

January 2012 Edition



Mergers & Acquisitions Quarterly Switzerland
Fourth Quarter 2011

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Ernst & Young

Mergers & Acquisitions Quarterly Switzerland - Q4 2011

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Introduction



Dear reader:

We are pleased to present to you our latest edition of Ernst & Young's M&A Quarterly Switzerland. This booklet gives you a general overview of the Swiss M&A and European PE market activity in the fourth quarter of 2011, as well as an outlook for the calendar year 2012.

In the fourth quarter of 2011, Swiss M&A market activity remained strong showing a significant rise in disclosed deal volume compared to the previous quarter, on a slightly lower number of transactions. As a result, the Swiss M&A market environment recorded a solid performance for the full year 2011.

However, enduring market uncertainties in Europe are still taking a toll on the prospect of further economic recovery; also indicated by GDP growth expectations of merely 0.5% in Switzerland in 2012. On a more positive note, the currency situation for export-oriented Swiss companies has eased partially due to the Swiss National Bank reaffirming its commitment to enforce the minimum exchange rate of CHF 1.20 per Euro in December 2011.

The financial year 2011 showed the coexistence of solid M&A activity for small to medium-sized transactions and high market volatility. Markets have displayed a new paradigm and therefore stress-tested and challenged conventional economic theories. Although 2012 is expected to result in moderate M&A activity in Switzerland, this paradigm may result in a larger dealflow than expected by most analysts.

The next edition of *Mergers & Acquisitions Quarterly Switzerland* will be available in April 2012.

For more information or to download this publication, visit us online at:

<http://www.ey.com/CH/en/Services/Transactions/Transaction-Planning-and-Management/M-A>

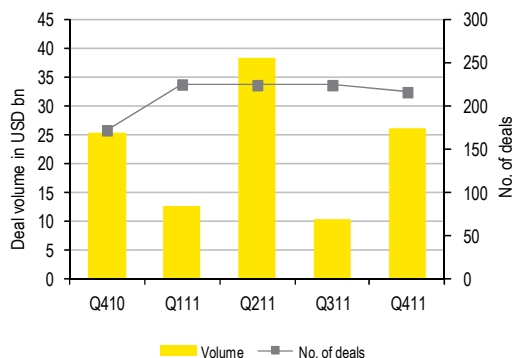
Sincerely,

Your Swiss Ernst & Young M&A Team

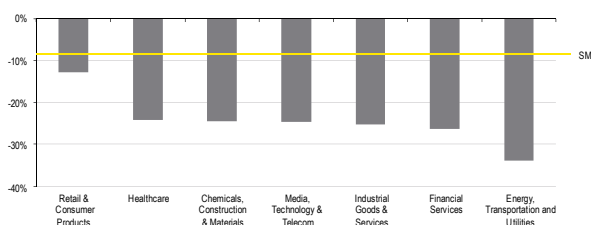
Swiss M&A Market Q4 2011 and Outlook 2012



Number of announced deals and transaction volume with target, buyer or seller in Switzerland



Relative stock performance of selected industries over the past 12 months



M&A Market Q4 2011

The Swiss M&A market showed a strong fourth quarter in 2011 as disclosed deal volume grew by over 150% compared to the previous quarter. With 216 announced M&A transactions, the number of deals in the fourth quarter remained close to the level of the first three quarters in 2011. For the full year 2011, approximately 900 transactions with an average deal volume of USD 98m were recorded; representing an increase of over 90% in the number of transactions compared to 2010.

The rise in deal volume in the fourth quarter compared to Q3 2011 is mainly due to the sale of Pharmasset Inc. shares to Gilead Sciences Inc. by Roche Venture Fund and its other shareholders; resulting in the second largest transaction in 2011. Other relevant transactions in the fourth quarter included the acquisition of a 46% equity stake in Bank Sarasin & Cie AG by Safra Group from Rabobank for USD 1.1b and the sale of Orange Switzerland to Apax Partners for USD 2.1b.

The five largest transactions in 2011

Rank	Announcement Date	Target	Acquirer	Seller	Deal Volume (in USD m)
1	19-May-2011	Nycomed SICAR S.C.A.	Takeda Pharmaceutical Company Limited	Various	13,736
2	21-Nov-2011	Pharmasset Inc.	Gilead Sciences Inc.	Various, inclusive Roche Venture Fund	11,012
3	12-Jun-2011	Transatlantic Holdings Inc.	Allied World Assurance Company Holdings AG	American International Group, Inc.	4,198
4	15-Aug-2011	Aker Drilling ASA	Transocean Services AS	Aker Capital ASA	3,436
5	14-Apr-2011	Kazzinc	Glencore International plc	Owners	3,200

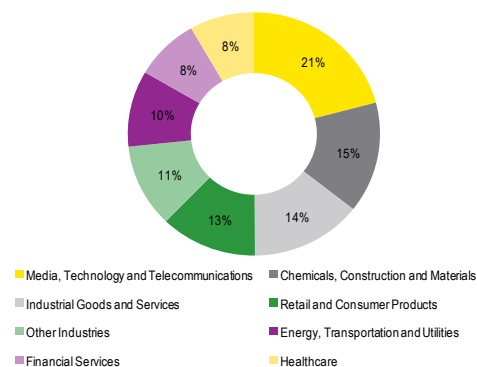
The Swiss Market Index (SMI) had a relatively strong fourth quarter and could regain some of the losses it incurred throughout 2011, especially in the third quarter. Overall the SMI decreased by 8% in 2011. This negative performance can mainly be attributed to the sovereign debt crisis in Europe and its impact on the Swiss Franc as well as the much weaker than forecast economic recovery.

None of the equally-weighted industry sectors achieved a positive stock performance in 2011. The industry with the lowest losses was the retail & consumer products sector, with a decrease in stock prices of approximately 13% in 2011. The considerable negative stock performance of the energy, transportation and utilities sector can be explained by margin pressure, liquidity problems and pending lawsuits of some of the members of the index.

Swiss M&A Market Q4 2011 and Outlook 2012



Number of Swiss M&A transactions by industry in Q4 2011 (in %)



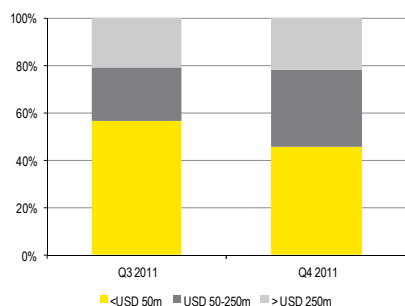
In the fourth quarter of 2011, the media, technology and telecommunications sector was the most active industry in terms of the number of M&A transactions accounting for about 21% of all deals; followed by chemicals, construction and materials and industrial goods and services at 15% and 14%, respectively. These three sectors together represented half of all Swiss-based M&A transactions in Q4 2011.

The largest announced transaction in the media, technology and telecommunications sector was the acquisition of Orange Switzerland by Apax Partners from France Telecom in December 2011. This transaction is still subject to approval by antitrust authorities in Switzerland. Interested investors in the bidding process for Orange Switzerland included several telecoms groups and investment funds.

Compared to the previous quarter, the number of transactions in media, technology and telecommunications, retail and consumer products and in healthcare increased by 2%, while deals in chemicals, construction and materials rose by 5%. Transactions in industrial goods and services and financial services decreased by 3% and 4%, respectively.

Midcap transactions increased significantly from 23% in the third quarter to 33% in Q4; whereas small transactions below USD 50m decreased from 57% to 45% of all transactions. Large transactions with announced deal sizes of over USD 250m contributed to 22% of the total number of transactions. This represented a slight increase in large deals compared to the previous quarter. As a result, average disclosed deal volume rose substantially in Q4.

Number of Swiss M&A transactions by deal size (in %)



Swiss M&A Market Q4 2011 and Outlook 2012



Change in industry multiples from Q3 to Q4 2011

Industry	TEV/EBITDA (LTM)
Chem. / Constr. / Mat.	▲
Eng. / Trans. / Utilities	–
Healthcare	▲
Industrial Goods	▲
Media / Tech. / Tel.	▲
Retail / Consumer	▲
P/E (LTM)	
Financial Services	▼

EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortization
 TEV = Total Enterprise Value
 LTM = Latest Twelve Months
 P/E = Price-to-Earnings Ratio

Outlook 2012

In December 2011, the Swiss State Secretariat for Economic Affairs (SECO) revised its 2012 GDP growth forecast to 0.5%, representing an almost 50% decrease from its previous estimate of 0.9% in September 2011. This revision is mainly due to the weakening European economy. SECO believes however that current economic indicators are not pointing to a severe economic dip and that the economy is expected to pick up again in the second half of 2012.

The exchange rate intervention of the Swiss National Bank (SNB) - and its recent reaffirmation in December 2011 - did gradually improve conditions for some exporting companies. However, the Swiss Franc is still strong compared to historical levels. The SNB forecast is also in line with SECO, estimating GDP growth at 0.5% in 2012. Both institutions do not predict a broad-based financial debt crisis in Europe in 2012 and indicate that this risk cannot be fully ruled out.

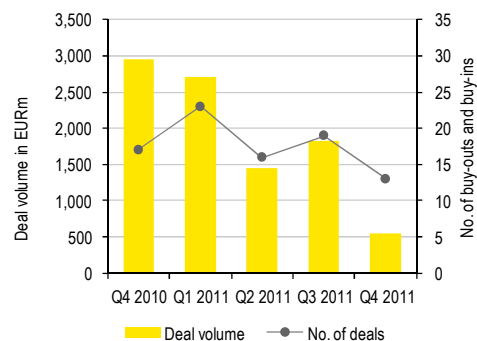
In view of limited economic growth prospects and overall uncertain macroeconomic conditions, M&A activity in Switzerland throughout 2012 is expected to be modest. Yet unresolved political issues in Europe are also expected to cause further uncertainty in the market and consequently high volatility. As a result, potential buyers and sellers left unsure about market timing might reduce transaction activity. However, as already noted in our Q3 edition, a coexistence of volatile market conditions and corporate M&A activity is possible. M&A activity in 2012 is, hence, assumed to be partially dependent on politics, respectively Europe's ability to solve the aforementioned problems and uncertainties and thereby catalyze economic growth.

With respect to large transactions, the turbulent market environment and recapitalization requirements for financial institutions might cause banks to reduce lending and thus make it difficult for financial buyers to finance mega-deals with adequate leverage. Acquirers with cash in hand are more likely to make use of market opportunities and execute transactions. As Swiss companies are traditionally less leveraged and have strong balance sheets, their M&A activity for 2012 is less likely to be affected by tightened credit conditions. In addition, the strong Swiss Franc could favor outbound deal flow for Swiss companies.

Private equity statistics: GSA and Europe



Number and volume of buy-outs and buy-ins announced with targets based in Germany, Switzerland or Austria



Private equity Q4 2011

Private equity (PE) activity in Germany, Switzerland and Austria (GSA) declined in terms of deal volume as well as in number of deals compared to Q3 2011. Deal volume of total buy-outs and buy-ins in GSA dropped sharply by approximately 70%. The number of PE transactions fell by over 30%. For the full year 2011, GSA PE activity was up by approximately 10% to 71 transactions but showed a decrease in disclosed volume by approximately 17% to EUR 6.5b compared to 2010.

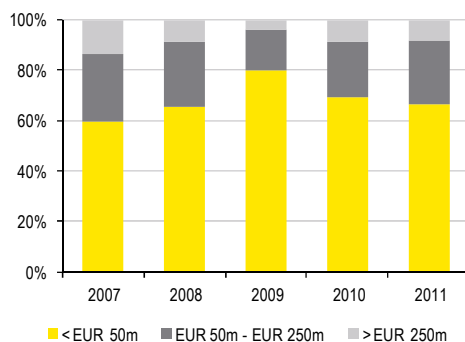
During 2011, leveraged buy-outs with a size of less than EUR 50m accounted for approximately 66% of total deal volume - the bulk of PE activity in GSA. Buy-outs in the mid- and large-cap market represented 25% and 9%, respectively. Thus, the overall distribution in terms of deal volume for the 12-month period ended December 31, 2011 showed roughly the same split as in 2010.

The number of buy-outs and buy-ins in the GSA PE market constituted over 10% of the total number of PE deals closed in Europe during the fourth quarter 2011, whereas GSA PE deal volume accounted for just over 6% of European PE transactions. The UK market showed the most PE activity in Europe in Q4 2011, with 34 deals accounting for a total deal volume of EUR 2.5b throughout this three-month period. The number of deals and deal volume in the UK represented roughly 38% and 30% of European PE deal activity, respectively.

In 2011, the total number of Swiss-based buy-outs and buy-ins amounted to eleven transactions with a disclosed volume of approximately EUR 0.8b. In terms of the number of Swiss PE transactions in 2011, deal flow is in line with the previous five years, with the exception of 2010 when only six deals were recorded.

The fact that IPO volumes dropped by 45% globally in 2011 and are unlikely to recover quickly is expected to make it more difficult for private equity investors to exit their investments, as trade sales and secondary buy-outs remain the main exit options.

Number of buy-outs by deal size (in %) (GSA)

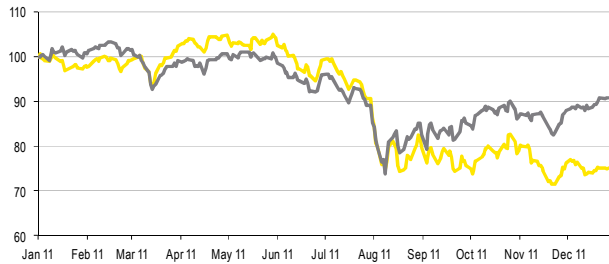


Chemicals, Construction and Materials

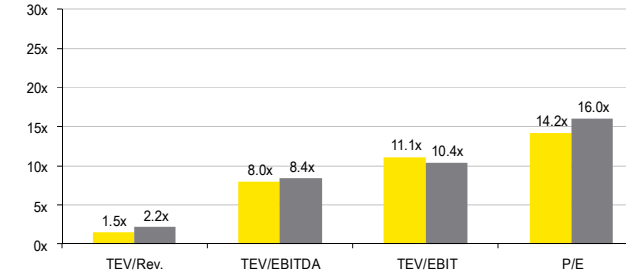


Relative Performance Charts

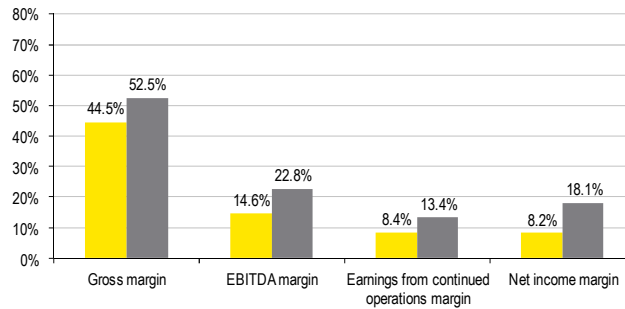
12-Month Relative Performance (in %) *



Multiples (LTM) *



Margins (LTM) *



Companies included in the Chemicals, Construction and Materials Index

AFG Arbonia-Forster-Holding AG	Gurit Holding AG
Belimo Holding AG	Holcim Ltd.
Bossard Holding AG	Looser Holding AG
Clariant AG	Precious Woods Holding AG
Dattkron Es Holding AG	Schmolz + Bickenbach AG
EMS-Chemie Holding AG	Sika AG
Forbo Holding AG	Syngenta AG
Geberit AG	Xstrata plc
Givaudan AG	
Glencore International plc	

Legend

■ Chemicals, Construction and Materials Index
■ Swiss SMI Index (value weighted)

EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortization
 EBIT = Earnings Before Interest and Taxes
 P/E = Price-to-Earnings Ratio
 LTM = Latest Twelve Months
 TEV = Total Enterprise Value
 Rev. = Revenue
 * = Industry is equally weighted

Chemicals, Construction and Materials



Selected Mergers & Acquisitions Transactions / Private Placements

Announcement Date	Size (USD m)	Target	Seller	Buyer / Investor
22-Dec-2011	394.8	Forbo Holding AG, Industrial Adhesives Business	Forbo Holding AG,	HB Fuller Co.
14-Dec-2011	83.1	Shanduka Coal Pty Ltd.	Glencore International plc	The Shanduka Group Pty Ltd.
01-Dec-2011	85.0	RockTree Logistics Pte. Ltd., Transshipment Business	RockTree Logistics Pte. Ltd.	Glencore International plc
22-Nov-2011	1,116.1	Wavin N.V.	AlpInvest Partners N.V., Julius Baer Investment Funds Services Ltd, others	Mexichem SAB de CV
17-Nov-2011	23.7	Stock Building Supply Holdings LLC	Wolseley plc	The Gores Group LLC
26-Oct-2011	61.8	S&P Clever Reinforcement Company AG and S&P - Reinforcement International AG	-	Simpson Manufacturing Co., Inc.
17-Oct-2011	33.7	Optimum Coal Holdings Limited	-	Glencore International plc
14-Oct-2011	50.0	Ironbark Zinc Ltd	-	Glencore International plc

Selected Key Developments

Date	Company	Event Type	Headline
07-Dec-2011	Givaudan AG	Bond issue	Givaudan AG completes issuance of CHF 150m bond
01-Dec-2011	Lonmin plc	Potential buyback	Lonmin plc will seek shareholder approval for a share repurchase program at its annual general meeting to be held on 26 January 2012
24-Nov-2011	Glencore International plc	Seeking acquisition/investment	Glencore International plc is able to issue new shares to finance larger acquisitions, after the lock up period expired on 24 November 2011
23-Nov-2011	Holcim Ltd.	Business expansion	Holcim (Bangladesh) Ltd. announced a capacity expansion project to meet rising demand of quality cement in Bangladesh
07-Nov-2011	Xstrata plc	Labor-related announcement	Xstrata plc reached an agreement with South Africa's National Union of Mineworkers on an employee share ownership scheme
03-Nov-2011	Syngenta AG	Product-related announcement	Syngenta AG announced that the ministry of agriculture in Argentina has approved its triple corn stack for cultivation in the country
14-Oct-2011	Clariant AG	Bond issue	Clariant Finance (Luxembourg) S.A. completes issuance of EUR 365m bond
03-Oct-2011	Sika AG	Executive/board change	Sika AG has appointed Jan Jenisch as Chief Executive Officer; replacing Ernst Bärtschi in January 2012
03-Oct-2011	Syngenta AG	Business expansion	Giang Plant Protection JSC and Syngenta AG jointly built a testing center for R&D and transfer of all rice-growing technologies
02-Oct-2011	Holcim Ltd.	Shareholdings	Thomas Schmidheiny a Board member of Holcim Ltd. is planning to increase his stake in Holcim from 18% to 20% stake

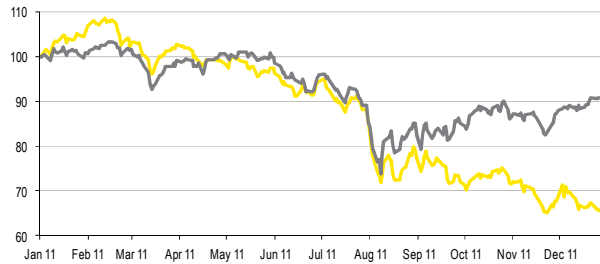
Data as of 31 December 2011
Source: Bloomberg, Capital IQ and Ernst & Young Research

Energy, Transportation and Utilities

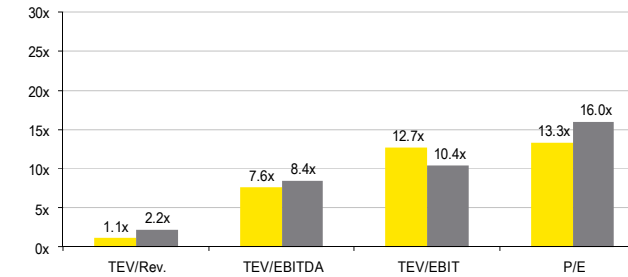


Relative Performance Charts

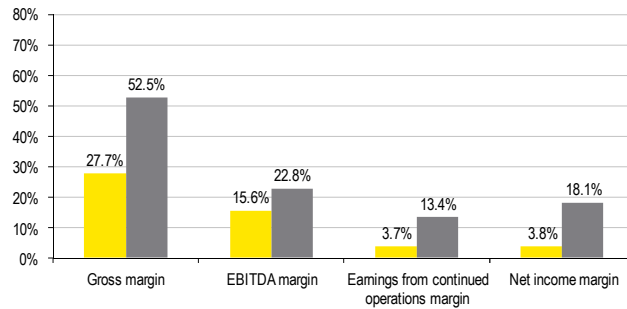
12-Month Relative Performance (In %) *



Multiples (LTM) *



Margins (LTM) *



Companies included in the Energy, Transportation and Utilities Index

Alpiq Holding AG	Panalpina World Transport Holding Ltd.
BKW FMB Energie AG	Petroplus Holdings AG
EGL AG	Repower Systems AG
Flughafen Zuerich AG	Transocean Ltd.
Kuehne & Nagel International AG	Weatherford International Oilfield Services Ltd

Legend

■ Energy, Transportation and Utilities
■ Swiss SMI Index (value weighted)

EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortization
 EBIT = Earnings Before Interest and Taxes
 P/E = Price-to-Earnings Ratio
 LTM = Latest Twelve Months
 TEV = Total Enterprise Value
 Rev. = Revenue
 * = Industry is equally weighted

Energy, Transportation and Utilities



Selected Mergers & Acquisitions Transactions / Private Placements

Announcement Date	Size (USD m)	Target	Seller	Buyer / Investor
27-Dec-2011	1,045.8	Edipower SpA	Edison SpA, Alpiq Limited	Delmi S.p.A.
23-Dec-2011	N/A	Two onshore UK petroleum exploration and development licences	Egdon Resources plc	Nautical Petroleum AG
14-Dec-2011	43.9	Shanduka Coal Pty Ltd.	Glencore International plc	The Shanduka Group Pty Ltd.
18-Nov-2011	N/A	Repartner Produktions AG	Repower	Wasserwerke Zug AG
02-Nov-2011	N/A	Borco, Inc. and Hasco Manufacturing Company	-	Weatherford International Ltd.
11-Oct-2011	N/A	Carl Drude GmbH & Co. KG	-	Kuehne & Nagel International AG

Selected Key Developments

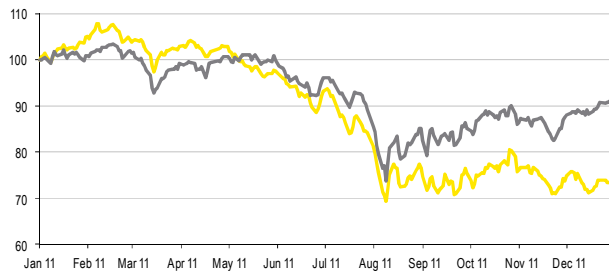
Date	Company	Event Type	Headline
30-Dec-2011	Petroplus Holdings AG	Downsizing	Petroplus Holdings AG will start temporary economic shutdowns of the Petit Couronne, Antwerp and Cressier refineries in January 2012
27-Dec-2011	Petroplus Holdings AG	Credit restrictions	Petroplus Holdings AG announced that uncommitted lines under its revolving credit facility have been frozen by the lenders
22-Dec-2011	Romande Energie Holding SA	Executive/board change	The board of directors of Romande Energie Holding SA has put forward Michael Wider to replace Giovanni Leonardi
20-Dec-2011	Panalpina World Transport Holding Ltd.	Business expansion	Panalpina has opened a new logistics center in the Chinese city of Tianjin
08-Dec-2011	BKW FMB Energie AG	Cost reduction	BKW FMB Energie AG launched a package of cost reduction which includes a reduction of around 200 jobs
29-Nov-2011	Transocean Ltd.	Follow-on equity offering	Transocean Ltd. has completed a follow-on equity offering of USD 1,053m
04-Nov-2011	Alpiq Holding AG	Downsizing	Alpiq Holding AG has announced plans to increase its focus on the core business and to simplify the organization. It plans to cut 450 jobs
26-Oct-2011	Kuehne & Nagel International AG	Client announcement	Danone has extended its logistics agreement with Kuehne & Nagel International AG in Poland
20-Oct-2011	Transocean Ltd.	Business expansion	Transocean Ltd. has opened its training center and offices in Kuala Lumpur, Malaysia
13-Oct-2011	Panalpina World Transport Holding Ltd.	Business expansion	Panalpina World Transport Holding Ltd. has opened a new branch in Ludhiana, India

Financial Services

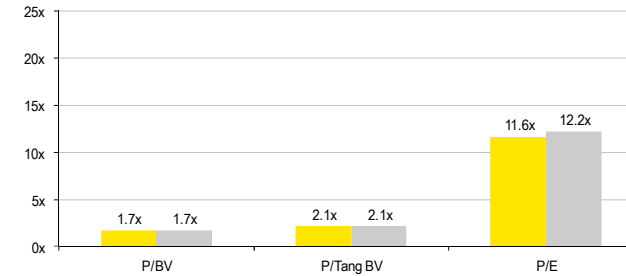


Relative Performance Charts

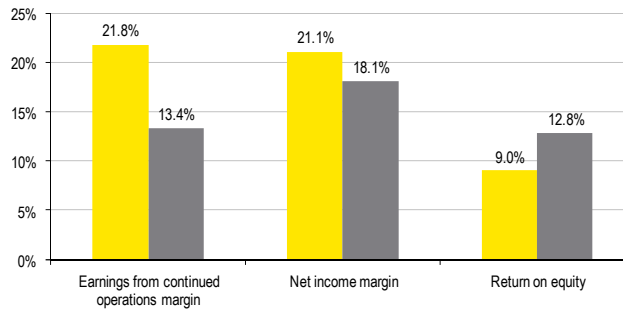
12-Month Relative Performance (in %) *



Multiples (LTM) *



Margins (LTM) **



Companies included in the Financial Services Index

- | | |
|----------------------------------|-------------------------------|
| Bäloise Holding AG | PartnersGroup |
| Bank Coop AG | St. Galler Kantonalbank |
| Bank Sarasin & Cie AG | Swiss Life Holding |
| Banque Cantonale Vaudoise SA | Swiss Reinsurance Co. |
| Credit Suisse Group | Swissquote Group Holding Ltd. |
| EFG International | UBS AG |
| GAM Holding AG | Vallant Holding AG |
| Helvetia Versicherungen | Vontobel Holding AG |
| Julius Baer Group Ltd. | VZ Holding AG |
| Liechtensteinische Landesbank AG | Zurich Financial Services AG |

Legend

- | | |
|---------------------------------------------|------------------------------------------------|
| Financial Services Index | P/BV = Price-to-Book-Value Ratio |
| Financial Services Index (previous quarter) | P/Tang BV = Price-to-Tangible-Book-Value Ratio |
| Swiss SMI Index (value weighted) | P/E = Price-to-Earnings Ratio |
| | LTM = Latest Twelve Months |
| | TEV = Total Enterprise Value |
| | Rev. = Revenue |
| | + = Industry is equally weighted |
| | + = Banks only (insurance companies excluded) |

Financial Services



Selected Mergers & Acquisitions Transactions / Private Placements

Announcement Date	Size (USD m)	Target	Seller	Buyer / Investor
23-Dec-2011	79.4	SLB Commercial Bank AG	LUKOIL	Sberbank
21-Dec-2011	N/A	HSBC Japan, private banking business	HSBC Holdings Plc	Credit Suisse Group AG
05-Dec-2011	N/A	Chi-X Global Inc.	-	UBS AG
25-Nov-2011	1,126.2	Bank Sarasin & Cie AG	Rabobank N.A.	Safra Group
23-Nov-2011	8.3	Allenex AB	SIX SIS AG, Banque Invik S.A., others	FastPartner AB
23-Nov-2011	43.2	Valartis Bonus Card AG	Valartis Group AG	Corner Banca SA
22-Nov-2011	N/A	P&P Private Bank AG	-	Salfort AG
15-Nov-2011	N/A	AXA Bank	AXA Bank Europe	Bank zweiplus
13-Oct-2011	169.8	Macquarie Group, Asian private wealth business	-	Julius Baer Group Ltd.

Selected Key Developments

Date	Company	Event Type	Headline
14-Dec-2011	St.Galler Kantonalbank AG	Bond issue	St.Galler Kantonalbank AG bond issuance of CHF 100m
12-Dec-2011	Swiss Re Ltd.	Executive/board change	Swiss Re Ltd. announced that Stefan Lippe has decided to step down as CEO in 2012. A successor is to be appointed
02-Dec-2011	Bank Linth	Executive/board change	Bank Linth announced that Heinz Knecht will take over as CEO and Georges Knobel as chairman of the board of directors
22-Nov-2011	Credit Suisse Group	Product-related announcement	Credit Suisse Group launched its CS Real Estate Fund Global, making investments in foreign real estate
15-Nov-2011	Credit Suisse Group	Business reorganization	Credit Suisse announced that it plans to fully integrate Clariden Leu into its organization
15-Nov-2011	UBS AG	Executive/board change	UBS AG announced that its board has appointed interim chief Sergio Ermotti as its new CEO
15-Nov-2011	UBS AG	Executive/board change	UBS AG announced that board chairman Kaspar Villiger will make way for his successor Axel Weber at its shareholder meeting in May
01-Nov-2011	Credit Suisse Group	Cost reduction	Credit Suisse Group announced 3% cut in its staff across-the-board until the end of 2013
04-Oct-2011	Deutsche Bank AG	Cost reduction	Deutsche Bank AG said that it plans to eliminate 500 positions in its Corporate Banking & Securities Corporate division
03-Oct-2011	Swiss Re Ltd.	Executive/board change	Swiss Re Ltd.'s board of directors will propose Robert Henrikson for election to the board at its next annual general meeting in April 2012

Data as of 31 December 2011

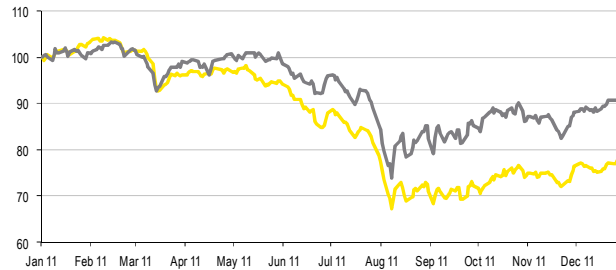
Source: Bloomberg, Capital IQ, Mergermarket and Ernst & Young Research

Healthcare

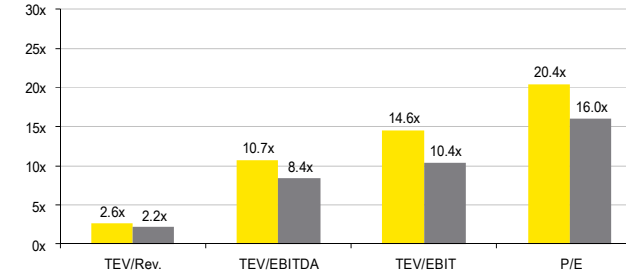


Relative Performance Charts

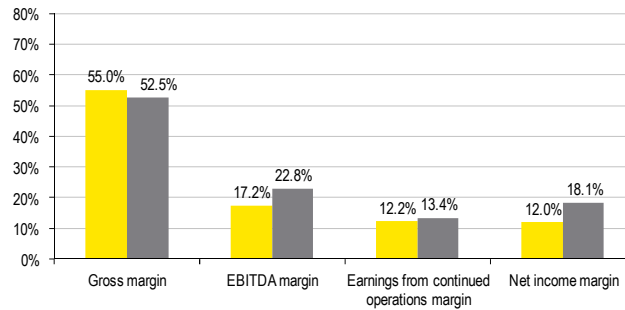
12-Month Relative Performance (in %) *



Multiples (LTM) *



Margins (LTM) *



Companies included in the Healthcare Index

Adino Holding AG	Nobel Biocare Holding AG
Actelion Ltd.	Novartis AG
Bachem Holding AG	Roche Holding AG
Basilea Pharmaceutica AG	Siegfried Holding AG
COLTENE Holding AG	Sonova Holding AG
Cytos Biotechnology AG	Straumann Holding AG
Galenica Ltd.	Synthes Ltd.
LifeWatch AG	Tecan Group Ltd.
Lonza Group AG	Ypsomed Holding AG

Legend

■ Healthcare Index
■ Swiss SMI Index (value weighted)

EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortization
 EBIT = Earnings Before Interest and Taxes
 P/E = Price-to-Earnings Ratio
 LTM = Latest Twelve Months
 TEV = Total Enterprise Value
 Rev. = Revenue
 * = Industry is equally weighted

Healthcare



Selected Mergers & Acquisitions Transactions / Private Placements

Announcement Date	Size (USD m)	Target	Seller	Buyer / Investor
19-Dec-2011	N/A	Mepha Holding AG, Latin American and Asian businesses	Mepha Holding AG	Acino Holding AG
02-Dez-2011	17.5	Verum Diagnostica GmbH	Dynabyte Informationssysteme GmbH	Roche Holding AG
29-Nov-2011	490.0	PTC Therapeutics, Inc., license for spinal muscular atrophy programme	PTC Therapeutics, Inc.,	Roche Holding AG
21-Nov-2011	11,011.7	Pharmasset Inc.	Burrill Venture Capital, Roche Venture Fund, others	Gilead Sciences Inc.
09-Nov-2011	129.2	Assist GmbH	Sanventure AG	Mediq NV
09-Nov-2011	107.0	Spirig Pharma AG	-	Stada-Arzneimittel AG
14-Oct-2011	110.8	Cephalon Inc., Middle East and African business	Cephalon Inc.	Acino Holding AG

Selected Key Developments

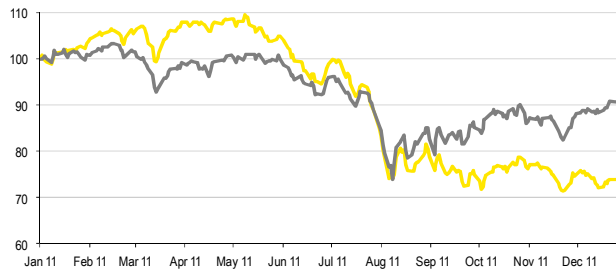
Date	Company	Event Type	Headline
23-Dec-2011	Roche Holding AG	Product-related announcement	Roche Holding AG announced the approval of Avastin in combination with standard chemotherapy as a front-line treatment for women with advanced ovarian cancer by the European Commission
15-Dec-2011	Lonza Group AG	Business expansion	Lonza Group AG announced the expansion of its early phase manufacturing capacity in Nansha, China
05-Dec-2011	Straumann Holding AG	Business reorganization	Straumann Holding AG announced that it is to implement a new organizational structure in early 2012
17-Nov-2011	Roche Holding AG	Strategic alliance	Aileron Therapeutics, Inc. and Roche Holding AG have announced a new program to expand their collaboration activities
17-Nov-2011	Novartis AG	Product-related announcement	Novartis AG announced the discovery of a new class of dual-acting antimalarial compounds which could fight malaria
14-Nov-2011	Lonza Group AG	Bond issue	Lonza Swiss Finance Ltd. bond issuance of CHF 352m
08-Nov-2011	Actelion Ltd.	Bond issue	Actelion Ltd. bond issuance in of CHF 211m
25-Oct-2011	Novartis AG	Cost reduction	Novartis AG announced that it plans to eliminate 2,000 jobs companywide over the next three to five years
21-Oct-2011	Novartis AG	Business expansion	Novartis AG is investing USD 300m to set up a plant in Pernambuco state, Brazil
10-Oct-2011	Nobel Biocare Holding AG	Bond issue	Nobel Biocare Holding AG completes its bond issuance of CHF 121m

Industrial Goods and Services

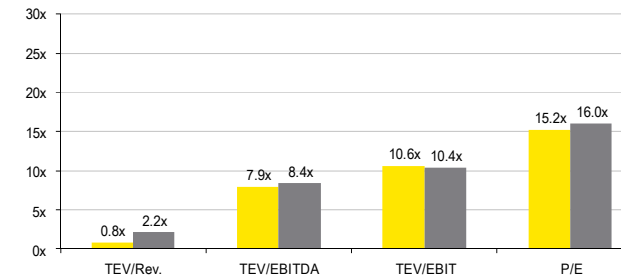


Relative Performance Charts

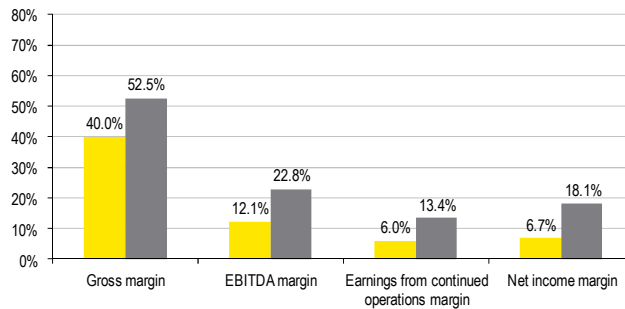
12-Month Relative Performance (in %) *



Multiples (LTM) *



Margins (LTM) *



Companies included in the Industrial Goods and Services Index

ABB Ltd.	Huber & Suhner AG	Rieter Holding AG
AdvalTech Holding AG	INFICON Holding AG	Schaffner Holding AG
Bost Group SA	Interroll Holding AG	Schindler Holding AG
Bucher Industries AG	Kaba Holding AG	Schweiter Technologies AG
Burkhardt Compression AG	Kardex AG	SGS SA
Carlo Gavazzi Holding AG	Komax Holding AG	Sulzer Ltd.
Cicor Technologies	LEM Holding AG	Swisslog Holding AG
Comet Holding AG	Meyer Burger Technology AG	Tornos Holding SA
Daetwyler Holding Inc.	Mikron Holding AG	Von Roll Holding AG
Feintool International Holding AG	O C Oerlikon Corporation AG	Walter Meier AG
Georg Fischer AG	Phoenix Mecano AG	

Legend

Industrial Goods and Services Index
Swiss SMI Index (value weighted)

EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortization
EBIT = Earnings Before Interest and Taxes
P/E = Price-to-Earnings Ratio
LTM = Latest Twelve Months
TEV = Total Enterprise Value
Rev. = Revenue
* = Industry is equally weighted

Industrial Goods and Services



Selected Mergers & Acquisitions Transactions / Private Placements

Announcement Date	Size (USD m)	Target	Seller	Buyer / Investor
12-Dec-2011	182.0	Newave Energy Holding SA	DWS Investment GmbH, RITTAL International Stiftung & Co. KG	ABB Ltd.
25-Nov-2011	104.5	JSC Ulan-Ude Aviation Plant	Mackenzie Cundill Investment Management, UBS AG, others	Russian Helicopters JSC
23-Nov-2011	N/A	Envitech Energies Inc.	Fonds régional de solidarité FTQ Montérégie	ABB Ltd.
15-Nov-2011	N/A	Powercorp Pty Limited	-	ABB Ltd.
11-Nov-2011	N/A	Hidrotecar, S.A.	-	Sulzer, Ltd.
08-Nov-2011	178.0	Uster Technologies AG	Groupe Alpha, others	Toyota Industries Corporation
07-Nov-2011	78.4	Uster Technologies AG	Alcide Limited	Toyota Industries Corporation
01-Nov-2011	41.0	Stereolithography resin and digitalis machine manufacturing business	Huntsman Advanced Materials Inc.	3D Systems SA
20-Oct-2011	280.0	Telair International GmbH and Nordisk Aviation Products a.s.	Various	Aar International Inc.

Selected Key Developments

Date	Company	Event Type	Headline
22-Dec-2011	Swisslog Holding AG	Executive/board change	Manfred Schuster retired from the board of directors of Swisslog Holding AG on 31 December 2011
12-Dec-2011	Cicor Technologies	Business reorganization	Cicor Group is considering consolidating its production sites in Unterägeri and Boudry in Switzerland
02-Dec-2011	Adval Tech Holding AG	Executive/board change	The board of directors of the Adval Tech Holding AG appointed Dr. Stephan Mayer as the new CEO of the Adval Tech Group
22-Nov-2011	ABB Ltd.	Client announcement	ABB Ltd. will develop key applications for meteorological observations onboard satellites for the Canadian Space Agency
21-Nov-2011	Schindler Holding AG	Bond issue	Schindler Holding AG completes issuance of a CHF 602m bond
02-Nov-2011	ABB Ltd.	Strategic alliance	ABB Ltd. and IO Data Centers, LLC have agreed to partner in the development of a new data center module
26-Oct-2011	Schindler Holding AG	Cost reduction	Schindler Holding AG said that it plans to eliminate 1,770 jobs mainly in Spain, Portugal and the United States
26-Oct-2011	Sulzer, Ltd.	Executive/board change	Jürgen Brandt has been appointed as interim CEO of the company as of 1 November, in addition to his role as chief financial officer
11-Oct-2011	ABB Ltd.	Bond issue	ABB Ltd. completes issuance of a CHF 854m bond
03-Oct-2011	Roth & Rau AG	Executive/board change	Dietmar Roth will step down as chairman of the management board and move to the board of directors of Meyer Burger Technology AG

Data as of 31 December 2011

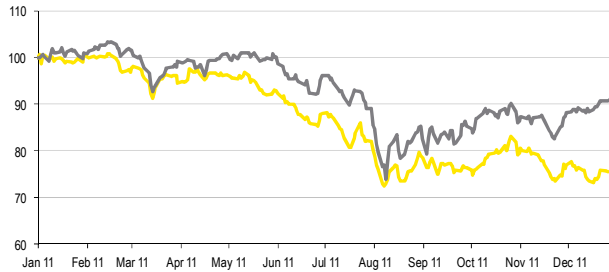
Source: Bloomberg, Capital IQ and Ernst & Young Research

Media, Technology and Telecommunications

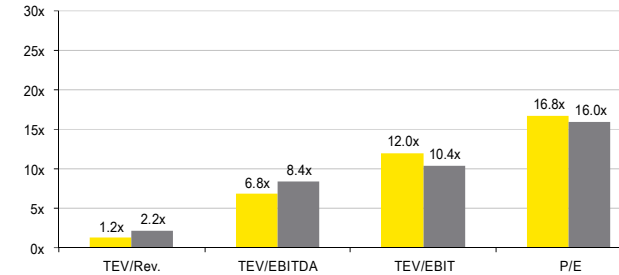


Relative Performance Charts

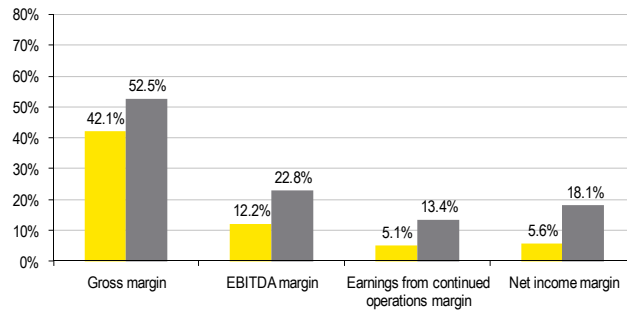
12-Month Relative Performance (in %) *



Multiples (LTM) *



Margins (LTM) *



Companies included in the Media, Technology and Telecommunication Index

Advanced Digital Broadcast Holdings SA	Micronas Semiconductor Holding AG
Also Holding AG	Myriad Group AG
Ascom Holding AG	Oreil Füssli Holding AG
Crealogix Holding AG	PubliGroup SA
Edipresse SA	Swisscom AG
Goldbach Media AG	Tamedia AG
Kudeški SA	Temenos Group AG
Logitech International SA	u-blox Holding AG

Legend

■ Media, Technology & Telecomm. Index
■ Swiss SMI Index (value weighted)

EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortization
 EBIT = Earnings Before Interest and Taxes
 P/E = Price-to-Earnings Ratio
 LTM = Latest Twelve Months
 TEV = Total Enterprise Value
 Rev. = Revenue
 * = Industry is equally weighted

Media, Technology and Telecommunications



Selected Mergers & Acquisitions Transactions / Private Placements

Announcement Date	Size (USD m)	Target	Seller	Buyer / Investor
23-Dec-2011	2,130.6	Orange Communications SA	France Telecom	Apax Partners Worldwide LLP
12-Dec-2011	N/A	Radio 24	Tamedia AG	BT Holding AG (AZ Medien)
02-Dec-2011	27.2	Creative Electronic Systems S.A.	MRV Communications Inc.	Private equity consortium
29-Nov-2011	2,067.1	Deutsch Engineered Connecting Devices Inc.	Wendel	TE Connectivity Ltd.
25-Oct-2011	94.2	EM TEST AG	The Riverside Company	Ametek Inc.
04-Oct-2011	136.0	Gluster Inc.	Index Ventures and Nexus Venture Partners	Red Hat Inc.

Selected Key Developments

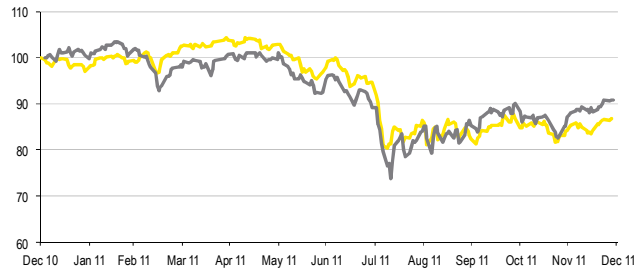
Date	Company	Event Type	Headline
30-Dec-2011	Micronas Semiconductor Holding AG	Business expansion	Micronas Semiconductor Holding AG has announced investments in the development of the new HAL 36xy and HAL 38xy sensors
21-Dec-2011	Swisscom AG	Strategic alliance	Swisscom AG has announced it will overhaul its mobile phone network and has signed a deal with Ericsson to complete the upgrade
14-Nov-2011	Temenos Group AG	Buy back	Temenos Group AG announced that its 2010-2011 share buy back plan has ended. Over 3 million shares were purchased by Temenos
02-Nov-2011	Logitech International SA	Product-related announcement	Logitech International SA unveiled the Logitech Mini Boombox, a compact sound system for music, movies, games and calls
28-Oct-2011	Ascom Holding AG	Strategic alliance	Ascom (UK) Ltd. announced that it has formed a strategic partnership with ANT Telecom
27-Oct-2011	Swisscom AG	Strategic alliance	Swisscom AG and iControl Networks Inc. have entered into a strategic agreement to advance smart living in Switzerland
18-Oct-2011	Myriad Group AG	Executive/board change	Myriad Group AG announced that Michel Paulin has resigned from the Board of Directors in order to pursue other business commitments

Retail and Consumer Products

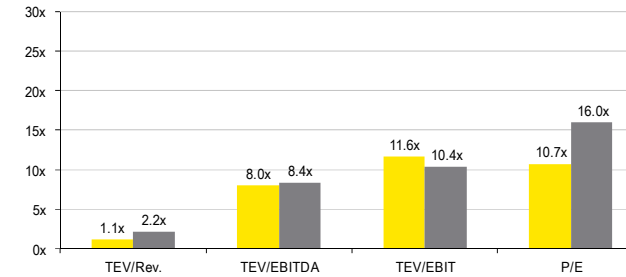


Relative Performance Charts

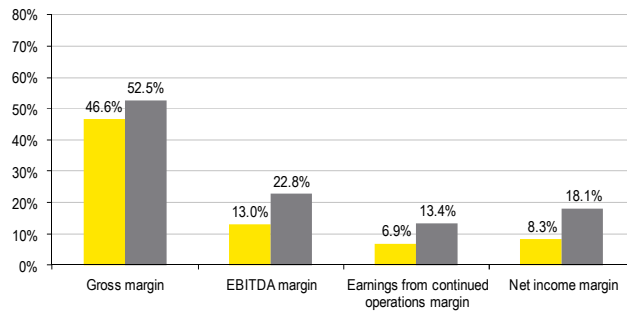
12-Month Relative Performance (in %) *



Multiples (LTM) *



Margins (LTM) *



Companies included in the Retail and Consumer Products Index

ARYZTA AG	Kuoni Reisen Holding AG
Barry Callebaut AG	Metall Zug AG
Calida Holding AG	Mobilezone Holding AG
Charles Voegelé Holding AG	Nestlé SA
Compagnie Financière Richemont SA	Orior AG
Dufry AG	Swatch Group AG
Emmi AG	Valora Holding AG
Huegli Holding AG	

Legend

■ Retail and Consumer Products Index
■ Swiss SMI Index (value weighted)

EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortization
 EBIT = Earnings Before Interest and Taxes
 P/E = Price-to-Earnings Ratio
 LTM = Latest Twelve Months
 TEV = Total Enterprise Value
 Rev. = Revenue
 * = Industry is equally weighted

Retail and Consumer Products



Selected Mergers & Acquisitions Transactions / Private Placements

Announcement Date	Size (USD m)	Target	Seller	Buyer / Investor
22-Dec-2011	N/A	Royal Tours Namibia Ltd.	Private owner	Kuoni Reisen Holding AG
20-Dec-2011	N/A	Mobiletouch AG	-	Mobilezone Holding AG
20-Dec-2011	N/A	Charles Voegele Holding AG	-	Migros-Genossenschafts-Bund
30-Nov-2011	307.2	Volkiland shopping centre	Swiss Prime Site AG	N/A
17-Nov-2011	87.5	Polaroid Eyewear AG	StyleMark AG	Safilo Group S.p.A.
16-Nov-2011	2.7	Maison Favre Leuba, S.A.	-	Titan Industries Ltd.
04-Nov-2011	N/A	Calida Holding AG	-	Matignon Investissement & Gestion
29-Oct-2011	N/A	Buchhandlung Karl Schmelzer- J. Bettenhausen GmbH & Co KG	Morawa Group	Valora Holding AG

Selected Key Developments

Date	Company	Event Type	Headline
07-Dec-2011	Emmi AG	Executive/board change	Emmi Roth USA, Inc. named Steve Millard as chief executive officer and president
28-Nov-2011	Valora Holding AG	Labor-related announcement	Valora Holding AG and Swiss trade union Syna agreed the extension of the existing collective labour agreement until 2015
24-Nov-2011	L'Oreal SA	Business expansion	L'Oreal SA plans to invest CNY 200m in the coming two years to expand its factory in Yichang city, China
24-Nov-2011	Nestlé S.A.	Business expansion	Nestlé S.A. invests GBP 110m in United Kingdom creating 300 jobs and tripling coffee capsule production
23-Nov-2011	Nestlé S.A.	Strategic alliance	The EpiGen Consortium announces the creation of a research collaboration with Nestlé Research Center in Switzerland
21-Nov-2011	Origin Enterprises Plc	Executive/board change	Origin Enterprises Plc announced the appointment of Hugh James McCutcheon to the board
18-Nov-2011	Barry Callebaut AG	Strategic alliance	Barry Callebaut AG and P.T. Comextra Majora have entered into a joint venture to form a new company in Indonesia
19-Oct-2011	Nestlé S.A.	Business expansion	Nestlé S.A. has completed a CHF 240m expansion of its soluble coffee factory in Timashevsk, Russia
03-Oct-2011	Schulthess Group	Executive/board change	The board of directors of Schulthess Group AG appointed Christian Zurcher as new CFO and member of the group management

Deal of the Quarter



Deal Summary



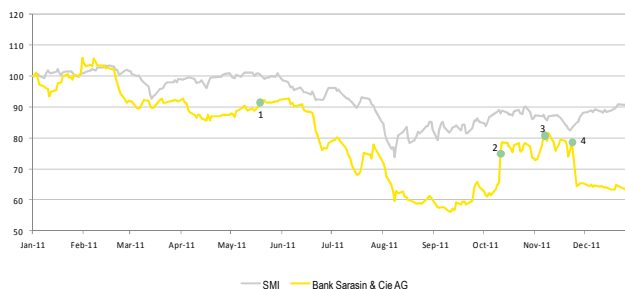
In Q4 2011, our deal of the quarter features the acquisition of Bank Sarasin & Cie AG by Safra Group for CHF 1.0b (approx. USD 1.1b). The deal was announced on 25 November 2011 after a period of speculations about potential bidders, including a number of Swiss and international banking groups. Safra Group agreed to acquire 46.07% equity interest and 68.63% voting rights of Bank Sarasin & Cie AG from Rabobank N.A. Under the terms of acquisition, Safra Group will acquire class A and B registered Sarasin shares at CHF 7.2 and CHF 36.0 per share, respectively. Bank Sarasin & Cie AG is a publicly owned private bank, acting as investment advisor and asset manager for private and institutional clients. Safra Group comprises a number of privately held companies mainly involved in banking and financial activities globally.

Deal Rationale

- ▶ Safra is expected to be a strongly capitalized shareholder of Sarasin; reinforcing Sarasin's established position as an independent Swiss private bank and achieving enhanced value for the bank and its clients, as well as providing additional distribution channels for its products.
- ▶ Sarasin and Safra are to complement each other in terms of their geographic markets, since Safra is mainly active in the Americas and Europe and Sarasin is showing a strong presence in key European markets, the Middle East and Asia.
- ▶ Safra announced it will support Sarasin's strategy and business model as an independent private bank under the existing well-recognized brand and management team.

Deal Timeline

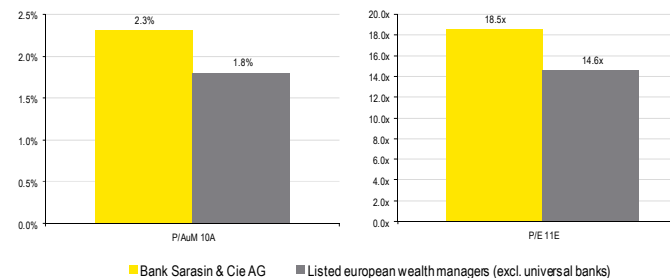
Relative Stock Performance (in %)



#	Date	Event
1	20-May-2011	Rumors about a potential sale of Bank Sarasin & Cie AG through a management buyout. Rabobank announced it has no plans to sell its stake in Bank Sarasin & Cie AG
2	13-Oct-2011	Rabobank is in discussions concerning a reduction of its holding in Sarasin
3	08-Nov-2011	Julius Baer is said to be leading the race to acquire a stake in Sarasin
4	25-Nov-2011	Safra Group agreed to purchase 46.07% stake in Sarasin

Consideration Details

Valuation Analysis (LTM)



Implied Equity Value (CHF m)	2,264.4	LTM	= Latest Twelve Months
% Sought	46.07%	P/AuM	= Price-to-Assets under Management
Total Cash (CHF m)	1,043.1	A	= Actual
Total Stock (CHF m)	-	P/E	= Price-to-Earnings Ratio
		E	= Estimate

Data as of 31 December 2011
Source: Bloomberg, Capital IQ and Ernst & Young Research

Event Calendar



Events from February 2012 to April 2012

Date	Day	Time	Event - Topic	Host	Location
06-Feb-2012	Monday to Wednesday	All day	International Financial Services Forum	City & Financial	London
07-Mar-2012	Wednesday	14.00 - 17.30	36th Swiss Venture Day	CTI Invest	Zurich
14-Mar-2012	Wednesday / Thursday	All day	EVCA Investors Forum	European Private Equity and Venture Capital Association	Geneva
15-Mar-2012	Thursday to Sunday	All day	EVCA Networking Event	European Private Equity and Venture Capital Association	La Clusaz, France
20-Mar-2012	Tuesday	All day	9. Deutsche Investorenkonferenz	Finance magazine	Frankfurt
29-Mar-2012	Thursday / Friday	All day	Campus for Finance - Private Equity Conference	WHU	Vallendar, Germany
17-Apr-2012	Tuesday	12.00 - 13.30	17th Investor Lunch	CTI Invest	Zurich

Upcoming Ernst & Young corporate finance seminars*

Date	Day	Time	Event - Topic	Host	Location
09/10-Feb-2012	Thursday/Friday	09.00 - 17.00	Mergers & Acquisitions (E)	Ernst & Young	Geneva
09-Mar-2012	Friday	09.00 - 17.00	Financial Modeling (D)	Ernst & Young	Zurich
13-Apr-2012	Friday	09.00 - 17.00	Basic Valuation (E)	Ernst & Young	Geneva
19/20-Apr-2012	Thursday/Friday	09.00 - 17.00	Mergers & Acquisitions (D)	Ernst & Young	Zurich
27-Apr-2012	Friday	09.00 - 17.00	Advanced Valuation (D)	Ernst & Young	Basel

D = German; E = English

*Registration details can be found on page 25.

Ernst & Young Mergers & Acquisitions Opportunities

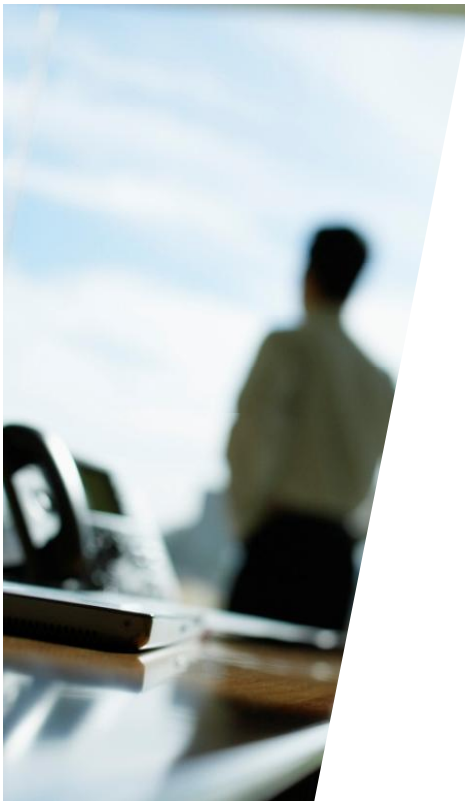


Selected M&A Opportunities						
Industry	Country	Transaction (sale of) / Private Placement	Project	Approx. deal size (in USD m)		
				<50	50-150	>150
Automotive	Russia	Russian supplier of logistics services in the automotive industry	Baron		✓	
Automotive	Switzerland	Electrical sports car developer	Lemongrass	✓		
Construction	Turkey	Construction materials manufacturer in Turkey	Window		✓	
Energy	Saudi Arabia / Bahrain	Polysilicon photovoltaic manufacturing facility	Solar		✓	
Energy	Turkey	Investment opportunity in energy project	South	*	*	*
Energy (renewable)	UK / Italy	Market leading onshore wind developer	SSE/Entropia	*	*	*
Entertainment	Switzerland	Swiss entertainment company	Entertainment	✓		
Financial Services	Russia	Debt collector and purchaser	Moscow	✓		
Financial Services	Sudan	Islamic bank with focus on project-financing in Sudan	Nile	*	*	*
Financial Services	Switzerland	Life insurance company	Vita		✓	
Food	Czech Republic	Producer of chilled, frozen and smoke-dried chicken meat & other semi-finished meat products	Magnum			✓
Food	Russia	Agricultural holding in the Volga Federal District	Kama		✓	
Industrial products	Switzerland	Machine manufacturer	Essence	✓		
IT	Switzerland	IT business	Pearl	*	*	*
Oil and Gas	Singapore	Provider of offshore platforms, pressure vessels, and other products for the energy & power sector	Fab			✓
Retail & Wholesale	Turkey	A Turkey based specialty retailer of household products	June	✓		

* Deal size is available upon request

Note: A high number of additional local and global opportunities are available. Please contact us for more information on these opportunities.

Ernst & Young M&A Contacts Switzerland



If you have any questions related to Mergers and Acquisitions, please do not hesitate to contact us:



Dr. Jürg Stucker, CFA
Partner

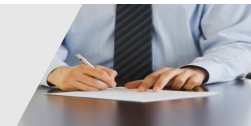
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Subscription / Registration Form



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Registration for Ernst & Young seminars

If you would like to register for or receive more information regarding our Mergers & Acquisitions, Valuation, Financial Modeling or Purchase Price Allocation Seminars, please fill out the form below and return it to Corinne Liliana Güntert or contact her directly.

- Yes, I would like to receive more information on the following seminar(s)
- Yes, I would like to register for the following seminar(s)
- M&A (9/10-Feb-2012, GE, E, *)
 - Financial Modeling (9-Mar-2012, ZH, D, **)
 - Basic Valuation (13-Apr-2012, GE, E, **)
 - M&A (19/20-Apr-2012, ZH, D, *)
 - Advanced Valuation (27-Apr-2012, BA, D, **)

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Legend: ZH = Zurich, GE = Geneva, BE = Berne, BA = Basel; D = German, E = English; * = Seminar fee CHF 2'000, ** = Seminar fee CHF 1'200

The information in this booklet is based on data provided by Bloomberg, Capital IQ as well as Ernst & Young research. Whilst we have carefully selected and reviewed the data, M&A statistics are strongly dependent on the source providers. We do not assume any liability for the accuracy of the information provided. Statistics presented in this booklet should only be regarded as estimates.

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