



M&A Market 2023 in Austria

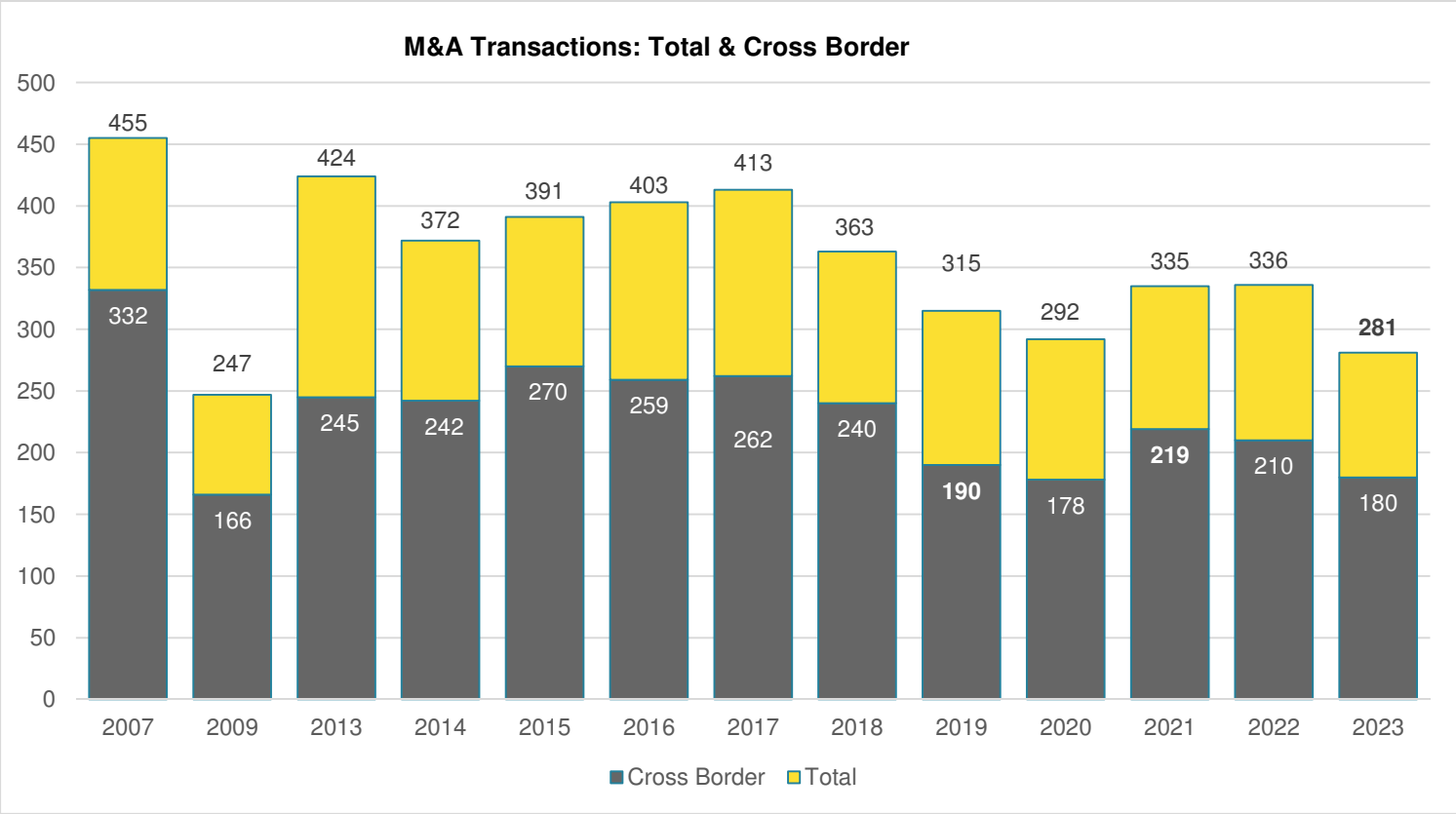
PROPRIETARY & CONFIDENTIAL

Austrian M&A-Market -> 36th Year

Overview: Austrian M&A-Market in 2023

- The number of transactions has decreased by 16,4 %;
- The transaction volume has decreased by 9,7 %;
- At the same time, the average transaction size (excluding large transactions) has increased by 5,2 %
- The share of cross-border transactions has slightly risen to 64,1 %;
- The Top 3-industries of the last years confirmed their dominance: **Real Estate Companies, Software & Data Services** and **ISP/Internet-Services**; but the ranks behind show many changes.
- **In addition, only two “negative” records can be reported for 2023:**
 1. The lowest numbers of real mergers within the 25-year observation period.
 2. The lowest numbers of MBOs and MBIs (beyond minimum size) within the same period.

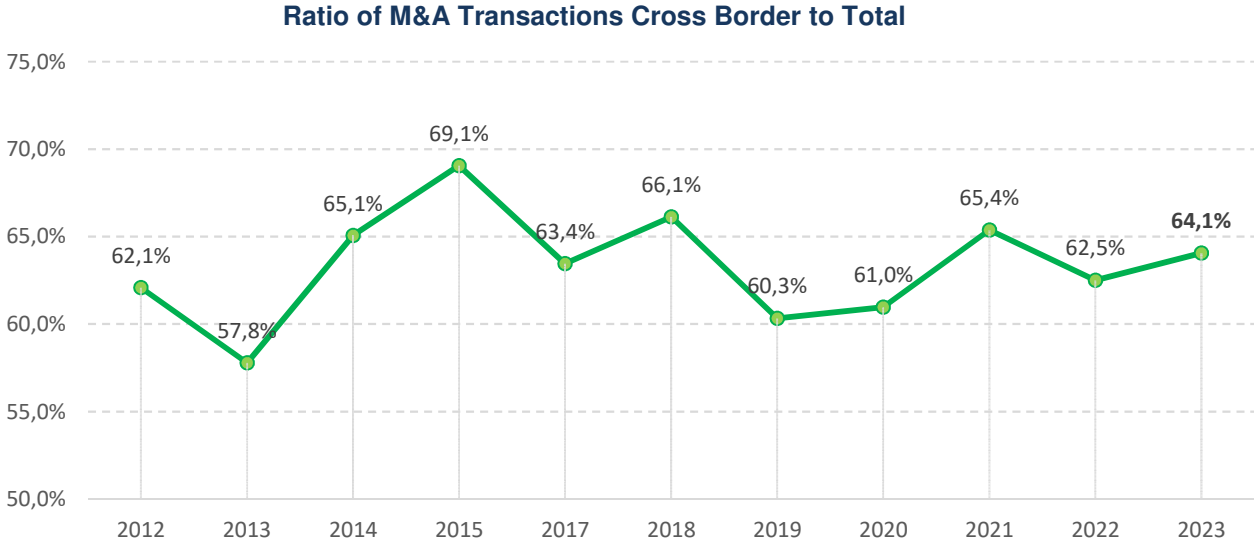
M&A-Austria General Overview



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

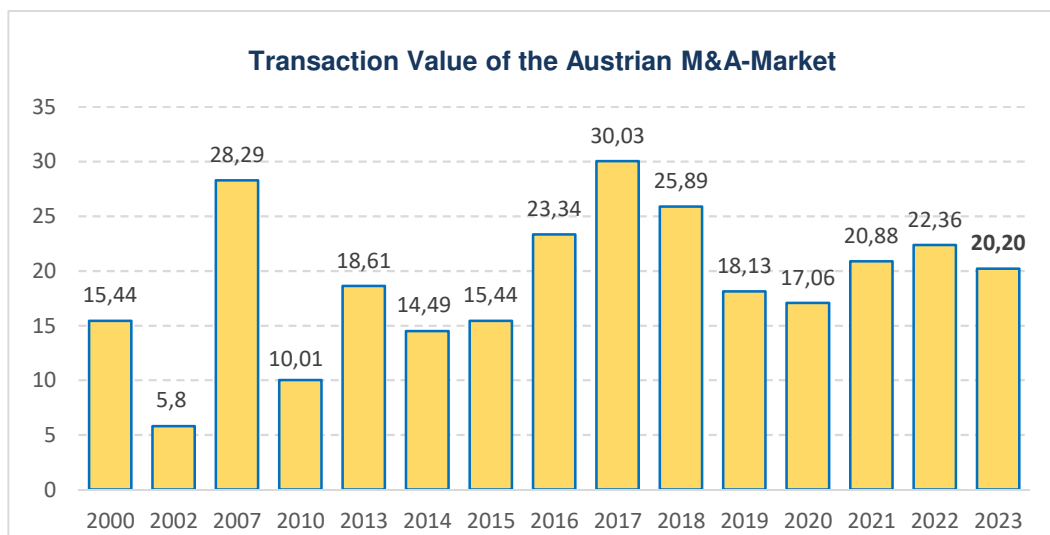
Cross Border
 25 Year Maximum - 2007: 332
 25 Year Minimum - 1999: 162

M&A-Austria General Overview

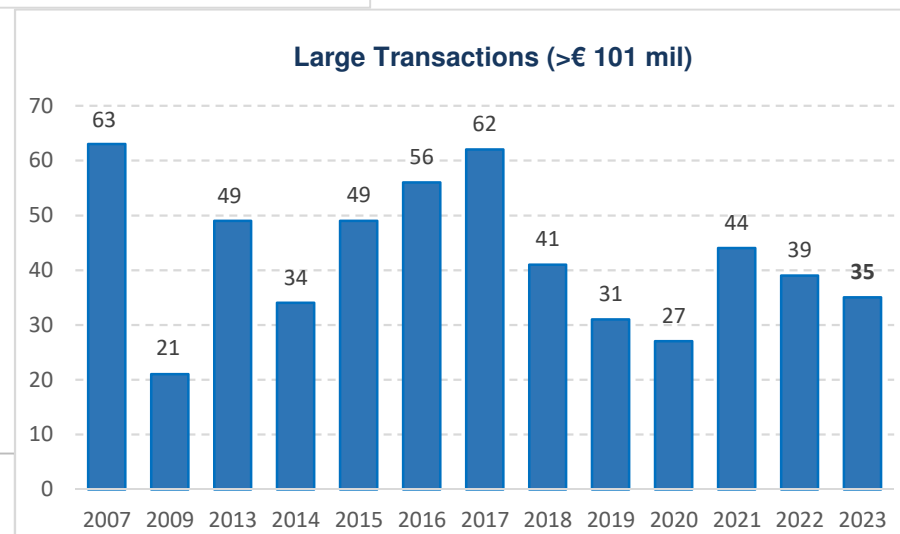


Maximum - 2006: 73,1%
Minimum - 2013: 57,8%

M&A-Austria General Overview

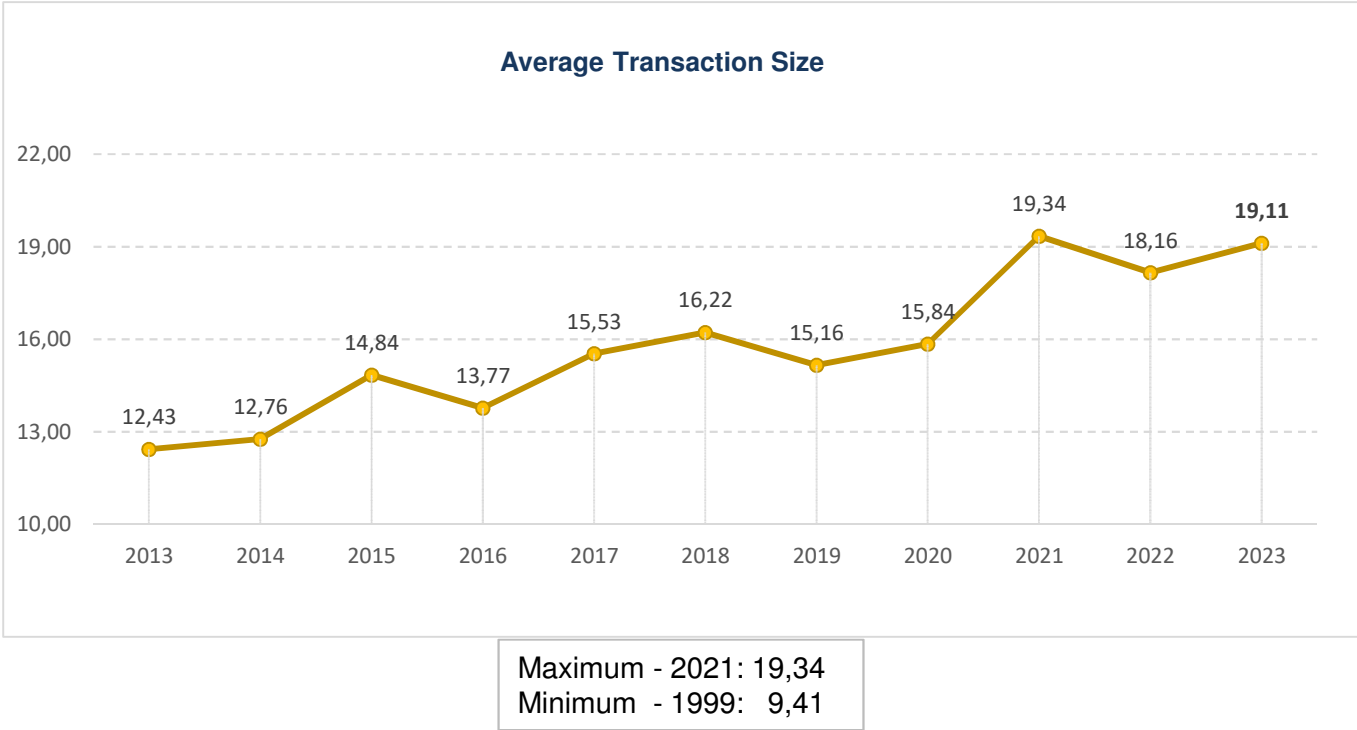


Maximum - 2017: 30.03
Minimum - 1999: 5.46

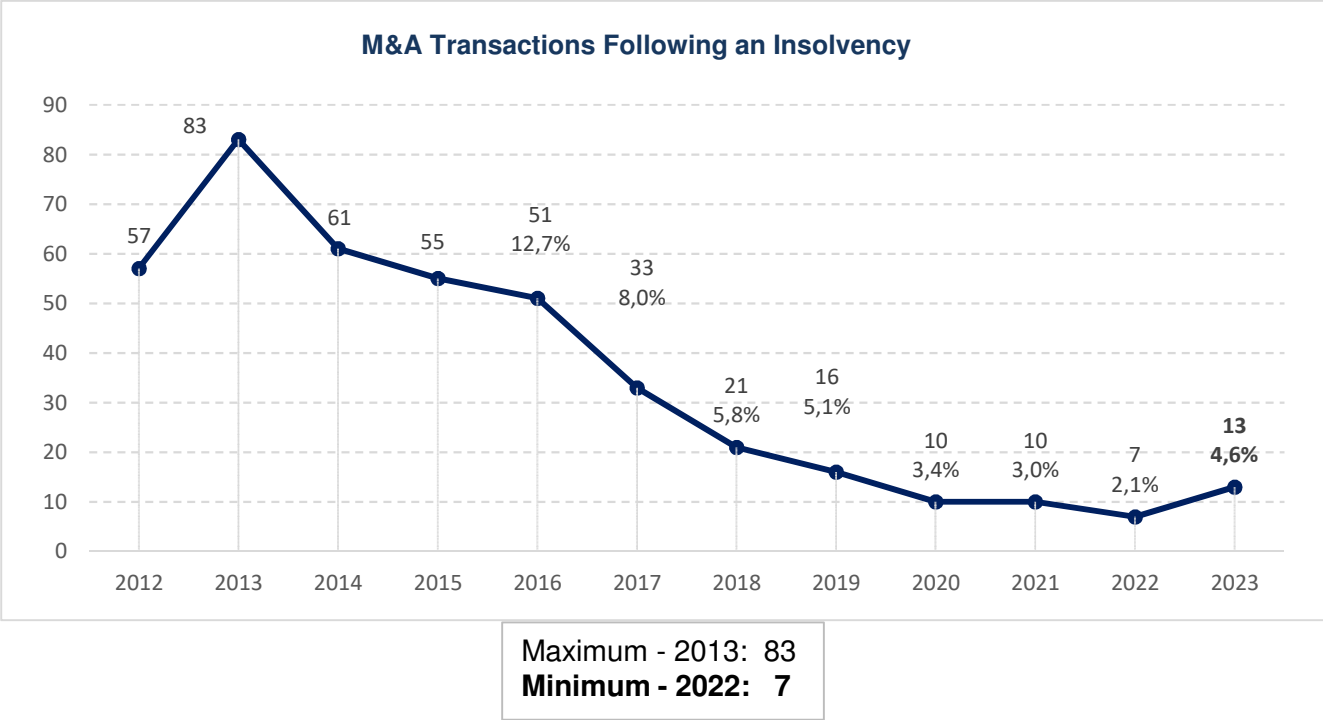


Maximum - 2007: 63
Minimum - 2002: 16

M&A-Austria General Overview



M&A-Austria General Overview

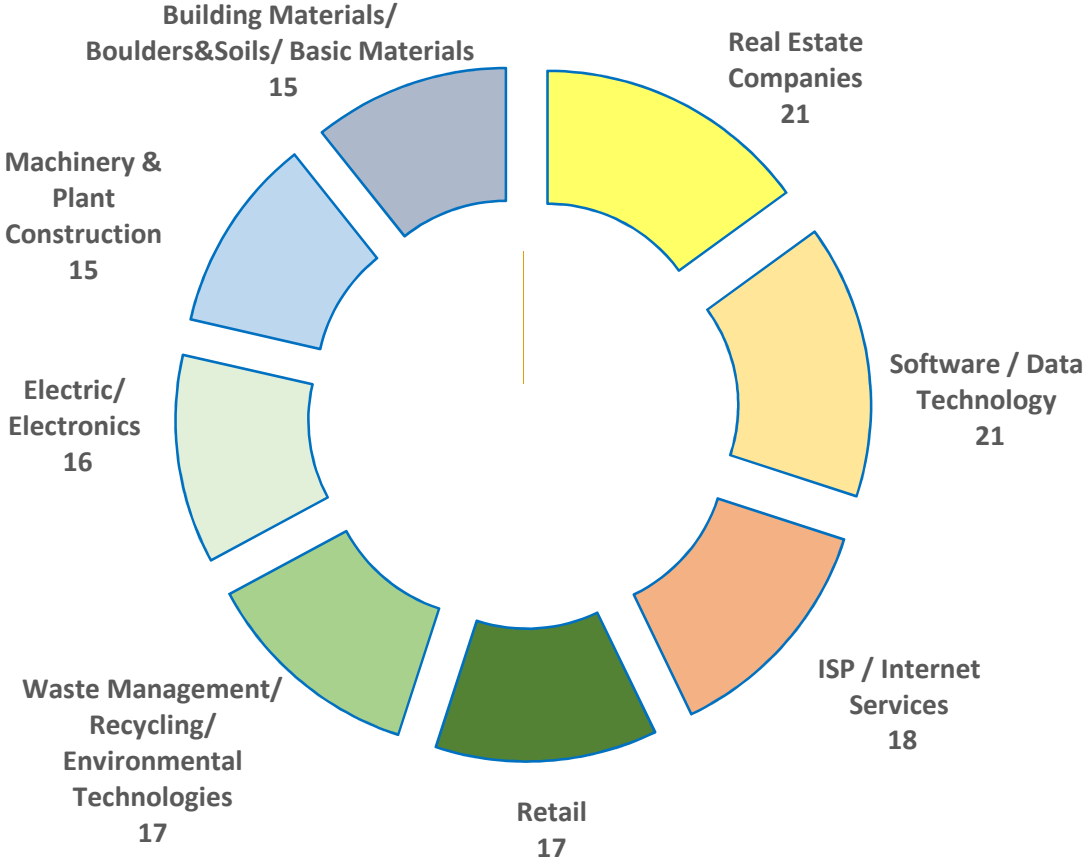


○ Overview

- The TOP-3 positions remain the same: **Real Estate Companies** are No 1 as in previous years,
- followed by two highly interdependent industries: **Software & Data Technology** and **ISP/Internet Services**. 13,9 % of all annual M&A transactions happened in these two industries.
- The active consolidation within Trade was limited to **Retail** only in 2023. Transactions in **Wholesale** dropped by two third.
- Classical processing industries are back in the ranks – though cautiously: Austria's „classical“ buy-side industry **Machinery & Plant Construction** is still represented in the top league; this year flanked by **Electrics & Electronics** and **Buildings & Basic Materials**.
- The sector **Waste Management/Recycling/Environmental Technologies** appears first time in the top league – a tribute to zeitgeist.

Industries Analysis

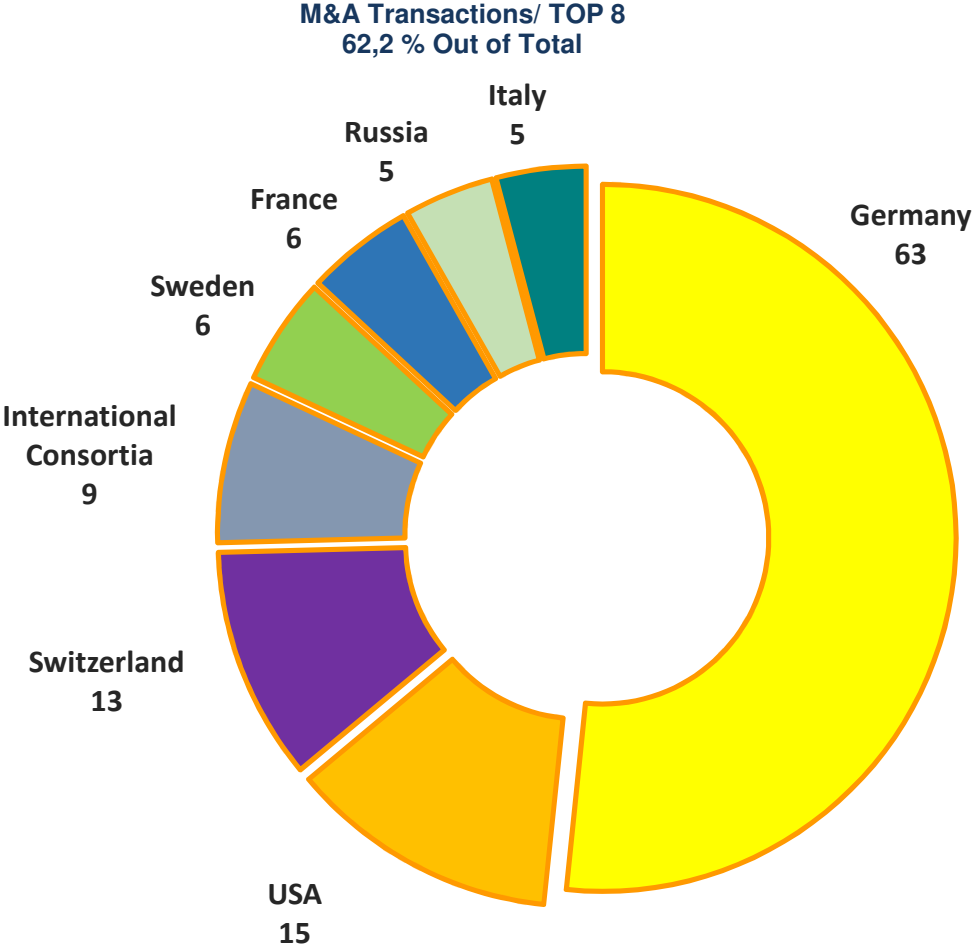
Most Active Industries / TOP 8
49,8 % Out of Total



🔄 Overview

- The share of cross-border transactions has risen to 64,1 % - slightly below the long-term median of the 25-year observation period.
- **41 countries** were involved in transactions with Austria in 2023.
- The top ranks are held by the traditional trading partners.
- In 2023, the number of Austrian buyers abroad has significantly surpassed the number of foreign buyers in Austria – with one exception : Germany.

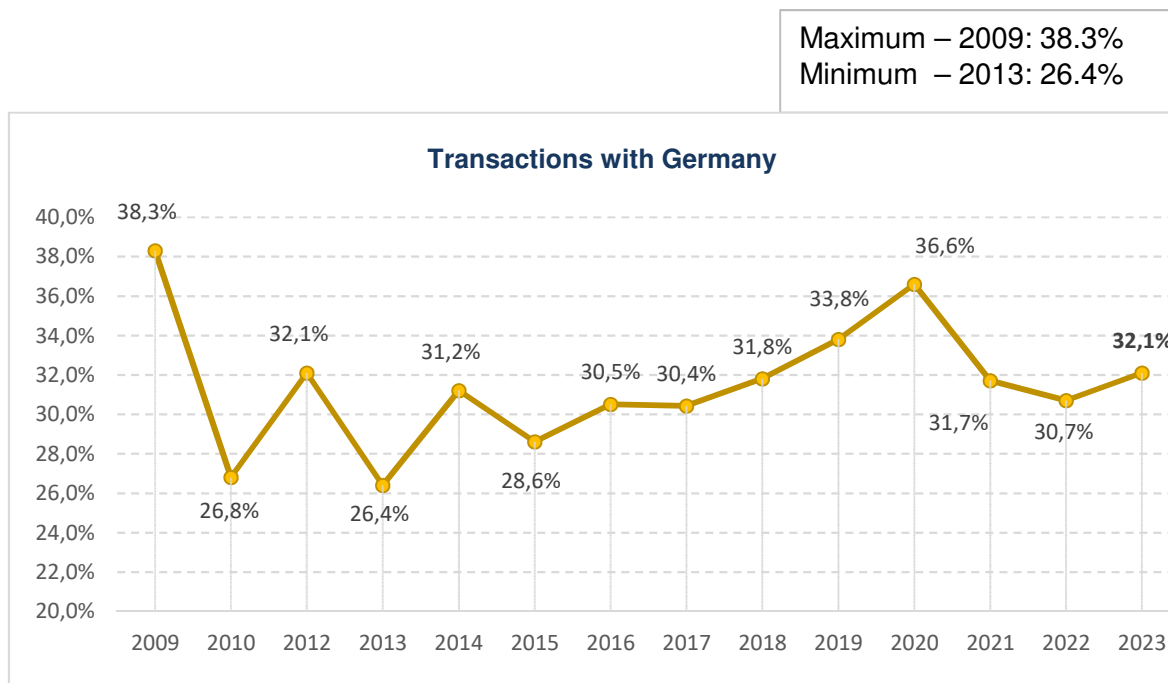
Cross Border



Cross Border

Overview

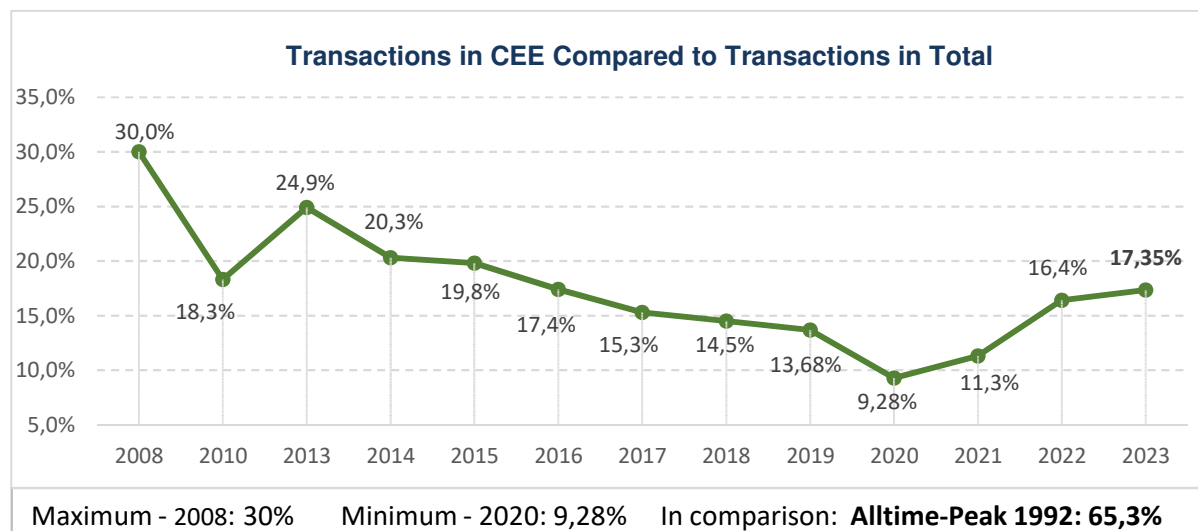
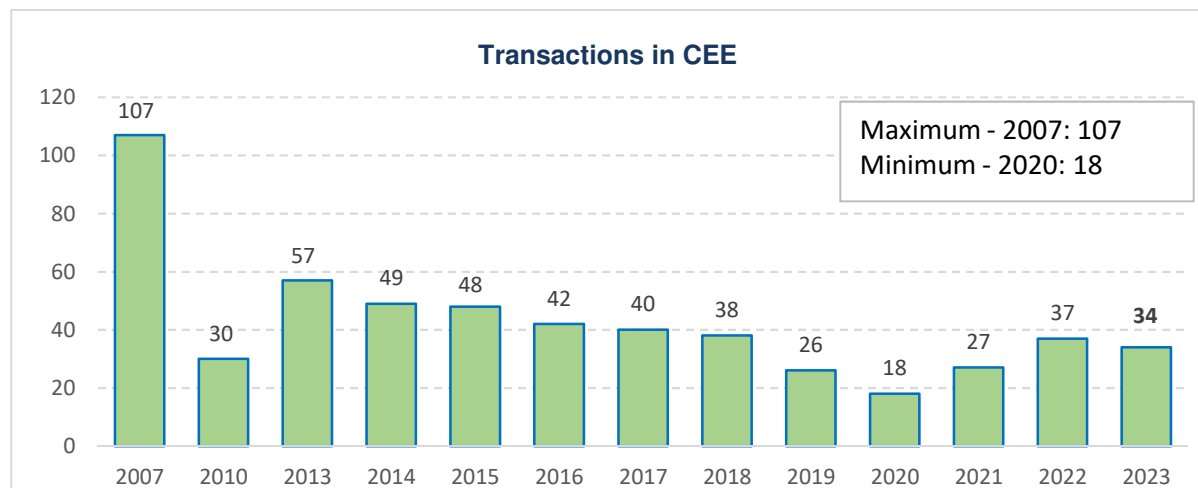
- **Germany** - most cross-border transactions in 2023, as always in history.
- Due to Germany's economic power and historical connection with Austria.



Cross Border

Overview

- Transactions in the CEE: **34**
- The relative share: **17.35 %** of all cross-border transactions > **quite low relative share** since the fall of the Iron Curtain
- Top-Positions: **Czech Republic, Poland & Hungary**



○ Overview

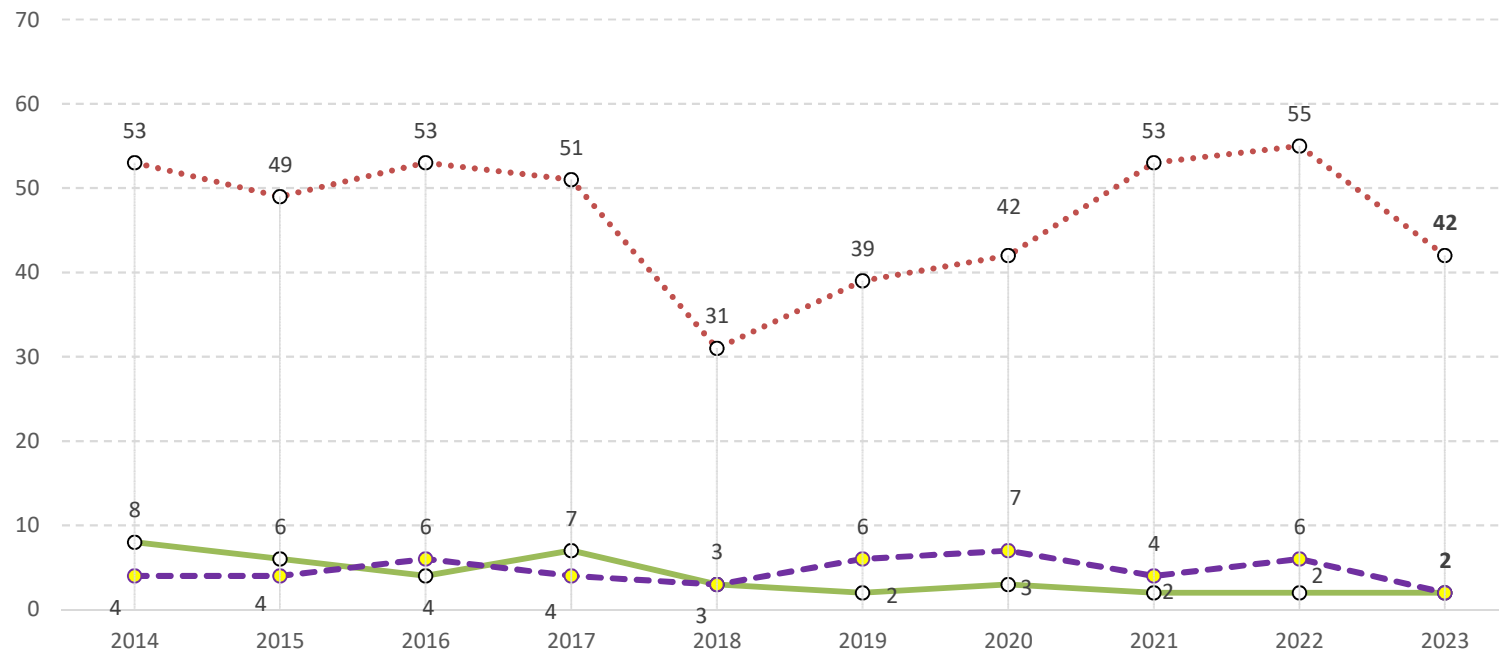
- As a result of geopolitical developments, the Austrian Equity Market res. direct investment market trended downwards in 2023 significantly: numbers of transactions declined by 23,6 %, transaction value declined by 39,7%!
- As a further consequence of cautious markets, the share of **foreign financial investors** decreased to **45,2 %** in relation to numbers of transactions.
- Most active investor this year again: Funds of RLB OÖ
- The number of **MBOs** and **MBIs** has dropped to an all-time low. As a consequence, they will not be reported separately in the future – pending further changes.

Financial Investments, MBIs and MBOs



Financial Investments & MBI & MBO

—○— MBI ···○··· Financial Investments - - -○- - - MBO



MBI

Maximum - 2006: 11
Alltime-Peak 1993: 15 !
 Minimum - 1999/2019/21-23: 2

Financial Investments

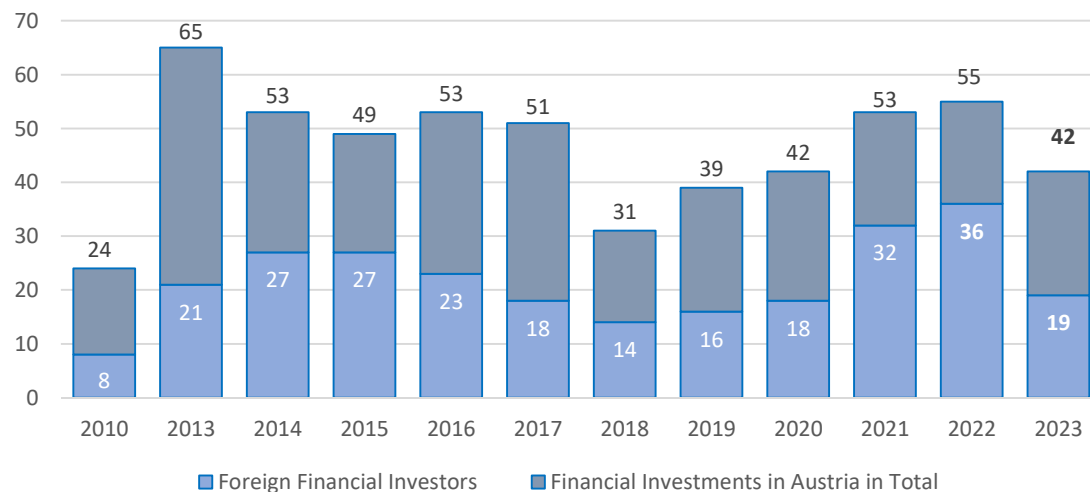
Maximum - 2007: 73
 Minimum - 1999: 7

MBO

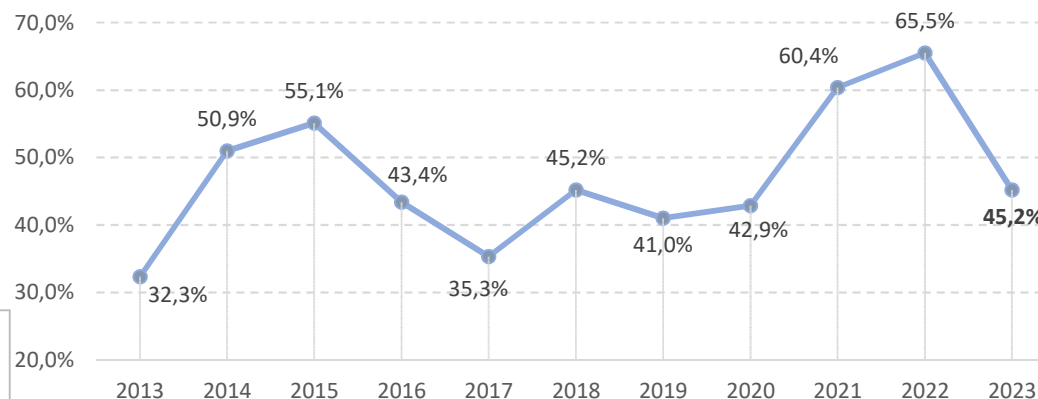
Maximum - 2001: 18
Minimum - 2023: 2

Financial Investments

Engagement of Foreign Financial Investors in Austria



Ratio of Foreign Investors' Engagements in Financial Investments in Austria



Maximum - 2022: 65,5%
Minimum - 2002: 14,8%

Summary M&A Market 2023 in Austria

- While in 2022, the Austrian M&A market seemed to remain resilient, the macroeconomic and geopolitical environment has taken its toll in 2023.
- Multiple crises have their impact – expectations of sellers and buyers differ so widely that transactions have become rarer.
- In 2023, most transactions were a result of those two trends:
 - “Defensive Strategies” are predominant
 - Many buyers target innovative smaller players
- Any forecast for 2024 is pure guessing: relative prices decrease so dramatically that most sellers reconsider their plans whenever possible.

Thank you for your attention!

Manfred Moschner

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