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M&A International Inc.
Infrastructure Construction M&A: Opportunities in Adversity

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Executive Summary

The construction & engineering (C&E) sector is a $7.5 trillion industry accounting for 13.4% of global output and expected (by IHS Global Insight), despite the recession, to expand at a compound annual growth rate (CAGR) of 2.3% between 2008 and 2013.

While overall the sector outlook appears robust, it was severely affected by the recession with both revenue growth and M&A activity declining in 2008, and again in 2009. The severity of the financial crisis was mitigated by a strong fiscal response in many developed countries. Stimulus spending was largely directed towards infrastructure projects, providing vital sector support. Preferred methods of fiscal expenditure have included infrastructure-related projects given their higher multiplier effect. Clearly, substantial infrastructure investments should benefit M&A activity in both developed and emerging countries. Key markets over the next decade will include China and India due to their substantial infrastructure investment potential reflecting existing infrastructure deficiencies and high economic growth.

M&A activity – gathering momentum

Infrastructure expenditure, and in turn M&A activity, are generally well correlated with GDP growth. Deal activity within the infrastructure construction sector (sub-divided for the purposes of this analysis into public works infrastructure construction and energy infrastructure construction) was at record high levels immediately preceding the recession (2006–2007). However, subsequent infrastructure funding and deal activity fell sharply due to the credit freeze and increased funding costs.

M&A activity has again gained momentum as the present global economic recovery has accelerated, with 102 deals between January and May this year, compared to 55 during the same period last year. We believe M&A activity will accelerate going forward based on continued stronger economic growth and be reinforced by low valuations.

Although Europe has contributed the most to M&A activity since 2007, like the US, activity fell during the recession. Nevertheless, growth in Asia Pacific remained robust during this period with M&A volumes largely unchanged and total deal value increasing by over 155% between 2007 and 2009. We believe Asia Pacific will continue to increase its share of total deal activity due to very substantial regional infrastructure investments. In addition, these markets are generally fragmented with many smaller companies, facilitating sector consolidation and partnerships through M&A or joint ventures to increase capacity.

Higher deal activity in public works and energy infrastructure construction

Given the substantial gap in the supply of and demand for public works infrastructure, most M&A deal activity has focused on projects within the public works infrastructure construction sector, which accounted for approximately 50% of the total infrastructure construction deals both by volume and value between 2007 and YTD 2010. Energy infrastructure construction transactions represented approximately 34% of infrastructure deals by volume, with diversified companies accounting for the remaining 16%. Energy infrastructure deal activity, especially in developed economies, has been increasingly concentrated on the construction of natural gas infrastructures and the development of renewable energy assets.

Future M&A prospects

In the longer term, we expect the following factors to drive transaction activity within the sector:

- **Stimulus funding:** governments worldwide have already provided substantial infrastructure funding in order, inter alia, to stimulate economic recovery. This spending has created a backlog of infrastructure projects in several key developed countries, exerting pressure on the present supply chain and requiring construction companies in turn to enter into M&As, joint ventures or strategic alliances.
- **Increasing PPP activity**: public-private partnerships (PPPs) have become increasingly popular in Europe, Canada, Australia and, more recently, in other Asia Pacific regions. These arrangements have provided significant support for governments in meeting growing demands for finance without exerting undue pressure on public finances. Further opportunities for PPP-based private sector participation, especially in the US and China, would in turn stimulate greater M&A activity.
- **Lower valuations**: large headline infrastructure deals are being replaced by smaller transactions. With the recession having depressed company valuations and the economic recovery becoming more widespread, which is consolidating in the US and Europe, we see significant corporate opportunities for acquisition-led expansion over the next 12 months.

Revitalizing Infrastructure Through Investments

The C&E sector is fundamental to economic development and plays a crucial role in determining the quality of life of individuals and societies. The C&E sector is a $7.5 trillion industry accounting for 13.4% of global output and is expected by IHS Global Insight to expand at a CAGR of 2.3% between 2008 and 2013. By 2020, sector value is forecast to increase to $12.7 trillion, representing 14.6% of output worldwide.

Within the C&E sector, infrastructure construction is expected to be the leading segment with an expected CAGR of 5.2% between 2008 and 2013. It has also been the most resilient during the recent recession with the remaining sub-segments more adversely affected, in particular, the building & real estate sub-sector. This has been in part due to substantial country-specific stimulus spending initiatives and also due to the historical underinvestment in infrastructure. According to both Booz Allen Hamilton and the World Economic Forum, $2 trillion in annual infrastructure is estimated to be required globally over the next 20 years (i.e. $41 trillion in total), most of which ($32 trillion) is expected to concern public works infrastructure facilities such as water ($22.6 trillion), road and rail ($7.8 trillion), and airports and seaports ($1.6 trillion). Energy infrastructure projects, including power and utilities and oil and gas construction, are also expected to attract major infrastructure investments of approximately $9 trillion.

Rise of private sector

The freezing of credit markets during the recession has made companies less reliant on debt capital and international project finance loan markets. This situation has resulted in the development of a series of creative financing solutions in which private investors assume a greater role, a development partly driven by a desire to optimize tax efficiency of investment portfolios. Going forward, we believe the private sector has an increasingly crucial role to play in infrastructure development, not just to plug the gaps in public sector capacity, be it capital, labor or technical, but also to promote efficiency gains in the development of infrastructure. The involvement of the private sector in infrastructure development has led to the timely execution of infrastructure projects leading to cost efficiency. This gain in efficiency should be the primary reason for the involvement of the private sector going forward, through mechanisms such as public-private partnerships rather than to meet the gaps in public sector capacity.

Emerging markets to dominate growth

As emerging economies attempt to address long-standing infrastructure deficits, we expect them to become the largest driver of infrastructure expenditure over the next decade. The past three decades have seen large-scale infrastructure development in China and the recent $600 billion in stimulus expenditure ($350 billion directed towards the C&E sector) will further increase infrastructure spending. Based on a report published by Oxford Economics, China is projected to overtake the US as the world's single largest construction market as early as 2018, despite its much smaller economy. Apart from China, India's enormous infrastructure investment needs are also well known. Infrastructure expenditure in emerging markets is expected to grow by 128% up until 2018, compared with only 18% in developed countries.

Developed world – recovery plans

While in the developing economies the focus is on building new infrastructure facilities, in the developed economies of the US and Europe most of the infrastructure expenditure will be directed towards modernization and improvement of the capacity and efficiency of legacy systems. The developed world suffers from a problem of aging infrastructure and infrastructure deficiency is present, even in the US and Europe. For example, although the US has set aside $132 billion from the American Recovery and Reinvestment Act (ARRA) for infrastructure development, the American Society of Civil Engineers has identified a $2.2 trillion gap between supply and demand for roads and bridges, water and sewage systems, public transit systems and other public works infrastructure.

In Europe, investments are also taking place either to maintain or replace older infrastructure. For example, in Central Europe, significant finance is being directed to water and wastewater initiatives to address "huge leakage problems" and replace old systems. Western Europe is targeting a reduction in its heavy road dependence and city centricity through projects such as the UK's cross-rail tunnel project in North London.

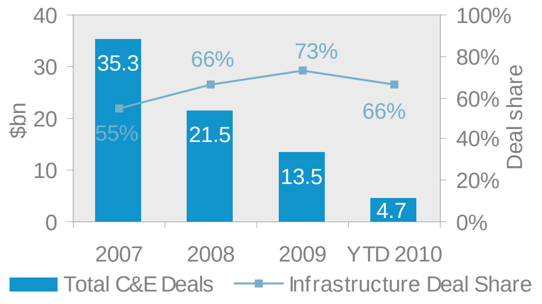
A shift from offshore to onshore

Within the energy sector, significant investments and M&A opportunities are expected to become available with shifting focus of oil and gas exploration and development activity towards onshore development, especially natural gas and shale gas development in North America, Eastern Europe and Russia. Onshore energy development is likely to become even more important after the Gulf oil spill crisis.

M&A Overview & Analysis

The C&E sector has been adversely affected by the global recession, with overall deal values in 2009 down by more than 60% compared to 2007. However, within the C&E sector infrastructure construction has been the least impacted with its share of total C&E deal value increasing steadily during the recent downturn from 55% in 2007 to 73% in 2009, although total deal value continued to fall (Figure 1). Such growth reflects increased global spending on infrastructure aimed at sharply stimulating economic activity and redressing the massive infrastructure deficit.

Figure 1: Infrastructure M&A deals as a proportion of total construction & engineering deals



Source: Copal Analysis, Capital IQ
Note: throughout this report "YTD 2010" includes the period from 1 January to 18 May this year.

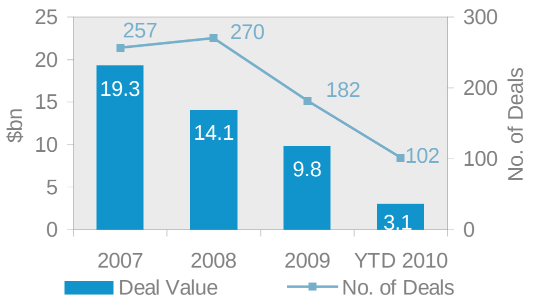
Infrastructure construction M&A activity recovering

Both infrastructure expenditure and M&A activity are closely correlated to GDP growth. Consequently, the volume of transactions within the infrastructure construction sector has fallen during the economic slowdown (2008–2009) from record highs reported in 2006–2007 due to the credit freeze, high debt exposure, an illiquid asset base in a falling market and increased costs of funding (Figure 2).

Between 2007 and 2009, average deal values fell in both Europe and North America, with activity declining by 40% and 42% respectively. However, average deal value in Asia Pacific increased 207%, probably due to strategic investors capitalizing on market turmoil to take investment positions based on the positive outlook for growth in Asia.

M&A volume has closely tracked improvements in economic activity with 102 deals reported between January and May 2010, compared with only 55 in the same period last year. At the same time, average deal value remains low, reflecting acquiror caution.

Figure 2: Infrastructure construction M&A activity



Source: Copal Analysis, Capital IQ

Higher deal activity in public works infrastructure construction

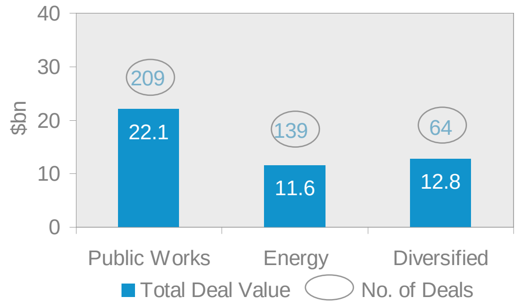
Given the substantial gap in the supply of and demand for public works infrastructure, most M&A deal activity has focused on projects within the **public works infrastructure construction sector**. This sector, which includes the construction of public utilities such as roads, bridges, rail, ports, water and sewage facilities, and communication lines, accounted for approximately 50% of total infrastructure construction deals both by volume and value between 2007 and YTD 2010 (Figure 3).

We expect public works infrastructure construction activity to benefit from improving fundamentals ahead of most of the C&E sector due to government-directed stimulus expenditure. For example, the US government has allocated $8–10 billion to the TIGER (Transportation Investment Generating Economic Recovery) program to finance transportation projects. Overall, core infrastructure developments involving, inter alia, roads, bridges, railways, sewers and other transportation have received grants totaling $111 billion, with the energy sector obtaining approximately $43 billion under the American Recovery and Reinvestment Act of 2009.

These initiatives reveal a greater emphasis on public works infrastructure spending which should in turn result in better growth opportunities and higher deal activity within the sector.

Energy infrastructure construction M&A transactions (which include deals related to the construction of power and energy transmission lines, oil and gas pipelines, and industrial constructions like power and energy structures) represented approximately 34% of all infrastructure construction deals by volume between 2007 and YTD 2010 (Figure 3), with such activity benefiting from a shift towards clean energy generation such as wind power and natural gas, especially in more developed countries. Going forward, we expect M&A activity in the energy infrastructure space to increase towards exploration and production (E&P) assets focused on onshore drilling. This is because E&P spending is likely to shift from deepwater to onshore drilling due to growing uncertainty in the industry over possible changes in government regulations and taxation relative to deepwater oil and gas drilling following the recent explosion and oil spill in the Gulf of Mexico. In addition, M&A activity is also likely to be increasingly concentrated towards conventional natural gas and more economical shale gas plays and liquids. Shale gas assets continue to generate greater investment interest among many E&P companies, especially in North America and Eastern Europe.

Figure 3: Total deal value and volume split by type of target (2007–YTD 2010)



Source: Copal Analysis, Capital IQ
Note: based on 412 deals for which deal values were available

Asia Pacific driving M&A activity

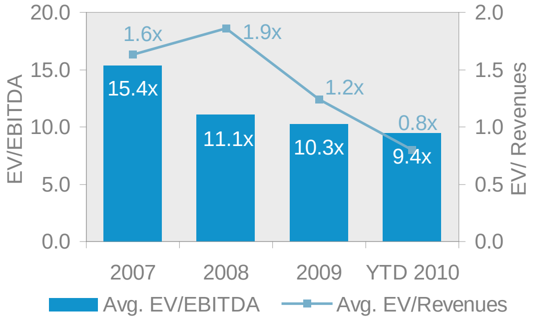
Europe has contributed the most to M&A activity since 2007 although, in common with the US, activity fell during the recession. Nevertheless, growth in Asia Pacific remained robust during this period with M&A volumes largely unchanged and total deal value increasing by over 155% between 2007 and 2009 (Figure 12). We believe Asia Pacific will continue to increase its share of total deal activity due to very substantial regional infrastructure investments. In addition, these markets are generally fragmented with many smaller companies, facilitating sector consolidation and partnerships through M&A or joint ventures to increase capacity.

Record low valuations

Deal valuations have fallen since the recession began due to liquidity concerns and restricted access to financing (Figure 4). As infrastructure projects are intrinsically capital intensive and are subject to a longer gestation cycle, access to cheap credit plays an important role in M&A decisions.

With liquidity concerns easing and recovery momentum accelerating, smaller infrastructure companies should become attractive M&A targets based on their current valuations. Larger companies will probably seek to capitalize on improving fundamentals to acquire distressed smaller companies at a significant undervaluation.

Figure 4: Infrastructure sector: EV/Revenue and EV/EBITDA multiples

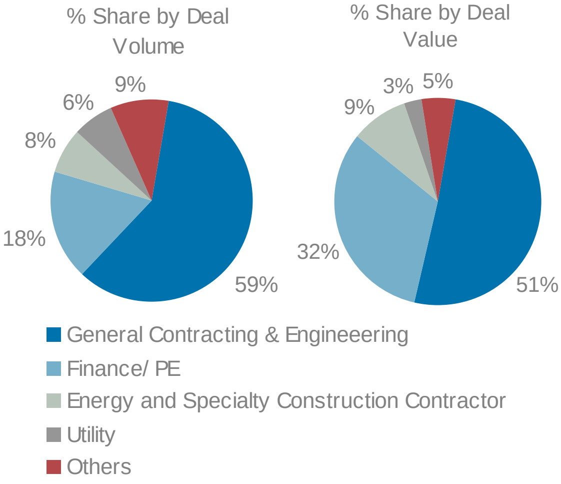


Source: Copal Analysis, Capital IQ

M&A Deal Makers

The majority of M&A transactions within the infrastructure sector involve well established general contracting & engineering companies looking for business or geographical expansion. The next largest share of such transactions comprises financial investors, including infrastructure funds, pension funds, private equity and REIT, which aim to secure long-term tax advantages and portfolio diversification. This is followed by energy and specialty construction contractor and utility companies targeting operational efficiencies.

Figure 5: M&A deal volume & value by buyer type



Source: Copal Analysis, Capital IQ
Note: based on 677 deals for which buyer information is available

General contracting & engineering companies expand capacities

General contracting & engineering companies, regarded as key drivers of infrastructure deal activity, have accounted for 59% of total volume and 51% of total deal value between 2007 and YTD 2010 (Figure 5). Such firms are well established and look to expand by rapidly diversifying functions or expanding capacities through M&A.

Most companies acquired by general contracting & engineering firms form part of the public works infrastructure sub-sector (58% by volume, based on 348 deals for which both buyer and target industry are available), consistent with the higher investment activity in this sub-sector. Energy infrastructure companies represent 25% of their targets, while the remaining 17% comprise diversified public works and energy infrastructure objectives.

Although general contracting & engineering deals are numerous, most are generally small with such companies focused on buying smaller companies at attractive valuations. Since 2007, around 75% of total transactions involving general contracting & engineering companies were for a consideration of less than $50mn.

Financial investors drive large M&As

Financial investors (i.e. infrastructure funds, pension funds, private equity and financial institutions) accounted for 18% of deal volumes and 32% of total deal value, second only to strategic acquirors in the C&E space (Figure 5). Given the capital intensive nature of infrastructure projects and their long-term funding requirements, financial investors play a vital role in meeting the sector's substantial financing requirements.

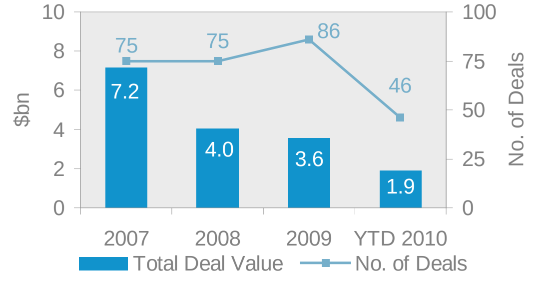
However, financial buyers were less involved in such transactions in 2009 due to difficulties raising finance with deal volumes down 64%. Having said that, of the few investors active last year, financial investors were the leading buyers based on deal value.

The high proportion of deal value compared to volumes is due to investments by infrastructure and private equity funds in large M&A transactions, with an average deal size 138% larger than those involving general contracting & engineering investors. For example, the largest deal in 2008 involved the $3 billion acquisition of Eiffage S.A., a French civil engineering and construction company, by a consortium of financial investors (including BNP Paribas Capital, AXA, Société Générale, NPM-CNP and Société Mutuelle d'Assurance du Bâtiment). Furthermore, financial buyers were also parties to the largest deal completed last year involving investment by the Korea Development Bank in South Korea's Daewoo Engineering and Construction Co. Ltd. totaling $5 billion.

Among financial investors, both pension and sovereign wealth funds are increasingly identifying targets for investment whose long-term growth, consistent and reliable returns, and (potentially) low correlation with market performance, render them an attractive means of diversification during periods of market uncertainty. As a result, several pension funds have invested in such infrastructure companies as Blagosostoyaniye Non-State Pension Fund, a Russian pension fund with investments in Mostotrest OAO, a railway, road and bridge construction company operating in Russia.

Financial investors have also been responsible for the majority of private placements (approximately 73%, based on 149 transactions for which buyer information is available) within the infrastructure sector. Since 2007, some 282 private placement transactions have taken place in the infrastructure sector (Figure 6), with an average deal value of $67mn. Private placements volume increased as smaller companies, without adequate cash resources, became unable to raise capital in generally depressed credit markets.

Figure 6: Private placement: deal value & volume



Source: Copal Analysis, Capital IQ

Energy and specialty construction contractor and utility companies target strategic buy-outs

Strategic buyers in the energy and specialty construction contractor space (consisting of oil & gas exploration, production and refining firms, and energy-related specialty construction firms) as well as utility companies including independent power producers, electric power, and gas & alternative energy utilities, have also been active buyers of infrastructure companies. During 2007–YTD 2010, energy and specialty construction contractor companies and utility companies accounted for 8% and 6% of the total deal volume respectively (Figure 5).

Both energy and specialty construction contractor and utility companies act as strategic purchasers, targeting further integration within the value chain, new capacity addition, productivity enhancing synergies, cost savings and operational risk reduction.

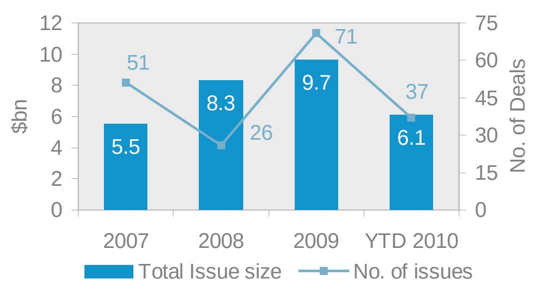
A majority of M&A transactions by energy and specialty construction contractor firms included acquisitions by oil and gas equipment and services firms of heavy construction companies. For example, in 2010 Willbros Group bought the InfrastruX Group, a utility construction services firm, for $882mn.

At the same time, utility companies are seeking to diversify and acquire renewable energy construction firms, especially wind farms. For example, in 2007 Electrabel SA, a Belgium-based electricity generation and distribution firm, acquired La Compagnie du Vent S.A., which designs, develops, constructs, owns and operates wind farms in France, for $468mn.

Initial Public Offerings (IPOs)

Since 2007, a total of 185 IPOs have taken place totaling $30 billion (Figure 7). While M&A activity within the infrastructure sector has declined over the same period, IPOs have increased despite the recession. This suggests that although credit lines were withdrawn during the recent crisis, cash strapped infrastructure companies were able to rely on equity markets to provide adequate finance. Most of the IPO activity was centered in Asia Pacific as the region accounted for 65% of the deal volume and an equal percentage of deal value between 2007 and YTD 2010. In fact, the largest IPO over the same period was the $5.5 billion IPO of China Railway Construction Corp. in early 2008.

Figure 7: Infrastructure IPOs value & size



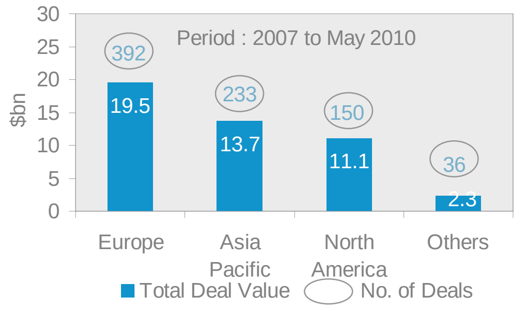
Source: Copal Analysis, Capital IQ

On the other hand, Europe and North America accounted for 22% and 10% of the total IPO volumes over the same period. However, given the recovery in capital markets almost worldwide, IPO activity has recovered in both the Europe and US.

M&A Trends & Opportunities by Region

Over the past three years, infrastructure transactions have been concentrated in Europe, with the region accounting for the largest share by deal volume (48%) and deal value (42%). However, Asia Pacific is fast catching up and is currently ranked second with a 29% share both by volume and value. North America (the US and Canada) ranks third with an 18% share by volume and 24% share by value (Figure 8).

Figure 8: Total deal value and volume by region

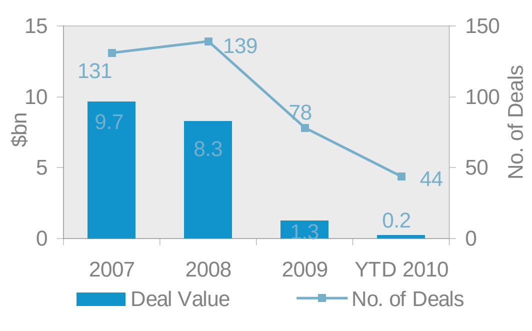


Source: Copal Analysis, Capital IQ

Being mature economies, M&A activity in Europe and the US is driven by consolidation. Developing countries in Asia, including China and India, continue to make substantial infrastructure investments commensurate with their rapid economic expansion, thus building a foundation for higher deal activity in the future.

Europe, the largest M&A market

Figure 9: Europe – deal value and volume



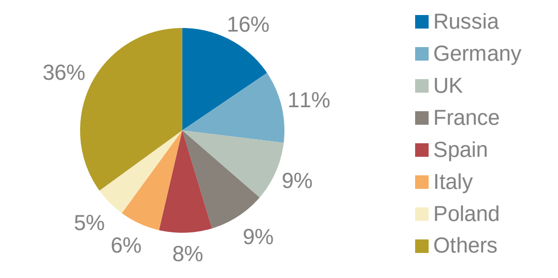
Source: Copal Analysis, Capital IQ

Europe has accounted for the majority of infrastructure deal activity since 2007, but has also been the most adversely affected since the recession. In 2009, deal volumes fell by almost 41%

and deal value by 87% compared to M&A activity in 2007 (Figure 9).

Deals are taking place throughout Europe with Russia, Germany, the UK, Spain, France, Italy and Poland representing 64% of deal volumes, with 24 countries accounting for the remainder (Figure 10).

Figure 10: European deals by country



Source: Copal Analysis, Capital IQ

The European infrastructure sector is undergoing substantial consolidation, involving both public works and energy infrastructure. The European Union (EU) requirement of an interconnected free market has led to an associated shift in the interlinking of transportation and communication channels within the EU. In turn, this has resulted in both private and public infrastructure companies, especially those engaged in road and railway construction, seeking to extend their product and service offering internationally by acquiring firms supporting the capture of cross-border markets. In line with this trend, Koninklijke BAM Groep NV of the Netherlands, a civil, marine, industrial, residential and non-residential construction firm, acquired Betonac N.V. of Belgium, engaged in civil engineering and road construction, for $50mn in late 2007.

The energy infrastructure sector is also experiencing a convergence across its various verticals. Energy and utility companies seek to address operational risks associated with their engineering and construction service providers as well as logistic suppliers through acquisitions. Several such deals involved renewable energy power producers acquiring project development companies providing construction, operation and supply services for their wind and solar farms. For example, in 2009 the Russian-based power generation company OJSC RusHydro purchased OAO Geoterm, a Russian Geothermal field developer, for $2.1mn.

Furthermore, a few M&A deals have involved energy infrastructure firms driven by strategies to hedge against rising fuel input prices or the threat of a major supply disruption. This development has resulted in upstream integration of such niche infrastructure service companies as natural gas or coal storage assets or other network industry firms, including gas pipeline construction companies by energy supply and distribution businesses.

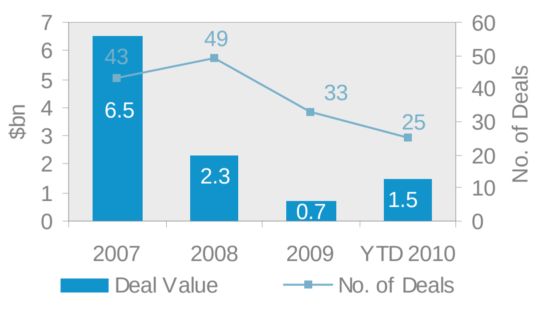
Significant deal activity also occurred in Eastern Europe's oil and gas sector. Currently, Russian oil and gas companies are focused on increasing capacity by acquiring specialized companies including oil and gas pipeline construction, refining and petrochemical complex construction firms. The largest deal so far has been the acquisition in 2007 by OAO Gazprom, an integrated oil and gas company in Russia, of Joint-Stock East Siberian Gas, a gas pipeline design and construction firm, for $1 billion.

Increasingly, the factors which led to the recent global macroeconomic downturn are gradually being replaced by large project activity within the construction & engineering sector, creating extensive opportunities for both investors and fund managers. In Central Europe, investment in water and wastewater initiatives is taking place to address "huge leakage problems" and replace old systems, while Western Europe seeks to reduce its heavy road dependence and city centricity with projects such as the UK's cross-rail project (2009).

Overall, we expect such investment activity, motivated by the EU objective to establish long-term programs to integrate rail, road, transit, airport and energy networks to service major economic hubs to drive long-term regional M&A activity.

North America revamps sector

Figure 11: North America – deal value and volume



Source: Copal Analysis, Capital IQ

Like Europe, transaction activity in North America was severely impacted in both 2008 and 2009 (Figure 11). Last year, deal values and volumes fell to their lowest levels in five years. However, at the beginning of this year buyers became increasingly optimistic. As valuation levels remain depressed relative to historic levels, companies have come to regard M&A activity as a means of broadening both their product offering and overall capacity. Indeed, two of the three largest infrastructure construction deals worldwide so far this year have occurred in the US and Canada.

Deal activity in both these countries equally concern the public works and energy infrastructure sectors. Overall, regional deal activity has been driven by strategic buyers from the infrastructure industry, with financial investors generally sidelined.

An important change becoming apparent in the US infrastructure construction sector is the increasing role played by the private sector in providing capital and service through public-private partnerships (PPP). Previously, PPP acceptance has been problematic in the US as it lacks the necessary regulatory framework to create successful and transparent processes for various PPP models. Nevertheless, due to increased spending, more private operators are becoming involved in both managing and constructing major infrastructure assets. For example, the Department of Transportation has two separate PPP agreements in place for the construction of a $2 billion tolled expressway expansion in South Florida and a $1 billion tunnel for the Port of Miami.

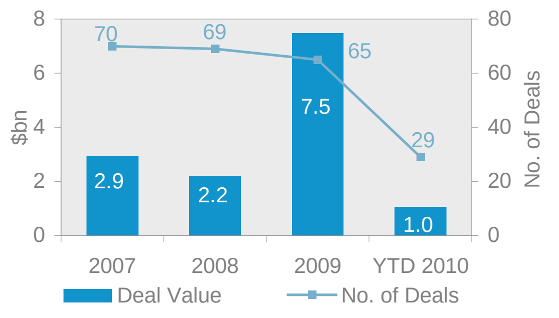
Apart from the greater role now being played by the private sector, regional infrastructure spending has also increased. Both the US and Canada have recognized their investment imperative to upgrade aging infrastructure. The new government's American Recovery and Reinvestment Act 2009 has allocated $132 billion specifically for infrastructure developments. In addition, Canada has appropriated $9.4 billion for new infrastructure spending from its $24 billion Economic Action Plan.

With greater private participation and already released stimulus funding laying the foundation for increased activity within the sector, we naturally expect the private sector to increase its share within the infrastructure sector, further driving regional M&A activity.

Resilient Asia Pacific drives M&A recovery

Economic activity throughout Asia Pacific remained generally resilient during the recent recession, with infrastructure construction M&A transaction activity substantially outperforming developed European and North American economies. In particular, during 2009 the region reported M&A deals with a total value of $7.5 billion (Figure 12) compared to only $1.3 billion and $0.7 billion in Europe and North America, respectively (Figure 9 and 11). Despite a slight decline in the number of deals in 2009 compared to 2008, total deal value was three times greater due to the Korea Development Bank's $5.1 billion acquisition of Daewoo Engineering & Construction Co., Ltd. of South Korea in December 2009.

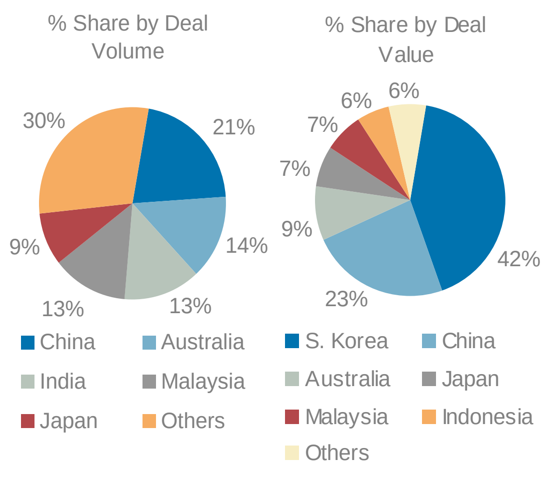
Figure 12: Asia Pacific – deal value and volume



Source: Copal Analysis, Capital IQ

Since 2007, M&A volumes in Asia have been driven by high activity levels in China, Australia and India as well as Malaysia, Japan and Indonesia.

Figure 13: Asia Pacific deals split by countries



Source: Copal Analysis, Capital IQ

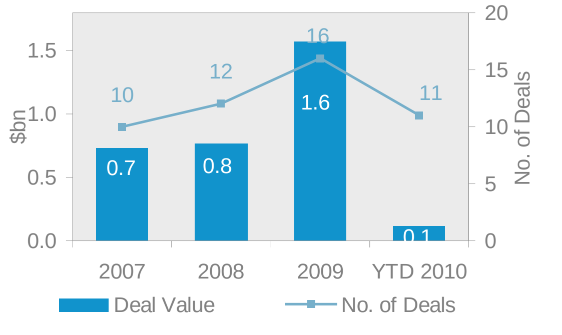
Although India accounts for a material portion of deal volume and value, historically it has lagged behind Malaysia and Japan. This seems to have changed recently; year-to-date deal flow in India has far exceeded that of both Japan and Malaysia. While private sector investment in several South East Asian economies, including Indonesia, Malaysia, the Philippines and Thailand, has failed to recover to pre-crisis levels, India and China continue to account for a significant share of private sector investment.

China accelerates investments and growth

China's infrastructure sector has been a key driver of consistent growth in an otherwise uncertain global economic climate. Chinese infrastructure transactions have increased in both volume and value over the past three years (Figure 14), compared to a declining trend witnessed by Europe and the US.

The government has provided the majority of infrastructure investments through state-owned companies. State authorities have directed most of the approximately $600 billion in stimulus finance into large scale public works infrastructure, particularly high-speed rail networks, national highway systems connecting primary cities, expanding urban population centers, linking new subways, light rail projects, and rapid bus lines to clustered housing developments and commercial/industrial centers. Overall, a total of 9,941 miles (16,000 km) of new high-speed rail track will be completed by 2020, representing a total investment exceeding $300 billion, including $50 billion in 2009 alone.

Figure 14: China – deal value and volume



Source: Copal Analysis, Capital IQ

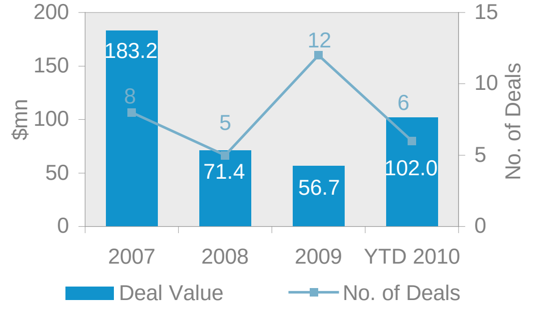
A similar pattern is reflected in M&A trends with almost 60% of deals in recent years occurring in the public works Infrastructure sector, while 37% of deal volumes comprised energy infrastructure targets including mainly gas pipeline construction companies and companies engaged in the construction of power plants. The largest transaction announced so far in the public works infrastructure construction sector is last year's $793mn acquisition by Shanghai Construction Co. Ltd. of a stake in Shanghai Construction Engineering Group (including interests in 12 companies and nine land plots involving, inter alia, crushing, port and tunnel construction, industrial construction and machine installation operations). Significant transaction activity has also occurred in the energy infrastructure sector including Guangdong Electric Power Development Co. Ltd.'s buy-out of Zhanjiang Zhongyue Energy Co. Ltd., a company developing and operating electric power plants, for $107mn, and integrated oil & gas refining firm CNPC Kunlun Natural Gas's acquisition of Changde Huayou Gas Co. Ltd., a natural gas pipeline company, for $37mn in 2009.

Despite the heavy involvement of public authorities in present aggressive infrastructure investments, we identify increasing opportunities for the private sector, including private Chinese firms and niche overseas companies to capitalize on growth in the Chinese infrastructure sector. Our view is supported by changing government policies in favor of increased private participation. For example, in its 11th Five Year Plan, the government announced new policies to introduce private and foreign investments in public services.

Based on such substantial investments released for infrastructure development and the gradual increase in private participation, we expect a considerable increase in M&A transaction activity in the future.

India – fragmented construction industry seeking consolidation

Figure 15: India – deal value and volume



Source: Copal Analysis, Capital IQ

Consistent with its 9% GDP growth in 2007, India experienced strong expansion in infrastructure-related deal activity with values increasing over 8x in 2007 compared with 2006. However, in the summer of 2008, the combined impact of a slowdown in Indian consumption, a higher domestic cost of capital and reduced access to international capital markets resulted in fewer transactions. Although deal volumes improved in 2009, the average size fell to $9mn from $30mn due to cheaper valuations and investors limiting risk by confining activities to smaller deals. Between January and May this year, as business activity began to recover, the number of transactions increased with values exceeding those in both 2008 and 2009 (Figure 15).

Substantial investments in energy and public works infrastructure remain necessary in order to sustain India's economic progress. According to the 11th Five Year Plan, over $500 billion of infrastructure investments are planned by 2012, including $150 billion from the private sector. Of the $350 billion in public funds to be invested, some $80 billion will be spent on roads, airports and railways, and $130 billion on power generation infrastructure.

In other words, India is experiencing M&A transactions involving both energy and public works infrastructure. The largest deal concerning public works infrastructure so far has been the acquisition of Era Infra Engineering Limited by Hi-Point Investment & Finance Pvt. Ltd. and Era Housing & Developers (India) Limited for $68mn in 2007. In terms of energy infrastructure construction, the biggest transaction has been the $40mn acquisition in 2007 of Petron Engineering Construction Limited, an MEP contractor for oil, petrochemical and power projects by Kazakhstan-based KazStroService Ltd., an oil and gas exploration and production company.

Asset management and private equity companies are also investing in public works infrastructure companies, particularly small to medium sized businesses. Examples of such transactions include this year's investment of $54mn in Coastal Projects Pvt. Ltd., a highway and tunnel construction firm, by Baring Pvt. Equity Asia, Sequoia Capital, Fidelity Investments and Deutsche Bank AG's investment arm.

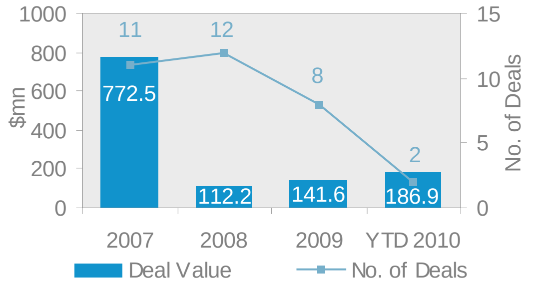
Given substantial planned investments and an already fragmented industry, India will probably experience increased consolidation driven by larger companies seeking to increase capacity to qualify for high value projects. In addition, many foreign players who wish to participate in the India growth story view M&A and joint ventures as an attractive option to enter into the Indian markets. This, together with the country's favorable regulatory environment for private capital and foreign direct investment, will ensure that India becomes and remains one of the most attractive M&A destinations over the next decade.

Australia reporting improved deal traction

The Australian infrastructure sector experienced major corrections in average deal size as markets turned down. Consequently, while deal volumes remained relatively high, values were heavily impacted during both 2008 and 2009 (Figure 16). However, average deal sizes this year have reverted to pre-crisis levels.

Transaction activity is equally divided between public and energy infrastructure sectors. Many Australian deals have involved companies engaged in mining infrastructure development, and gas transmission and distribution infrastructure. The Australian infrastructure industry is also attracting strong interest from international investors as a result of the resilience shown by the Australian economy following the recent global financial crisis. The Canadian Pension Board's interest in acquisition of a stake in Macquarie Communications Infrastructure Group and Transurban illustrate this trend. Indeed, last year's largest infrastructure transaction, the $130mn acquisition of GRD Ltd., a design, procurement and construction of mineral resource and waste to resources company, was by UK-based AMEC plc., an energy and power sector company. Other significant deals this year include energy infrastructure transactions such as the $159mn acquisition of Gladstone LNG Pty. Ltd., a liquefied natural gas plant developer, by Arrow Energy Ltd., a coal gas exploration and development company, and the $27mn purchase of KT Pty. Ltd., a pipeline construction company, by Monadelphous Group Ltd., a diversified construction firm.

Figure 16: Australia – deal value and volume



Source: Copal Analysis, Capital IQ

We expect the number of M&A transactions in Australia to increase this year following a marked rise in domestic IPOs in 2009 to $55 billion. This is likely to be driven by those companies that have recently raised capital and positioned themselves to capitalize on both current and future growth opportunities.

Representative Transactions

Date Announced	Target	Acquiror	Deal Synopsis	Value ($mn)	EV/ EBITDA
Transactions involving acquisitions by general contracting & engineering companies					
17-May-10	Seacliff Const. Corp. (Canada)	Churchill Corp. (Canada)	Seacliff Construction Corp. provides general contracting construction and electrical contracting services in Western Canada. The company was acquired by Churchill Corp. at CAD$17.14 cash per Seacliff common share. The deal is likely to create pre-tax synergies of between $5 and 7mn through elimination of corporate costs, economies of scale and synergies in revenue margins.	370.8	8.1
08-Dec-09	Shanghai Shen-Yu Development Co. Ltd. (China)	Shanghai Industrial Holdings Ltd. (Hong Kong)	Shanghai Shen-Yu Development Co. Ltd. provides investment, operation, repair and maintenance, and construction services for the Hu-Yu Expressway. The company was incorporated in 2009 and is based in China. It was acquired by Shanghai Industrial Investment (Holdings) Co. Ltd., an investment holding company which offers infrastructure facilities, real estate, consumer products and medicines.	358.2	N/A
30-Jul-09	Shanghai Construction Engineering Group (China)	Shanghai Construction Co. Ltd. (China)	Shanghai Construction Co. Ltd. acquired a stake in 12 companies and nine land lots owned by the Shanghai Construction Engineering Group.	793.5	N/A
08-Apr-08	Strabag AG (Germany)	Strabag SE (Austria)	Strabag AG provides construction and civil engineering services in Germany. Strabag SE acquired a 66.66% stake in Strabag AG for €260 per share. The transaction was consistent with major consolidation moves by Strabag which have also included the acquisition of all shares in their Swiss Strabag Group to form one of Europe's leading construction groups.	350	8.9
02-Mar-08	Tutor-Saliba Corp. (USA)	Tutor Perini Corp. (USA)	Tutor-Saliba Corporation is a building contractor and heavy civil works construction company operating in the US. On September 2008, Perini Corp. merged with Tutor-Saliba Corp. The deal increased growth opportunities for both companies through greater size, scale, capabilities and immediate access to multiple regions.	885.8	N/A
27-May-07	Washington Group International Inc. (USA)	URS Corp. (USA)	Washington Group International Inc. provides design, engineering and construction services to public and private sector clients in the US. The company was acquired by URS Corp. in order to combine engineering, construction and management services to establish a diversified "single source" E&C company with combined 2006 revenues of $7.6 billion.	3,179.4	15.4
21-Mar-07	Hochtief AG (Germany)	Actividades de Construcción S.A. (Spain)	Spain's largest construction company, Actividades de Construcción S.A., acquired a 25% stake in German rival Hochtief AG. The investment enables Actividades to diversify out of a domestic market which is expected to slow with the completion of current infrastructure projects.	1,681.7	7.4

Source: Copal Analysis, Capital IQ

Between 2007 and YTD 2010, 51% of total M&A transactions involved acquisitions of infrastructure companies by large general contracting & engineering businesses, representing the largest buyer category by share of deal volume.

EV/EBITDA multiples for C&E deals have varied significantly, with a consistent downward trend since the decline began. In 2007, large C&E firms acquired infrastructure companies at valuations of up to 15.4x (EV/EBITDA); for example, the purchase of Washington Group by URS Corp. in the US.

However, once the downturn began there were several transactions during both 2008 and 2009 involving firms with lower valuations. Consequently, despite a 50% increase in deal volumes in 2008, transaction values halved. Average valuation multiples for 2008 and 2009 were 10.2x and 7.6x respectively, with substantial variations between deals. Companies in North America and Europe were usually cheaper compared with those in Asia and the Pacific region, signaling a clear difference in the growth expectations and risk appetite in these regions.

Representative Transactions

Date Announced	Target	Acquiror	Deal Synopsis	Value ($mn)	EV/ EBITDA
Transactions involving acquisitions by energy and specialty construction contractor companies					
11-Mar-10	InfrastruX Group, Inc. (USA)	Willbros Group Inc. (USA)	InfrastruX is one of the largest national providers of electric power and natural gas transmission and distribution, and maintenance and construction solutions in the US, UK, Germany and India. Its acquisition will allow Willbros Group Inc. to diversify services and expand into new markets.	882.2	16.8
3-Nov-09	Precision Pipeline, LLC (USA)	MasTec, Inc. (USA)	Precision Pipeline, LLC offers pipeline construction services for the oil and gas industry in the United States.	165.6	1.78
25-Jun-09	A2SEA A/S (Denmark)	DONG Energy AS (Denmark)	Danish energy company DONG Energy, previously a client of A2SEA A/S, purchased the company, a provider of transportation, installation, and maintenance services for offshore wind turbines. The purchase should enable DONG Energy to increase efficiency in installation of offshore wind turbines more efficiently and enhance power production capacity.	243.3	N/A
07-Oct-08	Ferrostaal AG (Germany)	International Petroleum Investment Company (UAE)	Ferrostaal AG provides industrial services in plant construction and engineering worldwide. IPIC acquired a 70% stake in Ferrostaal; MAN AG retained a 30% interest. As a result, IPIC was able to increase its operations in Europe and diversify into energy production.	703.35	N/A
13-Feb-08	C. J. Hughes Construction Company, Inc. (USA)	Energy Services of America Corporation (USA)	C. J. Hughes Construction Company, Inc., an underground utility contractor, was acquired by Energy Services of America Corporation that provides contracting services for energy related companies in the United States. The acquisition will allow Energy Services of America to expand into the lucrative public works infrastructure sector.	48.9	N/A
22-Jun-07	Joint-Stock Company East-Siberian Gas Co. (Russia)	OAO Gazprom (Russia)	Joint-Stock Company East-Siberian Gas Company designs and constructs gas pipelines within the Russian Federation. OAO Gazprom, the world's largest gas producer, acquired a 50% stake in the company, enabling OAO Gazprom to construct gas pipelines indigenously.	1,000	N/A
14-Jun-07	Petron Engineering Construction Limited (India)	KazStroService Ltd (Kazakhstan)	Petron Engineering Construction Limited operates in the engineering and construction industry, primarily in India. The company's activities include mechanical engineering, fabrication, installation of plant, machinery and equipment, and piping for projects for oil refineries, petrochemicals, cement, and fertilizer and power plants.	40.9	N/A

Source: Copal Analysis, Capital IQ

Between 2007 and YTD 2010, energy and specialty construction contractor firms have accounted for 8% of deal volumes. Most transactions were valued at less than $50mn, with many below $1mn.

Almost all large transactions, i.e. between $100mn and $1 billion, were by European and North American companies of pure play energy infrastructure businesses. As a result, the average deal size for European and North American buyers was much higher than for transactions involving Asia Pacific and African buyers.

Tighter carbon regulations in both the US and Europe have favored greater use of natural gas. As a result, M&A activity in the developed countries has switched to developing natural gas supply and distribution infrastructure. Hence, deal activity for companies engaged in the construction of natural gas pipelines has increased substantially, for example, the US-based Precision Pipeline's acquisition by MasTec, Inc for $165.6mn in 2009. A similar trend was also witnessed in Western Europe with the region's increasing dependence on Russian natural gas that has led to M&A consolidation activity in Russian gas pipeline businesses, including the Joint-Stock East-Siberian Gas Co. transaction in 2007 for $1 billion.

Moving forward, we expect increased M&A activity in onshore oil and gas E&P activities as E&P investments are shifting towards onshore oil and gas development, especially in shale gas extraction.

Representative Transactions

Transactions involving acquisitions by utility companies					
Date Announced	**Target**	**Acquiror**	**Deal Synopsis**	**Value ($mn)**	**EV/ EBITDA**
01-Feb-10	CLP Sichuan Power Company Ltd. (China)	CLP Holdings Ltd. (Hong Kong)	CLP Sichuan (Jiangbian) Power Company Limited constructs hydroelectric power plants. In addition, it owns and will operate a 3x110MW hydropower plant in Sichuan Province. The company was incorporated in 2007 and is based in China. It was acquired by CLP Holdings Ltd. to expand its renewable energy portfolio.	9.3	N/A
31-Oct-09	Zhanjiang Zhongyue Energy Co. Ltd. (China)	Guangdong Electric Power Development Co. Ltd. (China)	Zhanjiang Zhongyue Energy Co. Ltd. develops and operates electric power projects. Guangdong Electric Development Co. plans to buy a further 51% stake, increasing its overall holding to 90%.	107	N/A
06-Oct-08	Vattenfall Wind Power Ltd. (UK)	Vattenfall AB (Sweden)	Vattenfall Wind Power Ltd., a subsidiary of Vattenfall AB, develops and constructs both on and offshore wind farms for infrastructure, manufacturing and process industries.	219.8	N/A
01-Oct-08	Ridgeline Energy, LLC (USA)	Veolia Environnement S.A. (France)	Ridgeline Energy, LLC develops wind energy projects in the Pacific Northwest and Western United States. As part of its strategy to develop new business in areas complementary to its core operations, Veolia Environnement entered the rapidly growing American wind energy market by acquiring Ridgeline Energy.	72	N/A
13-Nov-07	La Compagnie du Vent S.A. (France)	Electrabel S.A. (Belgium)	La Compagnie du Vent S.A. designs, develops, constructs, owns and operates wind farms in France. The company was acquired by Electrabel S.A. that supplies electricity, natural gas, and energy products and services for residential and business customers in Europe. The acquisition was to support efforts by Electrabel S.A. to further expand its alternative energy operations across Europe	468.3	N/A
31-Jan-07	Toenec Corp. (Japan)	Chubu Electric Power Co. Inc. (Japan)	Toenec Corp. provides electrical power generation, transmission, transformation and distribution services to offices, plants and homes. Chubu Electric Power Co., Inc. acquired 24,020,000 shares equal to a 52.27% stake in Toenec Corp.	129.1	8.03

Source: Copal Analysis, Capital IQ

Between 2007 and YTD 2010, utility companies have accounted for 6% of M&A transactions. The average deal size for the utility buyers was $64mn, which was the lowest in comparison to all categories of buyers (C&E, energy and financial investors).

The utility industry's focus on infrastructure construction investments is mainly driven by global efforts directed towards the adoption of clean energy technologies, while at the same time maximizing cost efficiency through newer construction technologies. Effective climate control solutions invariably involve construction of key plants including, for example, installation of smart-grid systems for utility companies, building storage facilities for carbon dioxide emissions, and construction of energy efficient fossil fuel and nuclear power plants. Alternatively, it may involve a complete technology shift to alternative energy sources.

As a result, utility companies, especially in Europe, regard M&A transactions as a simpler, more rapid and cost efficient means of acquiring innovative technologies and complying with environmental requirements, an assertion supported by the acquisition by Electrabel S.A. and Vattenfall AB of alternative energy construction companies La Compagnie du Vent S.A. and Vattenfall Wind Power Ltd., respectively.

Representative Transactions

Transactions involving private equity and other financial investors					
Date Announced	**Target**	**Acquiror**	**Deal Synopsis**	**Value ($mn)**	**EV/ EBITDA**
12-Jan-10	Coastal Projects Private Limited (India)	Baring Private Equity Asia; Sequoia Capital India; Fidelity Investments; Deutsche Bank	Coastal Projects Private Limited, a civil engineering company based in India, provides construction services including underground excavation for hydroelectric projects, underground power house complexes, shafts, rail tunnels, water carriage tunnels and road works.	57.5	N/A
30-Dec-09	Daewoo Eng. & Construction Co., Ltd. (South Korea)	Korea Development Bank (South Korea)	Daewoo Engineering & Construction Co. is a Korean based construction company providing engineering and construction services to the civil and housing sectors, including power and industrial plants. KDB has agreed to acquire a 50% stake plus one share in Daewoo Engineering & Construction.	5,124.7	13.97
05-Jan-09	Fomento de Construcciones y Contratas, S.A. (Spain)	Royal Bank of Scotland Group plc. (UK)	Fomento de Construcciones y Contratas, S.A., with its subsidiaries, provides environmental and construction services in Spain. Following this transaction, RBS Asset Management has become the largest shareholder in the company.	172.2	6.46
08-Apr-08	Eiffage S.A. (France)	BNP Paribas; Natixis; AXA; Assurances Générales de France; SocGen. (France, Belgium)	Eiffage S.A., a European development, construction and concessions group, provides construction, concessions, road construction and civil engineering, electrical contracting and metallic construction services. The company is headquartered in Asnières-sur-Seine, France. Since April 2008, a French institutional investor consortium led by BNP Paribas has held a 33.3% stake in the company.	3,046	9.6
31-Jan-08	Putrajaya Perdana Bhd (Malaysia)	UBG Berhad (Malaysia)	Putrajaya Perdana Berhad, an investment holding company, provides construction and property development services in Malaysia. Its projects include high-rise office buildings, commercial and retail outlets, government offices, and utility service and monorail tunnels. Putrajaya Perdana Berhad is a subsidiary of UBG Berhad.	102.8	12.5
29-Jun-07	Aibel AS (Norway)	Herkules Capital AS (Norway)	Aibel AS is an oil service company that engineers, builds, maintains and modifies oil and gas production facilities. The company also provides products and solutions for oil and water separation, gas processing, and drilling controls and equipment for oil and gas installations. It also designs, produces and delivers blowout preventer control systems. Aibel was acquired by Herkules Capital by leveraged buy-out, the largest ever by a Norwegian-based private equity fund.	900	N/A

Source: Copal Analysis, Capital IQ

Between 2007 and YTD 2010, financial investors, including private equity, infrastructure and pension funds as well as insurance companies, have accounted for almost 18% of total transactions by volume and 32% by value. The average transaction size was $256mn, compared to an average for all categories of $123mn.

Financial buyers are mainly responsible for the sector's biggest transactions, investing in large undervalued assets with low relative valuations. For example, in the case of financial buyers the average EV/EBITDA ratio for targets acquired since 2007 is 8.3x, compared to 12.7x for all other transactions.

Financial investors were particularly active in both 2008 and 2009 as targets were much cheaper, with many European deals involving EV/EBITDA multiples of less than 6x, reflecting distressed selling.

With markets recovering and valuations much higher, especially in emerging economies, we expect financial investors to become increasingly selective in identifying prospective transactions. We believe several may consider selling their current interests in such investments to strategic buyers seeking to expand capacity to meet growing demand.

Transaction Case Studies

Role of M&A International:	Advisor to Imtech
Sector	Construction and Engineering Services
Target	NVS Installation AB
Our role	Advisor to buyer
Selling Company / Location	Triton Managers II Limited, Sweden
Activity	Private equity
Acquiror/ Investors/ Location	Imtech NV, Netherlands
Activity	Provides technical services for electrical and mechanical engineering and ICT
Description of transaction	Acted as financial and strategic advisors to Imtech in its acquisition of NVS from funds managed by Triton Managers II Limited. The purchase price of $340mn (excluding cash and cash equivalents) has been financed through a separate loan that Imtech has secured with a syndicate of banks.

Role of M&A International:	Advisor to DOOSAN
Sector	Construction and Engineering Services
Target	Skoda Power a.s.
Our role	Advisor to buyer
Selling Company / Location	Skoda Holding, Czech Republic
Activity	Financial holding
Acquiror/ Investors/ Location	Doosan Heavy Industries & Construction Co., Ltd., South Korea
Activity	Builds power plants and develops generating systems
Description of transaction	Advised Doosan in negotiations and establishing the Share Purchase Agreement to acquire Skoda Power for $662mn. Skoda manufactures and supplies technological equipment and customer services in the power generation sector. The mandate was later extended to negotiating local financing for this acquisition.

Conclusions

As an asset class, the infrastructure sector has performed relatively satisfactorily during recession, demonstrating resilient fundamentals driving infrastructure demand and investments. In fact, the recession has forced markets to refocus on redressing the deficit between supply and demand of infrastructure by directing investments towards either building new or maintaining existing infrastructure facilities.

We expect the following factors to stimulate infrastructure construction sector transactions in the longer term:

- **Stimulus funding:** governments worldwide have already provided substantial infrastructure funding in order to aid the economic recovery. This spending has created a backlog of infrastructure projects in several key developed countries, exerting pressure on the present supply chain and requiring construction companies in turn to perform M&A or enter into joint ventures or strategic alliances.
- **Increasing PPP activity**: public-private partnerships (PPPs) have become increasingly popular in Europe, Canada, Australia and, more recently, in other Asia Pacific regions. They have provided real support for governments seeking to meet growing demand for infrastructure services without requiring excessive public finance. We see further opportunities for PPP-based private sector participation, especially in the US and China, which will in turn result in higher M&A activity.
- **Lower valuations**: large infrastructure deals are being replaced by smaller transactions. With the recession depressing company valuations, and the economic recovery becoming more widespread, especially in the US and Europe, we see increasing opportunities for acquisition-led corporate expansion over the next 12 months.
- **Increasing appetite for infrastructure assets in emerging markets:** both investors and creditors have increased their interest in greenfield assets in emerging markets in anticipation of record infrastructure development in such areas. Strong regional development outweighed investor concerns regarding currency, political and other macroeconomic and geopolitical risks throughout the recent global economic downturn, supporting increased activity in developing Asia Pacific.
- **A shift from offshore to onshore:** within the energy sector, significant investments and M&A opportunities are expected to become available with shifting focus of oil and gas exploration and development activity towards onshore development, especially natural gas and shale gas development in North America, Eastern Europe and Russia. Onshore energy development is likely to become even more important after the Gulf of Mexico oil spill crisis.

About M&A International Inc.

M&A International Inc.'s members actively represent buyers and sellers in the construction & engineering services M&A market as well as those seeking to raise private equity and debt capital. They possess significant construction & engineering services domain expertise, industry relationships and experience in successfully executing complex transactions on behalf of their clients.

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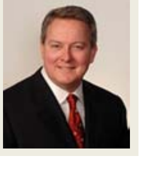

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M&A International Inc. Representative Transactions

MIESTPROJEKTAS AKCINĖ BENDROVĖ
has been acquired by
COWI Baltic

Architectural design & engineering
Advisor to seller
Lithuania

Suez Cement Italcementi Group
has acquired 51% of
Hilal Cement k.s.c.c.

Produces clinker, cement, ready mix concrete and paper bags
Advisor to buyer
Egypt/Kuwait

has been acquired by
COMFORT SYSTEMS USA
Tri-City Mechanical

Provides HVAC, plumbing & piping systems
Advisor to seller
United States

atel
has sold the BSE and FM business of
Kraftszer Épületgépészet

Engineering
Advisor to seller
Hungary

Imtech
has acquired
NVS

Provides technical services for electrical & mechanical engineering & ICT
Advisor to buyer
Netherlands/Sweden

FP McCann
has acquired certain trade and assets of

Supplies heavy building materials to the construction industry
Advisor to buyer
United Kingdom

PRECISION PIPELINE
has been acquired by
MasTec

Pipeline contractor
Advisor to seller
United States

DOOSAN
has acquired
ŠKODA

Builds power plants and develops generating systems
Advisor to buyer
South Korea/Czech Republic

Ryko
has sold Ryko Italia S.r.l. and Ryko France S.A.R.L. to
CSG2 Srl

Produces car, bus, truck and van wash equipment and accessories
Advisor to seller
United States/Italy

received financing provided by a syndicate led by
M&T Bank

Supplies driveway materials
Fundraising
United States

SR Brands
has acquired 20% of
unidrain®

Designs and markets floor drains for bathrooms
Advisor to seller
Denmark

LEC
has been acquired by
alta capital partners

Construction company
Advisor to seller
Latvia

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M&A International	www.mergers.net

Founders of:

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the Strategic Acquirors Forum	www.mergers.net/saf