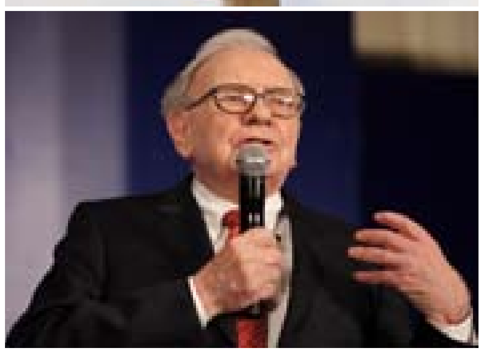

FROM CRISIS SPRINGS OPPORTUNITY

What's ahead for the M&A and private equity business amid global uncertainty and heightened scrutiny

AS THE GLOBAL economy recovers from the depths of the financial crisis, companies are regaining their appetite for deals. Indeed, the first quarter was the best for worldwide M&A since 2007 as deal volume jumped some 60 percent, with a surge in transactions in Europe and the United States.

But M&A is a function of CEO confidence, and the fragility of the global economic recovery and recent events such as the earthquake in Japan and the unrest in the Middle East could threaten this resurgence. Private equity firms, which have been predicting the return of $10 billion - $15 billion leveraged buyouts, are yet to close mega deals despite attractive financing in a low interest rate environment.

Reuters Global M&A Summit brought in nearly 60 senior dealmakers from the top investment banks to offer their views on the prospects of this recovery.

REUTERS

BUFFETT AIDE SOKOL BREACHED ETHICS - POLL

THE ORACLE SPEAKS: Billionaire Warren Buffett speaks during a news conference in New Delhi March 24, 2011. **REUTERS/B Mathur**

QUESTIONS: David Sokol at the Fortune Brainstorm Green conference in Dana Point, California in April 13, 2010. **REUTERS/MARIO ANZUONI/ FILES**

BY SOYOUNG KIM AND PARITOSH BANSAL
NEW YORK, APRIL 7

WALL STREET DEALMAKERS have spoken: Warren Buffett's former aide David Sokol violated ethics.

Twenty-one out of 23 top U.S. investment bankers polled at the Reuters Global Mergers and Acquisitions Summit this week said they believed the former Berkshire Hathaway executive should not have traded shares in Lubrizol Corp while pitching the company to the legendary investor as a takeover target.

Almost one in five believed Sokol's actions would lead to insider trading charges.

"Clearly the fact is that there's a perception of doing something he shouldn't have done," said David Lazarus, senior managing director and co-founder of EdgeRock Realty Advisors.

Buffett released a letter last week disclosing that Sokol actively traded in a substantial amount of Lubrizol's shares before and while urging Buffett to acquire the chemicals company, which Buffett did for $9 billion last month. Sokol's investment in Lubrizol netted him some $3 million in profits.

Sokol, who was seen by many investors as the most likely successor to Berkshire's iconic CEO, resigned last week.

"THERE'S A PERCEPTION OF DOING SOMETHING HE SHOULDN'T HAVE DONE."

He has defended himself since, saying on CNBC he had no inside information, did nothing unlawful or unethical and his resignation had nothing to do with his trading.

Buffett's assistant Carrie Kizer did not immediately return a call for a comment on Thursday.

Only one of the bankers at the Reuters Summit who responded to the question in the anonymous poll said Sokol's behavior breached no ethics or rules and a takeover of Lubrizol was "just an idea" he brought to Buffett, without knowing that the Oracle of Omaha would move forward with such a deal.

The questions around Sokol's actions come amid heightened concerns about insider trading on the Street, as the government cracks down on the illegal practice.

Several high-profile cases such as the criminal trial of Galleon Group hedge fund founder Raj Rajaratnam have been brought in the past few months.

GOVERNMENT CRACKDOWN

QUESTIONS ABOUT Sokol's behavior have slammed Buffett with unprecedented

INTERACTIVE

For a package of graphics by category, click here:
http://r.reuters.com/kyb46q

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criticism as Berkshire's annual April 30-May 1 shareholder meeting approaches -- the weekend gathering of a usually adoring crowd of 40,000 or more shareholders.

Sokol, in his CNBC appearance last week, also spoke of broader Berkshire practices that could fuel regulatory scrutiny.

He said other Berkshire executives have in the past held stock in companies they then identified for investment or acquisition, citing the example of Berkshire Vice Chairman Charlie Munger owning a stake in Chinese car maker BYD before suggesting it for an investment.

Munger has defended himself against the allegation.

A recent regulatory filing by Lubrizol shows that Sokol had a meeting with bankers at Citigroup Inc on Dec. 13, 2010, at which they discussed a list of 18 companies the bank had compiled for Sokol as potential takeover targets.

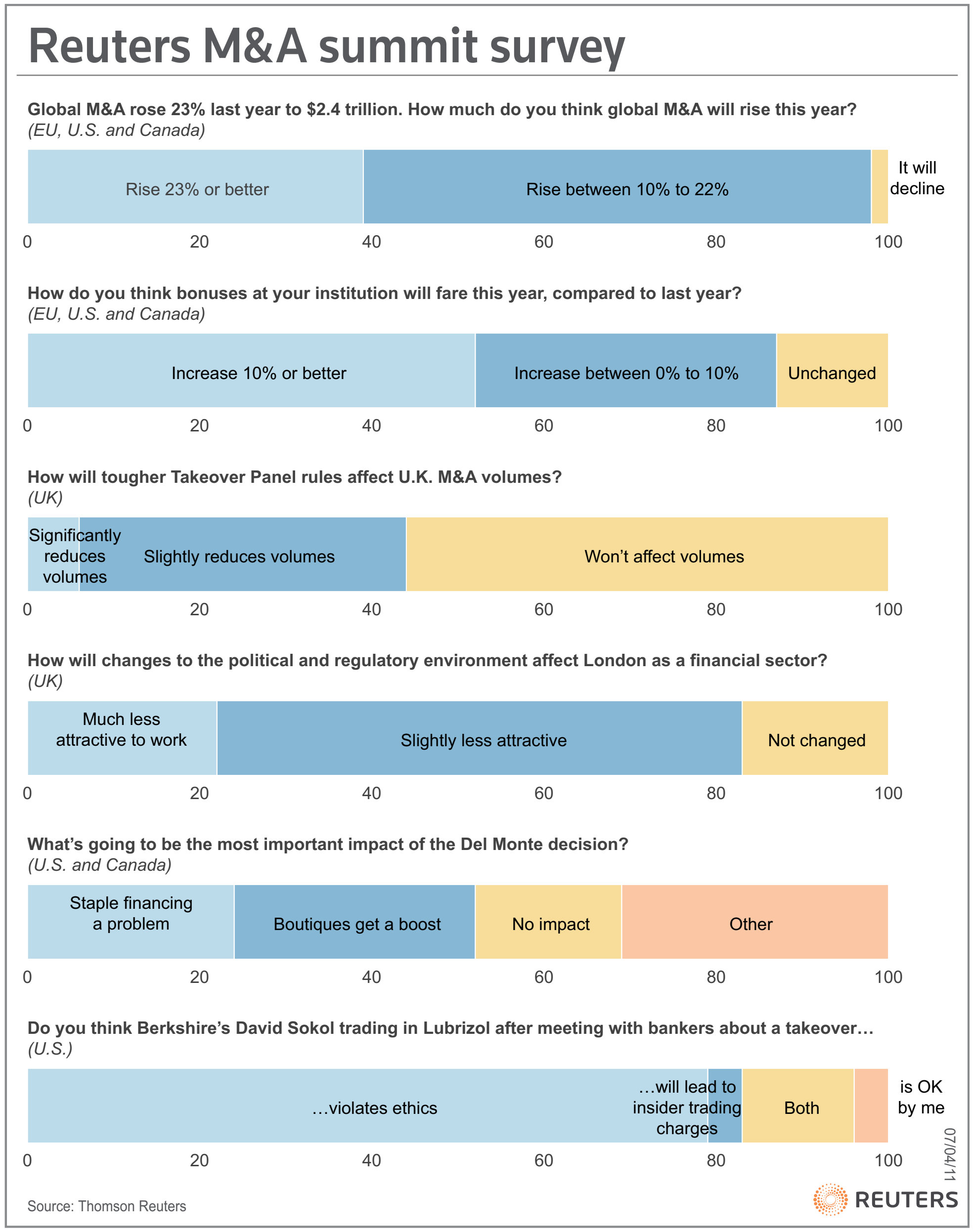
Sokol began buying the stock the next day

SOKOL SAID OTHER BERKSHIRE EXECUTIVES HAVE HELD STOCK IN COMPANIES IDENTIFIED FOR INVESTMENT OR ACQUISITION.

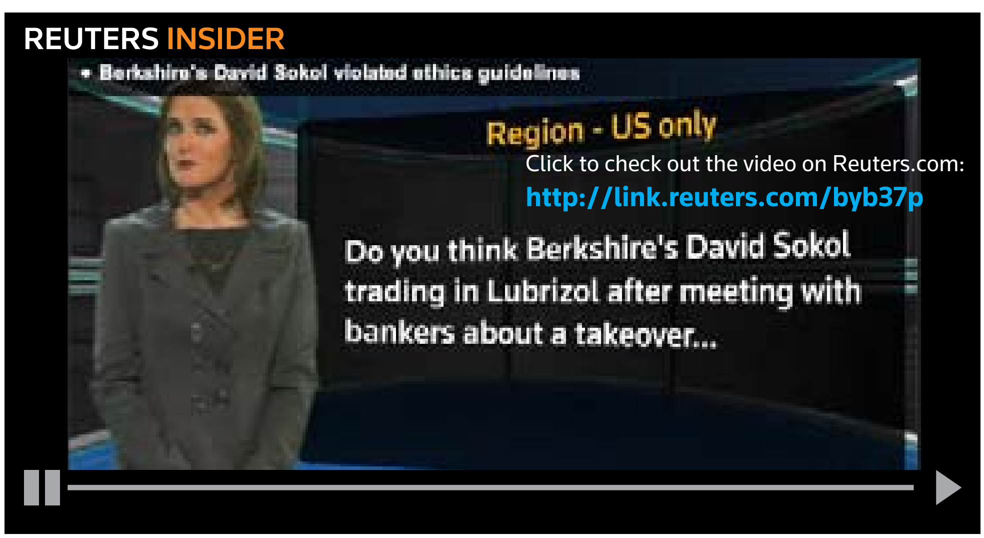
and presented the idea of buying Lubrizol to Buffett on Jan. 14 or 15. Berkshire ultimately announced its purchase of Lubrizol on March 14.

It is unclear why news of Sokol's investment surfaced only last week, or whether government investigators have looked into the matter. The U.S. Securities and Exchange Commission and the Department of Justice declined to comment on Thursday

(Reporting by Soyoung Kim and Paritosh Bansal, editing by Matthew Lewis)



Reuters graphic/Van Tsui



BLOG

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http://r.reuters.com/pab78r

BOARDS PLAY SAFE AS NEW M&A CYCLE BEGINS

BY QUENTIN WEBB AND SOYOUNG KIM
LONDON/NEW YORK, APRIL 4

A NASCENT RECOVERY in global dealmaking, focused on safer deals with clear strategic logic, probably marks the start of several years of rising mergers and acquisitions, senior dealmakers said on Monday.

While company earnings and balance sheets are strong, economic fragility, natural disaster, and political tumult in the Arab world are hurting corporate confidence and may hold back a more robust recovery in dealmaking, bankers said at the Reuters Global Mergers and Acquisitions Summit.

"Volatility is the nemesis of dealmaking," Cary Kochman, joint global head of M&A at UBS AG, told the Reuters Summit in New York.

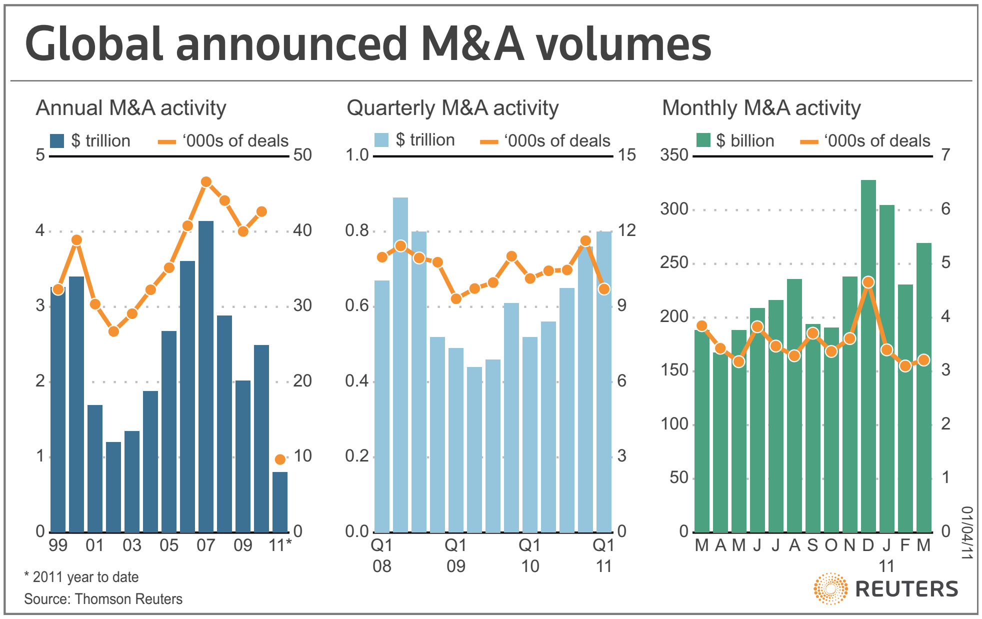
"While there is a little bit of steam built up in the M&A market and dialogues are increasing, we're seeing a pretty good outbreak of transactions right now. There are risks and headwinds to that that we need to be aware of," Kochman said.

Adrian Mee, head of international M&A at Bank of America Merrill Lynch, said in London that last year's rise in deal values -- the first annual increase since 2007 -- suggested a new, multiyear M&A cycle was under way.

"I think we have got three or four years of good M&A business in front of us. But it will depend on continuing GDP growth, strong equity markets and international events not getting in the way," Mee told the summit in London.

"Just from a general perspective, can we get back to 2007? A tough question, certainly not in the very very near term," Jeffrey Buckalew, head of North American corporate advisory at boutique investment bank Greenhill, said in New York.

Three deals worth more than $18 billion combined and involving Pfizer, Solvay and Vodafone have landed since Sunday night, helping boost global stock markets.



Reuters graphic/Vincent Flasseur

The series of deals announced over the weekend followed a 55 percent jump in global M&A in the first quarter to almost $800 billion.

INVESTORS CHEER DEALS

STRATEGIC BUYERS, as apposed to private equity firms, have accounted for more than 90 percent of dealmaking so far this year, culminating in AT&T Inc's $39 billion bid for T-Mobile USA.

"Stock prices generally are up versus where they were a year ago and there is perhaps more comfort on the one hand considering a strategic deal as a seller, and then on the other hand with higher stock prices giving more comfort from an acquirer standpoint in using that stock as currency," Patrick Ramsey, co-head of Americas M&A at Bank of America, told the Reuters Summit in New York.

"WE'RE SEEING A PRETTY GOOD OUTBREAK OF TRANSACTIONS RIGHT NOW."

Ramsey noted that in seven of the top 10 cash deals in the United States this year, share prices of the acquiring companies rose on the day of the announcement, unlike in the past where an acquirer's shareholders often reacted negatively as they waited to see synergies from the combination kick in.

"The market is accepting that it is a shrewd moment to be an acquirer," said UBS' Kochman.

Wilhelm Schulz, head of European M&A at Citigroup, said: "Earnings are good, leverage is down, people know what they want to do."

However, current economic uncertainties mean companies are taking longer to weigh up deals, said Matthew Ponsonby, co-head of M&A for Europe at Barclays Capital.

"The issue has been that each time you think all the shoes have dropped, there is another one that falls," he said. "It is very hard to pull the trigger when you have a Japan, a Greece, a Portugal, or whatever it is."

NATIONALISM IN DEALS

WHILE ASIAN BUYERS are trying to expand their empires, Western acquirers are typically opting for less bold deals, often funded with available cash, said Scott Matlock, chairman of international M&A at Morgan Stanley.

"U.S. and European acquirers are tending to do ... logical, safe transactions that do not stretch either their balance sheets or take them to new places in terms of corporate opportunity."

Dealmakers expect cross-border deals to continue to rise as Western firms look to tap growth overseas and emerging nations led by China seek access to technology and natural resources. However, nationalism could remain a major obstacle to deals getting to the finish line across a wide range of sectors from resources to telecoms to food, they say.

Miner BHP Billiton's hostile $39 billion bid for Canada's Potash Corp collapsed last year in the face of political opposition in Canada.

"I suspect it will come up again. The economic nationalism, national champion idea is absolutely out there," said Howard Ellin, a New York-based partner at law firm Skadden, Arps, Slate, Meagher & Flom LLP.

"Everybody's got a piece of it whether it's yogurt in France or banks in Poland or exchanges in Australia or Chinese investments in certain spaces in the United States," he said.

Chinese firms in particular face a series of regulatory, political and procedural challenges in buying U.S. companies, which is driving them to other countries that are seen as friendlier, such as Canada, dealmakers said.

RISKS AND HEADWINDS: Cary Kochman, head of the UBS Americas Mergers and Acquisitions Group, speaks during the Reuters Global Mergers and Acquisitions Summit in New York, April 4, 2011. **REUTERS/BRENDAN MCDERMID**

"I think there's no question that Canada presents an easier environment for Chinese companies to acquire," UBS' Kochman said.

Still, in certain sectors where the Chinese may be the most logical buyer, dealmakers tailor the auction process to make sure they participate in the process.

"If you're a sell-side adviser and if it's clear as we think through the list of the most logical buyers, if we conclude a Chinese company is high on that list, then ... we will work with a client to design a process that can accommodate a Chinese buyer" said Bank of America's Patrick Ramsey.

(Additional reporting by Victoria Howley, Simon Meads in London, Paritosh Bansal, Megan Davies, Nadia Damouni and Jessica Hall in New York, editing by Matthew Lewis)

"I THINK WE HAVE GOT THREE OR FOUR YEARS OF GOOD M&A BUSINESS IN FRONT OF US."

Global M&A by targeted sector - Q1 2011

Announced M&A by target sector - Q1 2011 / Top sector deal

Sector (YoY % change)	Value - $ billion	Targe name	Value - $bln
Energy and Power (+34%)	154.4	Progress Energy Inc...	25.8
Financials (+93%)	143.7	AIG...	59.0
Materials (+104%)	98.0	Lubrizol Corp...	8.8
Industrials (+96%)	75.8	Fiat SpA-Auto Busine...	18.5
Real Estate (+56%)	65.4	ProLogis...	8.4
Telecommunications (-5%)	56.9	T-Mobile USA Inc...	39.0
Healthcare (+24%)	51.1	Beckman Coulter Inc...	5.8
Consumer Staples (-17%)	39.7	Cargill Inc...	14.9
High Technology (+95%)	37.3	Viviti Technologies ...	4.3
Media and Entertainment (+37%)	36.5	Musketeer GmbH...	4.5
Retail (+146%)	26.4	Family Dollar Stores...	7.0
Consumer Products & Serv (+92%)	19.3	Bulgari SpA...	2.6

01/04/11

Source: Thomson Reuters

REUTERS

Reuters graphic/Vincent Flasseur

NEW CYCLE BEGINS: Adrian Mee, head of International M&A for Bank of America Merill Lynch Corp speaks during the Reuters Global Mergers and Acquisitions Summit in London April 4, 2011. **REUTERS/BENJAMIN BEAVAN**

BANKS KEEN TO LEND BUT BUYOUTS ELUSIVE

NO DEBT CONSTRAINTS: Garrett Moran, chief operating officer of the private equity group at Blackstone Group LP, speaks during the Reuters Global Mergers and Acquisitions Summit in New York, April 6, 2011. **REUTERS/BRENDAN MCDERMID**

BY MEGAN DAVIES AND SIMON MEADS
NEW YORK/LONDON, APRIL 7

BANKS ARE increasingly aggressive about providing capital for leveraged buyouts and refinancings, but despite the availability of credit, large leveraged buyouts remain elusive.

While debt markets have recovered from the credit crisis, LBO size is typically in the $1 billion to $3 billion range, far below the double-digit billion dollar deals struck during 2005-2007. That is despite banks' willingness to provide capital for deals.

"It feels like we're in a market where (debt is) not the constraint," said Mark Epley, co-global head of sponsors at Nomura, speaking at Reuters' Global M&A Summit in New York this week. Private equity firms "almost have to be prudent about how much they accept because the banks are perhaps excessively willing to provide capital."

Leveraged lending for the first quarter of 2011 in the U.S. rose 92 percent from the same period the previous year, while overall U.S. loan issuance was up 123 percent at $375 billion, figures from Thomson Reuters LPC show.

"I have been astonished by the U.S., the speed with which the (debt) market has come back there," said Michael Queen, chief executive at 3i, speaking in London. "I can only believe that is a temporary phenomena driven by the fact that the U.S. government is hosing money into the system and people are searching for yield."

Despite the increased availability of debt, U.S.-targeted LBO activity in the first quarter only captured 6.1 percent of total U.S.-targeted M&A activity compared to 15 percent in the previous quarter, Thomson Reuters figures show. Among some of the larger deals was the $3 billion buyout of Emergency Medical Services.

While private equity firms have capital to spend and an ability to raise financing for deals, they are facing an absence of a lot of big willing sellers, an average pricing market, and an uncertain period, said Garrett Moran, chief operating officer of Blackstone Group's private equity unit.

Moran said he didn't foresee much change in the type of deals being struck, describing the recent private equity deal flow as being "relatively humdrum eclectic deal activities."

"We have spent a lot of our time in the last year on things that are relatively less visible," than large LBOs, said Moran.

Buyout firms have found themselves outbid in auctions for companies by so-called strategic bidders -- companies in the same sector as the target -- which are flush with cash and can pay more as they can extract cost savings from merging assets. They also have faced a difference of opinion between some sellers on what their company is worth.

Private equity firms have instead been striking smaller deals, buying companies from each other or searching for units of large conglomerates which are breaking up.

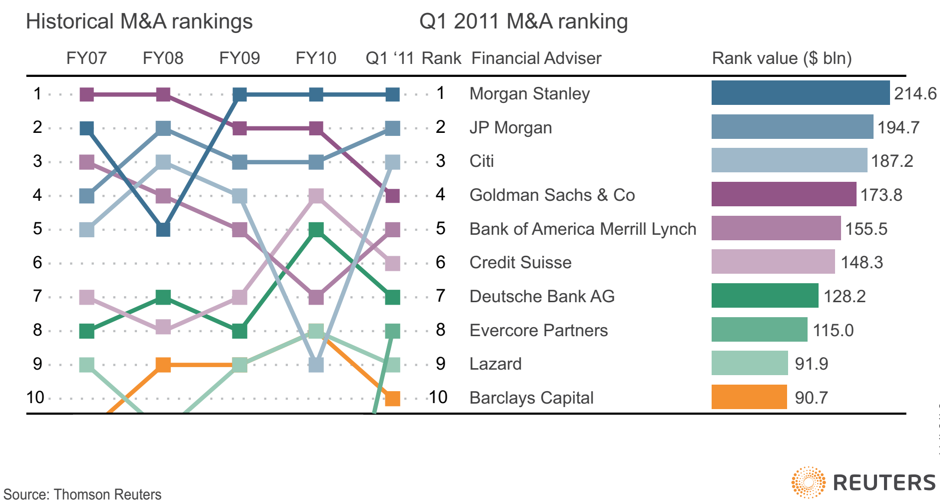
There is some hope that deal flow will pick up as optimism increases and companies become more willing sellers.

"Things are beginning to develop and there's a reasonable chance deal activity will pick up, although I do feel it will remain eclectic for the short term," said Stephen Zide, Managing Director at Bain Capital.

"There are a lot of things going on behind the scenes ... from a planting seeds perspective (and) some of that can come to fruition if the markets remain somewhat positive," said Zide.

John Coyle, head of Permira's New York office, said he expects companies to become more open to selling, and that buyers will feel better about taking on more risk as they become more optimistic about the world.

M&A financial adviser ranking - Q1 2011



Source: Thomson Reuters

Reuters graphic/Vincent Flasseur

"THERE'S A REASONABLE CHANCE DEAL ACTIVITY WILL PICK UP, ALTHOUGH IT WILL REMAIN ECLECTIC FOR THE SHORT TERM."

LOOSER TERMS

LARGER DEALS would be supported by rebounding debt markets, which have already seen private equity firms opportunistically refinance debt of their portfolio companies -- bought during headier times.

That is a change from must-do refinancings of the past few years where portfolio companies were under pressure to extend the maturities of their debt.

"It definitely feels like a market where issuers are being more opportunistic and a number of (the banks) are seeking market share and are willing to be aggressive on the terms they'll do a refinancing and the fees they charge," said Epley.

Looser financing terms such as payment-in-kind (PIK) toggles and covenant-lite have been creeping back with a number of recent deals incorporating the methods.

These terms, more advantageous to the private equity firms than the lenders, show that the balance of power between the issuer of the debt and the lending bank is shifting to the issuer.

Covenant-Lite agreements lack traditional restrictions on borrowers, while PIK toggles allow borrowers to pay interest either with cash or by issuing more bonds.

Private equity firms like such terms because it can give them more ability to nurse a company through a downturn. However, for the lender, the terms carry the risk of less eventual recovery in the event that a company fails.

"Undoubtedly, every private equity firm spends a lot more time going through downside scenarios than they would have a couple of years ago," said Permira's Coyle.

Refinancings dominated U.S. lending in the first quarter, figures from Thomson Reuters LPC show.

Michael Abraham, UBS's co-head financial sponsors group for EMEA, also pointed to an increase in dividend recapitalizations -- increasing debt on a firm in order to pay a dividend to investors -- particularly in the U.S.

Still, Coyle said banks are not taking the type of underwriting risk they took in 2006 and 2007.

"The terms are very good upon execution but the banks in general are still making sure that as an underwriting matter they have enough additional spread, fees, incremental terms that they can put back into the document, such that if the market changes they are more than amply protected," Coyle said. "That's a good thing."

(Editing by Carol Bishopric)

ASIAN FINANCIAL SECTOR DEALS SEE SCRUTINY

BY DENNY THOMAS
HONG KONG, APRIL 6

PRIVATE EQUITY transactions in the financial sector across Asia are receiving heavier scrutiny from regulators worried about handing control of a regulated entity to a foreign buyout firm.

A panel of financial institutions' M&A bankers, speaking at the Reuters Global M&A summit in Hong Kong on Wednesday, cited the increased attention toward private equity from Asia's government officials watching over banks and insurers as a major concern.

The panel also concluded that China's banks face no immediate pressure to grow through acquisitions. It also discussed the difficulty insurers face in Asia in finding takeover targets.

"I hear frequently from regulators around the region a growing reluctance to approve private equity investments in regulated financial institutions, whether banks or insurance companies, particularly in situations where it involves control," Willard McLane, managing director at Morgan Stanley Asia Ltd, told the summit.

"I'm not sure this is necessarily a healthy trend. I think private equity has an important place in helping bring capital to different situations in the financial services industry," he added.

Private equity firms have expanded their presence in Asia during the last five years, despite the difficulties foreign investors often have in doing deals in the region. One third of the $100 billion that buyout funds raised for Asia last year was targeted at China or Greater China, according to data compiler Preqin, up 15.2 percent from the year before.

Private equity investments in Asia, excluding Japan, rose 30 percent last year to $20.13 billion, though the total is still below the $29.5 billion reached in 2007.

Financial industry deals were the second most active globally in the first quarter, according to Thomson Reuters, though such deals in Asia have eluded cashed-up private equity investors.

"Simply what the governments and regulators are looking for around the world is those who come into the market to have long-term commitment to the market as an investor," said Chad Holm, managing director of Asia financial institutions group at Bank of America-Merrill Lynch.

LONG TERM COMMITMENT: Bank Of America Merrill Lynch Senior Investment Banker, Asia-Pacific Financial Institutions Chad C Holm speaks during Reuters Mergers and Acquisitions (M&A) Summit in Hong Kong April 6, 2011. **REUTERS/BOBBY YIP**

PRIVATE EQUITY FIRMS HAVE EXPANDED IN ASIA DURING THE LAST FIVE YEARS.

"Private equity is lumped into the category, maybe for wrong reasons, as short-term players," he added.

INSURERS, BANKS

THE PANELISTS TOUCHED on financial industry themes such as exchange consolidation and nationalism. Among the other views shared were that China banks don't need to grow through acquisitions, and that while insurance in Asia is booming, available targets are scarce.

"There's no question insurance in Asia is attractive. It's not just fast-growing and under-penetrated, it also has the highest margins in the world," said Charles-Everard de T'Serclaes, Head of Financial Institution Groups, for J.P. Morgan in Southeast Asia.

"One of the ways to grow is M&A, but the problem is obviously that there's nothing available. Over the last 10 years of insurance deals, there's only been on average two and a half deals per year in Asia of a size greater than $200 million," he said. "So the scarcity value of insurance assets is obviously very high."

William Nichol, head of Deutsche Bank's Financial Institutions Group (FIG) for Asia Pacific and Japan, noted that insurance is a capital intensive business and that to break into the top five of a relevant market is tough to do without some type of acquisition. Lack of targets in Asia only makes that effort harder.

Nichol cited the October agreement by U.S. insurance company ACE Ltd. to buy New York Life Insurance's operations in Hong Kong and Korea for around $425 million in cash.

"I think that was partially the driver for someone like New York Life to exit. They were not a distressed company, they are a mutual so there's no shareholder pressure.

"They are very well capitalized. I think the argument for them, internally, was that they said 'we're not going to be top five in any market at any time in the near future,'" Nichol said.

"I think others may come to similar conclusions, but they tend to be people who are in the lower ranks by overall size, because they figure it's going to be too hard to get to the top of the tree."

(Additional reporting by Stephen Aldred and; Nishant Kumar; Editing by Michael Flaherty and Muralikumar Anantharaman)

OIL, MINING M&A: BEWARE THE POLITICS

BY QUENTIN WEBB AND SIMON MEADS
LONDON, APRIL 5

BIG MINING and oil firms and their advisers need to become more shrewd to get deals through an increasingly tough political landscape, senior bankers say.

BHP Billiton, the world's biggest miner, has ditched three major deals in as many years, including its $39 billion bid for top global fertiliser maker Potash Corp, in the face of resistance from politicians, competition watchdogs, and others.

The unexpected blocking of BHP-Potash by Canada's government was a "pretty brutal lesson", said Mark Echlin, head of industrials at Credit Suisse, at the Reuters Global Mergers and Acquisitions (M&A) Summit on Tuesday.

It showed companies and their advisers they needed to become "a lot smarter on the politics" of deals, and how they would "play on the Street", he said.

"I'm certainly not saying there are no mega-deals left," Echlin said, but he added: "I do think they have become more challenging because of the regulatory issues." In mining they faced "formidable" antitrust problems.

Nigel Robinson, head of natural resources M&A at Deutsche Bank, said: "People often mistake regulation for being a legal process -- it's actually a political process.

"The larger the deal the more political it becomes," he told the summit, held at Reuters London offices.

NATIONAL OIL COMPANIES

ONE SHIFT in dealmaking could see major natural resources firms increasingly working with so-called "national oil companies" (NOCs) and other state-backed firms mounting joint bids for assets, projects, or even entire companies.

Recent examples include PetroChina and Royal Dutch Shell's joint bid for Australia's Arrow Energy last year and BP's disputed tie-up with Russia's Rosneft.

PRETTY BRUTAL LESSON: Potash waits 1000 metres (3280 feet) below surface at the Rocanville Potash Corp mine before being loaded up the shaft and carried to surface in Saskatchewan September 30, 2010. **REUTERS/DAVID STOBBE**

Despite BP's problems, "that kind of partnership between access to resources, local NOC and major, is something that we see much more of happening," said Julian Mylchreest, global co-head of energy and power at Bank of America Merrill Lynch.

The partnerships can help smooth political problems and allow an emerging market bidder to tap the expertise of a Western operator, Deutsche Bank's Robinson said.

For the Western partner, working with a deep-pocketed state firm can remove the risk of an "interloper" disrupting the deal.

Such tie-ups are also appearing in mining: last year Rio Tinto partnered with Aluminum Corp of China, known as Chinalco, to work in Guinea.

But even here, Rio is fighting to keep the company's rights to part of the giant Simandou iron-ore project. Last month Chief Executive Tom Albanese said the "curse of resource nationalism" was a major obstacle to mining projects worldwide.

Industries centred on natural resources are the world's busiest for dealmaking in the last year, Thomson Reuters M&A data show.

The three busiest industries are oil and gas, metals and mining, and power, with a combined $700 billion of deals accounting for 26 percent of global M&A.

(Editing by Louise Heavens and Elaine Hardcastle)

BASE METAL DEALS TO LEAD CANADIAN M&A

BY PAV JORDAN
TORONTO, APRIL 5

MINERS, ESPECIALLY of base metals, will drive Canadian merger and acquisition activity for the rest of 2011, although oil and gas and financial services will also be significant, bankers said on Tuesday.

In a panel discussion at the Reuters Global Mergers and Acquisitions Summit, investment bankers said deal volumes had a long way to grow, and the average size of larger deals would be around the $1 billion mark, or double last year's level.

Canada has seen a slew of multibillion dollar deals since the start of the year. Two Toronto-listed miners are facing unsolicited takeover bids.

"Clearly energy and mining, I think, are going to be the two key sectors in Canada over the next several years," said Peter Buzzi, co-head of mergers and acquisitions at the Royal Bank of Canada, Canada's largest bank.

Buzzi and chief investment bankers from the Bank of Montreal, Bank of Nova Scotia and Canadian Imperial Bank of Commerce, said Canadian M&A activity would be healthy given strong corporate balance sheets and improved access to credit markets.

ROOM TO GROW

"IF YOU LOOK at M&A volumes last year either globally or in Canada, they are still only at about half where we were at the peak, so there's still a fair bit to go," said Michael Boyd, head of mergers and acquisitions at CIBC.

Three major merger scenarios are unfolding in Canada: an unsolicited bid by base metals miner Equinox to buy Lundin Mining for $4.7 billion, another unsolicited bid by China's Minmetals Resources to buy Equinox for C$6.3 billion, and a C$3 billion friendly bid from the London Stock Exchange to buy the TMX Group, Canada's largest stock market operator.

Asked which Canadian sector would get the most attention, M&A bankers pointed unequivocally at mining, with a heavy emphasis on base metals, and the gold sector quick on its heels.

"The one other sector that we haven't really talked about which has been quite active and continues to be just for inbound and outbound M&As, is financial services frankly," said Andre Hidi, who leads mergers and acquisitions for BMO Capital Markets, the investment banking arm of Bank of Montreal.

SPRING EQUINOX: An Equinox copper mine is seen in Lumwana, Zambia, in this aerial view undated handout obtained by Reuters on April 4, 2011. **REUTERS/EQUINOX-TIM LOFTHOUSE**

"The exchange sector's going through a massive wave of consolidation right now of course, and frankly we think other areas of financial services will be the next most active sector after mining and energy," he said. "There may well be additional opportunities whether within Canada or abroad for the banks."

There were two major deals announced in December in the Canadian financial services industry: Bank of Montreal agreed to buy Marshall & Ilsley Corp for $4.1 billion, offering a 34 percent premium, and Toronto-Dominion Bank agreed to buy Chrysler Financial for $6.3 billion, making it one of North America's biggest bank-owned auto lenders.

THE CAVEAT

BANKERS POINTED to interest in Canadian commodity-based companies by Asian countries as another major and growing trend in dealmaking that is expected to expand further this year.

"It's imperative that investment firms have access and dialogue with Asian buyers," said John Tuer, head of mergers and acquisitions at Scotia Capital, the investment banking arm of Bank of Nova Scotia.

"Whether they ultimately become the buyer or not, they are going to always be in the mix, one way or another," he added, pointing to Minmetals' bid for Equinox.

Bankers see continued strength in the market for at least another year, and note deal flow came back much faster than expected after the global financial crisis.

So what keeps them up at night?

Rising interest rates, inflation, sovereign debt fears from Europe to the United States, and the potential for political risk in the Middle East were among the factors cited by Canadian bankers, though they are not overly concerned for the time being.

"I think whatever does bring down the current cycle is something that none of us that are here today are going to be able to predict," said Buzzi.

($1=$0.96 Canadian)

(Additional reporting by Solarina Ho, Alastair Sharp, Jeffrey Hodgson; Euan Rocha and S. John Tilak; Editing by Richard Chang)

METAMORPHOSIS: A Caterpillar tractor lifts a piece of construction equipment in Somerville, Massachusetts January 27, 2010. **REUTERS/BRIAN SNYDER**

SPIN-OFFS TO BOOST INDUSTRIAL DEALMAKING

BY SOYOUNG KIM AND MEGAN DAVIES
NEW YORK, APRIL 5

A WAVE OF split-ups and divestitures would boost dealmaking in the diversified industrials sector by creating potential takeover targets for larger rivals and private equity firms flush with cash.

More diversified companies are aggressively reviewing their portfolios to boost growth in a slow economic rebound, spurring spin-offs and sales of non-core assets and opening the door for these newly created independent companies to be acquired, senior dealmakers said on Tuesday at the Reuters Global Mergers and Acquisitions Summit in New York.

"M&A path is a solution of a lot of these companies ... As an M&A person, I get excited to see targets created," said Will Dotson, head of North American industrials group at Morgan Stanley.

Diversified U.S. conglomerate ITT Corp announced plans earlier this year to split into three companies separately focused on water technology, defense and industrial businesses, while Italian industrial group Fiat SpA separated its truck and tractor business from carmaking activities.

Several other conglomerates across a broad range of sectors have also gone down the spin-off path, such as Motorola,

Marathon Oil Corp and Sara Lee Corp.

"This is part of a broader story. CEOs are really aggressively managing their portfolios and trying to reposition their companies for broader growth. Selling or spinning off businesses is just part of that," said Larry Hamdan, executive chairman of global M&A at Barclays Capital.

Most industrial deals were within the $1 billion to $3 billion range over the past year but improving earnings, low interest rates and record cash levels have emboldened chief executives to strike larger deals in recent months.

Danaher Corp bought Beckman Coulter for $5.8 billion in cash and Caterpillar Inc struck a $7.6 billion deal to take over mining equipment maker Bucyrus.

General Electric Co has spent some $11 billion on several energy deals over the past year.

Dealmakers said the industry would continue to see more deals in the $3 billion range but an increasing number of larger deals are expected in coming years as an economic recovery takes hold.

"A 'string of pearls'-type strategy is appropriate for this point in the cycle," said Andy Lipsky, head of M&A for the Americas at Credit Suisse, referring to bolt-on acquisitions as opposed to one massive deal.

"The bigger deals happen at the end of the cycle."

BUYOUT INTEREST

PRIVATE EQUITY FIRMS have been active in bidding for industrial assets but have been outbid in several recent auctions by strategic bidders, which have the upper hand in nearly any auction as they can generate cost savings from combining businesses.

Still, with the high yield market giving private equity firms the ability to put leverage of 5-6 times EBITDA on a target, they have the ability to bid competitively, offering 8-9 times EBITDA, sometimes even more, for the right targets, said Barclays' Hamdan.

"Sponsors can certainly be very competitive with strategic buyers," he said. "They are active in virtually every auction that we are running right now. But when you have a strategic buyer with synergies, who really does really want to buy a particular target, most of the time they're successful."

"But the fact is that sponsors are very competitive in this market, and I think they can be competitive in $8-10 billion deals and more than that potentially," Hamdan said.

Private equity firms will instead have an opportunity to buy units spun off from larger conglomerates which look to break up, said Morgan Stanley's Dotson.

"I think where we'll see financial buyer activity is in negotiated one-off transactions, although those are rare and hard to come by, and much more in the divestiture world, where we see some of these larger companies selling off non-core businesses," Dotson said.

"We're going and talking to everyone about if you have non-core assets, you should think about selling them, because now is a great time to take advantage of this financial buyer bid out there. Every auction of a moderately sized business, $3 billion and lower, is flooded with financial buyer interest," he said

(Reporting by Soyoung Kim, Nick Zieminski and Megan Davies in New York, Editing by Matthew Lewis)

"CEOS ARE TRYING TO REPOSITION THEIR COMPANIES FOR BROADER GROWTH."

BROADER STORY: Larry Hamdan, executive chairman of Global Mergers & Acquisitions for Barclays Capital, speaks during the Reuters Global Mergers and Acquisitions Summit in New York, April 5, 2011. **REUTERS/BRENDAN MCDERMID**

BUYOUT FIRMS TO FLOOD EUROPE WITH COMPANIES

BY SIMON MEADS AND VICTORIA HOWLEY
LONDON, APRIL 4

PRIVATE EQUITY FIRMS will flood Europe with companies within the next five years as buyout investments reach maturity and funds come to the end of their cycles, buyout executives and bankers said.

Private equity houses should find eager buyers among rival buyout firms and cash rich corporates, they said on Monday at the Reuters Global M&A summit..

Private equity firms will need to sell about 2,000 European firms from 2012-16, said Michael Queen, chief executive of London-listed private equity firm 3i.

"These companies will bring an enormous surge to M&A over the next four to five years. It will be a great time to buy in European private equity," Queen told the summit in London.

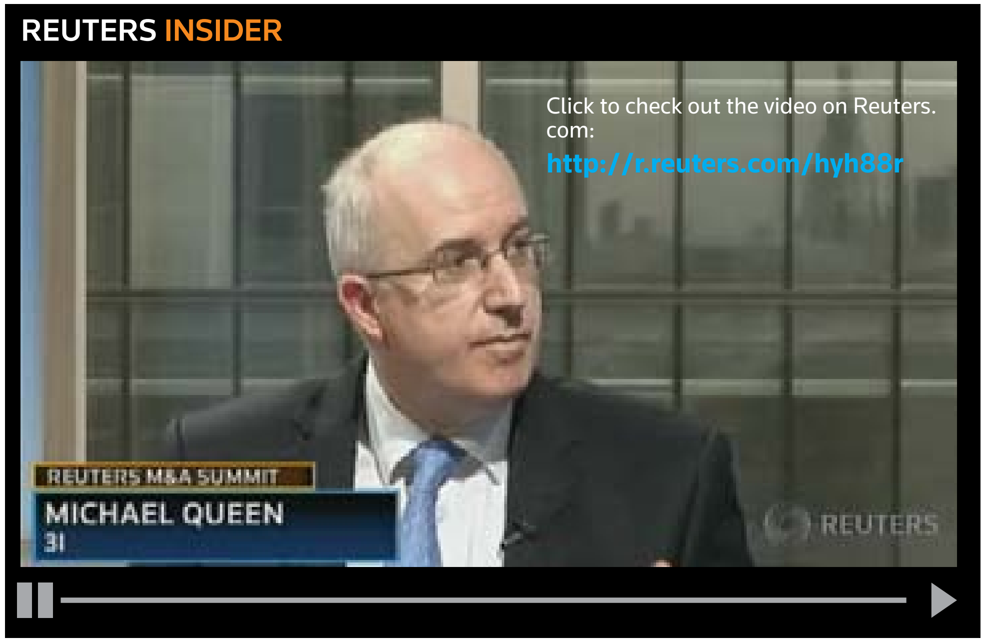
"THESE COMPANIES WILL BRING AN ENORMOUS SURGE TO M&A OVER THE NEXT FOUR TO FIVE YEARS."

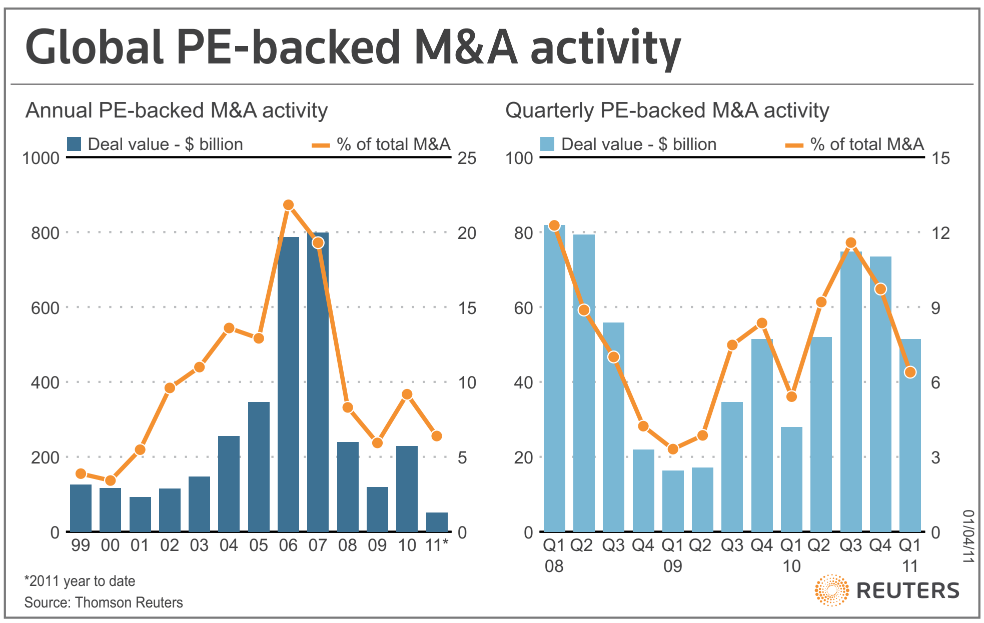
Global private equity M&A leapt 84 percent in the first quarter to $51 billion, building on a 91 percent rise in 2010, Thomson Reuters data showed.

An improving economic outlook, low financing costs and capital to use has fuelled competition on deals, with private equity firms taking on each other and cash-rich strategic buyers, as was the case for Kabel Baden-Wuerttemberg, which telecoms group Liberty Global snatched away from CVC.

Lionel Zinsou, chairman of PAI Partners, said the influx of assets could mean another wave of secondary buyouts in 2014 and 2015, whereby one private equity firm buys a company from one of its rivals.

Private equity firms are sitting on about 90 billion euros ($128 billion) of unspent capital they need to deploy within the next couple of years, 3i's Queen estimated.





Reuters graphic/Vincent Flasseur

They will face stiff competition from cash-rich strategic buyers with the appetite and cash to bid for assets.

"There is no reason to think that there will be low demand for this extra supply. There is no risk of an excess of assets. We are in a period of world growth. Savings surpluses are at record levels in large parts of the world," Zinsou said.

(Additional reporting by Quentin Webb; Editing by Dan Lalor)

U.S. BANKS EYE PAYOUTS OVER DEALS

BY PARITOSH BANSAL
NEW YORK, APRIL 6

REGULATORY UNCERTAINTY and a lack of willing sellers may lead some U.S. banks to return capital to shareholders through share buybacks and dividends instead of gobbling up rivals -- for now.

The U.S. banking sector feels overcapitalized, but institutions are finding it difficult to plan for a future when a series of rules based on new regulations have yet to be written, senior investment bankers said at the Reuters Global Mergers and Acquisitions Summit in New York.

"Do the regulators want the banks to grow? A lot of them (banks) are uncertain," said Halle Benett, co-head of financial institutions group and global head of specialty finance at UBS AG. "That's a difficulty because it is very hard when you are charting your future."

The markets for now are rewarding banks that are already paying dividends or have said they are going to start doing so, said Bradley Whitman, co-head of FIG M&A at Barclays Capital.

"The market -- at least in this phase right now -- seems to be rewarding those that are returning capital," Whitman said. "I don't know how they will feel a little bit later on as things become more healthy, and if that's the way to return capital versus business improvements or through interesting and attractive M&A transactions."

There are limits placed by the U.S. Federal Reserve on the extent of payouts to shareholders through dividends and buybacks.

"The Fed has to be comfortable with that. To date they have been pretty restrictive," said Doug Simons, a managing director at Credit Suisse. "Capital is not the issue and liquidity is the source of uncertainty still because the final rules are not yet in place."

Bankers said the much anticipated wave of M&A among U.S. banks was likely to come once that uncertainty is removed.

SIMONS SAYS: Doug Simons, (R) Managing Director for Credit Suisse in the Financial Institutions Group, speaks as Halle Benett, (L) co-Head of the Financial Institutions Group and Global Head of Specialty Finance for UBS, looks on during the Reuters Global Mergers and Acquisitions Summit in New York, April 6, 2011. **REUTERS/BRENDAN MCDERMID**

"LIQUIDITY IS THE SOURCE OF UNCERTAINTY BECAUSE THE FINAL RULES ARE NOT IN PLACE."

There have been some signs the M&A market is beginning to normalize. In December, Bank of Montreal agreed to buy Marshall & Ilsley Corp for $4.1 billion, offering a 34 percent premium.

But overall U.S. bank deals are depressed. Deals in the sector fell to $16.1 billion last year, down from $56.2 billion in 2009, Thomson Reuters data shows. In the first quarter, U.S. bank deals totaled around $4.4 billion.

With the financial crisis behind them, many banks are ready to buy.

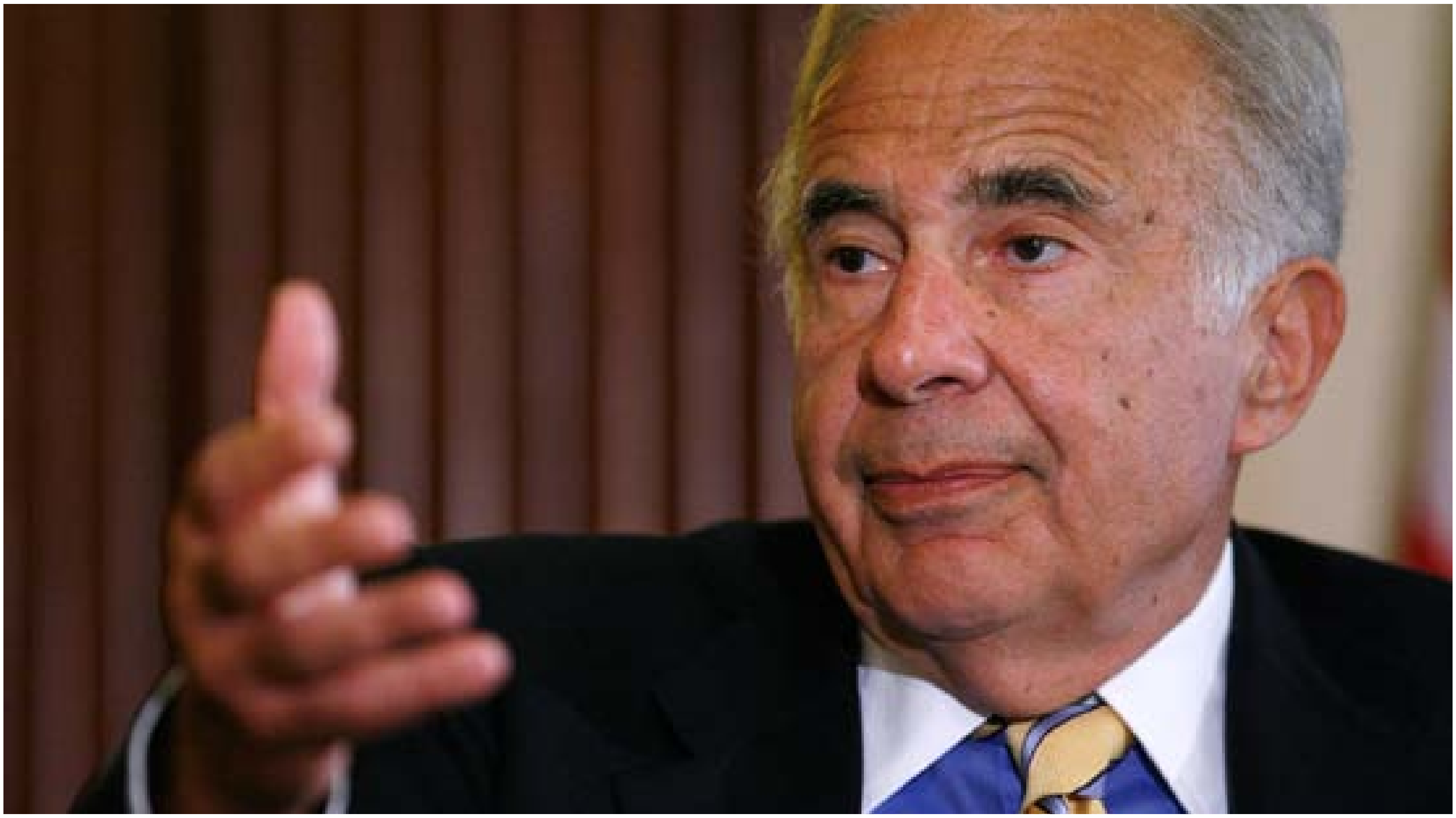
"Management team are often quite proud to have survived the crisis, and feel that now they have made it through they want to capitalize on the recovery," Simons said.

But the sellers remain scarce.

"They are feeling pretty good about credit and their business, and they are ready to do M&A but they can't find guys who are willing to sell," Whitman said. "Once there is more certainty about what the rules are we will then begin to see the M&A wave that we have been anticipating."

(Editing by Richard Chang)

TECH BOARDS MORE 'PROACTIVE' OVER ACTIVISM



ICAHN OF DEALS: Investor Carl Icahn speaks at the Wall Street Journal Deals & Deal Makers conference, held at the New York Stock Exchange, June 27, 2007. **REUTERS/CHIP EAST**

BY NADIA DAMOUNI
NEW YORK, APRIL 5

CASH-RICH TECHNOLOGY companies are increasingly willing to go hostile in their bids for rivals, but potential targets are more worried about another threat -- shareholder activism, senior bankers said on Tuesday.

With the likes of billionaire investor Carl Icahn and Ralph Whitworth's Relational Investors turning their sights on tech companies in recent months, boards are reaching out to investment bankers more proactively than ever to come up with defense, bankers said at the Reuters Global Mergers and Acquisitions.

"If someone submits a proxy, more often then not you end up with a new board member," said David Wah, co-head of global technology and U.S. media and telecom group at Credit Suisse.

Wah said boards are asking a lot more right now about ways to protect their companies from activism.

Several high-profile activist investors have taken up battles with technology company boards in recent months, often criticizing their strategy publicly. They have taken their cue from a spate of mergers in the sector and argued for breaking upand selling companies they think are undervalued.

"We have seen a noticeable level of interest that they are driving," said Bob Eatroff, a managing director at Morgan Stanley.

Recently, Mentor Graphics rejected a $1.9 billion unsolicited takeover bid by Icahn, who launched the offer in February. But Icahn has not yet given up.

Hedge fund Elliott Associates was successful last year in pushing Novell to sell itself for $2.2 billion to Attachmate Corp, a data center software maker owned by an investment group led by Francisco Partners, Golden Gate Capital and Thoma Bravo.

But some of the aggressive defense has helped companies keep activists at bay. Symantec Corp held a series of banker meetings to advise on strategic options after Relational, Elliott and a number of other activists moved into the stock late last year.

The company was able to stay independent after what a board member described as an attack by activists on the security software maker.

"When talking to clients and focusing on vulnerability, the activist shareholder tends to get more attention than the traditional strategic buyer," said Eatroff.

(Editing by Gary Hill)

PRIVATE EQUITY TO DRIVE U.S. IPOs

BY CLARE BALDWIN AND ALINA SELYUKH
NEW YORK, APRIL 5

HOW ABOUT A DOZEN GLAZED: Democratic presidential candidate Senator Barack Obama (D-IL) selects donuts to be delivered to local campaign volunteers at a Dunkin' Donuts shop in Manchester, New Hampshire January 8, 2008, on the day of the New Hampshire Primary. Dunkin' Brands may issue shares later this year. **REUTERS/JASON REED**

"INVESTORS ACTUALLY LIKE LEVERAGE IF THERE IS A CLEAR PATH TO PAY IT DOWN."

PRIVATE EQUITY-BACKED deals will continue to drive the U.S. market for initial public offerings during the rest of 2011, capital markets bankers told the Reuters Global Mergers and Acquisitions Summit on Tuesday.

Of the 26 IPOs in the United States in the first quarter, only 11 were backed by private equity firms, but they accounted for $10.9 billion of the $14.9 billion raised, according to Thomson Reuters data.

"We are at the beginning of a cycle where investors actually like leverage if there is a clear path to pay it down," said Mohit Assomull, global head of equity syndicate at Morgan Stanley.

Investors historically have been leery of investing in private equity-backed IPOs as the companies coming public commonly have large amounts of debt inherited from their sponsors in a leveraged buyout.

But based on deals done in the first quarter, at least some of those fears have been allayed.

Hospital operator HCA Holdings Inc raised $4.4 billion, pipeline operator Kinder Morgan Inc raised $3.3 billion and consumer measurement company Nielsen Holdings raised $1.9 billion.

"If it's a stable company with stable cashflows, it can handle more leverage," said John Chirico, co-head of capital markets origination in the Americas for Citi.

The amount of debt a company can handle is variable, but 5 times earnings before interest, taxes, depreciation and amortization is reasonable, Chirico said.

So far this year the big buyout-backed IPOs have been in the range of 4.5 to 5 times debt to EBITDA, Chirico said.

Private equity portfolio companies will remain a key part of the U.S. IPO issuance this year but will not dominate the market, said Frank Maturo, Bank of America Merrill Lynch co-head of equity capital markets

"The financial sponsor deals are going to continue, but I think they're only going to make up about half of the IPO issuance," he said.

Maturo said other sectors including technology, healthcare, specialty finance companies and mortgage REITs could pick up.

Several more companies taken private during the height of the buyout boom could come public this year.

Chipmaker Freescale and toy retailer Toys R Us are on file for IPOs. Dunkin' Brands, which owns doughnut and coffee chain Dunkin' Donuts and ice cream shop Baskin-Robbins, could do a $500 million IPO later this year, sources have said.

"The market is open as long as greed doesn't overtake the various constituencies," Morgan Stanley's Assomull said.

"The markets right now are very healthy," he said.

(Editing by Steve Orlofsky)

HANDLING MORE LEVERAGE: John Chirico, co-head of capital markets origination for the Americas at Citi, speaks during the Reuters Global Mergers and Acquisitions Summit in New York, April 5, 2011. **REUTERS/BRENDAN MCDERMID**

NOVEL M&A PATHS GAIN ACCEPTANCE

$20 BILLION BET: An operator performs routine maintenance on one of the bioreactors used to manufacture cerezyme at Genzyme's manufacturing facility in Boston, Massachusetts May 3, 2010.. **REUTERS/BRIAN SNYDER**

BY JESSICA HALL
NEW YORK, APRIL 4

LARGE PHARMACEUTICAL companies may be better-served focusing on unconventional acquisitions and unique uses for drugs rather than on traditional mergers that focus on gross margins and cost-savings.

As pharmaceutical companies struggle with the pending loss of patent protection on their blockbuster drugs, different business strategies have emerged.

"There is a better business model -- focusing at the end of the day on who your customer really is," Evercore Senior Managing Director Francois Maisonrouge said at the Reuters Global Mergers and Acquisition Summit in New York.

Companies such as Pfizer Inc are currently weighing splitting up parts of their businesses to become more streamlined, while others such as Sanofi-Aventis recently made a $20 billion bet on rare disease company Genzyme Corp to become more diversified.

So far this year, there has been $51.1 billion in healthcare mergers and acquisitions announced globally, up 24 percent from

SOME COMPANIES MAY SPLIT UP PARTS OF THEIR BUSINESSES TO BECOME MORE STREAMLINED.

$41.1 billion in the same period a year ago, according to data from Thomson Reuters.

Some of these deals include unexpected hostile deals, such as Valeant's $5.7 billion bid for Cephalon, a maker of pain-relief and other specialty drugs.

That hostile move, unusual in the biotechnology sector, compares with more traditional, friendly mergers in the industry's past, such as the combinations of Pfizer and Wyeth, and the merger of Schering-Plough and Merck.

Sanofi's hostile bid for Genzyme included another unusual twist -- a milestone payout that would reward investors based on the success of an experimental multiple sclerosis drug.

"There are some unusual pairings, with healthcare reform in the U.S., people are rethinking their business models. Some of the pharma companies are getting into diagnostics, some are refocusing on consumer health," said Drew Burch, managing director and head of healthcare mergers and acquisitions at Barclays Capital in New York.

"Some people are going for diversification, others are not; some people are going for globalization and seeking greater growth rates in India, China and Eastern Europe, others are focused on innovation," Burch said.

UNIQUE APPROACHES TO DRUGS

OTHER COMPANIES are taking unique approaches on how they handle their products.

Maisonrouge cited the different tactics used in the insulin business taken by Novo Nordisk and Eli Lilly and Co, suggesting that Novo Nordisk's broader approach was more effective.

"Novo was focused on the patient, the physicians, the systems ... thinking about who their ultimate consumer and customer were -- the diabetic -- and the population at large, such as taxpayers, and payors," Maisonrouge said.

That model counters the approach taken by Eli Lilly & Co, which "was completely focused on gross margin of their insulin business, and all they worried about was having cheapest possible cost of goods sold -- and destroying their business," Maisonrouge said.

"Lilly focused on just the product they had -- insulin in syringes for uneducated, uncared-for American diabetics. Novo had a different way of approaching the business. Focus on the same molecule, but we're going to focus on how diabetics use it, whether it's more practical for them to use a pen, whether we can do deals with people who do blood glucose monitoring, etc," Maisonrouge said.

Another unique approach would be the sale of drugs to tackle entire lifestyle issues rather than just marketing medication for specific diseases.

In China, for example, a company could focus on increasing the average life expectancy and overall health makeup of the population rather than just touting a cholesterol drug.

The ebb and flow of consolidation and spinoffs may be driven, in part, by strategy but also by personality, said Peter J. Solomon Vice Chairman Frederick Frank.

"If you look at companies and how they change their models, you'll see it correlates with new CEOs. Pfizer has its new CEO and they're going from acquisitions to become the biggest company to be considering divesting a lot of activity. When Chris Viehbacher takes over Sanofi, it was a highly insular French company and now it has very broad global aspirations. They have made 23 acquisitions in a two-to-three-year period of time," Frank said.

(Editing by Matthew Lewis)

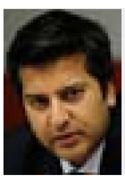
PROZAC, TAKE ME AWAY: Eli Lilly's Prozac medicine is seen at a pharmacy in Los Angeles, California, October 18, 2010. **REUTERS/LUCY NICHOLSON**

SUMMIT SPEAKERS

JEAN ABERGEL
Head of EMEA Media & Communications
Morgan Stanley

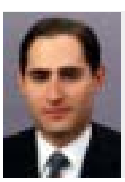
MICHAEL ABRAHAM
Co-Head of Financial Sponsors Group, EMEA
UBS

ALISTAIR ASHER
Head of FIG
Allen & Overy



MOHIT ASSOMULL
Global Head of Equity Syndicate
Morgan Stanley

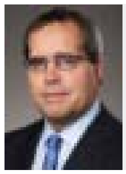
DAN BAILEY
Head of EMEA TMT - Global Banking
Citigroup



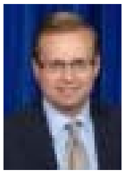
JOE BARATTA
Senior Managing Director
Blackstone

HALLE BENETT
Co-Head FIG, Americas
UBS

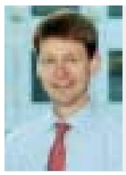
ARYEH BOURKOFF
Vice Chairman & Head of Americas Investment Banking
UBS



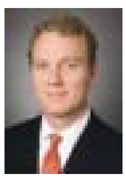
MICHAEL BOYD
Managing Director and Head, M&A
CIBC



CHET BOZDOG
Global Head of Technology Corporate and Investment Banking
Bank of America Merrill Lynch

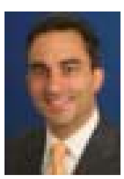


JEFF BUCKALEW
Head of M&A
Greenhill & Co



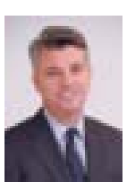
DREW BURCH
Managing Director and Head of Healthcare M&A
Barclays

PETER BUZZI
Managing Director, Co-Head, M&A
Royal Bank of Canada



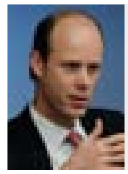
JOHN CHIRICO
Head of ECM for the Americas
Citi

MARY ANNE CITRINO
Senior Managing Director
Blackstone

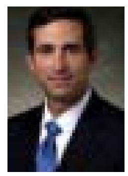


JOHN COYLE
Partner and Head of the New York Office
Permira

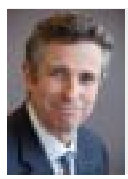
CHARLES-EVERARD DE T'SERCLAES
Head of Insurance
JPMorgan



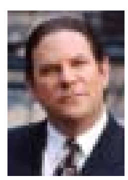
WILL DOTSON
Head of Industrials
Morgan Stanley



ROBERT EATROFF
Managing Director, Investment Banking
Morgan Stanley



MARK ECHLIN
Head of Industrials, EMEA
Credit Suisse



HOWARD ELLIN
Head of Corporate Transactions and M&A
Skadden Arps

MARK EPLEY
Managing Director
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FRED FRANK
Vice Chairman
PJ Solomon

MATT GRINNELL
Head of Financial Sponsors, EMEA
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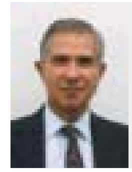
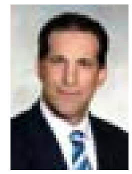


LARRY HAMDAN
Executive Chairman of Global M&A and Global Head of Industrials
Barclays Capital



ANDRE HIDI
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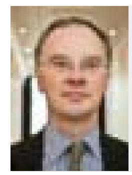

ROBERT HINGLEY
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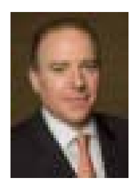

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DAVID LAZARUS
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ANDY LIPSKY
Americas Head of M&A
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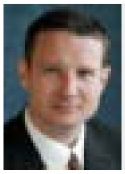

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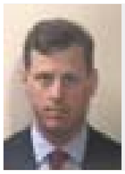
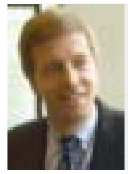


SCOTT MATLOCK
Chairman, International M&A
Morgan Stanley

JULIAN MYLCHREEST
Global Co-Head of Energy and Power
Bank of America Merrill Lynch



PATRICK RAMSEY
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Bank Of America

JOHN TUER
Managing Director, Head of M&A
Scotia Capital

FRANK MATURO
Co-Head of ECM for the Americas
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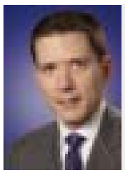

WILLIAM NICHOL
Head of Financial Institutions Group
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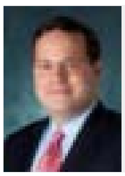
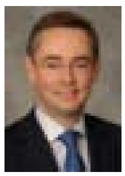
NIGEL ROBINSON
Head of Natural Resources
Deutsche Bank

DAVID WAH
Head of Global Technology and U.S. Media and Telecom Group
Credit Suisse



WILLARD MCLANE
Managing Director, Asia Pacific
Morgan Stanley



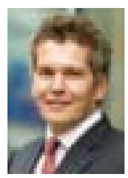
GUY PHILLIPS
Global Head of Consumer Products and Retail Group
UBS

PHILIPPE SACERDOT
Vice Chairman of Investment Banking
UBS

BRAD WHITMAN
Co-Head FIG M&A
Barclays Capital

ADRIAN MEE
Head of International M&A
Bank of America Merrill Lynch

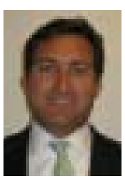
MATTHEW PONSONBY
Co-Head of M&A, Europe
Barclays Capital



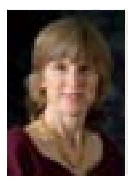
WILLHELM SCHULZ
Head of European M&A
Citigroup

STEVE ZIDE
Managing Director
Bain

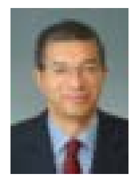
GARRETT MORAN
Senior Managing Director and COO, Private Equity Group
Blackstone



LARRY PORTMAN
Managing Director, Head of Consumer Products for the Americas
Rothschild



CAROLINE SILVER
Managing Director
Moelis-European FIG



LIONEL ZINSOU
CEO
PAI Partners

Q1 M&A REVIEW

Click here for Thomson Reuters' quarterly review of mergers & acquisitions: http://link.reuters.com/jun88r

COVER PHOTOS (CLOCKWISE FROM LEFT): Mobil Oil's oil refinery is seen in Melbourne March 8, 2011. **REUTERS/MICK TSIKAS**; A rebel fighter fixes a Kingdom of Libya flag on top of an electricity pole on the road to the east of Brega, in Libya, April 3, 2011. **REUTERS/ANDREW WINNING**; Jamie Dimon, CEO and chairman of JPMorgan Chase & Co., answers a question during an interview in his office in New York, in this photo taken December 22, 2010. **REUTERS/LUCAS JACKSON**; Customers discover the Apple's iPad 2 in a Paris Apple store after its official launch for direct purchase in France March 25, 2011. **REUTERS/CHARLES PLATIAU**; Billionaire Warren Buffett speaks during a news conference in New Delhi March 24, 2011. **REUTERS/B MATHUR.**

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