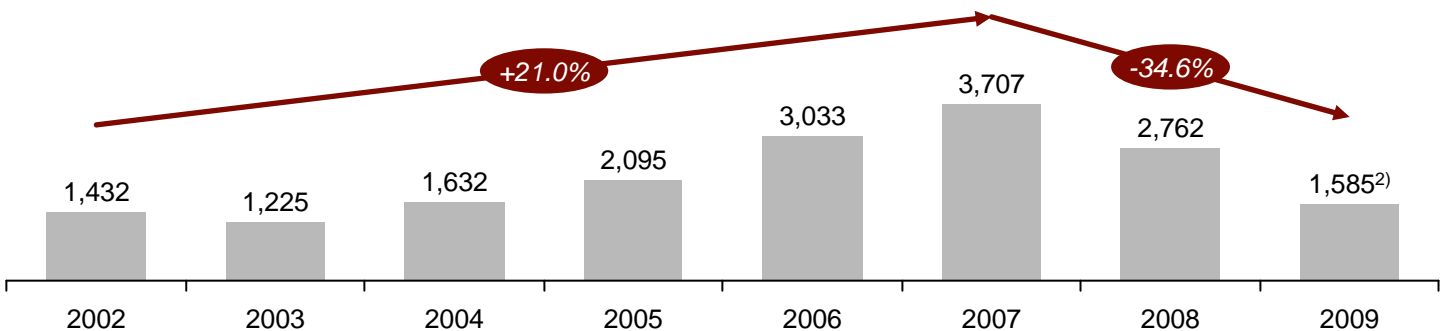


## M&A – boost in and after the crisis?

### Development of global M&A volume<sup>1)</sup> (in EUR bn.)



1) Dealogic, A.T. Kearney; global M&A volumes (excluding debt) by completion date 2) Values extrapolated

### A.T. Kearney's point of view

Despite signs of recovery, macroeconomic conditions remain bleak and firms continue to struggle with the effects of the downturn. Not surprisingly, **M&A activity**, which traditionally has gone hand in hand with GDP development, **has collapsed**.

There are no marks for guessing the main reasons: (1) Companies with plummeted stock valuations **lack an important "acquisition currency"**. (2) **External funding currently is difficult to obtain** for many players. (3) M&A is often perceived as **too risky in the face of the current ambiguous outlook**. A.T. Kearney however believes that firms need to ask themselves whether it is reasonable to strike M&A off their list of topics to take into consideration in the coming months and years.

Now is the time to act in many industries where **a window of opportunity** enables **attractive non-recurring investments** which shortly ago were literally unimaginable. Just think of previous crises that **reorganized market structures**, altered the **direction of industries**, pushed **innovations**, and even established **new market leaders**. And indeed, M&A activity has not entirely subsided, with especially two kinds of deals being catalyzed by the current economic climate: **Restructuring divestments** as well as **industry-shaping consolidations**.

Therefore, **M&A is not out of the game** and firms need to continue to recognize mergers as a highly effective strategic tool.

For further information:

**ATKEARNEY**

A.T. Kearney GmbH  
Marketing & Communications  
Kaistr. 16A, D-40221 Dusseldorf

Phone: +49-211-1377 2277  
Email: marcom@atkearney.com  
www.atkearney.com