



**PRESS INFORMATION: 4<sup>TH</sup> JANUARY 2011**

**EXPERIAN DATA REVEALS 2010 M&A AND ECM DEAL ACTIVITY LEVELS  
IN SCOTLAND**

Experian<sup>®</sup>, the global information services company, today released its latest M&A and ECM (flotations, rights issues and placements) data covering Q4 and year-end 2010 for Scotland. According to Corpfin, an Experian company specialising in the provision of corporate and financial information, the figures show the following:

**Deal volumes in Scotland**

- The number of transactions announced in Scotland in Q4 2010 fell by 24.4% to 68 deals from 90 transactions in Q3 2010.
- However, transaction volume for the year rose; a total of 365 M&A and IPO transactions were announced in 2010, an increase of 1.39% from 2009's figure of 360 deals.
- In comparison with 2009, activity for the year was down sharply in the large-cap sector. However, volumes were healthier in the small and mid-market segment, where activity was up by 10.5% and 100%, respectively.
- 8.6% of all UK deals announced in 2010 had a Scottish element.

**Deal values in Scotland**

- The total deal value in Scotland also decreased in Q4 2010 to £2.21billion, a drop of 83.9% on the Q3 2010 figure of £13.7billion.
- Despite a small increase in deal volume, Scottish deal values plummeted in 2010. Deals worth a total of £19.65billion were announced throughout the year, a 73.7% decrease compared to the 2009 figure of £74.8billion. This can partially be accounted for by the unprecedented refinancing of Scotland's financial sector raising the value of transactions in 2009.
- The decline in value was most evident in the large-market segment, where the £10.74billion worth of transactions announced in 2010 represented a fall of 85.2% from 2009's figures. However, value in the small and mid-market segments rose, by 14.4% and 94.85%, respectively.
- Deals in Scotland contributed 9.24% to the total value of all UK transactions in 2010.

## UK

- The UK saw a 4.44% decrease in UK M&A and ECM transactions announced during
- 2010 with 4,244 deals compared to 4,441 transactions in 2009.
- £212.746billion worth of transactions were announced in the UK in the year, down by 16.8% on 2009.
- Rothschild announced the most UK deals in 2010 by volume, advising on 68 transactions.
- UBS Investment Bank was the best performing financial advisor by value of deals (£54.405bn).
- DLA Piper was the leading legal advisor by volume of deals (131) with Slaughter & May the leading advisor by value (£48.787bn).

**Wendy Smith, Business Development Manager at Experian Corpin, said:** *“Whilst it is disappointing that the overall deal volumes have decreased in Q4 and year-on-year from 2009, the overall trend since Q3 2008 has been relatively flat. It remains to be seen if deal volumes have found a new level, the decline will continue or we will see the beginnings of a recovery in 2011. Market sentiment indicates that private equity investors are likely to take the lead in any future growth, although having said that international trade acquirers have already made an impact in 2010, significantly Indian takeovers have increased year-on-year and I am sure we will see this trend continue as cash-rich corporates take advantage of this buyers market. It has also been said that this prolonged stagnation will continue until we see a significant increase in the number of insolvencies, which will provide opportunities for stronger buyers and in turn trigger an upturn in the curve. However, Experian's insolvency index suggests that insolvencies are on a decline, not an increase. All this makes it very difficult to predict what will happen going forward.”*

## SCOTTISH DEAL ACTIVITY IN DETAIL

### DEAL SIZES ANALYSIS

#### **Large deals (£100m\*)**

- There were four deals with a consideration over £100million\* recorded in Q4 2010 in Scotland, down from nine in the previous quarter. Deal values fell correspondingly, with the £1.42billion worth of transactions recorded representing a 79.5% drop on Q3's £6.93billion worth of deals.
- The largest deal recorded in 2010 was announced in August and completed in December. This saw a consortium comprising private equity groups Advent International and Bain Capital acquire an 80.1% stake in the Global Merchant Services division (RBS Worldpay) of Royal Bank of Scotland Group Plc for a little over £2billion.
- In the year-on-year comparison, a total of 22 large deals were announced in 2010 (totalling £10.74billion), while 2009 brought 29 large transactions worth £72.57billion.

- The largest Scottish transactions in the last two years involved the Government's massive refinancing of Royal Bank of Scotland Group and Lloyds Banking Group's £21billion rights issue. In terms of traditional M&A, the largest deal saw English utilities group Centrica purchase a 20% stake in British Energy Group for £2.3billion from Electricite de France.

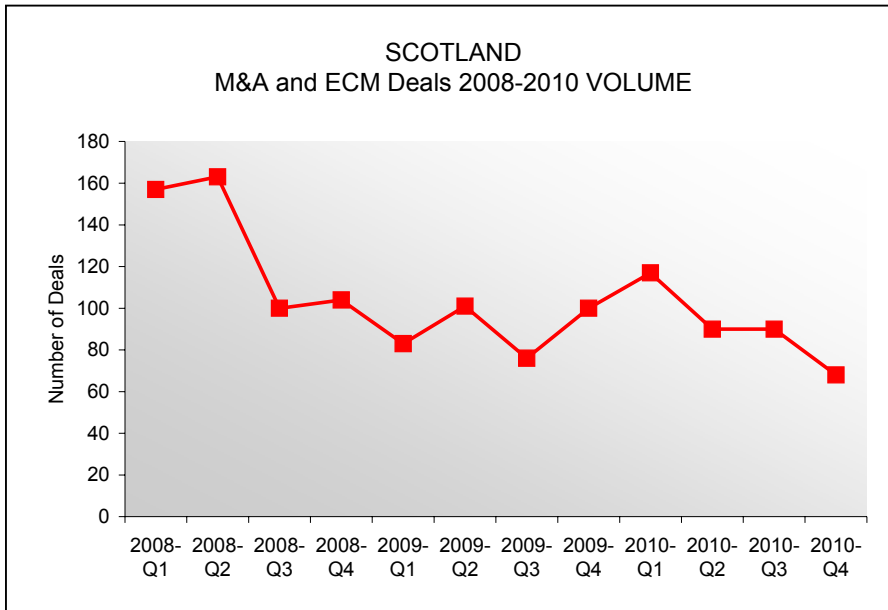
#### ***Mid-market deals (£10-£100m\*)***

- In the mid-market deal range, both deal volume and value have increased. A total of 18 transactions worth £746.5million were announced in Q4 2010, while the previous quarter recorded 9 deals totaling £383.1million. This represented a 100% increase in terms of volume and 94.85% in terms of value.
- The mid-market sector also performed well in a year-on-year comparison. A total of 61 mid-cap deals worth £2.3billion were announced in 2010, while 2009 saw 57 transactions with a total deal value of £2billion.

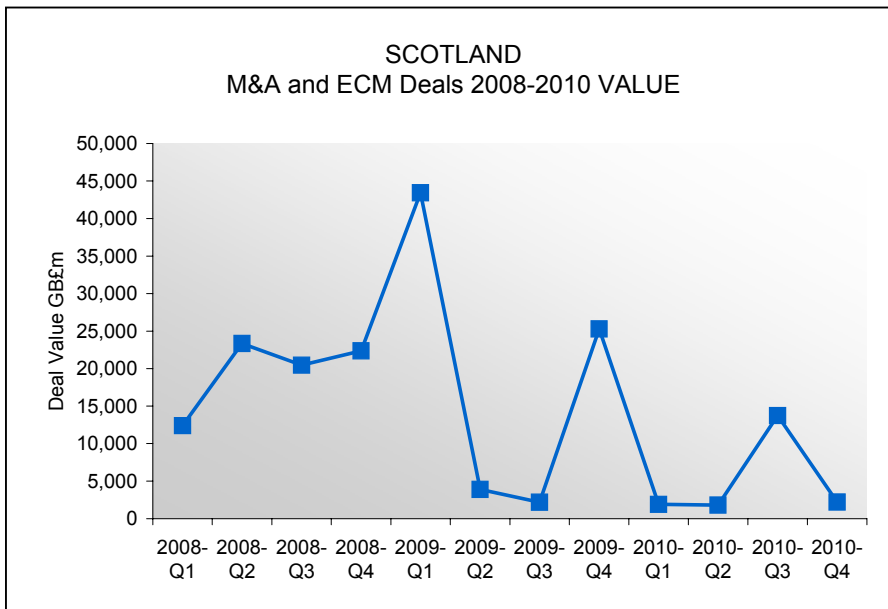
#### ***Small-cap deals (under £10m\*)***

- The volume of small deals fell in Q4 2010 and their aggregate value almost halved; small-cap deals accounted for 19 announced transactions with a deal value of £38.65m in contrast to Q3's 27 deals worth £74.6million.
- Despite a drop off in the fourth quarter, 2010's figures were an improvement on the previous year's in both volume and value. A total of 116 small deals accounting for £297.4m were announced in 2010, while 2009 saw 105 transactions and £259.9million in deal value.

**Graph 1: Deal volumes in Scotland 2008 to 2010**



**Graph 2: Deal values in Scotland 2008 to 2010**



**Table 3: Comparison of regional deal activity – Quarterly Volume and Value**

Region	Value (£m)		Volume	
	Q4 2010	Q3 2010	Q4 2010	Q3 2010
Greater London	35,736	30,429	297	315
South East	5,536	11,133	106	98
South West	6,462	2,524	124	142
East Anglia	599	112	46	35
Midlands	1,130	2,211	102	125
Yorkshire	260	969	64	73
North West	2,729	4,288	127	142
North East	859	107	32	36
Wales	41	45	19	34
Scotland	2,205	13,733	68	90
Northern Ireland	91	1,139	4	7
Republic of Ireland	6,331	10,995	69	67

**Table 4: Comparison of regional deal activity – Annual Volume and Value**

Region	Value (£m)		Volume	
	2010	2009	2010	2009
Greater London	127,880	129,822	1,312	1,539
South East	36,129	16,415	483	511
South West	19,150	21,329	589	579
East Anglia	1,741	3,647	205	208
Midlands	5,987	5,123	504	549
Yorkshire	4,109	1,630	304	307
North West	12,472	8,907	557	605
North East	3,084	1,161	148	146
Wales	267	389	108	105
Scotland	19,649	74,831	365	361
Northern Ireland	1,380	93	32	47
Republic of Ireland	29,871	17,302	260	256

## MOST ACTIVE FINANCIAL AND LEGAL ADVISORS IN SCOTLAND

Corpfin's insight into advisors' deal activity has enabled it to identify the most active financial and legal advisors in Q4 2010 and over the year as a whole in Scotland.

2010	2009	Financial Advisor	Deal Volume
1	-	HALL MORRICE & PARTNERS	8
2	-	RITSON SMITH CORPORATE FINANCE	7
3	1	ANDERSON ANDERSON & BROWN	7
4	9	UBS INVESTMENT BANK	6
5	-	ERNST & YOUNG	6
6	-	DELOITTE	6
7	2	GRANT THORNTON	6
8	4	CREDIT SUISSE	5
9	-	LAZARD	5
10	-	PWC	5

2010	2009	Financial Advisor	Deal Value (£m)
1	1	CREDIT SUISSE	4,502
2	2	UBS INVESTMENT BANK	4,007
3	-	LAZARD	3,095
4	6	BANK OF AMERICA MERRILL LYNCH	2,526
5	-	RBS HOARE GOVETT	2,232
6	-	RBC CAPITAL MARKETS	2,144
7	-	PWC	2,067
8	-	FT ADVISORS	2,025
9	5	MORGAN STANLEY	2,025
10	-	ROYAL BANK OF SCOTLAND	1,065

In Q4 2010, JP Morgan Chase & Co, Deloitte and Hall Morrice & Partners topped the table, each having worked on three transactions.

During Q4 2010 in Scotland, JP Morgan Chase & Co was the leading financial advisor in terms of value, having worked on transactions worth £762.3million. Following were Credit Suisse with £611.8million worth of deals and Bank of America Merrill Lynch with £601.8million.

2010	2009	Legal Advisor	Deal Volume
1	6	MACLAY MURRAY & SPENS	14
2	-	CMS	10
3	-	JONES DAY	7
4	10	DLA PIPER	7
5	5	DUNDAS & WILSON	7
6	1	PAULL & WILLIAMSONS	7
7	4	LINKLATERS	6
8	-	ALLEN & OVERY	6
9	-	LEDINGHAM CHALMERS	6
10	-	ASHURST	5

2010	2009	Legal Advisor	Deal Value (£m)
1	1	LINKLATERS	4,776
2	-	ASHURST	4,005
3	2	SLAUGHTER AND MAY	2,431
4	-	ALLEN & GLEDHILL	2,404
5	-	MOURANT OZANNES	2,234
6	-	KIRKLAND & ELLIS LLP	2,135
7	-	NORTON ROSE	2,079
8	-	ARTHUR COX	2,075
9	-	MAYER BROWN	2,025
10	-	FASKEN MARTINEAU LLP	2,025

In Q4 2010, Ledingham Chambers advised on the most deals, a total of three transactions. Elsewhere Brodies, Desai & Diwanji and Jones Day each worked on two deals. Slaughter and May and Linklaters topped the table of legal advisors by value in Q4 2010, advising on John Wood Group's £611.8million takeover of Production Services Network Ltd.

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**Notes to editors**

**\*Where consideration disclosed**

Deal information is based on transactions announced between 1<sup>st</sup> October and 24<sup>th</sup> December 2010 for quarter four figures, and 1<sup>st</sup> January to 24<sup>th</sup> December 2010 for the year 2010. 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 \$3.9 billion. 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>.

## **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).**