



M&A Market 2020 in Austria

PROPRIETARY & CONFIDENTIAL

Austrian M&A-Market -> 33rd Year

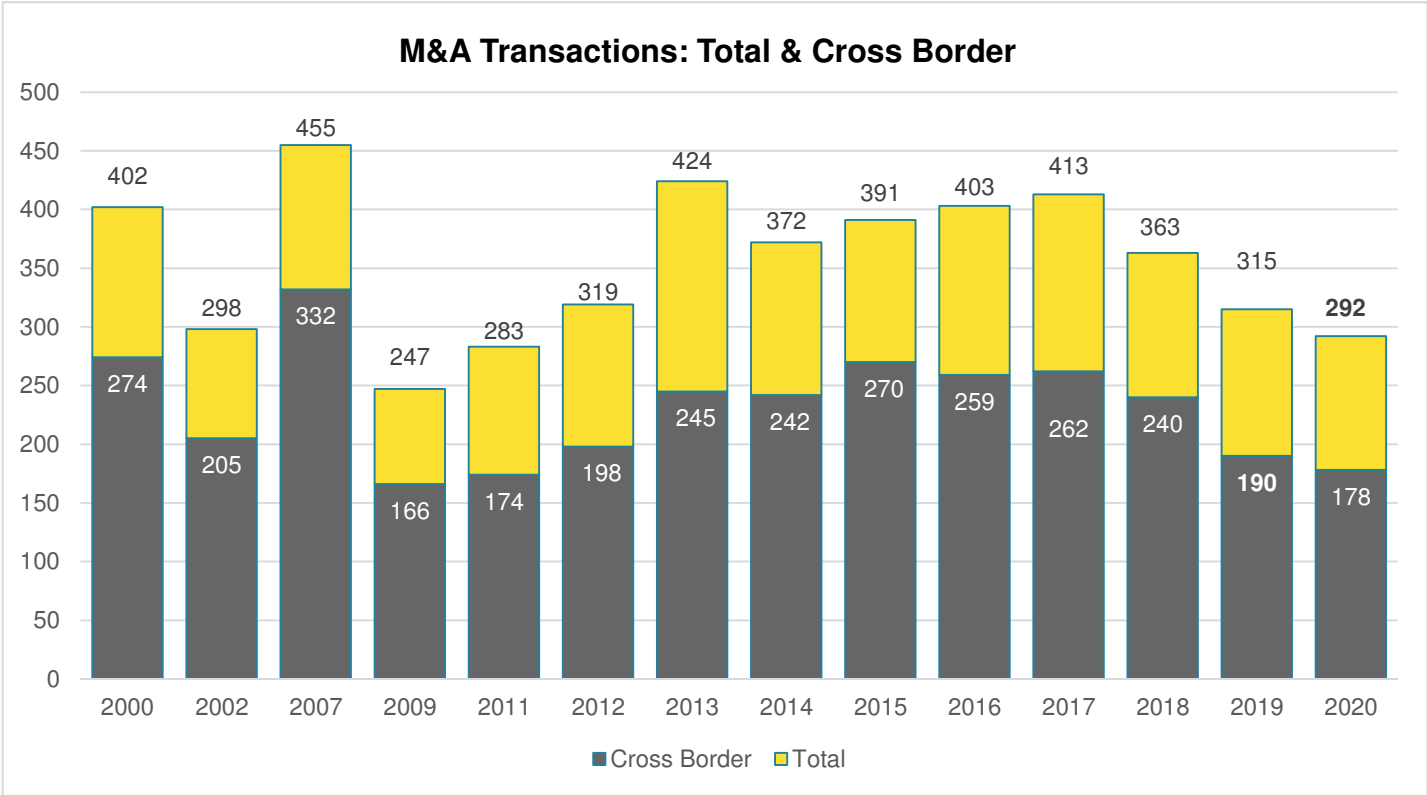


Overview Austrian M&A-Market in 2020

🕒 The most interesting details

- A decrease in number of transactions by 7,3 %;
- A decrease in transaction volume by 5,9 %;
- The share of cross-border transactions of 61,0 % continues to be one of the lowest during the observation period;
- The number of Austrian buyers abroad and of acquisitions of Austrian companies by foreign buyers are exactly equal;
- The relative share in number of transactions with CEE-countries is the lowest since the fall of the Iron Curtain;
- A significant decrease of transactions following insolvency proceedings or restructurings – also the lowest value within the observation period;
- Against the trend, both number as well as share of financially induced transactions were rising.
- In the last years, sectors which are to be classified as services have gained more and more share amongst main players in the Austrian M&A-Market – at least per number of transactions. In 2020, they completely disappeared from the top ranks – to be replaced by industries profiting from state interventionism.

M&A-Austria General Overview



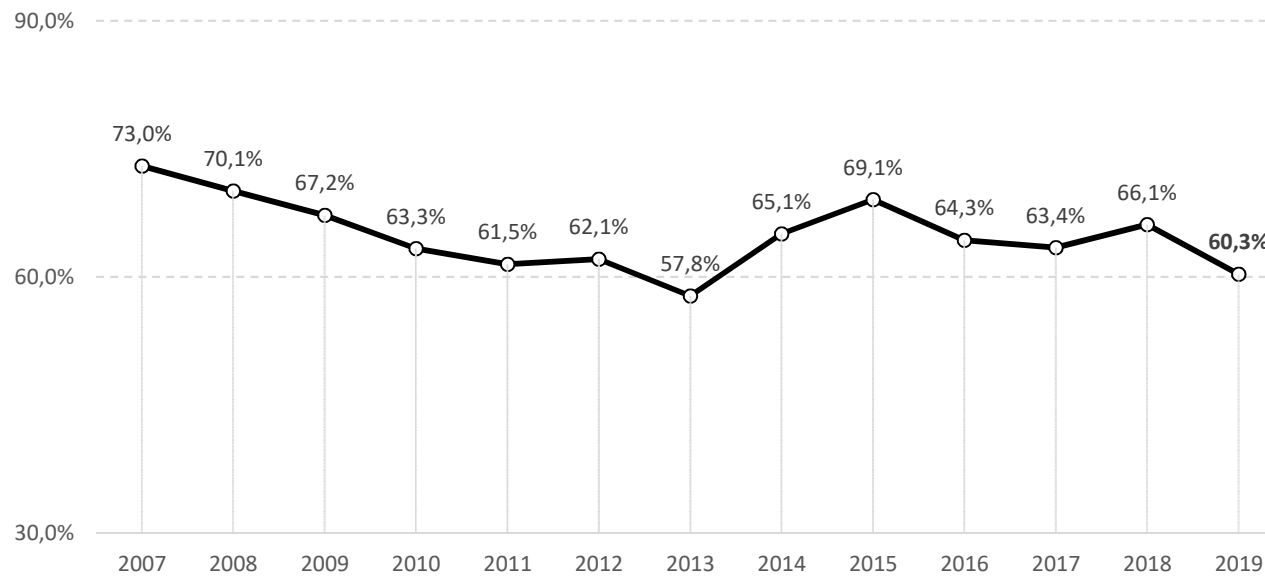
Total
 25 Year Maximum - 2007: 455
 25 Year Minimum - 1999: 225

Cross Border
 25 Year Maximum - 2007: 332
 25 Year Minimum - 1999: 162

M&A-Austria General Overview

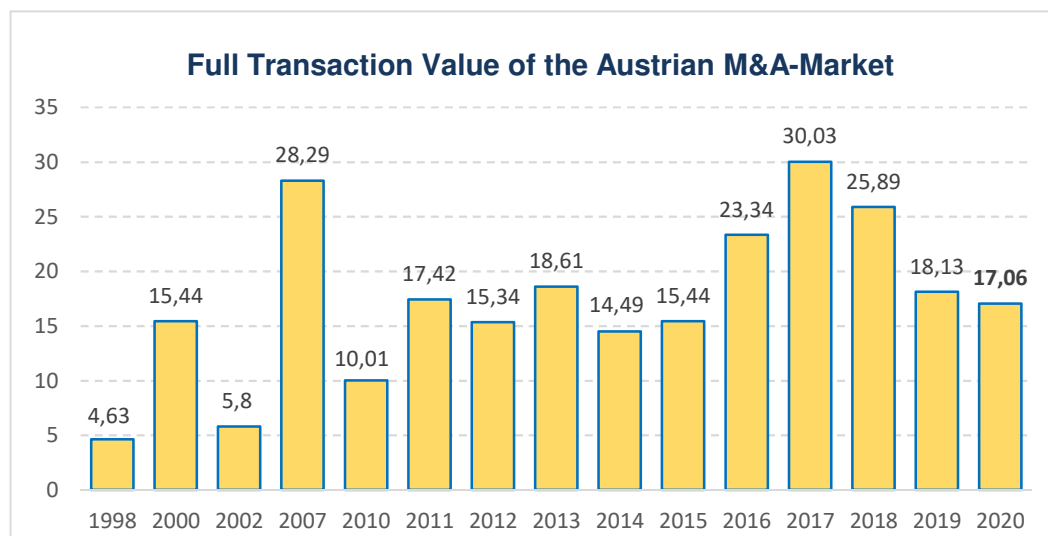


Ratio of M&A Transactions Cross Border to Total

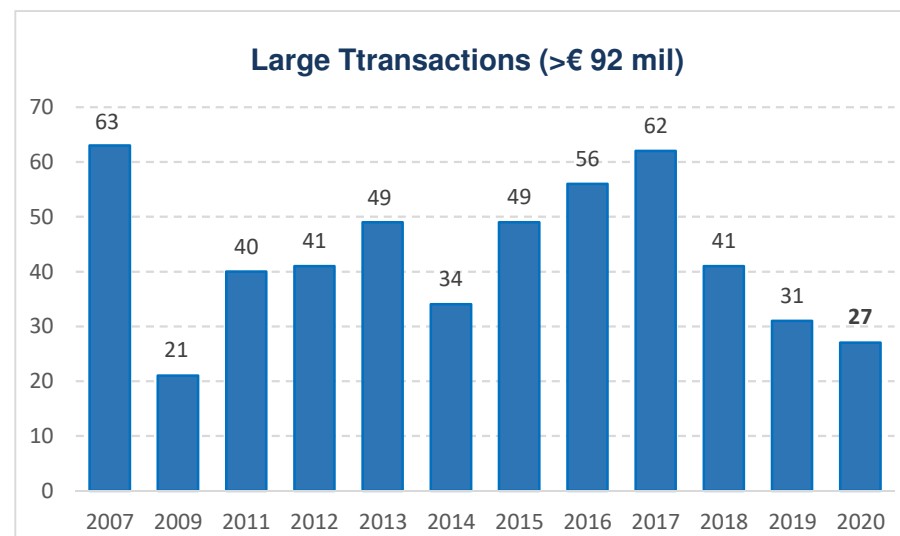


Maximum - 2006: 73,1%
Minimum - 2013: 57,8%

M&A-Austria General Overview

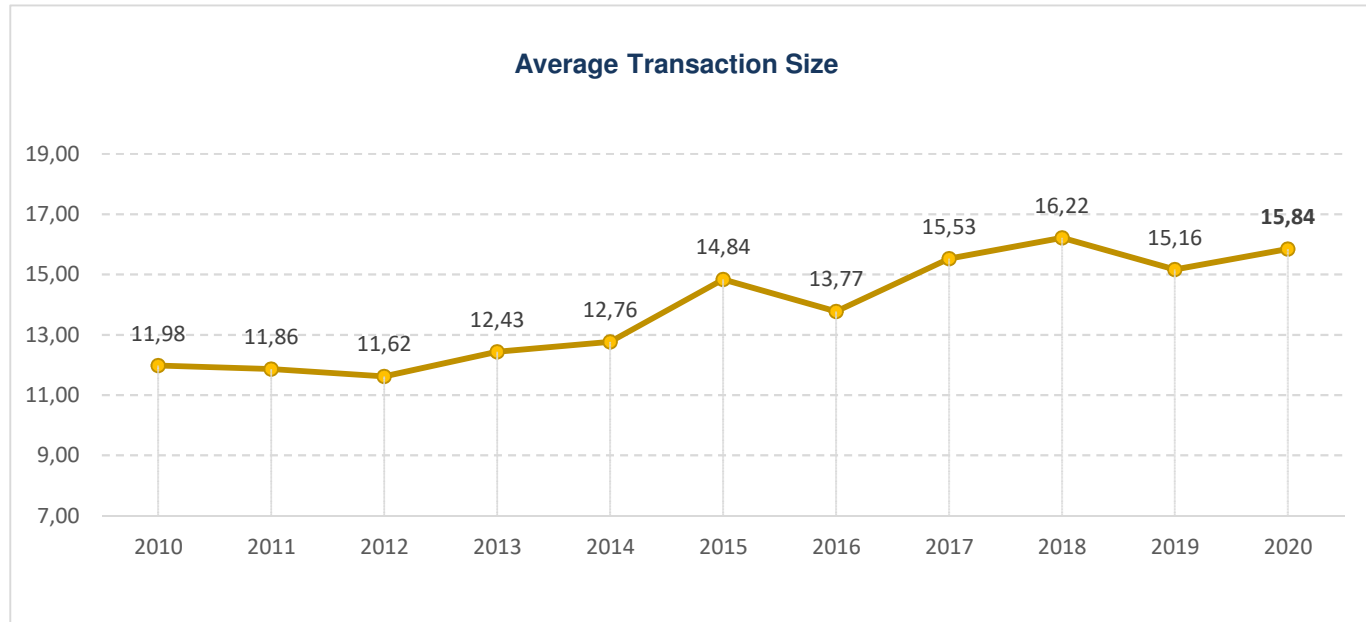


Maximum - 2017: 30.03
Minimum - 1998: 4.63



Maximum - 2007: 63
Minimum - 1995: 12

M&A-Austria General Overview

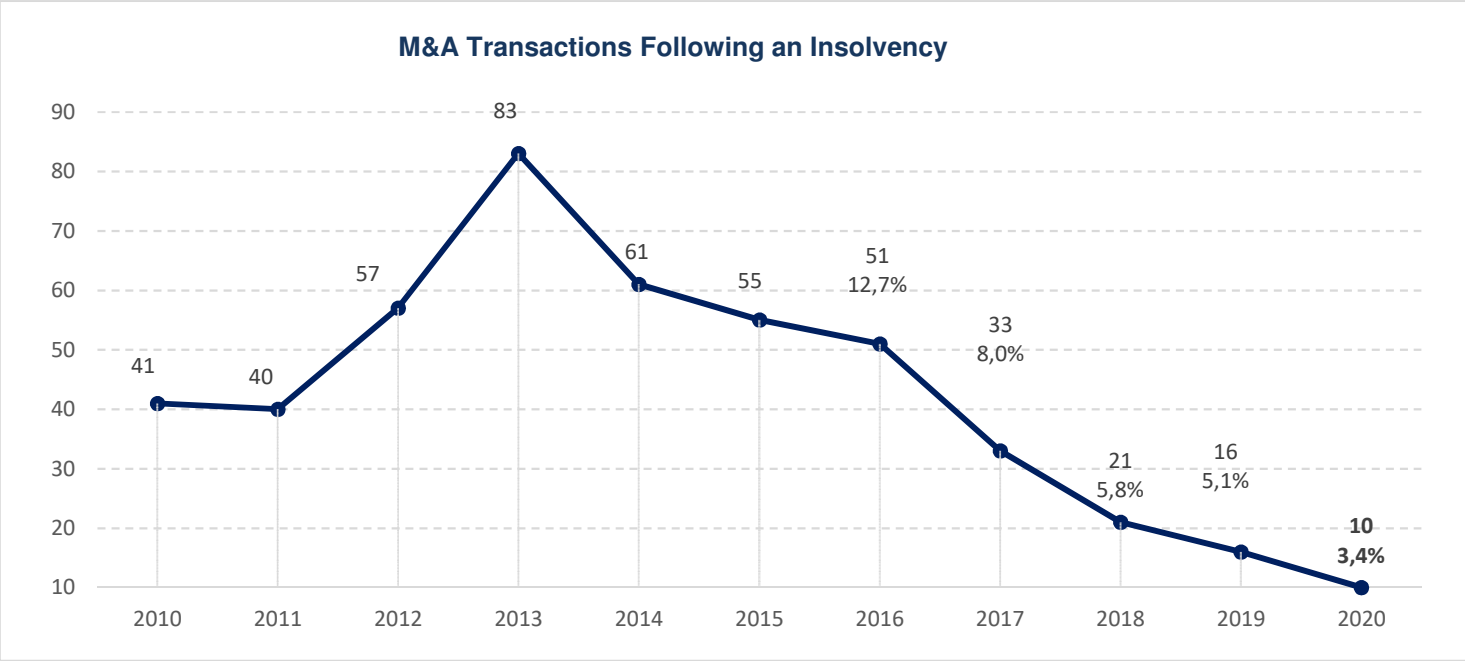


Maximum - 2018: 16,22%
Minimum - 1996: 9,21%

M&A-Austria General Overview



Surprise ? Not really !

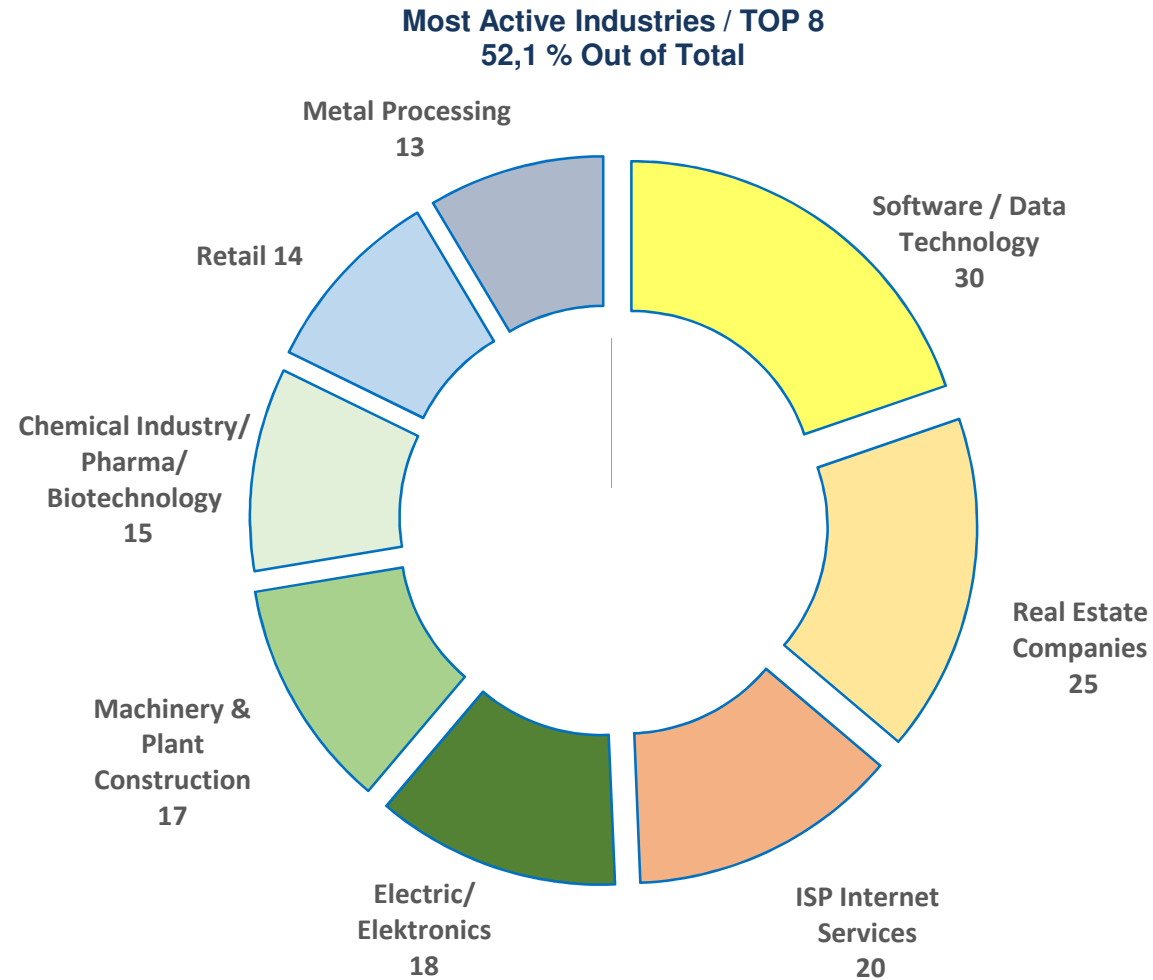


Maximum - 2013: 83
Minimum - 2020: 10

Overview

- In 2019, sectors which are to be classified as services have largely replaced more classical industries in the ranks of main players in the Austrian M&A-Market – at least per number of transactions. Austria was on its way to become a services economy. In 2020, these industries completely disappeared from the top ranks – such as financial services, personal services, transport/logistics and hospitality - to be replaced by industries profiting from state interventionism.
- Classical industry which stagnated or even declined in the years before is back – though mainly on lower level compared to long-term average. Many industry leaders took advantage of opportunities to „sort out the market“.
- Not a big surprise in view of the actual situation: **Chemical & Pharma Industry** is in the league of top-industries for the first time within the last 25 years.
- The most remarkable development: **Software & Data Technology** – the sector which profited most from the social and economic upheavals in 2020. They are number one in the industry analysis – markedly ahead of its follower, the long-term dominator of this analysis, the sector of **Real Estate Companies**.

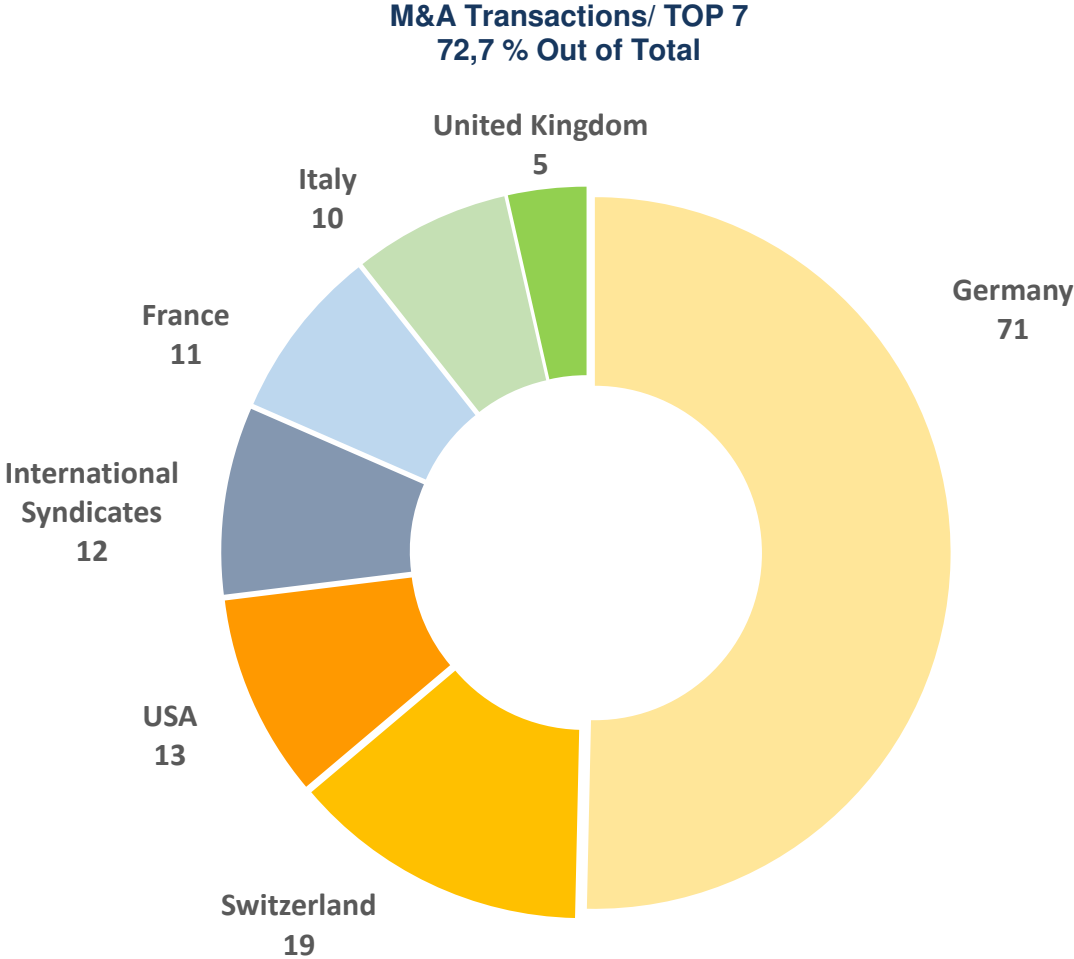
Industries Analysis



Overview

- 32 countries were involved in transactions with Austria in 2020
- The top ranks were held by the traditional trading partners, while the category “International Syndicates” significantly grows in importance!
- The number of Austrian buyers abroad and of acquisitions of Austrian companies by foreign buyers are exactly equal.

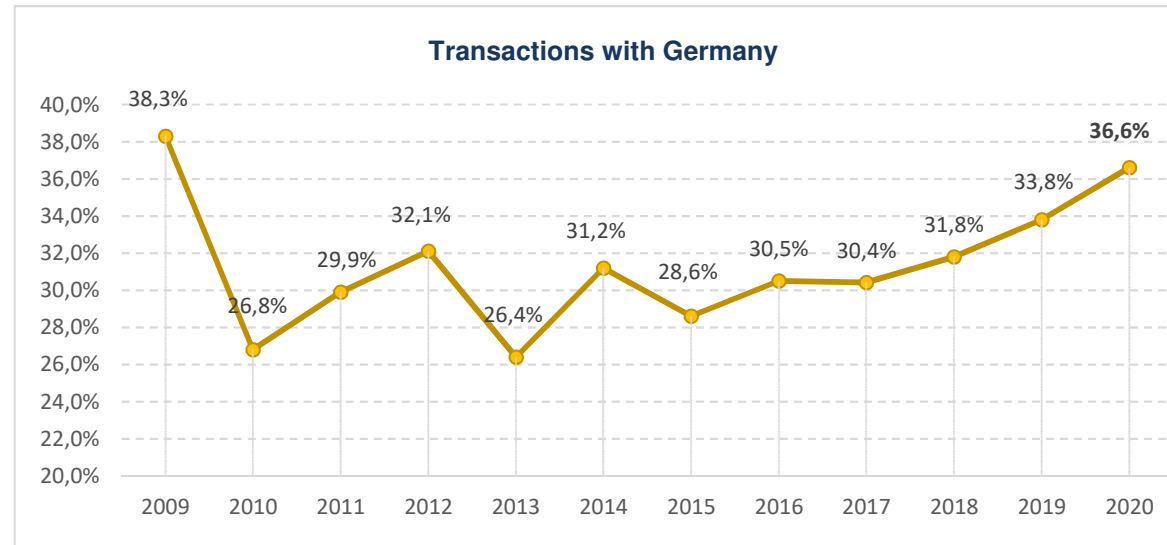
Cross Border



Cross Border

Overview

- Germany - most cross-border transactions in 2020, as always in history
- Due to Germany's economic power and historical connection with Austria

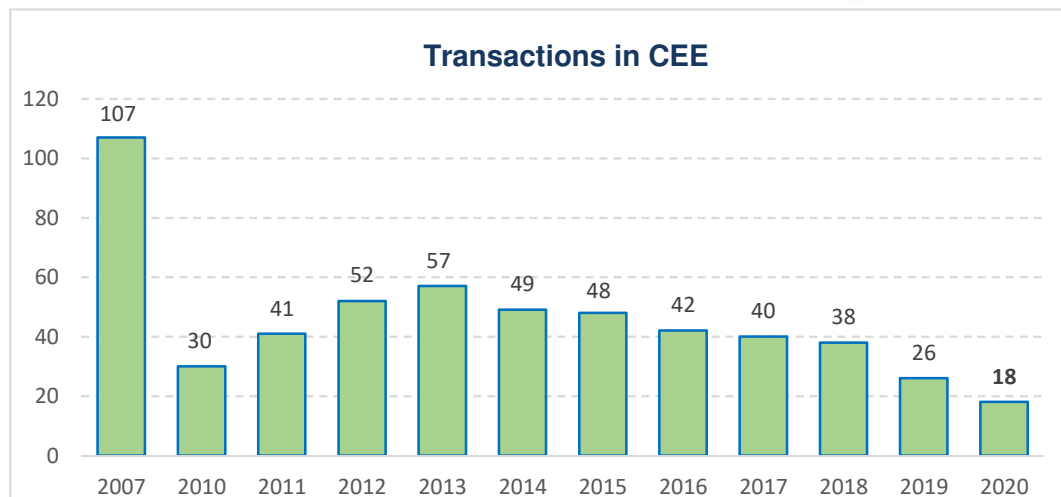


Maximum: 2009 – 38.3%
Minimum: 1995 – 23.2%

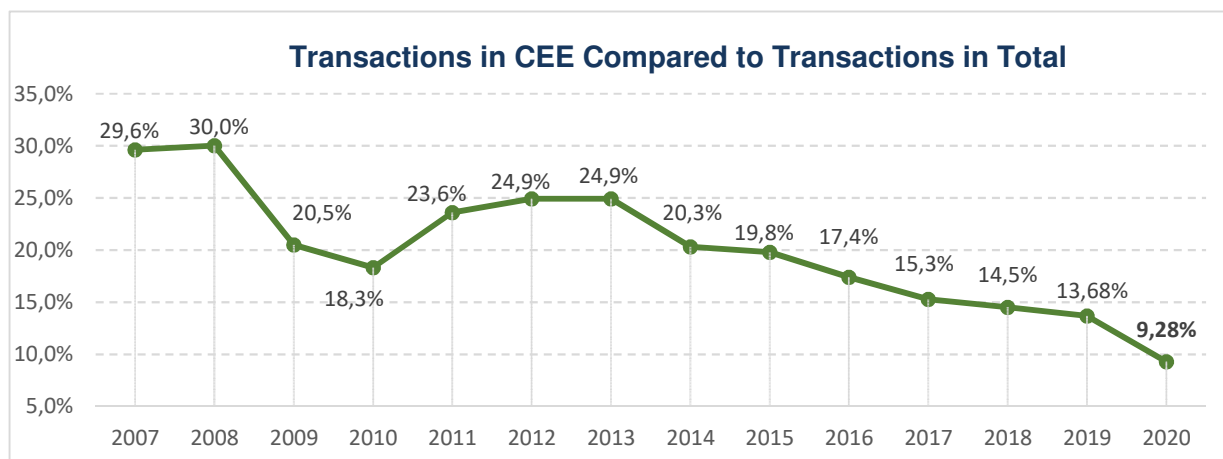
Cross Border

Overview

- Transactions in the CEE: **18 only**
- The relative share: **9.28 %** of all cross-border transactions > **again lowest relative** share since the fall of the Iron Curtain
- Top-Positions: Czechia & Poland



Maximum - 2007: 107 Minimum - 2020: 18



Maximum - 2008: 30% Minimum - 2020: 9,28 In comparison: Alltime-Peak 1992: 65,3%

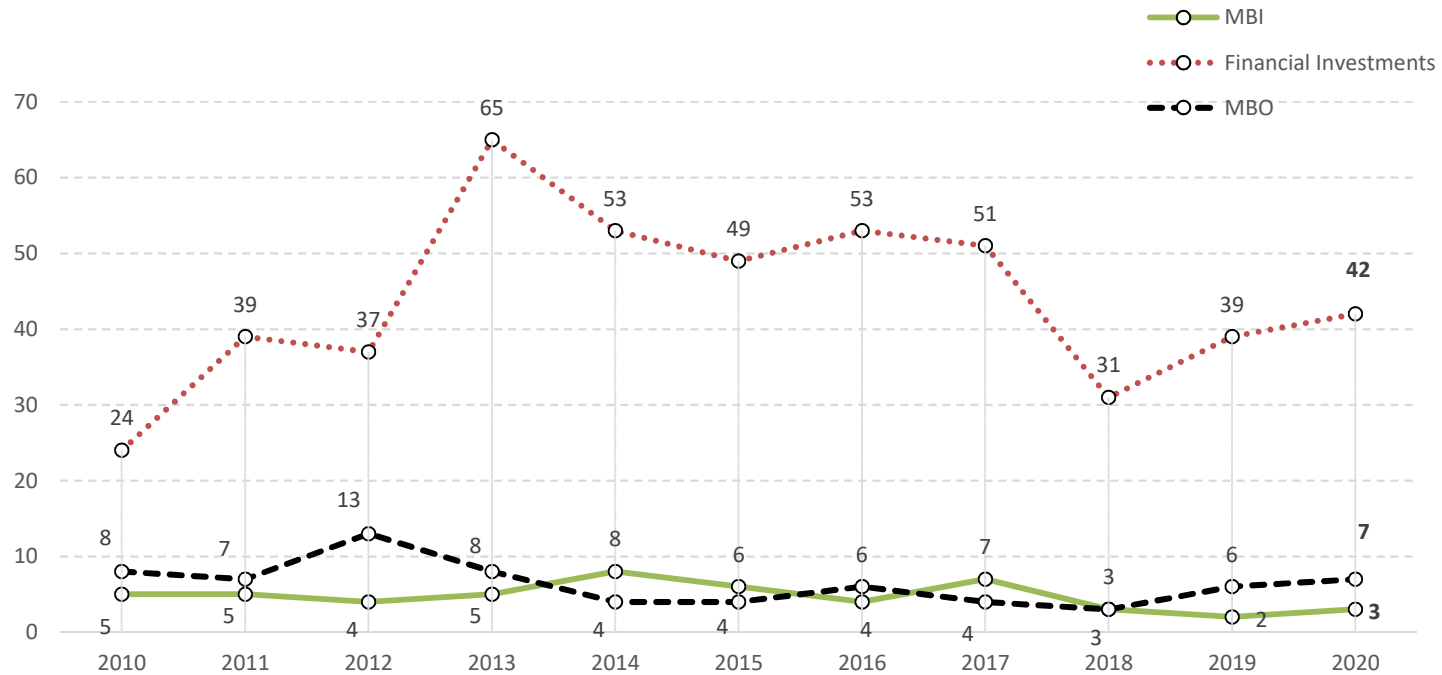
🕒 Overview 2020

- Against the general trend in the M&A market, the direct investment market developed well in 2020. The increase would even be higher had we not increased the minimum transaction size level of this analysis.
- Dominating investors: AWS Funds & Funds of RLB OÖ
- Share of foreign financial investors: slightly increasing
- Exactly two thirds of all foreign financial investors formed international syndicates where due to internal share splitting no single nation can be determined as dominating. Austria is definitely joining the international trend of syndication in investment business.
- Austrian financial investors continue to exercise caution and restraint abroad (only 14.3% in 2020)

Financial Investments MBIs and MBOs



Financial Investments & MBI & MBO



MBI
 Maximum - 2006: 11
Alltime-Peak 1993: 15 !
 Minimum - 1999/2019: 2

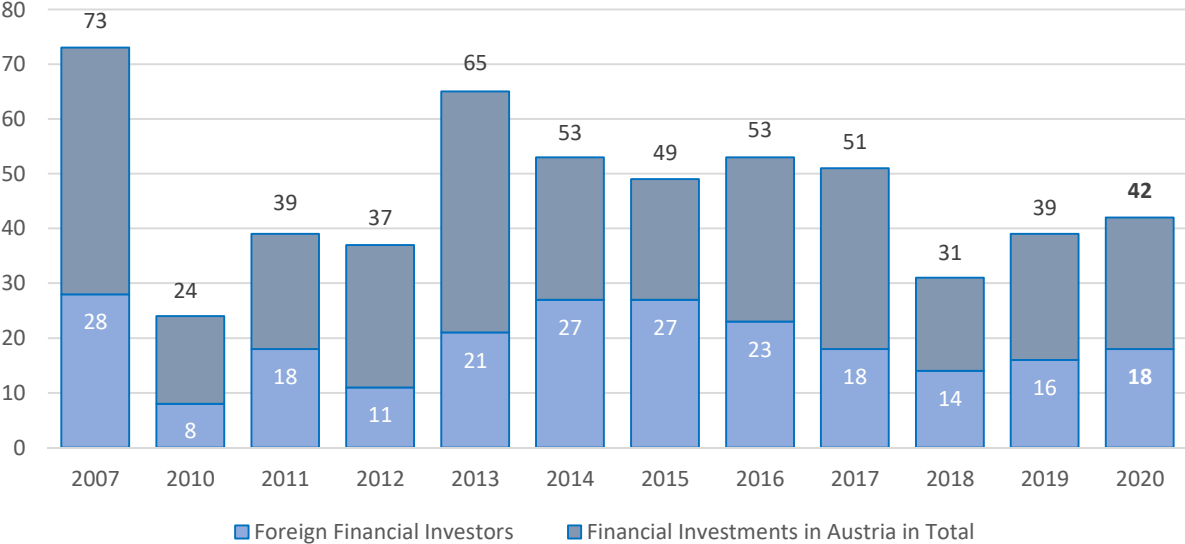
Financial Investments
 Maximum - 2007: 73
 Minimum - 1999: 7

MBO
 Maximum - 2001: 18
 Minimum - 2018: 3

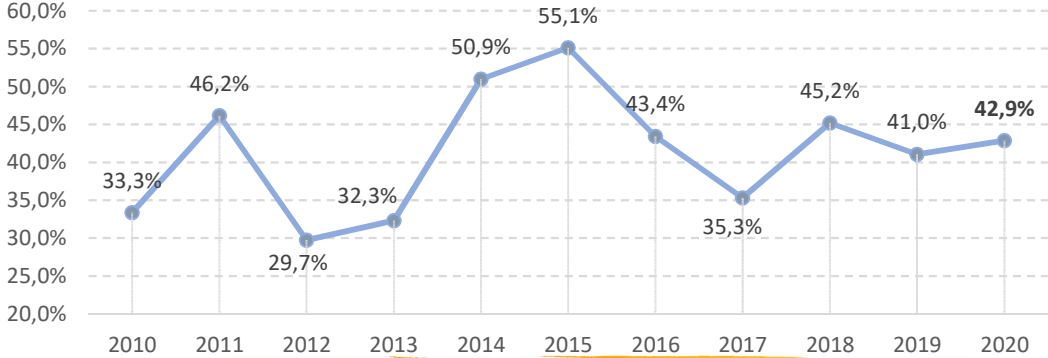
Financial Investments



Engagement of Foreign Financial Investors in Austria



Ratio of Foreign Investors' Engagements in Financial Investments in Austria



Maximum - 2015: 55.1%
 Minimum - 2002: 14.8%

Thank you for your attention!

Manfred Moschner

www.acsvienna.com