6 billion.
- During the four-year period, the average purchase price for a Swedish target was \$185 million, whereas the average purchase price for a Danish target was \$115 million. Put another way, the average purchase price for a Swedish target was a whopping 61% higher than a Danish target.
- M&A transactions between the U.S. and Sweden has remained solid during the four-year period. Only Sweden experienced an increase in acquisitions by U.S. buyers in 2018. The three other Nordic countries all experienced a decline or stagnation in 2018.
- Overall, the deal value for Danish targets has been on a steady decline the last three years, and there appears to be waning interest in Danish targets by U.S. buyers.
- Norway and Finland lag significantly behind Sweden and Denmark in number of M&A transactions and deal value overall during the four-year period (except for one large Finnish deal in 2017).
- Private-equity-backed transactions increased significantly during the four-year period (both inbound and outbound between the U.S. and Nordic countries). Except for one acquisition by a Danish PE firm in 2017, all of the 17 reported PE-backed acquisitions of U.S. targets were by Swedish PE firms. U.S. PE firms account for the two largest M&A transactions reported (\$5.9 billion in 2016 for a Swedish target and \$4.1 billion in 2017 for a Finnish target).
- Targets in the information technology and industrial products and services industries were, by far, the most common during the period.

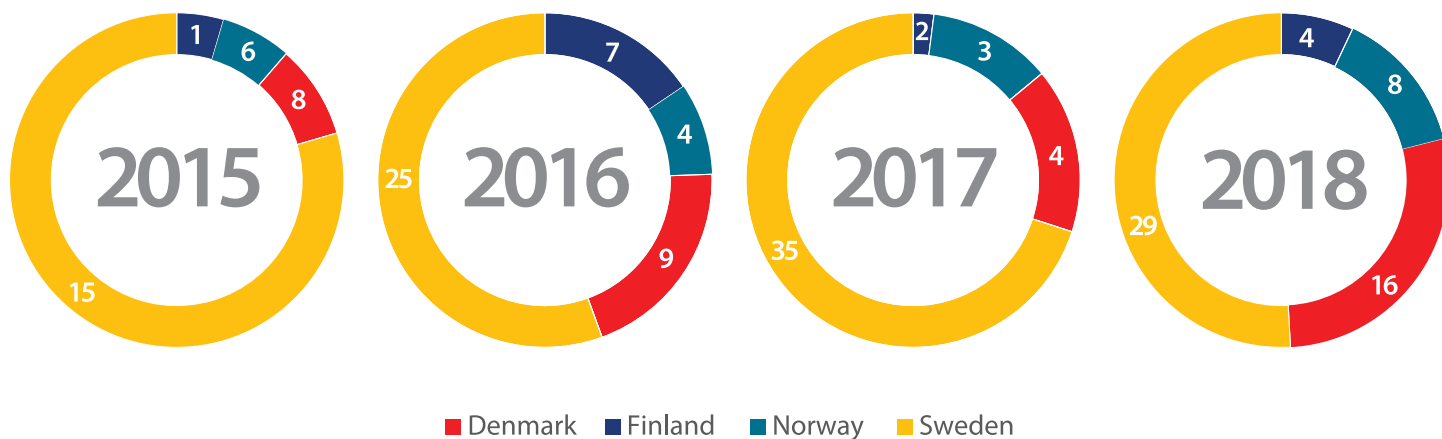


Acquisitions of U.S. targets by Nordic buyers 2015–2018

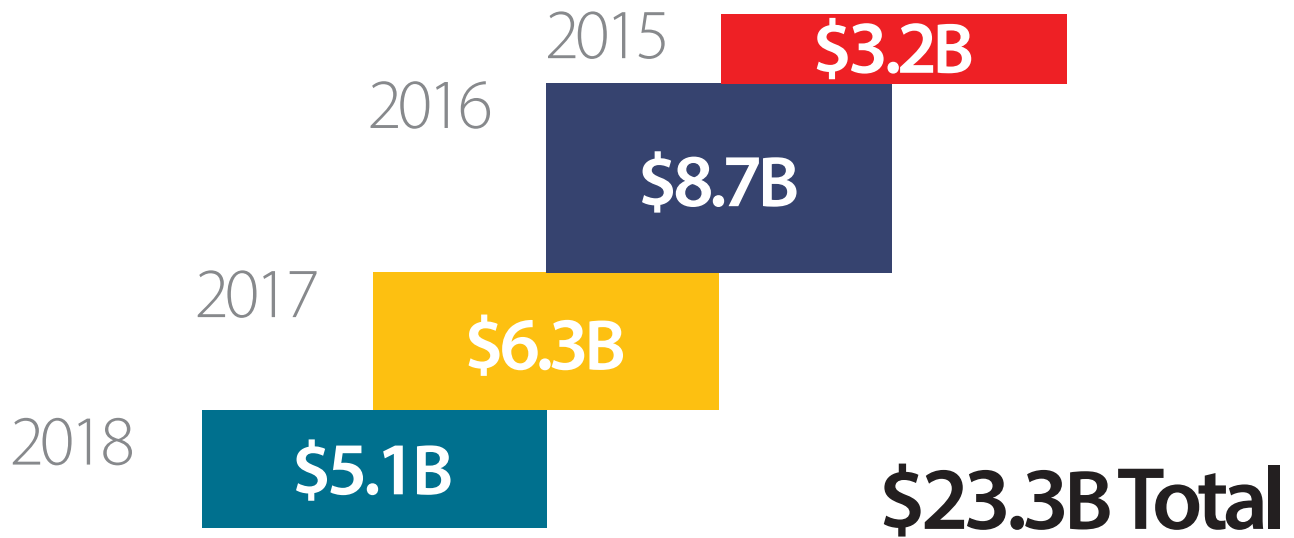
Total M&A transactions



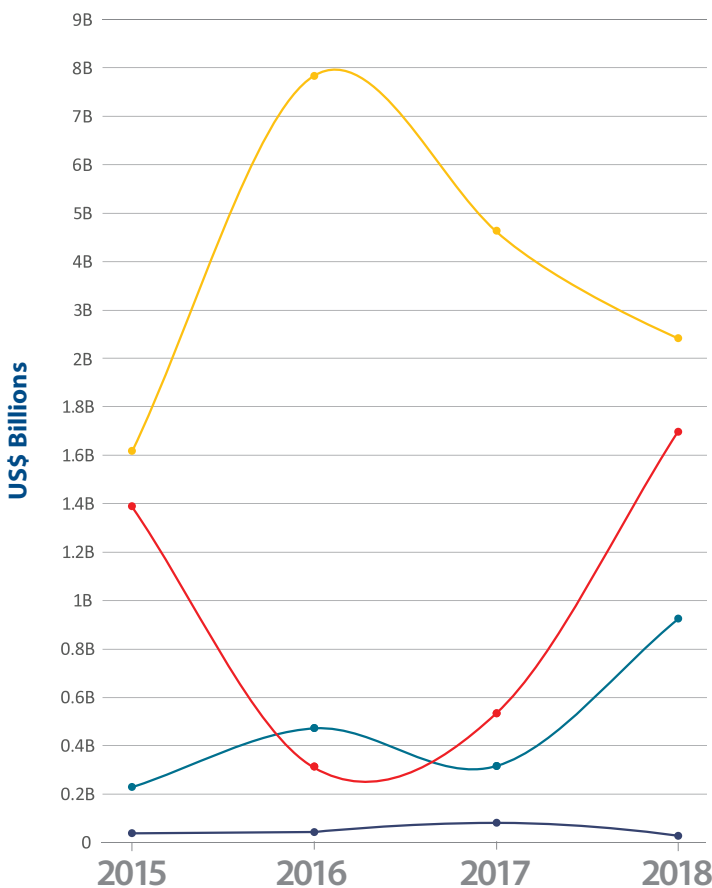
Number of M&A transactions by Nordic country



Total reported purchase prices by all Nordic buyers



Total reported purchase prices by Nordic country



- Denmark
- Finland
- Norway
- Sweden

**Multiple announcements did not disclose the purchase price*

- 2015: Largest reported purchase price: \$1.35 billion (Danish buyer; transportation)
- 2016: Largest reported purchase price: \$2.3 billion (Swedish PE buyer; health care and medical)
- 2017: Largest reported purchase price: \$2.6 billion (Swedish buyer; information technology / computer)
- 2018: Largest reported purchase price: \$903 million (Swedish buyer; health care and medical)

“U.S. buyers have been significantly more acquisitive in the Nordic region than Nordic buyers in the U.S.”

M&A transactions by industry

2015



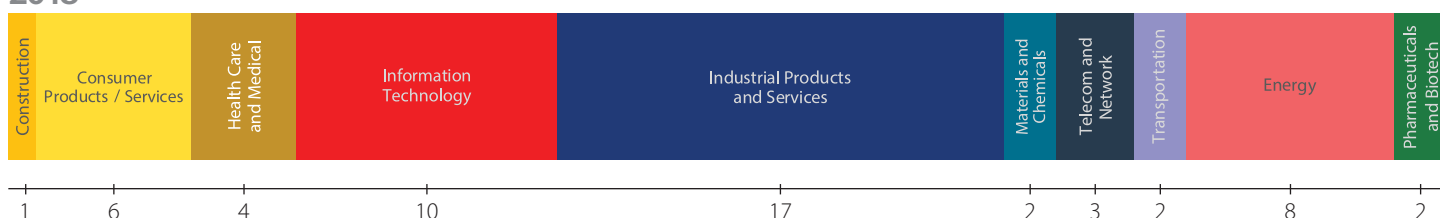
2016



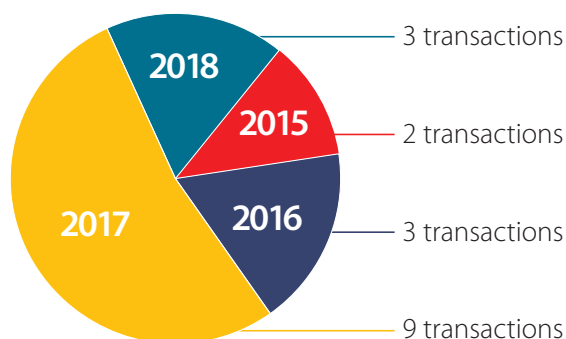
2017



2018



Private-Equity-backed transactions

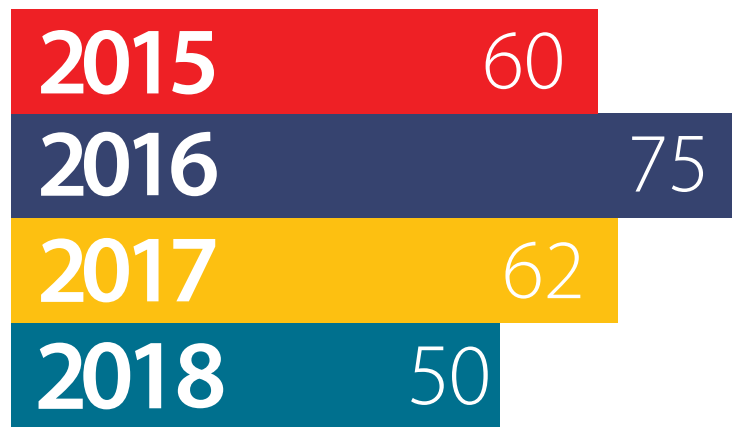


*All of the reported PE firm buyers were from Sweden, except one transaction in 2017 by a Danish PE firm.

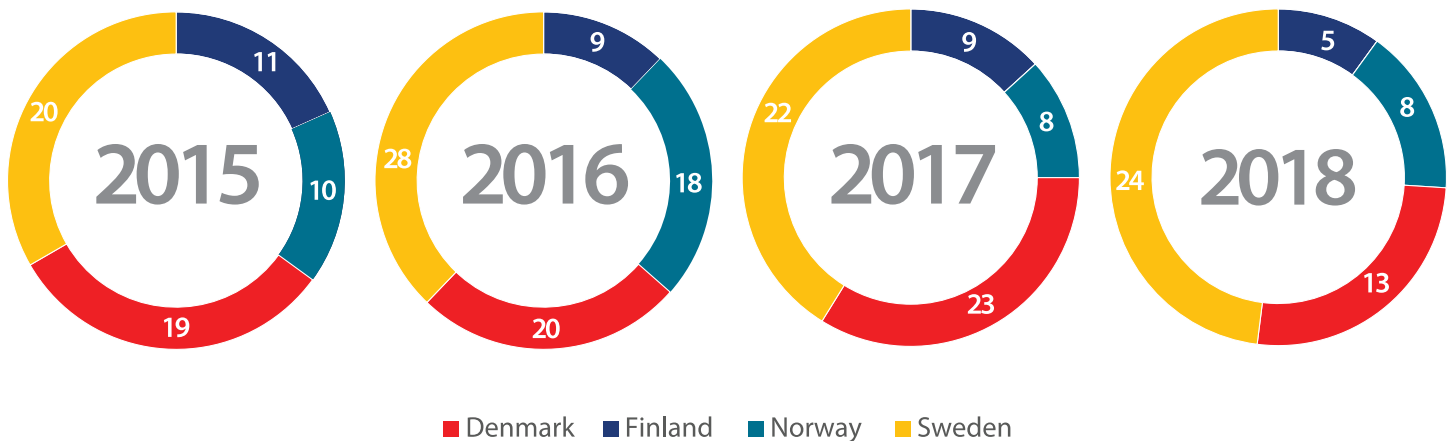


Acquisitions of Nordic targets by U.S. buyers 2015–2018

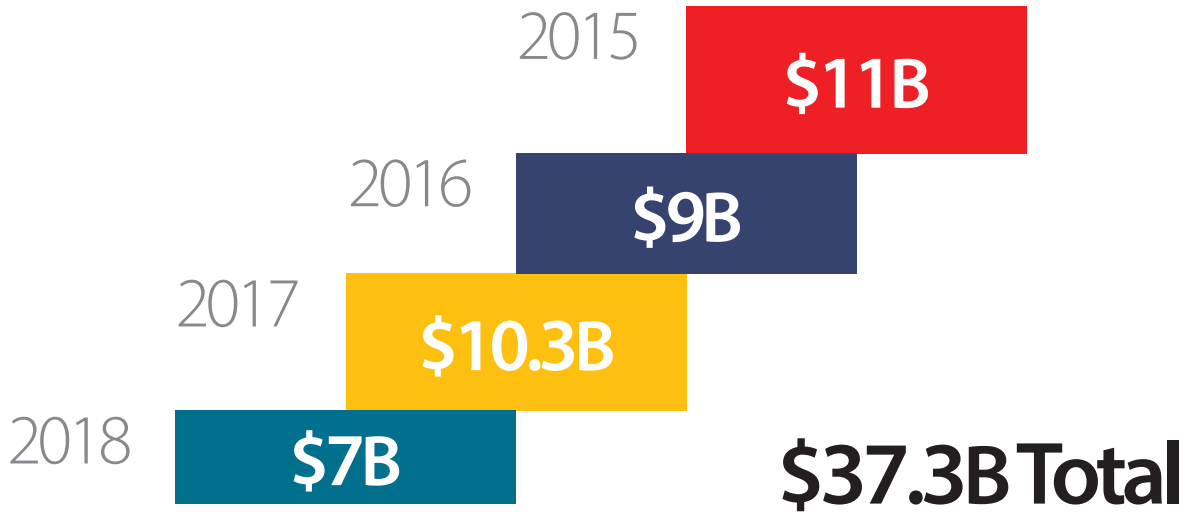
Total M&A transactions



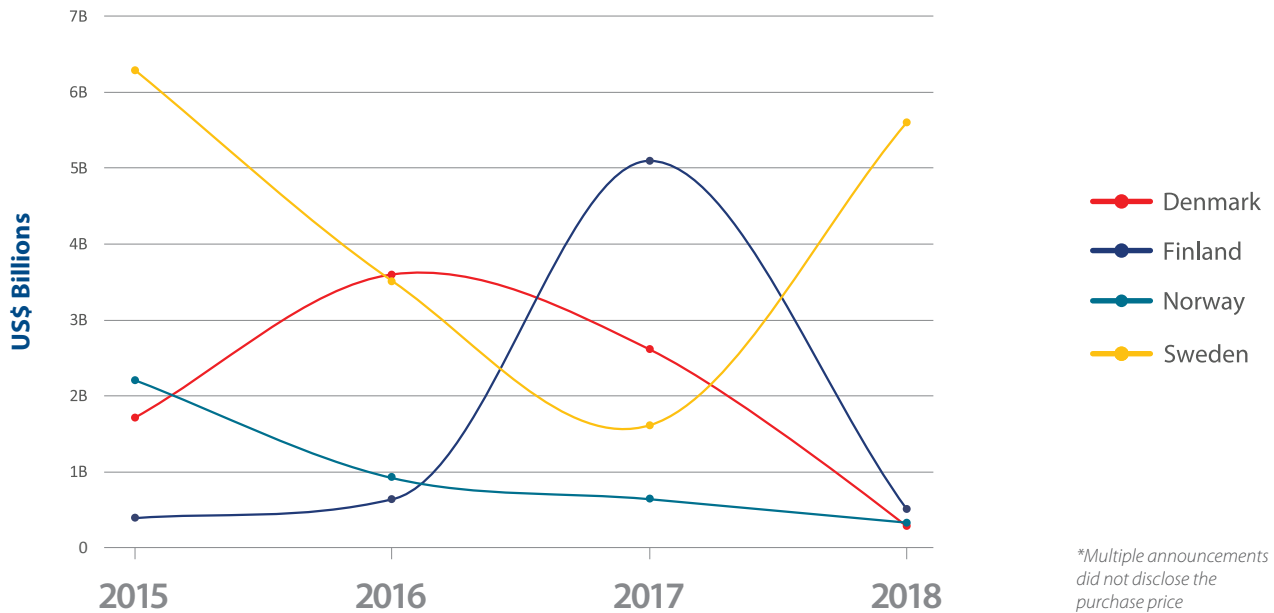
Number of M&A transactions by Nordic country



Total reported purchase prices



Total reported purchase prices by Nordic country



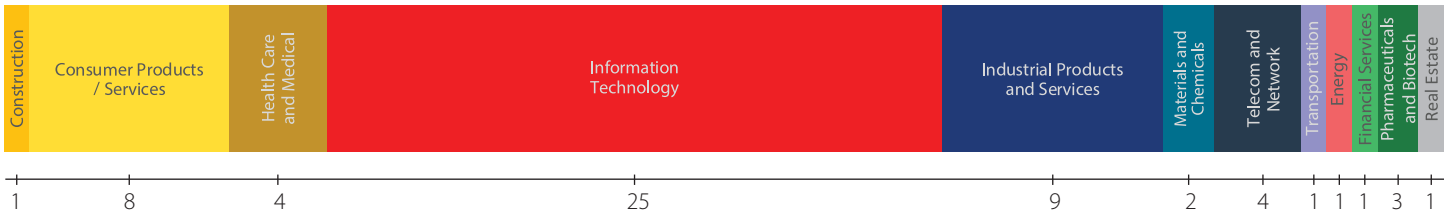
- 2015: Largest reported purchase price: \$5.9 billion (Sweden; consumer products / services; PE buyer)
- 2016: Largest reported purchase price: \$1.67 billion (Sweden; real estate; PE buyer)
- 2017: Largest reported purchase price: \$4.1 billion (Finland; real estate; PE buyer)
- 2018: Largest reported purchase price: \$2.2 billion (Sweden; mobile payments)

“The average purchase price for a Swedish target was a whopping 61% higher than a Danish target.”

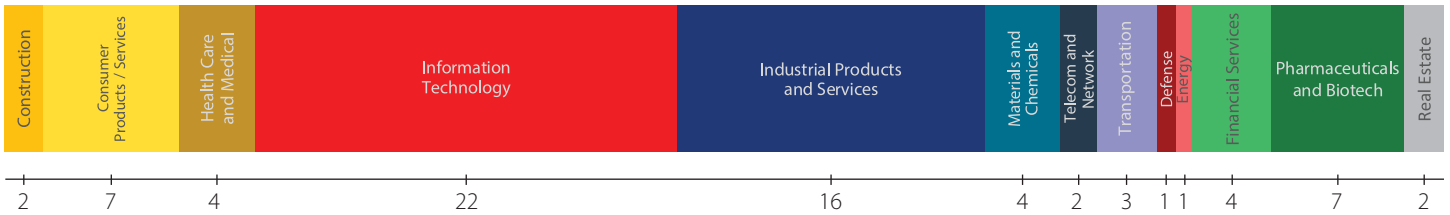


M&A transactions by industry

2015



2016



2017



2018



Private-Equity-backed transactions

