2017 Southern

CORPORATE FINANCE REVIEW

PKF FRANCISCLARK
Chartered accountants & business advisers

experian

CONTENTS

H.M.S. Victory, Portsmouth

INTRODUCTION AND OVERVIEW

Welcome to the first edition of the Southern Corporate Finance Review. The Review analyses deals which have been announced in the last 12 months involving a company based in the South of England, be that raising finance, or as a buyer or an acquisition target. The Review is based on data held on the MarketIQ deals database, including our own research and from adviser contributed data. Advisers and funders based in the region have offered their views of how the deal landscape in 2017 aligned with their expectations. As well as looking back over what proved to be an eventful year in political and economic terms, we can read the views of the South dealmakers on what the prospects are for the year ahead.

I trust you find this Review useful and informative, and would once again like to thank the dealmakers in the South for their co-operation in making this Review possible.

Further information on the methodology used to create the Review can be found on page 12, and details on deal trends across the whole of the UK can be found at http://www.experian.co.uk/marketiq/latest-reports.html

Clara Manning
Senior National Account Manager
Experian

Whilst overall deal volumes have fallen slightly compared to last year (1% across the UK and 5% in the South) the absolute amount of 1,530 deals in the South is still at a significant level compared to historical volumes: 2017 being higher than for each of the three years from 2013 to 2015.

This demonstrates an ongoing core level of transactional and funding activity in the South for the year as a whole, although reduced volumes in the second half of the year might suggest lower volumes for 2018; early indications are that this is the case with Q1 2018 deal numbers down circa 25% compared to Q1 2017.

The main contrast of 2017 compared to the prior year was in the trend of transaction types with the volume of reported MBOs falling by a massive 36%. We have certainly seen a number of instances where vendors have considered selling to an MBO team but in the end have chosen to sell to trade. This may have been as a result of the combination of a strategic benefit and the wide availability and historically low cost of finance which has enabled the trade buyer to pay a higher price and without the need for vendor financing.

One of the main emerging trends is that there appears to be a subtle shift in the funding activity with alternative sources and types making a major impact behind the scenes for transactions and development capital. Whilst 'alternative funding' is not shy to charge significantly higher rates to reflect risk and the faster speed of response, this may also be indicative of the perceived uncertainty and challenges of what entrepreneurs are currently planning to do.

Looking ahead, old timers may have expected the continuing and increasing level of uncertainty in the market to significantly dampen deal activity. However, this may not have happened to the extent expected as the uncertainty has helped to create sellers in a marketplace full of funding and a generation of entrepreneurs that have never experienced base rates of more than 1%.

Whilst many advisers in the Southern region have reported a strong pipeline for the start of 2018, the extent of uncertainty may well impact deal volumes later in the year.

Andrew Killick
Head of Corporate Finance
PKF Francis Clark

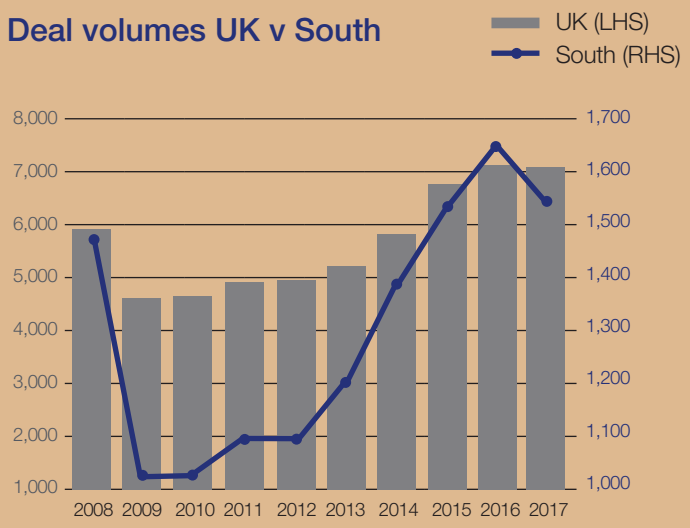
ANALYSIS OF TRANSACTIONS

Deal volumes - companies

As shown opposite, deal volumes in the region fell for the first time in nearly a decade, down 5% on 2016, compared to a 1% fall in the rest of the UK. However deal volumes are still high compared to the last ten years reflecting a strong transactional market in the South.

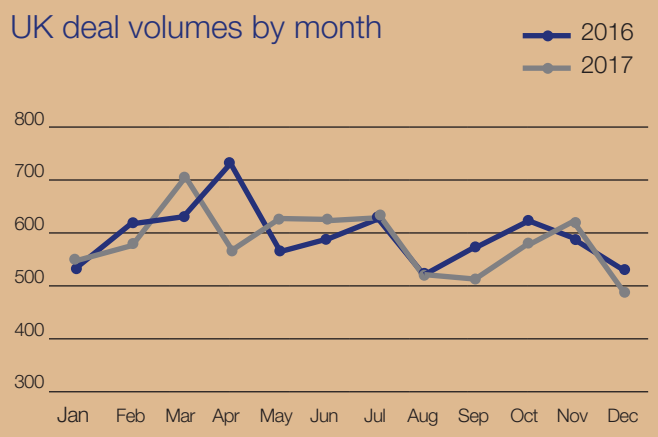
As shown on page 3, the overall numbers mask an underlying trend in both the UK and the South which saw deal volumes fall in the second half of the year compared to the first in each of the last two years. In the UK deal volumes were down 8% in the second half of the year after no change in the first, and in the South deal volumes were fairly consistently down across the year. While any changes are due to a complex interaction of reasons, the professionals' commentaries indicate that the last two years have been impacted by Brexit with 2016 lower due to the impact of the result, and 2017 due to growing anxiety around the outcome of negotiations.

Deal volumes UK v South



The concern around the lack of clarity as to the outcome of the Brexit negotiations is anecdotally impacting international transactions more than national transactions, although any company with overseas trading faces a challenge of reliable forecasting over the next two to three years given the uncertainties around border controls.

While the availability and cost of debt both make borrowing highly attractive, there is evidence to suggest that the banks are reallocating their lending away from transactions to refinancing, and this has driven the need for advisers to be more innovative in both the type of funding used and how the deal is structured in terms of outflows to the vendors.



Deal type analysis

As shown opposite, overall, deal volumes continue to be dominated by acquisitions and disposals, and the decrease in the South deal numbers is in line with the overall and national trend.

The volumes of Buy Out / In deals fell considerably with MBOs in particular at their lowest level in the last five years. MBOs in the South have been a key means of succession planning where a suitable trade buyer cannot be found often due to geographical or shareholder restrictions. However, as the Review will show later, funding for deals from all sources is significantly down and this has disproportionally effected MBOs that often require external finance to make them a compelling deal for a business owner. vendors faced with a choice of providing the majority of the funding for the MBO are more likely to turn to trade buyers who, while requiring the vendor to engage with external parties, are giving greater (and earlier) certainty around the cash outflows from any transaction, thus representing a compelling alternative.

Deal volumes by type - South & UK

	Region	2013	2014	2015	2016	2017	2016 v 2017
Acquisitions and disposals	South	832	947	1,048	1,118	1,130	1%
	UK	2,914	3,272	3,803	4,105	3,978	-3%
Development capital	South	92	119	193	232	199	-14%
	UK	517	624	991	1,235	1,128	-9%
Buy Out/In	South	106	108	129	151	97	-36%
	UK	439	516	571	605	496	-18%
Rights issues/ other issues	South	59	84	79	75	65	-13%
	UK	814	758	875	778	1,087	40%
Other	South	116	123	79	81	76	-6%
	UK	556	510	464	433	361	-17%
Totals	**South**	**1,205**	**1,381**	**1,528**	**1,657**	**1,567**	**-5%**
	UK	**5,240**	**5,680**	**6,704**	**7,156**	**7,050**	**-1%**

The funding theme is also felt in development capital deals that are down by nearly 14% year on year; this is a surprise given the banks' comments around availability of finance and willingness to lend, though it is apparent that the banks are refocusing on funding that is predominantly retained within the recipient business.

The significant increase in rights issues and other innovative funding mechanisms highlights the need to engage with an experienced adviser to assist in navigating the fast changing deal structuring and deal funding market.

Deal values

There were a number of deals in the South with a value greater than £1 billion including 4 acquisitions and the flotation of TI Fluid Systems. In the UK there were fewer mega deals compared with previous years, although of particular interest is a nearly doubling of domestic deal values reported by Thomson Reuters which means a significant fall in overseas transactions by value reflecting the uncertainty in the short term as a result of the Brexit negotiations.

The value of the vast majority of deals in the region remain either confidential (63%) or less than £10m (circa 60% of deals where consideration is disclosed). However it is disclosed deals under £10m that have seen the biggest fall of around 21%. Given the majority of deals not disclosing consideration, we do not comment further on deal values herein.

VIEW FROM THE LAWYERS

The table below shows deal activity for legal advisers who have a presence in the region and where the deal involved a local target/acquirer. Shoosmiths, as per last year, were the most active deal maker for South transactions though their numbers were slightly down on 2016. However, there appears no overall trend across the main law firms in terms of volumes by firm.

Deal volumes by lawyer			
Lawyer	2017	2016	10 years
Ashfords	37	54	316
Blake Morgan	20	26	52
Boyce Hatton	10	11	52
Browne Jacobson	13	9	53
Burges Salmon	16	31	154
Charles Russell Speechlys	14	11	34
CMS	44	33	236
DWF	22	18	135
Foot Anstey	27	23	202
Harrison Clark Rickerbys	10	13	47
Irwin Mitchell	43	46	126
Michelmores	18	12	161
Murrell Associates	11	-	61
Osborne Clarke	25	32	270
OTB Eveling	12	22	78
Ouset Legal	26	11	52
Shoosmiths	65	67	371
Stevens & Bolton	17	5	61
TLT	11	34	137
Womble Bond Dickinson	10	10	95

Brexit and currency depreciation dominated the comments from lawyers again this year, as would be expected, with many highlighting the need for innovative deal structures and alternative sources of funding, the latter continuing to support the apparent decline in main stream funding sources this year.

However, whilst the uncertainty is clear, in many of the comments the mood was still cautiously optimistic, representing the continued trend for South legal firms to provide advisory services to business outside the region. **Kelvin Balmont** from **Clarke Willmott** reinforced this message: *"The last eighteen months have been one of the busiest periods for deals that we have seen. Businesses still seem to be confident and keen to grow despite the economic and political uncertainties and deals, once started, seem to be reasonably robust. Much of the deal activity in the UK seems to have been driven by non-UK acquirers coming into the market."* The impact of foreign acquirers was evident in the quotes reinforcing the international reach of the profession in the South with **James Hawkeswood** from **Blake Morgan**: *"Having been surprised by the absence of any meaningful downturn in deal activity following the Brexit referendum, we have witnessed continuing strong deal-flow and the pipeline looks good for the foreseeable future. Aside from a small upturn in the number of overseas buyers/investors we are seeing (particularly from the US) as a result of the weaker pound, there doesn't seem to be any particular trend as regards the sectors or deal types we are seeing. One gets the strong suspicion that the markets are effectively saying 'there isn't much we can do about Brexit, and no one really knows what it is going to mean, so we might as well carry on as normal."* **Stephen Pierce** from **Womble Bond Dickinson** continued the international trend: *"Considering the uncertainty of Brexit, it is surprising that the deal market is as buoyant as it is, but the proportion of deals falling over remains high. Underlying factors such as anxiety about whether an exodus of European workers is imminent or whether US markets will have agreed standards with the UK to replace those currently with the EU create risks, which it is difficult to price into a deal. The retail sector in particular continues to face many challenges and we expect more insolvencies there."* The ability for advisers to offer flexibility in deal structures was picked up by **Mark Pinder** from **Foot Anstey**: *"We have continued to see a trend in increased deal volumes, particularly through aggregation and consolidation in a number of industry sectors, with the continued growth in others, especially technology and environmental related. Business seems to be taking a broader*

view on international growth as a counter to the continued uncertainty surrounding Brexit. We have also seen some check in regional growth arising from growth driven by increasingly high hours worked (rather than productivity) and a continued lack of available skills in a reducing employee market. Despite this, the inevitable disruption created is feeding cautious optimism for buyers willing to take advantage and there remains the need for innovative deal structures, allowing buyers to meet ever increasing seller expectations. Cross border transactions continue to rise, buoyed by the low value of the £, primarily from Europe and Middle East buyers looking to UK enterprises in key sectors with strong trade links, a balanced customer portfolio and a strong differentiated product but, more than ever, it is proving key for advisers to collaborate and assist clients to seek commercial solutions to barriers to moving deals forward."

A theme that all experienced advisers will be conscious of was highlighted by **Hayley Bevis** of **Coffin Mew LLP**: *"We have seen strong growth in the level of cross-border M&A transactions over the past 12 months, largely in key sectors such as technology. Deal values remain strong, with the positive drivers for investment in the South of England cited by our clients as talent acquisition, know-how, innovation and significant growth potential. Whilst Brexit brings many challenges, the market is taking the view that we need to move forward with a 'business as usual' attitude."*

While deal volumes acted on by South lawyers for South-based companies fell, the demand for legal expertise from the professionals based in the South remains strong as commented by **Sean Wright** of **Shoosmiths**: *"Despite continued business uncertainty whether caused by Brexit or otherwise, 2017 has still been a good year from an M&A perspective in the South. The fall in the value of Sterling has continued to make UK businesses more attractive to both North American and European buyers, however the one negative is that timing continues to be an issue with debt funding in particular making deals longer and more uncertain to complete."*

The mix of experience across the region can be emphasised by an analysis of deal types by lawyer, as below:

Deal volumes by deal type for last ten years - lawyers

Lawyer	Acq / Sale	Dev. capital	Flotation	Investor Buy Outs	MBO / MBI	Mergers	Right / other issues	Share buy back	Other	Total
Ashfords	146	122	2	2	29	2	4	8	1	316
Blake Morgan	39	1	3	1	6	-	-	2	-	52
Boyce Hatton	43	4	-	1	4	-	-	-	-	52
Browne Jacobson	40	3	-	2	7	1	-	-	-	53
Burges Salmon	106	15	1	8	17	2	1	4	-	154
Charles Russell Speechlys	22	1	2	2	3	1	-	2	1	34
CMS	167	15	-	16	17	7	8	5	1	236
DWF	111	5	2	2	6	-	6	3	-	135
Foot Anstey	130	26	-	4	27	3	4	3	5	202
Harrison Clark Rickerbys	36	5	-	2	3	-	1	-	-	47
Irwin Mitchell	93	7	3	5	8	2	3	4	1	126
Michelmores	115	11	-	4	21	1	4	4	1	161
Murrell Associates	34	13	-	1	5	-	5	2	1	61
Osborne Clarke	147	32	6	17	42	4	6	15	1	270
OTB Eveling	57	2	-	2	12	-	1	2	2	78
Outset Legal	51	-	-	-	1	-	-	-	-	52
Shoosmiths	203	80	1	18	53	-	5	7	4	371
Stevens & Bolton	42	8	-	1	10	-	-	-	-	61
TLT	91	16	1	9	12	2	1	2	3	137
Womble Bond Dickinson	58	10	-	7	15	1	2	1	1	95

VIEW ON THE DEBT FUNDING MARKET

Ben Ainslie Racing

As per the quotes below funding from all sources remains available for the right deal or business, albeit uncertainty around Brexit has made forecasting turnover increasingly difficult and certain funding types are dependent on supportable forecasts. However, it is surprising to see significantly lower levels of debt funded deals in the South with a total of only 122 deals in 2017 compared to 207 in 2016. While this picture is reflected nationally, the South has seen considerably higher falls in debt funded deals.

The database managed by Experian MarketIQ is largely reliant on advisers and funders submitting details of their deals, although at the larger end, the deals can be sourced through press or statutory filings. As such the data can be skewed by confidential deals which would not be picked up until filling deadlines have passed and as the database is transaction focused new lending to finance expansion and debt refinancing wouldn't often qualify for inclusion. This partly explains the variance between the comments from the banks and the statistics generated by the database. However, the significant fall in development capital deals and buy outs, where it can be assumed that corporate finance advisers would submit the deal, lends credence to the assumption that debt funded transactional deal volumes are lower and it is not simply the absence of the reporting of these deals.

Debt funding

Paul Crocker from **PKF Francis Clark** commented: *"Whilst transactions involving debt finance have fallen there doesn't appear to be a straightforward explanation for this trend, and whether this a demand issue from deals or a supply issue from funders. Nevertheless the availability of finance remains and the majority of banks are optimistic about the future, though economic conditions and concerns over specific sectors are having an impact on credit appetite and pricing for specific sectors."*

While debt funding has shrunk the banks remain upbeat about their own performance in 2017 in the face of a difficult lending climate. **Mark Stuckey** from **Barclays** commented: *"The South East continues to shine as a hub for entrepreneurship, outpaced by London alone across most metrics. In fact, while national start-up and expansion metrics have been in flux, the South East has thrived. Funding and companies still continue to grow across most indicators - though the South East now also has strong competition outside of London as well, coming from the North West's attractive business climate."* **Antony Reed** from **HSBC** commented: *"We have seen some strong deal activity across Hampshire and Dorset this year, with many businesses looking at funding significant growth opportunities. This is despite Brexit which continues to drive uncertainty in the region. However, high levels of liquidity in the market place suggests this investment could continue throughout 2018 and well into 2019."* **Jeremy Richards** of **Lloyds Bank** highlights an area of funding that is increasingly utilised as part of a deal funding package: *"Businesses across the South have been affected by economic and political uncertainty. Although this has had an impact on confidence, encouragingly companies are still keen to increase investment in the first half of 2018. In particular and as we have seen around the country, pressure to increase working capital has grown in the South of England, with the result that even more of the region's cash is now locked in excess working capital. Ultimately, every pound tied up in working capital is a pound that could be invested in other, more productive areas of a business and this is something that businesses in the South should be managing closely with help from their bankers and advisers."* **Carey Moore** from **NatWest** comments highlight the continuing strong flow of high quality transactions: *"The region's successful businesses continue to look for opportunities which support their strategic aims - and, overall, the fundamental market forces for transaction volumes remain strong. As such, we're continuing to see healthy deal activity across multiple sectors, with the common drivers still very much being based around acquisition, accessing growth and development capital, and, of course, value realisation and succession."*

Deal volumes by debt funder

Bank	2017	2016	10 years
Aldermore	1	2	7
Allied Irish	4	3	20
Bank of Ireland	1	-	15
Barclays	11	19	145
Clydesdale	7	11	43
Deutsche Bank	1	1	10
GE Capital	-	3	28
Handelsbanken	1	-	3
HSBC	23	35	190
Lloyds	20	29	225
PNC	2	1	7
RBS / NatWest	18	38	294
Santander	12	10	64
Secure Trust	3	5	8
Triodos	-	2	8

VIEW ON THE EQUITY FUNDING MARKET

View from Portsmouth Harbour's Spinnaker Tower

Equity funding

Private equity funded deals in the region fell from 241 in 2016 to 223 in 2017, with BGF and LDC doing over 10 deals each in 2017. The uncertainty around Brexit has impacted the appetite for deals and changes to the VCT rules has resulted in PE houses having to raise alternative funds to undertake buy outs in particular. This has led to a widening of the funding gap between crowd and mid-market equity funding. However, the increase in activity demonstrates that there does remain a wide audience for the right funding proposal for the right deal, but experienced professional advice is needed to find the right partner amongst the many funders active in the region.

Some of the comments highlight that multiples for deals has been rising particularly for deals that fall in the "sweet spot" for equity funding and where trade buyers are also competing, though overall pricing expectations, where correctly structured, are not normally a deal breaker. This increase in pricing is reflected in the UK SME private company pricing website PERDa (perda.co.uk) which has reached a record high multiple of 7.3.

The private equity investors active in the region on the whole highlight the headwinds to deal making but remain optimistic about the future albeit with a wish for more stable policy making.

Colin Granger from **YFM** is optimistic about the medium to long term: *"Significant political uncertainty remains following the US and UK elections and this is likely to increase as Brexit nears. A potential economic slowdown will focus businesses and private equity investors on ensuring they have sustainable, differentiated propositions which is good for all markets in the longer term."*

Luke Matthews from **Connection Capital** added: *"In early 2016 there were many reasons to be cautious and in some respects little has changed in 2017. However good businesses have still rightly been seeing strong interest, and pricing expectations are staying within reasonable bounds. The role of tech in non-tech companies, vendors wanting cash out deals and growing appetite for non-conventional deal structures are trends we've been seeing."*

While the statistics show that it has been a difficult year for PE deals in the South, investors point to a stronger picture across the country with **Greg Norman** of **BGF** commenting: *"The UK is one of the few European countries on track to surpass last year's deal volumes, indicating a growing appetite for businesses to take external funding. That's a really positive development and shows that entrepreneurs continue to plan ahead, even amid the Brexit uncertainty."*

James Smallridge of **Core Capital** summarises the situation: *"2017, (one year on from the referendum) uncertainty continues and with it volatility, however uncertainty doesn't always dampen dealmaking. The UK market, even amid the turmoil, has seen the overall value of M&A increase 9.5% this year to £150bn (source - CNBC 13 December 2017), though the growth is lower than most other European countries. Financing markets remain incredibly resilient and are supportive of companies wanting to execute transactions that will deliver sustainable long-term growth. Investors are looking for compelling and positive stories to put their cash to work and the cost of funding has never been cheaper.*

"On that backdrop, we continue to see strong businesses across the South that have an ambition to grow and are seeking the right funding partner to help deliver on that ambition. Provided there are no cataclysmic shocks in 2018, we see no reason for this flow of opportunity not to continue and this provides a reasonably strong outlook for 2018."

Deal volumes by equity provider

Firm	2017	2016	10 Years
Amadeus Capital Partners	4	2	12
a2e Industries	3	-	3
Accelerated Digital Ventures	3	-	3
Amadeus Capital Partners 2	4	2	12
Business Growth Fund	13	14	55
Cairngorm Capital Partners	3	-	3
Endless	6	-	16
Foresight Group	4	3	7
Inflexion Private Equity	5	2	27
Kindred Capital	3	-	3
LDC	10	11	79
Maven Capital Partners	3	1	12
Mercia Fund Management	6	8	24
Mercia Technologies	4	-	4
Notion Capital	4	5	30
Octopus Investments	7	6	43
OMERS Infrastructure Management	1	-	1
Phoenix Equity Partners	4	3	12
Robert Bosch Venture Capital	3	-	4
Rockpool Investments	4	3	10
Woodford Investment Management	3	3	10

VIEW FROM THE FINANCIAL ADVISERS

The table opposite shows the deal volumes for transactions involving a South company for those financial advisers and accountants with a presence in the region. As with lawyers the overall deal volumes were slightly down reflecting the overall decline in deals in the region. However there were some exceptions with PKF Francis Clark, who again advised on the most deals in the region, and RSM.

Paul Stout from **PKF Francis Clark** commented: *"Ironically the uncertainty in the market has created many potential sellers, and combined (unusually) with extensive and ever increasing funding options, significant overseas interest in UK assets and low capital tax rates has helped to maintain a very healthy level of deal activity across the region. From our own perspective we have increased the size of the team to help create and deliver even more deals which has shown through in the statistics."*

Many financial advisers reported that even in light of the headwinds effecting deal making, valuations remained strong in 2017 which was supported by the PERDa valuation database and reinforced by **Duncan Lamb** of **BDO**: *"2017 has been a very interesting year in terms of deal activity with the heightened availability of funding and an improving global economic market seemingly driving prices up for strong businesses. TMT remains a strong sector, with particular focus on niches that continue to be driven by regulation, including the legal market and the broader fintech space. What appears interesting for 2018 is the desire for a number of private vendors to realise some or all of their value currently tied up in their business in anticipation of a change in government and the fear of the impact that this may have on entrepreneurs' relief."*

This was reinforced by **Michael Barcia** of **Meridian CF**: *"Most of our clients appear unaffected by Brexit uncertainty, which is often felt to be over-emphasised by the media while equally important economic stories are overlooked. Indeed our clients are all investing and growing. One effect of the uncertainty is to trigger clients' thinking about where their wealth is. Business owners often begin to wonder whether too much of their wealth and their future is tied up in the company, which leads them to start some 'next step thinking'. Exits or partial exits are possible even in a scenario where there is no obvious third party buyer and, as a result, our deals have become a (roughly) 50:50 mix of third-party disposals and management buy-outs. This trend sees more and more owner-managers partially de-risking by taking some cash out, while at the same time incentivising their management team with the opportunity to create personal wealth. These drivers lead to the vendors becoming the private equity investor alongside bank funding. As a region we are lucky to have a strong banking community who have good debt appetite to back experienced management teams in successful businesses. With regard to trade sales, the weakness of the pound is making our assets attractive to foreign acquirers, which (although personally a concern as ownership migrates outside the region) is positive in terms of multiples."*

Deal volumes by financial adviser/accountant

Firm	2017	2016	10 years
BDO	47	56	454
Bishop Fleming	24	22	123
Crowe Clark Whitehill	7	7	49
Deloitte	21	22	230
Dow Schofield Watts	7	4	19
EY	28	25	198
PKF Francis Clark	57	43	340
Grant Thornton	42	37	422
Hazlewoods	46	34	220
KPMG	18	43	297
Mazars	20	11	70
Meridian	9	9	49
MHA MacIntyre Hudson	5	4	14
Milsted Langdon	7	5	44
Momentum	4	3	26
PwC	22	20	261
RSM	55	50	375
Smith & Williamson	9	9	80
Spectrum	11	6	29
WH Ireland	6	15	88

Simon Davies, Spectrum Corporate Finance: *"2017 was another strong year for M&A. The expected reduction in activity post Brexit and the effect of a hung parliament have proven to be unfounded in M&A to date and we have experienced a solid wave of new business throughout 2017 which is continuing with numerous enquiries at the start of 2018. The market continues to be buoyant and the economy is strong in many areas such as TMT and Business Services. We are seeing much greater overseas participation in sale processes, and in the last six months 70% of our disposals have been to overseas buyers from the USA, Australia, China and Continental Europe."*

Nigel Le Bas, Grant Thornton: *"We are continuing to see a high level of activity in the market, even with the apparent headwinds of the many macro-economic issues that we are all aware of. Fundamentally this appears to be down to two factors. Firstly, the level of liquidity in the market, both from private equity and trade acquirers, is creating a high level of demand for opportunities. On the flip side, business owners appear to be seeking some form of de-risking event, be it a cash out, private equity investment or a trade sale. This appear due to many owners seeing the benefit of extracting cash or selling up with the general uncertainty of what the 'new world' may look like in 2019 and beyond. Interestingly, overseas appetite for UK businesses has not waned (the pound's performance is helping) and so this appetite, together with the need for investors to put their money to work, is creating a number of opportunities for business owners currently - it certainly is a seller's market."*

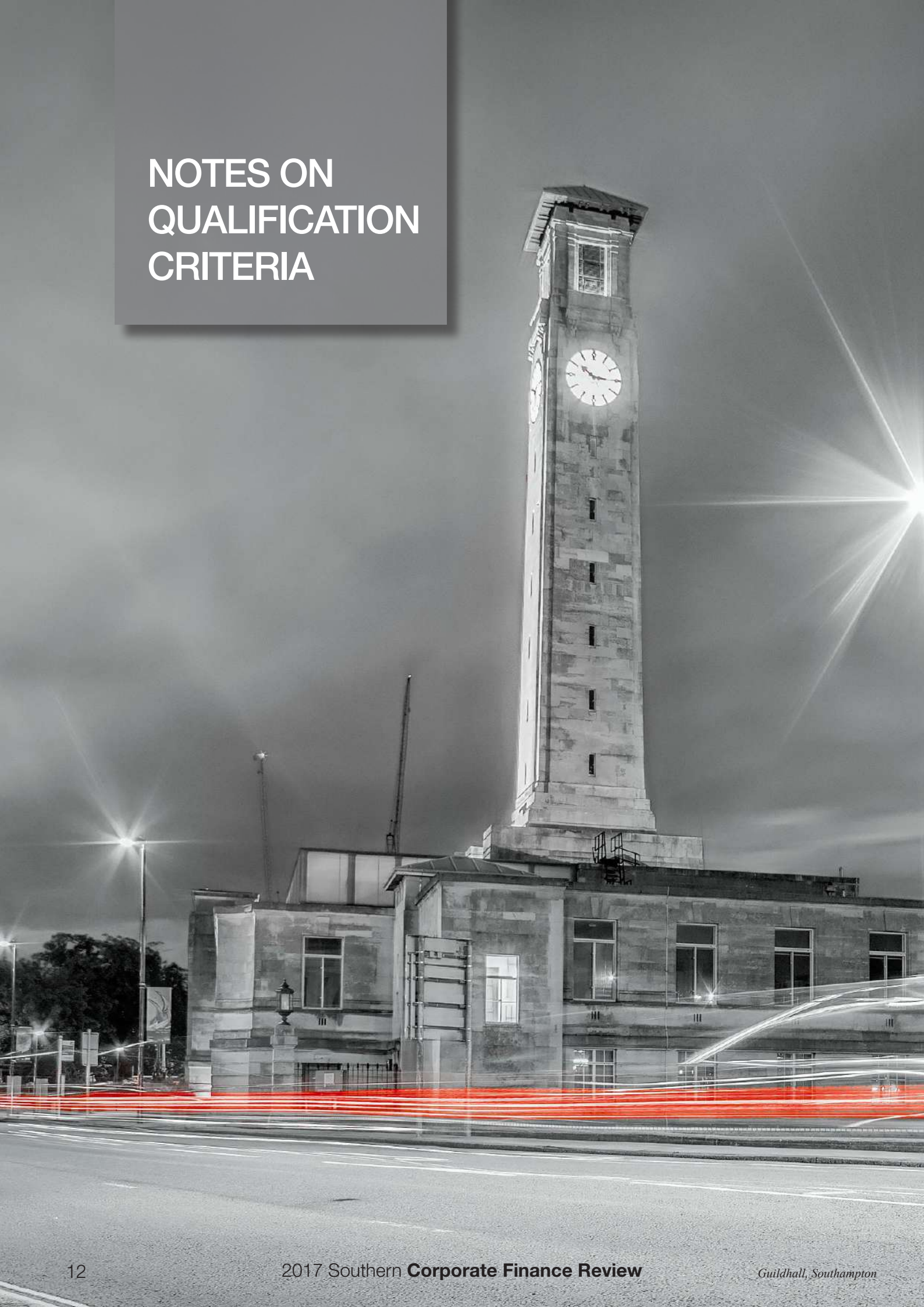
The mix of experience across the region can be emphasised by an analysis of deal types by financial advisers/accountants, as below:

Deal volumes - by deal type for last ten years - financial advisers / accountants

Firm	Acq / Sales	Dev. capital	Flotation	Investor Buy Outs	MBO/ MBI	Mergers	Right/other issues	Share buy back	Other	Total
BDO	317	9	12	28	59	8	10	10	1	454
Bishop Fleming	89	8	–	-	23	1	1	-	1	123
Crowe Clark Whitehill	27	4	8	-	6	1	3	-	-	49
Deloitte	151	4	9	16	39	4	2	3	2	230
Dow Schofield Watts	19	-	-	-	-	-	-	-	-	19
EY	141	5	1	20	17	5	8	-	1	198
PKF Francis Clark	207	59	-	4	46	4	5	4	11	340
Grant Thornton	305	17	10	18	47	7	13	5	-	422
Hazlewoods	200	4	1	3	11	-	-	1	-	220
KPMG	210	8	12	27	26	7	3	2	2	297
Mazars	54	1	-	1	12	2	-	-	-	70
Meridian	25	4	-	-	20	-	-	-	-	49
MHA MacIntyre Hudson	10	-	-	1	3	-	-	-	-	14
Milsted Langdon	37	1	-	-	6	-	-	-	-	44
Momentum	17	-	-	-	9	-	-	-	-	26
PwC	161	15	8	27	40	5	2	2	1	261
RSM	247	21	9	11	75	3	6	2	1	375
Smith & Williamson	58	6	1	3	7	2	2	1	-	80
Spectrum	16	4	-	3	6	-	-	-	-	29
WH Ireland	32	2	4	1	-	-	3	46	-	88

Note: We have combined the Experian categories of accountants and financial advisers for the above tables as some firms were split across both categories.

NOTES ON QUALIFICATION CRITERIA



Guildhall, Southampton

The figures in this publication are from Experian's MarketIQ database and are based on Mergers & Acquisitions (M&A) and Equity Capital Market (ECM) transactions announced between the dates of 1 January 2017 and 31 December 2017.

Inclusion criteria

- The minimum deal value for inclusion is £500,000. Value figures are based on disclosed considerations.
- The analysis is based on deals involving a company that is located in the South East (being Hampshire, Sussex, Berkshire, Buckinghamshire, Surrey, Isle of Wight, Kent and Oxfordshire) and the South West (being Cornwall, Devon, Somerset, Gloucester, Dorset and Wiltshire). Deals are attributed to regions based on the address of the target or bidder companies as registered at Companies House. Should a company's principal place of business differ from its registered location, we will also attribute the deal to the region of its principal trading address.
- The database does not track the acquisition of: brands, assets or titles where no associated infrastructure is exchanged; land, oil and gas fields; individual assets (such as aeroplanes and oil rigs); undeveloped mines; distribution rights; mining licences; property that is currently under construction; shareholdings in private finance initiative (PFI) projects; credit card or loan portfolios. Other exclusions include the issue of bonds or notes, except as part of another transaction e.g. in order to raise funds to effect an acquisition; joint ventures where no new entity is created, e.g. production sharing contracts; inter-company loans.
- League tables are based on the volume of legal or financial advisory services provided to the target, bidder, vendor, debt or equity provider, shareholders, directors, management or other parties to a deal. League tables exclude rumoured, cancelled, withdrawn or lapsed deals. Inclusion in the tables is based on the firm having a presence in the South (as defined above) and also based on volume of deals enacted over the last ten years.
- This publication was compiled on 30 April 2018.
- Experian believes that the information it provides was obtained from reliable sources, but does not guarantee its accuracy. Due to the fact that records are updated daily, transaction data and league table rankings may vary between publications.

For further information on Experian league tables, inclusion criteria, deal submissions or quarterly updates please contact:

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PUBLISHED May 2018

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