

First Quarter 2011

**Preliminary Review**

# Asia-Pacific (ex. Japan) M&A Financial Advisory Review

*Data accurate as of March 21, 2011;  
Strictly embargoed for publication until  
March 25, 2011*

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**Asia-Pacific (ex Japan) M&A Activity**

Asia Pacific-involvement announced M&A activity, excluding Japan, started strong with a total value of US\$129.1 billion so far this year, a 9.7% increase from the first quarter of last year. This is the busiest start of the year since 1Q 2008 when M&A activity reached US\$133.4 billion from 2,703 deals. M&A targeting Asia-Pacific increased slightly by 5.7% to US\$88.8 billion compared to US\$84.0 billion in 1Q 2010, but declined 56.4% from 4Q 2010.

The region's total crossborder M&A reached US\$78.4 billion, an 11.5% increase from 1Q 2010. Outbound and Inbound activity accounted for 56% and 44%, respectively. Meanwhile, domestic M&A activity reached US\$54.3 billion or 7.9% lower than the first quarter of 2010.

**China and India as Most Targeted Nations**

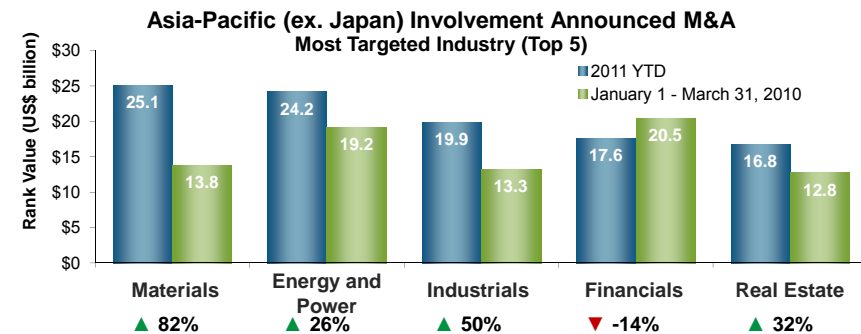
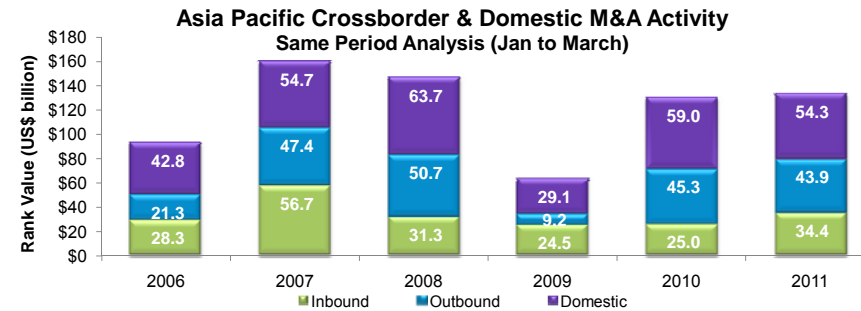
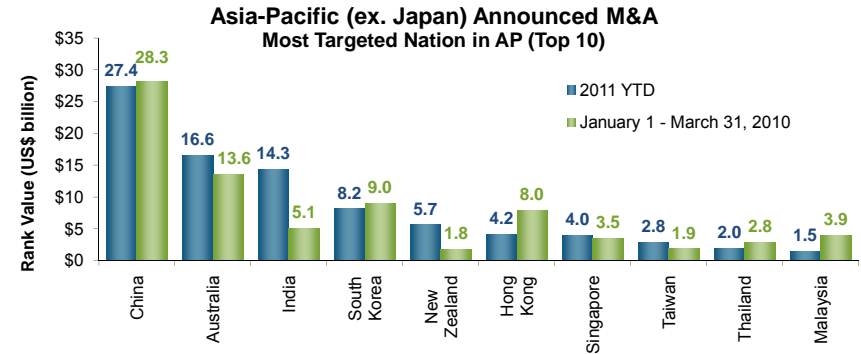
As of end-preliminary date, M&A transactions targeting Asian companies saw 2,021 deals worth US\$88.8 billion. Chinese companies emerged as the most targeted nation by both domestic and foreign acquirors capturing US\$27.4 billion or 30.9% of Asia-target M&A activity. For inbound activity in Asia, however, Indian companies emerged as the most sought after by foreign acquirors with deal value increasing more than 6-fold to US\$11.6 billion, or 33.7% market share. Acquisitions into China by foreign companies follow closely with US\$11.4 billion.

**Busy Start for Materials and Oil & Gas Sectors**

Companies from the materials sector were the most sought after targets for Asia-involvement acquisitions reporting 435 deals worth US\$25.1 billion, 82% higher than the volume in 1Q 2010. This is the busiest start for the sector since 1Q 2008 when volume reached US\$40.7 billion from 424 deals. The flurry of deal-making activity in the oil and gas sector – accounting for 94% of energy & power – pushed the value of transactions to US\$22.9 billion to date, which puts 2011 ahead as having the highest year to date volume for oil & gas.

**China Accounts for Most of Asia's Private Equity-backed M&A Activity**

Bolstered Grohe Asia AG's announced intention to launch a tender offer to acquire the remaining 90.1% of Joyou AG (China) in a deal worth US\$511.8, China accounted for 39.4% of Asia's PE buyout market share with US\$1.3 billion from 17 deals. But based on number of deals, India was the most active with 20 deals worth US\$251.9 million. Total private equity-backed M&A in the region reached US\$3.2 billion, or 3.7% below last year's first quarter total of US\$3.3 billion and a 68.4% decline from 4Q 2010.



## Asia-Pacific (ex. Japan) M&A

### Top Five Asia-Pacific-Involvement Announced Deals

| Date      | Status   | Target                                     | Acquiror                                   | Rank    | Value (US\$m) |
|-----------|----------|--|--|---------|---------------|
| 3/1/2011  | Pending  | Centro Properties Group-US Property Portf  | BRE Retail Holdings Inc                    | 9,400.0 |               |
| 2/21/2011 | Pending  | Reliance Industries Ltd-23 Oil & Gas Block | BP PLC                                     | 9,000.0 |               |
| 2/9/2011  | Pending  | EnCana Corp-Cutbank Ridge Business As      | PetroChina International Investment Co Ltd | 5,433.1 |               |
| 3/18/2011 | Pending  | Fletcher Building Ltd                      | Fairfield Securities LP                    | 5,127.9 |               |
| 2/22/2011 | Intended | BHP Billiton Ltd                           | BHP Billiton Ltd                           | 5,040.5 |               |

### Top Five Asia-Pacific-Involvement Withdrawn Deals

| Date      | Withdrawn | Status                          | Target                                   | Acquiror | Rank | Value (US\$m) |
|-----------|-----------|---------------------------------|--|----------|------|---------------|
| 1/7/2011  | Withdrawn | Draka Holding NV                | Tianjin Xinmao Science & Technology Co L | 1,756.7  |      |               |
| 3/15/2011 | Withdrawn | KBL European Private Bankers SA | Hinduja Group                            | 1,683.5  |      |               |
| 1/1/2011  | Withdrawn | Bhira Investment Ltd            | Olympus Capital Holdings Asia            | 300.0    |      |               |
| 2/11/2011 | Withdrawn | CITIC Logistics Co Ltd          | CITIC Logistics(International) Co Ltd    | 249.7    |      |               |
| 3/15/2011 | Withdrawn | BC Iron Ltd                     | Regent Pilbara Pty Ltd                   | 227.0    |      |               |

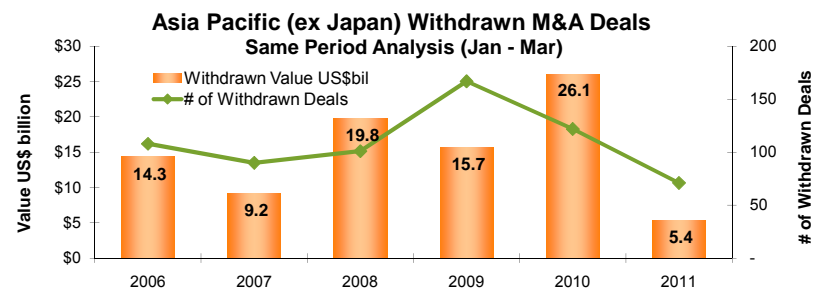
### Top Five Asia-Pacific Private Equity Deals

| Date      | Status   | Target                   | Acquiror                        | Rank  | Value (US\$m) |
|-----------|----------|--------------------------|---------------------------------|-------|---------------|
| 2/14/2011 | Intended | Joyou AG                 | Grohe Asia AG                   | 511.8 |               |
| 1/11/2011 | Pending  | Tegel Foods Ltd          | Affinity Equity Partners        | 463.0 |               |
| 1/31/2011 | Pending  | Latexx Partners Bhd      | Navis Asia VI Management Co Ltd | 291.4 |               |
| 1/2/2011  | Pending  | Poly Link Management Ltd | Investor Group                  | 280.1 |               |
| 2/24/2011 | Pending  | BC Card Co Ltd           | KT Capital Corp                 | 205.0 |               |

### Any Asia-Pacific-Involvement Announced M&A League Table

| Financial Advisor             | 2011 YTD         |          |              |              | 2010 YTDLY       |          |            | % Chg. in Rank Value |
|-------------------------------|------------------|----------|--------------|--------------|------------------|----------|------------|----------------------|
|                               | Rank Value US\$m | Rank     | Mkt. Share   | No. Deals    | Rank Value US\$m | Rank     | Rank Value |                      |
| Goldman Sachs & Co            | 29,559.2         | 1        | 22.9         | 16           | 15,769.8         | 4        | 87.4       |                      |
| Barclays Capital              | 19,583.1         | 2        | 15.2         | 4            | 15,065.4         | 5        | 30.0       |                      |
| Morgan Stanley                | 16,527.9         | 3        | 12.8         | 12           | 19,507.6         | 2        | -15.3      |                      |
| JP Morgan                     | 15,015.2         | 4        | 11.6         | 6            | 7,901.3          | 9        | 90.0       |                      |
| Deutsche Bank AG              | 14,314.8         | 5        | 11.1         | 13           | 7,129.3          | 11       | 100.8      |                      |
| Jefferies & Co Inc            | 13,523.6         | 6        | 10.5         | 8            | 394.1            | 52       | 3,331.5    |                      |
| UBS                           | 12,625.1         | 7        | 9.8          | 14           | 22,823.3         | 1        | -44.7      |                      |
| Moelis & Co                   | 11,400.0         | 8        | 8.8          | 4            | 61.2             | 108      | 18,527.5   |                      |
| Bank of America Merrill Lynch | 9,788.6          | 9        | 7.6          | 11           | 2,612.3          | 18       | 274.7      |                      |
| Lazard                        | 9,750.0          | 10       | 7.6          | 3            | 417.4            | 49       | 2,235.9    |                      |
| <b>Industry Total</b>         | <b>129,067.5</b> | <b>-</b> | <b>100.0</b> | <b>2,257</b> | <b>117,693.9</b> | <b>-</b> | <b>9.7</b> |                      |

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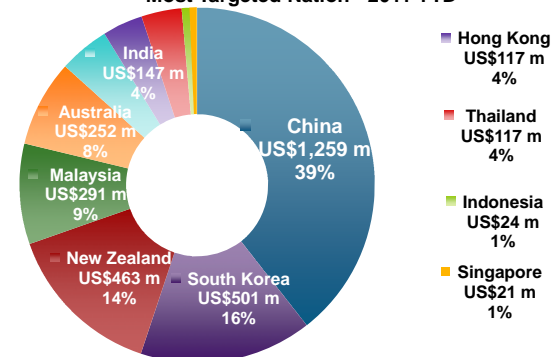
### Top Deal: BRE Retail buys Centro Properties' US Property Portfolio

The announced acquisition of the US property portfolio of Centro Properties Group (Centro), a Melbourne-based real estate investment and development trust, by BRE Retail Holdings Inc for an estimated USD9.4 billion in a leveraged buyout transaction is this year's top deal so far. This is the fourth largest real estate deal on record for Asia Pacific-involvement announced M&A.

### Any Asian Involvement Completed M&A Activity

At least 1,215 deals were completed so far this year involving Asia-Pacific companies worth US\$66.1 billion in deal value, 25.9% below from the first quarter last year. To date, M&A advisory fees from completed deals, which totaled US\$928.7 million, is 26% lower than the fees earned during the first quarter of 2010, according to an estimate from Thomson Reuters/Freeman Consulting.

### Asia Pacific (ex-Japan) PE-related M&A Volume Most Targeted Nation - 2011 YTD



## Australia M&A

### Top Five Any Australian Involvement Announced Deals

| Date      | Status   | Target  | Acquiror                                | Rank Value (US\$m) |
|-----------|----------|---|---|--------------------|
| 3/1/2011  | Pending  | Centro Properties Group-US Property Portfolio | BRE Retail Holdings Inc                 | 9,400.0            |
| 2/22/2011 | Intended | BHP Billiton Ltd                              | BHP Billiton Ltd                        | 5,040.5            |
| 2/22/2011 | Pending  | Chesapeake Energy Corp- Fayetteville Shale    | BHP Billiton Ltd                        | 4,750.0            |
| 2/28/2011 | Intended | Lundin Mining Corp                            | Equinox Minerals Ltd                    | 4,686.3            |
| 2/21/2011 | Pending  | Seven Media Group Pty Ltd                     | West Australian Newspapers Holdings Ltd | 4,141.4            |

### A Strong Start for Australia M&A Activity Since 2007

Australian-involvement announced M&A activity to date saw 369 deals with total value amounting to US\$38.8 billion, more than double compared to the first quarter volume in 2010 (US\$16.2 billion) but saw a 33.5% decrease in number of deals. This marks the busiest start for Australia since the first quarter in 2007 when deal value reached US\$45.4 billion from 723 transactions.

Cross-border M&A activity totaled US\$14.3 billion so far this year, or 75% higher than the first quarter of 2010. Outbound and inbound activity accounted for 78% and 22%, respectively. Total number of cross-border deals, however, were 20.6% less this year with 177 deals compared to 223 during the start of 2010. Meanwhile, domestic activity stands at US\$13.5 billion, almost double the volume of first quarter 2010, despite the decrease in number of deals to 167 from 299.

### Materials Sector Takes the Lead

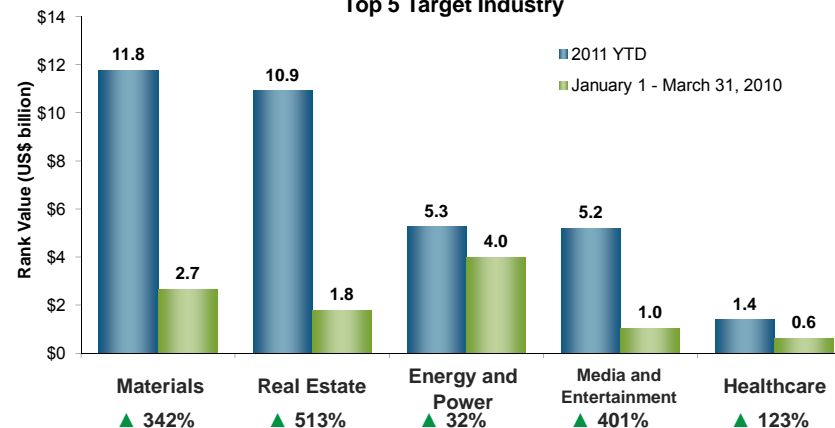
M&A transactions from 126 deals with total value of US\$11.8 billion (30.3% of the nation's volume) were recorded in the Materials industry, more than a four-fold increase compared to the first quarter of 2010. This is the busiest first three months since 2001 when volume reached US\$19.7 billion after BHP Ltd and Billiton PLC announced its merger to form BHP Billiton in a deal valued at US\$15.6 billion in March 2001. The Metals & Mining sector, which accounts for 98.4% of Australia's Materials industry, is off to a strong start and continues to drive volume with US\$11.6 billion, the highest year to date activity since the first quarter of 2001 (US\$18.9 billion).

### Australia Private Equity Buyout Up

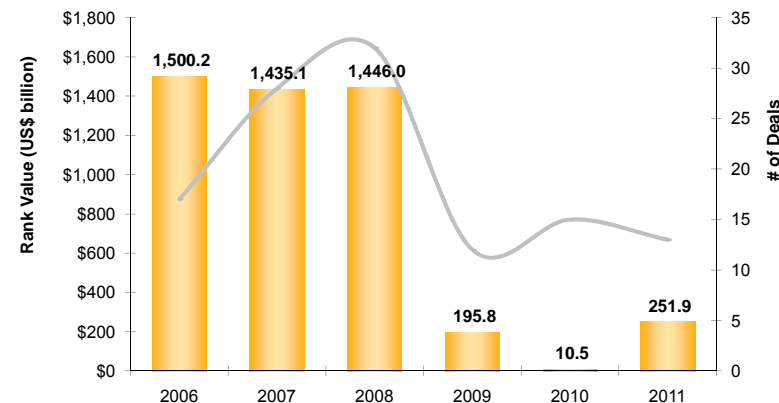
Australia's PE-backed M&A activity reached US\$251.9 million so far this year, a huge 24-fold increase from the first quarter of 2010 (US\$10.5 million) but 91.1% below the volume compared to fourth quarter of last year. Consumer Staples (33.0%), Financials (30.6%) and Materials (24.4%) accounted for a total of 88% of Australia's Private equity buyouts.

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### Any Australian Involvement Announced M&A Top 5 Target Industry



### Australia Private Equity-related M&A Volumes 2006 - 2011 Same Period Analysis (Jan - Mar)



## Australia M&A

### Cross Border Inbound Australia - A Slow Start

Crossborder acquisitions into Australian companies reached US\$3.1 billion so far this year, a 52.2% decline from last year. Deal transactions targeted the Real Estate (38.5%) and Materials (21.9%) with a combined 60.4% market share in terms of deal value. Based on number of deals, the Materials industry had the most number of transactions accounting for 36.4% of Australia's inbound deals.

### Top Five Cross Border M&A Deals - Inbound Australia

| Date      | Status    | Target                    | Acquiror                                  | Rank Value (US\$m) |
|-----------|-----------|---------------------------|---|--------------------|
| 3/10/2011 | Intended  | EDT Retail Management Ltd | EPN GP LLC                                | 1,160.7            |
| 3/18/2011 | Completed | Sundance Resources Ltd    | Hanlong Mining Investment Pty Ltd         | 190.2              |
| 2/24/2011 | Pending   | Signature Security Group  | Tyco International Security Group Pty Ltd | 171.6              |
| 1/12/2011 | Pending   | RP Data Ltd               | CoreLogic Inc                             | 159.7              |
| 1/20/2011 | Completed | Virgin Blue Holdings Ltd  | Air New Zealand Ltd                       | 143.0              |

### Top Five Cross Border M&A Deals - Outbound Australia

| Date      | Status    | Target                                     | Acquiror                 | Rank Value (US\$m) |
|-----------|-----------|--|--------------------------|--------------------|
| 2/22/2011 | Pending   | Chesapeake Energy Corp- Fayetteville Shale | BHP Billiton Ltd         | 4,750.0            |
| 2/28/2011 | Intended  | Lundin Mining Corp                         | Equinox Minerals Ltd     | 4,686.3            |
| 2/4/2011  | Pending   | Balboa Insurance Group Inc                 | QBE Insurance Group Ltd  | 700.0              |
| 1/11/2011 | Pending   | Tegel Foods Ltd                            | Affinity Equity Partners | 463.0              |
| 2/3/2011  | Completed | CoStar Group Inc-Washington DC Headquart   | GLL L-Street 1331 LLC    | 101.0              |

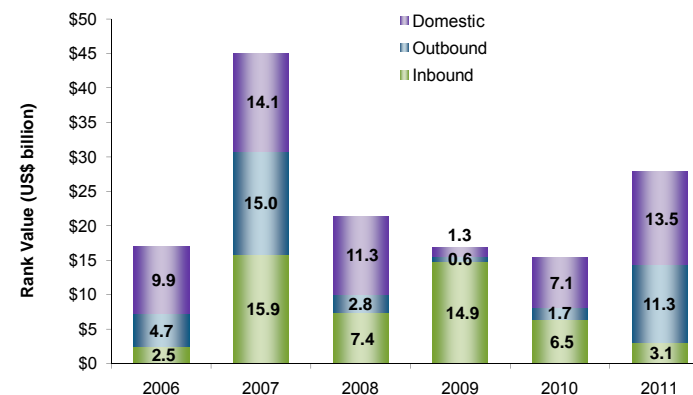
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|----------------------------|------------------|----------|--------------|------------|------------------|----------|--------------|----------------------|
|                            | Rank Value US\$m | Rank     | Mkt. Share   | No. Deals  | Rank Value US\$m | Rank     | Rank Value   |                      |
| Barclays Capital           | 14,150.0         | 1        | 36.4         | 2          | 366.2            | 12*      | 3,764.0      |                      |
| JP Morgan                  | 13,541.4         | 2        | 34.9         | 2          | 1,817.8          | 6*       | 644.9        |                      |
| Goldman Sachs & Co         | 10,368.7         | 3        | 26.7         | 6          | 4,308.8          | 2        | 140.6        |                      |
| UBS                        | 10,245.6         | 4        | 26.4         | 4          | 4,950.8          | 1        | 106.9        |                      |
| Deutsche Bank AG           | 9,937.2          | 5        | 25.6         | 4          | 125.3            | 25       | 7,830.7      |                      |
| Wells Fargo & Co           | 9,400.0          | 6*       | 24.2         | 1          | -                | -        | -            |                      |
| Lazard                     | 9,400.0          | 6*       | 24.2         | 2          | -                | -        | -            |                      |
| Moelis & Co                | 9,400.0          | 6*       | 24.2         | 2          | -                | -        | -            |                      |
| Flagstaff Partners Pty Ltd | 9,400.0          | 6*       | 24.2         | 2          | -                | -        | -            |                      |
| Credit Suisse              | 5,443.9          | 10       | 14.0         | 3          | 253.1            | 19       | 2,050.9      |                      |
| <b>Industry Total</b>      | <b>38,839.7</b>  | <b>-</b> | <b>100.0</b> | <b>369</b> | <b>16,228.6</b>  | <b>-</b> | <b>139.3</b> |                      |

(\*):tie

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Australia Cross Border & Domestic M&A Volumes  
2006- 2011 YTD Same Period Analysis



### Cross Border Outbound Australia - Six-fold Increase

Cross-border Outbound M&A involving Australian acquirors starts off the year with more than a six-fold increase in volume which stands at US\$11.3 billion so far 2011 from US\$1.7 billion in 2010. This is the busiest start of the year for Australia outbound acquisitions since first quarter 2007 (US\$15.0 billion).

US took top spot (based on value) as most targeted nation to date with 23 deals amounting to US\$5.6 billion, or 50.1% of market share, ahead of Canada (41.7%) which slid to the second spot.

Foreign acquisitions by Australian companies focused their transactions in the Materials industry (43.5%) with US\$4.9 billion in value and 28 deals. Energy & power (43.0%) followed closely with US\$4.8 billion from 11 deals.