

Statistical bulletin

# Mergers and Acquisitions Involving UK Companies: Quarter 3 July to September 2015

Estimates of the value and numbers of mergers, acquisitions and disposals involving UK companies with values of £1.0 million or more.

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# 1 . Main points

- During Quarter 3 (July to Sept) 2015, the number of completed domestic and cross-border mergers and acquisitions (M&A) involving UK companies continued to show much lower levels of activity compared with those seen before the 2008 to 2009 economic downturn.
- In Quarter 3 2015, there were a combined total of 72 completed domestic and cross-border M&A involving a change of majority share ownership compared with 112 in the previous quarter (Quarter 2 (Apr to June) 2015).
- Domestic M&A (UK companies acquiring other UK companies) reported 31 successful transactions in Quarter 3 2015, the lowest since we first began to publish quarterly data in Quarter 1 (Jan to Mar) 1969.
- In Quarter 3 2015, the number of successful outward acquisitions (UK companies acquiring companies abroad) fell to 18 transactions, from 32 in the previous quarter (Quarter 2 (Apr to June) 2015).
- During Quarter 3 2015, there were 23 successful inward acquisitions of UK companies by foreign companies, the lowest number reported since Quarter 1 2013 (19).

## 2 . Your views matter

We are constantly aiming to improve this release and its associated commentary. We would welcome any feedback you might have and would be particularly interested in knowing how you make use of these data to inform our work. For further information please contact us via email: [m&a@ons.gov.uk](mailto:m&a@ons.gov.uk) or telephone Michael Hardie on +44 (0) 1633 455923.

## 3 . Uses of Mergers and Acquisitions data

The estimates produced for mergers and acquisitions (M&A) are vital and important components of Foreign Direct Investment (FDI) flows data (inward and outward) and which is used to calculate the UK Balance of Payments published in the Blue Book and Pink Book.

In addition the M&A data and information is used to update and maintain the structure of companies listed on the ONS Inter- Departmental Register (IDBR).

## 4 . Summary

This release covers Mergers and Acquisitions (M&A) transactions that have successfully completed, result in a change of ultimate control of the target company and have a value of £1 million or more. Information on the number and value of transactions are reported, in addition to whether transactions are acquisitions or disposals. Figures relating to mergers are included within acquisitions and those relating to demergers are contained within disposals. These statistics are presented on a current price basis, which are prices as they were at the time of measurement and are therefore not adjusted for inflation.

The quarterly numbers and value of M&A activity are prone to large quarter-on-quarter movements, as these data relate to specific “one time” only transactions. For example, one quarter can be heavily impacted by one large transaction. Therefore it can be more appropriate to analyse trends over time.

In Quarter 3 (July to Sept) 2015, there were a total of 72 successful domestic and cross-border mergers and acquisitions involving UK companies. This included 31 domestic transactions, 23 inward transactions and 18 outward transactions representing a fall of 36% on Quarter 2 (Apr to June) 2015 (112) and a 20% fall on the number recorded in Quarter 3 2014 (90) (Figure 1).

Overall, during the third quarter of 2015 the total number of domestic and cross-border mergers and acquisitions involving UK companies remain at much lower levels of activity than before and immediately after the 2008 to 2009 the economic downturn.

### Figure 1: Number of acquisitions involving UK companies

1990 to 2015

Figure 1: Number of acquisitions involving UK companies

1990 to 2015



Source: Office for National Statistics

The level of successful M&A activity during Quarter 3 2015 can also be placed in context by comparing the levels of M&A activity involving UK companies with the average number, value and average value per transaction of consecutive 5-year intervals since 1997 (Table 1).

At Quarter 3 2015, the average value of 18 completed acquisitions made abroad by UK companies (outward M&A) was £90 million, similar to the value for acquisitions reported during the 5-year interval of Quarter 1 (Jan to Mar) 2002 to Quarter 4 (Oct to Dec) 2006 (£86 million). However, when compared with average value for the 14 quarters, Quarter 1 2012 to Quarter 2 2015 (£186 million), the average value per transaction has fallen by £96 million, a decrease of 52%.

In contrast, the average value of 23 completed UK acquisitions made by foreign companies (inward M&A) during Quarter 3 2015 was reported as £383 million, showing an increase in the average value of £211 million when compared with 34 acquisitions completed in the period, Quarter 1 2012 to Quarter 2 2015 (£172 million). This increase in the average value of inward acquisitions at Quarter 3 2015 can be explained by a few large completed acquisitions which were valued in excess of £1 billion. This indicates that although there were fewer successful inward acquisitions involving UK companies in the Quarter 3 2015 (23) compared with Quarter 1 2012 to Quarter 2 2015 (34), the acquisitions which did complete were of a higher value.

At Quarter 3 2015, the average value for 31 domestic acquisitions of UK companies made by other UK companies (£23 million) saw a 23% fall when compared with the average value of £30 million reported for 56 completed acquisitions between Quarter 1 2012 and Quarter 2 2015.

**Table 1: The average number and value of M&A involving UK companies, grouped into five year intervals, 1997 to 2015**

	Abroad by UK companies			Overseas companies in the UK			Between UK companies		
	Number	Value	Average value	Number	Value	Average value	Number	Value	Average value
1997-2014 Q4	80	10,440	130	49	9,481	193	126	6,426	51
1997-2001	128	20,402	159	54	9,900	183	136	10,921	80
2002-2006	79	6,812	86	46	9,203	200	164	6,448	39
2007-2011	67	8,014	119	54	11,813	219	121	4,807	40
2012-2015 Q2	26	4,825	186	34	5,692	172	56	1,670	30
Q3 2015	18	1,617	90	23	8,804	383	31	721	23

Source: Office for National Statistics

Notes:

1. At Q1 2010 the deal identification threshold for the mergers and acquisitions surveys was raised from £0.1 million to £1.0 million. There is therefore a discontinuity in the number of transactions reported as illustrated above.
2. Average value per transaction.
3. Quarter 4 is Oct to Dec 2014, Quarter 1 is Jan to Mar 2015, Quarter 2 is Apr to June 2015, Quarter 3 is July to Sept.
4. At Q3 2015 the actual number of completed deals is used to calculate the average value per transaction.

## 5 . Transactions in the UK by other UK companies

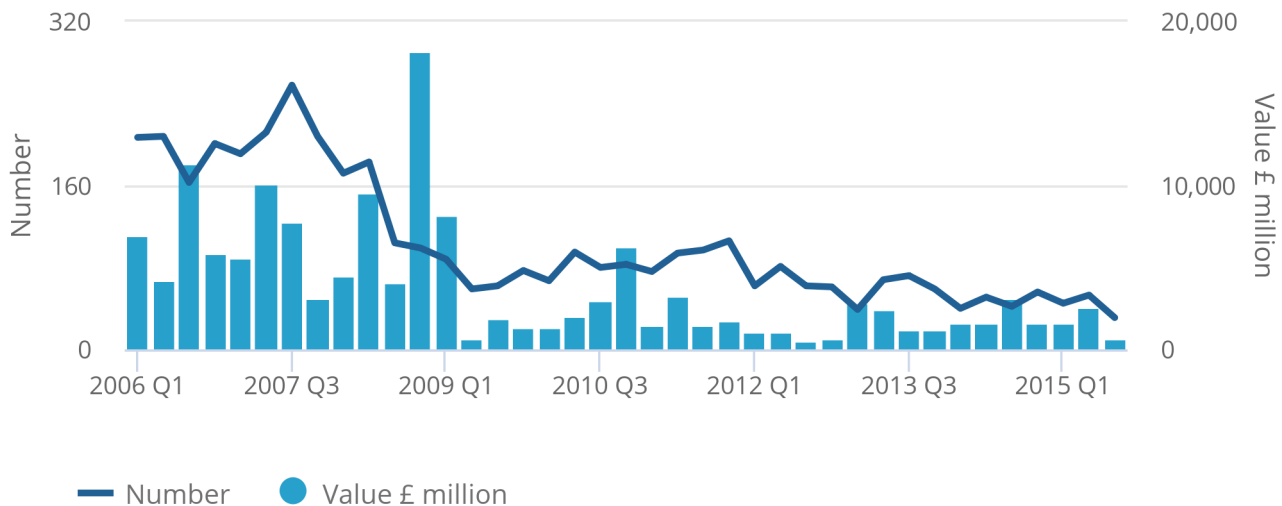
During Quarter 3 (July to Sept) 2015, the number of successful M&A of UK companies made by other UK companies (domestic M&A) saw a decrease when compared with the previous quarter (Quarter 2 (Apr to June) 2015), continuing to report much lower levels of activity than before the 2008 to 2009 economic downturn (Figure 2).

**Figure 2: Transactions in the UK by other UK companies**

Quarter 1 (Jan to Mar) 2006 to Quarter 3 (July to Sept) 2015

Figure 2: Transactions in the UK by other UK companies

Quarter 1 (Jan to Mar) 2006 to Quarter 3 (July to Sept) 2015



Source: Office for National Statistics

Notes:

1. At Q1 2010 the deal identification threshold for the mergers and acquisitions surveys was raised from £0.1 million to £1.0 million. There is therefore a discontinuity in the number of transactions reported as illustrated above.
2. All values are at current prices (see Background Notes for definition).
3. Quarter 1 (Jan to Mar), Quarter 2 (Apr to June), Quarter 3 (July to Sept) and Quarter 4 (Oct to Dec).

Quarter 3 2015 saw a 42% fall in the number of successful domestic M&A when compared with the previous quarter (Quarter 2 2015). There were 31 completed domestic acquisitions reported in Quarter 3 2015 compared with 53 acquisitions in Quarter 2 2015, the lowest number of domestic M&A reported since we first began to publish quarterly data in Quarter 1 (Jan to Mar) 1969. Year-on-year comparison saw the total number of completed domestic M&A in Quarter 3 2015 (31 acquisitions) fall by 26% when compared with the number reported for the same quarter in 2014 (42 acquisitions).

The value of successful domestic acquisitions involving a change in majority share ownership also fell by 73% between the second and third quarters of 2015, from £2.6 billion in Quarter 2 2015 to £0.7 billion in Quarter 3 2015 and follows a similar pattern of activity which has been seen since Quarter 3 2012.

Year-on-year comparison of successful domestic M&A between Quarter 1 and Quarter 3 2015 shows that the combined total value of domestic acquisitions was lower than for the same period in 2014. Between Quarter 1 and Quarter 3 2015 the combined total value of domestic M&A (£5.0 billion) has fallen by 22% when compared with the total value for the same 3 quarters of 2014 (£6.4 billion). The combined number of domestic acquisitions between Quarter 1 and Quarter 3 2015 also fell slightly, from 133 (Quarter 1 to Quarter 3 2014), to 129 (Quarter 1 to Quarter 3 2015).

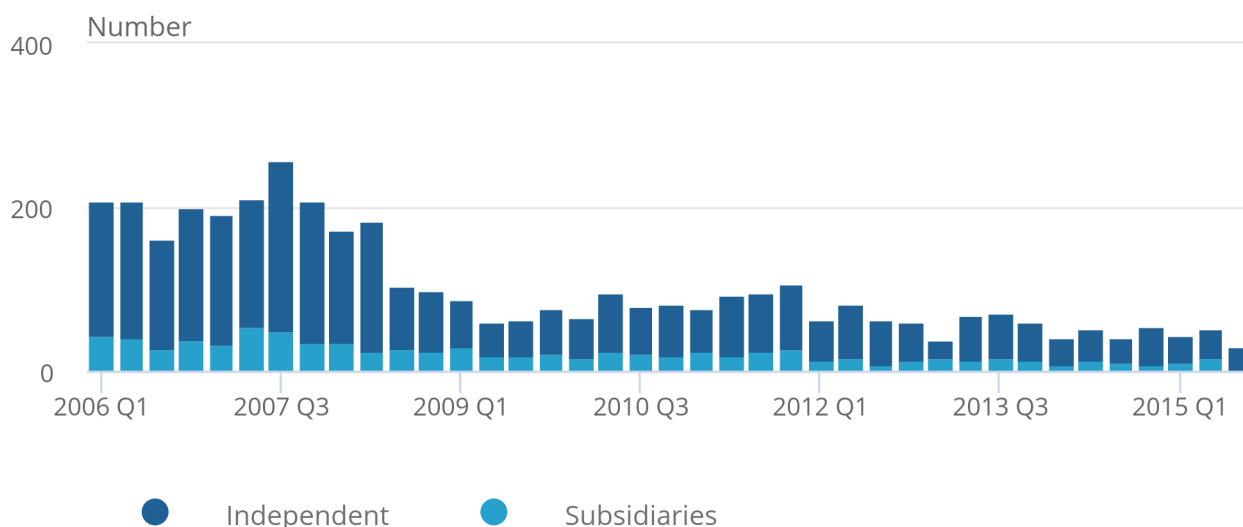
The total number of domestic M&A can be split into those made by independently-controlled companies and those which are subsidiaries. The acquisition of an independent company means the purchase of a company in its entirety, whereas the acquisition of a subsidiary means the acquisition of a part of a company between 50.1% to 100% (Figure 3).

**Figure 3: Summary of mergers and acquisitions in the UK by other UK companies**

Quarter 1 (Jan to Mar) 2006 to Quarter 3 (July to Sept) 2015

Figure 3: Summary of mergers and acquisitions in the UK by other UK companies

Quarter 1 (Jan to Mar) 2006 to Quarter 3 (July to Sept) 2015



Source: Office for National Statistics

Notes:

1. Quarter 1 (Jan to Mar), Quarter 2 (Apr to June), Quarter 3 (July to Sept) and Quarter 4 (Oct to Dec).

During Quarter 3 2015, the number of successful acquisitions of independently-controlled companies (27), totalling £0.5 billion, represented the majority (87%) of the total number of completed domestic acquisitions and mergers (31).

In comparison, successful domestic acquisitions involving subsidiaries between UK company groups (4), valued at £0.3 billion, accounted for only 13% of the overall total number of domestic acquisitions involving a change of majority ownership.

## **Notable domestic acquisitions, valued at £100 million or more, that took place during Quarter 3 2015**

[Polypipe Group PLC](#) of the UK acquired Nu-Oval Acquisitions 1 Ltd (Nuaire) of the UK

[Daisy Group Holdings Ltd](#) of the UK acquired Phoenix IT Group Plc of the UK

## 6 . Transactions in the UK by foreign companies

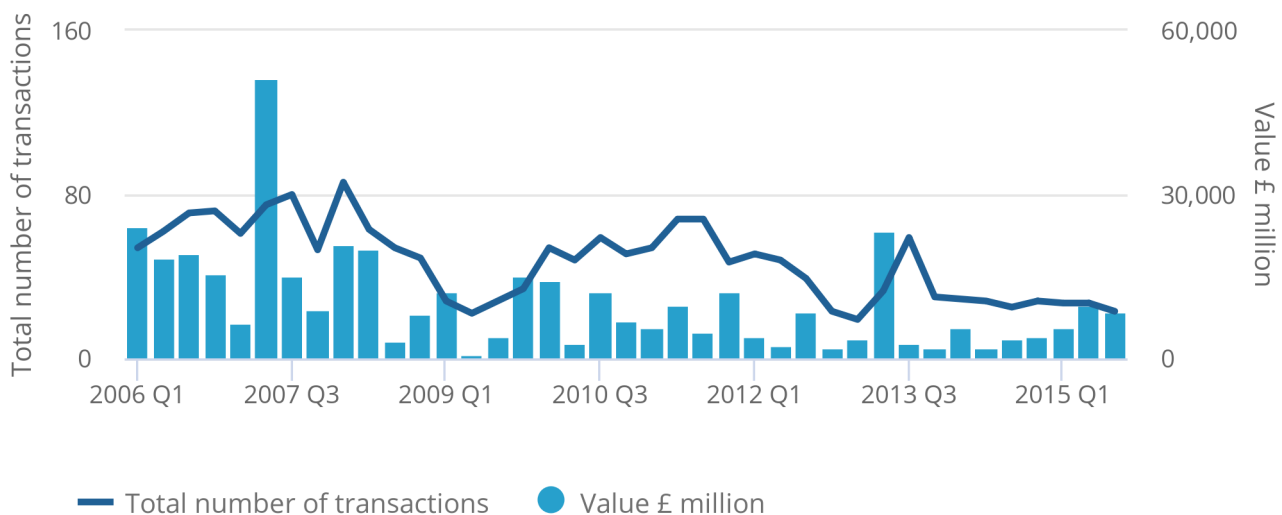
During Quarter 3 (July to Sept) 2015, the number of successful mergers and acquisitions of UK companies by foreign companies (inward M&A), involving a change of majority ownership, continued to see relatively flat levels of activity for the 8th consecutive quarter (since Quarter 4 (Oct to Dec) 2013), remaining well below the numbers reported before the 2008 to 2009 economic downturn (Figure 4).

**Figure 4: Transactions in the UK by foreign companies**

Quarter 1 (Jan to Mar) 2006 to Quarter 3 (July to Sept) 2015

Figure 4: Transactions in the UK by foreign companies

Quarter 1 (Jan to Mar) 2006 to Quarter 3 (July to Sept) 2015



**Source: Office for National Statistics**

**Notes:**

1. At Q1 2010 the deal identification threshold for the mergers and acquisitions surveys was raised from £0.1 million to £1.0 million. There is therefore a discontinuity in the number of transactions reported as illustrated above.
2. All values are at current prices (see Background Notes for definition).
3. Quarter 1 (Jan to Mar), Quarter 2 (Apr to June), Quarter 3 (July to Sept) and Quarter 4 (Oct to Dec).

In Quarter 3 2015, there were 23 completed acquisitions of UK companies made by foreign companies, compared with 27 in the previous quarter (Quarter 2 (Apr to June) 2015). This reflects a fall in the level of inward M&A activity of approximately 15% and is the lowest number of successful inward M&A transactions reported for over 2 years, when 19 acquisitions were completed in Quarter 1 (Jan to Mar) 2013.

Between the first and second quarters of 2015, the value of successful acquisitions in the UK made by foreign companies (inward acquisitions) increased by 70%, from £5.7 billion reported in Quarter 1 2015 to £9.7 billion in Quarter 2 2015. However, in Quarter 3 2015, the value of inward M&A saw a decline falling to £8.8 billion, an overall decrease of 9% (£1.1 billion) when compared with the value of inward acquisitions (£9.7 billion) reported in the previous quarter (Quarter 2 2015).

One large publicly reported inward M&A that involved a change in majority share ownership and which completed during Quarter 3 2015 was the acquisition of Lafarge Tarmac Holdings Ltd of the UK, by CRH Plc of the Republic of Ireland.

Quarter 3 2015 saw 5 successful inward disposals of UK companies involving a change of majority share ownership, a quarter-on-quarter decline of 55% when comparison is made with Quarter 2 2015 (11 disposals).

In contrast, at Quarter 3 2015, the value of the inward disposals (£3.4 billion) shows an increase of £0.9 billion, when compared with the value of £2.5 billion recorded at Quarter 2 2015. This is an increase of 36% and is an indication that although there was a decline in the number of disposals of UK companies by foreign companies during Quarter 3 2015 compared with Quarter 2 2015, the transactions which did complete were higher in value.

A large inward disposal of a UK company which completed during Quarter 3 2015 was Lafarge Holcim Ltd of Switzerland who sold their majority ordinary share interests in Lafarge Tarmac Holdings of the UK to CRH Plc of the Republic of Ireland.

## **Other notable inward transactions, valued at £100 million or more, that took place in the UK by foreign companies during Quarter 3 2015**

[Ferrero International SA](#) of Luxembourg acquired Thorntons Plc of the UK

[Qualcomm Incorporated](#) of the USA acquired CSR Plc of the UK

[Walgreens Boots Alliance Inc](#) of the USA acquired Liz Earle Beauty Co Ltd of the UK

[Thermo Fisher Scientific Inc](#) of the USA acquired Alfa Aesar Research Chemical Business (UK) of the UK

[JBS S.A.](#) of Brazil acquired Moy Park Holdings (Europe) Ltd of the UK

[Argyle Street Management Holdings Limited](#) of the British Virgin Islands acquired Asia Resource Minerals Plc of the UK

[Fairfax Financial Holdings Ltd](#) of Canada acquired Brit Plc of the UK

[Optimal Payments Plc](#) of the Isle of Man acquired Sentinel Holdco 2 Ltd of the UK

[The Middleby Corporation](#) of the USA acquired AGA Rangemaster Plc of the UK

[Sentinel Group Holdings SA](#) of Luxembourg disposed of Sentinel Holdco 2 Ltd of the UK

[Avon Products Inc](#) of the USA disposed of Liz Earle Beauty Co Ltd of the UK

[Marfrig Global Foods SA](#) of Brazil disposed of Moy Park Holdings (Europe) Limited of the UK

## 7 . Transactions abroad by UK companies

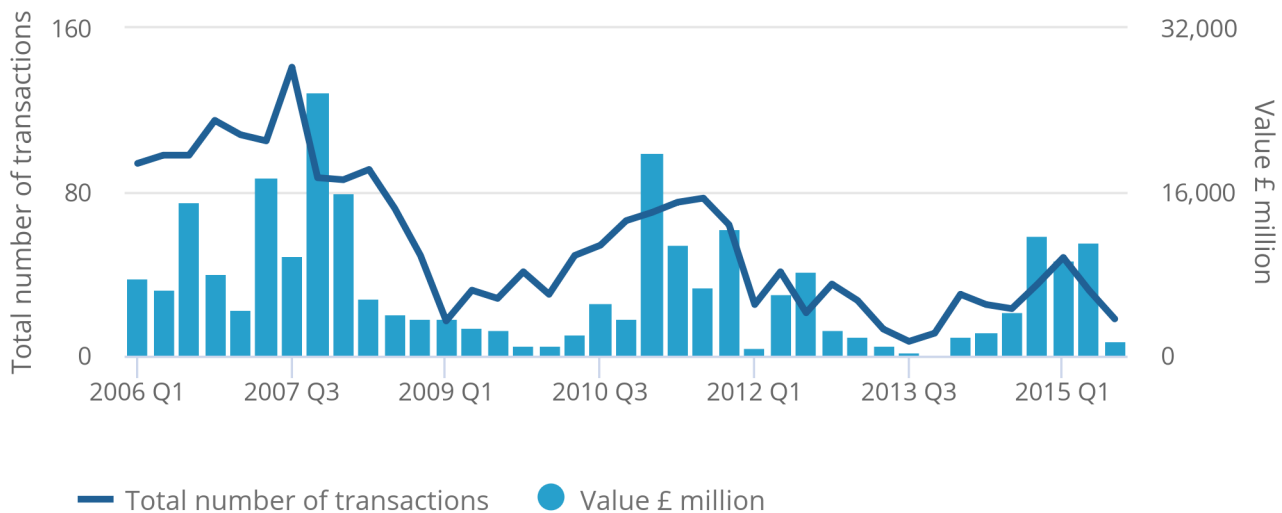
In Quarter 3 (July to Sept) 2015, the number of UK companies that were successful in acquiring foreign companies (outward M&A), involving a change of majority ownership have continued to decline, even after having seen a slight upturn in number at Quarter 1 (Jan to Mar) 2015. During Quarter 3 2015, outward M&A followed a similar pattern to that seen for both domestic and inward M&A, continuing to report much lower levels of activity than seen before the 2008 to 2009 economic downturn (Figure 5).

**Figure 5: Transactions abroad by UK companies**

Quarter 1 (Jan to Mar) 2006 to Quarter 3 (July to Sept) 2015

### Figure 5: Transactions abroad by UK companies

Quarter 1 (Jan to Mar) 2006 to Quarter 3 (July to Sept) 2015



Source: Office for National Statistics

**Notes:**

1. At Q1 2010 the deal identification threshold for the mergers and acquisitions surveys was raised from £0.1 million to £1.0 million. There is therefore a discontinuity in the number of transactions reported as illustrated above.
2. All values are at current prices (see Background Notes for definition).
3. Quarter 1 (Jan to Mar), Quarter 2 (Apr to June), Quarter 3 (July to Sept) and Quarter 4 (Oct to Dec).

In Quarter 3 2015 the number of successful acquisitions made abroad by UK companies (outward M&A), involving a change in majority share ownership decreased to 18 transactions. This shows a fall of 44% compared with the previous quarter (Quarter 2 (Apr to June) 2015) when 32 transactions were completed and also a year-on-year fall of 22% when compared with Quarter 3 2014 (23 transactions). This decline in the level of outward M&A activity between the second and third quarters appears to follow a similar pattern to that reported for the past 4 years, since Quarter 3 2012.

The value of outward M&A involving UK companies has also decreased during the third quarter of 2015, from £11.1 billion in Quarter 2 2015 to £1.6 billion in Quarter 3 2015, a notable quarter-on-quarter decrease of 86%. Year-on-year comparison also showed a fall in the value of outward M&A from £4.5 billion in Quarter 3 2014 to £1.6 billion in Quarter 3 2015, reporting a lower level of decline of approximately 64% (£2.9 billion).

The quarterly estimates for the number and value of disposals of foreign companies made by UK companies (outward disposals) during Quarter 3 2015 have been suppressed in this bulletin to avoid any potential disclosure in this type of M&A activity.

## **Notable outward transactions valued at £100 million or more, that took place abroad by UK companies in Quarter 3 2015**

[British American Tobacco Plc](#) of the UK acquired TDR d.o.o. of Croatia.

[Bridgepoint Advisers Group Limited](#) of the UK acquired Nordic Cinema Group Holding AB of Sweden

[Ultra Electronics Holdings Plc](#) of the UK acquired the Electronics Products Division of Kratos Defense & Security Solutions Inc of the USA

[Zegona Communications Plc](#) of the UK acquired Telecable de Asturias S.A. of Spain

[D S Smith Plc](#) of the UK acquired Grupo Lantero's Corrugated Business of Spain

[Anglo American Plc](#) of the UK disposed of Anglo American Norte S.A. of Chile

[Bridgepoint Europe IV Nominees](#) of the UK disposed of Infront Sports and Media AG of Switzerland

## **8 . Additional information**

The M&A data and information published in this release only includes data for acquisitions, mergers and disposals which are successfully completed. As part of the production process we also identify announced and agreed M&A transactions. The following notable M&A will feature in future releases:

[Anheuser-Busch Inbev SA/NV](#) of Belgium acquiring SABMiller Plc of the UK.

[Royal Dutch Shell Plc](#) acquiring BG Group Plc.

[Equinix INC](#) of the USA acquiring Telecity Group Plc of the UK.

[BBA Aviation Plc](#) of the UK acquired Landmark Aviation of the USA.

[Tesco Plc](#) of the UK disposing of Homeplus Co Ltd of the Republic of Korea.

## 9 . How our statistics compare with external evidence

Global merger, acquisitions and disposals activity can be driven by the availability of credit. Therefore, when credit conditions deteriorate, as happened in the 2008 to 2009 economic downturn, M&A activity declines. M&A activity can also be interpreted by the economic outlook and company profits, in addition to a range of other economic factors. The process of completing an M&A transaction takes time and sometimes there may be a lag between improving economic conditions and any quarter-on-quarter increase in M&A activity.

M&A can be affected by a number of different economic activities and therefore it is difficult to measure the exact impact of each activity.

The following section is designed to add additional context to the release and includes information taken directly from external sources with relevant hyperlinks provided.

Ernst & Young Global Ltd (EY) a global leader in assurance, tax, transactions and advisory services, in their Global Capital Confidence Barometer report for October 2015, reported that [executives are proceeding judiciously as they look to M&A for growth](#). They are conducting more thorough due diligence, including new levels of cyber risk scrutiny. And they are prepared to walk away from transactions that do not meet their strategic goals.

KPMG'S latest Global M&A Predictor report for September 2015 stated that [increasing confidence still does not appear to be reflected in actual transaction levels](#), with both completed deal volumes and values falling in the UK and globally over the 6-month period from January to June 2015.

Mergermarket, in its Monthly M&A Insider report for November 2015, reported that it does seem like [global economic uncertainty has affected M&A activity in Europe](#).

The BoE's Credit Conditions Survey for Quarter 3 2015 reported that [credit availability increased slightly for small businesses](#), although remained relatively unchanged for medium-sized and larger companies. On the other hand, demand for credit was reported to have increased across all business sizes in Quarter 3 2015. Lenders indicated that mergers and acquisitions, and inventory finance as factors pushing up demand.

The BoE's Agents' Summary of Business Conditions for Quarter 3 2015 reported that [credit availability for medium and larger corporations was above normal](#), with terms and rates having eased alongside rising competition. Credit availability for smaller firms had improved and was approaching normal.

The Office for Budget Responsibility (OBR) in its Forecast Evaluation report for October 2015, stated that [the supply of new credit has remained subdued](#) and although lending to households continues to pick up, bank lending to businesses remains weak, having generally fallen year-on-year since the financial crisis.

In addition, the OBR in its November 2015 Economic and Fiscal Outlook, reported that [business investment grew relatively strongly](#) in the first 2 quarters of 2015 and expected it to grow by 6.1% in 2015 as a whole. Bank lending to non-financial companies remained subdued however, with the growth in net lending to small and medium-sized enterprises turning positive in the year to September 2015.

## . Background notes

### 1. Overview of Mergers and Acquisitions

The M&A estimates are analysed and produced to measure investment data for:

- investment in the UK by UK companies (Domestic investment)
- investment/Disinvestment in the UK by foreign companies (Inward investment/disinvestment)
- investment/Disinvestment in foreign companies by UK companies (Outward investment /disinvestment)

Within ONS, M&A data are essential for producing the National Accounts. The survey results form important components of the UK Balance of Payments and Financial Accounts and are vital in the measurement of the financial and non-financial business sector accounts. M&A data is used in the compilation of the estimates for Foreign Direct Investment and additionally used by other government departments when preparing ministerial briefings. For example, HM Treasury, The Department for

Business, Innovation and Skills, UK Trade & Investment and HM Revenue and Customs. The M&A data estimates are also used by foreign embassies, economists and academics for research purposes and for periodic statistical comparisons.

## 2. Your views matter

We are constantly aiming to improve this release and its associated commentary. We would welcome any feedback you might have and would be particularly interested in knowing how you make use of these data to inform our work. Please contact us via email: [m&a@ons.gov.uk](mailto:m&a@ons.gov.uk) or telephone Michael Hardie on +44 (0) 1633 455923

## 3. Basic quality information

The [Quality and Methodology Information for Mergers and Acquisitions \(M&A\)](#) surveys report describes in detail the intended uses of the statistics presented in this publication, their general quality and the methods used to produce them.

## 4. Relevance to users

The degree to which the statistical outputs meet users' needs.

Within ONS, the mergers and acquisitions data are considered to be essential for producing the National Accounts. The survey results form important components of the UK Balance of Payments and Financial Accounts and are vital in the measurement of the financial and non-financial business sector accounts.

The Cross-Borders Acquisitions and Mergers survey (M&A) data are used in the compilation of the estimates of Foreign Direct Investment (FDI). These data meet the needs of FDI by collecting data on all acquisitions which lead to a holding in excess of 10% of the issued share capital. These estimates then feed into the UK Balance of Payments and the 'Rest of the World' sector of the financial accounts in the National Accounts, for which there is an EU legal requirement. Individual transaction information is also used to estimate the counterpart in 'portfolio' investment flows for monthly Balance of Payments.

The data collected are also used in updating business structures and country of ownership codes on the Inter-Departmental Business Register (IDBR). The IDBR is a comprehensive list of UK businesses that is used by government for statistical purposes.

### **Elsewhere in government, examples of departments who use the data include:**

- HM Treasury, Economic Analysis Division, where the data are used in preparing briefing and forecasting
- Department for Business, Innovation and Skills, where direct investment data are required for ministerial briefing, parliamentary questions and in formulating trade policy
- UK Trade and Investment, where the information is used for briefing on the extent to which the UK is successful in attracting inward investment
- HM Revenue and Customs, where the data are used to help in forecasting company taxation

Non-government users include:

- private companies which are interested in analysing country and industry data for trends by foreign firms in the UK and by UK companies abroad and also for researching corporate finance activity and for the purpose of investment banking
- UK embassies in foreign countries, who are interested in information on specific countries and companies making acquisitions

- private sector economists, journalists and academics who are interested in information on particular industries and particular countries for research purposes and who use the data for periodic statistical comparisons

Feedback from users has indicated that the information received from the M&A survey has a high degree of relevance across the above user groups, meets the vast majority of user needs, and all information currently collected and published is used.

### **Source of data**

The information collected is based on reports in the financial press, specialist magazines, company and financial websites supplemented by special surveys to businesses to determine the form, value and timing of each transaction.

If the information is not yet in the public domain, such transactions may not be reflected in the analysis. Where full information has not yet been received on the details of the acquisition or disposal, the value of the transaction indicated in the public domain is used as an interim estimate.

The data shown in this release relate solely to mergers and acquisitions undertaken by companies: acquisitions by individuals are not included.

This publication contains data relating mergers, demergers, acquisitions and disposals. Figures relating to mergers are included within acquisitions and those relating to demergers are contained within disposals.

ONS makes every effort to provide informative commentary on the data in this release. As part of the quality assurance process, individual businesses are contacted in an attempt to capture reasons for large period on period data movements. It can prove difficult to gather detailed reasons from some businesses to help inform the commentary. Frequently, reasons given for data movements refer to a "change in market conditions" or a "restructure of the company". Consequently, it's not possible for all data movements to be fully explained.

ONS are aware that a number of users make use of these data for modelling or forecasting purposes. In doing so, it is important that users make note of our revisions policy (see note 7 in the background notes) and that all time series are on a 'current price' basis, which means that the values are as they were at the time of measurement and not adjusted for inflation. Acquisitions and disposal activity can be affected by UK and global economic and political issues and therefore quarterly estimates can be volatile.

One question often asked of the M&A release is "why is there a time delay between the announcement of M&A transactions in the press and the inclusion of these transactions within ONS M&A figures?" The difference is that ONS figures record when a transactions legally completes as opposed to when the transaction has been announced in the press. The complexities surrounding the acquisitions/disposals taking place often incurs a time lag, which can vary between quarters.

## **5. Significant transactions**

Significant Transactions tables show the reported figures for a selection of significant transactions which occurred in the quarter, where "significance" is defined as the absolute value of the deal.

The information shown is taken from each relevant company's press release which is available within the public domain. A direct link to each press release is provided. Should a company request that details of the transaction be kept confidential then the deal is excluded, however, the values are included in the aggregate tables. Occasionally, therefore, a large deal may be missing (suppressed) from the lists so it is best to regard these tables as an indication of the ranking of deals rather than a completely exhaustive listing.

Press reported figures for M&A transactions often differ to some extent from those supplied by companies to ONS and it is the latter which are used in compiling statistical aggregates in tables 1-10. Included in the prices quoted in the tables of significant transactions is the total published price paid for the company excluding any assumed debt where known. Deferred payments are included in the reported price even if the payment is made in a different quarter.

## 6. Types of transactions covered

**Mergers** are acquisitions in which all or part of the payment is made in shares, such that the shareholders of the two companies become shareholders of a new, combined company group.

**Demergers** are disposals where a company group divides into two or more separate companies, in such a way that the shareholders of the restructured companies remain the same, or retain the equivalent value shareholding in one of the newly independent companies. Demergers are included in the statistics within disposals.

**Acquisitions** are transactions which involve one company purchasing the ordinary shares of a second company ("target company"). A target company is usually of a smaller size than the company undertaking the purchase.

**Disposal** is a term used to describe the action when a company or organisation sells or liquidates the ordinary shares of a second company ("target company").

**Cross-border acquisitions** denote transactions where a company in one country acquires, either directly or indirectly, a controlling interest in a company in another country.

**Direct transactions** are those where a company acquires a controlling interest in another company.

**Indirect transactions** are those where a company uses an existing foreign subsidiary to acquire a controlling interest in a company resident in another country. The acquiring foreign intermediate company may be located in the same country in which the acquisition is being made or in a different country.

**Acquisitions within the UK by other UK companies** denote mergers and acquisitions involving only UK registered companies.

Where the acquired company was a subsidiary of another company the transaction is classified as a sale between company groups.

The phrase "acquisitions in the UK by UK companies" refer to deals where the ultimate ownership remains in the UK. This heading does not cover the total number or value of deals where a UK company is the acquirer. When a foreign company acquires a UK company through one of its existing UK subsidiaries or a UK registered special purpose vehicle that deal is shown as part of the data under "acquisitions in the UK by foreign companies".

### **Acquisition of independent companies**

The acquisition of an independent company means the purchase of a company in its entirety – the company itself and all of its subsidiaries.

### **Acquisition of subsidiary companies**

The acquisition of a subsidiary company means the purchase of part of a company.

## 7. Financing

This statistical bulletin provides details of the application of funds to effect mergers and acquisitions and the proceeds raised from disinvestments and demergers.

For indirect foreign transactions there is the added complication of considering the movements of funds either as capital injection or in the form of loans between parent companies and their foreign subsidiaries making the acquisition. Occasionally, the foreign subsidiary obtains the funds required partly or entirely outside the UK from sources such as:

- own resources
- borrowing from banks and other local sources
- share, bond and other capital or notes issued abroad

Also, a transaction may be funded by more than one method.



**8. Definitions of geographic areas**

**Table A: Definitions of geographic and economic areas**

Europe				
EU	Austria	Belgium	Bulgaria	Croatia
	Cyprus	Czech Republic	Denmark	Estonia
	Finland	France	Germany	Greece
	Hungary	Irish Republic	Italy	Latvia
	Lithuania	Luxembourg	Malta	Netherlands
	Poland	Portugal	Romania	Slovakia
	Slovenia	Spain	Sweden	
Other European Countries	Albania	Andorra	Belarus	Bosnia and Herzegovina
	Faroe Islands	Gibraltar	Iceland	Liechtenstein
	Macedonia, the Former Yugoslav Republic of	Moldova	Montenegro	Norway
	Russian Federation	San Marino	Serbia	Switzerland
	Turkey	Ukraine	UK Offshore Islands (Guernsey, Jersey, other Channel Islands & Isle of Man)	Vatican City State
The Americas				
Anguilla	Antigua & Barbuda	Argentina	Aruba	Bahamas
Barbados	Belize	Bermuda	Bolivia	Bonaire, Sint Eustatius & Saba
Brazil	British Virgin Islands	Canada	Cayman Islands	Chile
Colombia	Costa Rica	Cuba	Curacao	Dominica
Dominican Republic	Ecuador	El Salvador	Falkland Islands	Greenland
Grenada	Guatemala	Guyana	Haiti	Honduras
Jamaica	Mexico	Montserrat	Nicaragua	Panama
Paraguay	Peru	St Kitts & Nevis	Saint Lucia	Sint Maarten
St Vincent & the Grenadines	Suriname	Trinidad & Tobago	Turks & Caicos Islands	Uruguay
US Virgin Islands	USA	Venezuela		
Asia				
Afghanistan	Armenia	Azerbaijan	Bahrain	Bangladesh
Bhutan	Brunei Darussalam	Burma/Myanmar	Cambodia	China
Georgia	Hong Kong	India	Indonesia	Iran
Iraq	Israel	Japan	Jordan	Kazakhstan
Kuwait	Kyrgyzstan	Laos	Lebanon	Macao
Malaysia	Maldives	Mongolia	Nepal	North Korea
Oman	Pakistan	Palestinian Territory	Philippines	Qatar

Saudi Arabia	Singapore	South Korea	Sri Lanka	Syria
Taiwan	Tajikistan	Thailand	Timor - Leste	Turkmenistan
United Arab Emirates	Uzbekistan	Viet Nam	Yemen	
<hr/>				
Australasia & Oceania				
American Samoa	Antarctica	Australia	Bouvet Island	Christmas Island
Cocos (Keeling) Islands	Cook Islands	French Polynesia	French Southern & Antarctic Lands	Fiji
Guam	Heard Island & Macdonald Islands	Kiribati	Marshall Islands	Micronesia, Federated States of
Nauru	New Caledonia	New Zealand	Niue	Norfolk Island
Northern Mariana Islands	Palau	Papua New Guinea	Pitcairn	Samoa
Solomon Islands	South Georgia & South Sandwich Islands	Tokelau	Tonga	Tuvalu
US Minor Outlying Islands	Vanuatu	Wallis & Futuna		
<hr/>				
Africa				
Algeria	Angola	Benin	Botswana	British Indian Ocean Territory
Burkina Faso	Burundi	Cameroon	Cape Verde	Central African Republic
Chad	Comoros	Congo	Democratic Republic of the Congo (Zaire)	Djibouti
Egypt	Equatorial Guinea	Eritrea	Ethiopia	Gabon
Gambia	Ghana	Guinea	Guinea Bissau	Ivory Coast (Cote d'Ivoire)
Kenya	Lesotho	Liberia	Libya	Madagascar
Malawi	Mali	Mauritania	Mauritius	Morocco
Mozambique	Namibia	Niger	Nigeria	Rwanda
Sao Tome & Principe	Senegal	Seychelles	Sierra Leone	Somalia
South Africa	South Sudan	St Helena, Ascension & Tristan da Cunha	Sudan	Swaziland
Tanzania	Togo	Tunisia	Uganda	Zambia
Zimbabwe				

## 9. Revisions

Data for Q1 and Q2 2015 have been revised in the light of new information, and so revisions to the data for Q1 and Q2 2015 have been published in this statistical bulletin. No further revisions to data prior to Q1

2015 have been made. Therefore time series data for all quarters of 2014 and any previous historic quarterly periods remain unchanged.

Annual data tables for 2014 are produced in conjunction with the Q4 2014 data. Revisions to the 2014 quarterly and annual figures were recalculated at Q1 2015 only. Therefore no revisions to annual data prior to 2014 have been made and subsequently time series data for previous historic annual periods remains unchanged.

Revisions to the aggregates used in M&A principally occur for the following reasons:

- Completion of transactions:

On announcement of a proposed transaction an expected completion date is usually given. The publicly reported values will be allocated to the quarter of expected completion. If the transaction is ultimately completed in an earlier or later quarter, the recorded values will be reallocated to the new quarter.

- Publicly reported values:

Publicly reported values are initially used to compile the aggregates. These can vary considerably from the values ultimately supplied by the respondents, frequently because the assumption of debt has been included in the publicly reported value. A nominal value is applied if no publicly reported value is available. The final values used to create the aggregates are those supplied by the respondent.

- Non-completion of transactions:

On announcement of a proposed transaction the publicly reported value of the transaction is recorded. If the transaction does not subsequently take place the recorded value will be deleted.

- Non-share transactions:

On announcement of a proposed transaction it may appear that there will be transactions in the share capital of the companies involved and the publicly reported values will be recorded. If subsequent information contradicts this the recorded values will be amended or deleted.

- Control:

On announcement of a proposed transaction it may appear that the transaction will give the purchasing company control of the purchased company, that is, a share ownership of greater than 50%. If subsequent information contradicts this the recorded values will be amended or deleted.

- Revisions from respondents:

Very occasionally respondents revise the values that they have previously supplied to ONS. The revised values are those used to create the aggregates.

**Table B: Average revisions, Quarter 2 (Apr to June) 2014 to Quarter 3 (July to Sept) 2015, UK**

	First published value (Q2 2015)	Number in latest revised period (Q3 2015)	Average revision (Q2 2014 - Q3 2015)
Number of Outward Acquisitions	26	32	6
Number of Outward Disposals	8	9	5
Number of Inward Acquisitions	21	27	6
Number of Inward Disposals	11	11	2
Number of Domestic Acquisitions	46	53	10

Source: Office for National Statistics

Notes:

1. Quarter 2 is Apr to Jun 2015 Quarter 3 is Jul to Sep 2015
2. \* Significant Revision
3. " Suppressed

**Table C: Average revisions, Quarter 2 (Apr to June) 2014 to Quarter 3 (July to Sept) 2015, UK**

	First published value (Q2 2015)	Value in latest revised period (Q3 2015)	Average revision (Q2 2014 - Q3 2015)	Average without regard to sign (Q2 2014-Q3 2015)
Value of Outward Acquisitions	10,753	11,080	30	748
Value of Outward Disposals	3,600	3,684	80	995
Value of Inward Acquisitions	7,927	9,736	1,142	1,142
Value of Inward Disposals	2,528	2,533	220	220
Value of Domestic Acquisitions	2,250	2,566	246	246

Source: Office for National Statistics

Notes:

1. Quarter 2 is Apr to Jun 2015 Quarter 3 is Jul to Sep 2015
2. " Suppressed
3. \* Significant Revision

Analysing average revisions between provisional and final estimates can provide an indication of reliability in an initial statistic. Provisional statistics may be based on less information than is available for final statistics as they have been processed more quickly to meet the demand of customers. By looking at these average revisions it can help us determine whether revisions are being made consistently in one direction i. e. if early estimates are consistently under or overestimating the later figures. A test is subsequently performed on these average revisions to determine if they are statistically different from zero. Revisions that are not statistically significant imply that an average revision might be non-zero simply through random effects.

## 10. Response rates

**Table D: Response Rates for Quarter 2 (Apr to June) 2015 and Quarter 3 (July to Sept) 2015, UK**

Cross-Border Mergers and Acquisitions (CBAM) Outwards		
Statistics of Sample Size – Latest Survey Conducted:		
Reference Period	Quarter 2 2015	Quarter 3 2015
Response Rate (%)	96%	100%
Cross-Border Mergers and Acquisitions (CBAM) Inwards		
Statistics of Sample Size – Latest Survey Conducted:		
Reference Period	Quarter 2 2015	Quarter 3 2015
Response Rate (%)	94%	82%
Domestic Mergers and Acquisitions (DAM)		
Statistics of Sample Size – Latest Survey Conducted:		
Reference Period	Quarter 2 2015	Quarter 3 2015
Response Rate (%)	92%	100%

Source: Office for National Statistics

Notes:

1. Previous quarter has been revised, latest quarter is provisional
2. Quarter 2 is Apr to June 2015. Quarter 3 is Jul to Sept 2015

## 11. Notes to tables

The deal identification threshold was increased at Q1 2010 to a value of £1.0 million from a previous value of £0.1 million. As a consequence there is a discontinuity in the value and number of deals reported from Q1 2010 onwards compared with previous periods.

Symbols used in the tables are:

.. Figure suppressed to avoid disclosure of information relating to individual enterprises. – Nil or less than half the final digit shown.

The sum of constituent items in tables may not always agree exactly with the totals shown due to rounding.

## 12. Disclosure

It is sometimes necessary to suppress figures for certain items in order to avoid disclosing information about an individual business. Further information on why data are suppressed is available in the [ONS Disclosure Control Policy](#).

## 13. Office for National Statistics

The Office for National Statistics (ONS) is the executive office of the UK Statistics Authority, a non-ministerial department which reports directly to Parliament. ONS is the UK government's single largest statistical producer. It compiles information about the UK's society and economy, and provides the

evidence-base for policy and decision-making, the allocation of resources, and public accountability. The Director General of ONS reports directly to the National Statistician who is the Authority's Chief Executive and the Head of the Government Statistical Service.

The UK Statistics Authority has reviewed this publication in their report: "[Assessment of compliance with the Code of Practice for Official Statistics](#)": [Statistics of International Transactions](#), which was published on 8 December 2011. This review recommended that the Mergers and Acquisitions estimates be designated as National Statistics, subject to ONS carrying out certain requirements. ONS met all of these requirements on 3 May 2013.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs
- are well explained and readily accessible
- are produced according to sound methods
- are managed impartially and objectively in the public interest

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

#### 14. **Social media**

Follow ONS on [Twitter](#) and receive up to date information about our statistics.

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#### 15. **The Government Statistical Service (GSS)**

The Government Statistical Service is a network of professional statisticians and their staff operating both within the Office for National Statistics and across more than 30 other government departments and agencies.

#### 16. **Government Statistical Service (GSS) business statistics**

To find out about other official business statistics, and choose the right data for your needs, use the [GSS Business Statistics Interactive User Guide](#). By selecting your topics of interest, the tool will pinpoint publications that should be of interest to you, and provide you with links to more detailed information and the relevant statistical releases. It also offers guidance on which statistics are appropriate for different uses.

#### 17. **Discussing ONS business statistics online**

There is a Business and Trade Statistics community on the [StatsUserNet](#) website. StatsUserNet is the Royal Statistical Society's interactive site for users of official statistics. The community objectives are to promote dialogue and share information between users and producers of official business and trade statistics about the structure, content and performance of businesses within the UK. Anyone can join the discussions by registering via either of the links.

#### 18. **Special events**

ONS has published commentary, analysis and policy on "Special Events" which may affect statistical outputs. For full details visit the [Special Events page](#) on the ONS website.

#### 19. **Release policy**

Complete runs of series in this release are available to download free of charge at [www.ons.gov.uk/ons/datasets-and-tables/index.html](http://www.ons.gov.uk/ons/datasets-and-tables/index.html). Alternatively, for low-cost tailored data call Online Services on +44 (0)845 601 3034 or email [info@ons.gov.uk](mailto:info@ons.gov.uk)

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This document is also available on the website at [www.ons.gov.uk](http://www.ons.gov.uk).

21. Details of the policy governing the release of new data are available by visiting [www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html](http://www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html) or from the Media Relations Office email: [media.relations@ons.gov.uk](mailto:media.relations@ons.gov.uk)

These National Statistics are produced to high professional standards and released according to the arrangements approved by the UK Statistics Authority.

# 1 Summary of cross-border mergers, acquisitions and disposals

£million

	Transactions abroad by UK companies				Transactions in the UK by foreign companies <sup>1</sup>			
	Acquisitions		Disposals		Acquisitions		Disposals	
	Number	Value	Number	Value	Number	Value	Number	Value
	CBAQ	CBBI	CBAS	CBBT	CBAU	CBCQ	CBAW	CBDB
2005	365	32 732	110	12 668	242	50 280	61	8 387
2006	405	37 412	89	21 214	259	77 750	55	14 208
2007	441	57 814	104	10 221	269	82 121	66	7 524
2008	298	29 670	71	12 062	252	52 552	49	5 139
2009	118	10 148	37	5 101	112	31 984	38	7 820
2010	199	12 414	73	11 411	212	36 643	58	9 891
2011	286	50 234	80	14 111	237	32 967	69	11 748
2012	122	17 933	40	..	161	17 414	27	..
2013	58	..	..	..	141	31 839	26	1 913
2014	113	20 647	36	5 288	110	15 041	23	2 794
2011 Q4	64	12 588	21	4 113	47	12 382	22	2 834
2012 Q1	25	772	8	2 122	51	4 235	8	..
Q2	41	6 243	14	1 375	48	2 514	7	..
Q3	21	8 231	7	632	39	8 778	4	..
Q4	35	2 687	11	..	23	1 887	8	1 150
2013 Q1	27	1 977	10	5 546	19	3 528	4	89
Q2	13	1 045	13	3 572	33	23 506	8	710
Q3	7	474	5	439	59	2 783	8	623
Q4	11	..	..	..	30	2 022	6	491
2014 Q1	30	1 944	..	..	29	5 569	..	..
Q2	25	2 481	20	2 422	28	1 864	..	..
Q3	23	4 470	..	..	25	3 668	9	1 280
Q4	35	11 752	4	1 323	28	3 940	6	601
2015 Q1	48	9 380 <sup>†</sup>	9	5 736	27	5 659 <sup>†</sup>	8 <sup>†</sup>	1 334 <sup>†</sup>
Q2	32 <sup>†</sup>	11 080	..	..	27 <sup>†</sup>	9 736	11	2 533
Q3	18	1 617	..	..	23	8 804	5	3 375

# 2 Mergers and acquisitions abroad by UK companies: source of funding

£million

	Total <sup>3</sup>		Direct transactions <sup>4</sup>		Indirect transactions of which:			
	Number	Value	Funds paid directly by UK parent		Funded by loan from UK parent		Funds raised locally abroad	
			Number	Value	Number	Value	Number	Value
	CBAQ	CBBI	CBBU	CBBV	CBBW	CBBX	CBBY	CBBZ
2005	365	32 732	239	20 234	69	5 511	83	6 987
2006	405	37 412	277	28 800	96	5 498	54	3 114
2007	441	57 814	289	34 880	105	14 814	66	8 120
2008	298	29 670	196	17 972	75	6 688	44	5 010
2009	118	10 148	97	7 456	17	2 530	11	162
2010	199	12 414	149	10 507	38	1 166	26	741
2011	286	50 234	223	36 912	47	4 999	35	8 323
2012	122	17 933	83	9 523	29	8 094	19	316
2013	58	..	44	2 935	11	..	4	..
2014	113	20 647	79	6 888	35	7 641	77	6 118

<sup>†</sup> Indicates earliest revision, if any.

Disclosive data indicated by ..

1 Includes acquisitions by foreign companies routed through their UK subsidiary companies

2 The deal identification threshold has been increased at Q1 2010 from £0.1m to £1.0m and as a consequence there is a discontinuity in the number of transactions reported.

3 Where a transaction is funded in more than one way, it is included in 'Number' in each method but only once in 'Total'. Therefore numbers may not sum exactly across the columns.

4 Transactions for which details about financing have not been confirmed are included amongst direct transactions. The figures are subsequently revised when details become available.

### 3 Disposals abroad by UK companies: funds realised

£million

	Total <sup>1</sup>		Direct transactions <sup>2</sup>		Indirect transactions of which:			
	Number	Value	Funds paid directly to UK parent		Repayment of loan made by UK parent		Funds retained abroad	
			Number	Value	Number	Value	Number	Value
	CBAS	CBBT	CBCA	CBCB	CBCC	CBCD	CBCE	CBCF
2005	110	12 668	85	6 530	13	923	22	5 215
2006	89	21 214	65	17 602	20	1 860	21	1 752
2007	104	10 221	87	7 650	8	1 393	20	1 178
2008	71	12 062	54	7 384	9	1 021	15	3 657
2009	37	5 101	33	4 198	2	..	3	..
2010	73	11 411	59	8 423	4	71	15	2 917
2011	80	14 111	66	12 533	6	598	13	980
2012	40	..	30	5 817	3	..	11	..
2013	..	..	28	5 682	2	..	..	..
2014	36	5 288	28	4 610	7	323	11	355

### 4 Mergers and acquisitions in the UK by foreign companies: source of funding

£million

	Total <sup>1</sup>		Direct transactions <sup>2</sup>		Indirect transactions of which:			
	Number	Value	Funds paid directly to UK by foreign company		Funded by loan from foreign company		Funds raised in the UK	
			Number	Value	Number	Value	Number	Value
	CBAU	CBCQ	CBDC	CBDD	CBHZ	CBIA	CBIB	CBIC
2005	242	50 280	175	32 193	61	11 379	45	6 708
2006	259	77 750	178	53 578	63	6 123	57	18 049
2007	269	82 121	200	62 475	52	6 941	63	12 705
2008	252	52 552	179	36 101	50	8 739	53	7 712
2009	112	31 984	87	21 091	20	..	10	..
2010	212	36 643	161	33 540	36	1 687	34	1 416
2011	237	32 967	158	17 112	50	12 598	49	3 257
2012	161	17 414	103	11 659	48	4 217	35	1 538
2013	141	31 839	94	8 391	39	..	25	..
2014	110	15 041	78	10 404	27	2 702	61	1 934

### 5 Disposals in the UK by foreign companies: funds realised

£million

	Total <sup>1</sup>		Direct transactions <sup>2</sup>		Indirect transactions of which:			
	Number	Value	Funds paid directly to foreign parent		Repayment of loan to foreign parent		Funds retained in the UK	
			Number	Value	Number	Value	Number	Value
	CBAW	CBDB	CBID	CBIE	CBIF	CBIG	CBIH	CBII
2005	61	8 387	47	4 659	10	1 488	17	2 240
2006	55	14 208	39	6 246	12	1 923	15	6 039
2007	66	7 524	49	4 038	10	226	25	3 260
2008	49	5 139	29	1 485	9	682	15	2 972
2009	38	7 820	32	6 572	..	..	7	1 248
2010	58	9 891	43	4 961	5	928	15	4 002
2011	69	11 748	49	8 589	9	1 190	22	1 969
2012	27	..	23	5 821	..	..	6	96
2013	26	1 913	19	1 541	3	..	9	..
2014	23	2 794	17	2 415	..	..	..	..

<sup>†</sup> Indicates earliest revision, if any.  
Disclosive data indicated by ..

1 Where a transaction is funded in more than one way, it is included in 'Number' in each method but only once in 'Total'. Therefore numbers may not sum exactly across the columns.

2 Transactions for which details about financing have not been confirmed are included amongst direct transactions. The figures are subsequently revised when details become available.

# 6A Area analysis of acquisitions abroad by UK companies

£million

	World Total		EU		Other Europe		Europe Total		USA	
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value
	CBAQ	CBBI	CBAY	CBAZ	HCK3	HCK4	HCJ3	HCJ4	CBBA	CBBB
2005	365	32 732	157	5 056	18	1 766	175	6 822	112	15 683
2006	405	37 412	131	12 966	39	5 962	170	18 928	138	7 348
2007	441	57 814	170	7 397	29	1 062	199	8 459	115	21 676
2008	298	29 670	102	13 613	29	1 720	131	15 333	88	7 244
2009	118	10 148	36	1 800	8	169	44	1 969	34	3 250
2010	199	12 414	66	2 979	18	471	84	3 450	53	6 223
2011	286	50 234	75	20 666	29	2 760	104	23 426	83	9 342
2012	122	17 933	34	7 932	12	842	46	8 774	41	5 384
2013	58	..	16	6 216	7	376	23	6 592	8	600
2014	113	20 647	33	11 404	15	2 279	48	13 683	27	4 987

	Other Americas		Americas Total		Asia		Australasia & Oceania		Africa	
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value
	HCL3	HCL4	HCM3	HCM4	HCN3	HCN4	HCO3	HCO4	HCP3	HCP4
2005	28	3 957	140	19 640	26	2 893	14	738	8	2 639
2006	25	..	163	..	37	1 643	14	692	21	..
2007	38	25 040	153	46 716	35	422	28	1 306	26	911
2008	17	394	105	7 638	29	809	22	5 224	11	666
2009	7	1 746	41	4 996	14	964	13	609	6	1 610
2010	20	918	73	7 141	16	630	19	667	7	526
2011	30	2 410	113	11 752	33	6 807	16	7 666	19	583
2012	18	2 640	59	8 024	7	458	5	..	5	..
2013	13	323	21	923	..	..	..	..	..	..
2014	17	1 135	44	6 122	12	637	..	..	..	..

# 6D Area analysis of disposals abroad by UK companies

£million

	World Total		EU		Other Europe		Europe Total		USA	
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value
	CBAS	CBBT	CBBJ	CBBK	HCK5	HCK6	HCJ5	HCJ6	CBBL	CBBM
2005	110	12 668	47	2 059	11	109	58	2 168	24	7 033
2006	89	21 214	33	3 198	7	2 019	40	5 217	25	7 273
2007	104	10 221	44	3 583	6	1 032	50	4 615	28	4 654
2008	71	12 062	30	3 598	2	..	32	..	22	6 197
2009	37	5 101	15	2 134	3	64	18	2 198	7	1 277
2010	73	11 411	27	1 529	5	263	32	1 792	15	7 465
2011	80	14 111	32	4 857	4	57	36	4 914	18	4 715
2012	40	..	..	..	..	..	17	2 764	7	1 038
2013	..	..	12	1 589	3	128	15	1 717	9	3 691
2014	36	5 288	..	..	..	..	18	2 887	..	..

	Other Americas		Americas Total		Asia		Australasia & Oceania		Africa	
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value
	HCL5	HCL6	HCM5	HCM6	HCN5	HCN6	HCO5	HCO6	HCP5	HCP6
2005	2	..	26	..	12	760	5	..	9	460
2006	10	..	35	..	9	8 085	4	14	1	..
2007	10	195	38	4 849	8	195	3	533	5	29
2008	6	1 033	28	7 230	7	388	2	234	2	..
2009	2	536	9	1 813	3	..	3	1 002	4	..
2010	4	897	19	8 362	11	117	5	609	6	531
2011	9	1 559	27	6 274	10	..	5	..	2	..
2012	6	2 189	13	3 227	2	1 220	3	..	6	46
2013	..	..	9	3 691	..	..	4	..	..	..
2014	..	..	14	2 228	..	..	..	..	..	..

† Indicates earliest revision, if any.

Disclosive data indicated by ..

# 7A Area analysis of acquisitions in the UK by foreign companies

£million

	World Total		EU		Other Europe		Europe Total		USA	
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value
	CBAU	CBCQ	CBCG	CBCB	HCJ7	HCJ8	HCJ7	HCJ8	CBCI	CBCJ
2005	242	50 280	89	23 907	24	3 578	113	27 485	73	11 741
2006	259	77 750	92	42 412	27	2 619	119	45 031	84	7 606
2007	269	82 121	94	27 489	33	12 407	127	39 896	79	14 270
2008	252	52 552	85	17 918	40	11 063	125	28 981	74	8 269
2009	112	31 984	32	15 277	19	3 939	51	19 216	31	11 594
2010	212	36 643	47	3 856	29	4 079	76	7 935	85	19 124
2011	237	32 967	69	6 238	23	1 395	92	7 633	87	21 489
2012	161	17 414	53	3 533	21	1 094	74	4 627	50	6 217
2013	141	31 839	35	..	18	..	53	24 172	54	3 408
2014	110	15 041	31	4 681	14	700	45	5 381	42	6 318

	Other Americas		Americas Total		Asia		Australasia & Oceania		Africa	
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value
	HCK7	HCK8	HCL7	HCL8	HCM7	HCM8	HCN7	HCN8	HCO7	HCO8
2005	14	6 126	87	17 867	22	..	17	3 589	3	..
2006	14	3 268	98	10 874	24	14 017	13	..	5	..
2007	28	5 245	107	19 515	19	15 490	13	6 900	3	320
2008	16	9 307	90	17 576	26	4 839	7	..	4	..
2009	14	886	45	12 480	12	199	4	89	–	–
2010	30	5 156	115	24 280	16	4 210	3	14	2	204
2011	22	1 690	109	23 179	18	1 367	14	762	4	26
2012	21	4 256	71	10 473	12	2 277	1	..	3	..
2013	16	1 529	70	4 937	13	..	2	..	3	..
2014	8	1 317	50	7 635	12	1 932	..	..	..	..

# 7D Area analysis of disposals in the UK by foreign companies

£million

	World Total		EU		Other Europe		Europe Total		USA	
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value
	CBAW	CBDB	CBCR	CBCS	HCJ9	HCK2	HCJ9	HCJ2	CBCT	CBCU
2005	61	8 387	27	1 873	8	516	35	2 389	15	4 736
2006	55	14 208	16	8 670	5	..	21	..	22	1 953
2007	66	7 524	12	2 851	4	..	16	..	31	3 063
2008	49	5 139	18	2 628	9	447	27	3 075	12	1 359
2009	38	7 820	12	1 370	6	..	18	..	10	4 648
2010	58	9 891	19	6 722	10	271	29	6 993	15	1 216
2011	69	11 748	26	6 539	9	394	35	6 933	18	2 993
2012	27	..	11	1 054	7	..	18	..	4	..
2013	26	1 913	9	862	3	36	12	898	8	..
2014	23	2 794	..	..	..	..	13	1 949	..	..

	Other Americas		Americas Total		Asia		Australasia & Oceania		Africa	
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value
	HCK9	HCL2	HCL9	HCM2	HCM9	HCN2	HCN9	HCO2	HCO9	HCP2
2005	3	–	18	4 736	3	..	4	1 242	1	..
2006	3	1 703	25	3 656	6	204	2	..	1	1
2007	13	701	44	3 764	5	..	1	..	–	–
2008	4	..	16	..	3	..	1	..	2	93
2009	4	42	14	4 690	2	..	1	..	3	–
2010	8	642	23	1 858	3	1 033	3	7	–	–
2011	6	687	24	3 680	8	..	2	..	–	–
2012	3	..	7	3 601	..	..	–	–	..	..
2013	2	..	10	611	3	328	1	..	–	–
2014	..	..	8	809	..	..	–	–	..	..

† Indicates earliest revision, if any  
Disclosive data indicated by ..

## 8 Summary of mergers and acquisitions in the UK by UK companies

£million

	Total all mergers and acquisitions		Mergers and acquisitions of independent companies		Sales of subsidiaries between company groups	
	Number	Value	Number	Value	Number	Value
	AIHA	DUCM	DWVH	HIKB	DWVL	HIKC
2005	769	25 134	604	16 276	165	8 858
2006	779	28 511	628	20 180	151	8 331
2007	869	26 778	698	19 779	171	6 999
2008	558	36 469	445	33 469	113	3 000
2009	286	12 195	198	11 455	88	740
2010	325	12 605	243	7 775	82	4 830
2011	373	8 089	276	5 265	97	2 824
2012	266	3 413	216	2 536	50	877
2013	238	7 665	175	4 135	63	3 530
2014	189	8 032	150	5 968	39	2 063
2011 Q4	106	1 791	79	924	27	867
2012 Q1	62	1 070	49	871	13	199
Q2	81	1 041	65	695	16	346
Q3	62	610	55	510	7	100
Q4	61	692	47	460	14	232
2013 Q1	39	2 825	23	593	16	2 232
Q2	68	2 438	53	2 104	15	334
Q3	72	1 166	55	829	17	337
Q4	59	1 236	44	609	15	627
2014 Q1	40	1 613	32	1 491	8	122
Q2	51	1 625	37	490	14	1 136
Q3	42	3 152	32	2 487	10	664
Q4	56	1 642	49	1 500	7	141
2015 Q1	45 <sup>†</sup>	1 709 <sup>†</sup>	33	1 247 <sup>†</sup>	12 <sup>†</sup>	462 <sup>†</sup>
Q2	53	2 566	37 <sup>†</sup>	1 609	16	957
Q3	31	721	27	460	4	261

## 9 Mergers and acquisitions in the UK by UK companies: category of expenditure

£million

	Expenditure					Percentage of expenditure		
	Total	Cash		Issues of ordinary shares <sup>2</sup>	Issues of fixed interest securities <sup>2</sup>	Cash	Issues of ordinary shares	Issues of fixed interest securities
		Independent companies	Subsidiaries					
	DUCM	DWVW	DWVX	AIHD	AIHE	DWVY	DWVZ	DWVA
2005	25 134	13 425	8 510	2 768	431	87	11	2
2006	28 511	..	8 131	..	335	..	..	2
2007	26 778	13 671	6 507	4 909	1 691	76	18	6
2008	36 469	31 333	2 851	1 910	375	94	5	1
2009	12 195	2 937	709	8 435	114	30	69	1
2010	12 605	6 175	4 520	1 560	350	85	12	3
2011	8 089	4 432	2 667	719	271	87	10	4
2012	3 413	1 937	789	419	268	82	10	8
2013	7 665	3 690	3 475	353	147	92	6	2
2014	8 032	3 249	1 947	2 782	53	65	35	-
2011 Q4	1 791	697	850	200	44	87	11	2
2012 Q1	1 070	518	199	323	30	67	30	3
Q2	1 041	575	269	54	143	81	5	14
Q3	610	409	100	8	93	84	1	15
Q4	692	435	221	34	2	95	5	-
2013 Q1	2 825	567	2 216	26	16	98	1	1
Q2	2 438	1 992	316	80	50	95	3	2
Q3	1 166	587	332	230	17	79	20	1
Q4	1 236	544	611	17	64	94	1	5
2014 Q1	1 613	896	103	612	2	62	38	-
Q2	1 625	478	1 051	50	46	94	3	3
Q3	3 152	476	656	2 019	-	36	64	-
Q4	1 642	1 399	137	101	5	94	6	-
2015 Q1	1 709 <sup>†</sup>	988 <sup>†</sup>	356 <sup>†</sup>	281	84	79 <sup>†</sup>	16 <sup>†</sup>	5
Q2	2 566	1 008	470	1 018 <sup>†</sup>	70 <sup>†</sup>	58	40	2 <sup>†</sup>
Q3	721	417	256	46	2	93	6	-

<sup>†</sup> Indicates earliest revision, if any  
Disclosive data are indicated with ..

1 The deal identification threshold has been increased from q1 2010 from £0.1m to £1.0m and as a consequence there is a discontinuity in the number of transactions reported.

2 Issued to the vendor company as payment.

# 10 Summary of net cross-border acquisitions and disposals

£million

	Net transactions abroad by UK companies		Net transactions in the UK by foreign companies <sup>1</sup>		Net cross-border transactions involving UK companies	
	Number	Value	Number	Value	Number	Value
2005	255	20 064	181	41 893	74	-21 829
2006	316	16 198	204	63 542	112	-47 344
2007	337	47 593	203	74 597	134	-27 004
2008	227	17 608	203	47 413	24	-29 805
2009	81	5 047	74	24 164	7	-19 117
2010	126	1 003	154	26 752	-28	-25 749
2011	206	36 123	168	21 219	38	14 904
2012	82	..	134	..	-52	..
2013	..	..	115	29 926	..	..
2014	77	15 359	87	12 247	-10	3 112
2011 Q4	43	8 475	25	9 548	18	-1 073
2012 Q1	17	-1 350	43	..	-26	..
Q2	27	4 868	41	..	-14	..
Q3	14	7 599	35	..	-21	..
Q4	24	..	15	737	9	..
2013 Q1	17	-3 569	15	3 439	2	-7 008
Q2	-	-2 527	25	22 796	-25	-25 323
Q3	2	35	51	2 160	-49	-2 125
Q4	..	..	24	1 531	..	..
2014 Q1	..	..	..	..	..	..
Q2	5	59	..	..	..	..
Q3	..	..	16	2 388	..	..
Q4	31	10 429	22	3 339	9	7 090
2015 Q1	39	3 644 <sup>†</sup>	19 <sup>†</sup>	4 325 <sup>†</sup>	20 <sup>†</sup>	-681 <sup>†</sup>
Q2	..	..	16	7 203	..	..
Q3	..	..	18	5 429	..	..

<sup>†</sup> Indicates earliest revision, if any.

Disclosive data indicated by ..

1 Includes acquisitions by foreign companies routed through their UK subsidiary companies.

2 The deal identification threshold has been increased at Q1 2010 from £0.1m to £1.0m and as a consequence there is a discontinuity in the number of transactions reported.

# R1 REVISIONS ANALYSIS

## Revisions since last mergers and acquisitions publication

£ million

		2014	2015 Q1	2015 Q2
<b>Cross-border mergers, acquisitions and disposals</b>				
Transactions abroad by UK companies				
Value of acquisitions	CBBI	–	8	327
Value of disposals	CBBT	–	–2 287	84
Transactions in the UK by foreign companies				
Value of acquisitions	CBCQ	–	–342	1 809
Value of disposals	CBDB	–	252	5
<b>Mergers and acquisitions in the UK by UK companies</b>				
Summary of transactions				
Value of all acquisitions and mergers	DUCM	–	152	316
Value of acquisitions of independent companies	HIKB	–	21	140
Value of sales of subsidiary companies	HIKC	–	131	176
Category of expenditure				
Cash paid for independent companies	DWVW	–	54	362
Cash paid for subsidiary companies	DWVX	–	97	–283
Issue of ordinary shares	AIHD	–	–	168
Issue of fixed interest securities	AIHE	–	–	68

