















Proventis Partners.



Deals

>200 successfully executed M&A transactions >4bn cumulated transaction value



Offices

Three offices in Munich, Hamburg and Zurich. Strong regional and international network.



Industry focus

Telecom, Media & Technology



Industrials



Consumer, Food & Retail



Business Services



Healthcare



Energy & Natural Resources



Team

30 experienced M&A professionals with profound operational background.



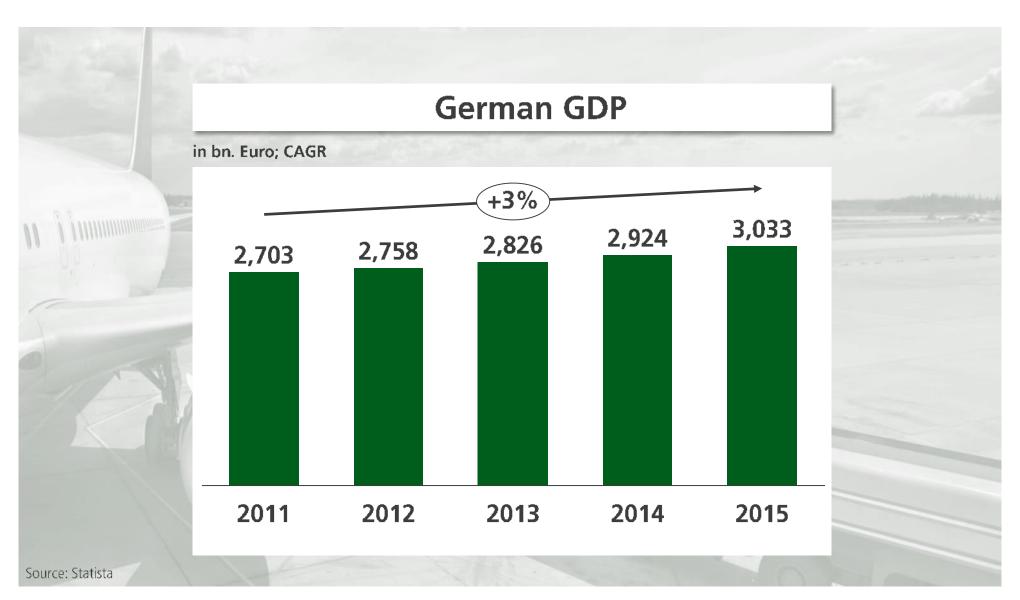






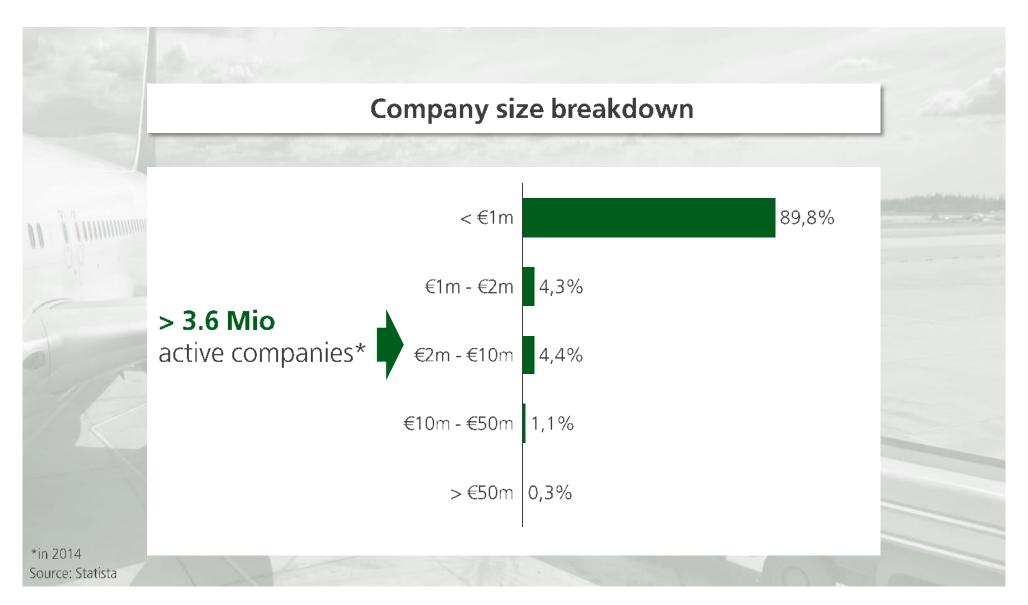
Despite global crisis the German economy has performed well.





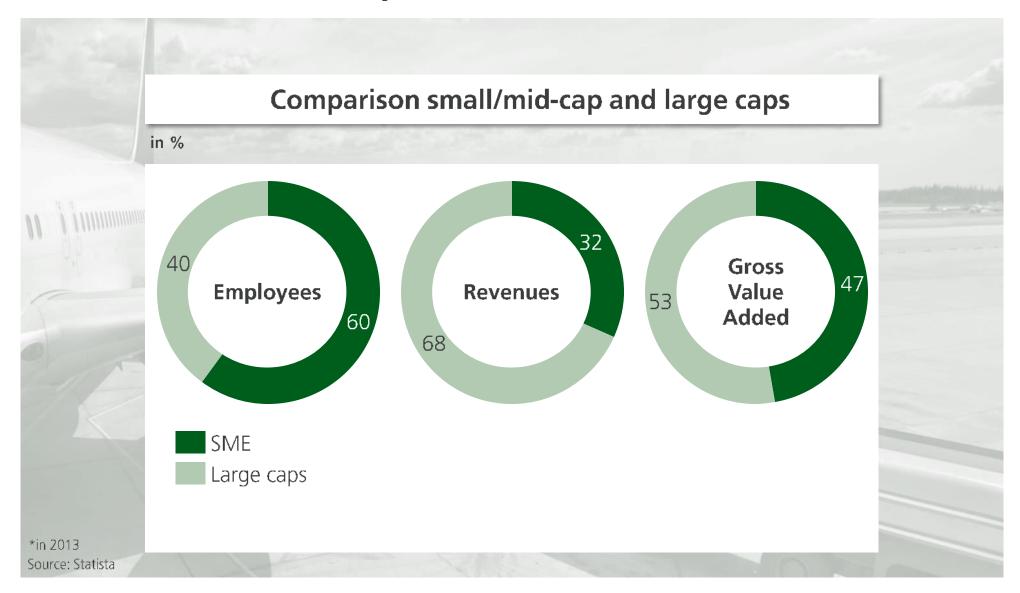
The vast majority of German companies are small- and mid-caps.





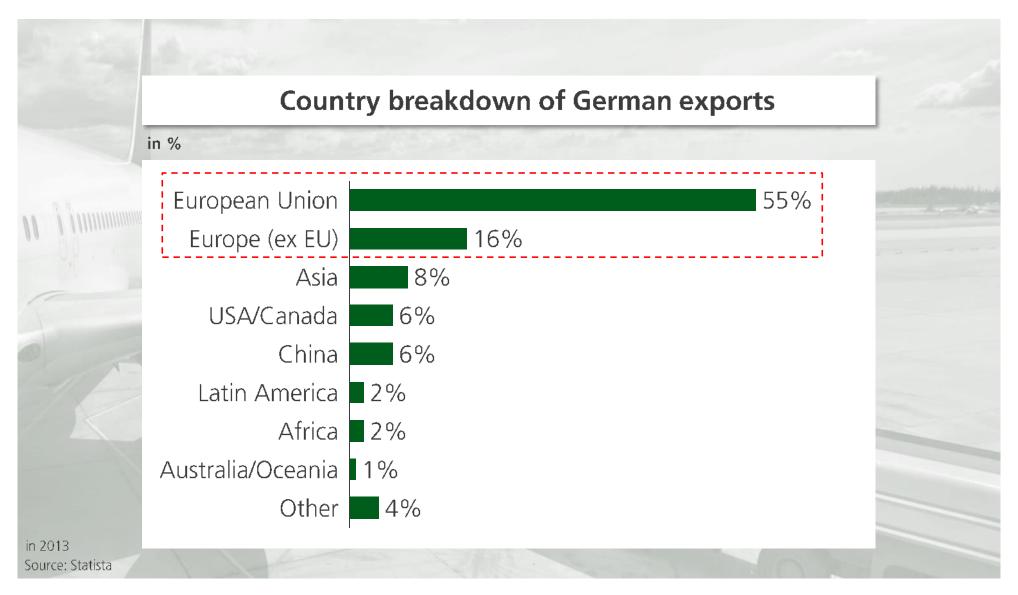
The German "Mittelstand" (mid cap) represents the backbone of the economy.





German companies are strong exporters. More than 2/3 of the exports are within Europe.





German companies plan to increase their foreign activities.





- German companies rely heavily on foreign markets.
- Most German companies are small and mid-caps (SME) which are successful global niche players.
- There's big cultural difference between German SME and German large corporates:
 - SME are often run by their owners therefore decision making is faster
 - Large corporates have professional M&A departments that usually only deal with large projects
 - Personal relation with the real decision maker is vital

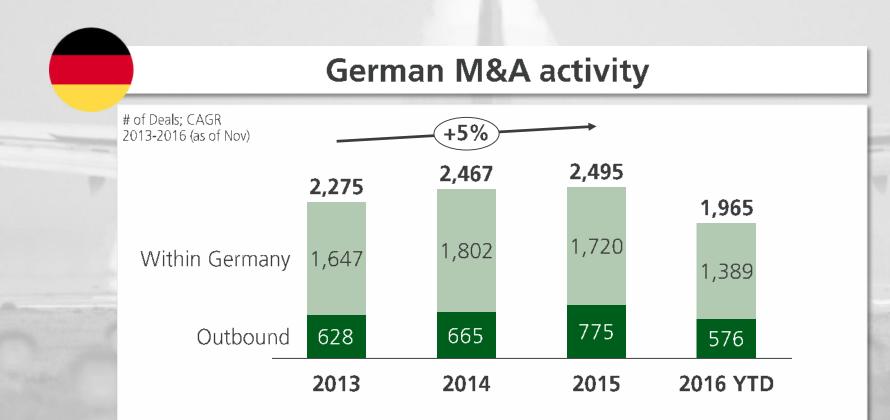






M&A activity of German companies is increasing. The Number of outbound M&A transactions has grown > 10% p.a.

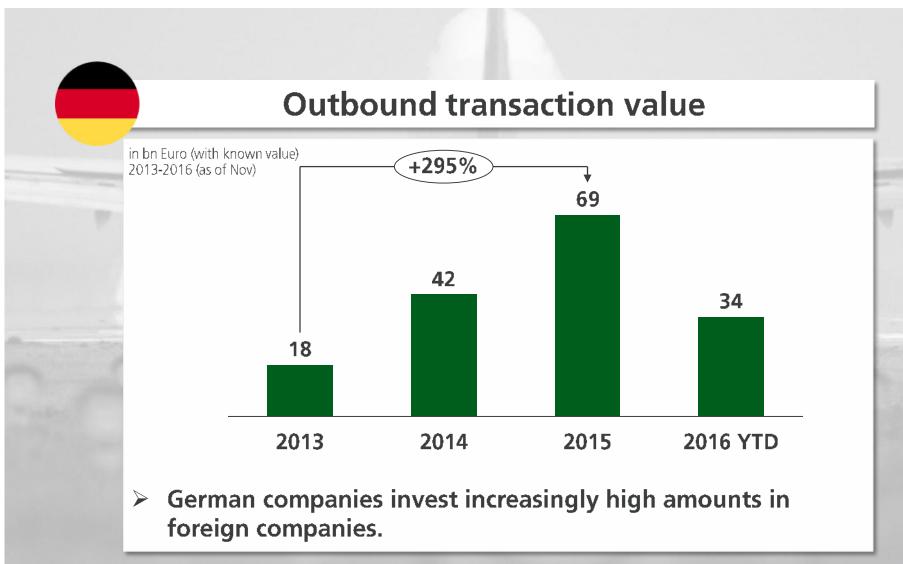




- German companies are increasingly considering M&A as a source of growth or diversification.
- Outbound M&A activity has grown over-proportionately.

German Outbound M&A transaction value has more than tripled between 2013 and 2015.



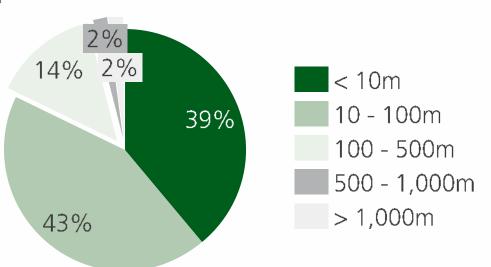


Small and mid cap deals are the majority.



Outbound Deal Size Breakdown

Number of Deals by transaction ranges (with known value)

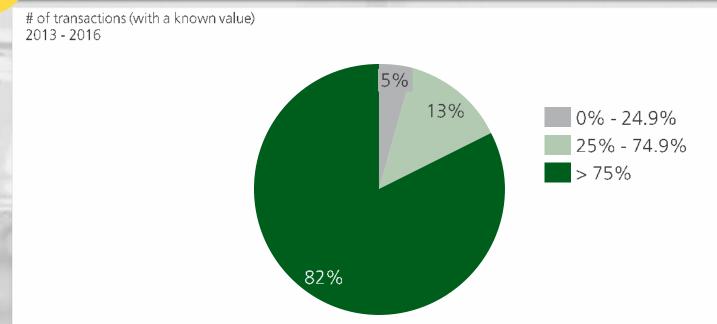


German buyers are mostly looking for deal sizes below 100 Mio Euro.

German buyers prefer a majority stake in the target company.



Minority vs Majority deals



> German buyers are mostly interested in majority deals.

Overall trends within German buyer universe.



- German mid-caps are increasing their cross-border M&A activities substantially and are looking for attractive targets.
- Main reasons for cross-border M&A are market access, know-how transfer and economies of scale.
- Services and industrial manufacturing are still the main target sectors but renewables and IT are growing rapidly.
- German strategic buyers are more likely to invest in countries where they've already established export relations.

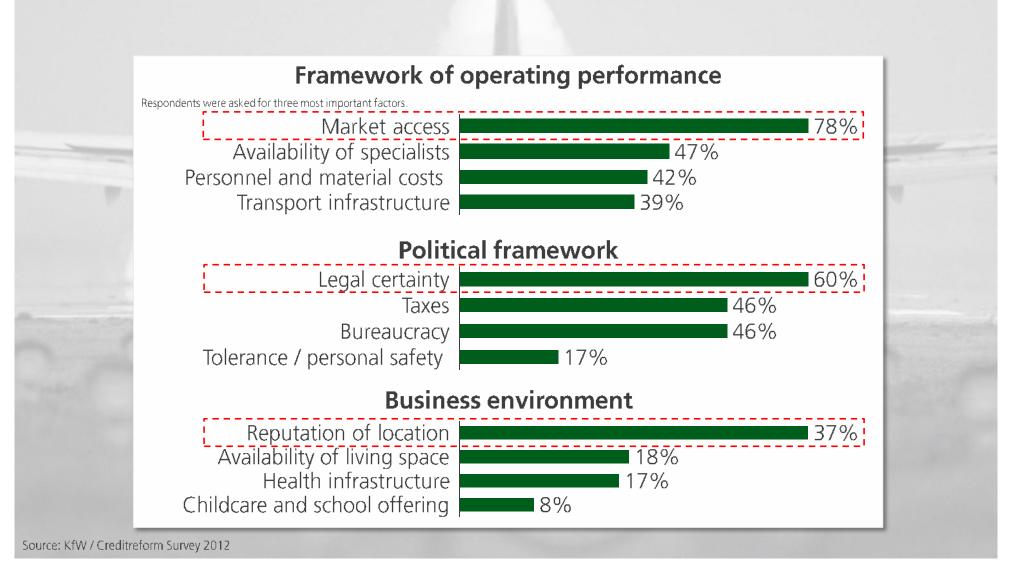






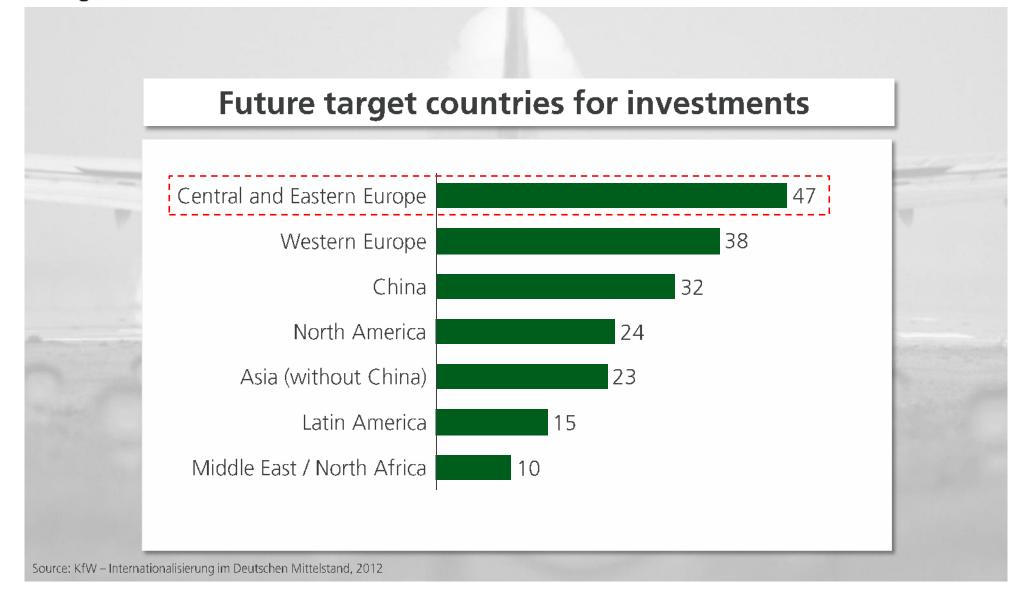
Market access, stability and a skilled workforce are decisive factors for German companies to invest abroad.





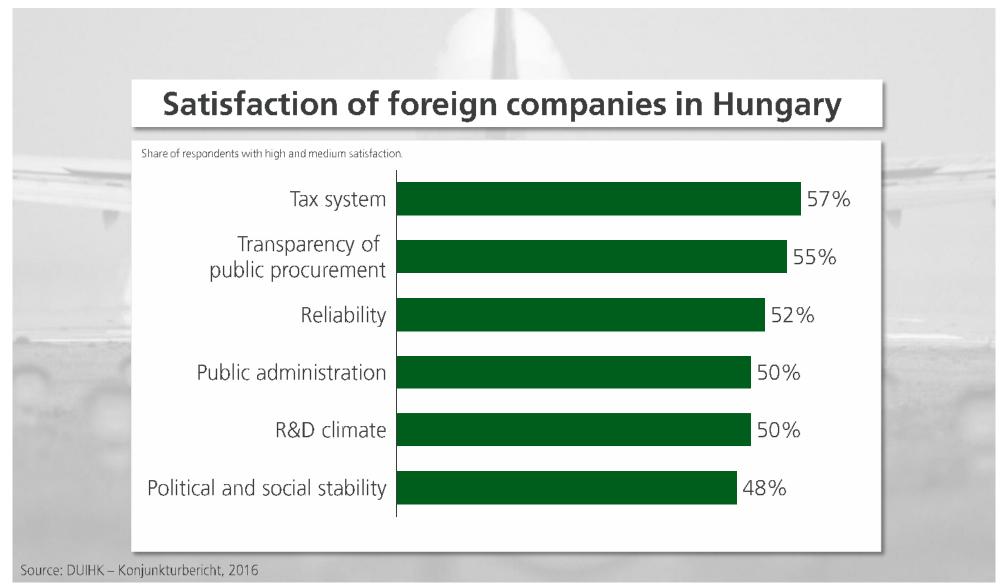
The CEE region is the main target market of German mid-cap foreign investments.





Hungary scores high with regard to the tax system, transparency and R&D conditions.

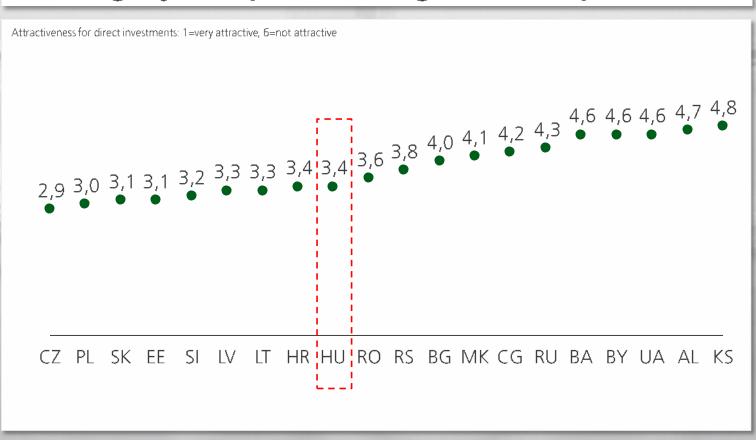




Compared to other CEE countries Hungary is in the mid field regarding locational advantage.



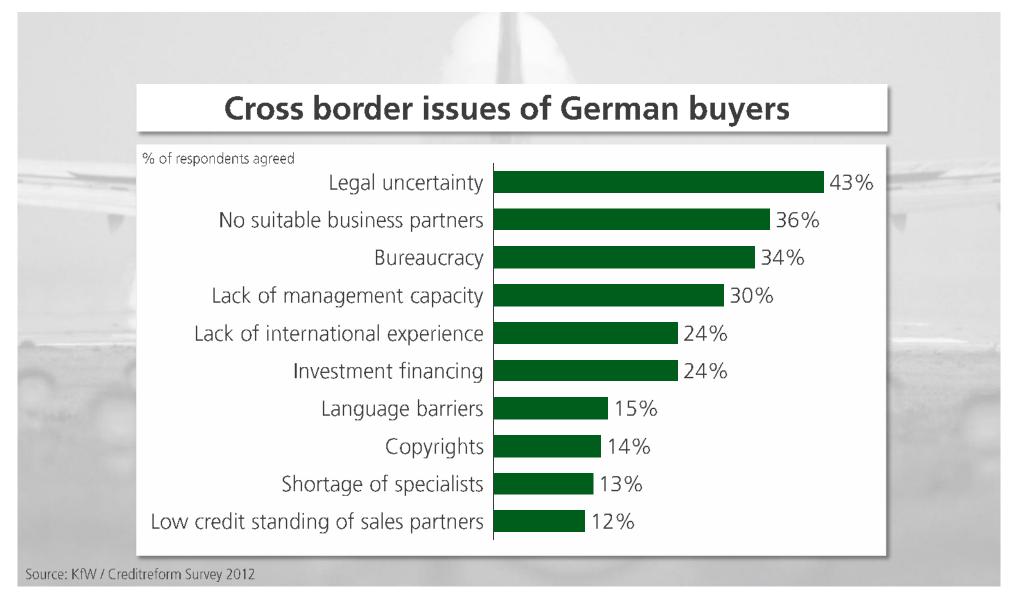
Hungary compared to regional competitors



Source: DUIHK – Konjunkturbericht, 2016

German buyers value legal security and reliable business relations.





Successful cross boarder transactions with German buyers are based on personal relationships with decision makers.



1. Big deals are usually on the radar of professional buyers – small deals need more attention

→ Need for a business sponsor and high level contacts within buyer organization

2. Promote local advantages that are key for German companies

→ Overall reliability, transparency and skilled workforce

3. Raise awareness of differences in corporate culture early

→ This avoids misunderstandings and builds trust

4. Include third party opinions

→ External assessment helps identify potential deal breakers



Let's meet and discuss.

International Offices

Zurich, SwitzerlandProventis Partners AG Feldeggstr. 58 8008 Zurich, Switzerland

T: +41 (0)44 536 3630

Hamburg, Germany

Proventis Partners GmbH Grosse Johannisstrasse 19 20457 Hamburg, Germany T: +49 (0)40 3609759-0

Munich, Germany

Proventis Partners GmbH Prinz-Ludwig-Str. 7 80333 Munich, Germany T: +49 (0)89 388 88 1-0 Three offices currently represent Proventis Partners. From Hamburg, Munich and Zurich, a team of 30 professionals acts on national and international projects. Our clients profit from the regional and international networks.

We know: the M&A advisory business is both a regional and an international business.

Website

www.proventis.com

Social Media and Memberships

Linked in.

https://www.linkedin.com/company/proventis-partners-gmbh

XING*

https://www.xing.com/companies/proventispart ners









