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M&A Market Update

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Howard is a Managing Director of Veracap Corporate Finance and its affiliate, Campbell Valuation Partners Limited. Howard advises business owners and executives on business valuation, acquisitions, divestitures, private equity financing and shareholder value matters. He is the author of several books on the subjects of business valuation and corporate finance, and has acted as an expert witness on valuation matters before the courts.

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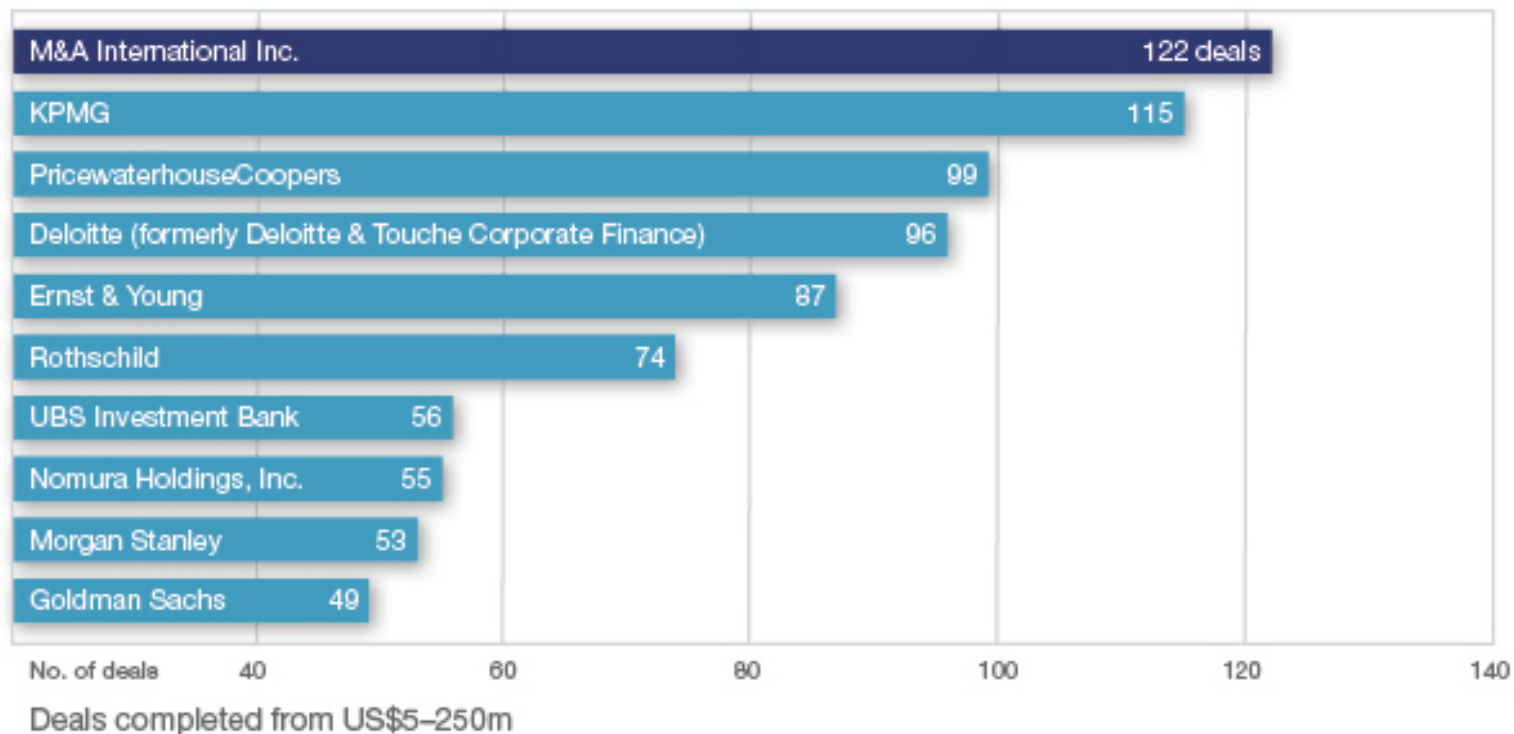
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Global Mid-market Deals Completed in 2011



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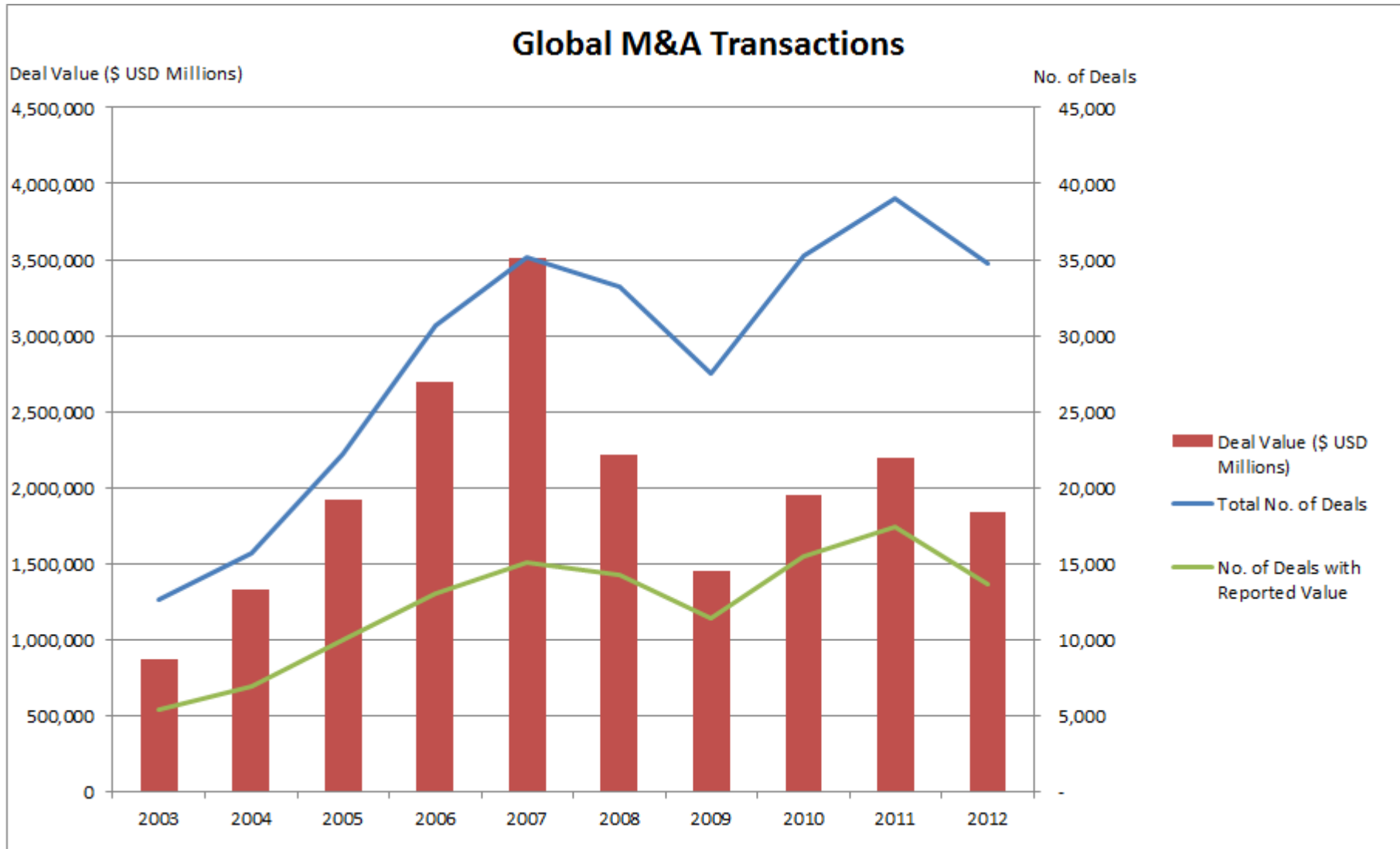
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Global M&A Activity



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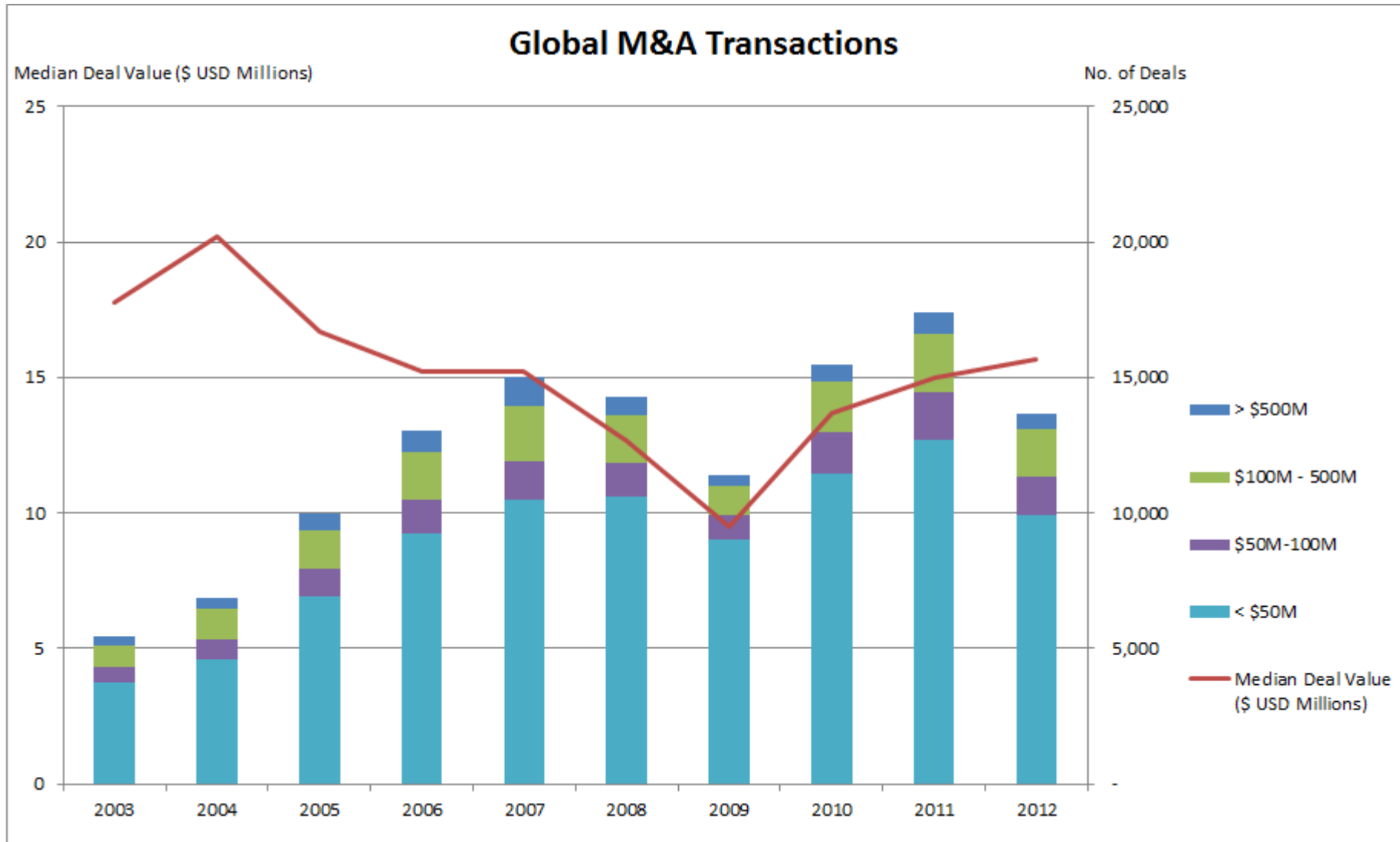


Source: S&P Capital IQ

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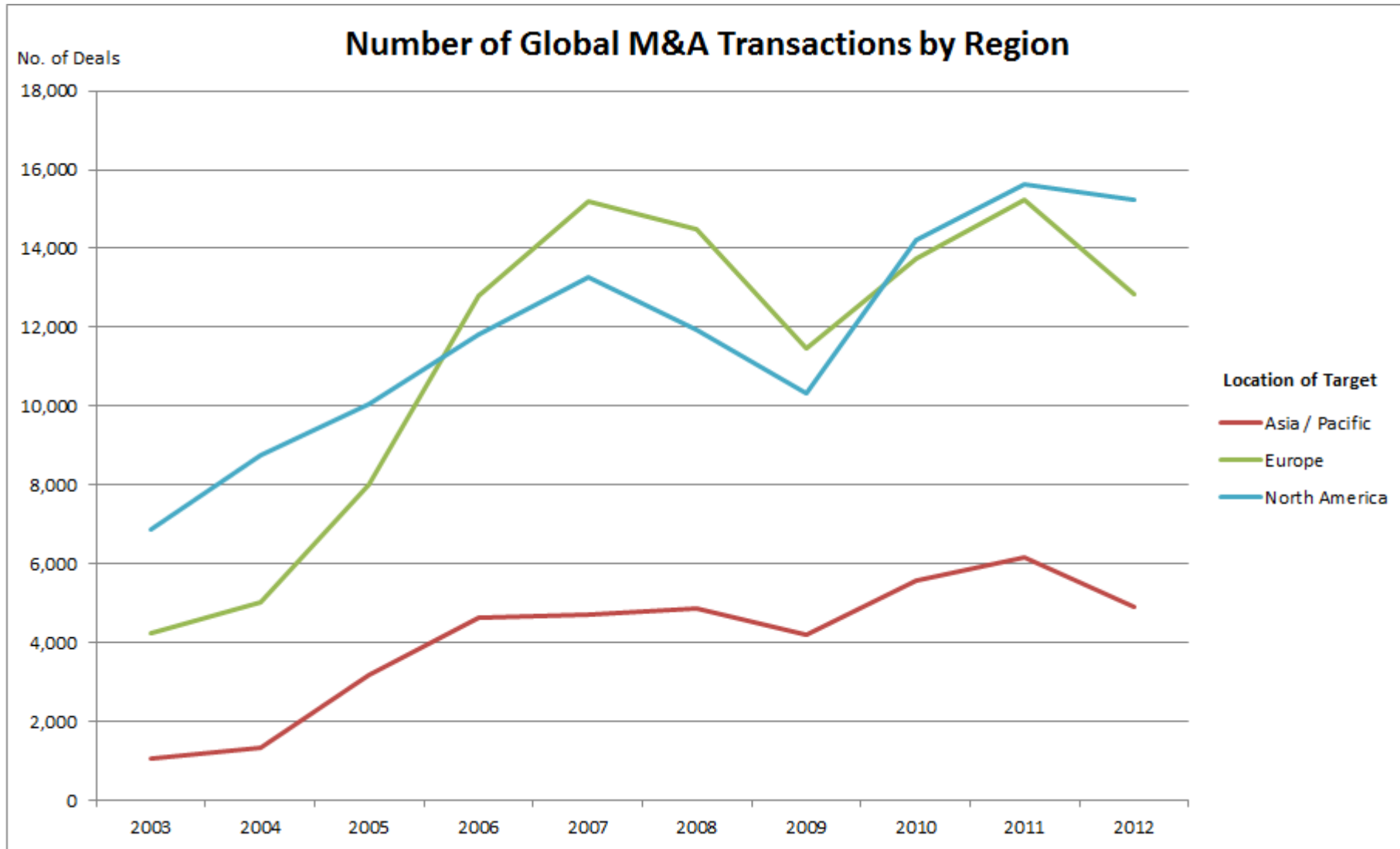
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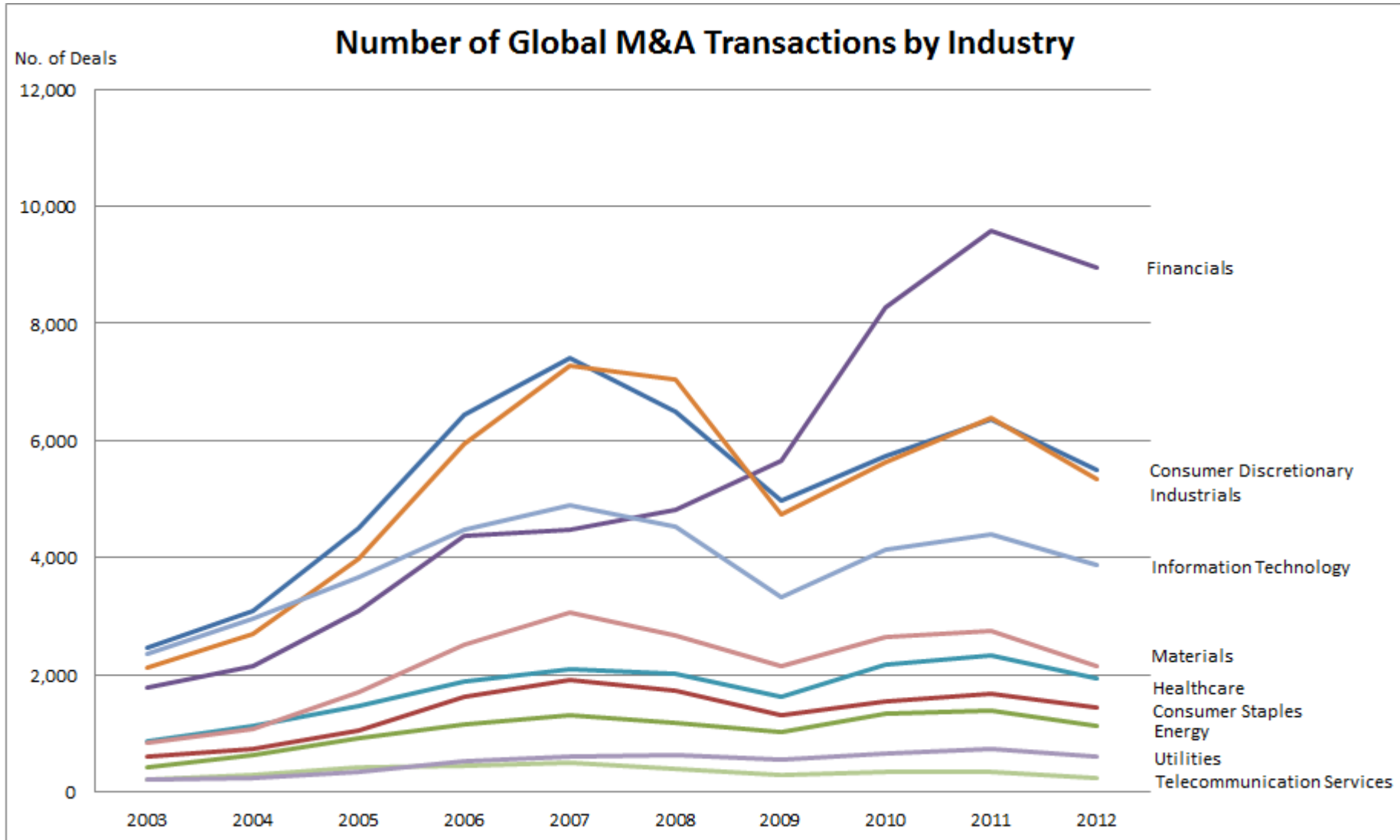


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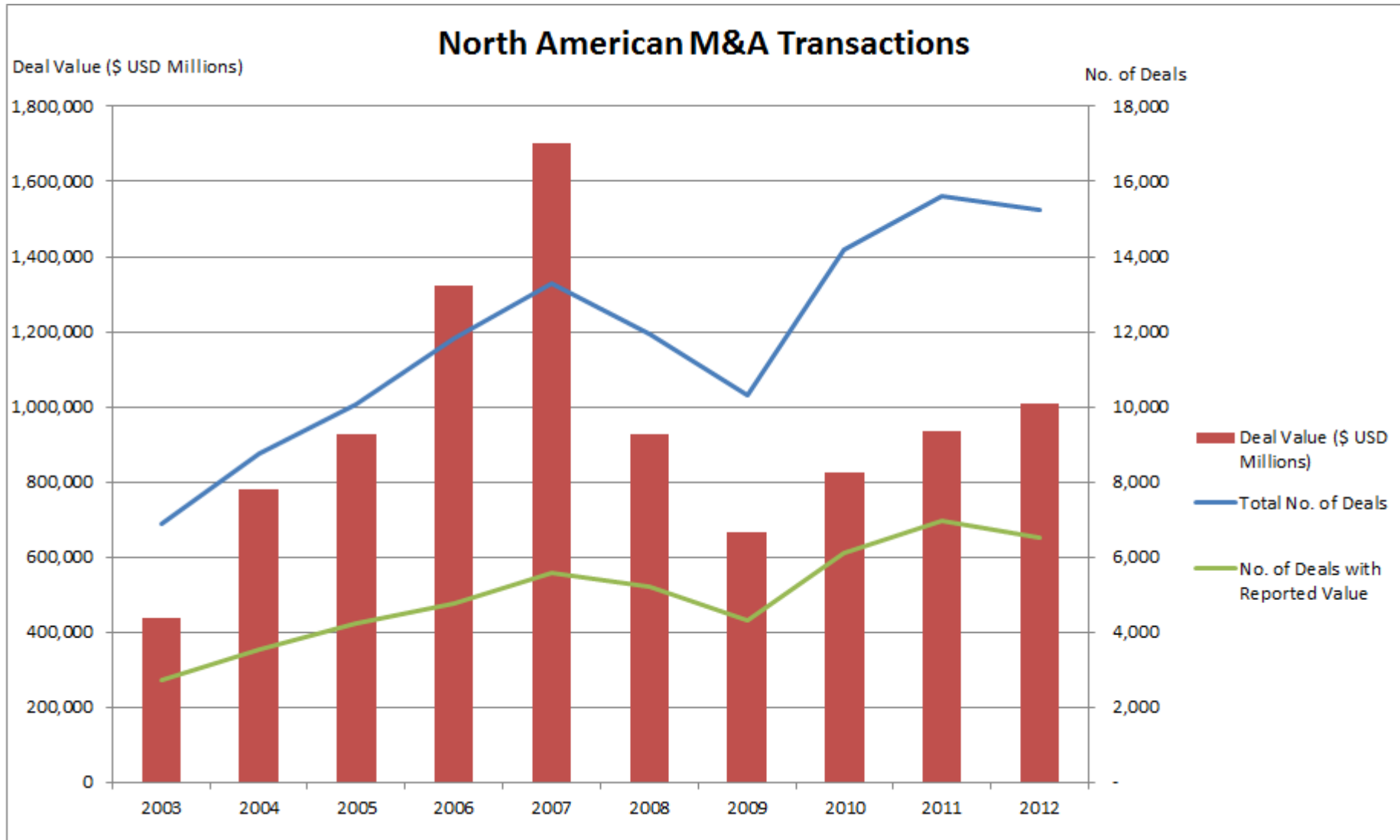


Source: S&P Capital IQ

North American M&A Activity



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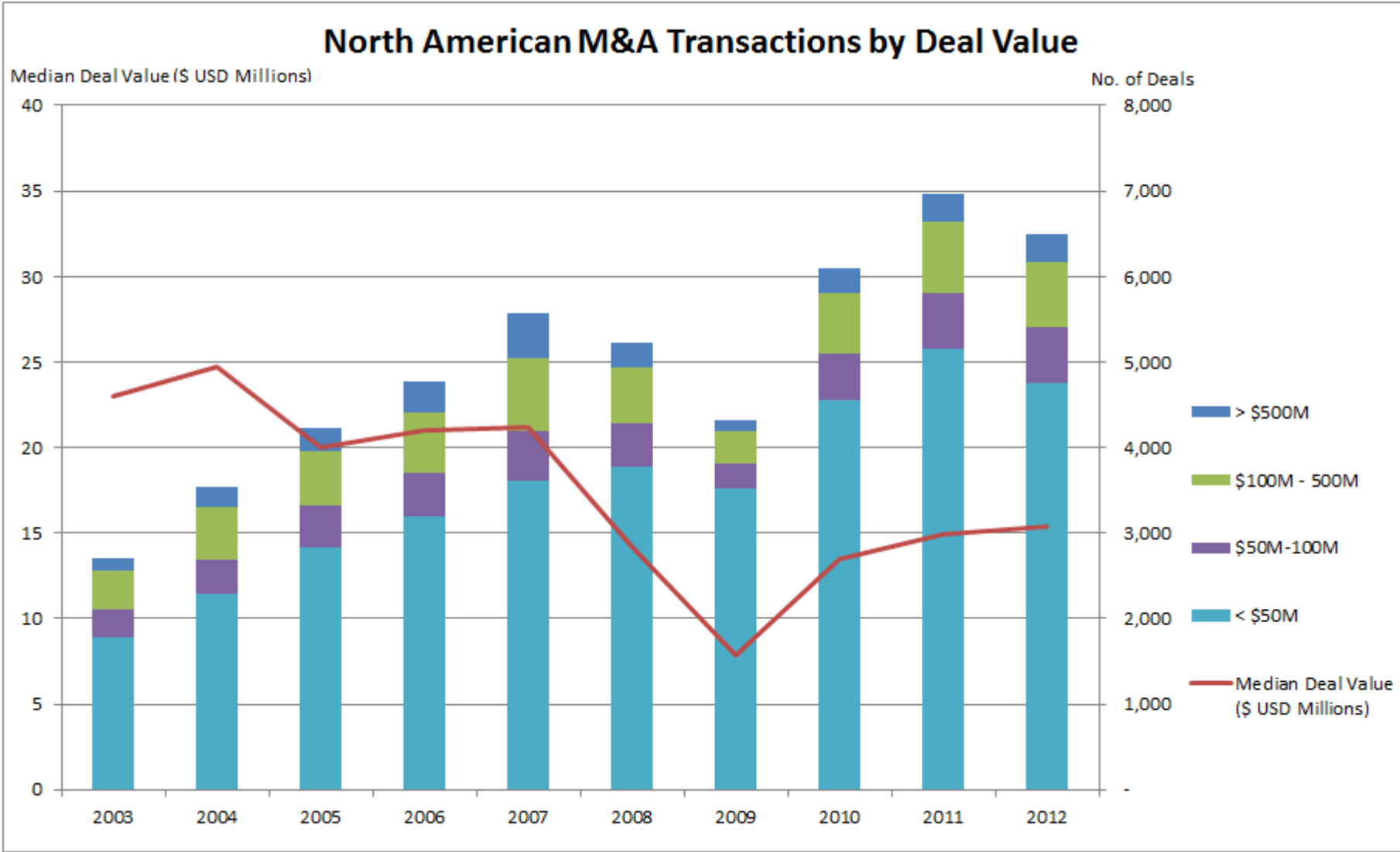
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North American M&A Activity



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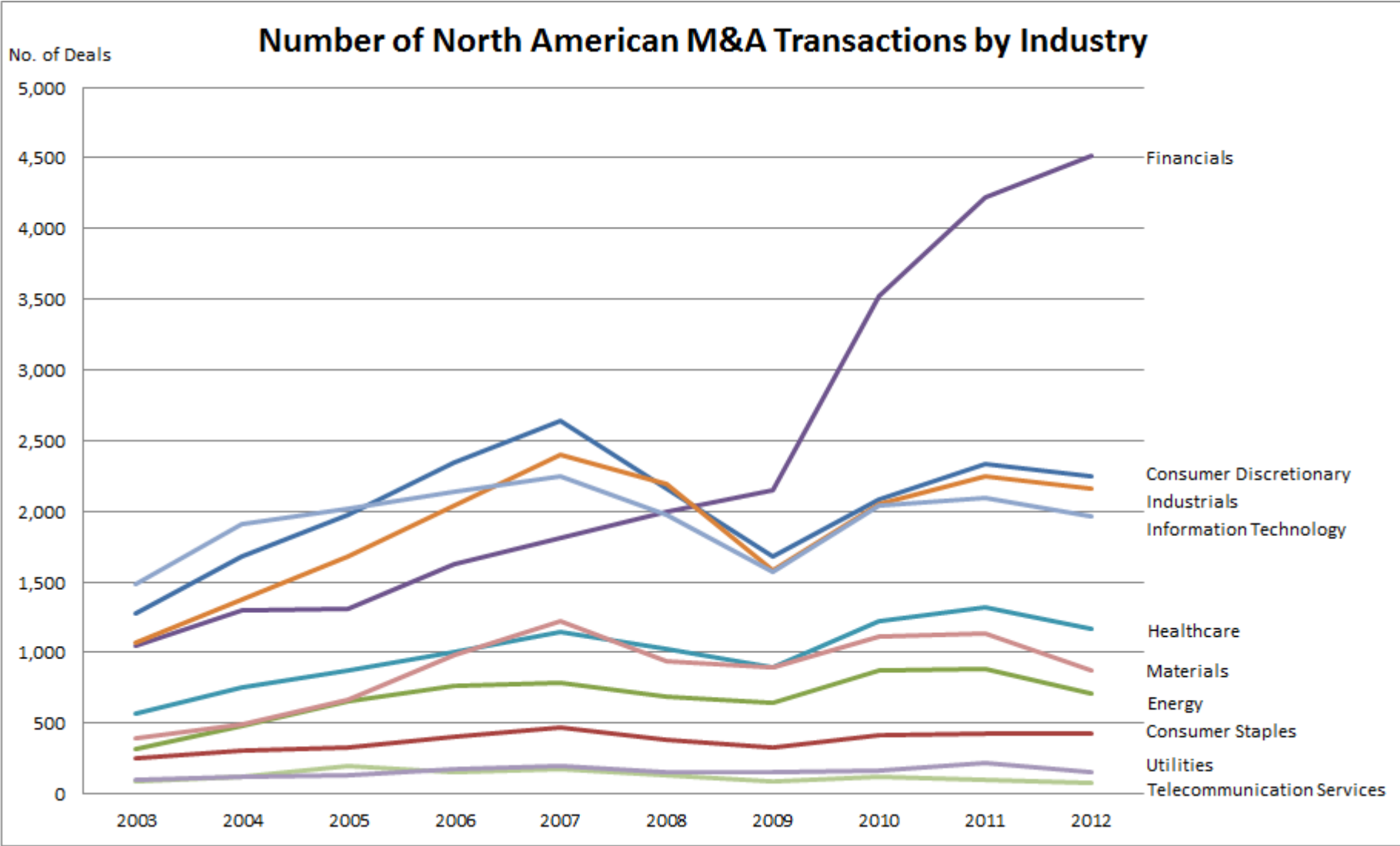
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North American M&A Activity



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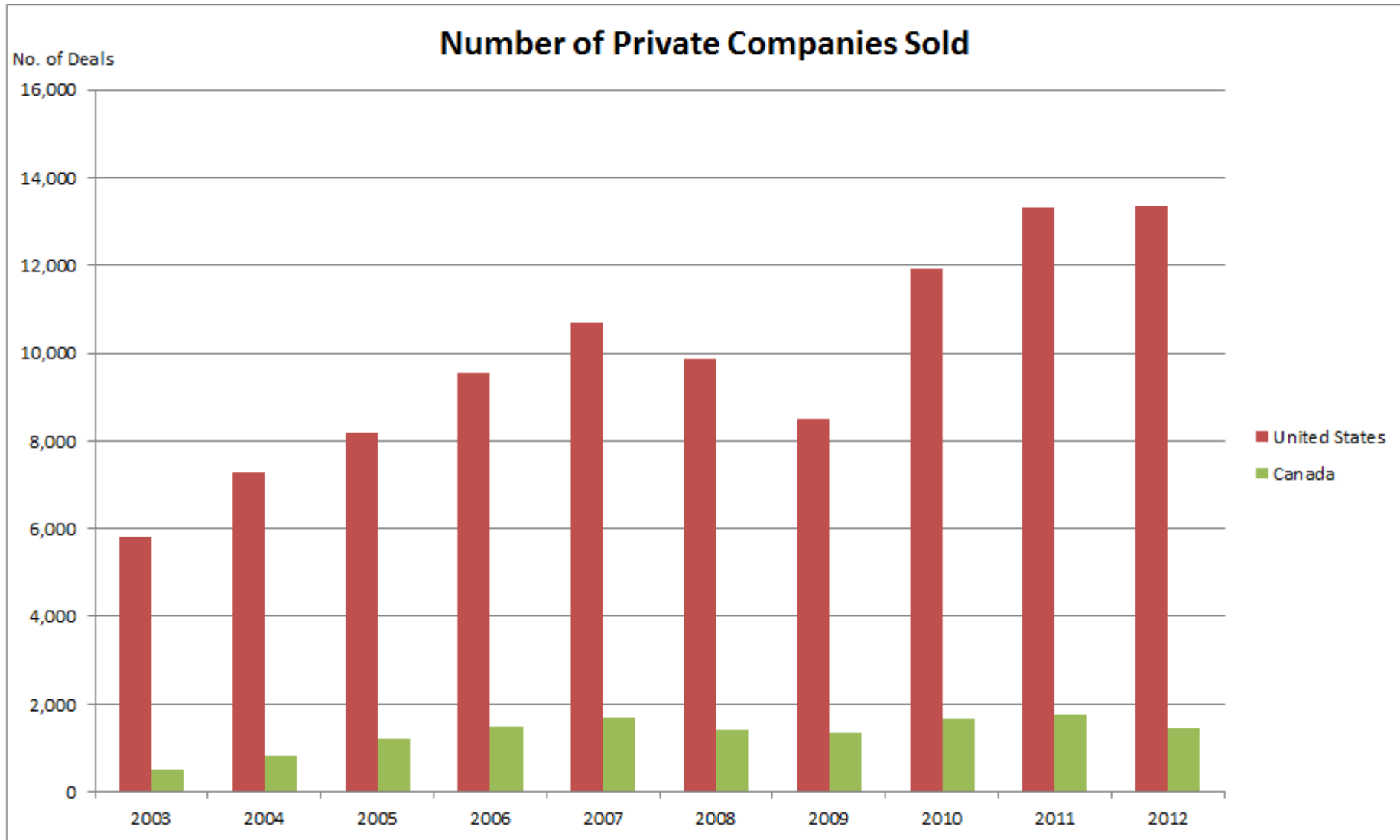
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North American M&A Activity



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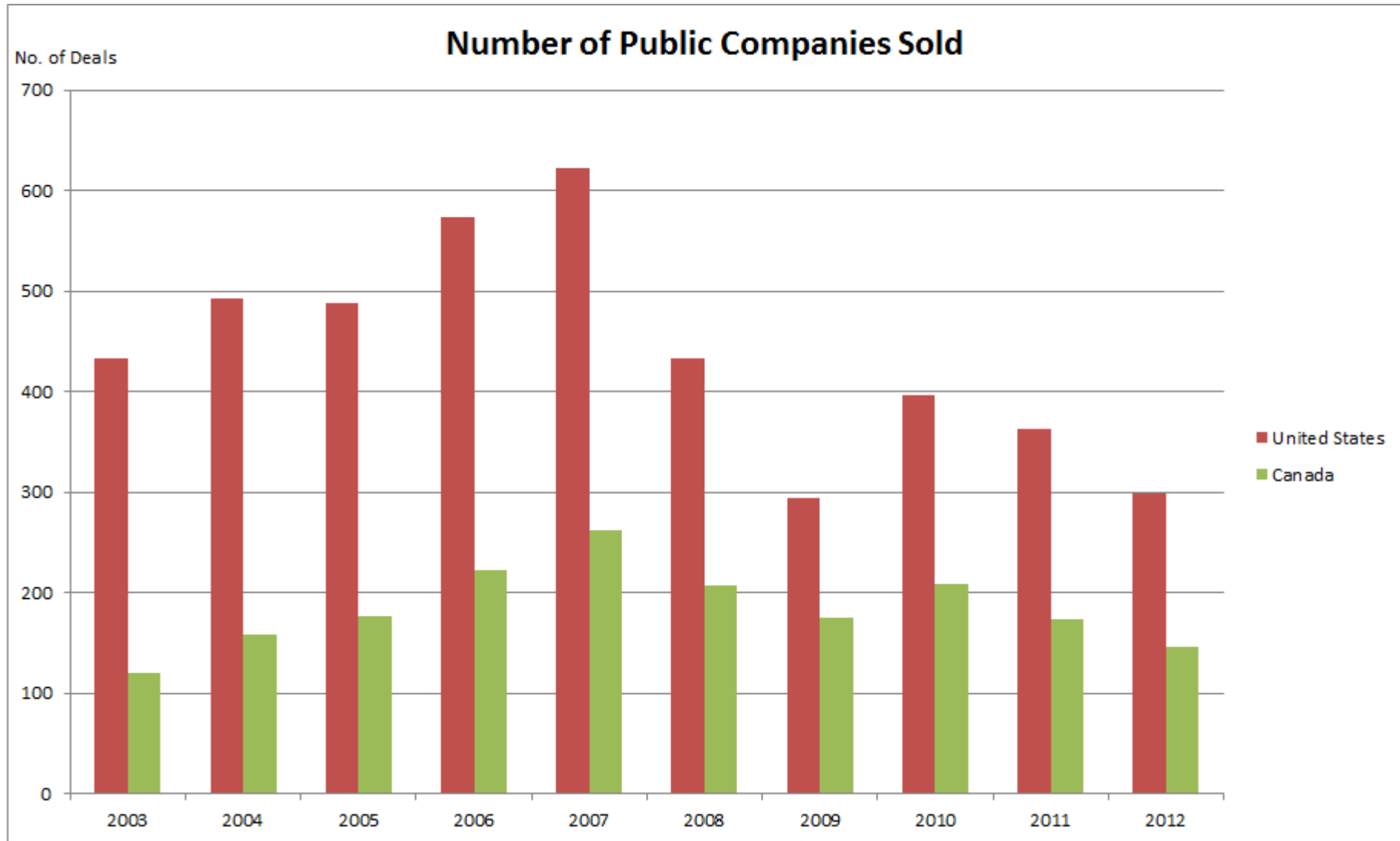


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North American M&A Activity



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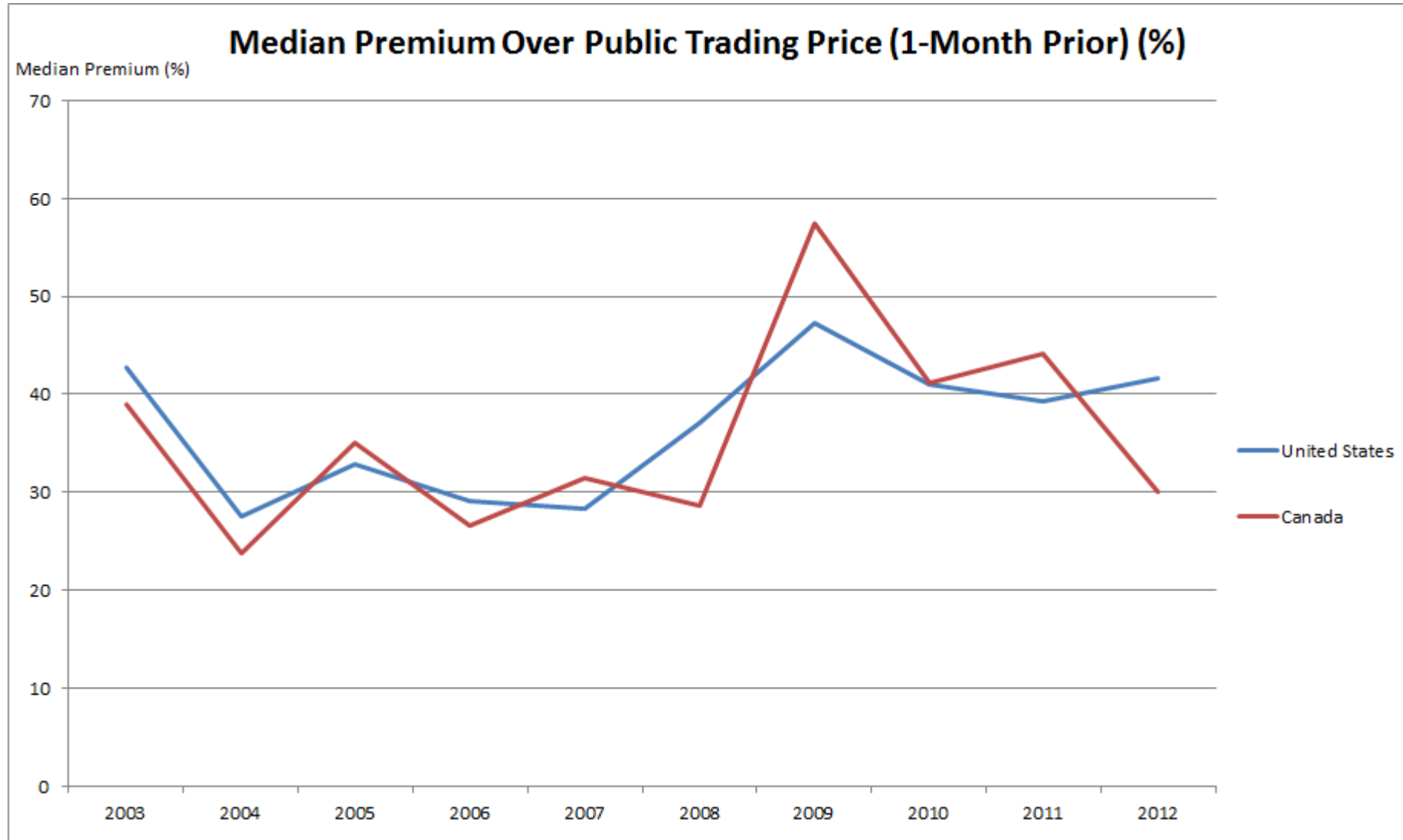


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North American M&A Activity

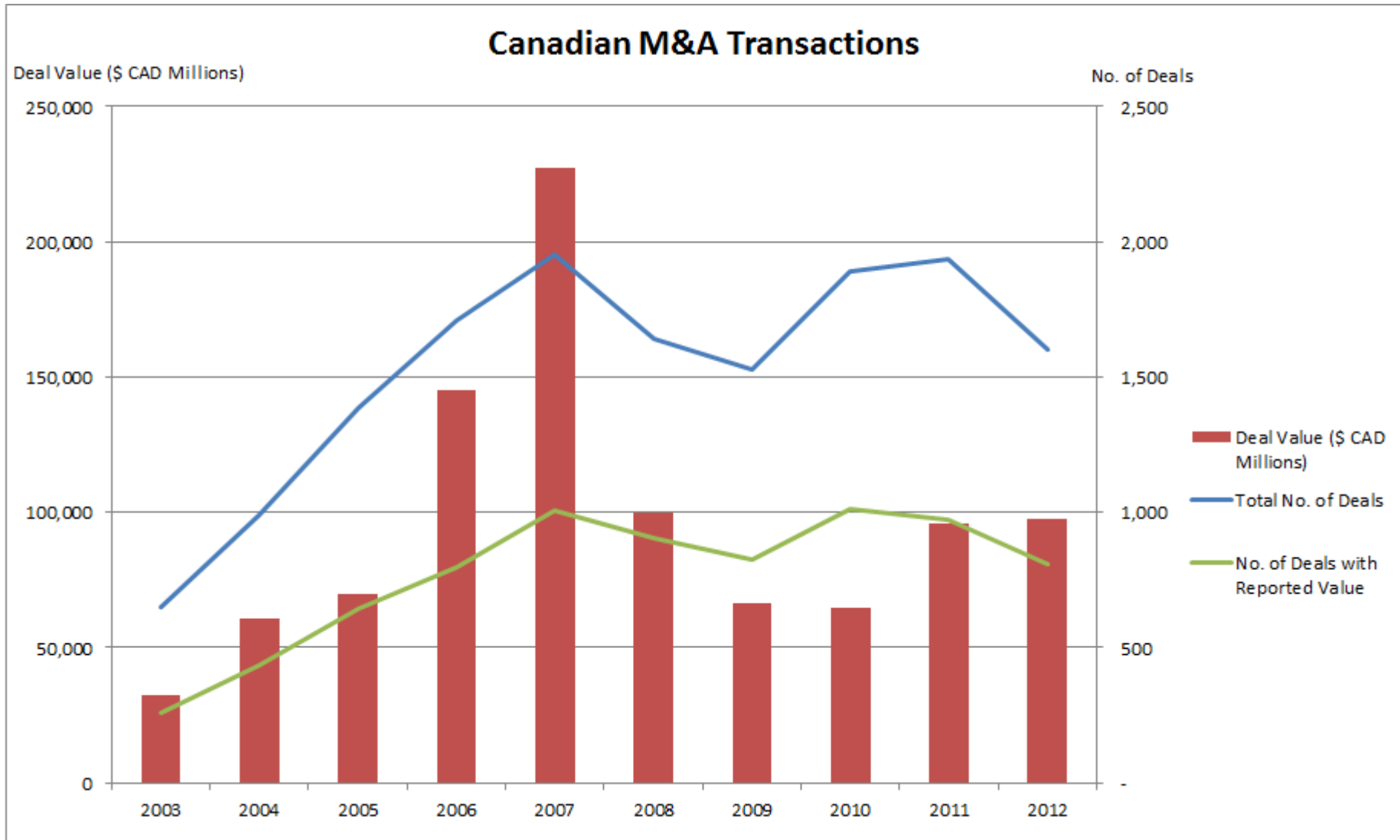


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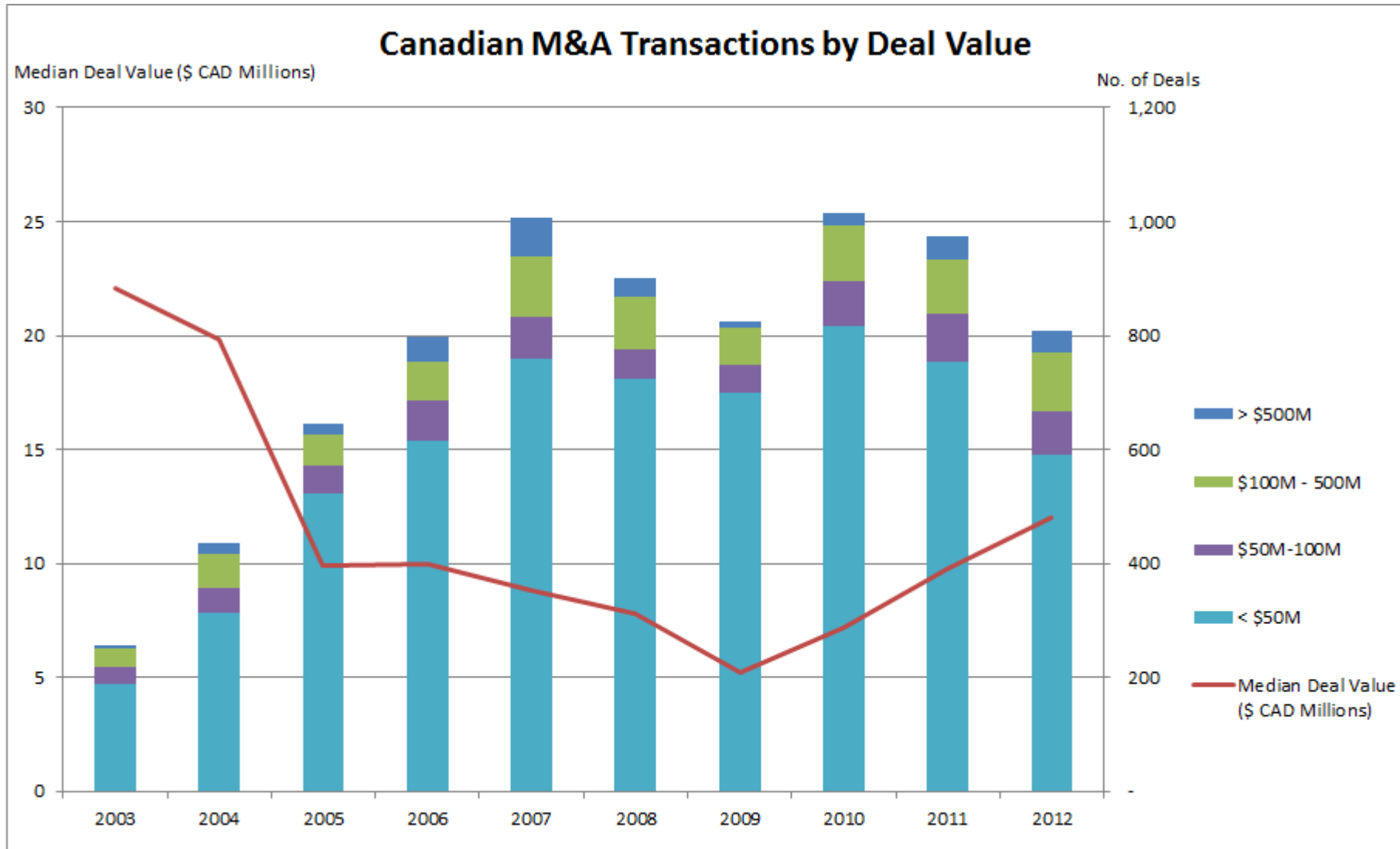


Source: S&P Capital IQ

Canadian M&A Activity



Source: S&P Capital IQ

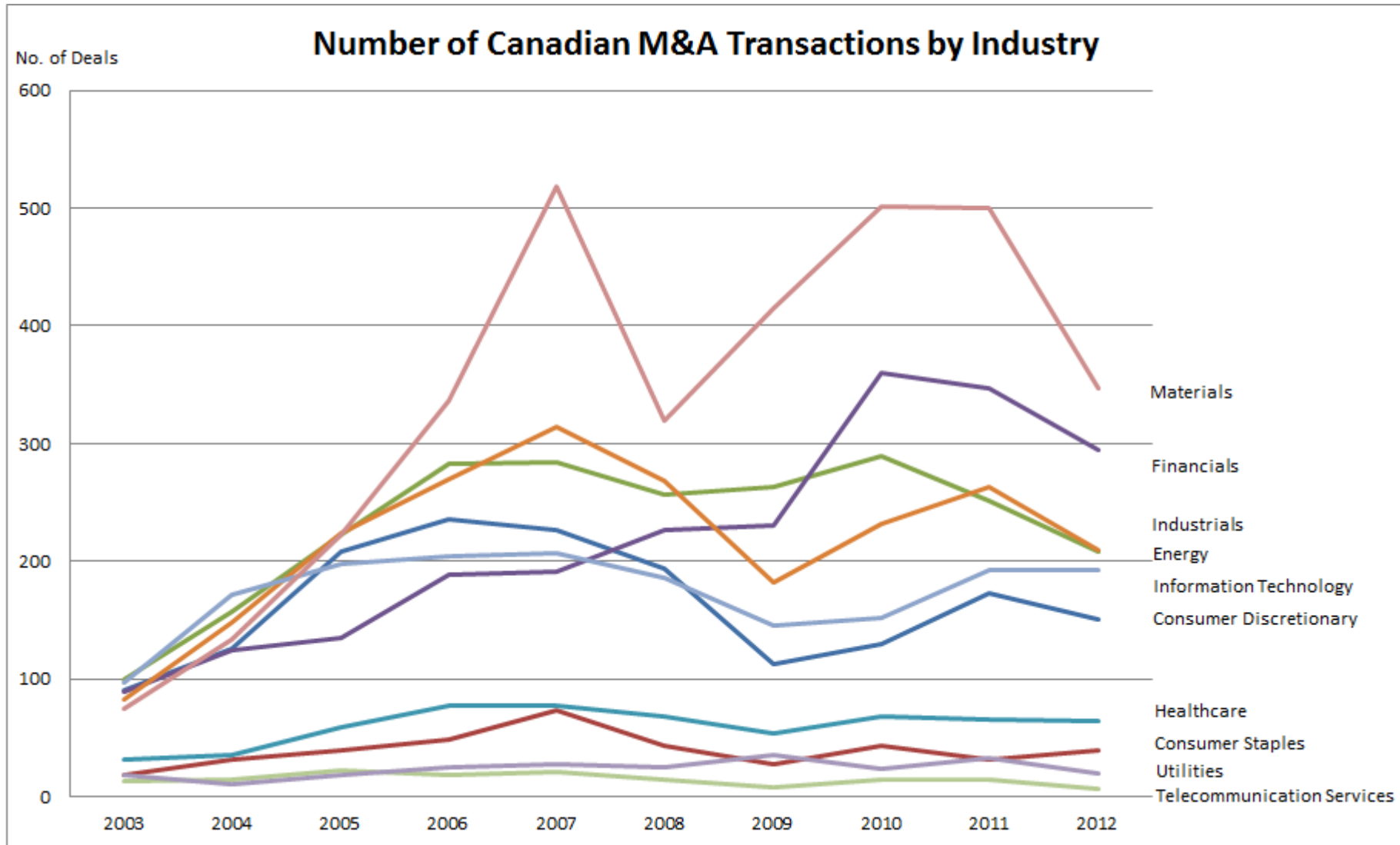


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Canadian M&A Activity

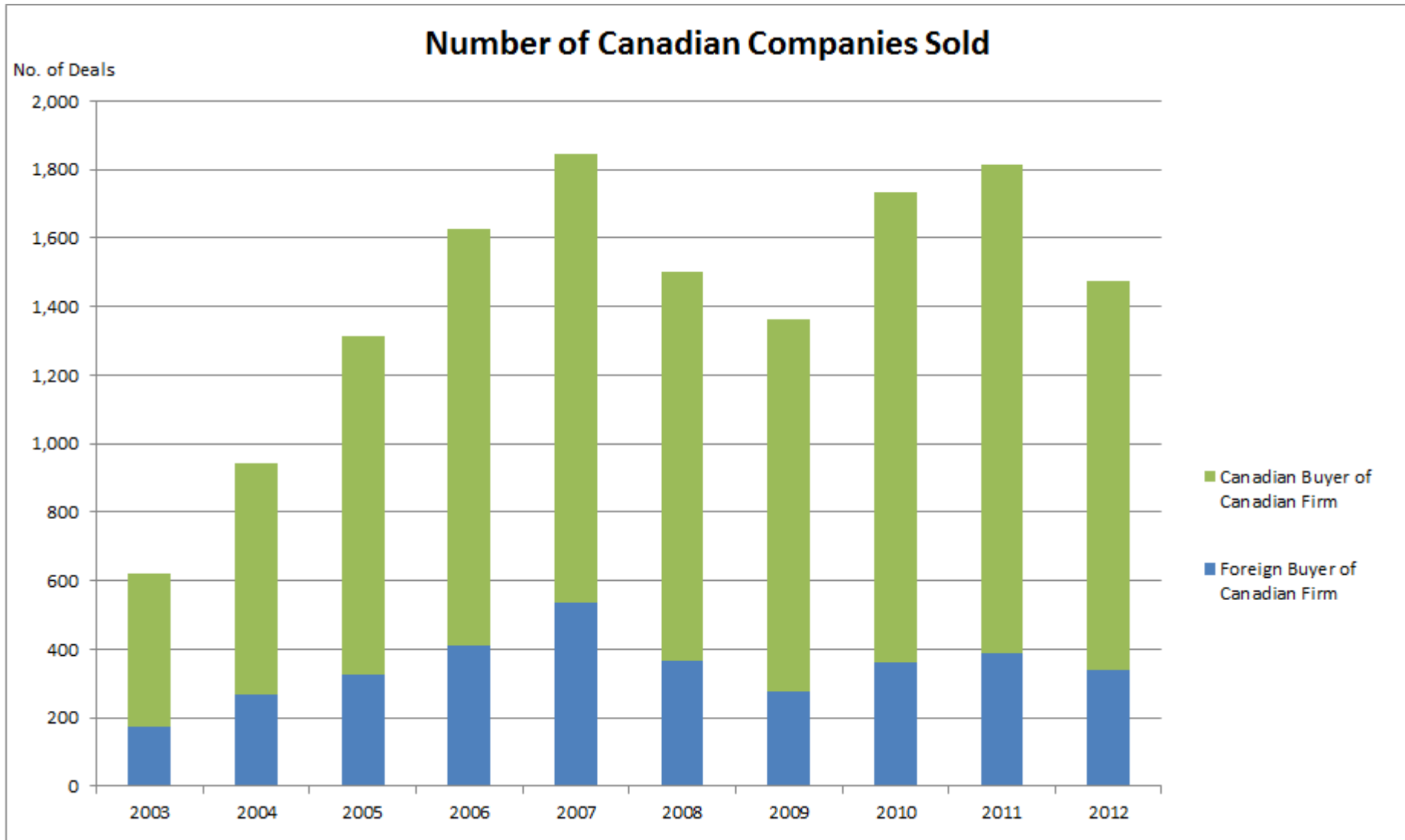


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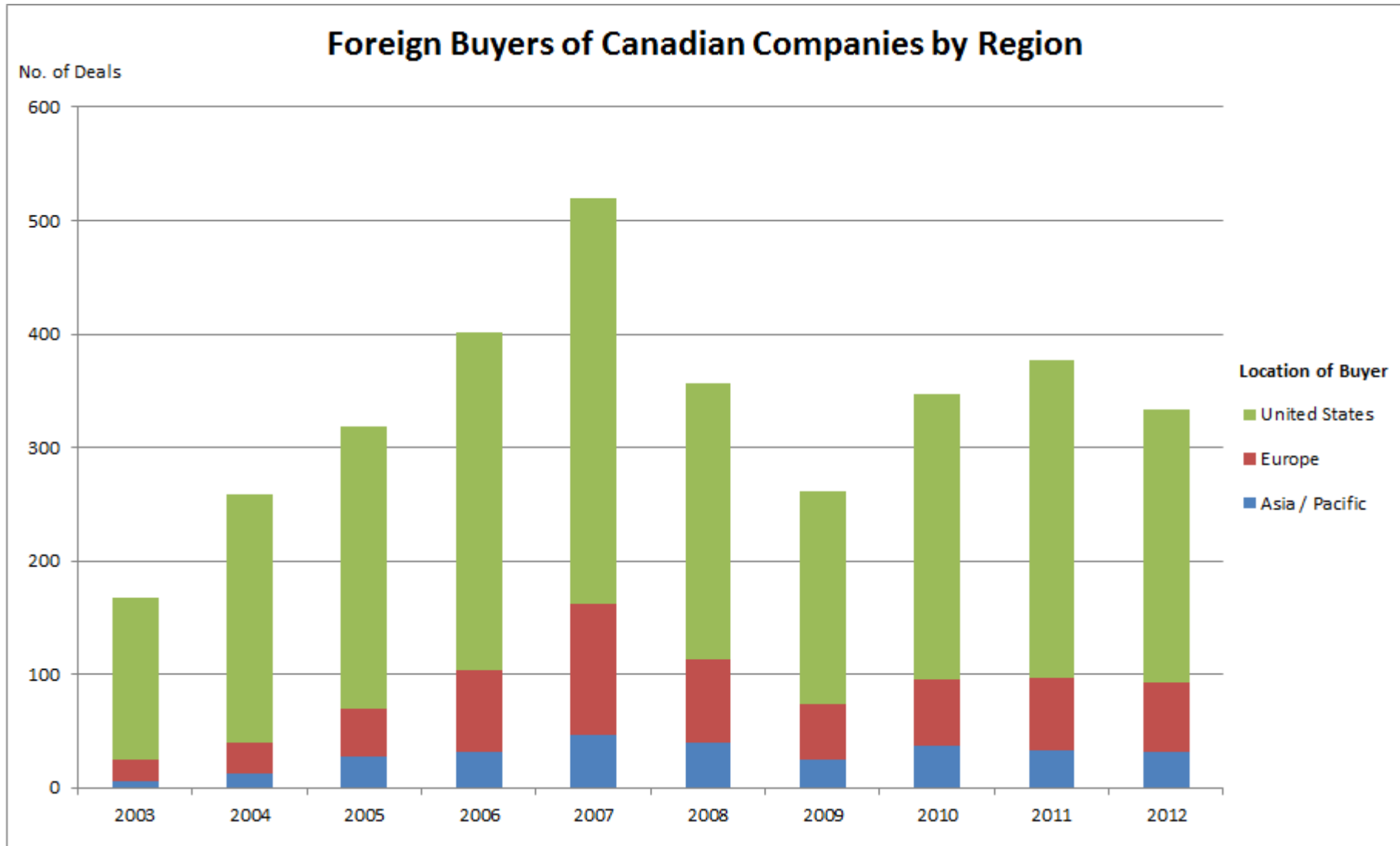
Source: S&P Capital IQ

Top 10 Deals Involving Canadian Sellers

Target	Buyer	Country of Buyer	Year	Total Transaction Value (\$ CAD Billions)
Alcan, Inc.	Rio Tinto Group	United Kingdom	2007	45.8
Petro-Canada	Suncor Energy Inc. (TSX:SU)	Canada	2009	24.1
Falconbridge Limited	Xstrata plc (LSE:XTA)	Switzerland	2006	23.0
INCO Limited	Vale S.A. (BOVESPA:VALE5)	Brazil	2007	21.4
Placer Dome Inc.	Barrick Gold Corporation (TSX:ABX)	Canada	2006	13.0
Fording Canadian Coal Trust, Inc.	Teck Resources Limited (TSX:TCK.B)	Canada	2008	11.6
Labatt Brewing Company Limited	Companhia de Bebidas Das Americas (AMBEV) (BOVESPA:AMBV4)	Brazil	2004	10.8
IPSCO, Inc.	SSAB AB (OM:SSAB A)	Sweden	2007	9.4
MBNA Canada Bank, Credit Card Portfolio, Certain Other Assets and Liabilities	The Toronto-Dominion Bank (TSX:TD)	Canada	2011	8.6
Canada Life Financial Corporation	Great-West Lifeco Inc. (TSX:GWO)	Canada	2003	8.3

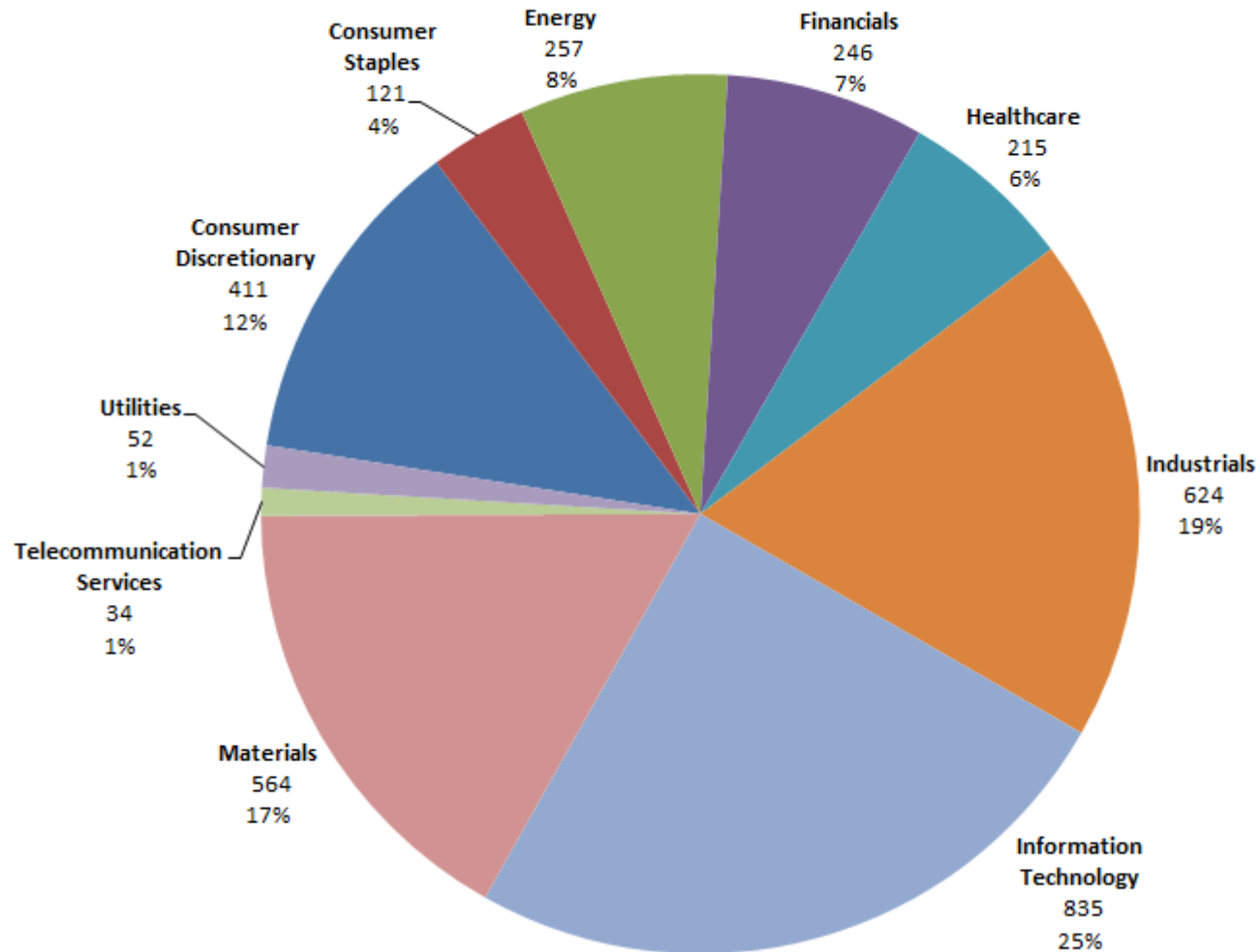
Source: S&P Capital IQ

Cross-Border M&A in Canada



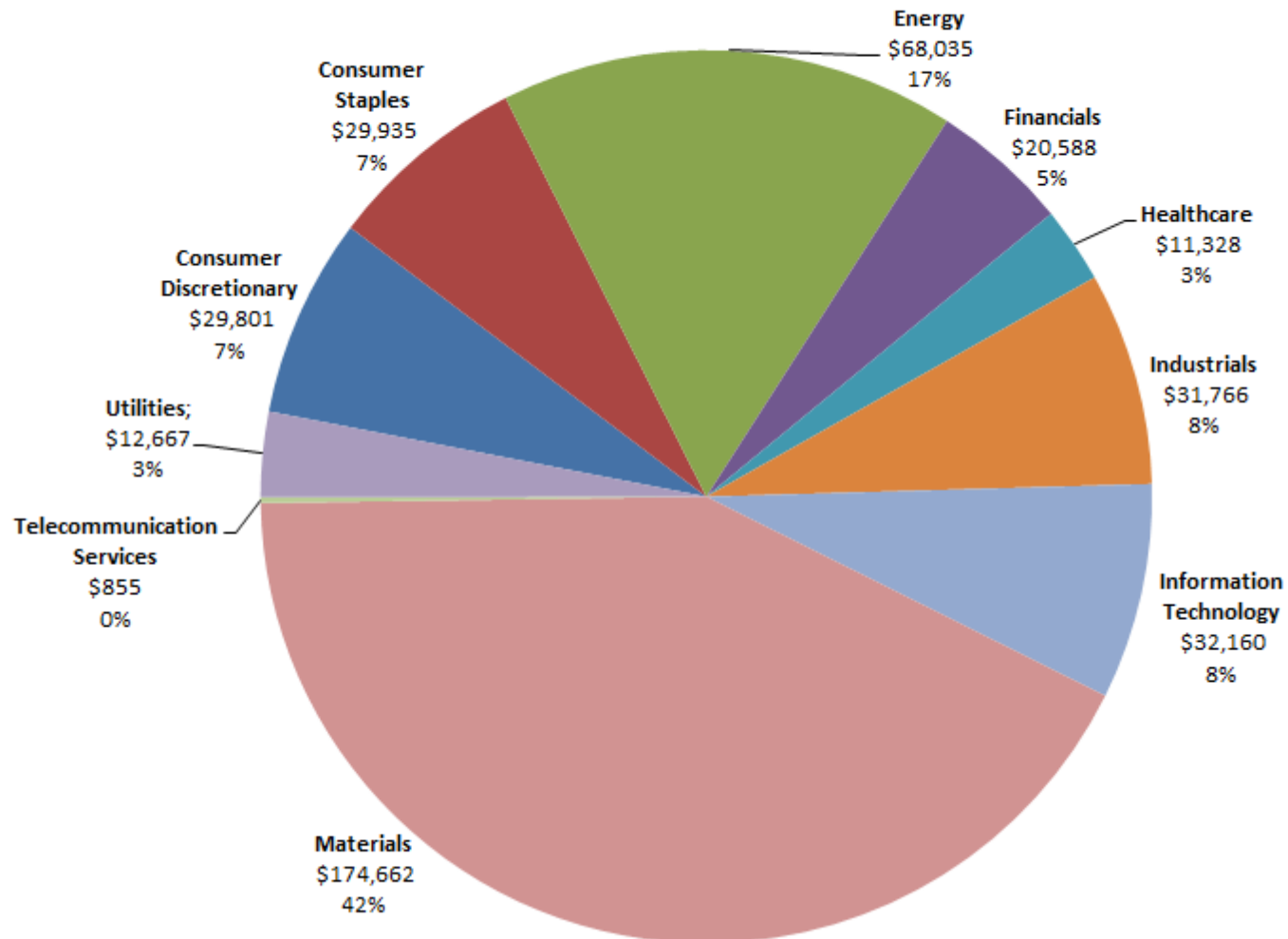
Source: S&P Capital IQ

Foreign Buyers of Canadian Companies by Industry (2003-2012)



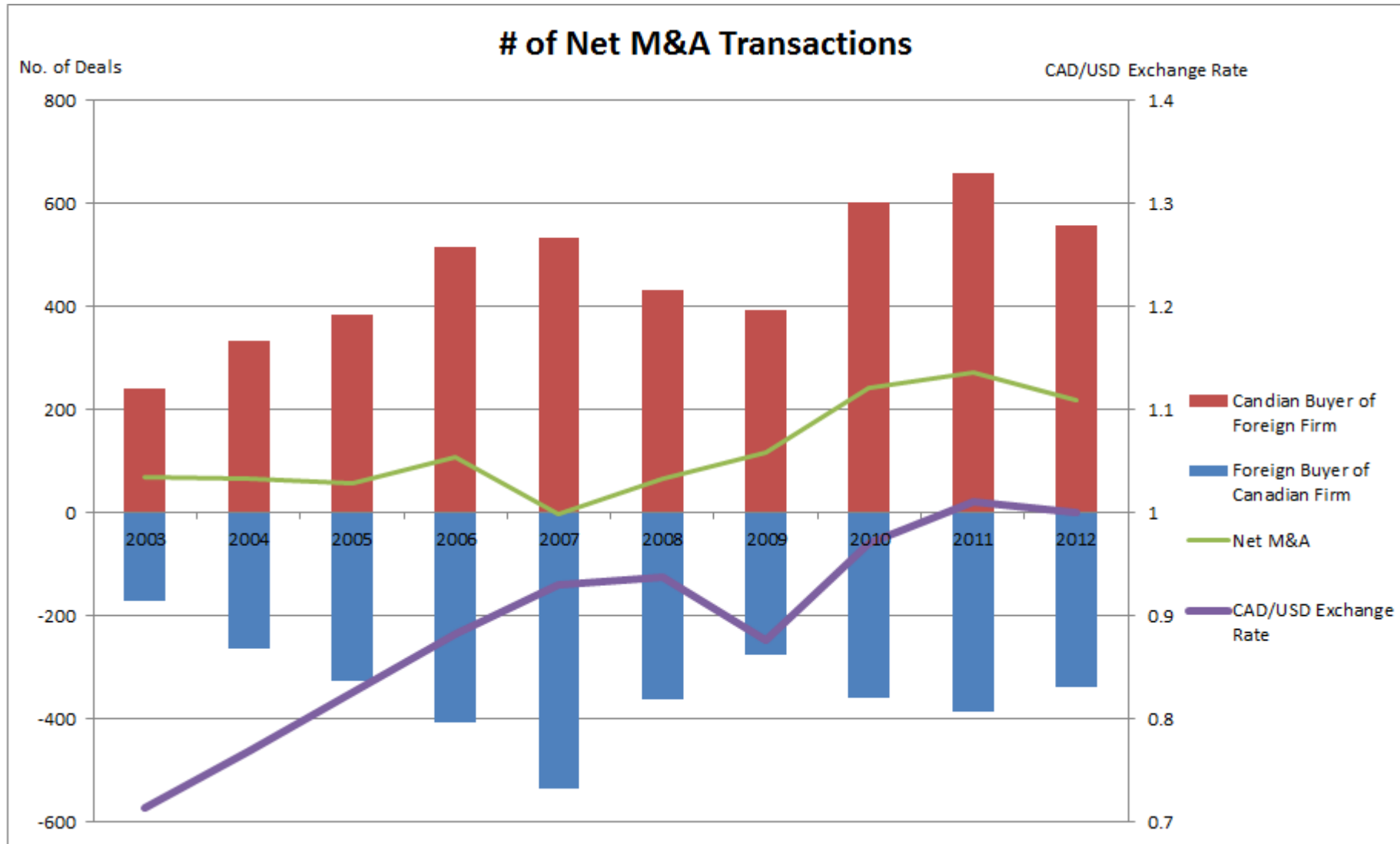
Source: S&P Capital IQ

Foreign Buyers of Canadian Companies by Industry (2003-2012)



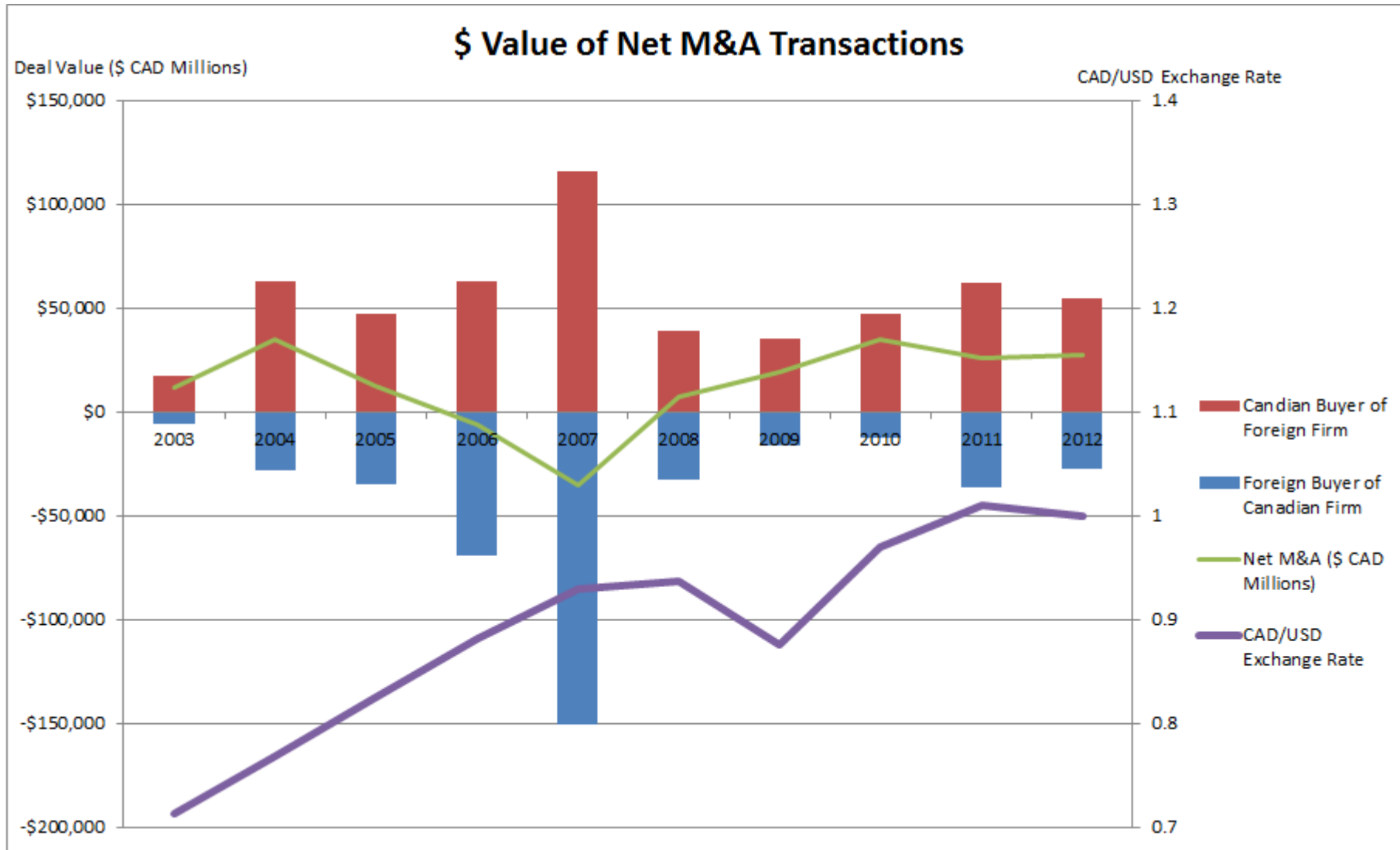
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Cross-Border M&A in Canada



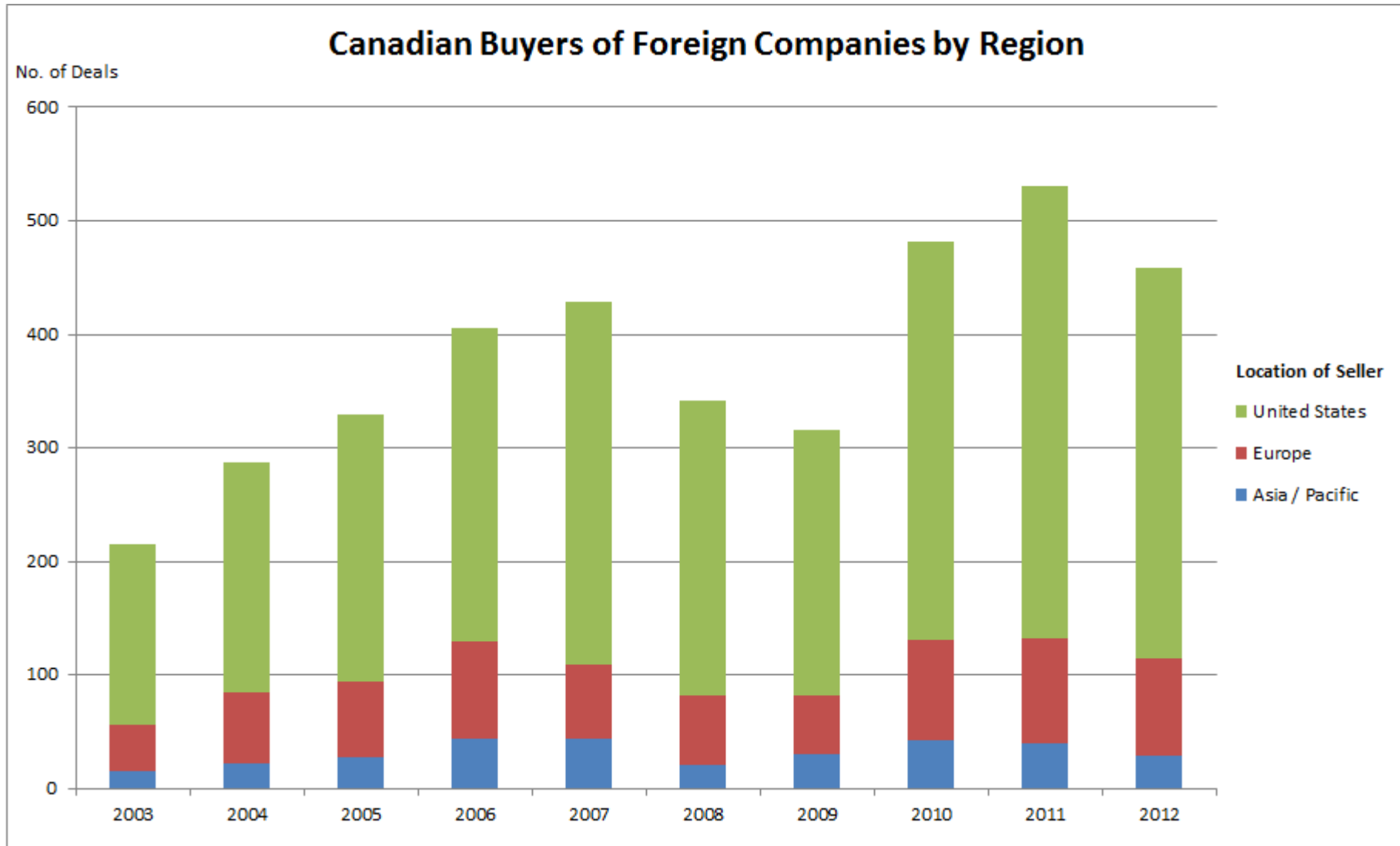
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Cross-Border M&A in Canada



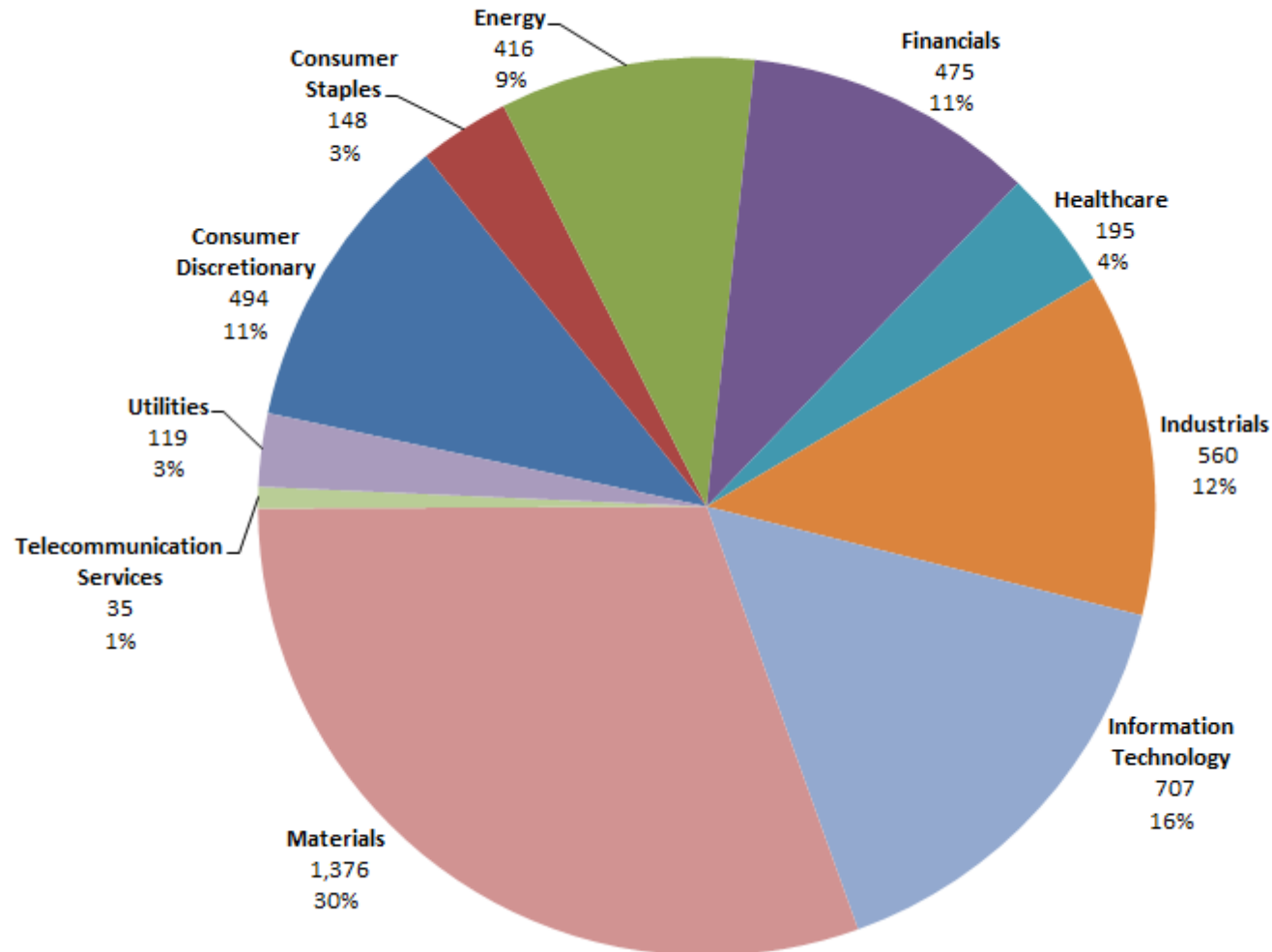
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Cross-Border M&A in Canada



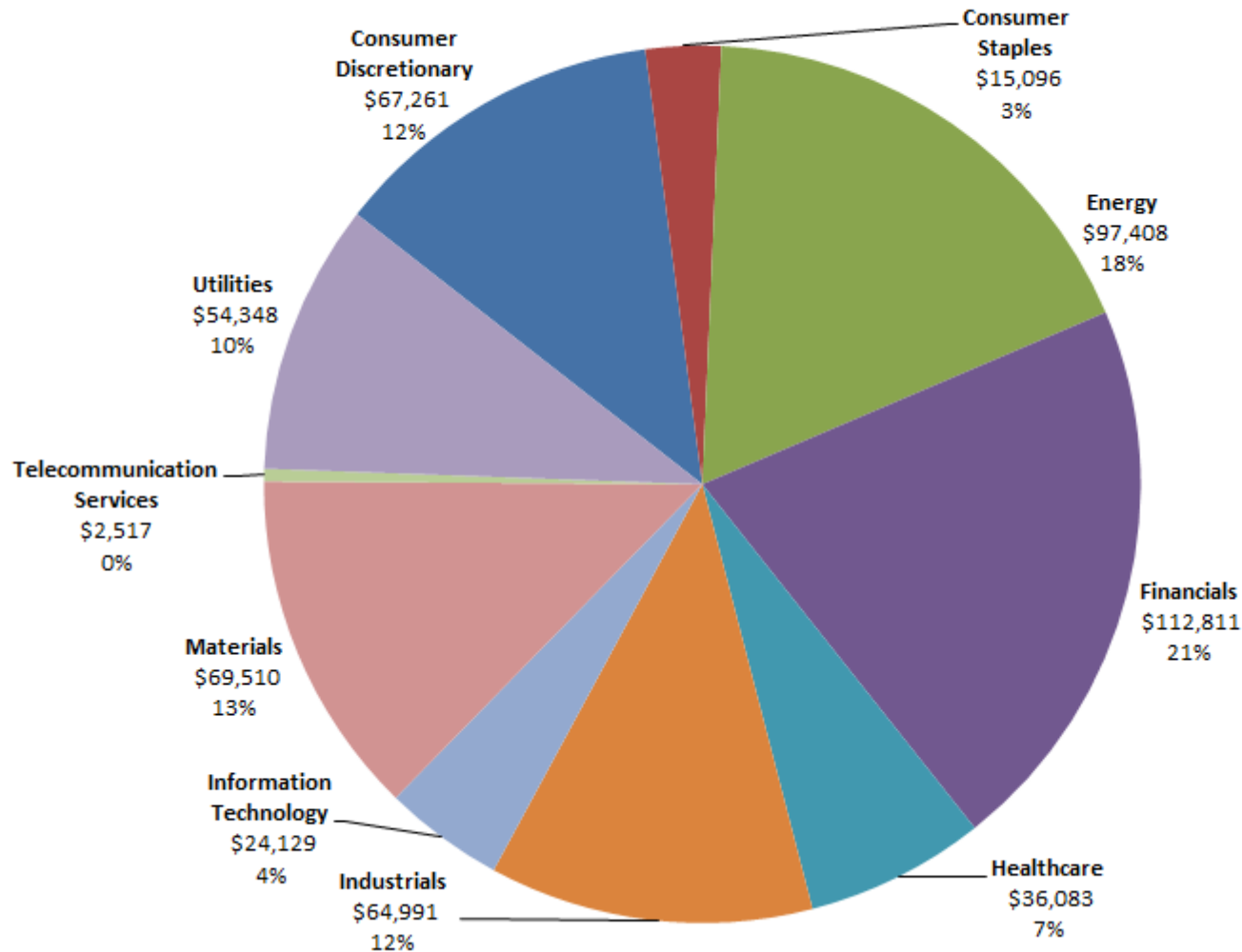
Source: S&P Capital IQ

Canadian Buyers of Foreign Companies by Industry (2003-2012)



Source: S&P Capital IQ

Canadian Buyers of Foreign Companies by Industry (2003-2012)



Source: S&P Capital IQ

- Valuation multiples have returned to historic highs in some sectors (e.g. technology)
- Deals are taking longer to close
- Competition Bureau issues
- Reduced amounts of leverage being used
- Private equity overhang of approx US \$430B
- Small cap public company issues & opportunities

Source: S&P Capital IQ

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