

# press release

mergermarket League Tables of Legal Advisors to Global M&A Year End 2009  
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# mergermarket M&A League Tables of Legal Advisers to Global M&A 2009



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### **2009 second half recovery raises optimism for 2010**

With overall deal value and volume ending the year 27% down on the previous year, 2009 was not a good year for M&A. The end of the year, however, showed signs that the recession is coming to an end and M&A is starting to pick up.

The last quarter of 2009 was the best quarter in value terms since the third quarter of 2008. With 2,628 announced deals valued at US\$628.6bn, the quarter saw an increase of 36% over the same period in 2008; and of some 90% compared to the previous quarter. The quarter was also the biggest by value ever for Asian deals at US\$175.1bn, 24% more than the previous high of US\$141bn during the fourth quarter of 2006.

Despite frozen debt markets and reluctance by corporates to make deals, 2009 saw more mega deals than 2008 – seven deals valued at US\$40bn+ compared to three in 2008.

### **Dramatic increase in insolvency transactions**

2009 did set a new record, with numbers and values of insolvency deals eclipsing even the peaks of 2002. 2009 offered opportunistic buyers with the available capital the chance to take advantage of stressed and distressed companies, giving rise to a staggering 370% increase in the value of insolvency deals since 2008.

The US\$95.5bn-worth of insolvency deals in 2009 is just \$150m short of a combined total of US\$95.65bn-worth of insolvency deals over the previous four years. Turning to deal volume, the 543 bankruptcy deals in 2009 equals the 543 deals recorded over the previous three years combined. They include high profile “363” sales in the automotive sector - such as the sale of the bulk of General Motors assets as well as the sale of certain Chrysler assets.

### **Expectations for 2010**

Though there is still uncertainty in the markets, there are signs that the momentum will carry into 2010. A resurgence in financial sponsor activity, corporates sitting on record levels of cash, and a thawing credit market, could signal a good year for M&A deal makers.

Large pharmaceutical companies will be on the look out for targets that can help replenish their drug development pipelines. The mega deals seen in 2009 could lead to divestitures required to seal these transactions as regulators scrutinize the announced tie-ups. On the consumer front, Kraft Foods continues to struggle to take over Cadbury and could turn its attention to the likes of Sara Lee or United Biscuits should its offer for the British chocolate company fail.

### **Skadden Arps tops the global M&A league tables**

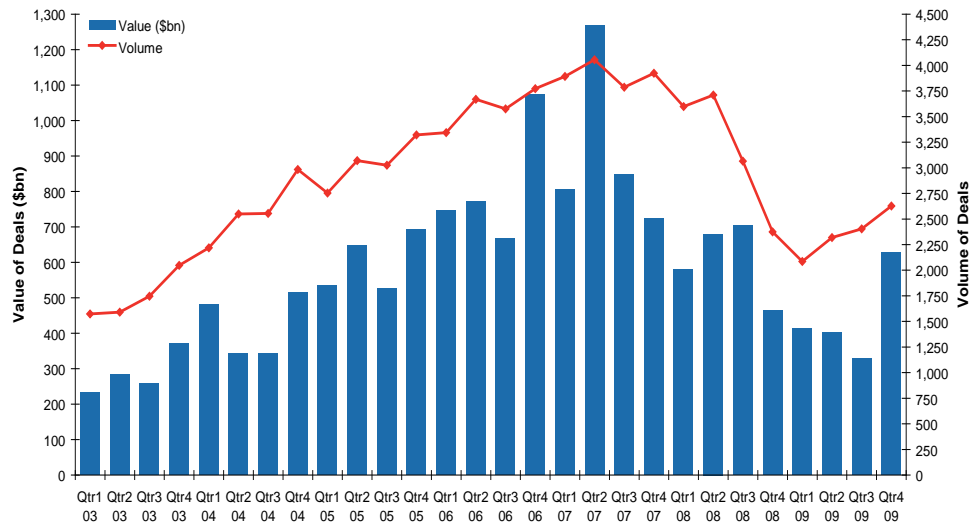
The league tables ranked by value were topped in 2009 by Skadden Arps Slate Meagher & Flom – who also took top spot in the US tables – with 171 deals valued at US\$331.2bn. Davis Polk & Wardwell was the biggest climber, from 30th in 2008 to third in 2009, having advised on 86 deals, including some of 2009’s mega-deals, bringing their total value to US\$264.7bn. Amongst the non-US firms, Freshfields’ second place ranking by both value and volume signaled a stronger 2009 than its slow 2008, whereas 2008’s global winner Linklaters – still third by volume globally - retreated back down the value tables to sixth.

By volume, Jones Day, Freshfields and Linklaters, each with over 200 deals – bulked as usual by the large number of mid-market deals they advised on – took first, second and third places respectively. In the rest of the volume tables, all the same firms picked up the bulk of 2009’s deals, with the last year’s top nine companies globally forming the top nine again for 2009, albeit with some shifting around of actual positions.

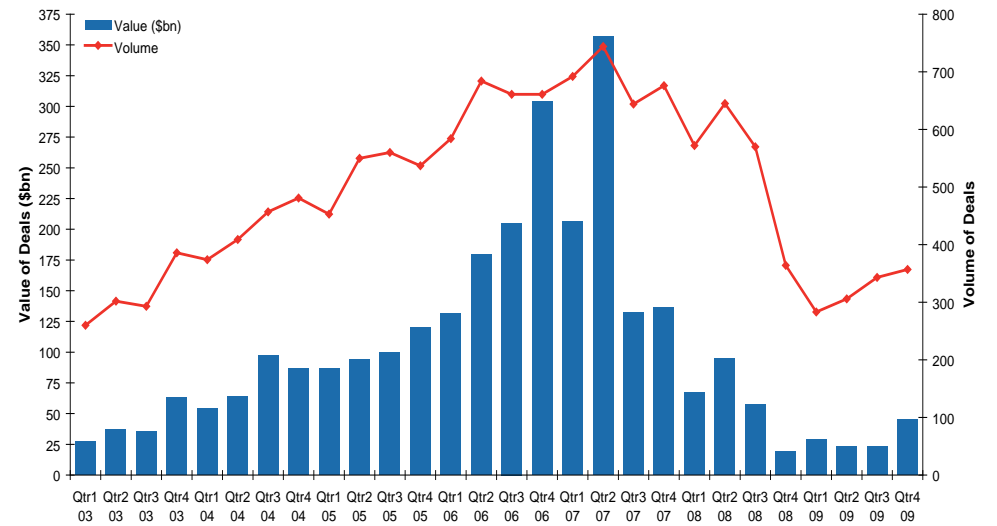
# Global: M&A Activity Trend



Global M&A Activity - Quarterly



Global PE Buyout M&A Activity - Quarterly



# Global: Top Announced Deals Year End 2009

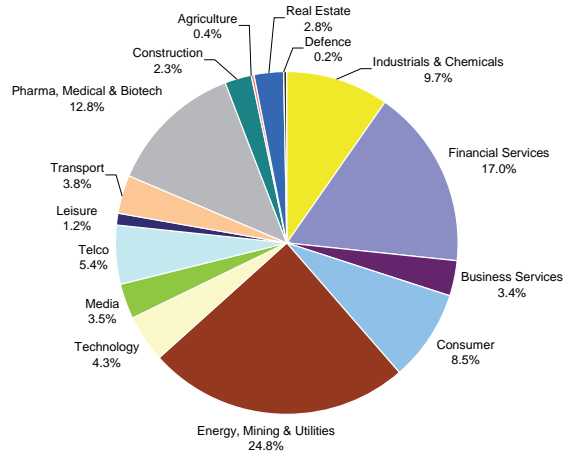


Top 10 Announced Deals Year End 2009						
Announced Date	Bidder Company	Bidder Legal Adviser	Target Company	Target/Seller Legal Adviser	Seller Company	Deal Value (US\$m)
26-Jan-09	Pfizer Inc	Cadwalader, Wickersham & Taft; Clifford Chance; Debevoise & Plimpton (Advising Barclays Capital); Gilbert + Tobin; Skadden Arps Slate Meagher & Flom (Advising Bank of America Merrill Lynch; Goldman Sachs; JPMorgan)	Wyeth	Blake Dawson; Dewey & LeBoeuf (Advising Evercore Partners); Paul Weiss Rifkind Wharton & Garrison (Advising Morgan Stanley); Simpson Thacher & Bartlett; Stikeman Elliott; Wachtell, Lipton, Rosen & Katz		63,266
05-Dec-09	Rio Tinto/BHP Billiton (Joint Venture)		BHP Billiton (Western Australian iron ore assets); and Rio Tinto Plc (Western Australian iron ore assets)	<i>Advising sellers:</i> Allens Arthur Robinson; Blake Dawson; Freehills; Freshfields Bruckhaus Deringer; Linklaters; Slaughter and May	BHP Billiton Plc; and Rio Tinto Plc	58,000
01-Jun-09	Vehicle Acquisition Holdings LLC	Cadwalader, Wickersham & Taft; McKenna Long & Aldridge	Motors Liquidation Co (bulk of GM assets)	<i>Advising seller:</i> Cravath Swaine & Moore; Honigman Miller Schwartz & Cohn; Jenner & Block; Osler, Hoskin & Harcourt; Weil Gotshal & Manges	Motors Liquidation Co (old General Motors Company)	48,207
30-Jan-09	Roche Holding Ltd	Davis Polk & Wardwell; Freshfields Bruckhaus Deringer; Homburger; Skadden Arps Slate Meagher & Flom (Advising Greenhill & Co); Sullivan & Cromwell (Advising Greenhill & Co)	Genentech Inc (44.20% stake)	Cravath Swaine & Moore (Advising Goldman Sachs); Latham & Watkins; Wilson Sonsini Goodrich & Rosati		44,291
09-Mar-09	Merck & Co Inc	Cleary Gottlieb Steen & Hamilton; Covington & Burling; Davis Polk & Wardwell (Advising JPMorgan); Fried Frank Harris Shriver & Jacobson; Khaitan & Co	Schering Plough Corporation	Blake, Cassels & Graydon; Shearman & Sterling (Advising Morgan Stanley); Skadden Arps Slate Meagher & Flom; Sullivan & Cromwell (Advising Goldman Sachs); Wachtell, Lipton, Rosen & Katz		43,198
03-Nov-09	HM Treasury	Slaughter and May	Royal Bank of Scotland Group Plc (14.10% stake)	Freshfields Bruckhaus Deringer (Advising Morgan Stanley; UBS Investment Bank); Linklaters		41,912
14-Dec-09	ExxonMobil Corporation	Cleary Gottlieb Steen & Hamilton; Covington & Burling; Davis Polk & Wardwell; Weil Gotshal & Manges	XTO Energy Inc	Latham & Watkins (Advising Jefferies & Company); Skadden Arps Slate Meagher & Flom		40,361
03-Nov-09	Berkshire Hathaway Inc	Munger Tolles & Olson	Burlington Northern Santa Fe Corporation	Cravath Swaine & Moore; Sullivan & Cromwell (Advising Evercore Partners; Goldman Sachs)		35,574
10-Jun-09	United States Department of the Treasury	Simpson Thacher & Bartlett	Citigroup Inc (33.60% stake)	Cleary Gottlieb Steen & Hamilton; Cravath Swaine & Moore; Davis Polk & Wardwell		25,000
09-Nov-09	Kraft Foods Inc	Arnold & Porter; Clifford Chance; Cravath Swaine & Moore; Dewey & LeBoeuf (Advising Lazard); Gibson Dunn & Crutcher	Cadbury Plc	Cleary Gottlieb Steen & Hamilton (Advising Goldman Sachs; Morgan Stanley; UBS Investment Bank); Shearman & Sterling; Slaughter and May; Squire, Sanders & Dempsey		19,607

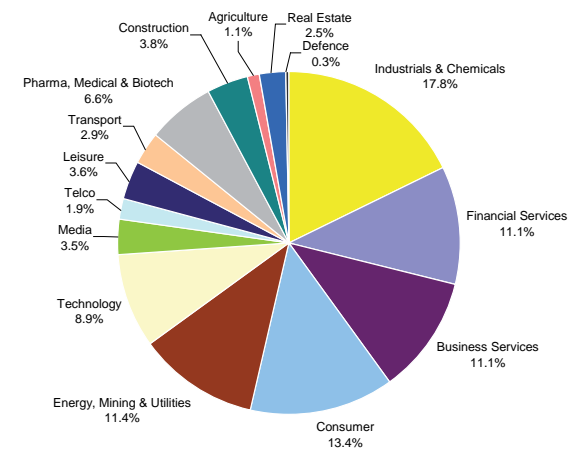
# Global: Breakdown of Announced Deals Year End 2009



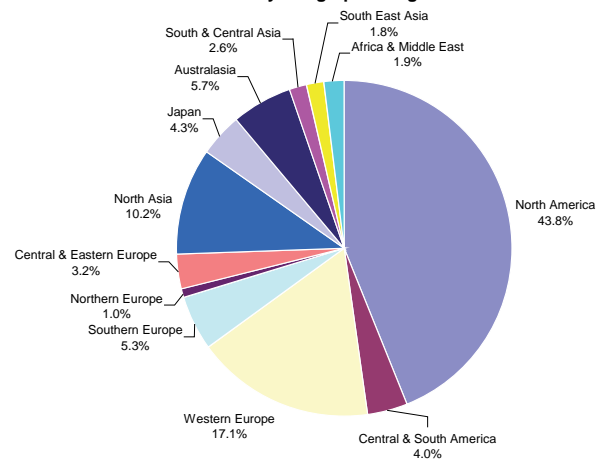
Mix of Announced Global Deals by Industry Sector 2009 - Value



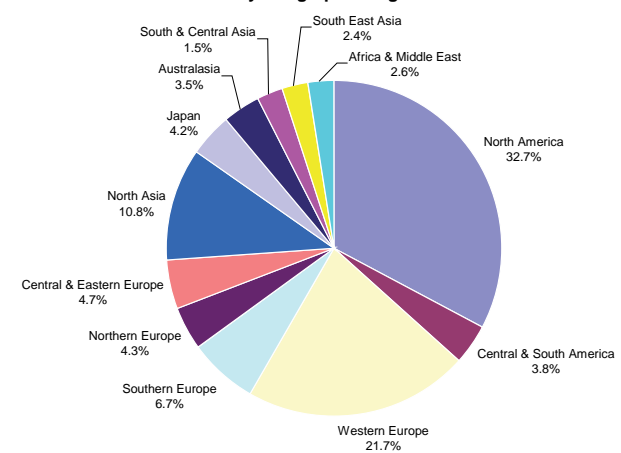
Mix of Announced Global Deals by Industry Sector 2009 - Volume



Mix of Announced Deals by Geographic Region 2009 - Value



Mix of Announced Deals by Geographic Region 2009 - Volume



# Global: League Tables of Legal Advisers



League Table of Legal Advisers to Global M&A: Value

Y/E 2008	Y/E 2009	House	Value (US\$m)	Deal Count
3	1	Skadden Arps Slate Meagher & Flom	331,158	171
5	2	Freshfields Bruckhaus Deringer	326,245	204
30	3	Davis Polk & Wardwell	264,762	86
7	4	Cravath Swaine & Moore	258,397	51
2	5	Sullivan & Cromwell	256,721	88
1	6	Linklaters	252,684	203
14	7	Simpson Thacher & Bartlett	242,197	87
11	8	Cleary Gottlieb Steen & Hamilton	242,127	105
20	9	Shearman & Sterling	194,293	119
9	10	Clifford Chance	190,090	151
12	11	Latham & Watkins	181,688	196
18	12	Weil Gotshal & Manges	172,374	105
21	13	Wachtell, Lipton, Rosen & Katz	163,902	42
10	14	Slaughter and May	159,059	65
25	15	Dewey & LeBoeuf	147,258	113
24	16	Blake Dawson	134,230	47
29	17	Debevoise & Plimpton	124,176	56
23	18	Blake, Cassels & Graydon	119,596	94
183	19	Cadwalader, Wickersham & Taft	117,370	8
28	20	Paul Weiss Rifkind Wharton & Garrison	116,423	60

League Table of Legal Advisers to Global M&A: Volume

Y/E 2008	Y/E 2009	House	Value (US\$m)	Deal Count
2	1	Jones Day	28,856	217
6	2	Freshfields Bruckhaus Deringer	326,245	204
3	3	Linklaters	252,684	203
4	4	Latham & Watkins	181,688	196
1	5	DLA Piper	25,197	183
8	6	Allen & Overy	58,382	177
9	7	Skadden Arps Slate Meagher & Flom	331,158	171
5	8	Baker & McKenzie	50,085	171
7	9	Clifford Chance	190,090	151
12	10	CMS	17,008	138
11	11	Kirkland & Ellis	18,554	121
19	12	Shearman & Sterling	194,293	119
16	13	Dewey & LeBoeuf	147,258	113
13	14	Cleary Gottlieb Steen & Hamilton	242,127	105
14	15	Weil Gotshal & Manges	172,374	105
15	16	Herbert Smith/Gleiss Lutz/Stibbe	65,279	101
20	17	Blake, Cassels & Graydon	119,596	94
10	18	White & Case	24,978	91
17	19	Sullivan & Cromwell	256,721	88
33	20	Simpson Thacher & Bartlett	242,197	87

# Global: League Tables of Legal Advisers



Legal Advisers to Global Mid-Market M&A: Value				
Y/E 2008	Y/E 2009	House	Value (US\$m)	Deal Count
7	1	Linklaters	7,513	80
3	2	Skadden Arps Slate Meagher & Flom	6,224	59
4	3	Baker & McKenzie	6,055	76
1	4	Latham & Watkins	6,036	70
5	5	Jones Day	5,827	82
6	6	Freshfields Bruckhaus Deringer	5,793	51
9	7	Allen & Overy	4,602	64
10	8	Kirkland & Ellis	4,504	52
23	9	Blake, Cassels & Graydon	4,325	45
17	10	Shearman & Sterling	4,305	37
2	11	DLA Piper	4,274	73
13	12	Dewey & LeBoeuf	4,189	43
8	13	Clifford Chance	3,984	40
11	14	Weil Gotshal & Manges	3,764	42
19	15	Cleary Gottlieb Steen & Hamilton	3,532	32
24	16	Morrison & Foerster	3,481	40
20	17	Herbert Smith/Gleiss Lutz/Stibbe	3,261	32
14	18	O'Melveny & Myers	3,140	37
12	19	White & Case	2,923	32
33	20	Gibson Dunn & Crutcher	2,905	33

Legal Advisers to Global Mid-Market M&A: Volume				
Y/E 2008	Y/E 2009	House	Value (US\$m)	Deal Count
4	1	Jones Day	5,827	82
5	2	Linklaters	7,513	80
2	3	Baker & McKenzie	6,055	76
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9	6	Allen & Overy	4,602	64
7	7	Skadden Arps Slate Meagher & Flom	6,224	59
11	8	Kirkland & Ellis	4,504	52
6	9	Freshfields Bruckhaus Deringer	5,793	51
22	10	Blake, Cassels & Graydon	4,325	45
18	11	Dewey & LeBoeuf	4,189	43
15	12	Weil Gotshal & Manges	3,764	42
17	13	Wilson Sonsini Goodrich & Rosati	2,730	41
53	14	Cooley Godward Kronish	2,590	41
8	15	Clifford Chance	3,984	40
23	16	Morrison & Foerster	3,481	40
65	17	Osler, Hoskin & Harcourt	2,489	40
39	18	Shearman & Sterling	4,305	37
16	19	O'Melveny & Myers	3,140	37
13	20	CMS	2,576	35

\* Mid-Market based on deal value range of US\$ 10m - US\$ 250m

# Criteria



The Global Year End 2009 house league tables are based on announced transactions over US\$5m in the period from 1 January 2009 to 31 December 2009, and include lapsed and withdrawn bids. Deals with undisclosed deal values are included where the target's turnover exceeds US\$10m. Deals where the stake acquired is less than 30% will only be included if their value is greater than US\$100m. Activities excluded from the league tables include property transactions and restructurings where the ultimate shareholders' interests are not changed. League tables are based on the dominant geography of the target, bidder or seller.

The trend graphs and pie charts are based on the dominant industry and/or dominant geography of the target and include announced transactions over US\$5m in the given time period. Deals with undisclosed deal values are included where the target's turnover exceeds US\$10m. Deals where the stake acquired is less than 30% will only be included if their value is greater than US\$100m. Activities excluded from the graphs and charts include property transactions and restructurings where the ultimate shareholders' interests are not changed.

The top deals table is based on announced transactions between 1 January 2009 and 31 December 2009.

Unless stated otherwise, all data excludes lapsed and withdrawn bids.

All data correct as of 13 January 2009.

## About mergermarket

mergermarket is a mergers & acquisitions (M&A) intelligence service.

mergermarket is part of The Mergermarket Group which has over 450 employees worldwide and regional head offices in New York, London and Hong Kong.

In any market, the life blood of advisers is deal flow. mergermarket is unique in the provision of origination intelligence to the investment banking, legal, private equity, acquisition finance, public relations (PR) and corporate markets.

With an unrivalled network of analysts covering M&A in the Americas, Europe, Middle-East, Africa and Asia-Pacific, mergermarket generates proprietary intelligence and delivers it together with daily aggregated content, on its mergermarket.com platform and by real-time email alerts to subscribers.

This wealth of intelligence, together with a series of deal databases, individual and house league tables, profiles and editorial have proven time and time again that this product can and does generate real revenues for clients. This is apparent when you see that mergermarket is used by over 1500 of the world's foremost advisory firms to assist in their origination process.

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