



InBev's Unsolicited All Cash Bid for Anheuser-Busch Largest Ever | LBOs Continue to Decline - Reaching a 5-Year Quarterly Low

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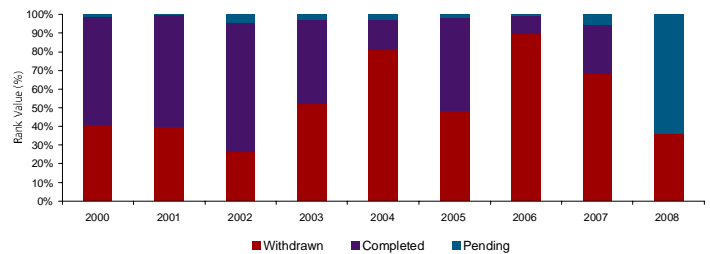
Belgian brewer InBev launched the largest unsolicited all cash offer of US\$55.5 billion for US rival brewer Anheuser-Busch. If successful, it would be the largest all cash deal and the second largest US cross-border deal behind Vodafone's 1999 acquisition of AirTouch Communications for US\$65.7 billion. The deal remains in jeopardy as the board has unanimously rejected InBev's offer despite the 29.4% premium offered to Anheuser-Busch's shareholders.

In another recent unsolicited bid, Microsoft withdrew its US\$41.9 billion offer for Yahoo after its bid was rejected, prompting activist investor Carl Icahn to launch a formal proxy fight to unseat Yahoo's board.

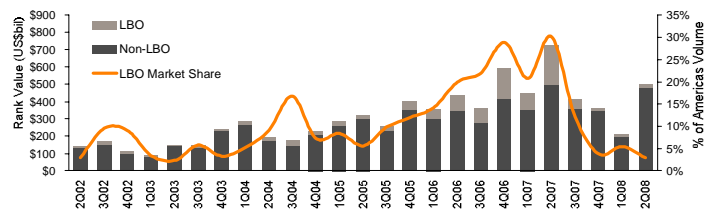
**LBOs Continue to Decline - Reaching a 5-Year Quarterly Low**

The leveraged buyout market continued to experience the lingering effects of the credit crunch during the first half of 2008 as Americas LBO volume totaled just US\$26 billion, a 91.7% decline from the same period last year and the average LBO size decreased from US\$2.1 billion to US\$394.1 million. LBO volume during the second quarter accounted for just 3% of Americas M&A, the lowest quarterly level in five years.

US Unsolicited Bids by Deal Status



Americas M&A Target Announced LBO Volume



**Top Ten US Announced Deals**

Rank	Date	Target	Acquiror	Rank Value (US\$m)
6/11/2008		Anheuser-Busch Cos Inc	InBev NV	55,544.1
5/21/2008		Time Warner Cable Inc	Shareholders	42,129.7
6/5/2008		Alltel Corp	Verizon Wireless Inc	28,100.0
4/7/2008		Alcon Inc	Novartis AG	27,733.7
4/28/2008		William Wrigley Jr Co	Mars Inc	23,194.2
5/21/2008		Calpine Corp	NRG Energy Inc	16,475.0
5/13/2008		Electronic Data Systems Corp	Hewlett-Packard Co	13,031.0
5/19/2008		Pennsylvania Turnpike	Investor Group	12,800.0
6/23/2008		Allied Waste Industries Inc	Republic Services Inc	12,728.8
1/28/2008		NYMEX Holdings Inc	CME Group Inc	11,071.7

**Top US Announced M&A by Target Industry**

Industry	Rank Val US\$m	Rank	Mkt. Share	No. Deals
<b>Consumer Staples</b>	<b>104,544.7</b>			<b>177</b>
Freshfields Bruckhaus Deringer	17,411.1	1	33.7	3
Paul Weiss Rifkind Wharton & Ga	16,950.0	2	32.8	4
Simpson Thacher & Bartlett	16,546.1	3	32.0	5
<b>Energy and Power</b>	<b>76,805.3</b>			<b>367</b>
Skadden, Arps, Slate, Meagher & Mayer Brown LLP	20,230.0	1	26.3	5
Gibson Dunn & Crutcher	17,438.6	2	22.7	3
Debevoise & Plimpton	16,920.2	3	22.0	2
<b>Financials</b>	<b>74,308.0</b>			<b>487</b>
Skadden, Arps, Slate, Meagher & Simpson Thacher & Bartlett	29,759.4	1	40.1	16
Simpson Thacher & Bartlett	17,700.2	2	23.8	9
Debevoise & Plimpton	17,267.5	3	23.2	3