

Total performance implications of divestitures depending on timing in divestiture waves

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Abstract This paper examines the phenomenon of divestiture waves and how the returns of divestitures change throughout the wave period by applying the event study methodology. In the literature, there are two clusters of theories explaining such wave patterns - neoclassical and behavioral theories. While the first is based on the efficient market hypothesis and rational behavior, the latter also takes psychological causes for waves and transactions into account. The overall aim of transactions is to create (shareholder) value and there is extensive literature about the value creation in M&A deals, especially on the sell-side. Divestitures on the other hand are less examined and if only from the sell-side perspective. This paper closes the gap in divestiture research on total value creation, i.e. the accumulated value creation on the buy- and sell-side. The results exhibit a significant value creation in the European divestiture wave between 1995 and 2004 and a significant first mover advantage regarding the extent of returns.

Keywords Event Study, Abnormal Returns, Divestiture, Divestiture Waves

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1 Introduction

There has been a long history of mergers and acquisitions in the corporate world, always with the target to create value in any direction, whereas the reasons vary from securing a company to reorganizing and positioning a business for the future. What they all have in common is, according to the principle-agent relationship, the goal of the shareholder value maximization for the principle (shareholders) through the agent, the management. There are two clusters in theories explaining the emergence of such transactions - neoclassical and behavioral theories. The first is based on the efficient market hypothesis and assumes that information is immediately incorporated and that all actions are taken rationally. The behavioral theories on the other hand include psychological components and assume irrational behavior of individuals, i.e. that not all actions are taken in order to maximize value for the shareholders. Both theory clusters do not only aim at explaining single transactions, but also the accumulation of them in certain time periods. Making use of these two theory clusters, this paper is looking at divestitures and how their returns develop. In the literature, the accumulation of transactions is mostly known as 'merger waves', whereas this paper uses the term 'divestiture waves' due to its focus on the opposite direction, i.e. divestitures. Divestiture waves can be defined as any time-period with increased divestiture activity, i.e. an increased number of transactions. These waves typically show a pattern with an increase over a few years, followed by a peak with a substantially greater activity level than in the previous years, and a sharp decline at the end (Carow, Heron & Saxton, 2004).

There has been extensive literature about the value creation in mergers and acquisitions, however, mostly with a one-sided perspective focusing on the sell-side. The field of divestitures, even more divestiture waves, has only been subject to little attention in research. In fact, to the best of our knowledge, only two yet not fully published papers (Brauer & Stüssi, 2010; Brauer & Wiersema, 2011) deal with divestiture waves and the differences in the returns throughout time, however, only from a sell-side perspective. Since value creation should not be limited to one side in a deal, to generate value also from a total economic point of view, it is necessary to consider the total returns i.e. the aggregated value creation on the buy- and sell-side. This paper closes the gap in literature between the only one-sided divestiture research and the various examinations on the returns of

mergers and acquisitions. This includes, similarly to previous research, the examination of the phenomenon of the (divestiture) wave pattern and how returns change throughout time i.e. answering the question whether the generated value is the same throughout the different phases of the wave or whether its development exhibits a certain structure. The research question in this paper is therefore:

- How does the aggregated return for the sell- and buy-side react to divestiture announcements at the beginning, middle and end of a divestiture wave?

The methodology used is an event study with numerous sub-sample tests in order to also examine the determinants of the returns. The remainder of this paper is structured as follows: Section 2 describes the methodology and all statistical tests used. Section 3 covers the description and issues of the data sample used. Section 4 presents the previous literature, rounded off by the hypothesis and expected results. Section 5 and 6 describes and analyses the empirical results, followed by a critical reflection and some suggestion for further research in section 7. Section 8 concludes.

2 Methodology

2.1 Event Study

Event study methodology is a common method in management and finance research to measure the effect and statistical significance of certain events on, for instance, stock prices of companies (MacKinlay, 1997). Statistically significant means, that the value (market capitalization) of a company is impacted beyond the market development. The event from an empirical point of view is when markets incorporate the news into the stock prices, which is usually at the time of announcement and not, as one could assume, when the actual divestment takes place.

In order to investigate the total performance of divestitures, i.e. on the buyer and on the seller, we analyze the stock prices of both. The stock prices are benchmarked against the MSCI Europe index, which comprises a multitude of European companies in the 16 developed countries. The divestitures in this study comprise the same 16 countries. Concentrating on the 16 developed countries ensures common accounting practices and data availability, which would not have necessarily been the case if including e.g. Asian

countries. Furthermore, the MSCI Europe, unlike combined regional and industry indices, is diversified enough not to be significantly influenced by the event company.

2.1.1 Event Study Base Assumptions

Event study methodology and the validity of its results are based on the three underlying assumptions - market efficiency, unanticipated events and the absence of confounding events. It is a necessary assumption that markets are efficient and react to the divestiture announcements to measure abnormal returns. In fact, efficient markets assume that price relevant information is immediately incorporated, however, this is a really strong theoretical assumption and in reality markets can be distorted and might take some time to include information. Thus, they rather seem to be not fully efficient, which means we do need longer event windows in order to be able to measure all effects of an event. The assumption of unanticipated events implies that the information about the event has to be new to the market. Else, abnormal returns would probably be not significant. Given that we do not know when information actually reaches the market, we avoid this drawback by terminating the end of the estimation before the actual divestiture announcement. The third key assumption is the exclusivity of the investigated event. When analyzing the event, it is difficult to completely separate the examined event, in particular with long event windows, from other information - confounding events - that reaches the market as well and thus co-influences the firm value (McWilliams & Siegel, 1997). Thus, a relatively short event window is used in this study to limit the potential threat of a violation of this base assumption.

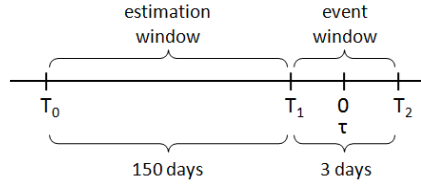
2.1.2 Event and Estimation Window

The actual event date ($\tau = 0$) in this analysis is the day of the divestiture announcement. Since daily data is used in this analysis, one could assume it is enough to measure the effects solely on the announcement date. However, the event window covers the period from -1 days to +1 days relative to the announcement date. The event window according to MacKinlay (1997) often comprises several days, to capture all surrounding and after closing effects. This is particularly important with M&A transactions, where there could be insider information and leakages that influence the price ex-ante the event. Further, announcements could be made after market closure and thus only show a market reaction

on the following day. The event window is chosen in accordance with several divestiture studies such as Rosenfeld (1984) or Klein (1986). This allows a comparison of the results of this study to studies on divestitures.

The chosen and used estimation window in this paper is 150 days, from -151 days to -2 days before the event date. In general, the estimation window length depends on the subject of examination, but is usually between 100 and 300 trading days according to Peterson (1989). MacKinlay (1997) rather suggests using 120 days as the lower end of the possible range. Figure 1 depicts the chosen event and estimation window.

Figure 1: Estimation and Event Window



2.1.3 Cumulative Abnormal Return and its Statistical Properties

The event study methodology is applied in order to measure whether divestments have a significant impact on firm value, hence whether there is an abnormal return (AR). Given the above mentioned assumption of efficient markets, the abnormal return is calculated by subtracting the normal return from the actual return. More formalized (MacKinlay, 1997),

$$AR_{i\tau} = R_{i\tau} - E(R_{i\tau} | X_{\tau})$$

where $AR_{i\tau}$ is the abnormal return, $R_{i\tau}$ the realized one and $E(R_{i\tau} | X_{\tau})$ the expected return, of which X_{τ} is an exogenous variable determining the returns. The expected return is derived via the analysis in the estimation window. In general, there are two possibilities to calculate the abnormal and expected return - the constant mean return model and the market model. The first model is built on the assumption that the independent and identically distributed returns are unaffected by exogenous factors. The latter, which is described in the following, is used in this paper. The advantage of the market model over the constant mean model is the recognition of variation in the market (here MSCI Europe). Yet, the advantage depends on how high the R^2 is, the higher the larger the

advantage (MacKinlay, 1997). Formalized, the market model is:

$$R_{it} = \alpha_i + \beta_i R_{mt} + \varepsilon_{it}$$

Where R_{it} and R_{mt} are the returns of stock i and the MSCI Europe (market) respectively in period t . Considering the assumption

$$E(\varepsilon_{it}) = 0 \quad , \quad var(\varepsilon_{it}) = \sigma_{\varepsilon_i}^2$$

we can estimate the market return and then get the sample abnormal return:

$$AR_{i\tau} = R_{i\tau} - \hat{\alpha}_i - \hat{\beta}_i R_{m\tau}$$

Under the null hypothesis in the market model, the abnormal return is thereby normally distributed around a zero conditional mean and a conditional variance,

$$\sigma^2(AR_{i\tau}) = \sigma_{\varepsilon,i}^2 + \frac{1}{L_1} \left[1 + \frac{(R_{m\tau} - \hat{\mu}_m)^2}{\hat{\sigma}_m^2} \right]$$

with μ_m being the average market (MSCI Europe) return in the estimation period. The estimation error diminishes with increasing L_1 i.e. estimation period and can be assumed to converge to zeros for large estimation windows. Salinger (1992) questions the underlying assumption that the individual abnormal returns are uncorrelated, i.e. the estimation error could be neglected, because the market model parameters determine indirectly what is abnormal. However, the estimation window length in this paper is way beyond the ones considered by Salinger (1992). Thus, MacKinlay's (1997) point of view, that with a critical length the estimation error can be neglected, still holds. Under the null hypothesis, the abnormal return only fluctuates within its normal deviation i.e. the event (divestiture) does not have a significant effect on the stock price. More formalized: (MacKinlay, 1997)

$$\widehat{AR_{i\tau}} \sim N\left(0, \sigma^2\left(\widehat{AR_{i\tau}}\right)\right)$$

As mentioned above, to capture all effects within the event window, several days around the announcement date are analyzed. That means one has to accumulate the ARs first over

time and second, to draw inferences of the sample, across all analyzed stocks. Over time, for each individual stock, one accumulates the ARs from τ_1 to τ_2 , where $T_1 < \tau_1 \leq \tau_2 \leq T_2$ and gets:

$$CAR(\tau_1, \tau_2) = \sum_{\tau=\tau_1}^{\tau_2} AR_{i\tau}$$

With increasing and large values for L_1 (with lower L_1 values, one would have to adjust for the estimation error, see variance above), the variance is

$$\sigma_i^2(\tau_1, \tau_2) = (\tau_2 - \tau_1 + 1) \sigma_\varepsilon^2$$

and the null hypothesis or rather the distribution of the CAR in this case follows as:

$$CAR_i(\tau_1, \tau_2) \sim N(0, \sigma_i^2(\tau_1, \tau_2))$$

After accumulating the ARs within the event window over time, one has to aggregate the CARs across the investigated stocks in order to get an average result, from which inferences over the sample can be drawn. An important assumption for aggregating abnormal returns across stocks is that the events are not correlated with each other i.e. they are independent. It could happen in divestiture waves that event windows overlap over time. Thus, the assumption of no correlation across ARs of different stocks might be violated. This study uses the clustering technique as suggested by MacKinlay (1997) to resolve this problem (see section 3.2). To get the average abnormal return we model:

$$\overline{AR}_\tau = \frac{1}{N} \sum_{i=1}^N AR_{i\tau}$$

and accumulate the average abnormal return afterwards, which yields:

$$\overline{CAR}(\tau_1, \tau_2) = \sum_{\tau=\tau_1}^{\tau_2} \overline{AR}_\tau$$

The variance of the average CARs is calculated with the same method as we did with the individual CARs:

$$var(\overline{CAR}(\tau_1, \tau_2)) = \sum_{\tau=\tau_1}^{\tau_2} var(\overline{AR}_\tau)$$

As described above, we use the clustering technique to solve the case of event window overlaps. Clustering over time, which forms pools of data, is used to cure the problem. With the clustering approach in Stata the coefficients are the same as the OLS coefficients but the standard errors, in this case White standard errors, now consider the fact of non-independent observations within the overlaps. This allows us to set the covariance to zero with the following distribution to test the null hypothesis:

$$\overline{CAR}(\tau_1, \tau_2) \sim N[0, \text{var}(\overline{CAR}(\tau_1, \tau_2))]$$

2.2 Statistical Tests

In order to ensure the power of our empirical results, this study conducts several statistical tests. They can be divided into two categories - parametric and non-parametric tests. The first and main parametric test is of course the Student's t-test (J_1 and J_2), to see whether the empirical results are significantly different from zero. Hence, it is tested if the study can reject the null hypothesis that the events have no stock price impact. Secondly, the study conducts a difference of means test to investigate whether the two groups abnormal returns are significantly different from each other.

In addition, this study performs non-parametric tests, which are not based on assumptions regarding the distribution of abnormal returns. We conduct the Wilcoxon rank-sum test to challenge the robustness of the results from the parametric test, but not to derive new empirical results.

2.2.1 Student's t-test

As mentioned above, this study uses t-statistics to test the null hypothesis that divestitures have no impact on the stock prices in terms of total economic performance, hence for both the vendor and buyer. Given the assumption that the different announcements are mutually exclusive and do not impact each other, one can test the null hypothesis using (Campbell, Lo & MacKinlay, 1996):

$$J_1 = \frac{\overline{CAR}(\tau_1, \tau_2)}{\left[\widehat{\sigma}^2(\tau_1, \tau_2)\right]^{1/2}} \sim^a N(0, 1)$$

However, the problem with this formula is that the estimator of the variance in the denominator does not yield precise distributional results for samples with a high number of events. Introducing the standardized cumulative abnormal returns $SCAR_i$ where, under the null hypothesis, it is Student-t distributed with $L_1 - 2$ degrees of freedom, can solve this (Campbell et al., 1996). To test the null hypothesis one can use:

$$\widehat{SCAR}_i(\tau_1, \tau_2) = \frac{\widehat{CAR}_i(\tau_1, \tau_2)}{\widehat{\sigma}_i(\tau_1, \tau_2)}$$

It is inherent from the t-distribution, under the null hypothesis, that the expected $\widehat{SCAR}_i(\tau_1, \tau_2)$ is zero and the variance is given by $\left(\frac{L_1-2}{L_1-4}\right)$. In the next step, one uses the individual $SCAR_i$'s and equally weights them by defining $\widehat{SCAR}_i(\tau_1, \tau_2)$, similarly as above, to be the average of N stocks and to derive the average SCARs:

$$\overline{SCAR}(\tau_1, \tau_2) = \frac{1}{N} \sum_{i=1}^N \widehat{SCAR}_i(\tau_1, \tau_2)$$

Now, given the above mentioned assumption that N events and its underlying stocks are independent of each other, the $\widehat{SCAR}_i(\tau_1, \tau_2)$ under the null hypothesis is normally distributed with, in large samples as the one here, a mean of 0 and a variance given by $\left(\frac{L_1-2}{N(L_1-4)}\right)$ (Campbell et al., 1996). Thus, in addition to J_1 , the second method for testing the null hypothesis is (J_1 and J_2 are not explicitly mentioned in the following, however, used and implicated in the t-tests):

$$J_2 = \left(\frac{N(L_1 - 4)}{L_1 - 2}\right)^{1/2} \overline{SCAR}(\tau_1, \tau_2) \sim^a N(0, 1)$$

2.2.2 Difference of Means Test

The difference of means test, also called the two sample t-test, is a statistical test that can be applied to measure whether the means of two groups, in this case the mean CARs at the beginning, middle and end of the wave (i.e. comparison of the group 'beginning' vs. 'mid'; beginning vs. end; etc.) , report a statistically significant difference. The null hypothesis states that the means of both groups are equal. The two-sample t-statistic to

test the null hypothesis can be calculated as:

$$t = \frac{\bar{X}_1 - \bar{X}_2}{\sigma_{\bar{X}_1 - \bar{X}_2}}$$

with

$$\sigma_{\bar{X}_1 - \bar{X}_2} = \sqrt{\frac{s_1^2}{n_1} + \frac{s_2^2}{n_2}}$$

In this approach the study follows a procedure proposed by Welch, not using a pooled variance. Instead, unequal variances for both populations are assumed and the variances are estimated separately (Boslaugh & Watters, 2008; Daalgard, 2008).

2.2.3 Wilcoxon Rank-Sum Test

Since abnormal returns in event studies are based on OLS regressions, which are quite sensitive to outliers, non-parametric tests can help strengthening the results (McWilliams & Siegel, 1997). Nonparametric tests can be used if the assumption of normality of the CARs cannot be definitely assumed to hold. The Wilcoxon test which is used in this study, also known as the Mann-Whitney two-sample test, is the nonparametric analog to the independent two-sample t-test. The test challenges the hypothesis that the two independent samples under observation are from an identical continuous distribution. Hence, while accounting for the data distribution, the null hypothesis states the mean difference of the median in the two samples is always zero (Mann and Whitney 1947; Wilcoxon 1945).

2.3 Sub-Sample Tests

In addition to the empirical work with the total sample, this study performs several tests with sub-samples that are generated by splitting the total sample along the dimensions Tobin's Q, relative transaction size and relatedness. Additionally, sub-samples are formed based on three further accounting dimensions - return on assets (ROA), financial leverage and the current ratio. The ratios that are used to split the sample into sub-samples are based on a vendor perspective.

2.3.1 Tobin's Q

In general, Tobin's Q is the market value of a firm's assets divided by the replacement cost of its assets. There are several ways to calculate the Q, especially for the denominator. The most famous, but also most complex way is the Lindenberg & Ross (1981) algorithm, which uses replacement costs in the denominator and considers several other influences. However, due to complexity and data availability of replacement cost information, following Chung & Pruitt (1994), the Q in this paper is calculated by dividing the assets at market value by the corresponding book values. Precisely, the equity market value plus preferred shares plus net debt are divided by the reported total assets.

$$\text{Approximate } Q = (MVE + PS + DEBT)/TA$$

The study of Chung & Pruitt (1994) shows that the approximated q explains at least 96.6% of the variability of the one reported by the Lindenberg & Ross (1981) algorithm. Hence, the use of the approximated q should have enough power for the purpose of the analysis as additional proof of the results from a different angle. The data is split into two groups with a Tobin's Q either lower than 1 or higher or equal to 1. A Tobin's Q of less than 1 means that the market value of the firm is below the book value of the firm. This suggests that the firm is either undervalued by the market or is in financial distress. Hence, following the argumentation by Datta, Iskandar-Datta and Raman (2003) this study uses low Tobin's Q values as a proxy for financial distress of the vendor.

2.3.2 Relative Transaction Size

The relative size of the divestiture is measured by the asset value of the divestment in percent of the total asset value of the vendor firm ex-post the sell-off. Previous research has found a positive link between relative transaction size and the stock market reaction. Klein (1986) finds that only transactions in excess of 10% of asset value produce significant returns. The analysis follows the split introduced by Klein (1986), dividing the sample into the categories $< 10\%$, $10\text{-}50\%$ and $\geq 50\%$ of asset value.

2.3.3 Relatedness

Relatedness between the vendor and the buyer in the matched set of transactions is measured via the comparison of the two-digit SIC code. Transactions with an identical SIC code for the vendor and buyer are marked as related while others qualify as unrelated. Related transactions are expected to produce a stronger stock market reaction. A split of the sample by the four-digit SIC code is not useful since each subsample would comprise too few, often only one, transaction(s). The total sample comprises 60 different industries measured by the two-digit SIC code. Business services show the highest concentration, accounting for 8.2% of all companies in the sample.

2.3.4 Return on Assets

The return on assets is a measure of company profitability relative to its total assets. The ROA can thus be used to assess how efficient management is in using the available assets to generate earnings. Several slightly differing methods for the calculation exist. The formula used here refers to a widely accepted basic calculation:

$$ROA = \frac{\text{net income}}{\text{total assets}}$$

Net income is measured for a period of time while total assets are measure at a point in time. The difference in reference periods is most commonly, as in this study, removed by using average total assets over the same period as the net income is measured (Crosson, Needles & Powers, 2010). This study uses positive and negative ROA values as the differencing criteria to divide the sample by profitability. Overall, poor subsidiary performance is a key driver of divestitures. Yet, the vendor ROA is of interest since John and Ofek (1995) find a positive correlation between vendor profitability and the stock market reaction.

2.3.5 Financial Leverage

Financial leverage relates the level of debt used in the operations to the equity of a company. Subsamples are formed based on whether the financial leverage is above or

below the median of the sample. The calculation uses the formula:

$$\text{financial leverage} = \frac{\text{average total assets}}{\text{average total common equity}}$$

A slight potential bias might be introduced since the range of leverage levels is strongly industry dependent. A high leverage is a double-edged sword since it, on the one hand, allows a company to increase potential gains to shareholders but, on the other hand, also increases the potential risk and variability of returns. Companies with a high leverage are likely able to show high profits during good economic conditions but also bear the risk of being driven into financial distress during bad economic conditions. Hence, highly leveraged companies might be forced to use divestitures in a crisis as a last resort to resolve financial distress (McKinsey & Company Inc., Koller, Goedhart & Wessels, 2010).

2.3.6 Current Ratio

The current ratio is a measure of the liquidity inherent in the company operations. It is calculated by dividing the current assets by the current liabilities.

$$\text{current ratio} = \frac{\text{current assets}}{\text{current liabilities}}$$

It indicates the firm's ability to cover its short term obligations without the need of selling fixed assets. The acceptable ratio is industry dependent, but a widely accepted rule in banking, the "banker's rule", states that the ratio should be at least 2:1. Research criticizes this rule as too general. Yet, it is still widely applied in the banking industry. Hence, the split in this study is based on the banker's rule since divestitures are largely influenced by investment banks (Chamberlain & Edwards, 1999).

3 Data

3.1 Data Sample

This study is based on a sample of matched divestitures in 16 European countries in the period between 1990 and 2011 reported by ThomsonOne. To be precise with the period of screening, this study assesses for deal announcements, which is for the event study

methodology the relevant date, between 1st January 1990 and 31st December 2011. The geographical scope of this study comprises the 16 countries in Europe with developed stock markets, as defined by the MSCI. Namely, these are Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom (MSCI, 2012). Both the vendor and acquirer headquarter must be located in these countries in order for the deal to be included in the sample. This paper is interested in the return to the shareholders of both the divesting and the acquiring company. Consequently, the scope of divestitures is limited to sell-offs. A sell-off is a transaction in which a subsidiary is sold off to another company and hence becomes part of the acquiring company (Miles & Rosenfeld, 1983; Rosenfeld, 1984).

The divestiture deal list, detailed transaction information and the announcement date are obtained from ThomsonOne, one of the largest databases for corporate finance data. The announcement day is defined as the day when the deal information was made public to the press. Stock price information for the divesting and acquiring companies and the MSCI Europe are obtained from Datastream. Stock price data and the MSCI Europe are obtained on a daily scale with the closing price as the reference. Finally, accounting data which is used to form subsamples is taken from Bloomberg.

The initial sample of 21,908 transactions with divestitures between January 1990 and December 2011 in 16 European countries serves as a starting point for the sample collection process (see appendix A figure 2). Exclusion of all pending and canceled transaction reduces the number of observations to 15,533. This study is only interested in majority divestitures. Consequently, all transactions in which less than 50% of the shares held are divested are removed. In addition, all transactions of less than USD 10 million or with an unknown transaction value are excluded, where the latter is done in order to be able to divide the sample by size. Transactions below USD 10 million are excluded to focus on major divestitures. The sample of completed transactions with a transaction value of at least USD 10 million comprises 6,144 divestitures.

After completion of the filtering, this study applies comprehensive manual data processing. Unfortunately, ThomsonOne does not provide any vendor information for divestitures but only information on the subsidiary sold and the acquirer of the respective subsidiary. Hence, a time-consuming manual analysis of the data is carried out via a 3-step process. First, the vendor companies are manually identified from the transaction synopsis. Succes-

sively, the relevance of the vendor company in terms of geographical origin is evaluated and transactions with a vendor out of the geographical scope are removed. In addition, transactions involving private equity firms and real estate deals between real estate firms are removed. These transactions are excluded since this study is only interested in the effect of divestitures which are not conducted as part of the normal business operations. Hence, the number of relevant divestitures is defined as 1,594. In a second step, all transactions which fall outside the wave period are removed from the sample (see section 3.4 for the wave definition), yielding a set of 862 matched relevant transactions. Finally, transactions with missing data in the estimation window or with data not available via Datastream are removed from the sample. As a consequence, 63 transactions have to be excluded which leads to a final data sample for this study of 799 matched divestitures - 1,598 observations - in the wave period (see appendix C for an overview of all transactions). The large sample of 799 divestitures forms, to the best knowledge, the second largest event study on divestitures after the one by Jain (1985).

The summary statistics for the relevant sample of 799 divestitures are provided in appendix B table 1. The sample comprises 544 different vendors and 610 unique acquirers. In total, the 799 transactions involve 994 different companies, including some companies which are active both as a vendor and an acquirer. In terms of origin, companies from the United Kingdom (UK) dominate the sample with 41%. The UK is followed by France (12.4%), Germany (8.4%) and the Netherlands (6.4%). Greece has the lowest share in the sample with only 0.1% of the companies.

3.2 Data Issues

The obtained data provides deal information and the announcement date but does not include the reasons behind the divestitures. Hence, the reasons for the final decision to divest cannot be completely explored. Yet, ratios are used to differentiate the companies by several firm characteristics (see section 2.3). Company ownership has changed for many companies from the announcement data to current date. In addition, several of the companies have been merged with other firms or have faced insolvency. Hence, these companies might be known today under a different name. The stock data used in the analysis relates to the company existent at the date of the deal announcement. A further potential bias might result from the ThomsonOne database structure. Deals in which the

acquirer is now not listed anymore are not included in sample since the database structure does not allow to retrieve these transactions anymore. ThomsonOne does not cover them anymore in the data collection.

The final data sample in this paper comprises only transactions with a disclosed transaction value in excess of USD 10 million. A study by Klein (1986) showed that separating divestitures based on whether the transaction value has been disclosed or not yields a difference in the CAR. Disclosure of the transaction value yields a higher CAR to the shareholders of the divesting company. Hence, keeping the results of Klein (1986) in mind, this study recognizes that the exclusion of transactions with an undisclosed transaction value possibly leads to a slight upward bias.

Within the wave period, some companies show increased transaction activity in a short period of time. The study thus far assumes the independence of events. This assumption can be reasonably made if there are no overlaps of event windows in the sample. However, the sample reports several overlaps of event windows, which means that the "covariances between the abnormal returns may differ from zero, and the distributional results presented for the aggregated abnormal returns are not applicable" (Campbell et al., 1996, p.197). To cure this potential problem, the study uses the clustering approach in the regressions in Stata by clustering over time. Hence, the coefficients do not change but standard errors are thereafter robust to intra-group correlation (MacKinley, 1997). In addition, 13 companies report overlapping event windows for their own transactions. This could violate the assumption of independence if common underlying reasons (e.g. complete retreat from an industry) or macro shocks drive the divestiture decision. Careful manual examination of the 13 affected companies shows that no group level effects or macro shocks for the divestitures seem to be in place. Hence, the problem can be solved by clustering, as noted above, and no macro factors need to be included in the regression. Another concern are transactions of a company within its 150 days estimation window preceding an event. The estimation of the expected return is based on the standard deviation calculated in the 150 days estimation window. Hence, a transaction within the estimation window might disturb the market model since the time series of returns is not independent anymore (Jain, 1985). Several ways to cure this problem, such as the use of the first event only, exist. Yet, this study uses another widely accepted approach, as discussed with Roméo Tédongap: the abnormal returns for affected companies are replaced by the market return, i.e. the MSCI

Europe.

Data analysis reveals that in six cases the announcement took place after market closure on Fridays or during the weekend. Consequently, the earliest market reaction is possible on Monday. Hence, this study adjusts the announcement date in six cases from the weekend to the next trading day (see appendix B table 2). In the subsample analysis the median is used as the separating criteria for the financial leverage. In general, separation by high and low leverage levels is a well accepted approach. However, this method does not account for industry specific leverage levels. Hence, some industries show a higher leverage (e.g. banking) than others and the leverage level is not solely firm specific. Yet, this study regards the impact of this issue as of minor importance (further see section 7 for a critical reflection).

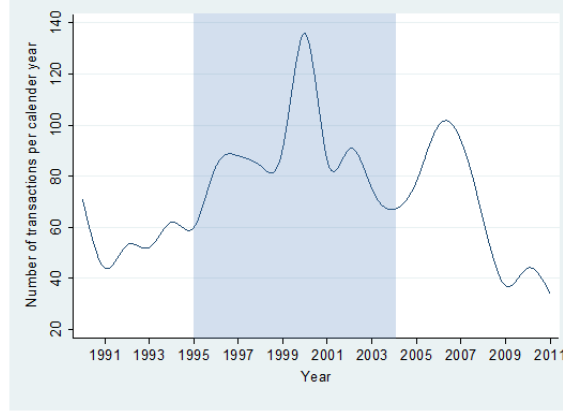
3.3 Robustness Tests

The stock data gained from Datastream comprises daily information for the period including the estimation and the event window. Yet, 23 data series have partly missing data in the 150-day estimation window. The number of missing observations in the estimation window reaches from just 1 day to the full 150 days of the estimation window. The reasons for missing data on Datastream have not been further studied by this paper. Consequently, this study removes the affected transactions from the sample. However, two further alternatives are studied to test for the robustness of the results to the chosen approach. First, the return of a company with missing data is replaced by the most relevant MSCI Europe industry index. The return of the corresponding counterparty in the same transaction stays unchanged. For a detailed list of the affected companies and the respective MSCI industry indices see appendix B table 3. In a second alternative process the return for companies with missing data is replaced by a randomly generated value, an approach suggested by e.g. the UCLA (2011). The randomly generated return follows a uniform distribution with the upper and lower boundary defined by the winsorized (1% level) maximum and minimum, respectively, return in the remaining sample (see section 5.1.1 for the results of the robustness tests).

3.4 Scope of the Divestiture Wave

Research suggests that divestitures occur in waves (Mulherin and Boone, 2000; Rosenfeld, 1984). Nevertheless, no formal approach to the identification of a divestiture waves is in place. Hence, this study takes merger waves in account and draws on the limited amount of studies that formally developed an approach to identify merger waves. Waves can be defined as a time-period with a heightened divestiture activity, measured by the number of transactions. Typically, these waves show a pattern with an increase in activity over a few years up to a peak and a following sharp decline (Carow et al., 2004). This study applies wave identification in view of the work by Carow et al. (2004) and McNamara, Halebian and Dykes (2008). Precisely, it combines elements from both approaches. First, data from ThomsonOne is used to calculate the number of transactions per year. The study subsequently focuses on periods of heightened divestiture activity. This study applies the same criteria as McNamara et al. (2008) to the wave pattern, requiring an increase in divestiture activity in excess of 100 percent from the base year to the peak. The peak must be followed by a sharp decline in activity by at least 50 percent compared to the peak year. Divestiture waves are identified by working backwards in time from the peak until the criteria of an increase in activity greater than 100 percent is fulfilled. Similarly, the study looks forward in time from the peak year until a year is identified where the number of divestitures is less than 50 percent of the activity in the peak year (Carow et al., 2004; McNamara et al., 2008). In this study, the formal procedure of wave identification yields one complete divestiture wave in the period between 1990 and 2011 (see Figure 3).

Figure 3: Divestiture Wave



The application of the formal procedure allows this study to identify a divestiture wave between 1995 and 2004 with a peak in divestiture activity in 2000. Thereby 1995 is defined as the beginning of the wave, 2000 as the middle and 2004 as the end. Each wave period includes all the transactions from the respective underlying calendar year. Divestiture activity increases by around 128 percent between 1995 and 2000. The peak is followed by a decline in activity until 2004 where activity is roughly 48% of the activity in the peak year (equivalent to a 52% drop in activity). Hence, the wave covers a period of 9 years and includes in total 862 transactions, respectively 799 transactions after removing divestitures with missing stock data.

3.5 Ratios

Ratios were introduced in the methodology section as a tool to split the sample into subsamples, yielding insights about the dependence of the results on company characteristics. This study retrieves the required accounting ratios from Bloomberg. Yet, company ownership has changed in many cases since the transaction or the company has even faced insolvency. Consequently, Bloomberg does not provide historical information for all the companies existent at the time of the respective transaction. Therefore some transactions have to be excluded from the sample when splitting the sample into subsamples. The counterparty of the company with missing data is also removed from this study and only transactions with complete data are kept in the sample since the study focuses on matched

transactions. Appendix B table 4 shows in detail for how many companies in the subsamples the respective ratio is missing during the wave period as well as in the beginning, peak, and final year of the wave.

4 Previous Research

4.1 Merger Waves

The phenomenon of merger waves - an increase and decrease of transaction activity over a short period of time - can be observed within as well as across industries. Golbe and White (1993) confirm the observation empirically by fitting a set of sine curves to time series data of transactions between 1895 and 1989, where the sine curve appears to significantly explain the waves. Theories describing the creation and development of waves can be clustered into two groups. One group contains neoclassical theories and the other behavioral finance explanations. Besides the broad theories for merger waves, there is only little literature focusing solely on divestitures waves. Therefore, we describe the literature about merger waves and the underlying theories first in general, since every divestment is also an acquisition but not necessarily vice versa, and then follow on to divestitures and divestment waves in particular.

The neoclassical literature and its argumentation is, similar to the event study methodology, based on the assumption of efficient markets i.e. that information is immediately reflected in market prices and thus these do not move without any information. Furthermore, it is assumed that market players (investors, etc.) always act rationally (Shleifer, 2000). The two main neoclassical theories explaining merger waves are the q-theory and the industry shock hypothesis.

According to the Q-theory, mergers occur due to the different Tobin Q's among firms. A higher Q means the company uses its capital more efficiently than a competitor with a lower Q, which is supposed to reflect in market value, given efficient markets. In that setting, a company has always three investment possibilities investing in internal projects (buying new equipment), investing in used equipment, which can in our context be seen as divestitures, and acquiring a whole firm (Jovanovic & Rosseau, 2008). According to the authors, only external investment opportunities generate value for the shareholders and

should therefore be the preferred choice. Firms will always try to invest into the highest expected return projects. This implies that a merger wave is always supported and forced as soon as investments are planned. Assuming that the average stock price increases with increasing economy and increased transaction activity, the Q s increase in parallel since the denominator, the market value, increases. These mutually influencing effects further accelerate the merger wave in the theoretically assumed setting.

Besides the Q -theory, in the neoclassical theory spectrum, the industry shock analysis is the more often mentioned hypothesis to explain the emergence of merger waves (Harford, 2003; Harford, 2004; Martynova & Renneborg 2005; Mitchell & Mulherin 1996). Even authors, such as Gugler, Mueller & Yurtoglu (2006) who argue regarding the development of merger waves in favor of behavioral finance theories admit that industry shocks are a necessary condition to start waves. Industry shocks apply intra-industry wide or across industries, but always change the existing structure. The structure in this context consists of technological, government policy, and demand and supply condition (Mitchell & Mulherin 1996) factors, which can have an industry specific or across industry impact. Technology might rather impact a specific industry whereas credit expansion affects all industries and the transaction activity. In the end, the change in the structure is the breeding ground for transaction and restructuring activities and drives the wave, because the condition lasts, at least in the short- to mid-term.

As pointed out above, that increasing Q s first of all reflects increasing share prices, the behavioral finance theory applies here with the overvaluation hypothesis. It says that with rising stock prices managers become more optimistic and want to trade their overvalued stock in real assets, i.e. companies, which Shleifer and Vishny (2003) call acting rational on irrational markets. Since in bull markets the prices further increase, the described trade becomes more attractive, which further pushes the transaction and restructuring activity, and hence the wave is on its way. However, the assumption that managers act rational on these irrational markets can be questioned. Hubris and overconfidence is another hypothesis, why merger waves evolve. There is a plethora of articles (Ford, 1999; Malmendier & Tate, 2002; Roll, 1986) that describe the phenomenon of managers suffering from hubris, which basically means they overestimate their influence and success and thus make deals ('empire building') and drive the wave. The third hypothesis for the emergence of merger waves in the behavioral finance research area is herd behavior, which is when

managers follow the crowd in their decisions and actions (Bannerjee, 1992; Bikhchandani, Hirshleifer & Welch, 1998; Cabral, 2002). This is not even necessarily irrational, because decisions that are made in line with the crowd are from a reputational point of view less risky (Scharfstein & Stein, 1990). With the wave driven by other factors - booming stock markets, credit expansion, etc. - managers are expected to react on it and follow the herd, which accelerates the wave even more.

4.2 Divestitures

Divestitures account for a substantial share of corporate transactions. Yet, the body of research is still limited compared to mergers. This review focuses mainly on sell-offs but also briefly captures spin-offs. Jain (1985) notes that sell-off and spin-off results are very similar and can often be explained by the same theories.

Research has identified several motives for divestitures. Most of the described divestiture motives, however, only state a sell-side perspective. The most general motive for a divestiture is the objective to maximize shareholder wealth. A divestiture should be carried out if the proceeds from the sale exceed the present value (PV) of the future cash flows of the divested assets as a going-concern (Rosenfeld, 1984; Sicherman & Pettway, 1987). Consequently, a divestiture can be regarded as a positive net present value (NPV) investment decision (Alexander, Benson & Kampmeyer, 1984). Another direction of research focuses on the financing aspect of companies. Lang, Poulson and Stulz (1995) argue that asset sales are used to raise capital when external financing is limited. This is especially relevant in case of financial distress when other sources of financing might be too expensive due to agency costs or asymmetric information (John & Ofek, 1995). The financing hypothesis assumes that divestiture proceeds are used to reduce outstanding debt levels or to conduct valuable investments which might otherwise not be possible (Dittmar & Shivdasani, 2003; Hite, Owers & Rogers, 1987; Lang et al., 1995). Another motive focuses on firm performance. Dranikoff, Koller and Schneider (2002) find that most divestitures are carried out reactively in response to outside pressure. Studies find that poor performance of a business unit or subsidiary and high leverage levels are very relevant in this respect. Hence, a desire to sell the unprofitable business is one of the most quoted divestiture motives (Buchholtz, Lubatkin & O'Neill, 1999; Cho & Cohen, 1997; Montgomery & Thomas, 1988; Rosenfeld, 1984). In extreme cases, divestitures are a last resort to avoid bankruptcy

(Keller & Hawkins, 1972). Highly diversified business operations are another motive for divestitures, which is also valid for companies characterized by stability and growth. In this situation, divestitures can be used to restructure the scope of the company in order to reduce diversity and complexity and to focus on the core business (Alexander et al., 1984; Berger & Ofek, 1999; Buchholtz et al., 1999). Finally, a divestiture can also be motivated by the business concept of a company. Some companies acquire firms which are in a desolate state with the objective to sell the company subsequently after completion of the turnaround (Buchholtz et al., 1999; Hite & Owers, 1983).

Research has developed several partly competing theories that explain the stock market reaction to divestiture announcements for the vendor. These concepts are closely linked to divestiture motives. A voluntary divestiture can essentially be regarded as the outcome of a positive NPV investment decision process. Hence, a properly calculated NPV decision should lead to a positive stock market reaction (Alexander et al., 1984; Boudreaux, 1975). The asset-sale eventually leads to a redeployment of assets to higher valued uses if the buyer is able to operate the assets more efficiently. Consequently, the overall efficiency improvement should create value and resolve agency problems. Thus, a positive stock market reaction can be expected at the announcement (Hanson & Song, 2000; Jain, 1985; Lang et al., 1995). Poor unit performance might be blurred by overall company performance. In this case, true unit performance is likely to be revealed during the divestiture. Hence, a positive market return can be expected since the previously negative impact of the unit on the whole company performance is removed (Cho & Cohen, 1997). Jain (1985) further argues that poor business unit performance can lead to liquidity issues which could be resolved by a divestiture. Thus, shareholders are expected to react positively if the divestiture is not completely anticipated. Research shows that diversified firms trade at a discount compared to non-diversified firms (Lang et al., 1994). The diversification discount is motivated by the investor belief of a non value-maximizing use of cash. Hence, a focus on the core business via a divestiture should lead to a positive CAR by resolving the diversification discount (Dittmar & Shivdasani, 2003). Further, divestments might eliminate diseconomies of scale between diverse units, which should be awarded by the stock market with a positive CAR (Hite & Owers, 1983; John & Ofek, 1995). Yet, theories explaining the market reaction for the buy-side to divestiture announcements are still very limited and controversial regarding the direction of the market response. Hanson and Song (2000)

argue that the buyer benefits if they are able to employ the assets more efficiently due to a better fit, which means that the resulting NPV will be higher for the buyer compared to the seller. Consequently, a positive CAR for the buyer can be expected if the acquisition price is below the NPV to the buy-side. In contrast, John and Ofek (1995) believe that all divestiture gains are captured by the vendor. Competition on the buy-side might drive the acquisition price. Thus, it eliminates the difference between the NPV to the buy-side and the acquisition price, which results in no gains to the buyer. Finally, buyers might overpay due to agency problems related to free cash flows.

Various authors, including Miles and Rosenfeld (1983), Lang et al. (1995) and Coakley, Thomas and Wang (2008) examine the stock market reaction to divestiture announcements from a sell-side perspective (see appendix B table 5 for a detailed overview). The studies differ in sample size, geographical focus and time period. Yet, all studies consistently report a highly significant positive CAR for the divestiture announcement between 0.6% and 5.56%. A study by Alexander et al. (1984) is the only outlier with a weak CAR of 0.17% which is only significant at the 10% significance level. The outlier can be explained by a disproportionate share of small divestitures in the sample, which according to Harth and Zaima (1984), show a lower than average effect. Results for the buy-side in divestitures are more controversial. Studies by Jain (1985), Hite et al. (1987) and Mulherin and Boone (2000) measure the individual divestiture CAR for both the vendor and the acquirer on a set of unmatched transactions. They find a significant positive market reaction for both sellers and buyers. Yet, the market reaction for the buyer is weaker than for the vendor. These results can be interpreted as a redeployment of assets to higher valued uses (Hite et al., 1987). For a matched set of buyers and sellers on the same asset studies produce diverse results. Rosenfeld (1984) and Hanson and Song (2000) measure a significant positive CAR for both vendors and buyers. Rosenfeld (1984) also observes no significant difference between the CARs for the sell- and buy-side. In contrast, John and Ofek (1995) do not find a significant return on the buy-side and Datta et al. (2003) find a weakly negative return which is only significant at the 10% level. Hanson and Song (2000) and Mulherin and Boone (2000) investigate whether a divestiture creates wealth for the shareholders on a total economic performance (Gadad, Stark & Thomas, 2009). The results show a positive CAR of 0.27 and 1.18, significant at the 10% and 5% level, respectively.

Research also examines various factors influencing the divestiture outcome, such as relative transaction size, disclosure of the price and Tobin's Q. Foremost, research results show that the transaction size is a crucial factor for the divestiture outcome. The findings suggest that the CAR is positively correlated to the relative transaction size (Mulherin & Boone, 2000). In addition, Klein (1986) finds that only divestitures with a transaction value of at least 10% of firm asset size produce significant results. Disclosure of the transaction price is a further crucial factor influencing the outcome. Research shows that the CAR is only significantly different from zero if the transaction price is disclosed (Klein, 1986; Sichermann & Pettway, 1992). Related is the criterion of monitoring by shareholders and bondholders. Both the vendor and buyer show a significantly higher abnormal return if monitoring is in place (Datta et al., 2003). Datta et al. (2003) argue that Tobin's Q can be used as a proxy for financial stress and managerial performance. Low-q firms are characterized as financially distressed. The results indicate that transactions that involve high-q bidders and low-q vendors are generally wealth creating on a total performance. The results are supported by Sichermann and Pettway (1987) who find that the CAR on the sell-side from weak firms exceeds the CAR from non-weak firms. Another stream of research examines the impact of relatedness in transactions as measured by the similarity of SIC codes. The studies find evidence that the CAR for the vendor is higher when the divested subsidiary is related to the industry of the buyer. This can be explained by the comparative advantage of the buyer and its willingness to overpay (Alexander et al., 1984; Hite et al., 1987; Sichermann & Pettway, 1987). Research further measures the CAR based on separation by accounting ratios such as profitability, financial leverage and liquidity. John & Ofek, (1995) find that the return to stockholders is positively correlated with the profitability of the company. However, this is contradictory to the findings by Lang et al. (1995) who find that transactions are mostly characterized by poor performers with a high leverage level. Montgomery and Thomas (1988) further find that most of the divesting companies show a low current ratio.

4.3 Merger and Divestiture Waves

In the last years, much research has been devoted to merger waves and their performance implications. Recent examples are the studies by Carow et al. (2004) and McNamara et al. (2008) who find that the CAR is highest for early movers and thereafter

drops over the wave period. In contrast, divestiture waves have gained only little attention so far despite research that proposes the existence of divestiture waves (Rosenfeld, 1984; Mulherin & Bonne, 2000). The lack of research is especially surprising given the results of existing studies that the timing is crucial for the profitability and success of a divestiture (Markides & Berg, 1992). Buchholtz et al. (1999) argue that a delayed necessary divestiture eventually increases the pressure to sell, which is accompanied by a loss of auction asymmetry. Hence, firms eventually have to accept an inferior price. In addition, the position in an industry divestiture wave might convey information about an imitation strategy which in the end influences investor perception about asset quality (Brauer & Wiersema, 2011).

Rosenfeld (1984) quotes a divestiture wave but notes that the reasons for the wave are not clear. Overall, the few existing theoretical approaches which try to explain divestiture waves are indecisive. One stream of research identifies demand fluctuations due to economic change as the primary source for divestiture waves (Caballero & Hammour, 1994; Mulherin & Boone, 2000). Industry concentration with the sale of unprofitable businesses by diversified corporations is regarded as another reason (Comment & Jarrel, 1995; O'Neill, 1996). Other models are partly adapted from general exit timing considerations, referring to macroeconomic, firm-specific and industry-specific factors (Ilmakunnas & Topi, 1999). Finally, Mulherin and Boone (2000) find a negative, yet not significant, correlation with merger waves.

To the best knowledge of this study so far only two studies examine the relationship between the wave position and the stock market return for a US sample (Brauer and Stüssi, 2010; Brauer and Wiersema, 2011). Yet, these studies are still in progress and only extracts are available. Both studies examine divestiture waves purely regarding the stock market reaction on behalf of the vendor. Hence, no conclusion can be drawn for the total economic wealth creation depending on the wave position. The findings indicate that stock market returns for the vendor differ significantly based on the wave position. The relationship between the stock market return and the wave position can be described as U-shaped. Hence, companies that divest early in the beginning of the wave or wait until the end of the wave reap the highest returns. Companies that divest at the peak of the wave generate the lowest returns (Brauer & Stüssi, 2010; Brauer & Wiersema, 2011).

A further analysis by Brauer and Stüssi (2010) draws on subsamples to measure whether

the findings are specific to company characteristics. The results indicate that divestiture timing is especially crucial for companies with poor performance, which is one of the main drivers of divestitures. The difference between stock market returns depending on the wave position is especially pronounced for poorly performing companies. In contrast, the study does not find any significant results for the separation of the subsample based on relatedness of the divested assets (Brauer & Stüssi, 2010).

4.4 Hypothesis and Expected Results

The analysis in this paper focuses on the market reaction to divestitures from a total economic perspective, hence by looking at the aggregated return of both the sell- and buy-side, during a divestiture wave. Existing research on divestitures, merger waves and on divestiture waves provides initial implications for the expected results. Considering the research question this study formulates two main null hypotheses:

1. H_0 : In terms of total economic performance, combined buy- and sell-side return, there is no significant cumulative abnormal return in reaction to the divestiture announcements in the three day event window for the full sample

Various studies document the market reaction to divestiture announcements. While differing in several criteria all find evidence for a significant positive CAR for the vendor to the divestiture announcement. Results for the buy-side return are more controversial. Some studies find that buyers of divested assets are able to generate significant abnormal returns at the announcement (e.g. Jain, 1985; Rosenfeld, 1984), while others find positive but not significant abnormal returns for the buyer (Sicherman & Pettway, 1987). These results refer to individual gains of the buyer and seller and not to the return under a total economic perspective. Results for total economic value creation are very limited. Yet, Hanson & Song (2000) find a positive abnormal return under a total economic perspective for a matched set of transactions which is significant at least at the 10% level. Conclusively, this study expects to find a significant positive CAR under the total economic perspective as a reaction to the divestiture announcements.

2. H_0 : There is no statistically significant difference between the cumulative abnormal return for the matched buy- and sell-side return at the beginning, middle and end of the wave for the full sample

Clustering can be observed for divestitures but the reasons behind it are hardly studied (Mulherin & Boone, 2000). Markides and Berg (1992) note that the timing of a divestiture is a key factor in influencing its profitability. Buchholtz et al. (1999) further argue that a divestiture at the beginning of a wave is likely to be more profitable for the vendor compared to a later stage. A delay of a necessary divestiture eventually forces the seller to accept an inferior price. There is, however, no empirical work on how this impacts the return of the buyer and the combined market return throughout a wave. Research by Brauer and Wiersema (2011) on divestiture waves indicates that a possible imitation strategy within a wave conveys information to the shareholders about asset quality which leads to a decrease in return for the vendor over time. Brauer and Stüssi (2010) find a U-shaped return pattern for a divestiture wave from a sell-side perspective. The phenomena of the first mover advantage, which states that the return for shareholders is higher the earlier the divestiture is conducted, gives additional weight to the findings. Yet, a combined view of the sell- and buy-side is missing. Nevertheless, being in line with Rosenfeld (1984) that there are no significant return differences between the buy and sell-side, this study expects to find significant differences between the abnormal returns for different periods in the wave and therefore expects to be able to reject the second null hypothesis. The full sample was used in the development of the two main null hypotheses. This study further uses six sub-samples based on ratios from the sell-side perspective instead of the full sample to test both null hypotheses.

1. Tobin's Q: Datta et al. (2003) find that divestitures between low-Q sellers and high-Q buyers are most value creating. Brauer and Stüssi (2010) further find a more pronounced difference in returns depending on the wave period for sellers with poor performance. Thus, this paper expects transactions with low-Q vendors, i.e. poor performance, to have a higher CAR which differs more strongly between the periods.
2. Relative Transaction Size: Mulherin and Boone (2000) find a positive relationship between transaction size and the CAR. Hence, this paper expects to find a positive link between the relative transaction size and the CAR and more pronounced differences of the CAR depending on the timing.
3. Relatedness: Brauer and Stüssi (2010) find no impact of the degree of relatedness on the differences between the CAR depending on the timing for a sell-side sample.

Relating the logic to the combined sample this paper expects to find similar results.

4. Return on assets: Firms with a negative ROA are defined as poorly performing. As indicated by Brauer and Stüssi (2010), differences for the CAR depending on the timing are stronger for poorly performing firms. Divestitures might further be used to remove unprofitable units which can be better used at the buyer. This study consequently expects transaction with negative ROA sellers to exhibit a higher CAR and a stronger CAR variation depending on the timing.
5. Financial Leverage: Firms with a high leverage might face a higher pressure to sell in a crisis, translating into gains for the buyer (Lang et al., 1995). Assuming a higher valued use of the assets at the buyer, this study thus expects a stronger market reaction for highly leveraged firms.
6. Current Ratio: A low current ratio for the seller indicates a low liquidity, which can be resolved by a divestiture. The logic of a higher valued use of the assets by the buyer can be applied again. Thus, this study expects that divestitures with a low current ratio vendor produce higher returns, which also differ more strongly over time.

5 Empirical Findings

5.1 Whole Sample

The empirical analysis starts with testing the 1. H_0 hypothesis, stating that there are no statistically significant returns as the result of divestiture announcements i.e. divestitures would not create any significant (combined) value for the shareholders on the buy- and sell-side. The test is conducted for the full sample, meaning over all years, and for the single years individually as well. Table 6 shows the results of the significance tests for the cumulative abnormal returns. The N of 1,598 in the full sample means 799 transactions with two values each, one on the buy- and one on the sell-side. It can be seen that the returns for the full sample are statistically significant higher than zero at the 1% level with t-statistics of 7.24. The first result is therefore:

- Result #1: The combined cumulative abnormal returns of the buy- and sell-side are statistically significant different from zero and we can therefore reject the first H_0 hypothesis at the 1% level.

What does the statistically significant result and the rejection of the null-hypothesis mean? It denotes that for the shareholder on both sides value is created by the divestitures over the whole investigated time period. However, this result is only valid for the combined view on the buy- and sell-side shareholder returns. It does not allow any inferences on the distribution of the value creation to one of the sides.

Table 6: Significance of Cumulative Abnormal Returns

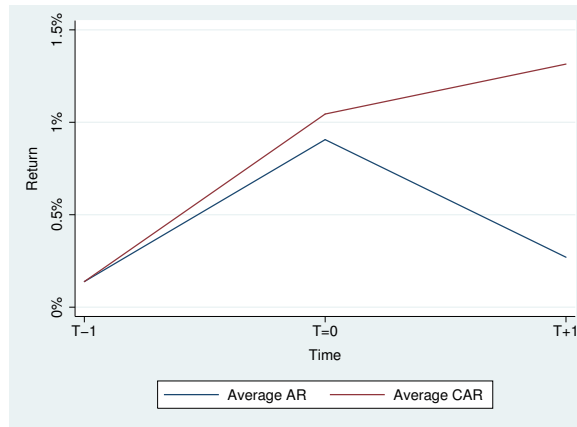
Year	N	Avg. CAR	Var. CAR	t-Stat
Full	1,598	0.013148	0.001756	7.241707***
2004	122	0.010827	0.000312	3.906906***
2003	136	0.008341	0.000760	2.036851**
2002	178	0.013446	0.001009	3.261207***
2001	154	0.002988	0.012759	0.189544
2000	254	0.012623	0.000731	4.297356***
1999	170	0.015844	0.000614	4.812818***
1998	156	0.016146	0.000472	5.359630***
1997	160	0.019827	0.000447	6.845273***
1996	156	0.012786	0.000376	4.755286***
1995	112	0.018899	0.000235	7.538051***

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 6 also shows the average cumulative abnormal returns, once again for the full sample and for the individual years. The average CAR for the full sample is 1.31%, i.e. there is on average a total (buy- and sell-side) value creation of 1.3% per divestiture announcement. The value creation is always measured during the previously defined period around the event itself, in the paper here T-1 until T+1. Questioning when the value is actually or rather the most created, figure 4 illustrates the average abnormal return (blue line) over the three days in the event window and the accumulating CARs for the full sample. The average CAR is, needless to say, at the time T+1 at 1.3%. More interesting is the pattern of the average abnormal returns, which shows when the value is created and thus the composition of the CAR. The graph in figure 4 shows that on the actual event date, T=0,

there is almost 1% of value created. Comparing T-1 and T+1 yields a slightly higher return at T+1. The graphs for the individual years are presented in Appendix A in figures 5 to 14. The same pattern can also be seen when looking at the individual years 1995, 1999 - 2001, 2003 and 2004 in the figures in appendix A. In the remaining years, except 1996, the value creation on the actual event date T=0 is still the highest, but the values at T+1 are here lower than at T-1. Only in 1996 (see Appendix A, section 9.1), there is a complete different pattern with the highest value creation at the time T+1, i.e. on the day after the announcement date (= event date) and the second highest on the event date T=0.

Figure 4: Abnormal Return and Cumulative Abnormal Return - Full Sample



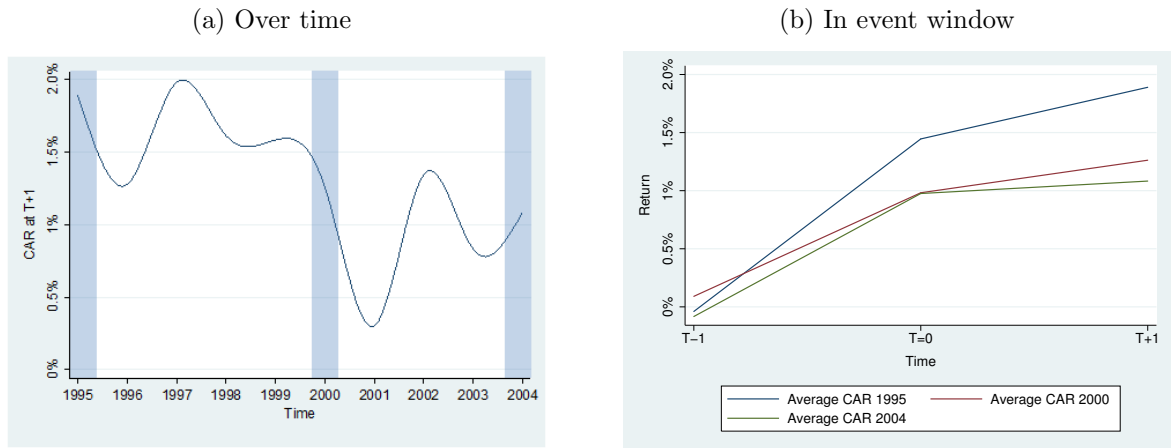
When talking about value creation, it is important to keep in mind that only the AR or value creation is measured, which is most likely caused by the divestitures. Thus, it is still possible that more value than the mentioned 1.3% is created, but this is then within the usual 'volatility corridor' of the individual shares, which is covered by the normal return, estimated based on the earlier specified period before the event.

Besides the significance of the CARs for the full sample, table 6 furthermore depicts the significance levels of the CARs in the individual years across the whole wave period. With the exception of 2003 and 2001, all other years have statistically significant CARs at the 1% level. The return in 2003 is only statistically significant at the 5% level with comparably low t-statistics of 2.04 and an average CAR of 0.8%. In 2001 the CAR is not statistically significant at all, at least not at a 10% level or below, with a very low t-statistics of 0.19 and the lowest average CAR of all years with 0.3%. The highest

average CAR is observed in 1997 with 2.0%, followed by 1995 with 1.9%. It appears that the years in the beginning of the wave period tend to have on average higher returns than later in the wave period.

Figure 15a illustrates the development and the extent of the CARs over the whole wave period from 1995 to 2004. As described before, the CAR is at its peak in 1997, followed by the CAR in 1995. It can also be seen that the returns before the peak in 2000 tend to be higher than after the peak with one exception in 2002 (average CAR: 1.34%) compared to 1996, when the average CAR was slightly lower on the level of 1.28%.

Figure 15: CAR at the Beginning, Mid and End of the Wave



Both graphs of figure 15 shed some light on the returns at the beginning, mid and at the end of the wave. Figure 15b compares the development of the CARs in 1995, 2000 and 2004 over the event window. Figure 15a, as described above, shows the CARs in the individual years over the whole wave period and highlights (blue) the respective beginning, mid and end of the wave. The beginning, mid and end of the wave is defined in section 3.4, and is basically based on the number of transactions and the in- and decrease of it. The absolute average CAR values have been stated before, but figure 15b nicely illustrates the composition of the average CARs in the three respective years. Despite having by far the highest total return (blue line as seen at $T+1$), 1995 does not have the highest average CAR already in the beginning. Instead, value creation at $T-1$ is the highest for the year 2000, when comparing the beginning, mid and end of the wave period. Accumulated until $T=0$ are the average CARs in 2000 and 2004 more or less equal i.e. the value creation at

the actual event date is in 2000 lower compared to 2004 (see also appendix A figure 10 and 14).

Table 7: Difference-of-Means Test

Time in wave	Avg. CAR	$\bar{x}_1 - \bar{x}_2$	$\sigma_{\bar{x}_1 - \bar{x}_2}$	t-stat
1995	0.018899	0.006276	0.002230	2.814657**
2000	0.012623			
1995	0.018899	0.008073	0.002158	3.741478***
2004	0.010827			
2000	0.012623	0.001797	0.002332	0.770592
2004	0.010827			

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

The 2. H_0 hypothesis claims that there are no statistically significant differences in the returns between the beginning, mid and end of the wave. This hypothesis is post-positioned to the first H_0 hypothesis, meaning even though there are statistically significant returns for the full sample, it does not automatically result in significant differences between the respective years at the beginning, mid and end of the wave. A difference-of-means test is conducted to test for the second H_0 hypothesis i.e. differences between the years, as described in the methodology part (section 2.2.2). It basically tests whether the difference of the average CARs in the respective years 1995, 2000 and 2004 are statistically significant when compared with each other in pairs. The results are shown in table 7. Comparing 1995 with the returns in 2000, there are statistically significant differences at the 5% level regarding their average CARs with t-statistics of 2.81. Looking at 1995 and 2004, the differences in the returns are statistically significant even at a 1% level with a t-statistic of 3.74. When comparing 2000 and 2004, i.e. the mid and the end of the wave, the differences are no statistically significant, at least not at or below the 10% level, in the returns. The small difference with a 2000 average CAR of 1.3% and a 2004 one with 1.1% yields a low t-statistics of 0.77. The second result is therefore:

- Result #2: The differences in the average cumulative abnormal returns between the beginning, mid and end of the wave are only partly statistically significant different on the 5% and 1% level, respectively. The second H_0 hypothesis can therefore only be partly rejected for the differences between the group 1995 and 2000, as well as

1995 and 2004. For the difference in the cumulative abnormal return between group 2000 and 2004 the results fail to reject the H_0 hypothesis.

This result becomes even clearer when looking at figure 15a. It can be seen, as described above, that the level of returns is in the beginning higher than in the rest of the wave. When focusing on the year 2000 and 2004, the development of the returns shows why there is no statistically significant difference between those years. After dropping ex post the peak, the level of returns recover in 2002 and in 2004 again nearly reach the post-peak level.

The results are further challenged by the application of the Wilcoxon sign-rank test (see section 2.2.3) as an alternative approach to the parametric tests. The results of the nonparametric test for the sample periods 1995 vs. 2000, 1995 vs. 2004 and 2000 vs. 2004 are presented in table 8, table 9 and table 10, respectively, in appendix B. The respective p-values for the three tests are considerably high with values of 0.3369, 0.9166 and 0.4653. Thus, this paper fails to reject the null hypothesis. This means that the test provides no evidence that the distributions are not identical, which further supports the previous findings.

5.1.1 Robustness Tests

The main approach in this thesis is to remove transactions with missing data in the estimation window. Yet, a robustness test using two alternative approaches evaluates the impact of this procedure (see section 3.3). For the first robustness test, observations with missing data in the estimation window are replaced by the most relevant MSCI Europe industry index. The H_0 states that the mean difference between the CAR using the main approach in this study and the first alternative option is not significantly different from zero. The statistical results are presented in table 11 in appendix B. A t-stat of 0.2839 for the two-sided significance test shows that this study fails to reject the null hypothesis. Hence, there is no statistically significant difference when comparing the results of the main approach with the ones of the first alternative option.

In the second robustness test the return for companies with missing observations in the estimation window is replaced by a randomly generated value. The second null hypothesis states that the mean difference in CAR using the main approach in this study and the second alternative is not significantly different from zero. The t-stat for the two-sided

significance test is 0.2899, while the full statistical results can be found in table 12 in appendix B. Hence, given the low t-stat, this study fails to reject the null hypothesis. Thus, there is no statistically significant difference when comparing the results of the main approach with the ones of the second alternative.

5.2 Sample Breakdown by Ratios and Characteristics

This section describes the empirical findings with the sample broken into parts along the ratios Tobin’s Q, the relative transaction size and along differentiation of intra-industry and different industry transactions, i.e. relatedness. Each of the ratios and characteristics is tested analogue to the tests in the previous section, i.e. for significance of the returns and for significantly different returns at the beginning, mid and end of the wave.

5.2.1 Tobin’s Q

With the hypothesis regarding Tobin’s Q, it is tested whether and by how much the market-to-book-value plays a role for the returns of a transaction. The results in table 13 show that both splits, firms with a Tobin’s Q lower than 1 as well as higher or equal to 1, have CARs that are statistically significant different from zero for the full sample, i.e. without looking at the individual years, at the 1% level.

Table 13: Significance of CARs Split by Tobin’s Q

Year	N	Avg. CAR	Var. CAR	t-Stat
Full Sample				
No split	744	0.012879	0.003111	3.635988***
Low Tobin’s Q (< 1)	108	0.017697	0.000816	3.716868***
High Tobin’s Q (≥ 1)	636	0.012061	0.003501	2.967757***

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

- Result #3.1: The low as well as high Tobin’s Q group yields statistically significant returns on the 1% level, with, as expected, the higher average CARs for the low Tobin’s Q group.

When looking at the results more in detail, the split of firms with a $Q < 1$ have with 1.8% a higher average CAR than firms with a $Q \geq 1$ (1.2%). The t-statistics speak the same

language, 3.72 for the ones with a $Q < 1$ and 2.97 for the split with a $Q \geq 1$.

In addition to the results for the full sample in table 13, table 14 in appendix B shows the significance of the CARs at the beginning (1995), mid (2000) and end (2004) of the wave. It is noticeable that there are only very few firms with a $Q < 1$ in the respective years. Hence, not surprisingly, in none of the years are any statistically significant CARs for this split ($Q < 1$), despite the high average CARs of 1.5% in 1995 and 1.7% in 2000 and 2004. The split with the higher Q firms (≥ 1) on the other hand yields statistically significant returns on the 1% level in 2004 and 1995 and on the 10% level in 2000. All the results for the individual years and splits are graphically depicted in figures 16 and 17 of appendix A, where it can be seen that over the full sample, firms with a lower Q seem to have higher returns. However, as said before, the small number of N , reduces the explanatory power of it.

Table 15: Difference-of-Means Test for Split by Tobin's Q

	1995/2000		1995/2004		2000/2004	
Group	df	t-Stat	df	t-Stat	df	t-Stat
No split	18.7	6.098891***	17.3	5.115370***	101.2	-1.932695*
Low Tobin's Q (< 1)	1.7	-0.166359	1.7	-0.159599	3.9	-0.012014
High Tobin's (≥ 1)	15.9	6.291393***	14.7	5.337036***	95.8	-2.012828**

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 15 shows analogue to the second H_0 hypothesis the results for the differences in the returns between the beginning, mid and end of the wave. It can be seen that the group with lower Q firms (< 1) does not have statistically significant differences in its returns between any of the investigated years, which is consistent with the test for the significance of the CARs before. The group with higher Q (≥ 1) firms on the other hand has statistically significant differences between the returns of all three years. Between 1995 and 2000, as well as between 1995 and 2004, they are significant at the 1% level and between 2000 and 2004 still at the 5% significance level. Summarized, the result is therefore:

- Result #3.2: The group with the high Tobin's Q has statistically significant differences in its returns between the beginning, mid and end of the wave - between 1995 and the two other years at the 1% level and between the mid and the end of the

wave at the 5% level. There are no statistically significant differences in the returns for the low Q group between any of the years, possibly due to the low N.

5.2.2 Relative Transaction Size

With the relative transaction size, it is tested if and by how much the size of the transaction relative to the vendor market capitalization influences the CARs (combined vendor and buyer CARs). Table 16 shows that for the full sample, no matter how relatively large or small the transaction is, all splits yield statistically significant CARs at the 1% significance level. Hence, the first result is here:

- Result #4.1: All splits yield statistically significant results at the 1% level. In addition, it can be seen that the average CAR increases with the relative transaction size, as was expected by theory.

Table 16: Significance of CARs Split by Relative Transaction Size

Year	N	Avg. CAR	Var. CAR	t-Stat
Full Sample				
No split	1,024	0.013158	0.002402	4.960199***
< 10% of market cap	690	0.008144	0.003193	2.185823***
10 – 50% of market cap	248	0.021265	0.000598	7.904559***
> 50% of market cap	86	0.030002	0.001255	4.533869***

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

In addition to the results for the main sample, table 17 in appendix B shows the significance of the CARs for each of the three wave years. The CARs for no split and with 10-50% of market cap are significant in all years while the split for less than 10% is only significant at the 5% level in 1995 and not significant at all in 2000. In addition, the split of major transactions is not significant in 2004.

That the relative size of a transaction still seems to have its impact can be seen when looking at the average CAR for all groups. The average CAR increases with the relative size of the transaction. Transactions that make up for less than 10% of the vendors market capitalization have an average CAR of only 0.8%, whereas transactions with the relative size of 10-50% have an average CAR 2.1% and >50% of 3.0%, respectively (see also figure 18 in appendix A).

Table 18: Difference-of-Means Test for Split by Relative Transaction Size

	1995/2000		1995/2004		2000/2004	
Group	df	t-Stat	df	t-Stat	df	t-Stat
No split	85.3	3.552000***	67.2	3.734367***	120.7	0.010381
< 10% of market cap	45.4	1.095542	35.7	0.201826	85.0	-0.963956
10 – 50% of market cap	22.8	0.467138	16.3	0.656062	21.7	0.266342
> 50% of market cap	7.4	1.750997	9.8	4.240284***	7.3	0.683454

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

This paper also investigates the difference between the beginning, mid and end of the wave (see figure 18 and 19 in appendix A). Thus, table 18 shows the differences in the returns between the three specified years, each with a split according to the relative size of the transactions. It can be seen that regarding the group without split there are only statistically significant CARs between 1995 and 2000, as well as between 1995 and 2004, both at the 1% significance level. The groups with a transaction value of <10% and 10-50% of the market cap do not yield any statistically significant differences in the returns between the beginning, mid or end of the wave. The group with major transactions (>50% of market cap), on the other hand, shows a statistically significant difference at the 1% level for the returns between 1995 and 2004. For the other years, this group, equal to the other splits, also does not yield any statistically significant differences. Summarizing, the result is:

- Result #4.2: Only the group with the largest relative transaction size (>50% of market cap) has a statistically significant difference in its returns between the different parts of the wave. There is a difference between 1995 and 2004 at the 1% significance level.

5.2.3 Relatedness

Relatedness, measured by the two-digit SIC code match, is not exactly a ratio, but rather a characteristic of a transaction. The purpose is to investigate whether there is a difference between transaction within the same industry and such with differing industries. Table 19 shows the results for the full sample over all years. Looking firstly on the significance of the returns, all groups, i.e. no split, intra-industry transaction and differing

industries transactions, have CARs that are statistically significant different than zero at the 1% level. Hence, the first result here is:

- Result #5.1: Both intra-industry as well as differing industry transactions yield statistically significant returns at the 1% level, with the differing industry transactions having the substantially higher average CAR of 1.5%.

Table 19: Significance of CARs Split by Relatedness

Year	N	Avg. CAR	Var. CAR	t-Stat
Full Sample				
No split	1,598	0.013148	0.001756	7.241707***
Intra industry trans.	554	0.008721	0.000614	4.782129***
Differing industries	1,044	0.015497	0.002362	5.948747***

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

The results for the individual wave years can further be found in table 20 in appendix B. For the individual years, the same finding of higher CARs for related companies can be confirmed with the exception of 1995 in which the CAR for related transactions is not significant.

It is, however, interesting to see that the average CAR between the two groups differs a lot. The transactions with differing industries have on average a CAR of 1.5%, while the intra-industry transactions only have 0.9%. The no-split group has, due to the majority of transactions with differing industries, an average CAR of 1.3%. Figure 20 in appendix A expresses this graphically for the full sample. It also shows the value creation in 1995, which supports the overall impression. In contrast thereto, figures 20 and 21 in appendix A illustrate that there are differences between the years. The intra industry deals in 2000 and 2004 are the ones with the highest accumulated value creation. This brings it to table 21, where the significance in the differences between the years and the groups is tested. The group with intra-industry transactions yields statistically significant results on the 1% level for the differences between 1995 and 2000, as well as 1995 and 2004, with a t-statistic of -3.25 for the 1995/2000 test and -3.01 for 1995/2004. Figures 20 and 21 in appendix A show that the intra-industry group CARs in 1995 are substantially lower than in the mid and end of the wave. In contrast, the differences in the returns between 2000 and 2004 in this group are very small, hence there are no statistically significant differences on

Table 21: Difference-of-Means Test for Split by Buy-/Sellside SIC code match

	1995/2000		1995/2004		2000/2004	
Group	df	t-Stat	df	t-Stat	df	t-Stat
No split	164.4	2.814657***	116.3	3.741478***	167.1	0.770592
Intra industry trans.	37.0	-3.245668***	30.0	-3.008990***	60.7	0.486459
Differing industries	124.4	4.695963***	78.1	5.707618***	103.2	0.915361

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

or below the 10% level. Coming to the group with transactions with differing industries, it yields the same significances, meaning that there are statistically significant differences in the returns on the 1% level between 1995 and 2000, as well as 1995 and 2004, but no differences (at least not on or below the 10% level), between 2000 and 2004. Therefore, the result is again summarized as:

- Result #5.2: Both intra-industry as well as differing industry transactions show the same profile by having significant differences in its returns between the beginning and mid, as well as end of the wave on the 1% level. No significant differences could be found between the mid and end of the wave for any of the groups.

5.3 Sample Breakdown by Accounting Ratios

This section describes the results with the sample analyzed and split into parts by accounting ratios for profitability, leverage and liquidity. Each of the ratios is tested analogue to the H_0 tests for the significance of the returns ($1.H_0$) and for the difference in returns between the beginning, mid and end of the wave ($2.H_0$).

5.3.1 Return on Assets

The sample breakdown by accounting ratios, specifically by the ROA in the following, gives the possibility to test how much the ex ante profitability plays a role in the CAR development in transactions. The results of the CAR significance test for the positive and negative ROA group are shown in table 22. The sample contains a substantially lower number of transactions within the negative ROA group. However, this group yields statistically significant CARs on the 1% level. In contrast thereto, the group of transactions

with the positive ROA only shows statistically significant CARs on the 5% significance level. The difference between the two groups also shows off when looking at the average CARs. The negative ROA group has an average CAR of 2.1%, whereas the positive ROA group only has 1.0%. To round off, the total sample without any split has statistically significant results on the 1% level. The split for the individual years in table 23 in appendix B supports the higher CAR for a negative ROA, yet some splits do not produce significant results. Hence, the result is:

- Result #6.1: Both groups have statistically significant results, the negative ROA group on the 1% level and the positive ROA group on the 5% level. The negative ROA group shows with 2.1% the higher average CARs, as is expected by theory.

Table 22: Significance of CARs Split by Return on Assets (ROA)

Year	N	Avg. CAR	Var. CAR	t-Stat
Full Sample				
No split	698	0.012415	0.003294	3.299386***
Negative ROA	174	0.020568	0.001241	4.446320***
Positive ROA	524	0.009708	0.003976	2.034684**

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

The higher CARs of the lower ROA group can also be seen in each of the three years (beginning, mid and end of the wave) in figure 22 and 23 in appendix A. The difference in the value of the CARs between the two groups is thereby decreasing from 1995 to 2004. The difference-of-means test is done in addition to see the differences in the returns between the beginning, mid and end of the wave within the two specified groups. Table 24 shows

Table 24: Difference-of-Means Test for Split by Return on Assets (ROA)

	1995/2000		1995/2004		2000/2004	
Group	df	t-Stat	df	t-Stat	df	t-Stat
No split	21.0	3.415626***	19.5	2.064835*	99.5	-2.328144**
Negative ROA	7.1	3.920881***	5.7	4.236519***	19.9	-0.410769
Positive ROA	13.7	-0.484299	13.1	-1.982965*	75.9	-2.293331**

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

the results, where the group with the negative ROA has statistically significant differences

in its returns on the 1% level between 1995 and 2000, as well as 1995 and 2004. There are no, at least not on or below the 10% level, significant differences in the CARs between 2000 and 2004 for this group. The split with the positive ROA does not yield any significant results for the differences between 1995 and 2000, but for the other two comparisons. There are statistically significant differences in the returns on the 10% level for 1995 and 2004 and on the 5% level for 2000 and 2004. The difference-of-means result by ROA is:

- Result #6.2: The negative ROA group has more significant differences in its returns between 1995 and 2000 as well as 2004 compared to the positive ROA group, but no differences between 2000 and 2004. The positive ROA group on the other hand has a significant difference between 2000 and 2004, but no one between 1995 and 2000.

5.3.2 Financial Leverage

The split by leverage tests how much a firm's financial strength impacts the returns in a divestiture. The sample is parted along the median leverage of the full sample. The relatively low number of N (782) in the full sample indicates that the data is not available for quite a few transactions. Table 25 shows the results for the full sample CAR significance test. The 'leverage sample' has, without split, statistically significant returns on the 1% level and an average CAR of 1.2%. Coming to the splits, the group of low leverage transactions has statistically significant returns on the 10% level, while the high leverage group has significant CARs on the 1% significance level. The results for the individual years are provided in table 26 in appendix B. The high leverage split is thereby not significant in 1995 and 2000 due to the small number of observations. Only significant at the 5% level are the no split sample in 2000 and the low leverage sample in 2004.

- Result #7.1: There are statistically significant returns for both the low and high leverage group. However, the high leverage group yields the higher average CAR and higher significance level, which was expected by theory.

The average CAR of the two groups does not differ too much, 1.1% in the low leverage group versus 1.4% in the high leverage group. The graphs, figure 24 and 25, in appendix A provide a more differentiated picture. Especially in 1995 and 2000 does the extent of the CARs differ a lot, with the lower leverage group having substantially higher returns than the high leverage group. In 2004 on the other hand, it turns and the high leverage

Table 25: Significance of CARs Split by Financial Leverage

Year	N	Avg. CAR	Var. CAR	t-Stat
Full Sample				
No split	782	0.012320	0.002945	3.665515***
Low leverage	390	0.010981	0.005314	1.717548*
High leverage	392	0.013652	0.000588	6.437939***

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

group has slightly higher CARs. However, it is only a minor difference.

Table 27: Difference-of-Means Test for Split by Financial Leverage

	1995/2000		1995/2004		2000/2004	
Group	df	t-Stat	df	t-Stat	df	t-Stat
No split	20.6	3.747275***	19.4	2.562943**	110.6	-2.110363**
Low leverage	13.2	4.319206***	13.1	4.729818***	36.8	0.955226
High leverage	6.3	-0.731633	5.6	-3.631410**	59.1	-4.728471***

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

After the graphical results, table 27 shows the test for the statistically differences between those years. For the full sample without split, there are statistically significant differences in the returns on the 1% level for 1995 compared to 2000, and on the 5% level for 1995 to 2004 and 2000 to 2004. More interesting are the group results. The low leverage group shows significant differences in the returns on the 1% level between 1995 and 2000, as well as 1995 and 2004, and no significant differences between 2000 and 2004. The high leverage group in contrast, only has significant differences with the year 2004, i.e. there are statistically significant returns on the 5% level for 1995 to 2004 and on the 1% level for 2000 compared to 2004. The summarizing result is therefore:

- Result #7.2: The low leverage group has significant differences in its returns between 1995 and 2000 as well as 2004, but no significant differences between the remaining years. In contrast, the high leverage group yields significant differences related to the year 2004, i.e. between 1995 and 2004, as well as 2000 and 2004.

5.3.3 Current Ratio

The current ratio, a measure of liquidity, is the last of the accounting ratios tested in this paper. The split (cut off value) in two groups is done according to the Banker's rule of 2:1, current assets versus current liabilities. Looking at the number of $N=658$ for the low current ratio group, the majority of companies in the sample seem not to fulfill the ideal ratio of 2:1 and have a lower current ratio. The results for the significance of the CARs over the whole sample are shown in table 28. It can be seen that the test yields statistically significant results on the 1% level for the full sample, as well as for the group with a low current ratio. The average CAR over the whole sample for this group is 1.4%. The group with the high current ratio, i.e. more liquidity, yields an even higher average CAR of 1.6%. However, the CARs are not statistically significant in any of the considered significance levels. The first result is therefore:

- Result #8.1: Only the low current ratio group has statistically significant returns. Despite no significance, the high current ratio group has the higher average CARs, which was not expected by theory.

Table 28: Significance of CARs Split by Current Ratio

Year	N	Avg. CAR	Var. CAR	t-Stat
Full Sample				
No split	754	0.013900	0.003081	3.970184***
Low current ratio	658	0.013591	0.000631	8.011413***
High current ratio	96	0.016012	0.019869	0.642610

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

The significance of CARs for the individual wave years is documented in table 29 in appendix B. For 2000 and 2004 the CAR is higher for the high current ratio sample while the opposite is true for 1995. However, it has to be noted that the sample size in 1995 for the current ratio split is extremely small. In addition, not all splits show significant results.

The performance of the average CARs between the years and among the two groups thereby differs quite a lot, as figure 26 and 27 in appendix A show graphically. While the higher current ratio group has a substantially lower average return in 1995, does the picture

completely turn in 2000 and 2004. Thereby, it is worth mentioning that the close alignment of the average return of 'no split' to the low current ratio return is due to the high number of low current ratio transactions compared to high current ratio ones. Turning to the

Table 30: Difference-of-Means Test for Split by Current Ratio

	1995/2000		1995/2004		2000/2004	
Group	df	t-Stat	df	t-Stat	df	t-Stat
No split	21.1	4.751342***	19.9	3.885324***	98.9	-1.495605
Low current ratio	19.0	6.445728***	17.6	5.085485***	86.1	-2.327238**
High current ratio	1.1	-2.504185	1.1	-1.730395	11.8	1.440022

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

test related to the second H_0 hypothesis, table 30 entails the results. The group with low current ratios has significant differences in the returns between all considered years. To be precise, for the year 1995 compared to 2000, as well as 1995 to 2004, are the differences in the returns statistically significant on the 1% level. For 2000 to 2004 the differences are still significant on the 5% level. The picture for the high current ratio group on the other hand looks completely different. Amongst others, due to the low degree of freedom in each year, the high current ratio group does not have any statistically significant differences whatsoever, at least not within the considered significance levels. Thus, the result at this point is:

- Result #8.2: Similar to result #8.1, only the low current ratio group has statistically significant differences in its returns between all considered years.

6 Analysis

6.1 Whole Sample

To start with, the results for the full sample mostly comply with what was expected given previous research and theoretical reasoning, i.e. the first H_0 hypothesis could be fully rejected on the 1% level. The literature for comparable results is very limited due to the innovative approach in this paper to look at the total shareholder value creation, meaning buy- and sell-side. Various papers, such as Miles and Rosenfeld (1983), Lang et

al. (1995) and Coakley, Thomas and Wang (2008), deal with divestitures on the sell-side. However, what they all have in common and where they are in line with this paper are the clearly significant CARs, ranging from 0.6% up to 5.6%. The weakness these papers all have is the disregarded eventual loss on the buy-side in a non-win-win situation, i.e. sell-side value creation at the expense of buy-side losses. This drawback is eliminated through the approach used here, nevertheless, it cannot be said where the actual value creation takes place, on which side, neither what the distribution of the value is like. The few papers that investigate solely the buy-side are not consistent in their results. Hanson and Song (2000) argue that there are positive returns on the buy-side due to the more efficient or in general better use of the bought asset, while, in contrast, John and Ofek (1995) state that the potential auction process for an asset benefits the sell-side, which tends to result in negative returns on the buy-side. Hence, it can only be speculated on which side more value is created, but what the results here in the paper can definitely ensure is the total value creation. This means and this is what this paper adds to research, the value creation must be more than a speculated sell-side win at the expense of the buy-side, because they would more or less cancel each other out, thus the shareholder with buy-and-sell-side stocks would in total benefit from such a divestiture. However, it could be the case that sell-side returns are just very high and thus overcompensate potential buy-side losses.

An often cited condition for stock markets is the efficient market hypothesis, which basically says that prices do not move without information. The graph in figure 4 confirms this hypothesis graphically. The value creation in the full sample takes mostly place on the day of the announcement of the divestiture (blue line). Only a small abnormal return seems to be realized before the actual announcement date. In line with the mentioned hypothesis is the abnormal return generated when the new information reaches the market. The small abnormal return in advance can in praxis be due to some insider information or trading based on rumors around upcoming transactions. Besides the question, when the value is mostly created during an average transaction, it is also interesting whether these average returns differ throughout time.

Figure 15a shows the development of the CARs over the wave period from 1995 to 2004. Despite some up and downs, it appears to show a trend that the value creation decreases throughout the wave period. In the literature (Carow et al. (2004), McNamara et al.

(2008)), this phenomenon is called first mover advantage, i.e. the firms or rather the shareholders benefit the most in terms of total value creation the earlier the divestiture is conducted. Markides and Berg (1992) derive a strategy from that by saying timing is the key for profitability and the success of a transaction. However, the relevance for the praxis is questionable since firms and their management do neither know when a wave actually has started nor if it always shows the same pattern as in the past.

Contrary to the 'first mover advantage' literature find Brauer & Stüssi, (2010) and Brauer & Wiersema (2011) an 'U-shaped' return pattern, i.e. both first and late mover advantages, for a sell-side perspective of divestitures. This, however, does not match with the results in this paper. Figure 15a shows this graphically and the difference-of-means test confirms this empirically. The statistically significant differences in the returns can only be found between 1995 and 2000 as well as 2004, the defined beginning, mid and end of the wave. A 'U-shaped' pattern would require a significant difference between the mid and the end of the wave as well and not between the beginning and the end of the wave. Since this is not the case in the results here, the first mover advantage as described by Carow et al. (2004) and McNamara et al. (2008) can be confirmed in this paper. The question arises why, if so, a first mover advantage exists? According to Buchholtz et al. (1999) a late, but necessary divestiture can increase the pressure to sell the asset, which yields a pressure on the price as well. However, if it would be only a matter of the price, this would benefit the buy-side. From a total shareholder wealth creation point of view, these effects would cancel each other out. Hence, to explain the results in this paper, there must be more than solely a price effect. Brauer & Wiersema (2011) explain this through an imitation strategy that is assumed by the market the later a transaction in a wave takes place, which then influences investor's perception about the asset quality. In the end, all the described effects most certainly occur to a certain degree, starting with cherry picking in the beginning for reasonable price, over price-pressure to perceived imitation strategy in the end. So far, there are no theories for a total (buy- & sell-side) performance consideration, and that is what this paper tries to approximate by taking both sides into account.

6.2 Sample Breakdown by Ratios and Characteristics

The sample breakdowns by various ratios and characteristics add value regarding the degree and depth of detail in the results. The analysis started with the well-known Q theory. It showed that the transactions with vendors in financial distress, expressed through the low Tobin's Q, have a higher return than those transactions with well-operating vendors. According to theory, high Q firms always search for internal and external investment opportunities, whereby only the latter, generates shareholder value (Jovanovic & Rosseau, 2008). Thinking this through, the results here are in line with what theory says. The assumed higher Q firm, in this split on the buy-side, uses its capital more efficiently, hence the higher valuation, and acquires the divested asset from the lower Q firm after searching for investment opportunities. The market then might appreciate the value potential due to more efficient capital use on the buy-side and the eventual reduction of financial distress on the sell-side.

The financial distress reduction is taking on by the financing hypothesis, which claims that a deal's purpose is to reduce debt (Dittmar & Shivdasani, 2003; Hite, Owers & Rogers, 1987; Lang et al., 1995). The higher average and more significant CARs in this paper for transactions with a higher leverage on the sell-side seem to point in the same direction. There should not be much of a difference on the buy-side from which vendor in what condition an asset was actually bought. Only the potential sell pressure for high leverage firms might benefit the buy-side. On the sell-side on the other hand, the market seems to appreciate what the financing hypothesis says, the purpose is to reduce the debt level and thus the leverage in order to be financially better equipped. Besides the capital structure, the markets are also interested in the liquidity situation of a company. Divestitures could also, similar to leverage, be used to improve the liquidity situation of the vendors (Jain, 1985). Accordingly, the group with lower current ratios should have higher returns, once again assumed that it does not matter for the buy-side from whom it got its asset. However, the results show a different picture, with the group with the higher liquidity level having higher returns, even though they are not significant. The small number of N in this group compared to the low current ratio group might also add to the explanation. As figure 26 and 27 illustrate, the returns of the high and low current ratio group differ quite a lot in the different years. Thus, it cannot be clearly said what the true weight of the liquidity is or what role it plays in the considerations of the stock markets.

The hitherto mentioned ratios are more or less all dependent on a firm's individual performance. Firms that do not perform well cannot or only hardly strengthen their equity base, secure liquidity, and in the end be appreciated by the stock market. If a company is performing badly, that ship has sailed and the divestiture can be the light at the end of the tunnel. The results have shown that the group with negative ROAs has substantially higher returns than the good performing firms with high ROAs. This might be explained through the cash inflows and therefore capital strengthening effects on the sell-side and the potentially benefit, amongst others regarding the price, on the buy-side. Various authors (Buchholtz, Lubatkin & O'Neill, 1999; Cho & Cohen, 1997; Montgomery & Thomas, 1988; Rosenfeld, 1984) found that in this respect a firm's performance drives the decision to sell assets. Brauer and Stüssi (2010) go even further by saying it is not only a matter of selling assets but also about the right timing for poor performing firms, which yields a certain selling pressure for them. This could explain the statistically significant higher returns in the beginning (1995) of the wave, compared to the mid (2000) and end (2004) of it.

It seems that deal characteristics, such as the size, also play an important role in the value creation process, in addition to the financial condition of the vendor. Mulherin and Boone (2000) found a positive relationship between the size of a transaction and the average CAR, hence the larger the size of a transaction the higher the average return. This makes sense, since a relatively large transaction, measured at the vendor market cap, means a major change and structure for a business. A transaction >50% of the market cap for instance, automatically results in refocusing and concentrating on less assets, hence less diversification. This potentially reduces the diversification trading discount, as was found by Lang et al. (1994), as well as by Dittmar and Shivdasani (2003). The results in this paper, not surprisingly, reflect this relationship between relative transaction size and the level of CARs. Another deal characteristic in this context could be the industry relatedness of the assets on the vendor and buy-side. Firms in the same industry might experience the same challenges, i.e. an asset does not necessarily create substantially more value with its new owner in the same industry. Deals in different industries on the other hand could be subject to growth potential and strategic re-orientation, which could put a gloss on the equity story. Unlike Brauer and Stüssi (2011), this paper does not find differences between intra- and differing industry deals regarding the level of returns, which can be interpreted as described above, but not between their level of significance.

At the end of the day, the characteristics and especially ratios are not mutually exclusive and influence each other, which means the extent of the returns cannot be sufficiently determined by single ratios but rather from the combination of all of them. Nevertheless, through the results in combination with theory, it has become clear that there are quite a few conditions that firms should fulfill when being involved in transactions in order to meet the overall target of shareholder value creation.

7 Critical Reflection and Further Discussion

7.1 Critical Reflection

The application of an event study methodology to an empirical topic crucially requires an understanding of the underlying assumptions and econometric issues. Most issues have already been largely discussed in the relevant chapters in this paper. Yet, a critical reflection of the main issues and motives serves to support the credibility of the analysis.

7.1.1 Event Study Methodology and Empirical Issues

The event study methodology draws on three crucial assumptions - market efficiency, unanticipated events, and absence of confounding events. Strong-form market efficiency cannot necessarily be expected in the stock market (e.g. Borges, 2010). The use of a 3-day event window that covers more than the actual announcement date serves the purpose to account for this fact. Unanticipated events, the second assumption, are further dealt with by using a three day event window which covers rumors and insider information shortly before the announcement day. Hitherto, the analysis finds that indeed most of the stock market reaction takes place on the announcement day, as shown by figure 4. Insider information within the estimation window could further impact the specification of the expected return. An estimation window which ends long before the event (e.g. 30 days) can be used to test for this issue. The results of using a 150 day estimation window which ends 30 days before the event (not reported in this study), however, indicate only a minor difference in the CAR of 0.0027% between both approaches. Hence, no relevant impact of insider information in the 30 days preceding the event can be found. The absence of confounding events is the most controversial assumption in the analysis due to several

overlaps of event windows. A manual evaluation of all affected divestitures, however, does not reveal any macro shocks or other common divestiture motives. Clustering technique is further used to relax the assumption of no correlation of the ARs. The short event window in the analysis further limits the problem of confounding events, while it is more difficult to control for confounding events for longer event windows (McWilliams & Siegel, 1997). Finally, the use of J_2 in the student's t-test instead of J_1 resolves the problem that for J_1 the estimator of variance in the denominator is not precise for a large number of events, as in this study.

7.1.2 Data Related Issues

Data issues, such as missing data in the estimation window, have been largely discussed in section 3.2 and will therefore not be discussed again in detail. The MSCI Europe is used as the market benchmark in the analysis. The use of the MSCI is motivated by the fact that it covers the same 16 countries included in the divestiture analysis. It is further diversified enough not to be significantly impacted by a divestiture of an included firm. One issue in the analysis is missing information about the divestiture reason, e.g. financial distress. Ratios, as done by other studies such as Datta et al.(2003), are hence used as proxies to form subsamples based on firm characteristics. Data availability revealed to be a main issue for the accounting ratios used. Historical accounting ratios are not widely available by Bloomberg for now delisted firms or in case of mergers. Consultation with the Bloomberg staff indicated the availability for these data on a yearly perspective, which is not enough for the purpose of this thesis. Thus, missing accounting ratios and the resulting exclusion of the affected firms might disturb the sub-sample results.

7.1.3 Theory Related Issues

The innovative approach of this study focuses on the total economic perspective, i.e. the combined return to the shareholders of the vendor and the buyer. The focus of this study is on the empirical analysis, which finds significant CARs. Yet, the study also aims to find the relevant theoretical explanations for the findings. At this point, theories from both the sell- and the buy-side perspective have to be used since no theories explain the total economic perspective so far. Incorporating this drawback it is not possible to say at which side of a divestiture value creation takes place. Thus, it calls for further research.

7.2 Further Discussion

As discussed, there is no theoretical framework that explicitly focuses on the total economic perspective for divestitures. While it is out of the scope of this thesis, which focuses on the empirical analysis, the development of a theoretical framework which can explain the market behavior from a total economic perspective would be of great interest. Special interest thereby is on the distribution of value creation between the buy- and sell-side in order to test the findings empirically.

For further empirical research it would be interesting to apply the same study to a US sample in order to be able to compare the divestiture results under a total economic perspective to the sell-side perspective results by Brauer and Stüssi (2010). Of further interest is the empirical analysis of divestiture subsamples by divestiture reasons for markets where this data is available. Related is the application of the analysis to industry specific divestiture waves to measure potential differences in shareholder behavior between industries.

8 Conclusion

Various research has been done on the performance of transactions in merger waves, but less on divestitures. It was the purpose of this paper to extend the literature on divestiture waves and the total value creation in it with the worldwide largest data sample (see table 5) on this topic. The identified divestiture wave in Europe took place from 1995 to 2004, with its peak in the year 2000 and included numerous industries. The empirical examination for the whole wave period yielded statistically highly significant returns. The same applied partly to the differences between the beginning, mid and end of the wave, where there were significant differences between the beginning and both other specified years, but not between the mid and the end of the wave.

Since this is the first paper of its kind, i.e. examining the total value creation of divestitures, direct comparisons with the overall result of other papers cannot be fully made. However, the tests with sample breakdowns showed that the results are mostly in line with the existing literature and its theories regarding the outcome of transactions. Only the prediction by theory regarding the impact of financial liquidity, that low liquidity should yield higher returns, could not be confirmed by the results here. Furthermore, a

similar study by Brauer & Stüssi (2010) on divestiture waves showed an U-shape pattern in the returns, which cannot be seen in this paper. In fact, the results clearly identified a first mover advantage, which is in line with recent research by Carow et al. (2004) and McNamara et al. (2008).

The paper adds value to research due to its approach of examining the total value creation on the buy- and sell-side. Thus, it eliminates the one-sided, in other literature mostly sell-side, value creation to the expense of the other side and identifies real value generation from a total economic perspective. Nevertheless, for further research it would be interesting to examine the total value generation with separate results, meaning identifying the value creation on both sides individually and add them up later. This would allow drawing even more precise inferences about the results since theories could be better allocated and applied to both sides.

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9 Appendix

9.1 Appendix A - Graphs

Figure 2: Sample Collection Process

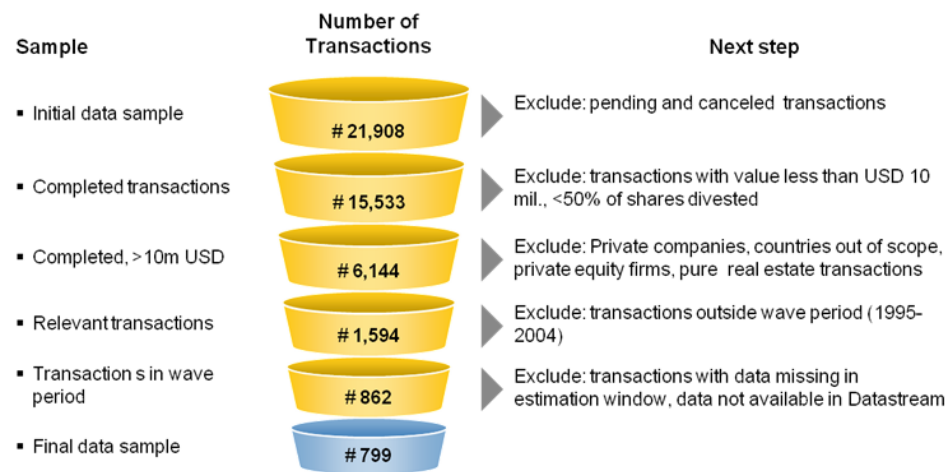


Figure 5: Abnormal Return and Cumulative Abnormal Return 1995

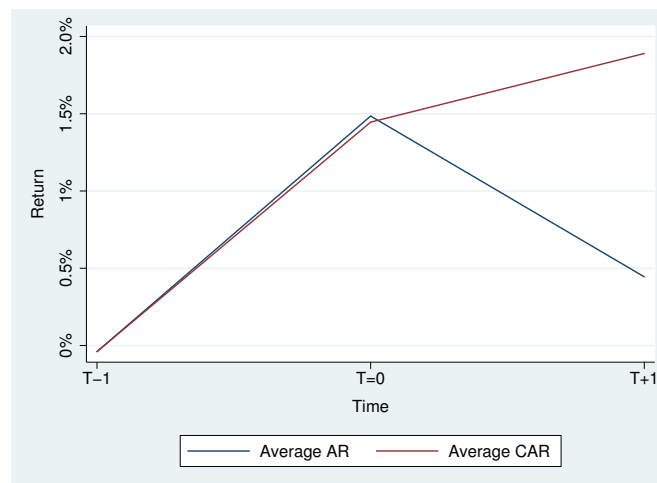


Figure 6: Abnormal Return and Cumulative Abnormal Return 1996

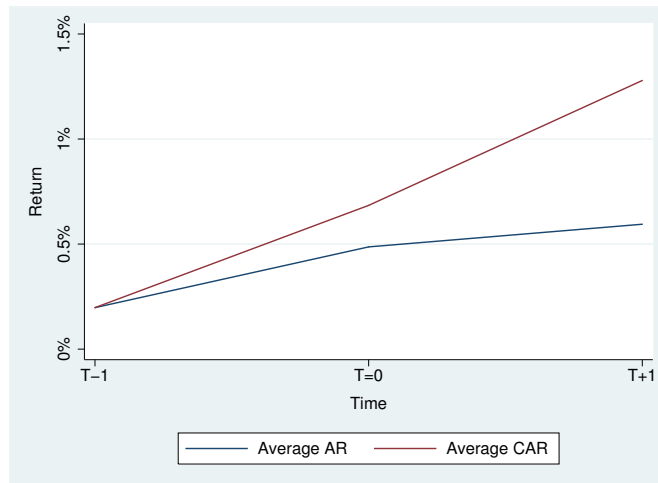


Figure 7: Abnormal Return and Cumulative Abnormal Return 1997

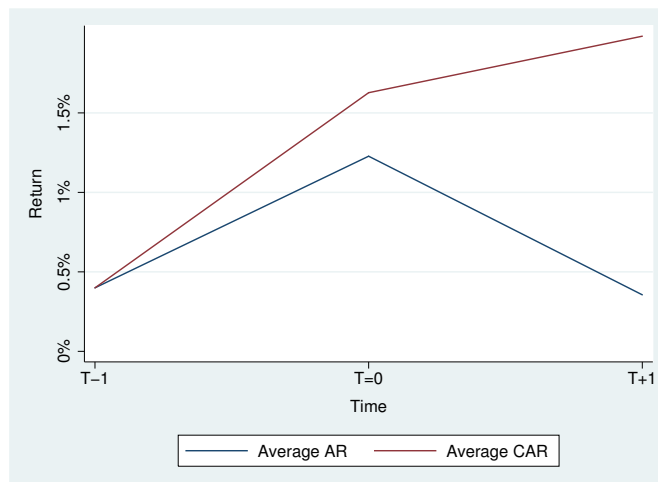


Figure 8: Abnormal Return and Cumulative Abnormal Return 1998

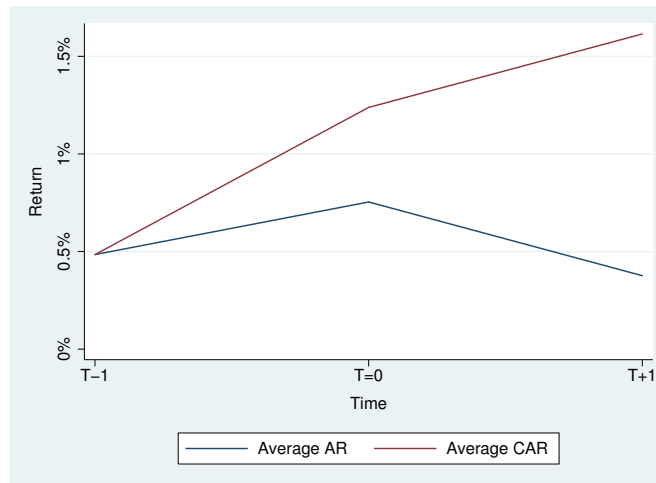


Figure 9: Abnormal Return and Cumulative Abnormal Return 1999

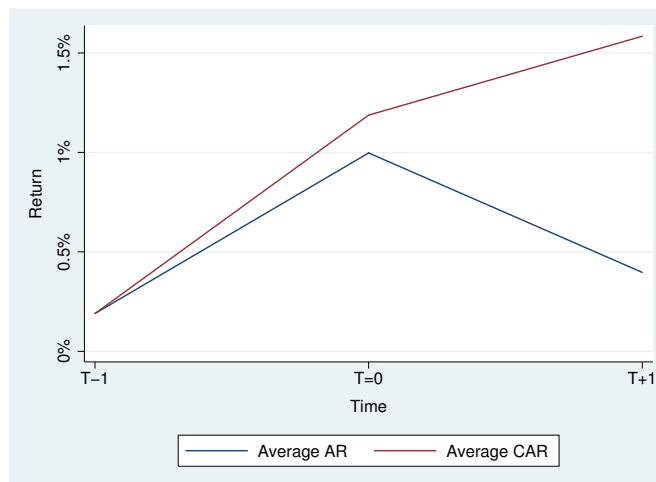


Figure 10: Abnormal Return and Cumulative Abnormal Return 2000

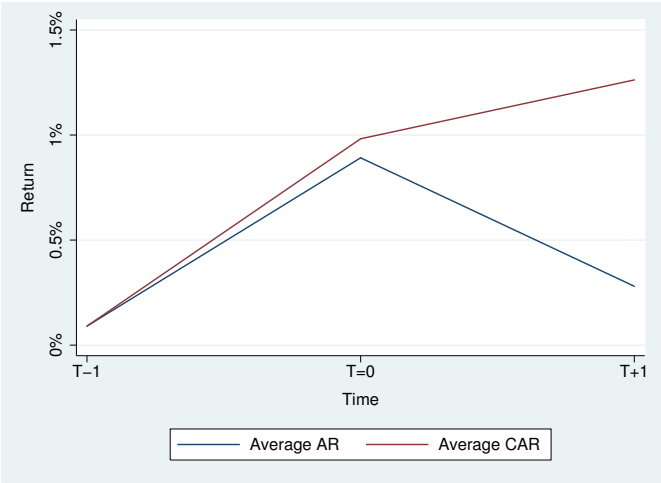


Figure 11: Abnormal Return and Cumulative Abnormal Return 2001

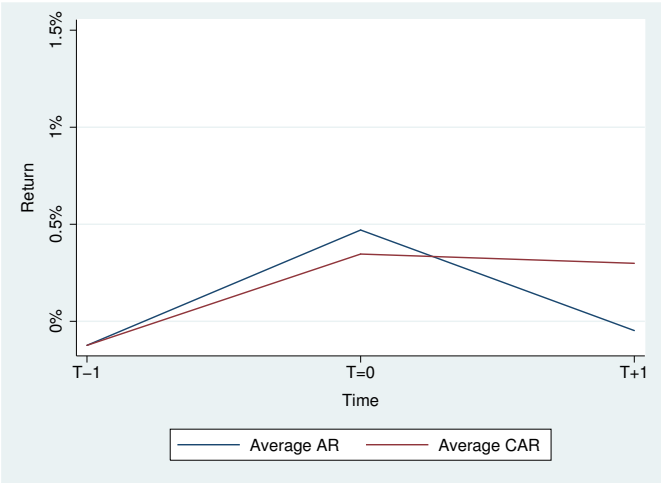


Figure 12: Abnormal Return and Cumulative Abnormal Return 2002

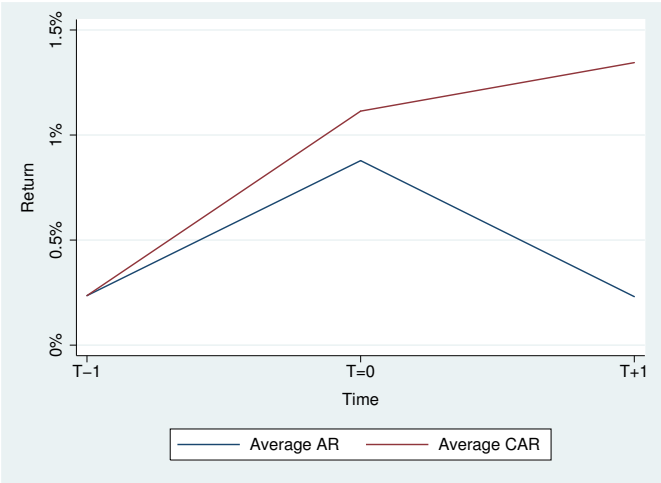


Figure 13: Abnormal Return and Cumulative Abnormal Return 2003

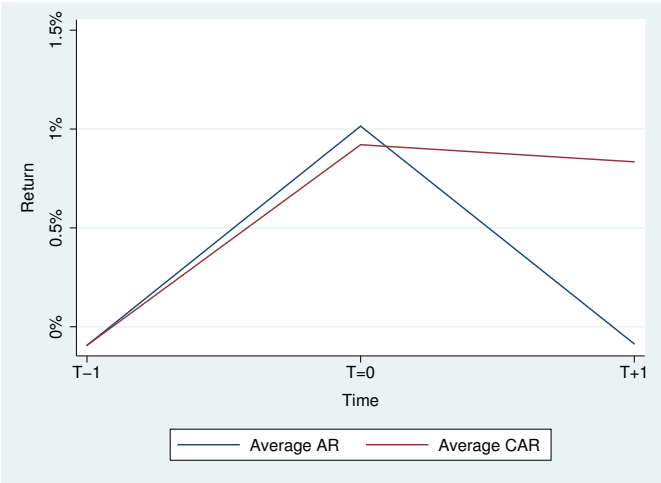


Figure 14: Abnormal Return and Cumulative Abnormal Return 2004

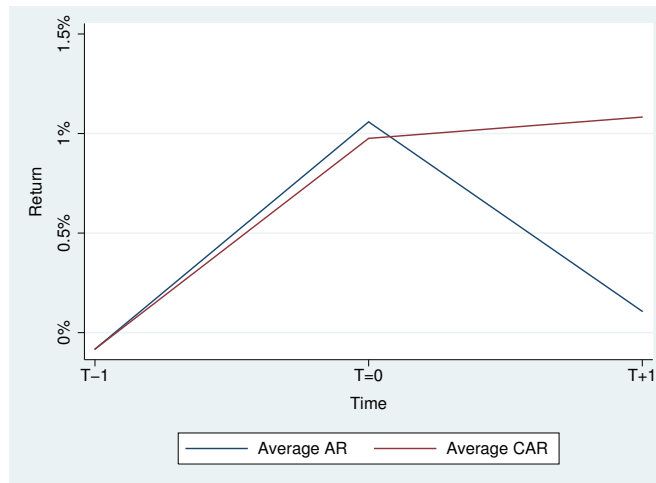
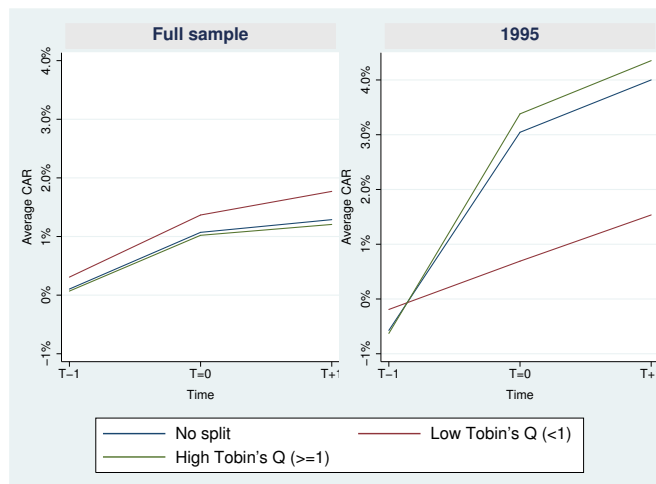
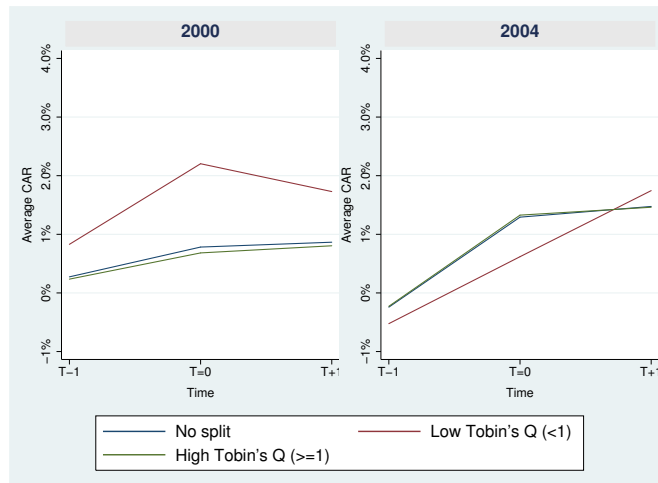


Figure 16: CAR by Tobin's Q in 1995 and Full Sample



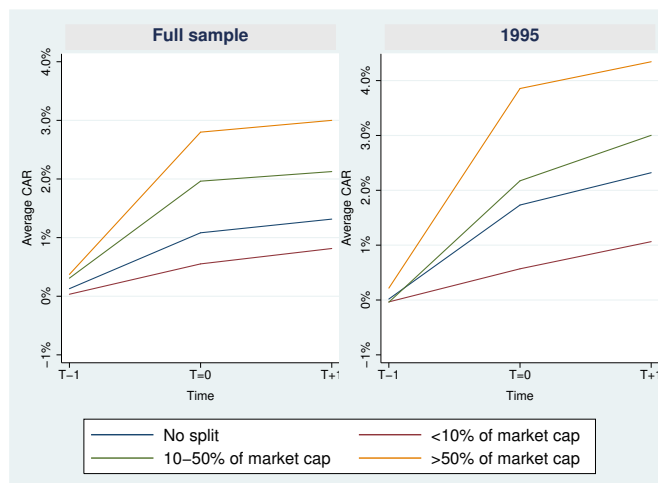
Note: Tobin's Q = Market value of assets divided by book values

Figure 17: CAR by Tobin's Q in 2000 and 2004



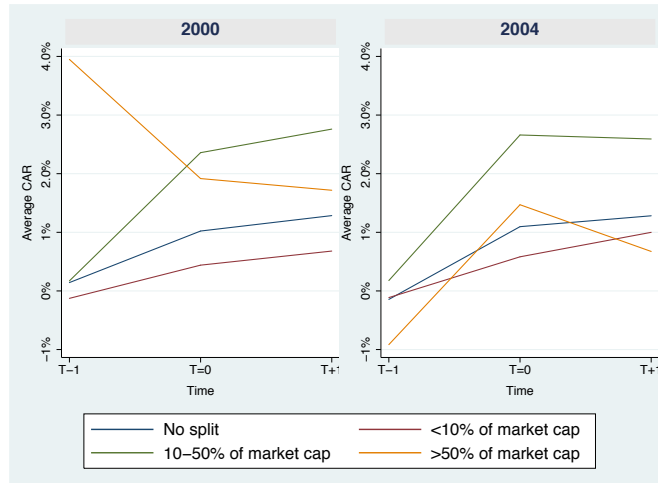
Note: Tobin's Q = Market value of assets divided by book values

Figure 18: CAR by Relative Transaction Size in 1995 and Full Sample



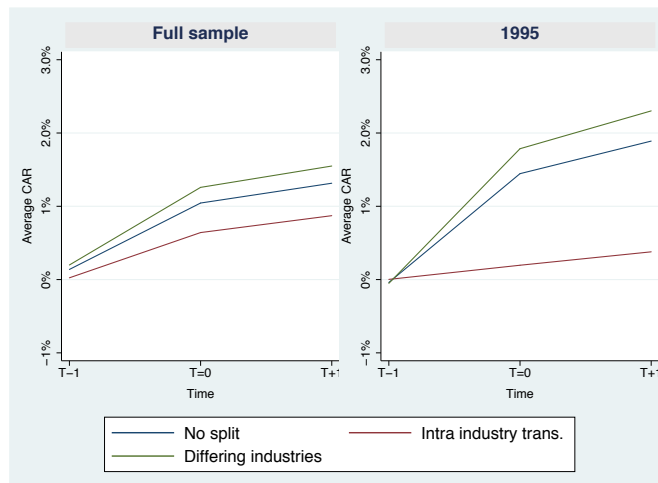
Note: Relative transaction size = EV of transaction divided by market cap of the vendor

Figure 19: CAR by Relative Transaction Size in 2000 and 2004



Note: Relative transaction size = EV of transaction divided by market cap of the vendor

Figure 20: CAR by Buy-/Sell-side SIC Code Match in 1995 and Full Sample



Note: Industry of Buy- and Sellside measured by 2-digit SIC code

Figure 21: CAR by Buy-/Sell-side SIC Code Match in 2000 and 2004



Note: Industry of Buy- and Sellside measured by 2-digit SIC code

Figure 22: CAR by Return on Assets (ROA) in 1995 and Full Sample

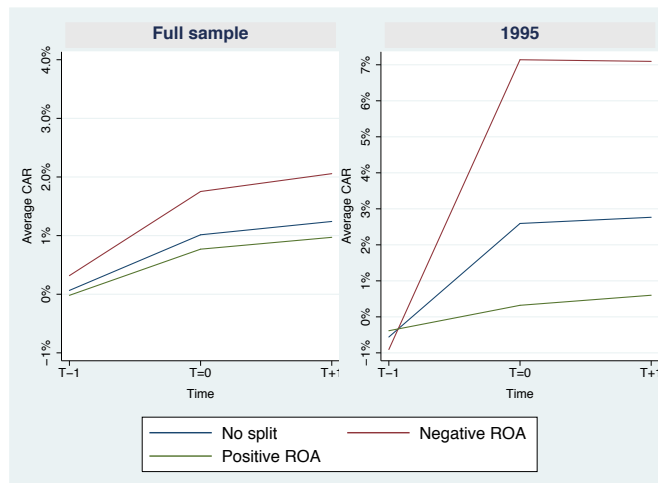


Figure 23: CAR by Return on Assets (ROA) in 2000 and 2004

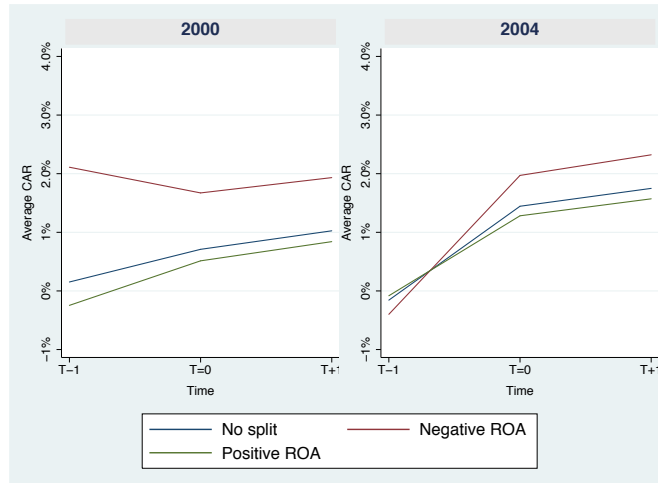
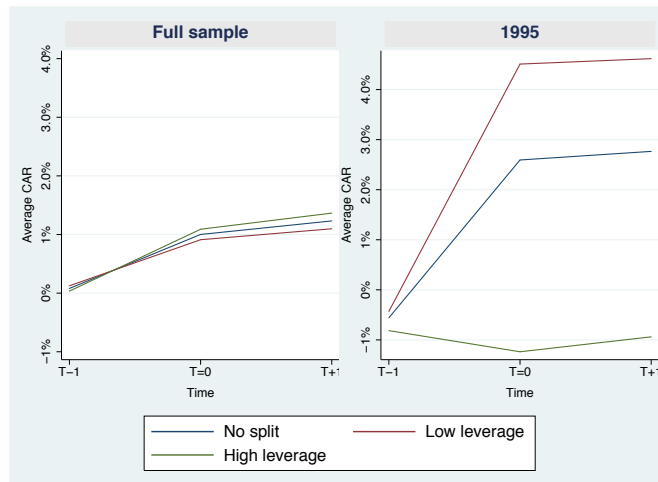
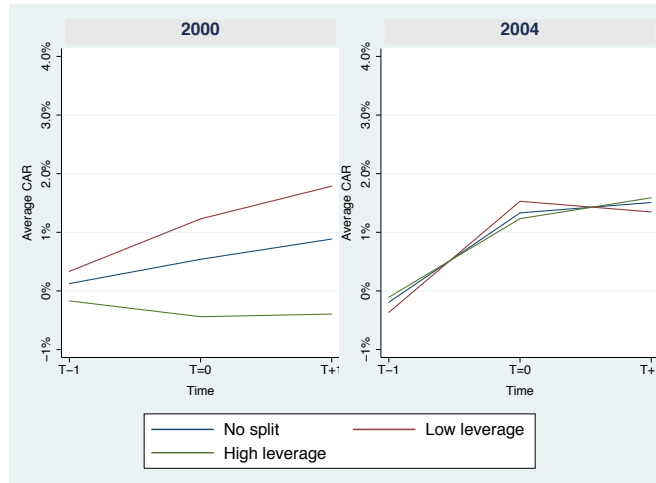


Figure 24: CAR by Leverage in 1995 and Full Sample



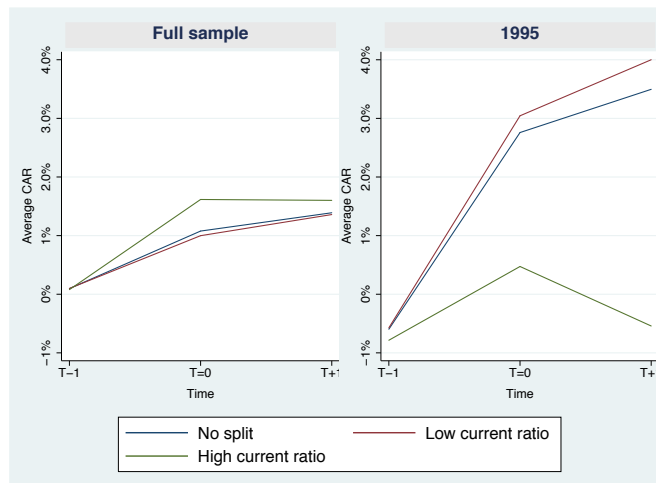
Note: Financial leverage = Avg. total assets divided by avg. total common equity, split at median

Figure 25: CAR by Leverage in 2000 and 2004



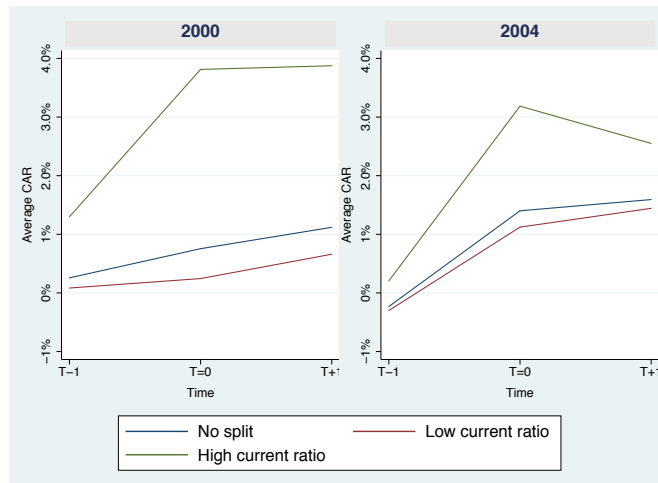
Note: Financial leverage = Avg. total assets divided by avg. total common equity, split at median

Figure 26: CAR by Current Ratio in 1995 and Full Sample



Note: Current ratio = Current assets / current liabilities, split according to the Banker's rule of 2:1

Figure 27: CAR by Current Ratio in 2000 and 2004



Note: Current ratio = Current assets / current liabilities, split according to the Banker's rule of 2:1

9.2 Appendix B - Tables

Table 1: Summary Statistics - Data Sample by Country

Country	Vendor		Acquirer		Total	
Austria	1	<i>0.1%</i>	8	<i>1.0%</i>	9	<i>0.6%</i>
Belgium	8	<i>1.0%</i>	17	<i>2.1%</i>	25	<i>1.6%</i>
Denmark	14	<i>1.8%</i>	19	<i>2.4%</i>	33	<i>2.1%</i>
Finland	24	<i>3.0%</i>	26	<i>3.3%</i>	50	<i>3.1%</i>
France	109	<i>13.6%</i>	89	<i>11.1%</i>	198	<i>12.4%</i>
Germany	81	<i>10.1%</i>	54	<i>6.8%</i>	135	<i>8.4%</i>
Greece	0	<i>0.0%</i>	2	<i>0.3%</i>	2	<i>0.1%</i>
Ireland	2	<i>0.3%</i>	19	<i>2.4%</i>	21	<i>1.3%</i>
Italy	45	<i>5.6%</i>	54	<i>6.8%</i>	99	<i>6.2%</i>
Netherlands	55	<i>6.9%</i>	48	<i>6.0%</i>	103	<i>6.4%</i>
Norway	22	<i>2.8%</i>	17	<i>2.1%</i>	39	<i>2.4%</i>
Portugal	5	<i>0.6%</i>	4	<i>0.5%</i>	9	<i>0.6%</i>
Spain	29	<i>3.6%</i>	24	<i>3.0%</i>	53	<i>3.3%</i>
Sweden	37	<i>4.6%</i>	52	<i>6.5%</i>	89	<i>5.6%</i>
Switzerland	40	<i>5.0%</i>	33	<i>4.1%</i>	73	<i>4.6%</i>
United Kingdom	327	<i>40.9%</i>	333	<i>41.7%</i>	660	<i>41.3%</i>

Table 2: Date Adjustments

Original Date	Adjusted Date	Vendor	Acquirer
07.03.2004	08.03.2004	Rhodia SA	Danisco A/S
14.02.2004	16.02.2004	Altadis SA	Gallaher Group PLC
18.01.2004	19.01.2004	Suez SA	Metropole Television SA
30.06.2001	02.07.2001	Abengoa SA	Befesa Medio Ambiente SA
20.02.1999	22.02.1999	Ing C Olivetti SpA	Mannesmann AG
31.07.1999	02.08.1999	Booker PLC	Nutreco Holding NV

Table 3: Robustness Test - Alternative 1

Year	Affected company	Relevant MSCI Europe industry index	
2004	Erinaceous Group PLC	Real Estate	
	Countrywide PLC	Real Estate	
	Aker RGI ASA	Oil, Gas and Consum. Fuels	
2001	Compass Group PLC	Consumer Discretionary	
	Telenor ASA	Telecommunication Services	
	Syngenta AG	Chemicals	
	Eniro AB	Software and Services	
	Gemplus Int. SCA	Information Technology	
	Lattice Group PLC	Gas Utilities	
2000	Banca Popolare Commercio SpA	Banks	<i>Note:</i>
	Vopak NV	Marine	
	T-Online International AG	Telecommunication Services	
	iSOFT Group PLC	Software and Services	
	Acotel Group SpA	Telecommunication Services	
1999	Versatel Telecom International NV	Telecommunication Services	
1998	Heidelberger Druckmaschinen AG	Machinery	
	Interseroh AG	Materials	
	Rhodia SA	Chemicals	
1997	Societe Generale SA	Banks	
	France Telecom SA	Telecommunication Services	
1996	Merck KGaA	Chemicals	
	Newsquest Media Group PLC	Media	
	Newsquest Media Group PLC	Media	

Year= period with partly missing data in the estimation window

Table 4: Missing Ratio Data

	Full wave		1994		2000		2004	
	#	%	#	%	#	%	#	%
Current ratio	844	53%	94	84%	114	45%	48	39%
Financial leverage	816	51%	94	84%	104	41%	38	31%
Relative trans-action size	574	36%	56	50%	82	32%	32	26%
ROA	900	56%	94	84%	124	49%	46	38%
SIC match	0	0%	0	0%	0	0%	0	0%
Tobin's Q	854	53%	96	86%	132	52%	40	33%

Table 5: Selected Event Studies on Divestitures

Study	Time period	N (#)	Event window	CAR seller (%)	CAR buyer (%)	CAR total (%)	Buyer seller assets	Divestiture type
Miles & Rosenfeld (1983)	1963 - 1980	55	(0,+1)	3.34***				spin-off
Hite & Owers (1983)	1963 - 1981	123	(-1,0)	3.3***				spin-off
Schipper & Smith (1983)	1962 - 1981	91	(-1,0)	2.84***				spin-off
Alexander et al. (1984)	1964 - 1973	53	(-1,0)	0.17*				sell-off
Rosenfeld (1984)	1969 - 1981	62	(-1,1)	2.76***	2.10***	n/a	Matched	sell-off
Rosenfeld (1984)	1969 - 1981	35	(-1,0)	5.56***				spin-off
Jain (1985)	1976 - 1978	1062	(-1,0)	0.53***	0.47**	n/a	Unmatched	sell-off
Klein (1986)	1970 - 1979	215	(-2,0)	1.12***				sell-off
Sicherman & Pettway (1987)	1983 - 1985	147	(-1,0)		0.15			sell-off
Hite et al. (1987)	1963 - 1981	55	(-1,0)	1.66***	0.83**	n/a	Unmatched	sell-off
Sicherman & Pettway (1992)	1981 - 1987	278	(-1,0)	0.92***	0.50**	n/a	Matched	sell-off
John & Ofek (1995)	1986 - 1988	321	(-2,0)	1.50***	0.4	n/a	Matched	sell-off
Lang et al. (1995)	1984 - 1989	93	(-1,0)	1.41***				sell-off
Krishnaswami & Subramaniam (1999)	1979 - 1993	118	(-1,0)	3.15***				spin-off
Mulherin & Boone (2000)	1990 - 1999	139	(-1,+1)	1.75***	1.34***	1.18**	Unmatched	mixed
Hanson & Song (2000)	1981 - 1995	326	(-1,+1)	0.60**	0.48**	0.27*	Matched	sell-off
Datta et al. (2003)	1982 - 1992	70	(-1,0)	1.75***	-0.57*	n/a	Matched	sell-off
Coakley et al. (2008)	1986 - 1995	165	(-1,0)	0.81***				sell-off

Table 8: Wilcoxon Rank-Sum Test 1995 vs. 2000

Time in wave	Observations	Rank sum	Expected
1995	336	189,282	184,632
2000	762	414,069	418,719
z-value	0.9600		
p-value	0.3369		

Table 9: Wilcoxon Rank-Sum Test 1995 vs. 2004

Time in wave	Observations	Rank sum	Expected
1995	336	118,385	118,104
2004	366	128,368	128,649
z-value	0.105		
p-value	0.9166		

Table 10: Wilcoxon Rank-Sum Test 2000 vs. 2004

Time in wave	Observations	Rank sum	Expected
2000	762	426,409	430,149
2004	366	210,347	206,607
z-value	-0.73		
p-value	0.4653		

Table 11: Robustness Test - Alternative 1

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf. Interval]	
car	4794	0.008326	0.000694	0.048015	0.006967	0.009686
car1b	4794	0.008052	0.000689	0.047721	0.006701	0.009404
diff	4794	0.000274	0.000965	0.066827	-0.001618	0.002166
mean(diff) = mean(car - car1b)				t= 0.2839		
Ho: mean(diff) = 0				Degrees of freedom = 4793		
Ha: mean(diff) < 0		Ha: mean(diff) != 0		Ha: mean(diff) > 0		
Pr(T < t) = 0.6117		Pr(T > t) = 0.7765		Pr(T > t) = 0.3883		

Table 12: Robustness Test - Alternative 2

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf. Interval]	
car	4794	0.008326	0.000694	0.048015	0.006967	0.009686
car1c	4794	0.008044	0.000701	0.048507	0.006671	0.009418
diff	4794	0.000282	0.000973	0.067360	-0.001625	0.002189
mean(diff) = mean(car - car1c)						t= 0.2899
Ho: mean(diff) = 0				Degrees of freedom = 4793		
Ha: mean(diff) < 0		Ha: mean(diff) != 0		Ha: mean(diff) > 0		
Pr($T < t$) = 0.6141		Pr($ T > t $) = 0.7719		Pr($T > t$) = 0.3859		

Table 14: Significance of CARs Split by Tobin's Q

Year	N	Avg. CAR	Var. CAR	t-Stat
Full Sample				
No split	744	0.012879	0.003111	3.635988***
Low Tobin's Q (< 1)	108	0.017697	0.000816	3.716868***
High Tobin's Q (≥ 1)	636	0.012061	0.003501	2.967757***
1995				
No split	16	0.040005	0.000327	5.112497***
Low Tobin's Q (< 1)	2	0.015352	0.000139	1.065103
High Tobin's Q (≥ 1)	14	0.043526	0.000353	5.001643***
2000				
No split	122	0.008652	0.000734	2.036297**
Low Tobin's Q (< 1)	8	0.017294	0.000537	1.218771
High Tobin's Q (≥ 1)	114	0.008045	0.000748	1.813406*
2004				
No split	82	0.014755	0.000324	4.283781***
Low Tobin's Q (< 1)	4	0.017452	0.000415	0.988731
High Tobin's Q (≥ 1)	78	0.014617	0.000320	4.168978***

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 17: Significance of CARs Split by Relative Transaction Size

Year	N	Avg. CAR	Var. CAR	t-Stat
Full Sample				
No split	1,024	0.013158	0.002402	4.960199***
< 10% of market cap	690	0.008144	0.003193	2.185823***
10 – 50% of market cap	248	0.021265	0.000598	7.904559***
> 50% of market cap	86	0.030002	0.001255	4.533869***
1995				
No split	56	0.023210	0.000227	6.655185***
< 10% of market cap	28	0.010644	0.000163	2.549550**
10 – 50% of market cap	16	0.030028	0.000209	4.793183***
> 50% of market cap	12	0.043439	0.000401	4.339371***
2000				
No split	172	0.012848	0.000766	3.514488***
< 10% of market cap	118	0.006803	0.000765	1.542769
10 – 50% of market cap	46	0.027604	0.000637	4.283840***
> 50% of market cap	8	0.017172	0.001533	0.716210
2004				
No split	90	0.012819	0.000332	3.853635***
< 10% of market cap	62	0.009996	0.000278	2.723330***
10 – 50% of market cap	18	0.025921	0.000470	2.928521***
> 50% of market cap	10	0.006737	0.000415	0.603625

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 20: Significance of CARs Split by Buy-/Sell-side SIC Code Match

Year	N	Avg. CAR	Var. CAR	t-Stat
Full Sample				
No split	1,598	0.013148	0.001756	7.241707***
Intra industry trans.	554	0.008721	0.000614	4.782129***
Differing industries	1,044	0.015497	0.002362	5.948747***
1995				
No split	112	0.018899	0.00023	7.538051***
Intra industry trans.	24	0.003787	0.00019	0.780184
Differing industries	88	0.023021	0.000247	7.929064***
2000				
No split	254	0.012623	0.000731	4.297356***
Intra industry trans.	78	0.017188	0.000717	3.273332***
Differing industries	176	0.010601	0.000737	2.991530***
2004				
No split	122	0.010827	0.000312	3.906906***
Intra industry trans.	48	0.015251	0.000320	3.412194***
Differing industries	74	0.007957	0.000308	2.253450**

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 23: Significance of CARs Split by Return on Assets (ROA)

Year	N	Avg. CAR	Var. CAR	t-Stat
Full Sample				
No split	698	0.012415	0.003294	3.299386***
Negative ROA	174	0.020568	0.001241	4.446320***
Positive ROA	524	0.009708	0.003976	2.034684**
1995				
No split	18	0.027654	0.000365	3.547816***
Negative ROA	6	0.070954	0.000632	3.992265**
Positive ROA	12	0.006005	0.000231	0.790262
2000				
No split	130	0.010258	0.000739	2.483555**
Negative ROA	22	0.019332	0.001497	1.352978
Positive ROA	108	0.008410	0.000585	2.086381**
2004				
No split	76	0.017492	0.000302	5.069891***
Negative ROA	18	0.023222	0.000390	2.881559**
Positive ROA	58	0.015714	0.000274	4.172401***

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 26: Significance of CARs Split by Financial Leverage

Year	N	Avg. CAR	Var. CAR	t-Stat
Full Sample				
No split	782	0.012320	0.002945	3.665515***
Low leverage	390	0.010981	0.005314	1.717548*
High leverage	392	0.013652	0.000588	6.437939***
1995				
No split	18	0.027654	0.000365	3.547816***
Low leverage	12	0.046177	0.000417	4.520976***
High leverage	6	-0.009391	0.000259	-0.825178
2000				
No split	150	0.008856	0.000737	2.307035**
Low leverage	88	0.017873	0.000719	3.610838***
High leverage	62	-0.003942	0.000763	-0.648956
2004				
No split	84	0.015085	0.000319	4.468317***
Low leverage	28	0.013476	0.000365	2.155611**
High leverage	56	0.015890	0.000296	3.988171***

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 29: Significance of CARs Split by Current Ratio

Year	N	Avg. CAR	Var. CAR	t-Stat
Full Sample				
No split	754	0.013900	0.003081	3.970184***
Low current ratio	658	0.013591	0.000631	8.011413***
High current ratio	96	0.016012	0.019869	0.642610
1995				
No split	18	0.034958	0.00035	4.571233***
Low current ratio	16	0.040005	0.00033	5.112497***
High current ratio	2	-0.005416	0.000546	-0.189300
2000				
No split	140	0.011197	0.000772	2.752761***
Low current ratio	120	0.006604	0.000773	1.502184
High current ratio	20	0.038756	0.000766	3.614707***
2004				
No split	74	0.015929	0.000333	4.338121***
Low current ratio	64	0.014433	0.000312	3.773994***
High current ratio	10	0.025501	0.000464	2.161283*

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

9.3 Appendix C - Sample

Date Announced	Vendor Name	Vendor Nation	Vendor Primary SIC Code	Acquirer Name	Acquirer Nation	Acquirer Primary SIC Code	Transaction Value (\$ mil.)
20.12.2004	Dansk Industri Syndikat A/S	Denmark	4412	Dantherm Holding A/S	Denmark	3585	21.63
15.12.2004	Allianz Holding AG	United Kingdom	6311	Britannic Group PLC	United Kingdom	6282	292.92
10.12.2004	Teles AG	Germany	4813	freenet.de AG	Germany	7375	106.53
10.12.2004	Investec Bank Ltd	United Kingdom	6282	Rensburg PLC	United Kingdom	6211	375.52
3.12.2004	Mediaset SpA	Italy	4833	BT Group PLC	United Kingdom	4813	153.95
2.12.2004	Uralita SA	Spain	5033	Ercros SA	Spain	2899	218.02
1.12.2004	Tietoenator Oyj	Finland	7371	TDC A/S	Denmark	4813	61.65
24.11.2004	Capgemini SA	France	7373	EDB Business Partner ASA	Norway	7373	29.69
24.11.2004	Enel SpA	Italy	4911	Red Electrica de Espana SA	Spain	4911	59.66
19.11.2004	Troms Fylkes Dampskibsselskap ASA	Norway	4412	Solstad Offshore ASA	Norway	4412	34.82
17.11.2004	Alliance UniChem PLC	United Kingdom	5122	HCEG PLC	United Kingdom	2842	13.95
10.11.2004	FincoGroup SpA	Italy	6000	GNP Assurances SA	France	6311	741.74
3.11.2004	Grupo Auxiliar Metalurgica SA	Spain	4911	Endesa SA	Spain	4911	320.47
3.11.2004	Solvay SA	Belgium	2821	BP PLC	United Kingdom	1382	1,025.51
28.10.2004	TBI PLC	United Kingdom	4581	BBA Group PLC	United Kingdom	4581	24.00
21.10.2004	Equant NV	Netherlands	7375	Reuters Group PLC	United Kingdom	7383	110.00
15.9.2004	Ferraris Group PLC	United Kingdom	3829	Avingtrans PLC	United Kingdom	8711	14.54
8.9.2004	Statoil ASA	Norway	1311	Smedvig ASA	Norway	1311	175.00
20.8.2004	AngloAmerican PLC	United Kingdom	1041	Vedanta Resources PLC	United Kingdom	1021	47.98
16.8.2004	GKN PLC	United Kingdom	3714	BAE Systems PLC	United Kingdom	3721	26.74
12.8.2004	FLS Industries A/S	Denmark	1541	Cementir SpA	Italy	3241	725.37
30.7.2004	UPM-Kymmene Oyj	Finland	2621	Wolseley PLC	United Kingdom	5074	256.01
29.7.2004	Sociedad General de Aguas de Barcelona SA	Spain	4941	Grupo Ferrovial SA	Spain	1622	14.33
21.7.2004	Generale de Sante SA	France	8062	Elior SA	France	5812	29.31
21.7.2004	Saunalahti Group Oyj	Finland	4812	iTouch PLC	United Kingdom	4812	36.79
20.7.2004	RWE AG	Germany	4911	International Power PLC	United Kingdom	4911	247.40
20.7.2004	ING Groep NV	Netherlands	6311	F van Lanschot Bankiers NV	Netherlands	6000	307.88
19.7.2004	Seguros & Pensos Gere SGPS	Portugal	6311	Fortis SA	Belgium	6000	622.28
19.7.2004	Roche Holding AG	Switzerland	2834	Bayer AG	Germany	2833	2,961.30
13.7.2004	Clariant AG	Switzerland	2865	Johnson Matthey PLC	United Kingdom	2899	26.27
12.7.2004	Marks and Spencer PLC	United Kingdom	5311	HSBC PLC	United Kingdom	6000	1,418.69
8.7.2004	Orange SA	France	4812	Telia AB	Sweden	4813	750.31
1.7.2004	Credit Agricole SA	France	6000	Banca Intesa SpA	Italy	6000	72.95
24.6.2004	ABB Ltd	Switzerland	3613	Karolin Machine Tool AB	Sweden	3541	16.07
27.5.2004	Skanska AB	Sweden	1622	Balfour Beatty PLC	United Kingdom	8711	60.98
26.5.2004	IMC Group Holdings Ltd	United Kingdom	1011	WYG PLC	United Kingdom	8711	18.15
20.5.2004	GKN PLC	United Kingdom	3714	Fimmeccanica SpA	Italy	3812	1,902.07
19.5.2004	Balfour Beatty PLC	United Kingdom	1611	Schneider Electric SA	France	3612	403.00

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Date Announced	Vendor Name	Vendor Nation	Vendor Primary SIC Code	Acquirer Name	Acquirer Nation	Acquirer Primary SIC Code	Transaction Value (\$ mil.)
17.5.2004	LeasePlan Corp NV	Netherlands	6000	Athlon Holding NV	Netherlands	7538	37.80
17.5.2004	HBOS PLC	United Kingdom	6000	Cardpoint PLC	United Kingdom	7374	136.09
7.5.2004	Pirelli & Co SpA	Italy	3011	Alcatel SA	France	3669	62.40
6.5.2004	Vinci SA	France	1611	CFE SA	Belgium	1522	13.29
3.5.2004	EMG EuroMarine Electronic GmbH	Germany	3592	Thrane & Thrane A/S	Denmark	3663	16.65
29.4.2004	Technology Nexus AB	Sweden	7373	CapMan Oyj	Finland	6282	11.79
27.4.2004	ENI SpA	Italy	1311	Hera SpA	Italy	4939	60.10
21.4.2004	Vivendi SA	France	4813	Cable & Wireless PLC	United Kingdom	4813	197.90
13.4.2004	Sanofi-Synthelabo SA	France	2834	GlaxoSmithKline PLC	United Kingdom	2834	547.43
8.4.2004	Cie Plastic Omnium SA	France	3714	Rexam PLC	United Kingdom	3411	39.28
31.3.2004	Elcon Finans AS	Norway	6141	Societe Generale SA	France	6000	197.09
29.3.2004	Elan Corp PLC	Ireland	2834	Vernalis PLC	United Kingdom	2834	50.00
19.3.2004	Raisio Yhtyma Oyj	Finland	2076	Ciba Specialty Chemicals PLC	Switzerland	2899	583.54
17.3.2004	Havas SA	France	7331	Huntsworth PLC	United Kingdom	8743	18.13
11.3.2004	Rhodia SA	France	2819	Danisco A/S	Denmark	2099	398.61
8.3.2004	Rhodia SA	France	2819	Danisco A/S	Denmark	2099	396.43
2.3.2004	Quest International BV	Netherlands	2844	Kerry Group PLC	Ireland-Rep	2087	440.00
13.2.2004	Altadis SA	Spain	2111	Gallaher Group PLC	United Kingdom	2111	128.29
13.2.2004	Banca Fideuram SpA	Italy	6000	San Paolo IMI SpA	Italy	6000	804.47
10.2.2004	Credit Lyonnais SA	France	6000	UBS AG	Switzerland	6000	298.86
16.1.2004	Suez SA	France	4911	Metropole Television SA	France	4841	30.88
15.1.2004	Actelion Ltd	Switzerland	8731	Cerep SA	France	8731	12.93
9.1.2004	Flight Refuelling Ltd	United Kingdom	3812	Expro International Group PLC	United Kingdom	1382	15.26
9.1.2004	Deutsche Bank AG	Germany	6000	Misys PLC	United Kingdom	7372	40.00
22.12.2003	Outokumpu Oyj	Finland	3312	Larox Oyj	Finland	3569	38.46
22.12.2003	Brammer PLC	United Kingdom	3568	Air Liquide SA	France	2813	39.67
19.12.2003	NSB Retail Systems PLC	United Kingdom	7372	BT Group PLC	United Kingdom	4813	30.15
19.12.2003	Banca Nazionale del Lavoro SpA	Italy	6000	RAS SpA	Italy	6311	124.36
17.12.2003	Iberia Lineas Aereas de Espana SA	Spain	4512	Gate Gourmet Switzerland GmbH	Switzerland	5812	29.16
12.12.2003	NCC AB	Sweden	1542	Geveko AB	Sweden	1611	10.89
10.12.2003	NCC AB	Sweden	1542	Ramirent Oyj	Finland	7353	108.97
10.12.2003	HypoVereinsbank AG	Germany	6000	ABN AMRO Bank NV	Netherlands	6000	134.36
18.11.2003	Fortis SA	Belgium	6311	Catalana d'Occident SA	Spain	6311	299.72
13.11.2003	Det Norske Oljeselskap AS	Norway	1311	Lundin Petroleum AB	Sweden	1311	165.00
6.11.2003	Charter PLC	United Kingdom	3548	Meggitt PLC	United Kingdom	3728	45.00
17.10.2003	Numico NV	Netherlands	2023	Wihl Sonesson AB	Sweden	2834	36.23
9.10.2003	Lloyds TSB Group PLC	United Kingdom	6000	HSBC PLC	United Kingdom	6000	815.00
1.10.2003	Creditanstalt AG	Germany	6000	Fortis SA	Belgium	6000	44.18
29.9.2003	Arcelor SA	France	3325	Cie de Saint-Gobain SA	France	3231	214.45
26.9.2003	Alstom SA	France	3511	Areva SA	France	4911	1,179.49

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Date Announced	Vendor Name	Vendor Nation	Vendor Primary SIC Code	Acquirer Name	Acquirer Nation	Acquirer Primary SIC Code	Transaction Value (\$ mil.)
25.9.2003	ABN AMRO Bank NV	Netherlands	6000	UBS AG	Switzerland	6000	250.00
16.9.2003	Schlumberger Ltd	Netherlands	1389	Atos Origin SA	France	7376	1,500.00
8.9.2003	Outokumpu Oyj	Finland	3312	Boliden AB	Sweden	1021	614.72
4.9.2003	Alstom SA	France	3511	Siemens AG	Germany	3663	10.84
4.9.2003	Innogy Holdings PLC	United Kingdom	4923	Tiscali SpA	Italy	7375	11.07
26.8.2003	Carnival PLC	United Kingdom	4481	Kuoni Reisen Holding AG	Switzerland	4724	17.00
15.8.2003	Siemens AG	Germany	3825	Gefinge AB	Sweden	3842	169.64
13.8.2003	Johnson Service Group PLC	United Kingdom	7218	PHS Group PLC	United Kingdom	7349	21.96
12.8.2003	VT Group PLC	United Kingdom	8742	Rolls-Royce PLC	United Kingdom	3511	17.63
8.8.2003	Compagnie Industriale Riunite SpA	Italy	6712	Molins PLC	United Kingdom	3565	11.99
6.8.2003	Zurich Financial Services AG	Switzerland	6351	Swiss Reinsurance Co Ltd	Switzerland	6311	240.00
4.8.2003	Royal Dutch Shell Group NV	Netherlands	1311	Cairn Energy PLC	United Kingdom	1311	75.00
24.7.2003	Cia Espanola de Petroleos SA	Spain	1311	ERG SpA	Italy	2911	33.93
22.7.2003	Pilkington PLC	United Kingdom	3231	GKN PLC	United Kingdom	3714	67.04
21.7.2003	ING Groep NV	Netherlands	6311	Unicredito Italiano SpA	Italy	6000	124.76
21.7.2003	Smiths Group PLC	United Kingdom	2621	Trelleborg AB	Sweden	3052	791.95
17.7.2003	Thales SA	France	3728	Fugro NV	Netherlands	8713	175.28
10.7.2003	HSBC PLC	United Kingdom	6035	Banca Profilo SpA	Italy	6211	12.29
10.7.2003	e.Biscom SpA	Italy	4899	Telecom Italia SpA	Italy	4813	284.52
9.7.2003	Anglo Charter Consolidated PLC	United Kingdom	1041	Delachaux SA	France	3312	276.46
4.7.2003	ABB Ltd	Switzerland	3613	YIT-Yhtymä Oyj	Finland	1522	186.29
2.7.2003	Unipol Assicurazioni SpA	Italy	6311	San Paolo IMI SpA	Italy	6000	46.51
30.6.2003	Britannic Group PLC	United Kingdom	6282	Paragon Group of Cos PLC	United Kingdom	6162	31.43
27.6.2003	Befesa SA	Spain	4953	Dragados y Construcciones SA	Spain	1541	18.07
16.6.2003	Union Fenosa SA	Spain	4911	Enel SpA	Italy	4911	210.48
11.6.2003	Schweizerische Eidgenossenschaft AG	Switzerland	6311	Royal Bank of Scotland PLC	United Kingdom	6000	1,831.72
6.6.2003	Carrefour SA	France	5411	Alain Afflelou SA	France	3827	111.18
4.6.2003	Endesa SA	Spain	4911	Gamesa SA	Spain	3511	139.80
14.5.2003	National Westminster Bank PLC	United Kingdom	6000	Banco de Santander SA	Spain	6000	75.00
2.5.2003	London Clubs International PLC	United Kingdom	7999	Stanley Leisure PLC	United Kingdom	7999	58.12
28.4.2003	Alstom SA	France	3511	Siemens AG	Germany	3663	576.87
24.4.2003	PPR SA	France	5311	Wolseley PLC	United Kingdom	5074	619.36
15.4.2003	Thyssen Industrie AG	Germany	3325	Deceuninck NV	Belgium	3089	127.45
10.4.2003	Articon-Integralis AG	Switzerland	7373	InTechnology PLC	United Kingdom	7374	31.03
7.4.2003	Thyssen Krupp AG	Germany	3312	Boehler-Uddeholm AG	Austria	3312	85.57
27.3.2003	International Gold Exploration AB	Sweden	1041	MinMet PLC	Ireland-Rep	1041	90.45
10.3.2003	Meggitt PLC	United Kingdom	3724	Torex PLC	United Kingdom	7373	14.60
5.3.2003	Marconi PLC	United Kingdom	1629	Finmeccanica SpA	Italy	3812	24.15
3.3.2003	Banco Banif SA	Spain	6000	San Paolo IMI SpA	Italy	6000	22.65

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Date Announced	Vendor Name	Vendor Nation	Vendor Primary SIC Code	Acquirer Name	Acquirer Nation	Acquirer Primary SIC Code	Transaction Value (\$ mil.)
3.3.2003	San Paolo IMI SpA	Italy	6000	Banco de Santander SA	Spain	6000	151.00
10.2.2003	BP PLC	United Kingdom	2911	OMV AG	Austria	1311	404.49
7.2.2003	Wanadoo SA	France	4813	Tiscali SpA	Italy	7375	10.29
5.2.2003	Sparebank 1 Gruppen AS	Norway	6000	FoereningSparbanken AB	Sweden	6000	19.47
4.2.2003	Arriva PLC	United Kingdom	4111	European Motor Holdings PLC	United Kingdom	5511	12.21
31.1.2003	KLM Royal Dutch Airlines NV	Netherlands	4512	Ryanair Holdings PLC	Ireland-Rep	4512	20.67
28.1.2003	Gaskell PLC	United Kingdom	2273	Low & Bonar PLC	United Kingdom	2299	29.63
22.1.2003	Preussag Energie GmbH	Germany	4725	OMV AG	Austria	1311	321.69
20.1.2003	Intercapital Group Ltd	United Kingdom	6211	The Rank Group PLC	United Kingdom	7999	104.52
16.1.2003	Vodafone Group PLC	United Kingdom	4812	Tiscali SpA	Italy	7375	10.47
9.1.2003	Unilever PLC	United Kingdom	2099	Toupargel SA	France	5142	83.33
7.1.2003	Draegerwerk AG	Germany	3845	Cobham PLC	United Kingdom	3812	29.73
7.1.2003	BAE Systems PLC	United Kingdom	3721	Cobham PLC	United Kingdom	3812	48.24
6.1.2003	Deutsche Bank AG	Germany	6000	Eurohypo AG	Germany	6000	37.80
16.12.2002	Gamesa SA	Spain	3511	Electrabel SA	Belgium	4911	203.66
12.12.2002	Metaleurop SA	France	3325	Xstrata PLC	Switzerland	1222	100.00
5.12.2002	Union Fenosa SA	Spain	4911	ENI SpA	Italy	1311	438.46
2.12.2002	Bullough PLC	United Kingdom	3291	Buderus AG	Germany	3433	13.16
29.11.2002	Marshalls PLC	United Kingdom	3996	Hanson PLC	United Kingdom	3271	20.26
26.11.2002	Centerpulse AG	Switzerland	3559	Snia SpA	Italy	2869	116.00
22.11.2002	Metso Oyj	Finland	3541	Bobst Group SA	Switzerland	3565	87.58
22.11.2002	Royal & Sun Alliance Group PLC	United Kingdom	6311	Baloise-Holding AG	Switzerland	6311	90.12
20.11.2002	Fortum Oyj	Finland	4911	ENI SpA	Italy	1311	1,078.00
18.11.2002	GlaxoSmithKline PLC	United Kingdom	2834	Meda AB	Sweden	2834	12.48
11.11.2002	Old Mutual PLC	United Kingdom	6311	Secure Trust Banking Group PLC	United Kingdom	6141	19.10
11.11.2002	Gamesa SA	Spain	3511	Electrabel SA	Belgium	4911	324.00
6.11.2002	Union Fenosa SA	Spain	4911	Red Electrica de Espana SA	Spain	4911	393.97
6.11.2002	Endesa SA	Spain	4911	Red Electrica de Espana SA	Spain	4911	947.53
5.11.2002	Smiths Group PLC	United Kingdom	3812	Meggitt PLC	United Kingdom	3728	51.64
4.11.2002	Centrica PLC	United Kingdom	4939	DCC PLC	Ireland-Rep	5172	64.29
30.10.2002	PPR SA	France	5311	Credit Agricole SA	France	6000	1,514.44
29.10.2002	Lafarge Asland SA	France	3241	CIMPOR Cimentos de Portugal SGPS	Portugal	3241	227.30
28.10.2002	Subsea 7 SA	Norway	1389	Fugro NV	Netherlands	8713	22.00
28.10.2002	Bayer CropScience AG	Germany	2834	BASF AG	Germany	2869	1,156.56
25.10.2002	PPR SA	France	5311	BNP Paribas SA	France	6211	848.32
21.10.2002	Old Mutual PLC	United Kingdom	6311	Man Group PLC	United Kingdom	6282	154.55
16.10.2002	John Laing PLC	United Kingdom	6799	George Wimpey PLC	United Kingdom	1522	462.43
9.10.2002	Suez SA	France	9511	Groupe Danone SA	France	2023	216.94
8.10.2002	Novartis AG	Switzerland	2834	Associated British Foods PLC	United Kingdom	2079	266.94

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2.10.2002	IMI PLC	United Kingdom	3593	KME Europa Metal AG	Germany	3312	20.04
30.9.2002	MyTravel Group PLC	United Kingdom	4725	Holidaybreak PLC	United Kingdom	4725	46.68
30.9.2002	Uniq PLC	United Kingdom	2038	Dairy Crest Group PLC	United Kingdom	2026	134.98
30.9.2002	Rheinmetall AG	Germany	3592	Smiths Group PLC	United Kingdom	3679	366.86
26.9.2002	Telefon AB LM Ericsson	Sweden	3663	Tietoenator Oyj	Finland	7371	53.25
26.9.2002	Clariant AG	Switzerland	2865	Celanese AG	Germany	2869	144.24
23.9.2002	Imperial Chemical Industries PLC	United Kingdom	2851	Johnson Matthey PLC	United Kingdom	2899	404.14
19.9.2002	Wessanen NV	Netherlands	5149	Fromageries Bel SA	France	2022	185.17
11.9.2002	Vivendi SA	France	4813	Thomson Multimedia SA	France	3651	187.00
4.9.2002	Headlam Group PLC	United Kingdom	5023	Hunter Douglas NV	Netherlands	2591	24.30
3.9.2002	Pfizer AG	Germany	2493	Uralita SA	Spain	3296	199.63
3.9.2002	Roche Holding AG	Switzerland	2834	DSM NV	Netherlands	2899	1,915.29
30.8.2002	Vivendi SA	France	4813	Vodafone Group PLC	United Kingdom	4812	139.72
29.8.2002	Veidekke AS	Norway	1611	Ramirent Oyj	Finland	7353	117.35
22.8.2002	Friends Provident International Ltd	United Kingdom	6311	Countrywide PLC	United Kingdom	6531	32.09
15.8.2002	Uniq PLC	United Kingdom	2038	Groupe Danone SA	France	2023	49.18
13.8.2002	Philipp Holzmann AG	Germany	1541	Bilfinger Berger AG	Germany	1522	42.85
6.8.2002	British Telecom PLC	United Kingdom	4785	Telecom Italia Mobile SpA	Italy	4813	17.54
2.8.2002	Rolls-Royce PLC	United Kingdom	3724	Alvis PLC	United Kingdom	3795	25.34
2.8.2002	Marconi PLC	United Kingdom	1629	Finmeccanica SpA	Italy	3812	604.42
31.7.2002	Telecom Italia SpA	Italy	4899	Finmeccanica SpA	Italy	3812	245.83
26.7.2002	HypoVereinsbank AG	Germany	6000	DAB Bank AG	Germany	6211	30.87
25.7.2002	Deutsche Bank AG	Germany	6000	Credito Valtellinese Scrl	Italy	6000	12.34
22.7.2002	IMI PLC	United Kingdom	3492	Aalberts Industries NV	Netherlands	3541	102.65
17.7.2002	Philips Electronics NV	Netherlands	3651	Spectris PLC	United Kingdom	3823	150.51
12.7.2002	Electricas Reunidas de Zaragoza SA	Spain	4911	Harpen Immobilien GmbH & Co KG	Germany	1541	42.29
11.7.2002	Casino Guichard-Perrachon SA	France	5411	Marie Brizard et Roger Intl SA	France	2084	22.33
4.7.2002	Legal & General Group PLC	United Kingdom	6311	Northern Rock PLC	United Kingdom	6000	201.15
1.7.2002	BAE Systems PLC	United Kingdom	3721	Meggitt PLC	United Kingdom	3728	22.38
1.7.2002	Italmobiliare SpA	Italy	3241	Arriva PLC	United Kingdom	4141	67.41
11.6.2002	Grupo Dragados SA	Spain	1541	Koninklijke BAM Groep NV	Netherlands	1522	686.71
7.6.2002	Telefon AB LM Ericsson	Sweden	3663	Infineon Technologies AG	Germany	3674	450.82
5.6.2002	BNP Paribas SA	France	6000	AXA SA	France	6311	56.34
29.5.2002	BMP AG	Germany	6799	FKI PLC	United Kingdom	3535	31.93
29.5.2002	Jefferson Smurfit Group PLC	United Kingdom	2679	De La Rue PLC	United Kingdom	2754	35.00
21.5.2002	Big Food Group PLC	United Kingdom	5411	AXA SA	France	6311	188.53
16.5.2002	Acea SpA	Italy	4911	Electrabel SA	Belgium	4911	227.95
14.5.2002	San Paolo IMI SpA	Italy	6000	Banca Fideuram SpA	Italy	6000	507.55
13.5.2002	SkyePharma PLC	United Kingdom	2834	Shire Pharmaceuticals Grp PLC	United Kingdom	2834	21.95

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1.5.2002	France Telecom SA	France	4813	Energis PLC	United Kingdom	4813	13.11
29.4.2002	Industrivarden AB	Sweden	6282	Assa Abloy AB	Sweden	3429	298.05
26.4.2002	CGNU PLC	United Kingdom	6311	Abbey National PLC	United Kingdom	6000	23.45
24.4.2002	Enedis PLC	United Kingdom	3556	AGA Foodservice Group PLC	United Kingdom	3631	24.20
24.4.2002	Sonera Oyj	Finland	4812	YIT-Yhtymä Oyj	Finland	1522	36.96
23.4.2002	Endesa SA	Spain	4911	Agbar	Spain	4941	22.88
17.4.2002	InterX PLC	United Kingdom	5045	Innovation Group PLC	United Kingdom	7371	11.96
15.4.2002	Alcatel SA	France	3661	STMicroelectronics NV	Switzerland	3674	342.93
8.4.2002	Fortum Oyj	Finland	4911	E.ON AG	Germany	4911	476.66
3.4.2002	LMVH SA	France	2337	Vranken Pommery Monopole SA	France	2084	158.54
27.3.2002	GIB Group SA	Belgium	7389	Vendex KBB NV	Netherlands	5311	440.76
25.3.2002	Hays Commercial Services Ltd	United Kingdom	7361	Synergy Healthcare PLC	United Kingdom	8099	16.38
14.3.2002	Banca di Roma SpA	Italy	6000	Bipop Carire SpA	Italy	6000	2,092.70
3.3.2002	Bipop Carire SpA	Italy	6000	Banca di Roma SpA	Italy	6000	1,567.74
1.3.2002	Scania AB	Sweden	3715	Volkswagen AG	Germany	3711	42.82
27.2.2002	Diageo PLC	United Kingdom	2085	Allied Domecq PLC	United Kingdom	2084	793.30
19.2.2002	Hanson PLC	United Kingdom	3271	Wienerberger Baustoff Ind. AG	Austria	3271	56.16
14.2.2002	Merkantildata ASA	Norway	7379	Tietoenator Oyj	Finland	7371	51.66
30.1.2002	Smiths Group PLC	United Kingdom	3053	Metra Oyj	Finland	3731	303.80
30.1.2002	Allianz Holding AG	Germany	6311	Euler SA	France	6351	460.74
28.1.2002	Scania AB	Sweden	3715	Volkswagen AG	Germany	3711	81.22
25.1.2002	Eurodis Electron PLC	United Kingdom	5045	Bechtle AG	Germany	7376	11.27
21.1.2002	Stonesoft Oyj	Finland	7372	Novo Group Oyj	Finland	7373	12.93
18.1.2002	Nestle SA	Switzerland	2023	Givaudan SA	Switzerland	2869	450.08
8.1.2002	SKF AB	Sweden	3562	Leasinvest NV	Belgium	6531	11.96
8.1.2002	Skandia Forsäkrings AB	Sweden	6000	Den Danske Bank AS	Norway	6000	308.00
28.12.2001	Unicredito Italiano SpA	Italy	6000	Societe Generale SA	France	6000	35.36
28.12.2001	Union Fenosa SA	Spain	4911	Red Electrica de Espana SA	Spain	4911	78.56
21.12.2001	ABB Ltd	Switzerland	3613	Balfour Beatty PLC	United Kingdom	8711	37.28
17.12.2001	Marconi PLC	United Kingdom	1629	Bookham Technology PLC	United Kingdom	3674	28.65
12.12.2001	Old Mutual PLC	United Kingdom	6311	Aberdeen Asset Management PLC	United Kingdom	6282	52.02
14.11.2001	Corporate Services Group PLC	United Kingdom	7361	CRIT SA	France	7361	163.54
13.11.2001	Papeteries Catala SA	France	2671	Svenska Cellulosa AB SCA	Sweden	2676	20.00
5.11.2001	Wireless Group PLC	United Kingdom	4832	Scottish Radio Holdings PLC	United Kingdom	4832	26.31
24.10.2001	Delta PLC	United Kingdom	3312	Oystertec PLC	United Kingdom	3494	40.33
16.10.2001	Marks and Spencer PLC	United Kingdom	5311	Galeries Lafayette SA	France	5311	213.98
9.10.2001	Skanditek AB	Sweden	7373	PartnerTech AB	Sweden	3679	20.75
2.10.2001	Ascom Holding AG	Switzerland	7382	Neopost SA	France	3579	121.31
1.10.2001	SSL International PLC	United Kingdom	3842	Coloplast A/S	Denmark	3842	117.83
27.9.2001	Alstom SA	France	3511	Carillion PLC	United Kingdom	1522	50.10

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Date Announced	Vendor Name	Vendor Nation	Vendor Primary SIC Code	Acquirer Name	Acquirer Nation	Acquirer Primary SIC Code	Transaction Value (\$ mil.)
24.9.2001	Zurich Financial Services AG	Switzerland	6311	Deutsche Bank AG	Germany	6000	2,500.00
17.9.2001	Smiths Group PLC	United Kingdom	3812	Aristovoulos G Petzetakis SA	Greece	3084	29.31
11.9.2001	Nestle SA	Switzerland	2023	Richmond Foods PLC	United Kingdom	2024	15.17
3.9.2001	BP PLC	United Kingdom	2911	DCC PLC	Ireland-Rep	5172	13.61
3.9.2001	Elisa Communications Oyj	Finland	4899	Eniro AB	Sweden	7375	83.00
31.8.2001	Preussag Energie GmbH	Germany	4724	Abbot Group PLC	United Kingdom	1381	195.25
17.8.2001	AEA Technology PLC	United Kingdom	8999	Sercu Group PLC	United Kingdom	8744	100.93
14.8.2001	Alfred McAlpine PLC	United Kingdom	1542	George Wimpey PLC	United Kingdom	1522	655.40
9.8.2001	Enterprise Oil PLC	United Kingdom	1311	Paladin Resources PLC	United Kingdom	1311	35.00
7.8.2001	Clariant AG	Switzerland	2865	Yule Catto & Co PLC	United Kingdom	2822	77.52
30.7.2001	Enel SpA	Italy	4911	AEM Torino SpA	Italy	4911	216.48
27.7.2001	KPN NV	Netherlands	4813	Atos Origin SA	France	7376	143.01
25.7.2001	Lonza Group AG	Switzerland	2834	EnBW AG	Germany	4931	281.49
20.7.2001	VNU NV	Netherlands	2741	Sanoma Oyj	Finland	2711	1,089.25
17.7.2001	Atos Origin SA	France	7373	SNT Group NV	Netherlands	6719	33.85
17.7.2001	KPN NV	Netherlands	4813	SNT Group NV	Netherlands	6719	153.85
16.7.2001	E.ON AG	Germany	4939	BP PLC	United Kingdom	1382	3,618.86
11.7.2001	Lubeca AG	Germany	3411	Rexam PLC	United Kingdom	3411	22.26
10.7.2001	Canal+ SA	France	7331	Telenor ASA	Norway	4812	273.64
10.7.2001	Aventis SA	France	2834	Bayer AG	Germany	2833	6,646.08
4.7.2001	Marconi plc	United Kingdom	1629	Philips Electronics NV	Netherlands	3651	1,100.01
3.7.2001	Deutsche Bank AG	Germany	6000	GFT Technologies AG	Germany	7372	66.91
2.7.2001	Diageo PLC	United Kingdom	2085	Gullane Entertainment PLC	United Kingdom	7812	64.43
2.7.2001	Abengoa SA	Spain	1629	Befesa Medio Ambiente SA	Spain	4953	334.70
27.6.2001	Marconi PLC	United Kingdom	1629	easynet Group PLC	United Kingdom	7375	501.37
25.6.2001	Barco NV	Belgium	3679	Mania Technologie AG	Germany	7373	12.04
25.6.2001	Valco SA	France	3714	Sogefi SpA	Italy	3714	85.91
20.6.2001	Telia AB	Sweden	4813	Song Networks Holding AB	Sweden	4813	41.15
14.6.2001	Fortis SA	Netherlands	6311	CGNU PLC	United Kingdom	6311	174.57
11.6.2001	Assurances Generales de France SA	France	6311	Credit Lyonnais SA	France	6000	24.14
6.6.2001	Pernod Ricard SA	France	2085	Cadbury Schweppes PLC	United Kingdom	2066	597.73
1.6.2001	IntesaBCI SpA	Italy	6000	Banca CARIGE SpA	Italy	6000	254.04
30.5.2001	Deutsche Lufthansa AG	Germany	4512	Penaullie Polyservices SA	France	4581	315.87
29.5.2001	Pernod Ricard SA	France	2085	Kerry Group PLC	Ireland-Rep	2087	29.82
29.5.2001	UPM-Kymmene Oyj	Finland	2621	Norske Skogindustrier ASA	Norway	2611	945.38
23.5.2001	Royal Bank of Scotland PLC	United Kingdom	6000	Collins Stewart Ltd	United Kingdom	6211	24.98
21.5.2001	Bull SA	France	7371	Steria SA	France	7376	174.07
18.5.2001	De La Rue PLC	United Kingdom	2761	Koenig & Bauer AG	Germany	3555	28.67
17.5.2001	Royal & Sun Alliance Group PLC	United Kingdom	6311	The Capita Group PLC	United Kingdom	7389	34.30
4.5.2001	Smith & Nephew PLC	United Kingdom	3842	Gyrus Group PLC	United Kingdom	3842	93.00

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Date Announced	Vendor Name	Vendor Nation	Vendor Primary SIC Code	Acquirer Name	Acquirer Nation	Acquirer Primary SIC Code	Transaction Value (\$ mil.)
3.5.2001	ING Groep NV	Netherlands	6311	Abbey National PLC	United Kingdom	6000	38.66
26.4.2001	United News & Media PLC	United Kingdom	2721	Tiscali SpA	Italy	7375	89.59
11.4.2001	Compagnie Industriale Riunite SpA	Italy	6712	CSM NV	Netherlands	2064	117.16
9.4.2001	Iberdrola Energia SA	Spain	4911	Telefonica SA	Spain	4813	107.19
5.4.2001	British Telecom PLC	United Kingdom	4813	Tiscali SpA	Italy	7375	68.89
2.4.2001	Bollore Technologies SA	France	4412	Imperial Tobacco Group PLC	United Kingdom	2111	253.22
2.4.2001	DaimlerChrysler AG	Germany	5012	Continental AG	Germany	3011	347.93
27.3.2001	Fairway Group PLC	United Kingdom	3823	Porvair PLC	United Kingdom	3589	17.22
22.3.2001	Banca Agricola Mantovana SpA	Italy	6000	Banca Monte dei Paschi SpA	Italy	6000	73.28
16.3.2001	Sanofi-Synthelabo SA	France	2834	Snia SpA	Italy	2869	125.90
14.3.2001	Telia AB	Sweden	4813	SNT Group NV	Netherlands	6719	10.24
9.3.2001	Tractebel SA	Belgium	4911	Suez SA	France	4941	635.83
8.3.2001	Randstad Holding NV	Netherlands	7363	Securicor PLC	United Kingdom	7382	23.84
28.2.2001	Enel SpA	Italy	4911	Acea SpA	Italy	4911	500.50
27.2.2001	Boots Healthcare International PLC	United Kingdom	2834	Bettersdorf AG	Germany	2841	28.18
15.2.2001	Hunting PLC	United Kingdom	1389	Babcock International Group PLC	United Kingdom	8711	88.62
12.2.2001	Prosafte ASA	Norway	1389	Hydralift A/S	Norway	3533	13.38
6.2.2001	Deutsche Bank AG	Germany	6000	Societe Generale SA	France	6000	878.18
2.2.2001	Byk Gulden Chemische Fabrik GmbH	Germany	2834	H Lundbeck A/S	Denmark	2834	100.88
30.1.2001	ING Groep NV	Netherlands	6311	ABN AMRO Bank NV	Netherlands	6000	275.00
24.1.2001	L'Air Liquide SA	France	2813	Getinge AB	Sweden	3842	38.10
19.1.2001	DSM NV	Netherlands	2821	Quadrant Healthcare PLC	Switzerland	3825	198.07
11.1.2001	Fairey Group PLC	United Kingdom	3823	IMI PLC	United Kingdom	3593	23.80
28.12.2000	Barco de Santander SA	Spain	6000	La Seda de Barcelona SA	Spain	2821	17.85
21.12.2000	Rexam PLC	United Kingdom	3411	UPM-Kymmene Oyj	Finland	2411	122.70
21.12.2000	PowerGen PLC	United Kingdom	4911	Scottish Power PLC	United Kingdom	4911	323.93
20.12.2000	Banca Commerciale Italiana SpA	Italy	6000	Banca Popolare di Milano SCARL	Italy	6712	600.60
19.12.2000	Solvay SA	Belgium	2821	BP Amoco PLC	United Kingdom	2819	71.34
19.12.2000	Randstad Holding NV	Netherlands	7363	ISS A/S	Denmark	7349	73.14
19.12.2000	Bon Appetit Holding AG	Switzerland	5141	Autogrill SpA	Italy	5812	149.22
19.12.2000	Distefora Holding AG	Switzerland	3651	Energis PLC	United Kingdom	4813	725.52
18.12.2000	Chloride Group PLC	United Kingdom	3699	Caradon PLC	United Kingdom	3231	16.21
15.12.2000	Dollfus Mieg & Cie SA	France	2284	Coats Viyella PLC	United Kingdom	2284	35.61
13.12.2000	Coin SpA	Italy	5621	Benetton Group SpA	Italy	2321	11.39
12.12.2000	PowerGen PLC	United Kingdom	4911	RWE AG	Germany	4911	165.51
11.12.2000	Carlton Communications PLC	United Kingdom	7819	Thomson Multimedia SA	France	3651	2,056.38
4.12.2000	BAE Systems PLC	United Kingdom	3721	Cobham PLC	United Kingdom	3812	91.78
29.11.2000	Yates Group PLC	United Kingdom	5813	Hardys & Hansons PLC	United Kingdom	2082	17.00

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22.11.2000	Banco de Santander SA	Portugal	6000	ParaRede SGPS	Portugal	7379	33.64
21.11.2000	National Grid Group PLC	United Kingdom	4911	Logica PLC	United Kingdom	7373	54.07
20.11.2000	Global One BV	Belgium	4813	Equant NV	Netherlands	4813	2,606.90
17.11.2000	RWE AG	Germany	4911	Getinge AB	Sweden	3842	91.17
15.11.2000	Abbey National PLC	United Kingdom	6000	Jardine Lloyd Thompson Grp PLC	United Kingdom	6411	32.19
15.11.2000	Laird PLC	United Kingdom	5065	Trelleborg AB	Sweden	3052	145.92
31.10.2000	Akzo Nobel NV	Netherlands	2851	Omega Pharma NV	Belgium	2834	118.32
24.10.2000	AXA SA	France	6311	GSFR SA	France	7521	81.86
24.10.2000	Infineon Technologies AG	Germany	3674	Micronas Semiconductor Hldg AG	Switzerland	3674	208.83
24.10.2000	Granada Media PLC	United Kingdom	4833	Carlton Communications PLC	United Kingdom	7819	262.67
10.10.2000	Schweizerische Industrie-Gesellschaft AG	Switzerland	3565	Schneider Electric SA	France	3612	169.87
10.10.2000	Sextant Avionique SA	France	3728	Schneider Electric SA	France	3612	204.03
6.10.2000	Vendex KBB NV	Netherlands	5311	Charles Voegelé Holding AG	Switzerland	5651	49.75
5.10.2000	Rio Tinto PLC	United Kingdom	1011	Outokumpu Oyj	Finland	3312	190.00
5.10.2000	Internatio Mueller NV	Netherlands	1799	Alliance UniChem PLC	United Kingdom	5122	195.56
29.9.2000	Banco Comercial Portugues SA	Portugal	6000	Electricidade de Portugal SA	Portugal	4911	21.89
27.9.2000	Bunzl PLC	United Kingdom	5141	Molins PLC	United Kingdom	3565	17.20
20.9.2000	CGNU PLC	United Kingdom	6311	Vakutuosakeyhtio Sampo Oyj	Finland	6311	160.72
18.9.2000	Communis PLC	United Kingdom	2752	Bong Ljungdahl AB	Sweden	2677	10.53
18.9.2000	DFDS A/S	Denmark	4412	DSV A/S	Denmark	4212	641.30
12.9.2000	Tarmac PLC	United Kingdom	1041	Hanson PLC	United Kingdom	3271	46.52
11.9.2000	Telefon AB LM Ericsson	Sweden	3663	Eurodis Electron PLC	United Kingdom	5045	40.53
7.9.2000	Celtech Group PLC	United Kingdom	8731	PowderJect Pharmaceuticals PLC	United Kingdom	2836	79.11
1.9.2000	Rieber & Son A/S	Norway	2099	NCC AB	Sweden	1522	212.00
31.8.2000	SmithKline Beecham PLC	United Kingdom	2834	Roche Holding AG	Switzerland	2834	1,230.02
31.8.2000	SmithKline Beecham PLC	United Kingdom	2834	Novartis AG	Switzerland	2834	1,634.19
29.8.2000	Kvaerner A/S	Norway	1389	Skanska AB	Sweden	1522	507.84
28.8.2000	Tarmac PLC	United Kingdom	1041	Titan Cement Co SA	Greece	3241	636.00
28.8.2000	Philips Electronics NV	Netherlands	3651	Atos Origin SA	France	7371	2,402.59
21.8.2000	Partek AB Oy	Finland	3536	Powell Duffryn PLC	United Kingdom	4412	10.41
10.8.2000	Assa Abloy AB	Sweden	3442	Gunnabo AB	Sweden	3669	74.82
7.8.2000	Mikron Holding AG	Switzerland	3541	Agie Charmilles Holding AG	Switzerland	3542	58.63
7.8.2000	British Energy Group PLC	United Kingdom	4911	Scottish & Southern Energy PLC	United Kingdom	4911	315.90
31.7.2000	Blue Circle Industries PLC	United Kingdom	3241	Aalborg Portland Holding A/S	Denmark	3241	180.37
31.7.2000	BP Amoco PLC	United Kingdom	2911	Tullow Oil PLC	United Kingdom	1311	300.49
28.7.2000	SCA AB	Sweden	2676	Jefferson Smurfit Group PLC	Ireland-Rep	2679	28.02
28.7.2000	Taylor Woodrow PLC	United Kingdom	1522	Bunzl PLC	United Kingdom	4731	114.78
28.7.2000	United News & Media PLC	United Kingdom	8732	Granada Media PLC	United Kingdom	4833	2,648.80
25.7.2000	GIB NV	Belgium	5411	Carrefour SA	France	5411	624.19

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21.7.2000	Wilshaw PLC	United Kingdom	3264	Hoganas AB	Sweden	3231	12.15
20.7.2000	Prosecur SA	Spain	7381	Randstad Holding NV	Netherlands	7361	128.93
20.7.2000	Mannesmann AG	Germany	5072	Compagnie Financiere Richemont SA	Switzerland	3911	1,683.64
18.7.2000	RC Gruppen ASA	Norway	8712	Proffice AB	Sweden	7361	10.17
18.7.2000	United News & Media PLC	United Kingdom	8732	VNU NV	Netherlands	2711	650.00
17.7.2000	Kewill Systems PLC	United Kingdom	7372	Swisslog Holding AG	Switzerland	7372	24.95
17.7.2000	Groupe GTM SA	France	1629	Suez SA	France	4941	262.08
13.7.2000	Grupo Ferrovial SA	Spain	1611	Inmobiliaria Colonial SA	Spain	6531	30.98
11.7.2000	Unilever NV	Netherlands	2099	CSM NV	Netherlands	2064	668.64
28.6.2000	Smith & Nephew PLC	United Kingdom	3842	Beiersdorf AG	Germany	2841	120.94
26.6.2000	Columbus Group PLC	United Kingdom	2721	Highbury House Communications PLC	United Kingdom	2731	88.23
20.6.2000	Fiat SpA	Italy	3537	Alstom SA	France	3511	176.16
16.6.2000	Ing C Olivetti & Co SpA	Austria	3579	GFI Informatique SA	Finland	7379	45.36
14.6.2000	Telefonica Sistemas SA	Spain	4813	Radiolectronica SA	Spain	1731	143.88
13.6.2000	Daily Mail & General Trust PLC	United Kingdom	2711	GWR Group PLC	United Kingdom	4832	219.61
31.5.2000	Metsa-Serla Oyj	Finland	2621	Svenska Cellulosa AB SCA	Sweden	2676	187.44
30.5.2000	Royal Dutch Shell Group NV	Netherlands	1311	Anglo American PLC	United Kingdom	1041	900.00
30.5.2000	Orange PLC	United Kingdom	4812	France Telecom SA	France	4813	45,967.07
25.5.2000	France Telecom SA	France	4813	Deutsche Telekom AG	Germany	4813	29.01
15.5.2000	Eltek ASA	Norway	3612	Caradon PLC	United Kingdom	3231	33.39
12.5.2000	Southnews PLC	United Kingdom	2711	Johnston Press PLC	United Kingdom	2711	24.82
10.5.2000	Liberty International PLC	United Kingdom	5311	Schroders PLC	United Kingdom	6282	91.91
5.5.2000	National Westminster Bank PLC	United Kingdom	6000	KBC Bank & Insurance NV	Belgium	6282	94.26
3.5.2000	Royal & Sun Alliance Group PLC	United Kingdom	6311	Banca Popolare di Lodi Scarl SpA	Italy	6000	56.38
3.5.2000	AGIV AG	Germany	6531	Fairey Group PLC	United Kingdom	3823	260.10
2.5.2000	Labinal SA	France	3511	Valeo SA	France	3714	146.58
25.4.2000	Renault SA	France	5012	Volvo AB	Sweden	3711	1,534.94
20.4.2000	Rentokil Initial PLC	United Kingdom	7349	Ashtead Group PLC	United Kingdom	7353	505.80
11.4.2000	Garban-Intercapital PLC	United Kingdom	6211	AFA Systems PLC	United Kingdom	7372	41.57
10.4.2000	Mentmore Abbey PLC	United Kingdom	4225	London Scottish Bank PLC	United Kingdom	6282	15.84
7.4.2000	Skinner AG	Germany	4789	Cie de Saint-Gobain SA	France	3231	456.61
6.4.2000	Unipapel SA	Spain	5044	Holmen AB	Sweden	2421	229.40
6.4.2000	Assicurazioni Generali SpA	Italy	6311	Cia Assicuratrice Unipol SpA	Italy	6311	237.12
4.4.2000	Rexam PLC	United Kingdom	3411	John Mansfield Group PLC	United Kingdom	2439	135.77
3.4.2000	SKF AB	Sweden	3562	Karolin Machine Tool AB	Sweden	3541	11.55
3.4.2000	Siemens AG	Germany	3825	Chloride Group PLC	United Kingdom	3612	32.32
3.4.2000	Stagecoach Holdings Ltd	United Kingdom	4141	Abbey National PLC	United Kingdom	6000	1,231.23
31.3.2000	SKF AB	Sweden	3562	WS Vastgoed Westersuyker NV	Netherlands	6531	19.33

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31.3.2000	ABB Ltd	Switzerland	3613	Alstom SA	France	3511	1,201.33
30.3.2000	Bocker PLC	United Kingdom	5141	Fives-Lille Group SA	France	3559	11.81
27.3.2000	Yule Catto & Co PLC	United Kingdom	2821	CRH PLC	Ireland-Rep	3241	74.33
27.3.2000	Daimler-Benz Interservices AG	Germany	3739	Deutsche Telekom AG	Germany	4813	5,372.95
23.3.2000	Industriforvaltnings Kinnevik AB	Sweden	6799	Modern Times Group MTG AB	Sweden	4833	96.24
20.3.2000	Marconi PLC	United Kingdom	1629	ITNET PLC	United Kingdom	7371	23.14
20.3.2000	Danone SA	France	2023	Scottish & Newcastle PLC	United Kingdom	2082	740.90
17.3.2000	Trinity Mirror PLC	United Kingdom	2711	Independent News & Media PLC	Ireland-Rep	2711	472.62
16.3.2000	Benetton Group SpA	Italy	5136	Renault SA	France	3711	120.00
14.3.2000	Aegon NV	Netherlands	6311	Dexia SA	Belgium	6000	867.09
13.3.2000	Mobilcom AG	Germany	4899	Energis PLC	United Kingdom	4813	32.43
13.3.2000	VNU NV	Netherlands	2741	Taylor Nelson PLC	United Kingdom	8732	88.00
13.3.2000	Norsk Hydro ASA	Norway	3334	Nutreco Holding NV	Netherlands	2048	449.16
10.3.2000	ICBT Groupe SA	France	3552	Rieter Holding AG	Switzerland	3552	61.66
10.3.2000	Waste Management International BV	Netherlands	4953	Shanks Group PLC	United Kingdom	4953	328.20
8.3.2000	AND International Publishers NV	Netherlands	7372	Bell Group PLC	United Kingdom	7382	23.94
8.3.2000	Lex Service PLC	United Kingdom	5511	Pendragon PLC	United Kingdom	5511	123.18
7.3.2000	Williams PLC	United Kingdom	5137	Assa Abloy AB	Sweden	3429	1,238.90
24.2.2000	Rheinmetall AG	Germany	3392	Koninklijke Alrend NV	Netherlands	2522	28.06
22.2.2000	Tilbury Douglas PLC	United Kingdom	1521	Persimmon PLC	United Kingdom	1522	31.44
18.2.2000	Courtaulds Textiles PLC	United Kingdom	2211	Walker Greenbank PLC	United Kingdom	2679	14.41
18.2.2000	Uniq PLC	United Kingdom	2038	Dairy Crest Group PLC	United Kingdom	2026	354.36
16.2.2000	Hepworth PLC	United Kingdom	3443	Cardo AB	Sweden	3442	23.49
10.2.2000	Canal+ SA	France	7331	Expand SA	France	7819	91.70
7.2.2000	Baan Co NV	Netherlands	5100	Science Systems PLC	United Kingdom	7372	49.99
1.2.2000	BASF AG	Germany	2899	Smith & Nephew PLC	United Kingdom	3841	119.52
28.1.2000	Agfa-Gevaert NV	Germany	5169	Xelkon NV	Belgium	3555	27.60
28.1.2000	Grupo Dragados SA	Spain	1541	Autopistas Del Mare Nostrum SA	Spain	4785	156.99
27.1.2000	StoraEnso Oyj	Finland	2679	Fortum Oyj	Finland	4911	1,860.79
26.1.2000	Deutsche Telekom AG	Germany	4812	France Telecom SA	France	4813	4,349.50
11.1.2000	Banco Mello SA	Portugal	6000	Banco Comercial Portugues SA	Portugal	6000	196.37
10.1.2000	Celtech Group PLC	United Kingdom	8731	Qiagen NV	Netherlands	2836	11.92
5.1.2000	Corus Group PLC	United Kingdom	3312	Danieli & C. Officine Meccaniche SpA	Italy	3547	12.63
5.1.2000	East Asiatic Co Ltd A/S	Sweden	2032	Dalhoff Larsen & Horneman A/S	Denmark	5031	26.57
24.12.1999	Invensys PLC	United Kingdom	3823	Trelleborg AB	Sweden	3052	249.52
22.12.1999	Cie des Signaux SA	France	3993	Telelogic AB	Sweden	7372	25.05
17.12.1999	Uniq PLC	United Kingdom	2038	Groupe Danone SA	France	2023	467.69
16.12.1999	Invensys PLC	United Kingdom	3823	Smiths Industries PLC	United Kingdom	3613	175.00

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15.12.1999	Meggitt PLC	United Kingdom	3724	Roxboro Group PLC	United Kingdom	3646	35.94
10.12.1999	Hogg Robinson PLC	United Kingdom	7389	Towry Law PLC	United Kingdom	6282	26.80
26.11.1999	Accor SA	France	7011	Volkswagen AG	Germany	3711	206.79
24.11.1999	Banco Comercial Portugues SA	Portugal	6000	Banco de Santander SA	Spain	6000	61.49
17.11.1999	Laporte PLC	United Kingdom	2869	Victrex PLC	United Kingdom	3089	32.44
17.11.1999	National Power PLC	United Kingdom	4911	British Energy Group PLC	United Kingdom	4911	997.41
16.11.1999	ABB Ltd	Switzerland	3613	Draka Holding NV	Netherlands	3355	209.97
4.11.1999	Allied Leisure PLC	United Kingdom	5812	Luminar PLC	United Kingdom	5812	56.83
3.11.1999	Nestle SA	Switzerland	2023	Puleva SA	Spain	2021	25.24
1.11.1999	Den Danske Bank AS	Denmark	6000	Topdanmark A/S	Denmark	6311	184.21
1.11.1999	Siemens AG	Germany	3825	Morgan Crucible Co PLC	United Kingdom	3297	204.88
1.11.1999	Danisco A/S	Denmark	2099	Svenska Cellulosa AB SCA	Sweden	2676	212.55
29.10.1999	AGIV AG	Germany	6531	Saurer AG	Switzerland	3552	228.38
25.10.1999	BMW AG	Germany	3711	Rolls-Royce PLC	United Kingdom	3511	404.45
20.10.1999	GEI International PLC	United Kingdom	3312	GEA AG	Germany	3822	37.58
19.10.1999	Rank Group PLC	United Kingdom	7999	Northern Leisure PLC	United Kingdom	5813	250.35
14.10.1999	Banca Nazionale del Lavoro SpA	Italy	6000	Banca Popolare di Lodi Scarl SpA	Italy	6000	556.00
13.10.1999	Geest PLC	United Kingdom	2099	Royal Bank of Scotland PLC	United Kingdom	6000	16.55
12.10.1999	James Latham PLC	United Kingdom	2435	Grafton Group PLC	Ireland-Rep	5031	13.13
30.9.1999	Sulzer AG	Switzerland	3561	VA Technologie AG	Austria	8711	140.32
21.9.1999	Fritidsresor AB	Sweden	4724	Ticket Travel Group AB	Sweden	4724	13.34
16.9.1999	BP Amoco PLC	United Kingdom	2911	Cookson Group PLC	United Kingdom	3255	121.00
16.9.1999	BASF AG	Germany	2899	K&S AG	Germany	1474	216.72
14.9.1999	Greenalls Group PLC	United Kingdom	5813	Scottish & Newcastle PLC	United Kingdom	2082	1,831.44
2.9.1999	Rugby Group PLC	United Kingdom	3272	Heywood Williams Group PLC	United Kingdom	3353	16.89
1.9.1999	Rexam PLC	United Kingdom	3411	Boxmore International PLC	United Kingdom	3081	21.24
31.8.1999	Olicom A/S	Denmark	6799	Madge Networks NV	Netherlands	3577	15.00
13.8.1999	Magneti Marelli SpA	Italy	3714	TI Group PLC	United Kingdom	3317	73.00
11.8.1999	Hoechst AG	Germany	2899	Akzo Nobel NV	Netherlands	2899	710.74
2.8.1999	Booker PLC	United Kingdom	5141	Nutreco Holding NV	Netherlands	2048	53.48
28.7.1999	Cable & Wireless PLC	United Kingdom	4813	Deutsche Telekom AG	Germany	4813	13,629.00
20.7.1999	Diploma PLC	United Kingdom	5063	Expamet International PLC	United Kingdom	3292	26.65
16.7.1999	Imperial Chemical Industries PLC	United Kingdom	2851	Barlo Group PLC	Ireland-Rep	3714	11.22
14.7.1999	Royal Dutch Shell Group NV	Netherlands	1311	Petroplus International NV	Netherlands	1311	131.00
13.7.1999	Ferguson International PLC	United Kingdom	3399	Elanders AB	Sweden	2741	10.58
9.7.1999	Saga Petroleum AS	Norway	1311	Petroleum Geo-Services ASA	Norway	1382	350.00
29.6.1999	Ing C Olivetti & Co SpA	Italy	3579	Getronics NV	Netherlands	7373	18.29
24.6.1999	Martinsson Gruppen AB	Sweden	3661	Merkantidata ASA	Norway	7379	15.33
24.6.1999	Caffaro SpA	Italy	2899	Sondel SpA	Italy	4911	77.29
23.6.1999	Hyder PLC	United Kingdom	4941	British Energy Group PLC	United Kingdom	4911	166.79

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Date Announced	Vendor Name	Vendor Nation	Vendor Primary SIC Code	Acquirer Name	Acquirer Nation	Acquirer Primary SIC Code	Transaction Value (\$ mil.)
21.6.1999	Codan Forsikring AS	Denmark	6311	Skandinaviska Enskilda Banken AB	Sweden	6000	104.78
21.6.1999	Trygg-Hansa AB	Sweden	6000	Codan Forsikring AS	Denmark	6411	509.55
18.6.1999	Marley PLC	United Kingdom	3253	Wienerberger Baustoff Ind. AG	Austria	3271	260.00
16.6.1999	Gerresheimer AG	Germany	3229	Groupe Danone SA	France	2023	205.10
10.6.1999	Diageo PLC	United Kingdom	2085	Heineken Holding NV	Netherlands	2082	912.78
7.6.1999	TI Group PLC	United Kingdom	3317	UMECO PLC	United Kingdom	5088	18.91
7.6.1999	Rieber & Son A/S	Norway	2099	Munksjo AB	Sweden	2621	75.72
1.6.1999	Glanbia PLC	United Kingdom	2026	Express Dairies PLC	United Kingdom	2026	160.26
1.6.1999	Danone SA	France	2023	Unigate PLC	United Kingdom	2021	161.71
31.5.1999	Swedish Match AB	Sweden	2131	Austria Tabakwerke AG	Austria	2131	557.28
20.5.1999	Vedior NV	Netherlands	7361	ISS A/S	Denmark	7349	516.60
19.5.1999	FLS Industries A/S	Denmark	1541	DFDS A/S	Denmark	4412	287.40
18.5.1999	East Asiatic Co Ltd A/S	Denmark	5147	ASG AB	Sweden	4731	10.81
13.5.1999	Assicurazioni Generali SpA	Italy	6311	Fortis SA	Netherlands	6311	43.63
10.5.1999	Scancem AB	Sweden	3272	CRH PLC	Ireland-Rep	3241	448.34
5.5.1999	Senior Engineering Group PLC	United Kingdom	3443	Aalberts Industries NV	Netherlands	3541	40.30
30.4.1999	Portsmouth & Sunderland Newspapers Ltd	United Kingdom	2711	T&S Stores PLC	United Kingdom	5411	106.48
28.4.1999	CRH PLC	Ireland	3241	Travis Perkins PLC	United Kingdom	5031	296.76
26.4.1999	Huhtamaki Oyj	Finland	2671	CSM NV	Netherlands	2064	415.17
22.4.1999	Rexam PLC	United Kingdom	3411	Royal Packaging Inds Van Leer NV	Netherlands	2655	13.82
22.4.1999	Kvaerner A/S	Norway	1389	Bouygues Offshore SA	France	1311	47.83
14.4.1999	Bull SA	France	7371	Xelkon NV	Belgium	3555	27.40
9.4.1999	Imperial Tobacco Group PLC	United Kingdom	2111	Raglan Properties PLC	United Kingdom	6531	19.10
7.4.1999	Metro AG	Germany	5411	Koninklijke Ahold NV	Netherlands	5411	155.72
1.4.1999	Capgemini UK PLC	United Kingdom	7373	Skillsgroup PLC	United Kingdom	7376	52.39
29.3.1999	Siemens AG	Germany	3825	Novo Group Oyj	Finland	7373	13.23
25.3.1999	Bongrain SA	France	2022	Dairy Crest Group PLC	United Kingdom	2026	15.72
24.3.1999	Caradon PLC	United Kingdom	3331	British Steel PLC	United Kingdom	3317	22.12
5.3.1999	UBS AG	Switzerland	6000	Standard Chartered PLC	United Kingdom	6000	204.27
2.3.1999	Delta PLC	United Kingdom	3312	Draka Holding NV	Netherlands	3355	36.04
26.2.1999	Bonaparte SpA	Italy	6531	Cia Finanziaria De Benedetti SPAAZ	Italy	6719	73.84
19.2.1999	Ing C Olivetti & Co SpA	Italy	3579	Mannesmann AG	Germany	4899	8,404.45
17.2.1999	Superfos A/S	Denmark	2671	NCC AB	Sweden	1522	179.75
8.2.1999	SNCF SA	France	3743	Accor SA	France	7011	154.26
2.2.1999	Cirio SpA	Italy	2026	Parmalat SpA	Italy	2026	455.52
1.2.1999	Guardian Royal Exchange PLC	United Kingdom	6311	AXA Colonia Konzern AG	Germany	6311	962.99
1.2.1999	Sun Life and Provincial PLC	United Kingdom	6311	AXA SA	France	6311	1,596.61
28.1.1999	Elkem ASA	Norway	5052	Eramet SA	France	1061	200.52

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Date Announced	Vendor Name	Vendor Nation	Vendor Primary SIC Code	Acquirer Name	Acquirer Nation	Acquirer Primary SIC Code	Transaction Value (\$ mil.)
21.1.1999	Remy Cointreau SA	France	2084	LVMH SA	France	2844	176.87
19.1.1999	Albert Fisher Group PLC	United Kingdom	5148	Unigate PLC	United Kingdom	2021	71.24
18.1.1999	Royal & Sun Alliance Group PLC	United Kingdom	6311	CGNU PLC	United Kingdom	6311	11.57
29.12.1998	Proteg SA	France	7381	Williams PLC	United Kingdom	5137	89.41
24.12.1998	Novartis AG	Switzerland	2834	Compagnie Industriale Riunite SpA	Italy	4911	104.48
23.12.1998	Kvaerner A/S	Sweden	1389	Powell Duffryn PLC	United Kingdom	4412	57.12
21.12.1998	De La Rue PLC	United Kingdom	2761	Ingenico SA	France	3578	15.90
18.12.1998	Granada Group PLC	United Kingdom	7359	Thomson Travel Group PLC	United Kingdom	4724	33.47
9.12.1998	Philips Electronics NV	Netherlands	3651	Plasmon PLC	United Kingdom	3572	79.77
7.12.1998	Buhrmann NV	Netherlands	5199	Compel Group PLC	United Kingdom	7379	16.64
4.12.1998	Lex Service PLC	United Kingdom	5511	Halifax PLC	United Kingdom	6162	295.98
24.11.1998	BOC Group PLC	United Kingdom	2813	Air Liquide SA	France	2813	185.97
18.11.1998	National Westminster Bank PLC	United Kingdom	6000	Abbey National PLC	United Kingdom	6000	579.32
16.11.1998	Allied Carpets Group PLC	United Kingdom	5713	Carpentright PLC	United Kingdom	5713	22.29
9.11.1998	PowerGen PLC	United Kingdom	4911	Centrica PLC	United Kingdom	4931	498.99
13.10.1998	The British Land Company PLC	United Kingdom	6798	Holmes Place PLC	United Kingdom	7991	11.43
13.10.1998	WCE LN Equity PLC	United Kingdom	6512	Jarvis Porter Group PLC	United Kingdom	2759	13.14
12.10.1998	Scancem AB	Sweden	3272	BPB Industries PLC	United Kingdom	3275	160.14
5.10.1998	National Power PLC	United Kingdom	4911	Dana Petroleum PLC	United Kingdom	1311	17.66
5.10.1998	Watson & Philip PLC	United Kingdom	5141	Brake Brothers PLC	United Kingdom	5142	73.38
2.10.1998	Gist-Brocades International BV	Netherlands	2834	Quadrant Healthcare PLC	United Kingdom	3841	19.68
29.9.1998	Philips Electronics NV	Netherlands	3651	Aspo Oyj	Finland	8742	11.15
21.9.1998	Keramik Holding AG	Germany	6719	Gruppo Ceramiche Ricchetti SpA	Italy	3253	43.14
15.9.1998	GKN PLC	United Kingdom	3714	Alvis PLC	United Kingdom	3795	105.66
15.9.1998	John Waddington PLC	United Kingdom	2671	Low & Bonar PLC	United Kingdom	2299	113.20
10.9.1998	Sema Group PLC	France	7372	British Aerospace PLC	United Kingdom	3721	128.05
8.9.1998	ECIA SA	France	3714	PSA Peugeot Citroen SA	France	3711	80.64
24.8.1998	National Express Group PLC	United Kingdom	4131	Metroline PLC	United Kingdom	4111	16.90
24.8.1998	National Express Group PLC	United Kingdom	4131	Metroline PLC	United Kingdom	4111	16.90
21.8.1998	Britax International PLC	United Kingdom	3728	Standard Chartered PLC	United Kingdom	6000	136.16
20.8.1998	Elektrowatt AG	Switzerland	4911	Meggitt PLC	United Kingdom	3728	68.51
17.8.1998	RMC Group PLC	United Kingdom	3441	Lafarge SA	France	3241	114.25
7.8.1998	Nokia Oy AB	Finland	3663	Filtron PLC	United Kingdom	3663	70.34
27.7.1998	Christian Salvesen PLC	United Kingdom	4213	J Sainsbury PLC	United Kingdom	5411	25.19
27.7.1998	Navia ASA	Norway	3812	Williams PLC	United Kingdom	5137	42.14
17.7.1998	Siemens AG	Germany	3825	Pirelli & Co SpA	Italy	3011	280.90
9.7.1998	Philipp Holzmann AG	Germany	1541	Deutsche Babcock AG	Germany	1541	195.97
8.7.1998	Credit Lyonnais SA	France	6000	Deutsche Bank AG	Germany	6000	593.81
6.7.1998	AXA SA	France	6311	Royale Belge SA	Belgium	6311	912.86
2.7.1998	Credit Lyonnais SA	France	6000	AGF SA	France	6311	31.12

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Date Announced	Vendor Name	Vendor Nation	Vendor Primary SIC Code	Acquirer Name	Acquirer Nation	Acquirer Primary SIC Code	Transaction Value (\$ mil.)
2.7.1998	Philips Electronics NV	Netherlands	3651	Thorn PLC	United Kingdom	7359	41.78
26.6.1998	George Payne & Co Ltd	United Kingdom	5149	Northern Foods PLC	United Kingdom	2038	16.62
26.6.1998	UBS AG	Switzerland	6000	Assicurazioni Generali SpA	Italy	6311	1,290.30
10.6.1998	Vivendi SA	France	4813	Pononto de Construcciones SA	Spain	3272	347.79
4.6.1998	Vickers PLC	United Kingdom	3711	Audi-NSU Auto Union AG	Germany	3711	195.93
3.6.1998	Booker PLC	United Kingdom	5141	Chorion PLC	United Kingdom	7996	16.39
29.5.1998	Guardian Royal Exchange PLC	United Kingdom	6311	ING Groep NV	Netherlands	6311	375.00
29.5.1998	ING Groep NV	Netherlands	6311	Guardian Royal Exchange PLC	United Kingdom	6311	775.00
19.5.1998	AXA SA	France	6311	GFC SA	France	6514	150.30
18.5.1998	TeleDanmark AS	Denmark	4899	Merkantidata ASA	Norway	7379	71.59
11.5.1998	McLeod Russel PLC	United Kingdom	3564	Finelist Group PLC	United Kingdom	5013	26.07
11.5.1998	Grupo Asegurador SA	Spain	6311	Helvetia Patria Holding AG	Switzerland	6311	50.99
11.5.1998	Transport Development Group PLC	United Kingdom	4212	Andrews Sykes Group PLC	United Kingdom	3443	80.81
7.5.1998	EMAP PLC	United Kingdom	2721	Capital Radio PLC	United Kingdom	4832	30.09
6.5.1998	Haarmann & Reimer GmbH	Germany	2834	Tate & Lyle PLC	United Kingdom	2099	219.00
21.4.1998	Saig Industriaria SpA	Italy	3080	BTR PLC	United Kingdom	3089	69.06
8.4.1998	Elementis PLC	United Kingdom	2816	Greencore Group PLC	Ireland-Rep	2099	103.09
6.4.1998	John Laing PLC	United Kingdom	6799	Persimmon PLC	United Kingdom	1522	29.99
25.3.1998	Pendragon Motor Group PLC	United Kingdom	5511	DC Cook Holdings PLC	United Kingdom	5511	11.72
24.3.1998	UBS AG	Netherlands	6000	Delta PLC	United Kingdom	3325	171.83
23.3.1998	Aluisse Lonza Group AG	Switzerland	2834	Capital Industries PLC	United Kingdom	2759	12.59
13.3.1998	Oriel Group PLC	United Kingdom	3999	Fishers International PLC	Ireland-Rep	6282	10.03
9.3.1998	John Menzies PLC	United Kingdom	5192	WH Smith Group PLC	United Kingdom	5999	111.38
5.3.1998	Lloyds TSB Group PLC	United Kingdom	6000	Paragon Group of Cos PLC	United Kingdom	6162	41.21
2.3.1998	National Westminster Bank PLC	United Kingdom	6000	Rexam PLC	United Kingdom	3411	13.99
26.2.1998	Hanson PLC	United Kingdom	3271	Emap PLC	United Kingdom	2721	41.07
18.2.1998	United News & Media PLC	United Kingdom	8732	Southnews PLC	United Kingdom	2711	77.81
12.2.1998	Kerry Group PLC	United Kingdom	2087	Tomkins PLC	United Kingdom	3568	150.19
12.2.1998	Dalgely PLC	United Kingdom	5154	Tomkins PLC	United Kingdom	3568	150.93
6.2.1998	TI Group PLC	United Kingdom	3317	Bodycote International PLC	United Kingdom	8999	24.82
4.2.1998	Rexam PLC	United Kingdom	3411	British Polythene Inds PLC	United Kingdom	2671	12.52
4.2.1998	Dalgely PLC	United Kingdom	5154	Nestle SA	Switzerland	2066	1,184.76
2.2.1998	Munchener Rck AG	Germany	6311	Commercial Union PLC	United Kingdom	6311	313.67
30.1.1998	Cookson Group PLC	United Kingdom	3255	Johnson Matthey PLC	United Kingdom	2899	215.62
29.1.1998	Cie Generale des Eaux SA	France	4813	Harpen AG	Germany	5039	54.72
26.1.1998	Dalgely PLC	United Kingdom	5154	Kerry Group PLC	Ireland-Rep	2087	560.46
23.1.1998	Philips Electronics NV	Netherlands	3651	Esoote SpA	Italy	3629	21.70
22.1.1998	Buhrmann NV	Netherlands	5199	KPN NV	Netherlands	2679	138.05
12.1.1998	Lafarge SA	France	3241	Borgestad ASA	Norway	6719	10.20
7.1.1998	Degussa AG	Germany	2899	Cultor Oy	Finland	2099	17.72

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1.1.1998	Bass PLC	United Kingdom	2082	Ladbroke Group PLC	United Kingdom	7011	619.88
31.12.1997	Hochst AG	Germany	2899	Holliday Chemical Holdings PLC	United Kingdom	2861	15.02
22.12.1997	Berliner Handels und Frankfurter Bank AG	Germany	6000	Credit Commercial de France SA	France	6000	249.53
22.12.1997	Peninsular & Oriental Steam PLC	United Kingdom	4412	Prudential PLC	United Kingdom	6726	524.00
22.12.1997	Aachener und Muenchener Beteiligungsgesellschaft AG	Germany	6311	AGF SA	France	6311	758.03
19.12.1997	East Asiatic Co Ltd A/S	Denmark	5147	Alm Brand AS	Denmark	6311	67.04
19.12.1997	BTP PLC	United Kingdom	2819	Total SA	France	1311	143.62
19.12.1997	Hambros PLC	United Kingdom	6000	Societe Generale SA	France	6000	501.00
18.12.1997	Barclays de Zoete Wedd NV	Netherlands	6000	ABN AMRO Bank NV	Netherlands	6000	115.30
16.12.1997	Anite Group PLC	United Kingdom	7373	Cable & Wireless PLC	United Kingdom	4813	76.87
15.12.1997	Caffaro SPA	Italy	2899	Rhone-Poulenc SA	France	2819	44.71
10.12.1997	Merloni Domestic Appliances Ltd	United Kingdom	5063	Stoves Group PLC	United Kingdom	3631	10.73
10.12.1997	Tesco PLC	United Kingdom	5411	Promodes SA	France	5411	417.55
4.12.1997	Burton Group PLC	United Kingdom	6512	Great Universal Stores PLC	United Kingdom	5961	33.33
1.12.1997	Low & Bonar PLC	United Kingdom	2299	British Polythene Inds PLC	United Kingdom	2671	23.77
25.11.1997	Thyssen Industrie AG	Germany	3325	Polypipe PLC	United Kingdom	3084	10.17
25.11.1997	Danone SA	France	2023	Cadbury Schweppes PLC	United Kingdom	2066	63.75
21.11.1997	Natixis SA	France	6159	UBS AG	Switzerland	6712	61.50
18.11.1997	Fimalac SA	France	6289	Taylor Nelson PLC	United Kingdom	8732	201.14
17.11.1997	Veba AG	Germany	4789	Fimlines Oyj	Finland	4412	199.67
10.11.1997	Worms & Cie SA	France	6311	AGF SA	France	6311	2,101.20
6.11.1997	Alcatel Alsthom SA	France	3661	Thomson-CSF SA	France	3677	1,093.99
5.11.1997	Binda SpA	Italy	3873	Munksjo AB	Sweden	2621	37.24
3.11.1997	Magneti Marelli SpA	Italy	3714	Labinal SA	France	3714	56.73
22.10.1997	Beghin-Say SA	France	2062	Unilever NV	Netherlands	2021	53.02
21.10.1997	Fairey Group PLC	United Kingdom	3825	Beauford PLC	United Kingdom	3541	14.72
21.10.1997	Harrisons & Crosfield PLC	United Kingdom	2816	Meyer International PLC	United Kingdom	5031	520.06
20.10.1997	Awilco AS	Norway	1629	Petroleum Geo-Services ASA	Norway	1382	886.35
15.10.1997	Svedala Industri AB	Sweden	3316	Santasalo-JOT Oyj	Finland	3714	53.90
13.10.1997	BAT Industries PLC	United Kingdom	2111	Zurich Versicherungs GmbH	Switzerland	6311	17,055.15
10.10.1997	PPR SA	France	5311	Monoprix SA	France	5399	273.33
7.10.1997	Charles Baynes PLC	United Kingdom	3491	Concentric PLC	United Kingdom	3621	15.17
2.10.1997	Merita Oyj	Finland	6000	Trelleborg AB	Sweden	3052	125.09
26.9.1997	Low & Bonar PLC	United Kingdom	2299	Constantia Packaging AG	Austria	3334	14.47
26.9.1997	Tomkins PLC	United Kingdom	3714	Charles Baynes PLC	United Kingdom	3491	60.78
25.9.1997	Glynwed International PLC	United Kingdom	3261	Cie de Saint-Gobain SA	France	3231	60.26
25.9.1997	Tomkins PLC	United Kingdom	3714	Charles Baynes PLC	United Kingdom	3491	61.56
22.9.1997	Skandia International Holding AB	Sweden	6311	Hannover Rueckversicherung AG	Germany	6311	136.78

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17.9.1997	Bayer AG	Germany	2834	Nestle SA	Finland	1311	39.57
10.9.1997	Merck KGaA	Germany	2834	Boots Co PLC	United Kingdom	2834	278.00
9.9.1997	Cie Generale des Eaux SA	France	4813	Canal+ SA	France	4833	83.85
9.9.1997	Cie Generale des Eaux SA	France	4813	Rentokil Initial PLC	United Kingdom	7349	106.52
2.9.1997	Transport Development Group PLC	United Kingdom	4212	Goode Durrant PLC	United Kingdom	6211	44.88
2.9.1997	Yorkshire Group PLC	United Kingdom	2262	BTP PLC	United Kingdom	2819	53.46
2.9.1997	Sedgemoor PLC	United Kingdom	3728	Cobham PLC	United Kingdom	3812	62.07
26.8.1997	Lloyds TSB Group PLC	United Kingdom	6000	UBS AG	Switzerland	6712	194.78
11.8.1997	BTR PLC	United Kingdom	3089	Low & Bonar PLC	United Kingdom	2299	17.49
11.7.1997	Vickers PLC	United Kingdom	3711	Artema Medical AB	Sweden	3845	10.97
9.7.1997	Wagon Industrial Holdings Ltd	United Kingdom	3535	Linde AG	Germany	3569	55.68
2.7.1997	Montecantini SpA	Italy	5441	Sued Chemie AG	Germany	2899	36.88
2.7.1997	AXA SA	France	6311	Sun Life and Provincial PLC	United Kingdom	6311	117.27
26.6.1997	Barclays PLC	United Kingdom	6000	Cater Allen Holdings PLC	United Kingdom	6000	10.49
26.6.1997	Fortis SA	Netherlands	6311	Royal & Sun Alliance Group PLC	United Kingdom	6311	19.65
19.6.1997	AXA SA	France	6311	Simco SA	France	6512	671.34
16.6.1997	RWE AG	Germany	4911	TeleDanmark AS	Denmark	4813	330.00
28.5.1997	Sommer Allibert SA	France	3089	Tarkett Pegulan-Werke AG	Germany	2273	545.57
23.5.1997	Munksjo AB	Sweden	2621	Bongs Fabriker AB	Sweden	2678	25.00
7.5.1997	Unilever NV	Netherlands	2099	ICI PLC	United Kingdom	2851	8,000.00
30.4.1997	Wickes PLC	United Kingdom	5211	Bricorama SA	France	5251	22.58
21.4.1997	Stebe PLC	United Kingdom	3823	Girqual PLC	United Kingdom	3353	14.72
16.4.1997	Financiere Poliet SA	France	3714	Assa Abloy AB	Sweden	3429	187.77
10.4.1997	Prudential PLC	United Kingdom	6311	Royal & Sun Alliance Group PLC	United Kingdom	6311	73.63
9.4.1997	Rolls-Royce PLC	United Kingdom	3724	Siemens AG	Germany	3663	48.60
2.4.1997	Rank Group PLC	United Kingdom	7999	Carlton Communications PLC	United Kingdom	7819	106.86
1.4.1997	Thyssen Industrie AG	Germany	3325	Triplex Lloyd PLC	United Kingdom	3369	16.10
20.3.1997	EIS Group PLC	United Kingdom	3556	Carlo Engineering Group PLC	United Kingdom	3553	40.80
20.3.1997	Heywood Williams Group PLC	United Kingdom	3089	Finelist Group PLC	United Kingdom	5013	51.96
20.3.1997	Associated British Foods PLC	United Kingdom	2063	Tesco PLC	United Kingdom	5411	1,002.69
13.3.1997	Sulzer AG	Switzerland	3561	IMI PLC	United Kingdom	3593	20.75
3.3.1997	Groupe Schneider SA	France	3643	Caradon PLC	United Kingdom	3231	10.99
27.2.1997	Allied Domecq PLC	United Kingdom	2084	Glenmorangie PLC	United Kingdom	2082	11.38
18.2.1997	Lonrho PLC	United Kingdom	2033	De La Rue PLC	United Kingdom	2754	28.94
14.2.1997	Volvo AB	Sweden	3715	Orkla ASA	Norway	2099	706.41
13.2.1997	Philips Electronics NV	Netherlands	3651	De La Rue PLC	United Kingdom	2754	91.08
7.2.1997	Veba AG	Germany	4939	Cable & Wireless PLC	United Kingdom	4813	54.27
6.2.1997	Cie Generale des Eaux SA	France	4813	Havas SA	France	7311	94.31
31.1.1997	Philips Electronics NV	Netherlands	3651	Infogrames Entertainment SA	France	7372	27.58
23.1.1997	Allied Domecq PLC	United Kingdom	5134	Moreland PLC	United Kingdom	5181	52.22

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14.1.1997	Dolfus Mieg & Cie SA	France	2284	Vincenzo Zucchi SpA	Italy	2269	257.84
10.1.1997	Cie de Saint-Gobain SA	France	5039	Cookson Group PLC	United Kingdom	3255	45.00
30.12.1996	AGIV AG	Germany	6531	Hollandsche Beton Groep NV	Netherlands	1611	171.93
24.12.1996	Bunzl PLC	United Kingdom	5141	KPN NV	Netherlands	2679	104.38
23.12.1996	Sorin BioMedica SpA	Italy	2834	Amersham International PLC	United Kingdom	2836	25.55
23.12.1996	Rhone-Poulenc SA	France	2834	Roche Holding AG	Switzerland	2834	94.00
18.12.1996	Cie Generale des Eaux SA	France	4813	Sogeparc Service SA	France	7521	105.13
17.12.1996	Biber Holdings AG	Switzerland	2621	Metsa-Serla Oyj	Finland	2621	65.68
13.12.1996	Schmalbach-Lubeca AG	Germany	3411	RPC Group PLC	United Kingdom	3086	102.93
12.12.1996	Rugby Group PLC	United Kingdom	6531	Kingspan Group PLC	Ireland-Rep	3253	42.93
12.12.1996	Norweb PLC	United Kingdom	4941	Scottish Hydro-Electric PLC	United Kingdom	4911	199.94
11.12.1996	UPM-Kymmene Oyj	Finland	2621	Metsa-Serla Oyj	Finland	2621	387.22
10.12.1996	Hoechst AG	Germany	2899	Clariant AG	Switzerland	2899	3,448.27
4.12.1996	Peninsular & Oriental Steam PLC	United Kingdom	4412	James Fisher & Sons PLC	United Kingdom	4412	63.74
21.11.1996	Philips Medical Systems International NV	Netherlands	3651	Elekta AB	Sweden	3845	65.00
11.11.1996	Instituto Nazionale Delle Assicurazioni SpA	Italy	6311	Swiss Reinsurance Co Ltd	Switzerland	6311	376.35
1.11.1996	Volvo AB	Sweden	3715	Peab AB	Sweden	1622	82.84
31.10.1996	Zehnder Holding AG	Switzerland	3433	Eurotherm PLC	United Kingdom	3822	11.20
28.10.1996	Kvaerner A/S	Norway	1389	Hewden Stuart PLC	United Kingdom	7353	15.08
23.10.1996	Credit Foncier de France SA	France	6000	Irish Permanent PLC	Ireland-Rep	6000	20.13
22.10.1996	Fiat SPA	Italy	3711	Assicurazioni Generali SpA	Italy	6311	212.23
18.10.1996	Alcatel Alsthom SA	France	3661	SAIAG SpA	Italy	5065	13.44
16.10.1996	Trinity Aerospace Engineering Ltd	United Kingdom	4581	Bridport-Gundry PLC	United Kingdom	2211	11.95
15.10.1996	Gehe AG	Germany	5122	Sandoz AG	Switzerland	2851	415.42
7.10.1996	Spectra-Physics AB	Sweden	3826	Silvermines Group PLC	Ireland-Rep	8711	15.94
7.10.1996	PWA AG	Germany	2679	Munksjo AB	Sweden	2621	104.50
4.10.1996	Norweb PLC	United Kingdom	4941	Kingfisher PLC	United Kingdom	5311	47.74
4.10.1996	ABN AMRO Bank NV	Netherlands	6000	Fortis SA	Belgium	6311	1,436.00
27.9.1996	Sandoz AG	Switzerland	2851	BASF AG	Germany	2869	778.00
24.9.1996	Mannesmann Demag AG	Germany	5084	Siebe PLC	United Kingdom	3823	31.79
17.9.1996	Nedlloyd Groep NV	Netherlands	4731	Peninsular & Oriental Steam PLC	United Kingdom	4412	39.37
12.9.1996	Hawker Siddeley Group PLC	United Kingdom	3621	FKI PLC	United Kingdom	3535	283.92
5.9.1996	Granada Group PLC	United Kingdom	4833	Davis Service Group PLC	United Kingdom	7218	213.83
27.8.1996	Prudential PLC	United Kingdom	6311	Swiss Reinsurance Co Ltd	Switzerland	6311	2,721.08
26.8.1996	Allied Domecq PLC	United Kingdom	5134	Bass PLC	United Kingdom	2082	319.35
26.8.1996	Sandoz AG	Switzerland	2851	SKW Trostberg AG	Germany	2819	1,080.89
19.8.1996	Biber Holdings AG	Switzerland	2621	David S Smith(Holdings)PLC	United Kingdom	2631	27.82
16.8.1996	Costain Group PLC	United Kingdom	1623	Smit Internationale NV	Netherlands	4492	17.50

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Date Announced	Vendor Name	Vendor Nation	Vendor Primary SIC Code	Acquirer Name	Acquirer Nation	Acquirer Primary SIC Code	Transaction Value (\$ mil.)
2.8.1996	British Shoe PLC	United Kingdom	5661	Stylo PLC	United Kingdom	3021	29.63
31.7.1996	BTP PLC	United Kingdom	2819	European Colour PLC	United Kingdom	2865	20.71
26.7.1996	Royal Dutch Shell Group NV	Netherlands	1311	Inspec Group PLC	United Kingdom	2819	311.62
22.7.1996	Assurances Generales de France SA	France	6311	Sefimeg SA	France	6513	735.93
17.7.1996	Olteco SpA	Italy	3579	Sema Group PLC	United Kingdom	7379	49.61
16.7.1996	Huhtamaki Oyj	Finland	2671	Schering AG	Germany	2834	314.01
9.7.1996	Legal & General Group PLC	United Kingdom	6311	Guardian Royal Exchange PLC	United Kingdom	6311	74.38
5.7.1996	Newman Tonks Group PLC	United Kingdom	3442	Assa Abloy AB	Sweden	3429	25.62
2.7.1996	Cray Electronics Holdings PLC	United Kingdom	7373	Lorien Group PLC	United Kingdom	7361	17.14
24.6.1996	Distefora Holding AG	Switzerland	3651	Spector Photo Group NV	Belgium	7384	74.17
20.6.1996	Kesko Oyj	Finland	5411	Rautaruukki Oyj	Finland	3312	51.40
13.6.1996	Storehouse PLC	United Kingdom	5621	Moss Bros PLC	United Kingdom	5611	10.90
12.6.1996	Celltech Group PLC	United Kingdom	8731	Alusuisse Lonza Group AG	Switzerland	2671	102.04
11.6.1996	BTR PLC	United Kingdom	3089	Partco Group PLC	United Kingdom	5013	106.07
7.6.1996	Fried Krupp AG Hoesch-Krupp	Germany	3312	KONE Oyj	Finland	3536	83.84
6.6.1996	Rhone-Poulenc SA	France	2834	Medeva PLC	United Kingdom	8731	370.00
5.6.1996	Cie de Navigation Mixte SA	France	4449	Eridania Beghin-Say SA	France	2062	549.48
3.6.1996	EMAP PLC	United Kingdom	2721	Johnston Press PLC	United Kingdom	2711	327.25
31.5.1996	Gehe AG	Germany	5122	Schering AG	Germany	2834	335.50
20.5.1996	Cie des Signaux SA	France	3772	Ansaldo Trasporti SpA	Italy	3799	76.96
13.5.1996	Royal Bank of Scotland PLC	United Kingdom	6000	Beazer Homes Ltd	United Kingdom	1521	53.92
8.5.1996	ZENECA Group PLC	United Kingdom	2834	BASF AG	Germany	2869	210.35
1.5.1996	Royal Bank of Scotland PLC	United Kingdom	6000	Banco de Santander SA	Spain	6000	195.30
30.4.1996	UAP SA	France	6311	General Accident PLC	United Kingdom	6311	91.45
22.4.1996	Finnlines Oyj	Finland	4412	Bilspedition AB	Sweden	4412	61.84
18.4.1996	Norcross PLC	United Kingdom	3253	Bunzl PLC	United Kingdom	4731	69.31
18.4.1996	WH Smith Group PLC	United Kingdom	5943	Guilbert SA	France	5112	214.42
18.3.1996	Nu-Swift Industries PLC	France	7382	Williams PLC	United Kingdom	7382	202.23
13.3.1996	Allied Domecq PLC	United Kingdom	5134	Hillsdown Holdings PLC	United Kingdom	2033	73.72
6.3.1996	Unilever NV	United Kingdom	2099	Ter Beke NV	Belgium	2013	192.60
29.2.1996	The Boots Company PLC	United Kingdom	5912	Storehouse PLC	United Kingdom	5719	95.66
27.2.1996	C&T Harris Ltd	United Kingdom	2033	Unigate PLC	United Kingdom	2021	17.57
16.2.1996	British Linen Bank PLC	United Kingdom	6000	Edinburgh Fund Managers Group PLC	United Kingdom	6726	129.16
15.2.1996	Siemens AG	Germany	3825	Oce-van der Grinten NV	Netherlands	3555	554.67
5.2.1996	Burmah Castrol PLC	United Kingdom	1311	Norsk Hydro ASA	Norway	1311	36.85
1.2.1996	Expamet International PLC	United Kingdom	3292	Blick PLC	United Kingdom	7382	17.34
1.2.1996	Allied Domecq PLC	United Kingdom	5134	Unilever PLC	United Kingdom	2099	120.42
31.1.1996	Expamet International PLC	United Kingdom	3292	Blick PLC	United Kingdom	7382	17.16
25.1.1996	Midial SA	France	3559	Kerry Group PLC	Ireland-Rep	2087	84.35

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16.1.1996	Orenstein & Koppel AG	Germany	3331	Fried Krupp AG Hoesch-Krupp	Germany	3325	153.70
12.1.1996	Steen & Strom Invest ASA	Norway	6512	UNI Storebrand A/S	Norway	6311	472.50
22.12.1995	Groupement Francais d'Assurances SA	France	6311	Independent Insurance Group PLC	United Kingdom	6311	28.21
7.12.1995	Balfour Beatty PLC	United Kingdom	1611	Westbury PLC	United Kingdom	1521	93.16
6.12.1995	Credit Lyonnais SA	France	6000	Dresdner Bank AG	Germany	6000	49.00
30.11.1995	EMAP PLC	United Kingdom	2721	Adscene Group PLC	United Kingdom	2731	15.10
30.11.1995	Glaxo-Wellcome GmbH	Germany	2833	Unilever PLC	United Kingdom	2099	145.49
29.11.1995	Hoechst AG	Germany	2899	Fried Krupp AG Hoesch-Krupp	Germany	3325	461.44
24.11.1995	Spar Handels AG	Germany	5999	ASKO Deutsche Kaufhaus AG	Germany	5311	128.95
22.11.1995	Boussac Saint Freres SA	France	6719	GGE SA	France	4941	95.05
17.11.1995	Forté PLC	United Kingdom	7011	Brake Brothers PLC	United Kingdom	5142	11.59
16.11.1995	Portsmouth & Sunderland Newspapers Ltd	United Kingdom	2711	Southnews PLC	United Kingdom	2711	20.14
15.11.1995	George Wimpey PLC	United Kingdom	1522	Tarmac PLC	United Kingdom	3272	433.82
10.11.1995	Harrisons & Crosfield PLC	United Kingdom	2816	Meyer International PLC	United Kingdom	5031	28.68
9.11.1995	Degussa AG	Germany	2899	Bodycote International PLC	United Kingdom	8999	10.70
2.11.1995	KNP Leykam NV	Netherlands	5199	Norske Skogindustrier ASA	Norway	2611	370.12
30.10.1995	Mannesmann AG	Germany	5072	Elsag Bailey Process Automation NV	Netherlands	3823	709.50
25.10.1995	Alcatel Alsthom SA	France	3661	Havas SA	France	7311	961.62
19.9.1995	Varta AG	Germany	8741	BTR PLC	United Kingdom	3089	100.46
8.9.1995	British Gas PLC	United Kingdom	2911	Chesterton International PLC	United Kingdom	8713	11.34
24.8.1995	Altana Industrie-Aktien und Anlagenges AG	Germany	2834	Verenigde Bedrijven Nutricia NV	Netherlands	2023	556.53
21.8.1995	BAE Systems PLC	United Kingdom	3721	ASDA Group PLC	United Kingdom	5411	543.80
3.8.1995	Allied Domecq PLC	United Kingdom	5134	Highland Distilleries Co PLC	United Kingdom	2085	20.56
21.7.1995	Forté PLC	United Kingdom	7011	Bass PLC	United Kingdom	2082	265.57
19.7.1995	Blue Circle Industries PLC	United Kingdom	3241	South West Water PLC	United Kingdom	4941	111.97
11.7.1995	Big Food Group PLC	United Kingdom	5411	Applied Distribution Group PLC	United Kingdom	4213	10.60
11.7.1995	Norcross PLC	United Kingdom	3253	Laird PLC	United Kingdom	3679	63.54
10.7.1995	Clyde Petroleum PLC	United Kingdom	1311	Cairn Energy PLC	United Kingdom	1311	56.97
7.7.1995	Holvís AG	Switzerland	5111	Arjo Wiggins Appleton PLC	United Kingdom	2621	180.71
4.7.1995	Amper SA	Spain	4899	Siemens AG	Germany	3663	110.31
3.7.1995	Royal Dutch Shell Group NV	Netherlands	1311	Colas SA	France	1611	63.96
30.6.1995	Remy Cointreau SA	France	2084	Grand Metropolitan PLC	United Kingdom	2085	71.96
28.6.1995	VRG-Groep SA	Netherlands	5199	Danka Business Systems PLC	United Kingdom	5044	18.39
23.6.1995	Cie Internationale des Wagons-Lit SA	France	7011	Compass Group PLC	United Kingdom	5812	910.69
21.6.1995	De La Rue PLC	United Kingdom	2761	Senior Engineering Group PLC	United Kingdom	3443	28.97

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16.6.1995	Rolls-Royce PLC	United Kingdom	3724	Vickers PLC	United Kingdom	3711	37.33
14.6.1995	Burmah Castrol PLC	United Kingdom	1311	Frost Group PLC	United Kingdom	5541	132.43
13.6.1995	Norcross PLC	United Kingdom	3253	Spring Ram Corp PLC	United Kingdom	5023	14.84
8.6.1995	Villiers Group PLC	United Kingdom	7373	Oconics Group PLC	United Kingdom	5251	10.37
24.5.1995	Lionheart PLC	United Kingdom	2542	Princedale Group PLC	United Kingdom	3089	15.75
23.5.1995	Den Danske Bank AS	Denmark	6000	Tryg Forsikring A/S	Denmark	6311	1,012.32
23.5.1995	Baltica Forsikring AS	Denmark	6311	Den Danske Bank AS	Denmark	6000	1,207.68
11.5.1995	De La Rue PLC	United Kingdom	2761	Degremont SA	France	3433	55.58
2.5.1995	SG Warburg Group PLC	United Kingdom	6211	UBS AG	Switzerland	6000	1,363.96
1.5.1995	Reckitt & Colman PLC	United Kingdom	2841	Unilever PLC	United Kingdom	2099	403.88
27.4.1995	Natwest Markets SA	United Kingdom	6000	Lloyds TSB Group PLC	United Kingdom	6082	27.32
24.4.1995	Spelec SA	France	5065	Farnell Electronics PLC	United Kingdom	5065	10.29
13.4.1995	GKN PLC	United Kingdom	3714	Brown & Tawse Group PLC	United Kingdom	5051	52.70
12.4.1995	Aker RGI ASA	Finland	6799	Vickers PLC	United Kingdom	3711	50.97
5.4.1995	Tarmac PLC	United Kingdom	3272	Ibstock PLC	United Kingdom	3251	111.56
3.4.1995	BCP Branded Consumer Products PLC	Sweden	3715	Orkla Borregaard A/S	Norway	3111	577.15
17.3.1995	Fisons PLC	United Kingdom	2833	Astra AB	Sweden	2834	319.97
7.3.1995	Total SA	France	2911	Kalon Group PLC	United Kingdom	2851	541.47
3.3.1995	Stora AB	Sweden	2679	AssiDoman AB	Sweden	2673	17.09
1.3.1995	Heywood Williams Group PLC	United Kingdom	3089	Cie de Saint-Gobain SA	France	3231	26.16
16.2.1995	Allied Domecq PLC	United Kingdom	5134	Tomkins PLC	United Kingdom	3568	55.26
6.2.1995	Bodycote International PLC	United Kingdom	3398	Koninklijke Borsumij Wehry NV	Netherlands	3452	14.74
16.1.1995	Exxon Chemical Ltd	United Kingdom	2821	BBA Group PLC	United Kingdom	4581	17.25

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