

The Advertiser

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HD Deal or no deal, top end of town cashes in
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DEAL-making activity in Australia has doubled over the past year, reaching its highest level since the global financial crisis.

The value of mergers and acquisitions weighed in at \$91 billion in the year to June 30 – up from \$46.4 billion in the previous 12 months, according to a report by business intelligence firm Merger Market.

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The rise, underpinned by a number of major deals at the top end of town such as the \$11.9 billion restructure between Westfield Group and Westfield Retail Trust, breaks two years of declining activity. Investment bank UBS won the greatest share of merger and acquisition activity (and the generous fees it generates), overseeing 32 deals valued at \$35.5 billion.

UBS dominated Australia's deal-making market, leading it on both the number and value of transactions carried out.

Legal firm King & Wood Mallesons was the nation's lead legal adviser, working on 74 deals valued at \$46.7 billion.

The surge in mergers and acquisition activity was largely underpinned by an increase in the size of deals being carried out by the nation's largest corporations. There were three deals worth more than \$5 billion announced during the year to June compared to zero in the 2013 financial year and one in the three years prior to this.

The contentious \$11.9 billion restructure between Westfield Group and Westfield Retail Trust to form Scentre Group was the biggest deal of the year. Transurban's \$6.6 billion purchase of Queensland Motorways and its Brisbane toll road portfolio came in second.

The third \$5 billion plus deal was Glencore Xstrata's sale of its Las Bambas Peruvian copper project to the state controlled China Minmetals for \$5.8bn.

The number of deals being carried out also rose. There were 501 deals carried out in the year to June, up from 441 in the previous year – and the most since 2007.

The number of deals in the energy, mining and utilities sector rose to 92 worth \$29 billion in the 2014 financial year, up from 78 worth \$18 billion in the year prior. The business services sector also saw a spike in activity, recording 83 deals worth \$4.3bn in fiscal 2014 compared to 57 worth \$2.8bn in fiscal 2013.

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weztre : Westfield Retail Trust

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