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 HD Fewer buyouts but loads of value
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THE value of buyout deals in Australia jumped last year, topping \$100 billion, according to new research.

It came despite a slide in the number of deals, research house Dealogic says. A report by the group found the value of merger and acquisition activity was \$US90.3 billion (\$101 billion) in the year to December — up 16 per cent from 2012.

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However, the number of deals fell from 1583 to 1366.

According to Dealogic's research, "inbound deals" — where a foreign company buys a business or a major asset in Australia — accounted for a far smaller proportion of the merger tally in 2013.

The value of inbound deals has tumbled 31 per cent to \$US31.6 billion. In 2012, inbound deals accounted for more than half the overall tally, measured by value.

Among major deals last year, Warrnambool Cheese and Butter Factory directors agreed to a \$520 million buyout at the hands of Canadian suitor Saputo.

The deal is yet to be consummated, with another Victorian dairy company, Murray Goulburn Cooperative, still fighting to secure approval for its rival bid for the company.

Other deals include the agreement by gas pipeline company APA Group to buy counterpart Envestra, valuing the target at about \$2.1 billion.

Envestra shareholders are yet to vote on the offer.

Dealogic's report says the utility and energy sector was the most active, with 11 deals worth \$US9 billion.

Chinese acquirers led the charge in the sector. They accounted for three of the deals with a combined total value of \$US7.5 billion. While the total value of buyout deals in Australia jumped last year, it still lagged behind the 2010 and 2011 tallies, which totalled clocked in above \$US120 billion during both years.

CO mryglb : Murray Goulburn Co-operative Company Limited | wcbfch : Warrnambool Cheese and Butter Factory Company Holdings Ltd
 IN i41 : Food/Beverages/Tobacco | i413 : Dairy Products | i4131 : Non-frozen Dairy Products | icnp : Consumer Goods | ifood : Food Products
 NS ccat : Corporate/Industrial News
 RE austr : Australia | apacz : Asia Pacific | ausnz : Australia/Oceania

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