

Spearheading game-changing East-West M&A deals as Asia's leading investment bank

Asian M&A shows no sign of abating — even despite the fluctuating geopolitical environment. As the only global investment bank anchored in Asia, Nomura is strongly positioned to advise companies aiming to close significant, value-accretive transactions that cut across borders and jurisdictions.

Our commitment is to understand the minutiae involved in global transactions, not only differences in regulatory environments but also business norms and cultural factors that are the keys to successful dealmaking.

As Asia's dominant investment bank, Nomura has advised on some of the biggest deals in the region. For two recent examples, we advised Takeda on its US\$82 billion acquisition of Shire and Toshiba Memory on its US\$18 billion sale to a Bain Capital-led consortium.

High volumes of Asia-driven cross border M&A expected in 2019, despite macro concerns

Navigating regulatory environments and cultural factors are the keys to deal closure

Takeda's US\$82 billion acquisition of Shire is one example of a growing trend

We've also played leading roles in complex transactions originating in China and Korea, and beyond. The following case studies demonstrate our global capabilities as well as our Asia expertise.

1. Helping clients realize their strategic goals: China Resources Beer

Immediately after AB InBev announced its acquisition of SABMiller in late 2015, Nomura realized there would be significant regulatory concerns should SABMiller retain its 49% stake in CR Snow. We then worked closely with our longstanding client China Resources Beer ("CRB") to repurchase the stake in one of China's most popular beer brands.

SABMiller's sale of its 49% stake became one of the closing conditions of AB InBev's acquisition, which Nomura utilized effectively to help CRB reacquire the shares at an attractive discount. On March 2, 2016, CRB announced its intent to acquire SABMiller's 49% stake in CR Snow for US\$1.6 billion from AB InBev.

Subsequent to the repurchase, Nomura thought that CRB would consider a replacement partner to help continue its expansion into the growing premium beer segment in China. CRB ultimately decided on Heineken. Nomura again advised CRB, as the bank enjoys a strong relationship with Heineken due to previous transactions.

As a result, on November 5, 2018, CRB and Heineken announced a strategic partnership valued at US\$4 billion, including Heineken's c.20% acquisition in CRB, CRB's acquisition of c.0.9% of Heineken and CR Snow's acquisition of Heineken China.

2. Unlocking complex transactions: GlobalWafers

On August 18, 2016, Taiwan-based GlobalWafers announced its intent to acquire US-based SunEdison Semiconductor ("SEMI") for US\$683 million. Nomura saw an opportunity for GlobalWafers to acquire the loss-making SEMI a year earlier in 2015, amid a tumultuous period for the semiconductor industry.

Nomura guided GlobalWafers in a carefully devised strategy to engage with an initially hesitant SEMI management, being mindful of cultural nuances and taking advantage of strict fiduciary duty in the US. SEMI ultimately announced its intention to explore strategic alternatives, after which numerous interlopers joined the process.

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Nomura performed extensive analyses on interlopers to remain price competitive and showed that GlobalWafers would provide the most synergies.

This resulted in a landmark acquisition, catapulting GlobalWafers from sixth to third in global semiconductor wafer market share. What is more, the market reacted to the deal with enthusiasm; and GlobalWafers turned SEMI around into a profit-making company, which is reflected in its significantly increased share price since the announcement.

3. Achieving benefits for all stakeholders: Bain Capital and Goldman Sachs

On September 25, 2017, Bain Capital ("Bain") and Goldman Sachs Asian Special Situations Group ("Goldman") announced that they agreed to sell Carver Korea to Unilever for US\$2.7 billion. Unilever sought new growth platforms after Kraft Heinz's failed attempt to take it over in early 2017. At the same time, Nomura thought Carver Korea was the ideal stepping stone into Asia. Taking advantage of our strong relationship with both Bain in Korea and Unilever in the US and UK, Nomura successfully initiated and facilitated dialog between both parties. The resulting transaction offered a win-win for all stakeholders:

A remarkable return to Bain and Goldman
(c. 15-month exit)

A pivotal opportunity for Unilever to
enhance its position in Asia

A chance for Carver Korea to expand its
AHC brand internationally

This transaction was Unilever's largest ever acquisition in Asia. Various commentators – from leading media sources to research analysts – expressed support for the deal, stating that it was a timely acquisition amid the Korean skincare fad, which Unilever could then use to penetrate into other larger markets such as China and Japan.

The success of the transaction is testament to the team's dedication and was awarded the **Best Korea Deal by FinanceAsia.**

4. The largest M&A deal in Japan ever – Takeda Pharmaceutical's acquisition of Shire

On May 8, 2018, Takeda Pharmaceutical (Takeda), the Japanese-based global pharmaceutical company, acquired Shire, the Irish global biopharmaceutical firm, for a total of \$83 billion. Over the past few years, Takeda has been on a transformation journey to becoming best-in-class pharmaceutical company that provides innovative medicine and transformative care to patients around the world. Nomura's long standing relationship with Takeda and the capability to navigate through complex cross border transactions, won a role as joint financial advisor to Takeda's strategic move. The transaction is also particularly notable because it represents the largest M&A deal in Japan, and the second largest UK deal ever.

This transformational transaction, brings together Takeda and Shire's complementary positions in gastroenterology and neuroscience, and further provides leading positions in rare diseases and plasma-derived therapies. As Takeda continues their global expansion, Nomura is constantly on the lookout for best-practices and bespoke solutions to cater changing client needs.

Award wins

The Asset Triple A Country Awards 2018

Best Deals – **Hong Kong**
Best high yield bond

Best Deals - **Thailand**
Best follow-on offering

Best Deals - **India**
Best IPO
Best follow-on offering
Best new bond

FinanceAsia

Achievement Awards 2017
Best Korea Deal

mtn-i Asia Pacific Awards 2018

Power performer for
Korean Corporate
Debt Distribution

Deal of the Year

IFR Review of the Year 2017

Yen Bond of the Year

Asia-Pacific
Secondary Equity
Issue of the Year

Issue of the Year and
Financial Issue of the
Year

SSAR Issuer of the
Year