

## **PRESS INFORMATION: SEPTEMBER 2010**

### **EXPERIAN DATA REVEALS 2010 M&A AND ECM DEAL ACTIVITY LEVELS IN THE NORTH EAST**

Experian®, the global information services company, today released its latest M&A and ECM (flotations, rights issues and placements) data covering Q3 2010 for the North East.

According to Corpfin, an Experian company specialising in the provision of corporate and financial information, the figures show the following:

#### **NORTH EAST**

- During Q3 2010 there were 30 transactions announced in the North East. The deal volume decreased by 28.6% from the previous quarters total of 42 transactions.
- The value of transactions in the North East has dropped by 96.6% from £1.6billion in Q2 2010 to a total deal value of £54.63million in Q3 2010. There was also a significant drop of 79.7% from the total deal value in Q3 2009 which had a figure of £269.32million.
- The North East represented 3.50% of all the UK deals announced in Q3 2010.
- In the North East, Arbuthnot Securities Ltd and Brewin Dolphin Securities Ltd were the most active financial advisors in the region, advising on one transaction each with disclosed values of £2million and £750,000 respectively. Dickinson Dees advised on the highest volume of transactions for legal advisors in the region, having advised on 2 deals with a value of £17.5million.

#### **UK**

- The UK saw a 23% decrease in UK M&A and ECM transactions announced during Q3 2010 compared to Q2 2010 (from 1,115 deals in Q2 to 859 deals in Q3).
- £59.67billion worth of transactions were announced in the UK in Q3 2010, up by 4.8% on the £56.96billion announced in Q2 2010.
- JP Morgan Chase & Co was the best performing financial advisor by volume with 18 deals and also worked on the highest value of deals worth a total of just under £20.8billion.
- DLA Piper advised on the highest number of transactions (24) in Q3 2010, while the leading legal advisor by value was Allen & Overy with deals worth a total of £13.553billion.

## **NORTH EAST DEAL ACTIVITY IN DETAIL**

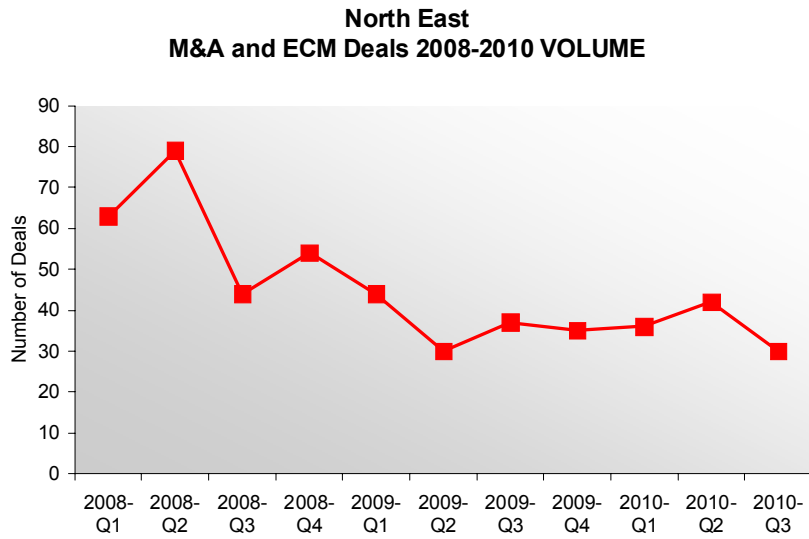
### **Deal volumes in the North East**

- During Q3 2010 there were 30 transactions announced in the North East. The deal volume decreased by 28.6% from the previous quarter's total of 42 transactions.
- The volume of transactions compared to the same period last year showed a drop of 18.9%, down from 37 in Q3 2009 to 30 in Q3 2010.
- The overall trend for the North East has seen a decline in deal volume since Q2 2008 with a record high of 79 transactions and then slowing down and averaging 39 transactions per quarter.
- Although there were 30 deals announced in the region, only 6 have specified values. The undisclosed value of transactions in the region might distort comparisons with previous quarters as small declined by 81.2% in Q2 2010 with 16 transactions in comparison to 3 transactions in Q3 2010. Mid-market showed a decline too, with a recorded 25% decrease from 4 transactions in Q2 2010 to 3 transactions in Q3 2010. There were no large transactions recorded for Q3 in 2010 in the region.

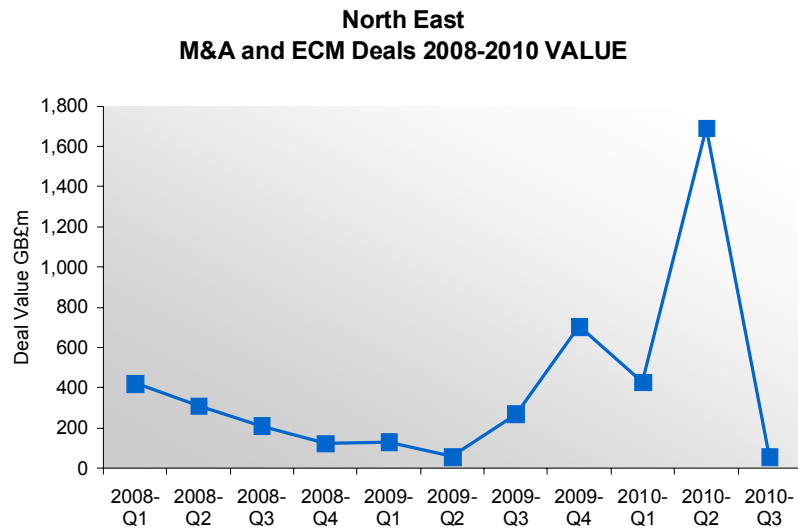
### **Deal values in the North East**

- As there is a high volume of undisclosed deals in the North East and one large completed transaction in the previous quarter, the value of transactions reflects a significant drop by 96.6% from the previous quarter with a total deal value of £1.6billion in Q2 2010 to £54.63million in Q3 2010.
- The North East represents 0.09% of the total value of all UK transactions.
- When comparing the same period in 2009, results for Q3 2010 are down by 79.7% or £214.6million. The total deal value for Q3 2009 was £269.3million.
- The overall value trend for the North East since Q1 2008 has been declining, reaching a low point in Q2 2009 with £56.6million, then rising and reaching its highest point with £1.6billion for Q2 2010. The total value of deals for Q3 2010 was £54.63million, the lowest recorded value since Q1 2008, which suggests the market in the North East is still fragile.
- When analysing the value of transactions as small, mid-market and large, we witnessed declines in value in all of these categories.

**Graph 1: Deal volumes in the North East Q1 2008 to Q3 2010**



**Graph 2: Deal values in the North East Q1 2008 to Q3 2010**



## **DEAL SIZES ANALYSIS**

### ***Large deals (£100million\*)***

- There were no large-cap transactions this quarter in the North East.
- The comparisons with Q2 2010 are affected by the largest transaction since Q1 2008, which is the deal between Deutsche Bahn AG and Arriva Plc.
- This transaction, announced on 22<sup>nd</sup> of April 2010 and completed on 31<sup>st</sup> of August 2010, was valued at 775p per share, or £1.585billion.

### ***Mid-market deals (£10-£100million\*)***

- In the mid-market range, the figure of £49.15million for Q3 2010 indicates the second lowest value in the mid-market market since Q2 2009 when we recorded a value of £30million.
- The three transactions announced in Q3 2010 had a total value of £49.15million, which is a 34.34% decrease in deal value in comparison to Q2 2010, when four transactions accounted for £74.86million.
- In comparison with the same period during 2009, both volumes and values are down. There were 4 announced deals in the mid-market range in Q3 2009 worth £139million, a decrease of 64.67% on Q3 2010.
- The largest mid-market deal involved London-based Legal & General Property Ltd, a subsidiary of Legal & General Group Plc, acquiring BMI Woodlands Hospital in Darlington, County Durham, England, from Bluesparkle Ltd, Harrow, Middlesex, England, operator of private hospital facilities, for £16.65million.

### ***Small deals (under £10m\*)***

- Activity in the small sector dropped by 81.25% in Q3 2010 to 3 deals, down by 13 transactions from Q2 2010 which saw a total of 16.
- The volume and value of these deals has declined. We recorded £5.4million in Q3 2010 in comparison to £29.8million from Q2 2010, a drop of 81.9%.
- When compared to Q3 2009 the North East witnessed a decrease of 65.32% in total deal values, when compared to the figure of £15.8million with the deal volume also declining by 40% from 5 transactions to 3.
- The small deal involved Securitas AB, Stockholm, Sweden, provider of security solutions, including guarding, alarm and cash handling services, acquiring Nikaro Ltd,

Newcastle-upon-Tyne, Tyne and Wear, England, operator of a national key holding and alarm response service for properties in the UK, from Go-Ahead Group Plc, Newcastle-upon-Tyne, Tyne and Wear, England, provider of passenger transportation services, for a consideration of £2.73million.

## UK Regions

**Table 1: Comparison of regional deal activity – value and volume of deals**

Region	Value (£m)		Volume	
	Q3 2010	Q2 2010	Q3 2010	Q2 2010
Greater London	£30,098	£40,975	272	313
South East	£10,380	£4,361	75	131
South West	£2,428	£13,742	117	163
East Anglia	£84.77	£527	27	57
Midlands	£1,677	£1,470	100	154
Yorkshire	£715	£1,908	59	78
North West	£1,889	£1,447	111	141
North East	£55	£1,690	30	42
Wales	£29	£133	25	28
Scotland	£13,359	£1,678	78	85
Northern Ireland	£1,138	£123	6	13
Republic of Ireland	£4,830	£7,570	49	57

## MOST ACTIVE FINANCIAL AND LEGAL ADVISORS IN THE NORTH EAST

Corpin's insight into advisor deal activity has enabled it to identify the most active financial and legal advisors in Q3 2010 and compare the results with the previous quarter in the North East.

Q3 2010	Q2 2010	Financial Advisor	Deal Volume
1	-	ARBUTHNOT SECURITIES LTD	1
2	1	BREWIN DOLPHIN SECURITIES LTD	1
3*	-	CITIGROUP	1
3*	-	DCA CORPORATE	1
3*	-	ERNST & YOUNG	1
3*	-	RICKITT MITCHELL & PARTNERS	1
3*	-	RMT CORPORATE FINANCE	1
3*	-	ROBERT W BAIRD & CO	1
3*	-	RSM TENON CORPORATE FINANCE	1

Q3 2010	Q2 2010	Financial Advisor	Deal Value (£m)
1	-	ARBUTHNOT SECURITIES LTD	2
2	6	BREWIN DOLPHIN SECURITIES LTD	0.75
3*	-	CITIGROUP	0
3*	-	DCA CORPORATE	0
3*	-	ERNST & YOUNG	0
3*	-	RICKITT MITCHELL & PARTNERS	0
3*	-	RMT CORPORATE FINANCE	0
3*	-	ROBERT W BAIRD & CO	0
3*	-	RSM TENON CORPORATE FINANCE	0

Arbuthnot Securities advised on the rights issue by Tanfield Group Plc and Brewin Dolphin Securities advised Vertu Motors Plc, which acquired a SEAT dealership in Derby for a consideration of £750,000 in cash.

Q3 2010	Q2 2010	Legal Advisor	Deal Volume
1	2	DICKINSON DEES	2
2	4*	HERBERT SMITH/GLEISS LUTZ/STIBBE	1
3*	-	ADDLESHAW GODDARD	1
3*	9	BRABNERS CHAFFE STREET	1
3*	-	BROOKE NORTH	1
3*	-	COBBETTS	1
3*	-	HAMMONDS	1
3*	-	HBJ GATELEY WAREING	1
3*	-	MEMERY CRYSTAL	1

Q3 2010	Q2 2010	Legal Advisor	Deal Value (£m)
1	3	DICKINSON DEES	17.5
2	1*	HERBERT SMITH/GLEISS LUTZ/STIBBE	17.5
3*	-	ADDLESHAW GODDARD	0
3*	9	BRABNERS CHAFFE STREET	0
3*	-	BROOKE NORTH	0
3*	-	COBBETTS	0
3*	-	HAMMONDS	0
3*	-	HBJ GATELEY WAREING	0
3*	-	MEMERY CRYSTAL	0

Dickinson Dees headed the Q3 2010 legal advisors ranking by deal value together with Herbert Smith as both of these firms advised on the acquisition by MREF II Equity Release Ltd of a 50% stake in Sovereign Reversions for £17.5million.

**For further press information please contact:**

**Miss Serj Heera**

**Press Relations Manager**

**Business Information and Automotive Division**

Experian | Riverleen House | Electric Avenue | Nottingham | NG80 1RH

T: 44 (0) 115 992 2773 | M: 44 (0) 7837 652169

E: serjeet.heera@uk.experian.com

**For further data requests please contact:**

**Wendy Smith**

**Business Development Manager**

**Business Information**

Corpfin - a part of Experian Ltd | Bank Chambers| Faulkner Street| Manchester | M1 4EH

T: 44 (0) 161 233 3105| F: 44 (0) 161 236 2672 |M: 07889 251 587

E: wendy.smith@uk.experian.com

**Jane Turner**

**Research Supervisor**

**Business Information**

Corpfin - a part of Experian Ltd | Bank Chambers| Faulkner Street| Manchester| M1 4EH

T: 44 (0) 161 233 3103 | F: 44 (0) 161 236 2672 | M: 44 (0) 7527 462 089

E: jane.turner@corpfinworldwide.com

**Notes to editors**

**\*Where consideration disclosed**

Deal information is based on transactions announced between 1<sup>st</sup> July and 22<sup>nd</sup> September 2010 for quarter three figures and 1<sup>st</sup> April and 30<sup>th</sup> June 2010 for quarter two figures.

Target, bidder or parent of either party must be located in the region which is analysed in order to be included. The deal value of transactions covered in this report is £500,000 or above. Deal activity analysis referring to deal values is based on disclosed actual figures only.

**About Experian**

Experian is the leading global information services company, providing data and analytical tools to clients in more than 90 countries. The company helps businesses to manage credit risk, prevent fraud, target marketing offers and automate decision making. Experian also helps individuals to check their credit report and credit score, and protect against identity theft.

Experian plc is listed on the London Stock Exchange (EXPN) and is a constituent of the FTSE 100 index. Total revenue for the year ended 31 March 2010 was US\$3.9billion.

Experian employs approximately 15,000 people in 40 countries and has its corporate headquarters in Dublin, Ireland, with operational headquarters in Nottingham, UK; Costa Mesa, California; and São Paulo, Brazil.

**For more information, visit <http://www.experianplc.com>.**

*Experian and the marks used herein are service marks or registered trademarks of Experian Information Solutions, Inc. Other product and company names mentioned herein may be the trademarks of their respective owners.*

## **About Corpfin**

Since 1994, Corpfin have been providing outstanding information services tailored specifically to each individual customer, including private equity firms, venture capitalists, banks and intermediaries in the UK, Continental Europe and the USA.

The skills and knowledge of our multi-lingual research teams and input from strategic partnerships ensure that the information provided is of the highest quality. Our innovative systems development team ensures that clients have straightforward tools to quickly and intelligently access, analyse and work with the data.

Corpfin offers International M&A deal data, with specialist regional search ability; Company and Director Information and Filed Documents to enable our clients to effectively source deals; sell businesses; make valuations decisions; conduct deal due diligence and build their Corporate Finance practice.

For more information, visit [www.corpfinworldwide.com](http://www.corpfinworldwide.com)