

ALSTON & BIRD

2019 Nordic-U.S. M&A Study





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 five years (2015-2019). The data included in this study is based on searches on various leading M&A databases. It does not include results containing undisclosed buyers.

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Founded in 1893, Alston & Bird is a leading national law firm with offices in Atlanta, Beijing, Brussels, Charlotte, Dallas, London, 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 New York and Dallas 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.

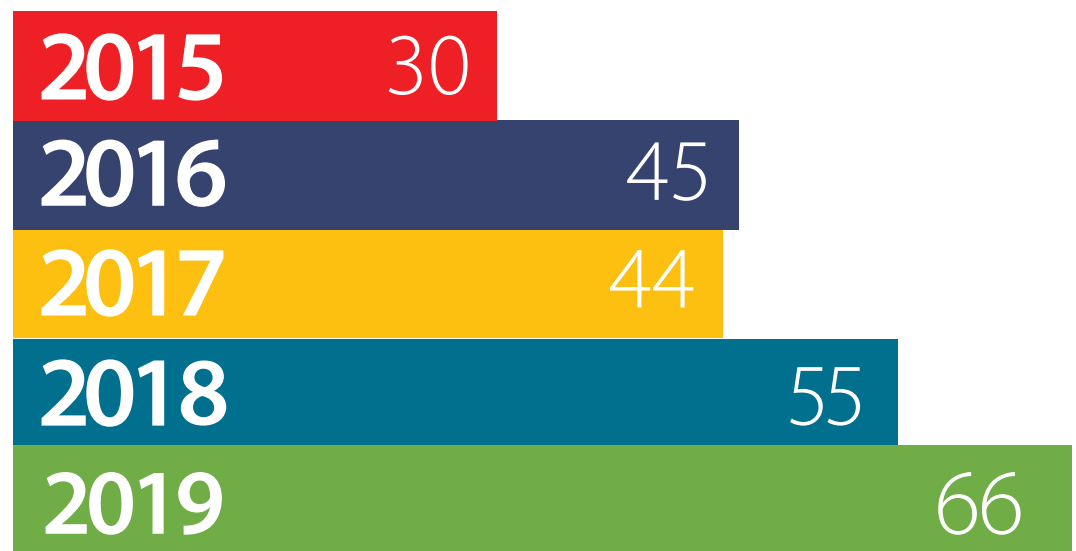
Key Findings & Trends

- 2019 was a banner year for M&A activity between the U.S. and the Nordic countries.
- The number of acquisitions of U.S. targets by Nordic buyers increased significantly in 2019 (55 transactions in 2018 and 66 transactions in 2019), and the total reported deal value increased from \$5.1 billion in 2018 to \$5.8 billion in 2019. Compared to 2015, the number of acquisitions of U.S. targets by Nordic buyers in 2019 increased by 120%.
- The number of acquisitions of Nordic targets by U.S. buyers increased even more dramatically in 2019, from 50 transactions in 2018 to 74 transactions in 2019 (a 48% increase). Similarly, the total reported deal value increased significantly in 2019, from \$7 billion in 2018 to \$9.3 billion in 2019 (a 33% increase).
- U.S. buyers continue to be significantly more acquisitive in the Nordic region than Nordic buyers in the U.S. During the past five years, U.S. buyers have acquired a total of 321 Nordic targets for a total of \$46.6 billion. Meanwhile, Nordic buyers have acquired a total of 240 U.S. targets for a total of \$29.1 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 240 reported acquisitions of U.S. targets by Nordic buyers during 2015–2019, 143 were by Swedish buyers for a total of \$19.5 billion (approximately 67% 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 321 reported acquisitions of Nordic targets by U.S. buyers, 128 were of Swedish targets for a total purchase price of \$19.2 billion, followed by 89 Danish targets for a total purchase price of \$12.9 billion.
- Mastercard's acquisition of the instant payments unit of Denmark-based Nets Group for \$3.2 billion was the largest reported transaction between the regions in 2019. Danish targets largely consist of FinTech, technology, pharma, and biotech businesses.
- Norway saw a substantial increase of acquisitions by U.S. buyers in 2019 (from 8 transactions in 2018 to 17 in 2019). However, overall, Norway and Finland continue to lag significantly behind Sweden and Denmark in number of M&A transactions and deal value overall during the five-year period (except for one large Finnish deal in 2017).
- Private-equity-backed transactions have increased significantly during the five-year period between the U.S. and Nordic countries. Except for one acquisition by a Danish PE firm in 2017, all of the 24 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 five-year period.
- As a result of the COVID-19 pandemic, we will likely see a dramatic decrease in M&A activity between the regions in 2020.

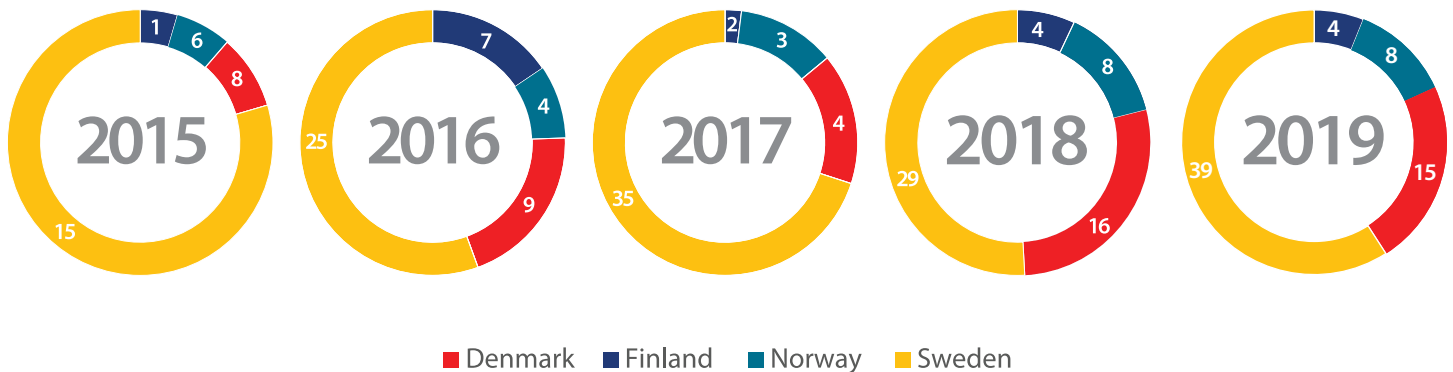


Acquisitions of U.S. targets by Nordic buyers 2015–2019

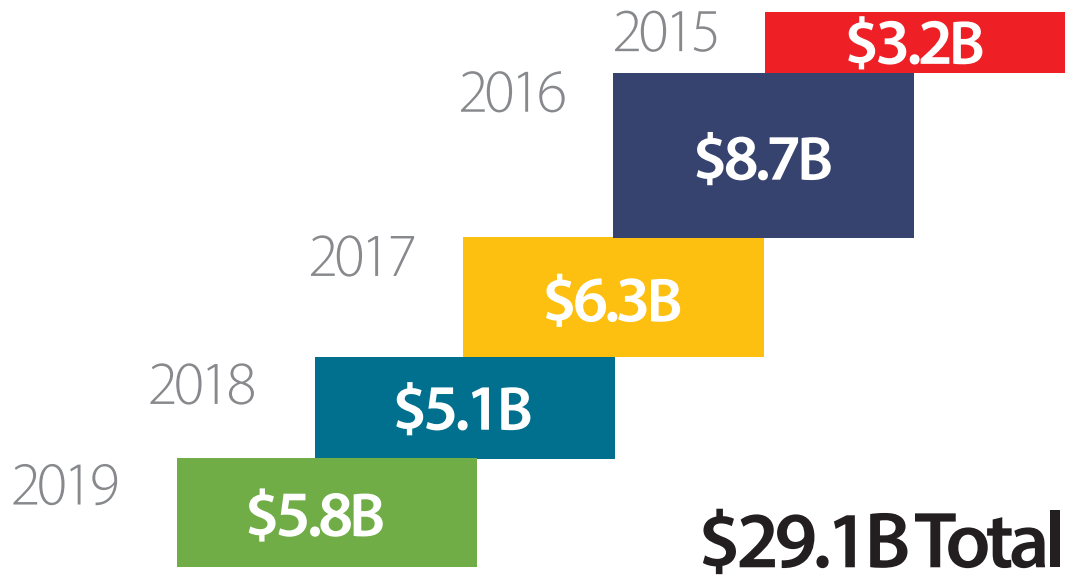
Total M&A transactions



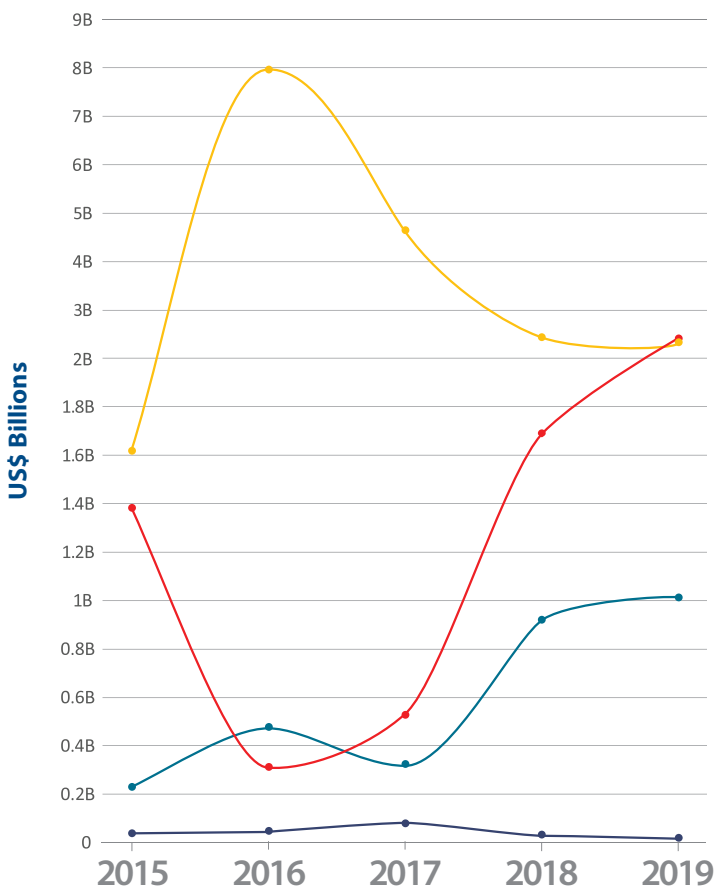
Number of M&A transactions by Nordic country



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*

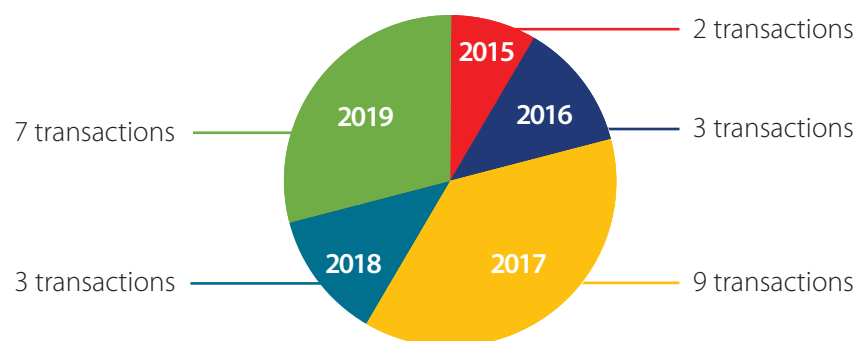
- 2015: Largest reported purchase price: \$1.35 billion (Danish buyer; transportation)
- 2016: Largest reported purchase price: \$2.3 billion (Swedish PE buyer; health care and medical)
- 2017: Largest reported purchase price: \$2.6 billion (Swedish buyer; information technology / computer)
- 2018: Largest reported purchase price: \$903 million (Swedish buyer; health care and medical)
- 2019: Largest reported purchase price: \$1.56 billion (Swedish buyer; industrial products and services)

“2019 was a banner year for M&A activity between the U.S. and the Nordic countries.”

M&A transactions by industry



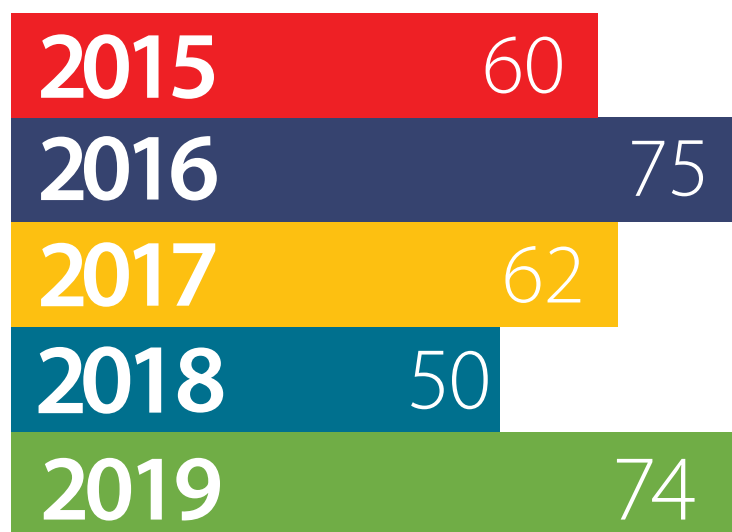
Private-Equity-backed transactions





Acquisitions of Nordic targets by U.S. buyers 2015–2019

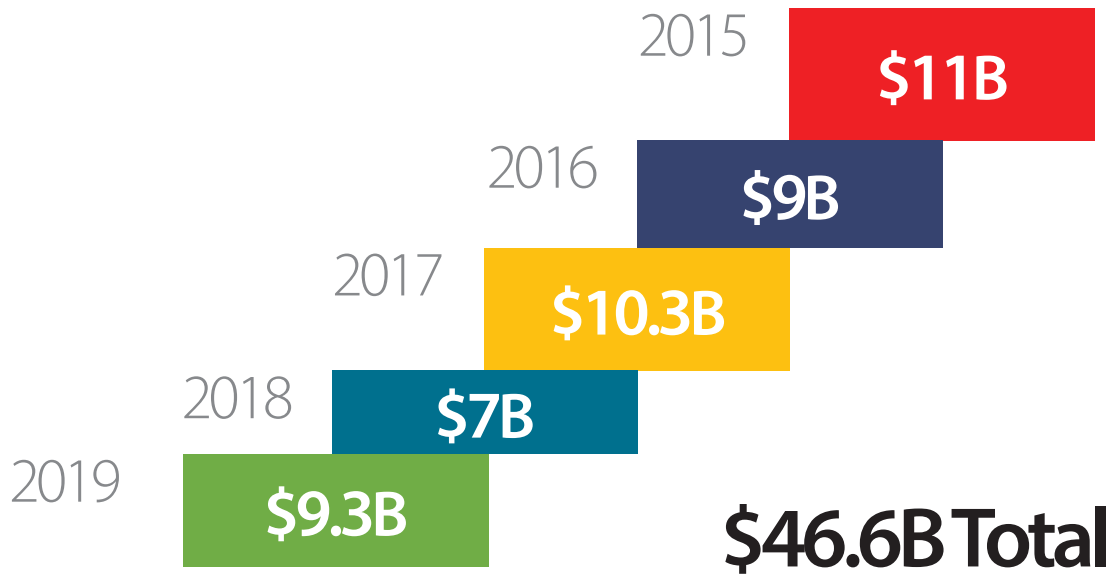
Total M&A transactions



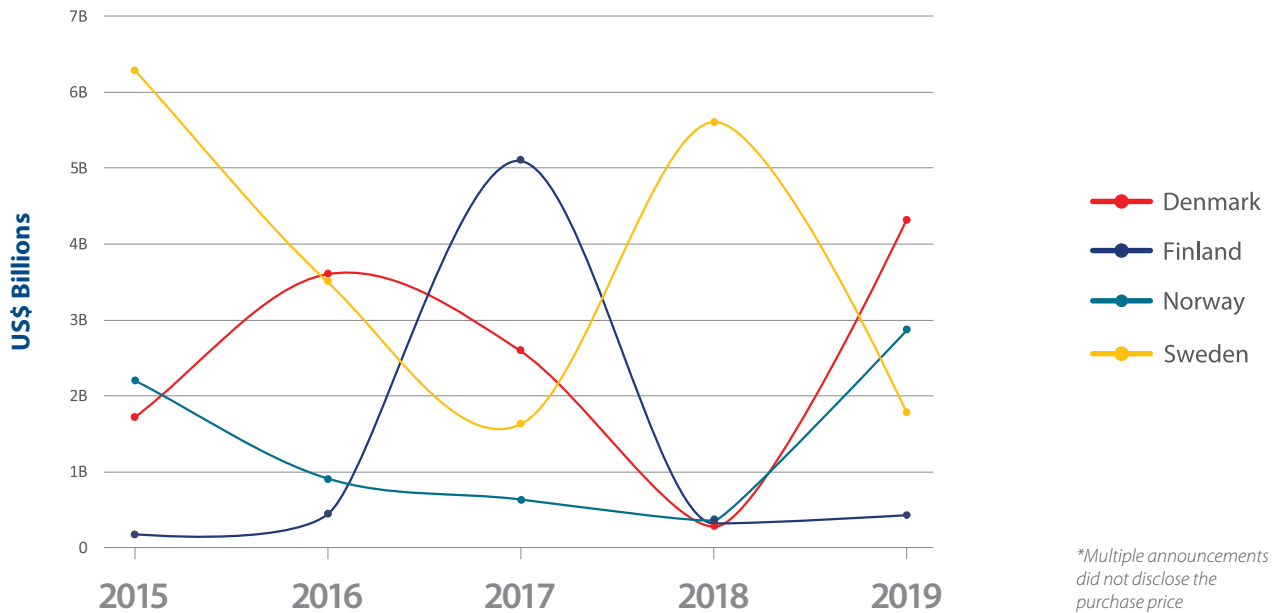
Number of M&A transactions by Nordic country



Total reported purchase prices



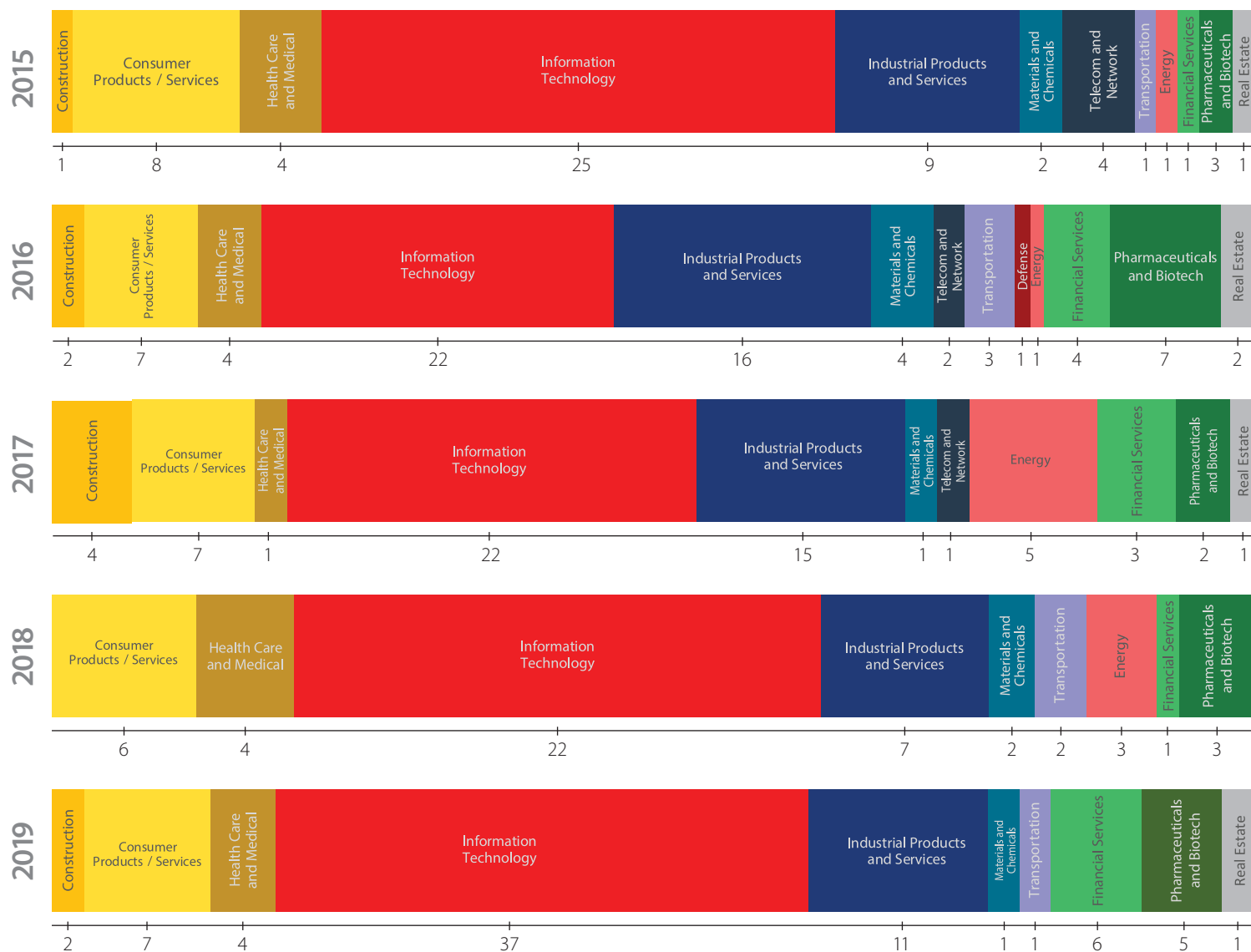
Total reported purchase prices by Nordic country



- 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)
- 2019: Largest reported purchase price: \$3.2 billion (Denmark; computer software)

“The number of acquisitions of Nordic targets by U.S. buyers increased by 48% in 2019 from the prior year.”

M&A transactions by industry



Private-Equity-backed transactions

