

# CRS Report for Congress

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## **Largest Mergers and Acquisitions by Corporations: 2005**

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John Williamson  
Information Resources Specialist  
Knowledge Services Group

# Largest Mergers and Acquisitions by Corporations: 2005

## Summary

Mergers and acquisitions activity increased in 2004 over 2003, and 2005 was an even bigger year for mergers and acquisitions. This report provides a listing of the largest U.S. and international mergers (announced value of at least \$2 billion) or acquisitions during 2005 through December 31, 2005. Completion dates for the mergers or acquisitions are included and merger or acquisition failures noted. These data have been drawn from publicly available sources and have not been otherwise verified by CRS. This report will not be updated.

Sources for this report include Saigol, Lina, and James Politi. “Big Deals Return as Investors Sharpen Up — Bankers Expect Steady Growth,” *Financial Times*, December 30, 2005. p. 21; Thornhill, John. “The Best and Worst of Times: Investors Look Beyond Europe’s Political Malaise. FINANCIAL MARKETS: A Year of Referendum Setbacks, Continued Economic Weakness and Anxiety over Globalisation Was Also One in Which Bourses Across the Region Soared on the Back of Strong Corporate Profits,” *Financial Times*, December 28, 2005. p. 11; and Berman, Dennis K. “Fistfuls of Dollars Fuel the M&A Engine.” *Wall Street Journal*, January 3, 2006. p. R3.

(For the top mergers of 2004, see CRS Report RS21726, *Largest Mergers and Acquisitions by Corporations: 2004*; for the top mergers of 2003, see CRS Report RS21415, *Largest Mergers and Acquisitions by Corporations: 2003*; for the top mergers of 2002, see CRS Report RS21147, *Largest Mergers and Acquisitions by Corporations: 2002*; for the top 25 mergers of 2001, see CRS Report RS20804, *Twenty-five Largest Mergers and Acquisitions by Corporations: 2001*; for the top 25 mergers of 2000, see CRS Report RS20504, *Twenty-five Largest Mergers and Acquisitions by Corporations: 2000*; for the top 25 mergers of 1999, see CRS Report RS20503, *Twenty-five Largest Mergers and Acquisitions by Corporations: 1999*; and for the top 25 mergers of 1998, see CRS Report RS20502, *Twenty-five Largest Mergers and Acquisitions by Corporations: 1998*, all by John Williamson.)

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# Largest Mergers and Acquisitions by Corporations: 2005

## Table 1. Largest Mergers and Acquisitions: 2005

(Ranked by Value; All amounts cited are in U.S. Dollars)

Acquirer, sector, and new name (if applicable)	Target firm and sector	Date announced	Date completed	Value (\$ billions)
Procter & Gamble Conglomerate	Gillette Inc., Conglomerate	1/28/05	10/1/05	\$56.9 <sup>a</sup>
ConocoPhillips Energy	Burlington Resources, Energy	12/12/05	Pending*	35.6 <sup>a</sup>
Bank of America Banking and finance	MBNA Inc., Banking and finance	6/30/05	1/1/06	35.0 <sup>a</sup>
Telefónica SA, Telecommunications	O <sub>2</sub> Plc. Telecommunications	10/31/05	Pending*	31.5 <sup>c</sup>
Gas Natural SDB SA Natural gas supplier	Endesa SA Power company	9/5/05	Pending*	28.3 <sup>c</sup>
Boston Scientific Medical instruments	Guidant Corp. Medical instruments	12/5/05	Pending*	27.0 <sup>c</sup>
Unicredito Italiano SpA Banking and finance	HVB Group AG Banking and finance	5/26/05	11/18/05	20.17 <sup>a</sup>
Chevron Energy	Unocal Energy	3/7/05	8/10/05	19.4 <sup>b</sup>
Kroger Co. Groceries	Albertson's Inc. Groceries	10/24/05	Offer rejected by Albertson's Board 12/21/05	16.5 <sup>a</sup>
SBC Communications Inc. Telecommunications AT&T Inc.	AT&T Corp. Telecommunications	1/27/05	11/18/05	15.7 <sup>a</sup>
Kohlberg, Kravis, Roberts & Co. Blackstone Group Apax Partners Worldwide LLP Permira Advisers Ltd. Providence Equity Partners, Inc. Investors	TDC A/S Communications	11/30/05	Pending*	15.3 <sup>c</sup>
Weather Investments SAE Naguib Sawiris et al.	Wind SpA Telecommunications	4/11/05	8/12/05	15.0 <sup>a</sup>
Clayton, Dubilier & Rice LLC Carlyle Group Merrill Lynch Global Private Equity Investors	Hertz (division of Ford Motor Co.) Automobile rentals	9/12/05	12/21/05	15.0 <sup>b</sup>

Acquirer, sector, and new name (if applicable)	Target firm and sector	Date announced	Date completed	Value (\$ billions)
Time Warner Comcast Conglomerates	Adelphia Cable operator	1/31/05	Pending*	14.0 <sup>a</sup>
Suez SA Utilities	Electrabel SA Electricity	8/9/05	11/15/05	14.0 <sup>c</sup>
Koch Industries Commodities	Georgia-Pacific Inc. Wood products	11/14/05	12/23/05	13.2 <sup>b</sup>
OAQ Gazprom Natural gas producer	OAQ Sibneft Petroleum	9/27/05	10/21/05	13.01 <sup>a</sup>
MetLife Inc. Life insurance	Travelers Life & Annuity Co. Life insurance	1/31/05	7/1/05	11.5 <sup>a</sup>
Silver Lake Partners LLC Bain Capital Blackstone Capital Carlyle Group Kohlberg, Kravis, Roberts Texas Pacific Group Thomas H. Lee Partners Investors	SunGard Data Systems Software and data processing	3/21/05	8/11/05	11.3 <sup>b</sup>
Federated Department Stores Department store operator	May Department Stores Department store operator	1/20/05	8/30/05	11.0 <sup>a</sup>
France Telecom SA Telecommunications	Grupo Auna SA mobile phone unit Telecommunications	7/21/05	11/8/05	11.0 <sup>a</sup>
INCO Metals producer	Falconbridge Metals producer	10/11/05	Pending*	11.0 <sup>b</sup>
FPL Group, Inc. Utilities	Constellation Energy Group, Inc. Utilities	12/14/05	Pending*	11.0 <sup>a</sup>
Vinci SA Construction and highway operator	Autoroutes du Sud Highway operator	12/14/05	Pending*	10.9 <sup>b</sup>
Barrick Gold Corp. Mining	Placer Dome Inc. Mining	10/31/05	Pending*	10.4 <sup>a</sup>
Pernod Ricard S.A. Wine and spirits	Allied Domecq Plc Conglomerate	2/4/05	7/26/05	10.0 <sup>a</sup>
Verizon Corp. Telecommunications	MCI Corp. Telecommunications	1/14/05	1/6/06	9.74 <sup>c</sup>
Unipol Sp.A. Insurance	Banca Nazionale del Lavoro Sp.A. Banking and finance	12/29/05	Pending*	9.74 <sup>b</sup>
Cerberus Capitol Investors Kimco Realty Corp. Real estate Supervalu Inc. Groceries wholesaling and retailing	Albertson's Groceries	12/15/05	Bid rejected by Albertson's Board 12/21/05	9.6 <sup>a</sup>
Berkshire Hathaway Corp. Holding company	PacifiCorp Energy	5/24/05	Pending*	9.4 <sup>c</sup>
Duke Energy Corp. Energy	Cinergy Corp. Energy	5/9/05	8/2006 (Projected)	9.1 <sup>c</sup>
Valor Communications Group Inc. Telecommunications	Alltel Corp. landlines Telecommunications	12/9/05	Pending*	9.1 <sup>a</sup>

Acquirer, sector, and new name (if applicable)	Target firm and sector	Date announced	Date completed	Value (\$ billions)
Ineos Group Holdings Plc Petrochemicals	Innovene, Inc. Petrochemicals	10/7/05	12/17/05	9.0 <sup>a</sup>
Valero Energy Inc. Energy	Premcor, Inc. Energy	4/24/05	9/1/05	8.7 <sup>a</sup>
Kohlberg, Kravis, Roberts Bain Capital Vornado Realty Investors	Toys 'R Us Retailer	3/17/05	7/21/05	8.6 <sup>c</sup>
NRG Energy Inc. Energy	Texas Genco LLC Energy	10/2/05	Pending*	8.3 <sup>a</sup>
Eiffage SA Highway operator Macquarie Bank Banking and finance	Société des Autoroutes Paris-Rhin-Rhône Highway operator	12/14/05	Pending*	8.25 <sup>b</sup>
ABN Amro Holding NV Banking and finance	Banca Antonveneta SpA Banking and finance	3/30/05	Pending*	8.16 <sup>c</sup>
UnitedHealth Inc. Health insurer	PacifiCare Health Systems, Inc. Health insurer	7/6/05	12/26/05	8.14 <sup>c</sup>
Novartis AG Pharmaceuticals	Hexal AG Pharmaceuticals	2/21/05	5/28/05	8.37 <sup>a</sup>
Texas Pacific Bain Capital Blackstone Group Investors	Affiliated Computer Services, Inc. Data processing	12/23/05	Pending*	8.0 <sup>a</sup>
SABMiller Plc Beverages	Grupo Empresarial Bavaria SA Beverages	7/18/05	12/4/05	7.8 <sup>a</sup>
Sankyo Corp. Pharmaceuticals Daiichi Sankyo Co.	Daiichi Pharmaceutical Co. Pharmaceuticals	2/25/05	9/1/05	7.7 <sup>c</sup>
Lincoln National Corp. Insurance	Jefferson-Pilot Corp. Insurance	10/10/05	Pending*	7.5 <sup>a</sup>
Teva Pharmaceutical Industries Ltd. Pharmaceuticals	Ivax Corp. Pharmaceuticals	7/25/05	1/12/05	7.4 <sup>c</sup>
Metrovacesa S.A. Real estate developer	Gecina S.A. Real estate company	3/15/05	6/6/05	7.39 <sup>b</sup>
BHP Billiton Mining	WMC Resources Mining	3/8/05	6/3/05	7.3 <sup>b</sup>
Allianz A.G. Insurance	Riunione Adriatica di Sicurtà SpA Insurance	9/11/05	11/14/05	7.1 <sup>c</sup>
Deutsche Post AG Mail, package handling, delivery	Exel Plc Package handling, delivery	9/16/05	12/13/05	6.9 <sup>c</sup>
Cisco Systems Inc. Routers	Scientific-Atlanta Inc. TV set-top boxes	11/17/05	Pending**	6.9 <sup>a</sup>
Swiss Reinsurance Co. Insurance	General Electric Co. reinsurance division Conglomerate	11/18/05	Pending*	6.8 <sup>c</sup>
Cie. de Saint-Gobain SA Conglomerate	BPB Plc Building materials	7/21/05	12/2/05	6.62 <sup>a</sup>
WellPoint Inc. Health insurer	WellChoice Inc. Health insurer	9/27/05	12/28/05	6.6 <sup>c</sup>

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Acquirer, sector, and new name (if applicable)	Target firm and sector	Date announced	Date completed	Value (\$ billions)
Sprint Nextel Corp. Telecommunications	Nextel Partners Telecommunications	12/20/05	Pending*	6.5 <sup>c</sup>
Washington Mutual Banking and finance	Providian Banking and finance	6/6/05	10/1/05	6.45 <sup>a</sup>
Hilton Hotels Corp. Lodging	Hilton International Plc Lodging	10/13/05	Pending*	6.3 <sup>a</sup>
NTL Inc. Cable operator	Telewest Global Inc. Cable operator	10/3/05	Pending*	6.0 <sup>a</sup>
News Corp. Ltd. Conglomerate	Fox Entertainment Group, Inc. Entertainment	1/10/05	3/21/05	5.9 <sup>a</sup>
Oracle Corp. Inc Software	Siebel Systems Inc. Customer service software	9/12/05	Pending*	5.85 <sup>c</sup>
Cinven Group Ltd. BC Partners Ltd. Investors	Amadeus Global Travel Distribution SA Travel	1/12/05	7/4/05	5.8 <sup>a</sup>
Old Mutual Plc Insurance	Skandia AB Insurance	12/20/05	Pending*	5.7 <sup>c</sup>
Boots Group Plc Drugstore chain Alliance Boots Plc	Alliance Unichem Plc Drugstore chain	10/3/05	Pending*	5.6 <sup>a</sup>
Punch Taverns Plc Tavern operator	Spirit Group Ltd. Tavern operator	6/25/05	1/5/06 (Projected)	5.47 <sup>b</sup>
Dubai Ports World Port operator	Peninsular & Oriental Steam Navigation Co., Plc Port operator	10/30/05	Pending*	5.32 <sup>a</sup>
Commerzbank AG Banking and finance	Eurohypo AG Mortgage banking	11/15/05	Pending*	5.3 <sup>b</sup>
Barclays Plc Banking and finance	Absa Group Ltd. Banking and finance	4/25/05	7/27/05	5.2 <sup>c</sup>
Altria Group Conglomerate	PT HM Sampoerna Cigarette maker	3/14/05	5/30/05	5.1 <sup>c</sup>
Novartis AG Pharmaceuticals	Chiron Corp. Inc. Pharmaceuticals	10/31/05	Pending*	5.1 <sup>c</sup>
Deutsche Annington GmbH Real estate	Viterra AG Real estate	5/17/05	5/17/05	5.0 <sup>c</sup>
Capital One Financial Banking and finance	Hibernia Bank Banking and finance	3/6/05	11/14/05	5.0 <sup>b</sup>
Arcelor SA Steel	Dofasco Inc. Steel	12/22/05	Pending*	4.85 <sup>a</sup>
Abertis Infraestructuras SA Highway operator	Sanef SA Highway operator	12/14/05	Pending*	4.83 <sup>b</sup>
Mittal Steel N.V. Steel	Kryvorizhstal Steel	10/24/05	11/29/05	4.8 <sup>a</sup>
Yuji Tsutsumi Seiji Tsutsumi Investors	Seibu Railway KK Transportation and real estate	10/31/05	Pending*	4.8 <sup>b</sup>
Vodafone Plc. Telecommunications	Telsim Mobil Telekomunikasyon Hizmetleri AS Telecommunications	12/13/05	Pending*	4.55 <sup>a</sup>
Erste Bank AG Banking and finance	Banca Comerciala Romana SA Banking and finance	12/20/05	Pending*	4.45 <sup>c</sup>

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Acquirer, sector, and new name (if applicable)	Target firm and sector	Date announced	Date completed	Value (\$ billions)
Alltel Telecommunications	Western Wireless Telecommunications	1/6/05	8/1/05	4.3 <sup>a</sup>
Occidental Petroleum Energy	Vintage Petroleum Inc. Energy	10/13/05	Pending*	4.3 <sup>a</sup>
R.H. Donnelley Corp. Publisher	Dex Media Inc. Publisher	10/3/05	Pending*	4.2 <sup>b</sup>
China National Petroleum Co. Energy	PetroKazakhstan Energy	8/22/05	10/27/05	4.18 <sup>b</sup>
ThyssenKrupp AG Steel	Dofasco, Inc. Steel	11/28/05	Outbid	4.1 <sup>c</sup>
Fresenius Medical Care AG Kidney dialysis Fresenius Medical Care KGaA	Renal Care Group Inc. Kidney dialysis	5/4/05	Pending*	4.0 <sup>a</sup>
CVS Corp. Drug stores	Savon Drugs Drug stores	12/15/05	Pending*	4.0 <sup>a</sup>
BAE Systems Plc. Defense/aerospace	United Defense Technologies Inc. Defense contractor	3/7/05	6/24/05	3.97 <sup>c</sup>
Wachovia Corp. Inc. Banking and finance	Westcorp Banking and finance	9/12/05	Pending*	3.91 <sup>c</sup>
adidas-Salomon AG Apparel	Reebok International Ltd. Apparel	8/2/05	Pending*	3.8 <sup>c</sup>
Providence Equity Partners Inc. Investors	Kabel Deutschland GmbH	12/8/05	Pending*	3.8 <sup>c</sup>
Gala Group Holdings Plc. Gambling	Coral Eurobet Plc. Gambling	10/7/05	11/24/05	3.8 <sup>c</sup>
Marathon Oil Corp. Energy	Marathon Ashland Petroleum LLC Petroleum refiner	4/28/05	6/30/05	3.7 <sup>a</sup>
Legg, Mason & Co. Banking and finance	Citigroup's fund unit Banking and finance	6/24/05	12/1/05	3.7 <sup>c</sup>
Whirlpool Inc. Appliances	Maytag Inc. Appliances	7/16/05	Pending*	3.6 <sup>b</sup>
Porsche AG Automobiles	Volkswagen AG (19%) Automobiles	9/24/05	10/31/05	3.6 <sup>c</sup>
Liberty Media Conglomerate Liberty Global	UnitedGlobalCom Inc. Telecommunications	1/18/05	6/15/05	3.5 <sup>b</sup>
Reckitt Benckiser Plc. Home products	Boots Group's health-care unit Pharmaceuticals	10/7/05	Pending*	3.43 <sup>c</sup>
Adobe Systems Inc. Software	Macromedia Inc. Software	4/17/05	12/5/05	3.4 <sup>a</sup>
CalEast Industrial Investors LLC California Public Employees Retirement System Jones Lang LaSalle Inc.	CenterPoint Properties Trust Real estate investment trust	12/9/05	Pending*	3.4 <sup>a</sup>
RAG AG Chemicals	Degussa AG Chemicals	12/19/05	Pending*	3.36 <sup>c</sup>
Blackstone Group LP Investors	Wyndham International Inc. Hotels	6/14/05	8/16/05	3.24 <sup>c</sup>
Intelsat Ltd. Satellite telecommunications	PanAmSat Satellite telecommunications	8/29/05	Pending*	3.2 <sup>c</sup>



## CRS-6

Acquirer, sector, and new name (if applicable)	Target firm and sector	Date announced	Date completed	Value (\$ billions)
Allergan Inc. Medical products	Medicis Inc. Medical products	11/21/05	Pending*	3.2 <sup>b</sup>
Allergan Inc. Cosmetic pharmaceuticals	Inamed Corp. Pharmaceuticals	12/20/05	Pending*	3.2 <sup>a</sup>
Repsol YPF S.A. Energy CVC Capital Partners Ltd. Investor	Royal Dutch/Shell Group's LPG assets Liquified petroleum gas	6/2/05	Pending*	3.1 <sup>a</sup>
General Electric Co. Conglomerate	Arden Realty Inc. Real estate investment trust	12/20/05	Pending*	3.1 <sup>a</sup>
Axel Springer AG Communications	ProSiebenSat.1 Media AG Broadcasting	8/5/05	Pending*	3.05 <sup>c</sup>
J.C. Flowers & Co. LLC ABN Amro Holding NV American International Group Inc. Banco Santander Central Hispano SA Delta Lloyd Shinsel Bank Ltd. Bank of America Corp. Govt. of Singapore Investment Corp. Goldman Sachs Group J.P. Morgan Chase & Co. Investors	NIB Capital Bank NV Banking and finance	7/07/05	8/9/05	3.05 <sup>a</sup>
American Tower Corp. Wireless towers	SpectraSite Inc. Wireless towers	5/4/05	8/8/05	3.0 <sup>a</sup>
CVC Capital Partners Investors	Formula One (75%) Auto racing promoter	11/25/05	Pending*	3.0 <sup>a</sup>
Amgen Inc. Pharmaceuticals	Abgenix Inc. Pharmaceuticals	12/14/05	Pending*	3.0 <sup>a</sup>
Citigroup Inc. Banking and finance	Guangdong Development Bank Banking and finance	12/30/05	Pending*	3.0 <sup>c</sup>
Macquarie Bank Banking and finance	London Stock Exchange Plc. Stock exchange	12/8/05	Pending*	2.7 <sup>b</sup>
Extra Space Storage Inc. Prudential Financial Inc. Investors	Storage USA (unit of General Electric) Self-storage	4/25/05	7/14/05	2.6 <sup>a</sup>
A.P. Moeller-Maersk A/S Shipping	Royal P&O Nedlloyd NV Shipping	5/10/05	9/14/05	2.6 <sup>c</sup>
Starwood Capital LLC Investment fund	Taittinger SA Conglomerate	7/22/05	7/22/05	2.6 <sup>c</sup>
eBay Inc. Internet auctioneer	Skype SA VOIP seller	9/12/05	Pending*	2.6 <sup>b</sup>
Woolworths Ltd. Metcash Trading Groceries	Foodland Associated Ltd. Groceries	5/25/05	11/10/05	2.57 <sup>c</sup>
Kohlberg, Kravis, Roberts & Co. Permira Advisers Ltd. Investors	SBS Broadcasting SA Telecommunications	8/22/05	Pending*	2.55 <sup>b</sup>

Acquirer, sector, and new name (if applicable)	Target firm and sector	Date announced	Date completed	Value (\$ billions)
Bain Capital Group LLC Investors	Texas Instruments' sensors and control div.	12/22/05	Pending*	2.5 <sup>a</sup>
Foster's Group Ltd. Beverages	Southcorp Ltd. Winemaker	4/22/05	5/27/05	2.46 <sup>a</sup>
Norsk Hydro ASA Conglomerate	Spinnaker Exploration Co. Oil and gas	9/18/05	12/13/05	2.45 <sup>a</sup>
Bain Capital Carlyle Group Thomas H. Lee Partners Investors	Dunkin' Brands Restaurants	12/12/05	Pending*	2.43 <sup>b</sup>
General Electric Co. Conglomerate	Bombardier Inc. finance unit Conglomerate	4/17/05	6/1/05	2.4 <sup>c</sup>
Macquarie Bank Ltd. Macquarie Capital Alliance Group Nikko Cordial Corp. Caisse de Depot et Placement du Quebec Investors	YBR Group NV Telephone directory publisher	5/16/05	6/1/05	2.3 <sup>c</sup>
Goldman, Sachs & Co. Investors	HVB AG delinquent loans Banking and finance	11/11/05	Completed	2.3 <sup>b</sup>
Medco Health Solutions Pharmaceuticals distributor	Accredo Health Specialty pharmaceuticals	2/23/05	8/18/05	2.2 <sup>b</sup>
Liberty Global Inc. Cable-television systems	Cablecom AG Cable-television systems	9/30/05	10/25/05	2.2 <sup>c</sup>
BAA Plc. Airport operator	Budapest Airport Rt. Airport operator	12/8/05	Pending*	2.2 <sup>c</sup>
General Dynamics Defense conglomerate	Anteon Inc. Information technology	12/14/05	Pending*	2.2 <sup>a</sup>
Postbank AG Banking and finance	BHW AG Banking and fianance	10/25/05	Pending*	2.16 <sup>b</sup>
Talisman Energy, Inc. Oil	Paladin Resources Plc Oil	10/20/05	Pending*	2.15 <sup>c</sup>
Cimarex Energy Co. Natural gas	Magnum Hunter Resources Co. Natural gas	1/26/05	6/7/05	2.1 <sup>a</sup>
Aviva plc Insurance	RAC plc Automobile servicing	3/9/05	5/27/05	2.1 <sup>a</sup>
Ericsson AB Telecommunication equipment	Marconi Corp. Telecommunications equipment	10/25/05	1/06 (projected)	2.1 <sup>c</sup>
IAC/InterActiveCorp. Internet conglomerate	Ask Jeeves Inc. Internet search engine	3/21/05	8/9/05	2.0 <sup>a</sup>
Statoil ASA Norwegian government	Encana Corp. Gulf of Mexico oil and gas properties	4/28/05	7/1/05	2.0 <sup>a</sup>
OAO Lukoil Petroleum	Nelson Resources Ltd. Oil	9/30/05	12/5/05	2.0 <sup>c</sup>

**Sources:** *Mergerstat Online* [<http://www.mergerstat.com>]; *Mergers & Acquisitions Magazine*, various issues; *The Wall Street Journal*, various dates; *The Financial Times*, various dates; announcement and closing dates from *The Wall Street Journal* or *The Financial Times*, various dates.

**Note:** Values given for transactions are expressed as the value of the combined assets of the two firms when there is a merger. In an acquisition, the value shown is the purchase price of the target corporation. These figures some times vary

## CRS-8

from one source to another and can change as the market value of the company's stock changes; values are shown in U.S. Dollars. U.S. Dollar value can fluctuate with changes in exchange rates. The values shown above are derived from the following sources:

- a. Source for value: *The Wall Street Journal*.
- b. Source for value: *The Financial Times*.
- c. Source for value: *bloomberg.com*.

\* The designation "Pending" often indicates that regulatory approval needed for actual merger has not been obtained.