

## Introduction



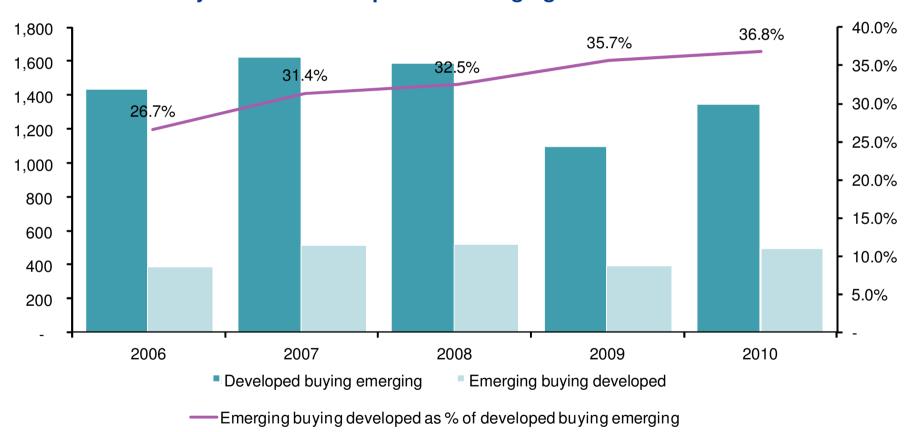
- Wouter van de Bunt
- Joined KPMG in 1997
- Head of the Dutch Corporate Finance practice
- Member of the global M&A board

## M&A activity between emerging and developed markets

"Are developed markets buying more in emerging markets or are emerging markets buying more in developed markets?"

## Global M&A activity between emerging and developed markets

### Global deal activity between developed and emerging markets



Source: Thomson Reuters SDC; KPMG analysis.

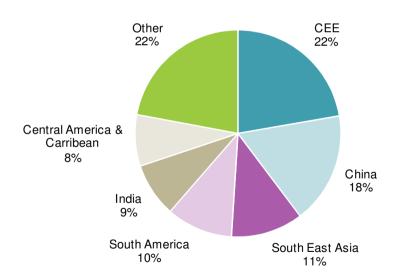
### Global M&A activity between emerging and developed markets (2)

"In which emerging markets, developed countries invest the most?"

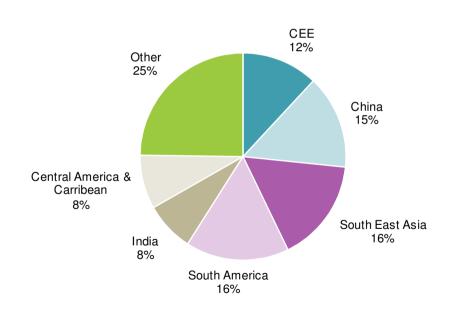
## Global M&A activity between emerging and developed markets (3)

#### Developed market acquirers of emerging market targets (by emerging)

**2006** (total no. of deals = 1,437)



**2010** (total no. of deals = 1,351)



Source: Thomson Reuters SDC; KPMG analysis.

### Global M&A activity between emerging and developed markets (4)

"Which are the main emerging markets investing in developed markets?"

## Global M&A activity between emerging and developed markets (5)

#### **Emerging market acquirers of developed market targets (by emerging)**

**2006** (total no. of deals = 383)

Other 19% India 26%

Russia 6%

South East Asia

14%

Source: Thomson Reuters SDC; KPMG analysis.

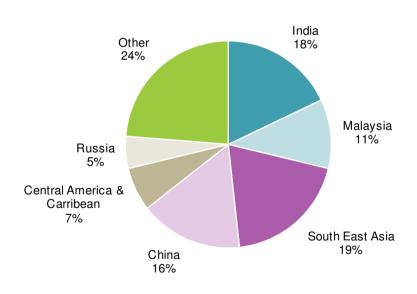
China

9%

Central America & Carribean

8%





Malaysia

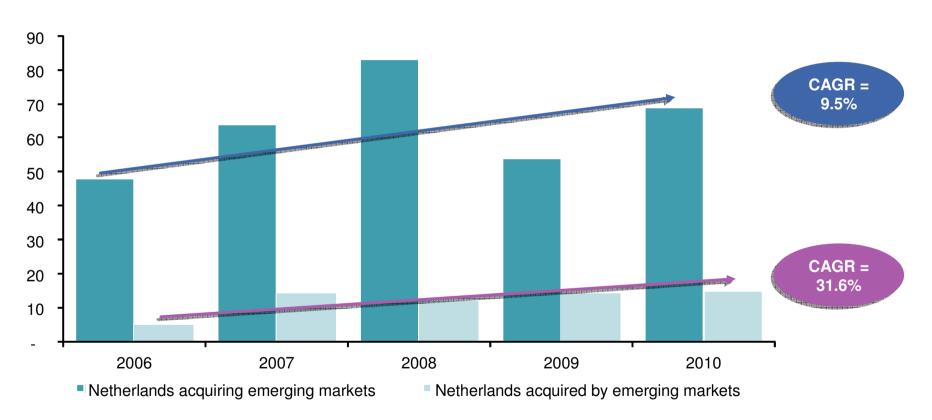
18%

## M&A activity between the Netherlands and emerging markets

"What is the position of the Netherlands?

## M&A activity between the Netherlands and emerging markets (2)

#### Global deal activity between the Netherlands and emerging markets



Source: Thomson Reuters SDC; KPMG analysis.

# **Recent examples of transactions**

Note:

(\*) Did not lead to a transaction.

Selection of transactions with emerging markets			
Country	Company	Deal description	KPMG Involvement
*;	inalfa roof systems	■ Beijing Hainachuan Automotive Parts Co. bought Inalfa Roof Systems Group for €300 million in 2011.	<b>✓</b>
*;	SAAB	Chinese companies Youngman and Pangda acquire shares in Swedish Automobile.	<b>√</b>
	Sara fee	Brazilian meat-processing giant JBS SA is pursuing a takeover of Sara Lee Corp., said people familiar with the matter*.	
•	corus	Tata Steel acquires Anglo-Dutch steelmaker Corus for a consideration of \$7.6 billion.	
*	HÝA	Unitas Capital Pte, a Hong Kong Based private equity firm. Ltd. has agreed to acquire Hyva Holding B.V. from 3i Group plc.	<b>√</b>
	GILISSEN PRIVATE BANKERS	<ul> <li>Precision Capital, the Luxembourg-registered SPV owned by the Qatari royal family, has agreed to acquire KBL European Private Bankers</li> </ul>	
	Liquavista	Liquavista BV, announced that it has been acquired by Samsung Electronics.	<b>√</b>

### **Relative attractiveness of the Netherlands**

"Why is the Netherlands such an attractive market for companies from emerging markets?"

## The Netherlands is an attractive economy for outside investors



## **Strategic rationale M&A**

"What is the M&A rationale from different stakeholder perspectives?"

# M&A rationale for seller versus M&A rationale of buyer

Strategic rationale				
Stakeholder	Buyer	Seller		
Management and employees	<ul><li>Acquire foothold in new market</li></ul>	<ul><li>Leverage on distribution network</li></ul>		
	Acquire know-how and transfer this to local markets	<ul><li>Cross selling opportunities</li><li>Maintain number of</li></ul>		
	Acquire brand name employees			
	<ul><li>Acquire highly educated personnel</li></ul>			
Society as a whole	■ Keep HQ in local market	■ Maintain employment levels		
	■ Takeover should not	■ Maintain local know how		
	jeopardise long term stability of the buyer	Taxation should remain in 'own' country		

## **Key questions**

#### **Discussion topics**

What can we do to shape the future of the Netherlands and take part in the ongoing international consolidation?

Does cross border M&A create value?

From a shareholder perspective, what are the pros and cons of a buyer out of an emerging market in a M&A process?

What can Dutch companies do to attract buyers from emerging markets and facilitate them in M&A processes?

What should be taken into account when acquiring a company located in an emerging market?