

# ALSTON & BIRD

## 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 three years (2015-2017). 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, 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.

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.



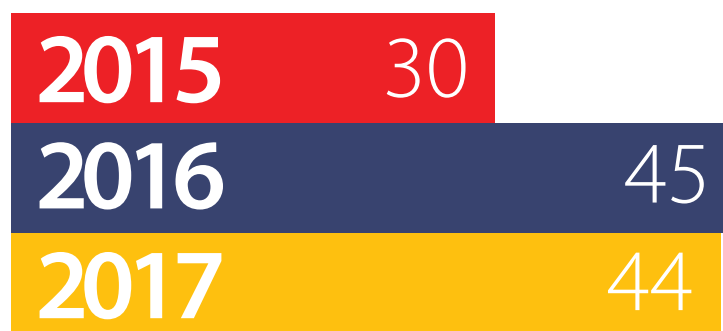
## Key Findings & Trends

- The number of acquisitions of U.S. targets by Nordic buyers has remained steady the past two years (45 transactions in 2016 and 44 transactions in 2017), but the total deal value declined in 2017 (from \$8.7 billion in 2016 to \$6.3 billion in 2017).
- Conversely, the number of acquisitions of Nordic targets by U.S. buyers declined significantly in 2017, from 75 transactions in 2016 to 62 transactions in 2017. However, the total deal value has remained steady during the three-year period.
- U.S. buyers have been significantly more acquisitive in the Nordic region than Nordic buyers in the U.S. During the past three years, U.S. buyers have acquired a total of 197 Nordic targets for a total of \$30.3 billion. Meanwhile, Nordic buyers have acquired a total of 119 U.S. targets for a total of \$18.2 billion. In other words, U.S. buyers have completed and invested approximately 66% more in the Nordic region than Nordic buyers in the U.S. during the same period.
- Swedish companies were, by far, the most acquisitive in the U.S. Of the total 119 reported acquisitions of U.S. targets by Nordic buyers during 2015-2017, 75 were by Swedish buyers for a total of \$14.8 billion (approximately 81% 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 197 reported acquisitions of Nordic targets by U.S. buyers, 70 were of Swedish targets for a total purchase price of \$11.7 billion, followed by 62 Danish targets for a total purchase price of \$8.2 billion.
- Although M&A transactions between the U.S. and Sweden overall lead the pack for the three-year period, acquisitions of U.S. targets by Swedish buyers dropped materially in 2017 and, surprisingly, acquisitions of Swedish targets by U.S. buyers dropped sharply year over year (from a total purchase price of \$6.4 billion in 2015 to \$3.6 billion in 2016 and \$1.7 billion in 2017). There appears to be a clear trend of declining interest of U.S. buyers in Swedish investments. That said, Swedish private equity (PE) firms have shown an increased interest in U.S. targets during the period.
- Deal flow between the U.S. and Denmark has been relatively steady, with a trend toward increased 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 three-year period (except for one large Finnish deal in 2017).
- Private-equity-backed transactions increased significantly during the three-year period (both inbound and outbound between the U.S. and the Nordic countries). Except for one acquisition by a Danish PE firm in 2017, all of the 14 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.

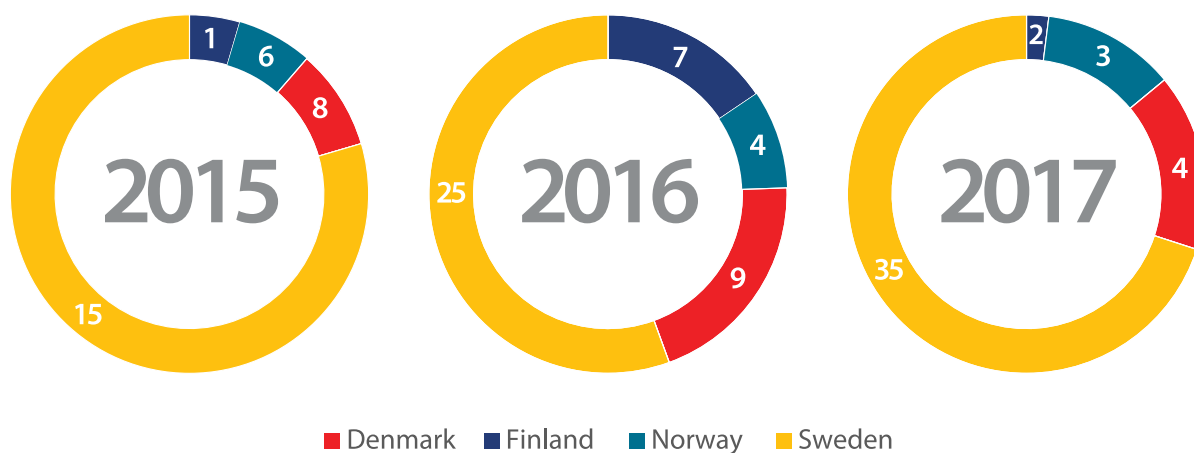


## Acquisitions of U.S. targets by Nordic buyers 2015–2017

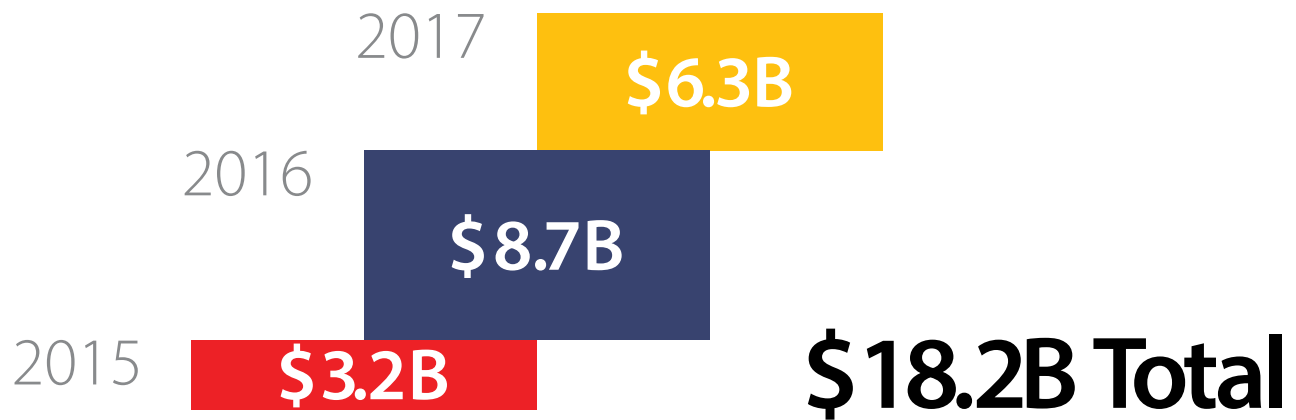
### *Total M&A transactions*



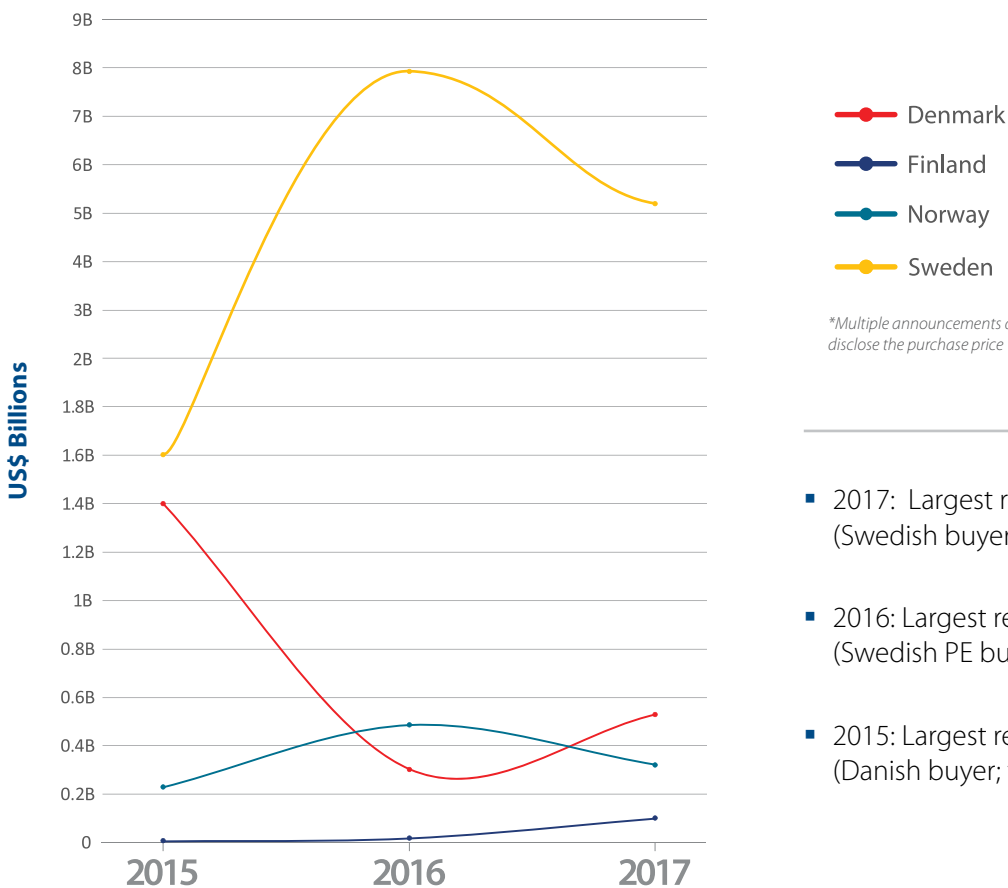
### *Number of M&A transactions by Nordic country*



## Total reported purchase prices by all Nordic buyers



## Total reported purchase prices by Nordic country



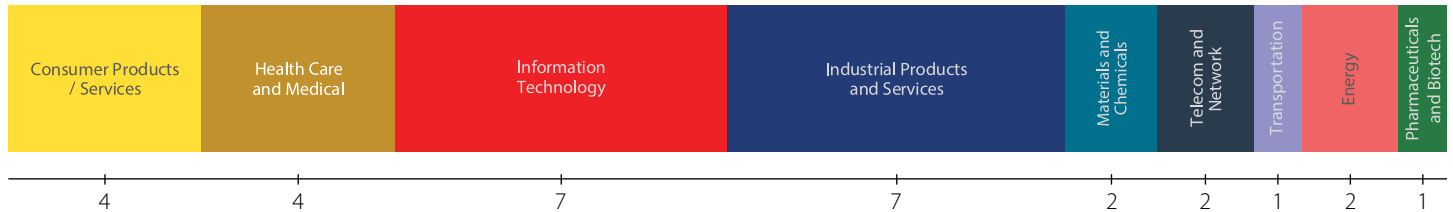
\*Multiple announcements did not disclose the purchase price

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

“The number of acquisitions of U.S. targets by Nordic buyers has remained steady for the past two years, with Swedish buyers leading the pack.”

### M&A transactions by industry

2015



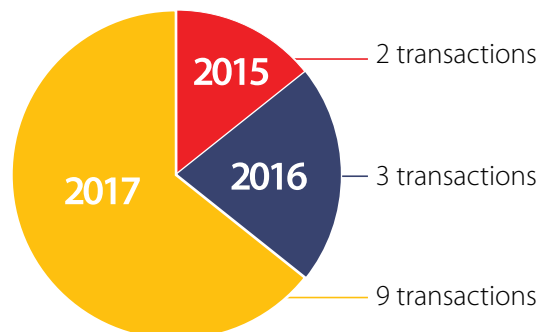
2016



2017



### Private-Equity-backed transactions



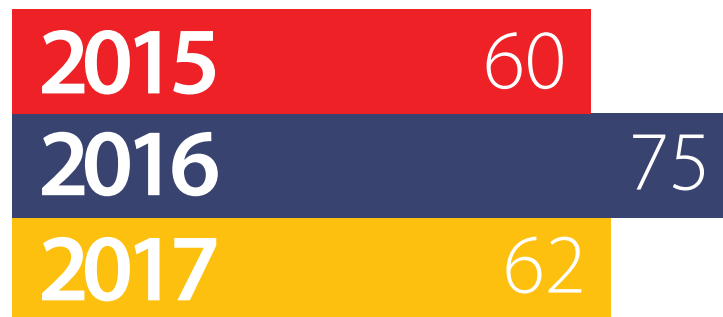
\*All of the reported PE firm buyers were from Sweden, except one transaction in 2017 by a Danish PE firm.



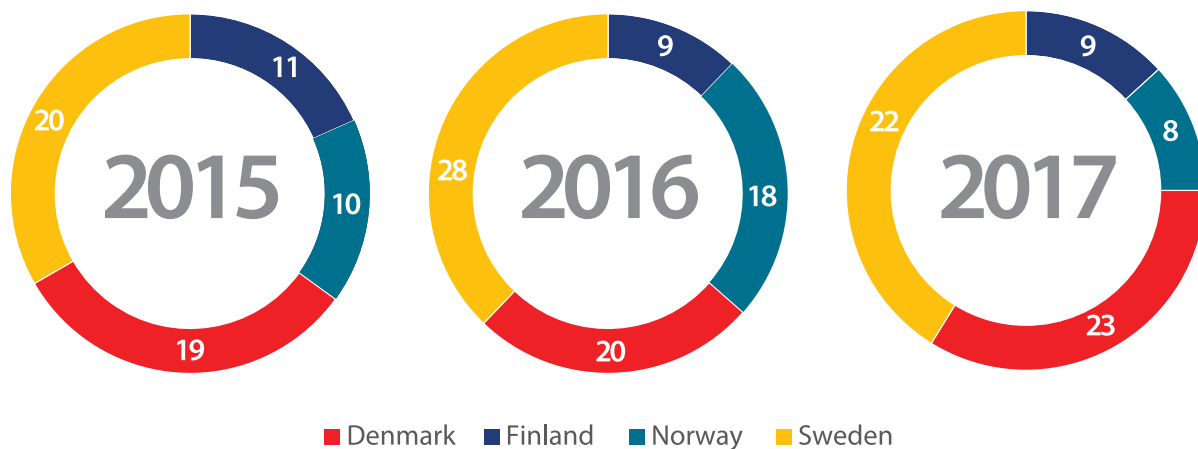


## Acquisitions of Nordic targets by U.S. buyers 2015–2017

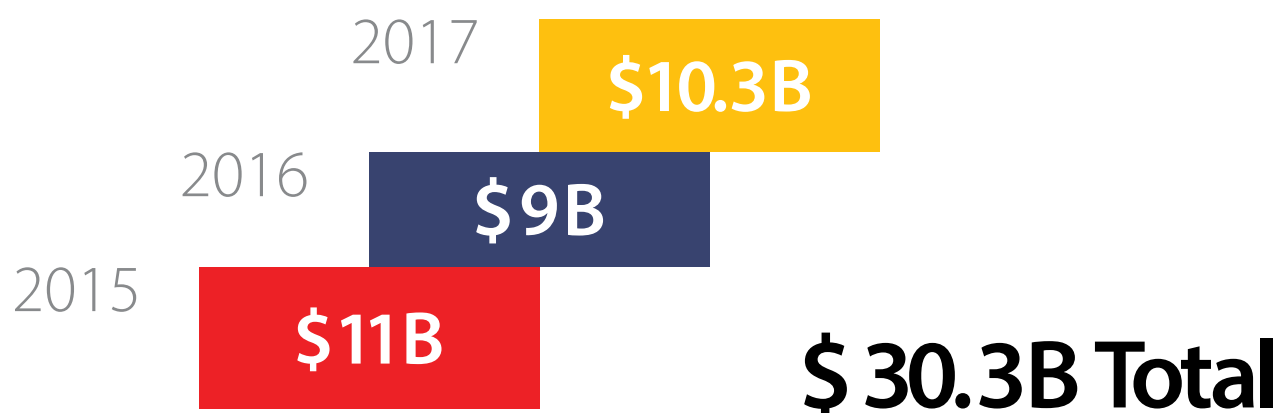
### Total M&A transactions



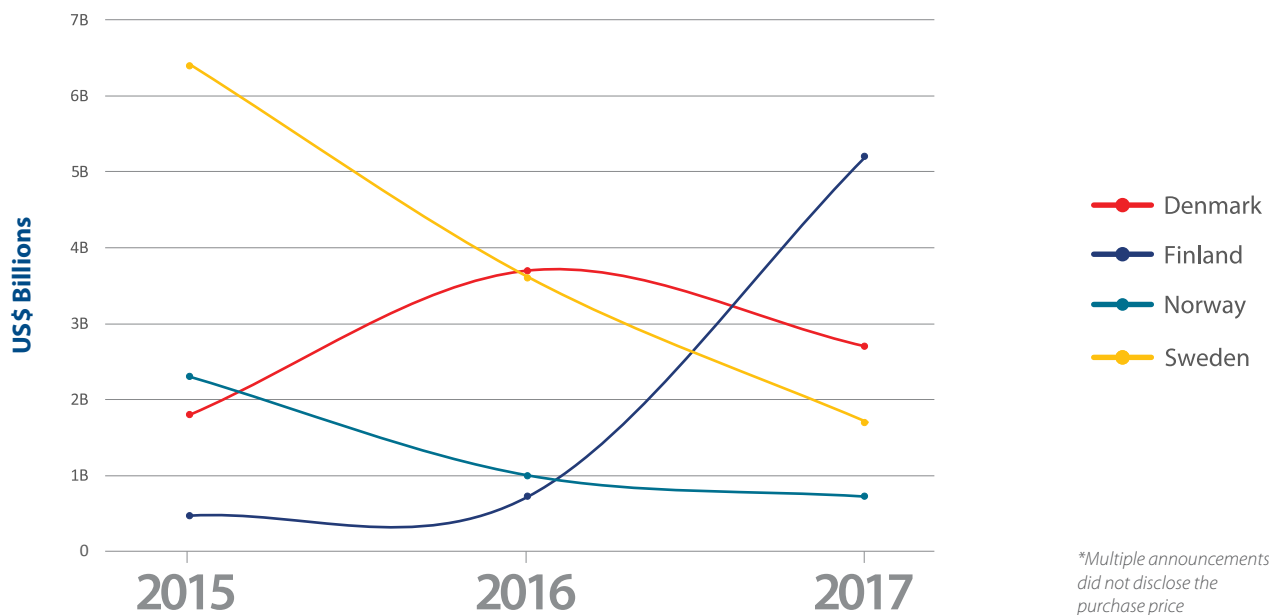
### Number of M&A transactions by Nordic country



## Total reported purchase prices



## Total reported purchase prices by Nordic country



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

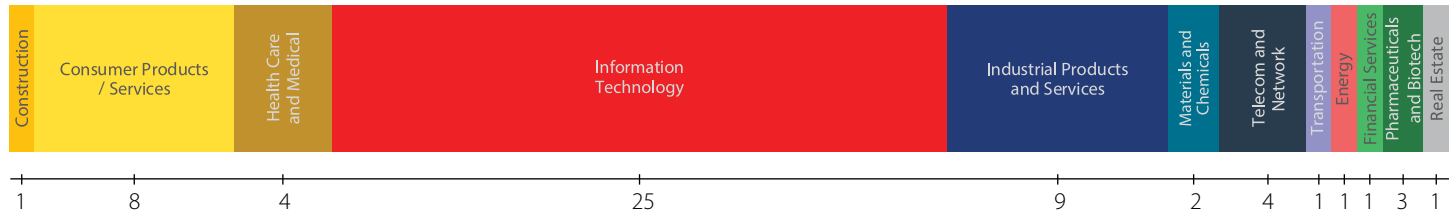




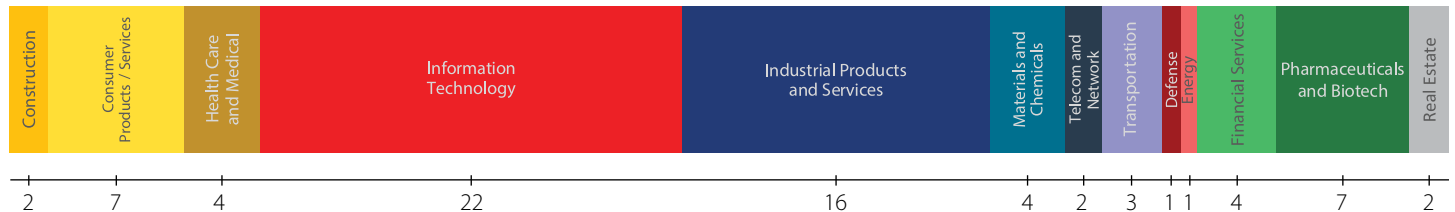
“U.S. buyers have been significantly more acquisitive in the Nordic region than Nordic buyers in the U.S.”

### M&A transactions by industry

2015



2016



2017



### Private-Equity-backed transactions

