## Contents

<table>
<thead>
<tr>
<th>Page</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Introduction</td>
</tr>
<tr>
<td>4</td>
<td>League Tables</td>
</tr>
<tr>
<td>5</td>
<td>Emerging Europe: Overview</td>
</tr>
<tr>
<td>8</td>
<td>The investment landscape in central and southeastern Europe</td>
</tr>
<tr>
<td>10</td>
<td>Real estate overview</td>
</tr>
<tr>
<td>12</td>
<td>Capital markets overview</td>
</tr>
<tr>
<td>14</td>
<td>Albania</td>
</tr>
<tr>
<td>16</td>
<td>Bosnia and Herzegovina</td>
</tr>
<tr>
<td>18</td>
<td>Bulgaria</td>
</tr>
<tr>
<td>20</td>
<td>Croatia</td>
</tr>
<tr>
<td>22</td>
<td>Czech Republic</td>
</tr>
<tr>
<td>24</td>
<td>Hungary</td>
</tr>
<tr>
<td>26</td>
<td>Montenegro</td>
</tr>
<tr>
<td>28</td>
<td>Poland</td>
</tr>
<tr>
<td>30</td>
<td>Romania</td>
</tr>
<tr>
<td>32</td>
<td>Russia</td>
</tr>
<tr>
<td>34</td>
<td>Serbia</td>
</tr>
<tr>
<td>36</td>
<td>Slovakia</td>
</tr>
<tr>
<td>38</td>
<td>Slovenia</td>
</tr>
<tr>
<td>40</td>
<td>Turkey</td>
</tr>
<tr>
<td>42</td>
<td>Ukraine</td>
</tr>
<tr>
<td>44</td>
<td>Top Deals Annex</td>
</tr>
<tr>
<td>59</td>
<td>About Us</td>
</tr>
</tbody>
</table>
Whilst the 2015 global M&A market saw more deals with more value than any year since 2007, the CEE M&A market as a whole was tempered. Poland, Hungary, Serbia and Bosnia and Herzegovina saw an increase in deals - both value and volume - from 2014. As a whole, CEE deal volume and value were down on 2014.

The situation in Crimea and Eastern Ukraine, along with sanctions imposed on Russia, continues to depress M&A activity in Russia, which historically has been one of CEE’s busiest M&A markets. As confirmed in the CMS European M&A Outlook (October 2015), the market sentiment is split as to how the deteriorating Russian vis-à-vis EU/USA relations may impact M&A in CEE. Some believe the situation hinders investment into the wider CEE region. Others believe it has no effect, or in fact benefits the broader region, as investment is diverted to EU countries within CEE.

The most active foreign investors in CEE in 2015 were from the US. This is not surprising, given the strength of the dollar against the euro, and is a consistent trend across the European M&A market. A new wave of investment from China and a developing interest from South Korea were also apparent.

CEE as a region continues to become more fragmented. Political changes can be seen to have a direct, and often immediate, impact on the levels of new investment and the sustainability of existing investments by both private equity and strategic investors in individual markets. This has been witnessed in Hungary over the recent years and there is much speculation about the development of the Polish market after the recent change of government. The net result for the region may be neutral, however, as investment is simply diverted to other CEE countries, rather than withdrawn.

A sustained increase in M&A activity in the real estate market was witnessed in 2015 in many of the core CEE countries such as Poland, Czech Republic and Hungary. Both deal volume and value was high, as large private equity houses secured portfolio investments and mid-market deal flow from more traditional real estate investors surged. This is expected to continue in 2016.

We trust that you will find this report useful and encourage you to contact our local teams for additional up to date market insight and advice.

Helen Rodwell
Partner, CEE Corporate Practice
helen.rodwell@cms-cmck.com

Radivoje Petrikić
Partner, CEE Corporate Practice
radivoje.petrikic@cms-rrh.com
League Tables

CEE Legal Advisers for 2015

<table>
<thead>
<tr>
<th>Firm</th>
<th>Number of deals</th>
</tr>
</thead>
<tbody>
<tr>
<td>CMS</td>
<td>56</td>
</tr>
<tr>
<td>Dentons</td>
<td>50</td>
</tr>
<tr>
<td>Schoenherr</td>
<td>27</td>
</tr>
<tr>
<td>Sorainen</td>
<td>25</td>
</tr>
<tr>
<td>White &amp; Case</td>
<td>23</td>
</tr>
<tr>
<td>Baker &amp; McKenzie</td>
<td>22</td>
</tr>
<tr>
<td>Domanski Zakrzewski Palinka</td>
<td>22</td>
</tr>
<tr>
<td>Wolf Theiss</td>
<td>20</td>
</tr>
<tr>
<td>Allen &amp; Overy</td>
<td>19</td>
</tr>
<tr>
<td>Clifford Chance</td>
<td>18</td>
</tr>
</tbody>
</table>

League Tables were generated using the LeagueBoard tool available in EMIS DealWatch. The criteria used for crediting the advisers for the purpose of these league tables include:

— deal announcement date: 1 January - 31 December, 2015
— Emerging Europe geographic area, understood as the dominant country of operations of the deal target or the location of its main assets, covers: Albania, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Kosovo, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Turkey and Ukraine
— deal value (excluding net debt): at least USD 1m; for commercial real estate deals at least USD 5m
— deals with unspecified value were taken into account
— advisors on the local aspects of global deals are credited pro rata based on the deal value attributable to the said aspects, if this value is known or can be fairly estimated
— exclusions: rumoured or failed deals, stock exchange deals, convertibles issues, share buybacks, internal restructurings, joint ventures (unless tangible non-cash assets are exchanged), and employee offers.

The ranking was created based on deal advisory information available, according to our best knowledge as of 7 January, 2016. The data can be subject to updates.
Emerging Europe: Overview

Despite 2015 being regarded as record-shattering for global M&A, stronger deal flow more or less bypassed emerging Europe once again.

Throughout 2015, the region was subject to constant political and economic shocks such as the unrest in Ukraine, the Greek debt crisis, the influx of migrants from Middle East and Africa, the risk of deflation and the looming prospects of a Brexit.

Yet, all these factors did not hinder M&A to the extent one would expect. Emerging Europe persevered somewhat, with a small decline in announced deals to 2,138; albeit coupled with a sharper slump in total transaction value from EUR 62.8bn to EUR 53.5bn. Manufacturing was again the most targeted sector with 343 deals, followed by telecoms & IT and real estate with 298 and 263 deals, respectively.

Private equity transactions were on the rise in 2015, the largest ones attracting predominantly US and UK investors. A total of 288 deals was announced (a 16% increase), more than half of which constituted new PE entries.

The number of real estate deals was down by 6% to 263, worth a combined EUR 8bn. 64 of them targeted commercial properties and related sector companies in Poland. (As of 2015, real estate deals also include hotels and logistic properties. 2014 numbers have been adjusted accordingly.)

Much of emerging Europe’s overall decline was once again attributable to Russia, where counter-sanctions against the West and collapsing oil prices forced Schlumberger to abandon its planned EUR 1.5bn bid for the largest local onshore driller Eurasia Drilling Company, and ConocoPhillips to exit the country completely. Nevertheless, Russia accounted for 32% of all transactions in emerging Europe and for 35% of total deal value. Bigger deals are expected for 2016, notably Telenor’s anticipated sale of a third of Russian mobile operator VimpelCom for around EUR 2bn.

Turkey boasted the region’s largest deal in 2015, the EUR 2.8bn acquisition of local Finansbank by Qatari lender QNB, but M&A in the country was down overall, suffering from political uncertainty and a plummeting exchange rate. Privatisations in the Turkish energy sector will continue into 2016, with many hydroelectric plants scheduled for sale in the first months of the year.

Poland put up a strong performance in 2015 and prospects remain good for 2016. The Greek and Icelandic owners of local mobile operator P4 have been considering an exit for a long time, and a EUR 1.8bn disposal could happen by mid-2016. Meanwhile, UK-based private equity firm CVC said it is ready to spend EUR 100m on Polish investments and could set aside as much as EUR 1bn for investment in the country.

In Hungary, the state was again one of the most active M&A players, but the sale of government-owned MKB Bank was delayed to the second half of 2016. The deal could involve a listing on the local bourse after MKB’s distressed assets are spun off. The Hungarian unit of Sberbank is also up for sale, following the disposal of the lender’s Slovak operations in December.

Other expected bank deals include GE Money Bank in the Czech Republic, Raiffeisen Banka, Gorenjska Banka and Sberbank’s unit in Slovenia, the planned IPO of Serbian top lender Komercijalna Banka, the scheduled privatisation of Adabank in Turkey, the IPO of BIN Bank in Russia and the sale of Commercial Bank Victoria in Bulgaria. Overall, in 2016 the sector will be likely driven by disposals of local branches of Greek banks and the exits of Western lenders from less profitable markets.

Telecoms M&A in emerging Europe disappointed with a dearth of large deals this year. After the cancelled privatisation of Telekom Srbija, the local government
announced it will reorganise the company in the hope of receiving higher bids later in 2016. Telekom Slovenije is likely to follow suit after UK private equity buyer Cinven decided to pull out of its initial EUR 850m offer. The telecom company is not presently on Slovenia’s privatisation list, but the state could further evaluate the prospects of a renewed sale. In Romania, Deutsche Telekom’s local subsidiary hangs in the balance between a full ownership by its parent and a public privatisation process, while in Bulgaria incumbent operator Vivacom is to change hands early in 2016, on the back of regulatory approval of a transaction signed in late 2015.

In the oil & gas sector, falling commodity prices have not yet lead to increased activity in regional M&A. Quite the opposite – the number of related deals in emerging Europe was down by more than 30% in 2015. However, a continued plunge of oil prices throughout 2016 may revive the M&A scene, forcing smaller sector companies in Russia to seek asset sales or consolidations, while major players hunt for bargain purchases.

Looking ahead to 2016, we expect a year of respite for emerging Europe M&A. Political risks remain, but many external shocks have been curbed or at least taken into account. Prospects for Poland seem mildly positive, in Southeastern Europe Romania will remain the regional leader, and the outlook for Slovenia and Croatia is also healthy. Activity in Turkey could pick up in 2016 after a parliamentary majority was again established following the November elections. On the private equity front, ripe portfolios and a flight to higher returns are likely to spur deals in the region.

The US Federal Reserve’s recent decision to start raising interest rates for the first time in a decade may up the cost of M&A financing. Nevertheless, the impact on currency exchange will be stronger, contributing to a further slip of the euro against the dollar and positioning US buyers for a very fruitful venture into emerging Europe in 2016. Increasing investment appetite from China could additionally help push the region’s four-year downward trend towards a reversal.

Stefan Stoyanov
Global Head of M&A Database
EMIS - A Euromoney Institutional Investor Company
sstoyanov@emis.com
Deals by Value and Volume (2012-2015)

The UniCredit Tirac deal for an estimated amount of EUR 700m was reported by the media in 2014 but formally announced in 2015. It was excluded from the aggregated deal value for Romania for 2014 and included in 2015 instead.

Number of deals by sector in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>343</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>245</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>113</td>
</tr>
<tr>
<td>Telecoms &amp; IT</td>
<td>298</td>
</tr>
<tr>
<td>Wholesale &amp; Retail Trade</td>
<td>201</td>
</tr>
<tr>
<td>Utilities</td>
<td>112</td>
</tr>
<tr>
<td>Real Estate</td>
<td>263</td>
</tr>
<tr>
<td>Services</td>
<td>163</td>
</tr>
<tr>
<td>Other</td>
<td>400</td>
</tr>
</tbody>
</table>
The investment landscape in central and south-eastern Europe

William Wells, Executive Vice-Chairman, Central and Eastern Europe, Rothschild

The economic backdrop offers many positives and no reasons to assume the region will not continue to grow steadily in the coming years. Importantly, the quality of business has improved markedly. However, a number of significant structural issues will impact on how investment and business opportunities develop, including concerns around the banking system, inadequate infrastructure and economic nationalism. This article highlights some of the abiding themes affecting the outlook for central and south-eastern Europe.

Investor perception
Whereas countries in central, eastern and south-eastern Europe used to be consolidated together as an asset class, the picture is now much more fragmented in terms of risk perception and market maturity. Central and eastern Europe includes investment grade or prospective investment grade countries. South-eastern Europe on the other hand, presents an entirely different risk profile, with some non-EU Member States, more leisure and consumer-based and agricultural economies and greater exposure to the fallout of the Greek crisis. It has probably always been incorrect to regard the region as a coherent investment area and it is clearly wrong now.

Market size
Corporates and investors are increasingly thinking in terms of regional clusters, mostly because of the practicalities of running a business. If you are a consumer business in the Czech Republic, you very easily think about southern Poland and parts of Austria as your natural market. A tourism investor looking at Croatia will think in terms of the Adriatic and naturally also look towards Italy, Slovenia and parts of Greece. More and more people think in terms of regional strategies, partly as a convenience in managing their businesses and to make sure they are conveniently located. Where local players reach the limits of growth in their home markets, they consider diversifying and de-risking their businesses in their immediate region and in some cases further afield. On the back of this, we are seeing the emergence of some major international investor groups that are based in Central Europe.

Infrastructure
There is still an extremely long way to go in modernising infrastructure, which is hindering investment. For instance, the continued successful development of tourism in Croatia and Slovenia depends on upgrading roads and smaller airports. We see significant activity in this area, but more investment is required in road, rail, ports and airports to support the local economies through improved regional and wider European connections. Meeting the substantial infrastructure investment challenge will depend on the successful delivery of the current and subsequent EU transport infrastructure funding programmes, which should serve as a catalyst for private investment in infrastructure.
Generational change
There are a large number of hugely successful entrepreneurs, who launched their businesses following the fall of the Berlin Wall and are looking to change the capital structure of their business or cash out in the absence of suitable family succession options. This will bring in a great many investment opportunities for corporates, private equity funds and others. The impact of this generational change will likely be felt for several years.

Economic nationalism
Economic nationalism is a growing theme across all of Europe. It is not a specifically central and eastern European phenomenon and it is not new (look at central and south-eastern Europe in the late 1920s and 1930s); but in the context of the liberal markets philosophy of the EU it can be contentious. Developments in Hungary and, more recently, in Poland have dominated press coverage, but the trend is present in different forms and for different reasons in Serbia, Slovenia, Greece and elsewhere. The crucial question for the future is to what extent these countries will become, or be perceived as, less open economies. It will be interesting to see where investment flows go. For instance, there is a sense that the Czech Republic and Slovakia are beneficiaries of Chinese and Japanese investment as they may be seen as less complicated politically than, say, Poland or Hungary. That doesn’t mean people will not invest in Poland or Hungary, but we have to see how they will differentiate and price the risks.

Savings and pensions
Whereas many pension systems have been net money accumulators for several years, the trend is now for them to become net distributors as the population ages. In addition, employment flight to western Europe may mean that a proportion of young, affluent earning capability is not feeding into the existing local savings and pension systems. The overall effect is a reduction in the level of savings available for investments in stock markets. Moreover, investment limited to local currency zones and therefore limiting investment choice is reducing. The days of significant amounts of institutional money with nowhere else to go have long gone. But this also means greater inter-dependency across the EU – with the benefits this can bring.

Banking system
The banking system shows great variation. Liquid banking systems are found mostly in central Europe, particularly the Czech Republic and Poland. Banking systems in south-eastern Europe are more constrained due to the effective withdrawal of the Greek banking groups and the reorganisation of some of the Austrian and Italian banking groups. The availability of credit provides another clear basis to distinguish central from south-eastern Europe.

Investor countries
While it is hard to identify a uniform theme, there is a resurgence in Asian interest, principally from China and Japan. Japanese corporates are looking at growth opportunities outside of their “zero growth” home market. Chinese companies seem to have a clear brief to export capital to central Europe. There is definitely a much higher flow of Chinese money, some of it tying up with local investors. US interest will likely continue, though more appropriately defined as European as it involves investments by global funds largely managed in Europe.

Russia
Developments in relation to Russia have clearly had an impact, particularly in central Europe. Businesses with significant exposure to Russia, for instance exporters of premium branded products, have had a difficult time, although that is more or less coming to an end assuming we see no further dramatic events. Many businesses which operated as intermediaries between Russia and eastern and western Europe have adjusted successfully. Investors with assets contained within the rouble zone are simply managing the situation as best as possible. The situation remains dynamic and complex, particularly in the energy and utilities sector. Russia as a source of growth for central Europe acting as a bridge to Russia is essentially on hold for the foreseeable future.

No one should lose sight of how far these once “emerging markets” have come in the last 25 years or so. It does not make them easy places in which to operate for advisory services but they just grow in scale, sophistication and appetite for financing and investment. They are “just” Europe – like the rest of Europe, interesting, invigorating with characteristics borne of geography, economic structures and history.

This article is based on a 6 January 2016 interview with William Wells, Executive Vice-Chairman, Central and Eastern Europe at Rothschild, overseeing all of Rothschild’s business in central and south-eastern Europe. Rothschild has been active in the region since the 1830s.
Real estate overview

Encouraging prospects for the commercial real estate sector

2015 was a much improved year for the commercial real estate sector across CEE. Investors continued to hunt for high quality, income producing properties located in big cities and/or rented to high quality tenants under long term leases. In addition, 2015 saw increased interest in ‘riskier’ assets; both in terms of countries and locations within countries. All commercial property sectors, retail, industrial (logistics) and offices, were busy.

Transaction volume increased in several countries across the region. The Czech Republic was a clear leader, attracting the interest of many investors after several relatively weak years. Investment activity in Hungary also grew significantly in 2015, while Poland enjoyed a steady flow of deals, continuing a trend from previous years. Slovakia and Romania saw an increased interest from investors for the first time since 2008, while Bulgaria and Ukraine remained relatively quiet.

These trends should continue in 2016. High quality product will most probably continue to attract long term investors in CEE and the price of such properties is expected to remain high. Faced with a shortage of high quality product, investors will continue to look for riskier ventures, offering higher returns. The Czech Republic will continue to rank highly among institutional investors because of its political stability and predicted economic growth. Hungary should also attract more investment, as its economy continues to grow and relatively low real estate prices create opportunities. Romania has the potential for an investment boom. A big unknown is Poland, where recent political changes have resulted in uncertainty. The markets will be watching the approach of the new government to foreign investors and the impact of increased social spending on budget deficits. Ukraine may become an interesting place for investors if and when the conflict ends. No significant changes are expected in other countries.

As CEE countries depend on foreign investment for their development, the impact of the condition of the world economy will be significant for the region and may influence change.

Wojciech Koczara
Partner
CMS Poland
wojciech.koczara@cms-cmck.com
## Top 20 Deals in Real Estate 2015

<table>
<thead>
<tr>
<th>Target Company</th>
<th>Deal Type</th>
<th>Country of Target</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TriGranit Zrt</td>
<td>Acquisition (n.a. %)</td>
<td>Hungary; Poland; Slovakia; Croatia</td>
<td>TPG Capital</td>
<td>United States</td>
<td>500.01</td>
</tr>
<tr>
<td>CH Riviera shopping centre in Gdynia</td>
<td>Acquisition (100%)</td>
<td>Poland</td>
<td>Union Investment Real Estate GmbH</td>
<td>Germany</td>
<td>291.02</td>
</tr>
<tr>
<td>Stary Browar shopping centre</td>
<td>Acquisition (100%)</td>
<td>Poland</td>
<td>Deutsche Bank AG</td>
<td>Germany</td>
<td>290.01</td>
</tr>
<tr>
<td>Modny Sezon shopping gallery</td>
<td>Acquisition (93.4%)</td>
<td>Russia</td>
<td>Suliena Holdings Ltd</td>
<td>Cyprus</td>
<td>284.10</td>
</tr>
<tr>
<td>PNK-Chekhov</td>
<td>Acquisition (100%)</td>
<td>Russia</td>
<td>BIN Group</td>
<td>Russia</td>
<td>270.21</td>
</tr>
<tr>
<td>Echo Investment SA</td>
<td>Minority Stake Purchase (41.6%)*</td>
<td>Poland</td>
<td>PIMCO; Oaktree Capital Management LP</td>
<td>United States</td>
<td>260.51</td>
</tr>
<tr>
<td>Sadovee Kolto (Oruzheynyi business centre)</td>
<td>Minority Stake Purchase (49.9%)</td>
<td>Russia</td>
<td>MegaFon</td>
<td>Russia</td>
<td>247.42</td>
</tr>
<tr>
<td>Shopping &amp; Leisure Mall Mozaica</td>
<td>Acquisition (n.a. %)</td>
<td>Russia</td>
<td>Vnesheconombank (VEB)</td>
<td>Russia</td>
<td>241.21</td>
</tr>
<tr>
<td>Karolinka shopping centre; Pogoria shopping centre</td>
<td>Acquisition (100%)</td>
<td>Poland</td>
<td>Rockcastle Global Real Estate Co Ltd</td>
<td>Mauritius</td>
<td>220.82</td>
</tr>
<tr>
<td>City Land Group Company LLC</td>
<td>Acquisition (43.2%)</td>
<td>Russia</td>
<td>VTB Group</td>
<td>Russia</td>
<td>212.21</td>
</tr>
<tr>
<td>MOM Park shopping centre; West End Business Centre; EMKE office building</td>
<td>Acquisition (100%)</td>
<td>Hungary</td>
<td>Morgan Stanley &amp; Co LLC; WiNG Ingatlanfejleszto es Beruhazo Zrt; CC Real</td>
<td>United States; Hungary; Austria</td>
<td>200.01</td>
</tr>
<tr>
<td>Beykoz Gayrimenkul (Ronesans Tower)</td>
<td>Acquisition (100%)</td>
<td>Turkey</td>
<td>Allianz SE</td>
<td>Germany</td>
<td>185.31</td>
</tr>
<tr>
<td>Logistics portfolio of IMMOFINANZ (excl. Germany)</td>
<td>Acquisition (100%)</td>
<td>Hungary; Poland; Romania; Russia; Slovakia</td>
<td>The Blackstone Group LP</td>
<td>United States</td>
<td>178.03</td>
</tr>
<tr>
<td>Office building of 50,000 m2 at Metropolis complex in Moscow</td>
<td>Acquisition (100%)</td>
<td>Russia</td>
<td>Hines Interests LP; PPF Group NV</td>
<td>United States; Czech Republic</td>
<td>165.11</td>
</tr>
<tr>
<td>Vozdvizhenka Centre</td>
<td>Acquisition (100%)</td>
<td>Russia</td>
<td>BIN Group</td>
<td>Russia</td>
<td>163.01</td>
</tr>
<tr>
<td>Real estate portfolio of Northern Horizon in the Baltics and Poland</td>
<td>Acquisition (100%)</td>
<td>Estonia; Latvia; Lithuania; Poland</td>
<td>Partners Group AG</td>
<td>Switzerland</td>
<td>163.02</td>
</tr>
<tr>
<td>Silesia Business Park A; Silesia Business Park B; Kapelanka 42 office building; Axis office building</td>
<td>Acquisition (100%)</td>
<td>Poland</td>
<td>Niam AB</td>
<td>Sweden</td>
<td>160.02</td>
</tr>
<tr>
<td>255,000 m2 logistics park in Prague</td>
<td>Acquisition (100%)</td>
<td>Czech Republic</td>
<td>AEW Europe</td>
<td>France</td>
<td>150.02</td>
</tr>
<tr>
<td>Four Seasons Hotel Moscow</td>
<td>Acquisition (100%)</td>
<td>Russia</td>
<td>Yury Khotin - private investor; Aleksey Khotin - private investor</td>
<td>Belarus</td>
<td>144.01</td>
</tr>
<tr>
<td>Office building at Metropolis complex in Moscow</td>
<td>Acquisition (100%)</td>
<td>Russia</td>
<td>Hines Interests LP; PPF Group NV</td>
<td>United States; Czech Republic</td>
<td>113.21</td>
</tr>
</tbody>
</table>

1. Market Estimate
2. Official data
3. EMIS DealWatch Estimate

Note: Real Estate deals include developers and property managers, as well as offices, hotels, logistic properties and malls, but not residential properties or vacant land plots.

* The buyers subsequently acquired another 20.6% and 3.8% in Echo Investment through a tender offer and a block deal on the Warsaw Stock Exchange, upping their initial stake to 66%.
Capital markets overview

Poland to remain leader among CEE trading floors in 2016

Polish capital markets in 2015 were influenced by the reform of open-end pension funds (OFE), resulting in a reduction of the capital they can allocate to investments in shares listed on the Warsaw Stock Exchange (WSE). The OFE reform, in particular in view of parliamentary elections and the change of government in Poland, raised serious doubts about the future condition of the stock market and the institutional framework of trading in financial instruments. Consequently, Polish capital markets in 2015 saw reduced interest among investors and a decreased volume of completed transactions. However, a few recent successful IPOs and an evident increase in the number of company owners (whether entrepreneurs or private equity funds) considering dual track sales via an auction and an IPO on the WSE provide a good basis for an expected upward trend in 2016.

Although the WIG20 index dropped to its lowest level in six years and ended the year down over 30%, the number of IPOs on the WSE remained steady. There were almost 30 listings with a total value of more than EUR 400m. As the WIG20 index is mostly comprised of banks and companies from the energy sector, the uncertainty related to the parliamentary elections, structural problems in the energy sector and the introduction of a so-called bank tax resulted in a loss of investor interest in those companies and a decline in the index. However, falls in key indices are common in emerging markets. The Budapest Stock Exchange index (BUX), which gained more than 40% during the last twelve months, seems to be the only exception. The performance of the Hungarian market shows that it is still possible to offer investors opportunities with the prospect of high returns.

There remains a tendency for CEE based issuers to prefer listing shares on local stock exchanges. However, developments in Hungary suggest this may be changing. Recently, the Hungarian low-cost air carrier Wizz Air decided to list on the London Stock Exchange. The total valuation of Wizz is GBP 601m. This seems a good opportunity for domestic companies to find foreign investors and may be the start of a new trend within CEE.

The WSE remains at the forefront of CEE exchanges in terms of number of listed companies, as well as capitalisation and value of trading, and Poland continues to aspire to be considered a developed market. IPOs conducted in Poland represent more than half of the largest IPOs in the region. Significant mid and high value transactions include the IPOs of Uniwheels, Wirtualna Polska S.A., KOFOLA ČESKOSLOVENSKO, Enter Air S.A., Wittchen S.A. and InPost S.A. These transactions confirm that there is a place for financially stable and well managed companies on the capital markets. The WSE, the leading financial instruments exchange in CEE, is still ahead of the other CEE stock exchanges, which can be classified as emerging.

In conclusion, the prospects for 2016 are good, as CEE capital markets are developing very quickly. Poland is the strongest capital market in the region with a record number of offerings. Recent transactions suggest it will remain the leader among CEE trading floors and will sustain the upward trend in 2016.

Michał Pawłowski
Partner
CMS Poland
michal.pawlowski@cms-cmck.com

Rafał Woźniak
Counsel
CMS Poland
rafal.wozniak@cms-cmck.com
## Top 20 Emerging Europe IPOs 2015

<table>
<thead>
<tr>
<th>Target Company</th>
<th>Country of Target</th>
<th>Sector</th>
<th>Stake (%)</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wizz Air</td>
<td>Hungary</td>
<td>Transportation &amp; Warehousing</td>
<td>51.4</td>
<td>421.2²</td>
</tr>
<tr>
<td>Credit Bank of Moscow</td>
<td>Russia</td>
<td>Finance &amp; Insurance</td>
<td>18.8</td>
<td>212.0²</td>
</tr>
<tr>
<td>United Wagon Company</td>
<td>Russia</td>
<td>Manufacturing</td>
<td>12.2</td>
<td>157.1²</td>
</tr>
<tr>
<td>Uniwheels AG</td>
<td>Poland</td>
<td>Manufacturing</td>
<td>38.7</td>
<td>125.8²</td>
</tr>
<tr>
<td>Wirtualna Polska Holding SA</td>
<td>Poland</td>
<td>Telecoms &amp; IT</td>
<td>32.5</td>
<td>72.5²</td>
</tr>
<tr>
<td>Idea Bank SA</td>
<td>Poland</td>
<td>Finance &amp; Insurance</td>
<td>13.5</td>
<td>64.2²</td>
</tr>
<tr>
<td>Novorossiysk Bread Products Plant</td>
<td>Russia</td>
<td>Transportation &amp; Warehousing</td>
<td>10.8</td>
<td>48.7²</td>
</tr>
<tr>
<td>Europlan</td>
<td>Russia</td>
<td>Services</td>
<td>25.0</td>
<td>43.5²</td>
</tr>
<tr>
<td>Atal SA</td>
<td>Poland</td>
<td>Real Estate</td>
<td>16.8</td>
<td>34.6²</td>
</tr>
<tr>
<td>InPost SA</td>
<td>Poland</td>
<td>Transportation &amp; Warehousing</td>
<td>42.0</td>
<td>28.6²</td>
</tr>
<tr>
<td>Kofola CeskoSlovensko as</td>
<td>Czech Republic</td>
<td>Food &amp; Beverage</td>
<td>6.8</td>
<td>28.3²</td>
</tr>
<tr>
<td>Tankerska Next Generation dd</td>
<td>Croatia</td>
<td>Transportation &amp; Warehousing</td>
<td>44.4</td>
<td>26.8²</td>
</tr>
<tr>
<td>Enter Air SA</td>
<td>Poland</td>
<td>Transportation &amp; Warehousing</td>
<td>39.9</td>
<td>22.6²</td>
</tr>
<tr>
<td>Pekabex SA</td>
<td>Poland</td>
<td>Manufacturing</td>
<td>30.4</td>
<td>17.9²</td>
</tr>
<tr>
<td>Verusaturk Girisim Sermayesi</td>
<td>Turkey</td>
<td>Finance &amp; Insurance</td>
<td>42.3</td>
<td>16.8²</td>
</tr>
<tr>
<td>AAT Holding SA</td>
<td>Poland</td>
<td>Manufacturing</td>
<td>30.0</td>
<td>13.6²</td>
</tr>
<tr>
<td>Wittchen SA</td>
<td>Poland</td>
<td>Manufacturing</td>
<td>18.0</td>
<td>13.1²</td>
</tr>
<tr>
<td>Private Equity Managers SA</td>
<td>Poland</td>
<td>Finance &amp; Insurance</td>
<td>12.4</td>
<td>11.2²</td>
</tr>
<tr>
<td>INVL Technology AB</td>
<td>Lithuania</td>
<td>Telecoms &amp; IT</td>
<td>49.8</td>
<td>10.0²</td>
</tr>
<tr>
<td>Braster SA</td>
<td>Poland</td>
<td>Manufacturing</td>
<td>46.3</td>
<td>9.6²</td>
</tr>
</tbody>
</table>

1. Market Estimate
2. Official data
3. EMIS DealWatch Estimate
Albania

Reforms support continued growth in 2016

Number of deals by sector in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>Deals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance &amp; Insurance</td>
<td>3</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1</td>
</tr>
<tr>
<td>Services</td>
<td>1</td>
</tr>
</tbody>
</table>
The first quarter of 2015 saw a slight increase in foreign investment in Albania compared to the previous year. This suggested a recovery in the market, although overall the total deal value was somewhat lower than 2014. The high level of public debt (in excess of 70% of GDP) remains a key macroeconomic risk.

Finance and insurance were the most active sectors for M&A in 2015. Crédit Agricole Albania was acquired by Tranzit Sh.p.k., a subsidiary of NCH Capital Inc.; and late in November Credins Bank Sh.A merged with its subsidiary Credins Leasing Sh.A.

In February 2015, Alvacim Ltd, a subsidiary of the multinational cement and building materials company Titan Group, purchased 20% of the share capital held by the European Bank for Reconstruction and Development (EBRD) in ANTEA CEMENT SHA, a Titan Group subsidiary in Albania. Currently, Titan Group is ANTEA’s majority shareholder, holding 80% of ANTEA share capital. The International Finance Corporation holds the remaining 20%.

We expect the Albanian economy to continue to grow in 2016 and inflation to stabilise at a low level. The government is committed to continue on a path of fiscal consolidation to lower debt levels, with a corresponding decrease in vulnerability in the economy.

The government signed a EUR 250m credit agreement with Deutsche Bank and Alpha Bank in April 2015 to finance public investment and construction, and recently implemented important reforms in the energy sector and in relation to tax and pensions. A reform of the tax system came into force on 1 January 2016, aimed at driving growth by exempting smaller business from tax or reducing their tax burden. In addition, the government plans a comprehensive reform of the judicial system in the course of the year.

Agriculture and tourism remain the largest and most important sectors in Albania. Agriculture alone represents 22% of GDP and will benefit from an agreement between the government and EBRD to support agricultural lending over the next three years.

Marco Lacaita
Partner
CMS Albania
marco.lacaita@cms-aacs.com

Iva Cuclari
Senior Associate
CMS Albania
iva.cuclari@cms-aacs.com

We expect the Albanian economy to continue to grow in 2016 and inflation to stabilise at a low level.
Bosnia and Herzegovina

Market recovery dependent on implementation of reform measures

Number of deals by sector in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>Deals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>6</td>
</tr>
<tr>
<td>Real Estate</td>
<td>2</td>
</tr>
<tr>
<td>Telecoms &amp; IT</td>
<td>1</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>4</td>
</tr>
<tr>
<td>Media &amp; Entertainment</td>
<td>1</td>
</tr>
<tr>
<td>Construction</td>
<td>1</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>3</td>
</tr>
<tr>
<td>Services</td>
<td>1</td>
</tr>
<tr>
<td>Utilities</td>
<td>1</td>
</tr>
</tbody>
</table>
Continuing a trend from the previous year, recovery in the M&A market was slow in 2015, mainly due to political instability and the absence of necessary reforms.

The reform agenda Compact for Growth and Jobs, presented in 2014, outlined economic reform measures, including amendments to the tax system, more open and competitive markets and reduced burdens for business start-ups. However, the implementation of these measures has been very slow. In terms of legislation, further harmonisation with EU legislation is expected following the entry into force of the Stabilisation and Association Agreement.

As in the previous year, major transactions happened in the food and retail sectors. The AS Group, active in the food, retail and textile sector, acquired control over Klas and Sprind, two major local companies in the food sector. In addition, the Bosnian-Herzegovinian retail group Bingo continued its major expansion by acquiring six properties (comprising nearly the entire business) of the retail chain TUŠ, having already acquired the retail chain Interex. Another transaction involved the acquisition by AMC Networks Central Europe of the TV network OBN. In the financial sector, ASA Finance acquired control of Investiciono-komercijalna banka Zenica and ZIF Zepter Fond. Banja Luka was purchased by Thaler Vermagensverwaltung GmbH.

Privatisation of several state owned companies is planned and developments in this regard are expected in 2016. These include the sale of minority shares in Bosnalijek (a pharmaceutical company), Energopetrol and Krajinapetrol (petrol retailers), Aluminij (aluminium producer), Fabrika Duhana Sarajevo (tobacco products manufacturer), and Sarajevo Osiguranje (insurance company), as well as a majority share in Energoinvest (engineering company in electric power, hydro civil construction and architecture, automation thermal power and process plants and communication technologies). Planned concessions for the construction and management of a section of the Motorway 5C appear to have been abandoned.

Nedžida Salihović-Whalen
Partner
CMS Bosnia and Herzegovina
nedzida.salihovic-whalen@cms-rrh.com

In terms of legislation, further harmonisation with EU legislation is expected following the entry into force of the Stabilisation and Association Agreement.

Deals by Value and Volume in Bosnia and Herzegovina (2012-2015)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of deals</th>
<th>Total value of deals (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>21</td>
<td>152m</td>
</tr>
<tr>
<td>2013</td>
<td>19</td>
<td>98.3m</td>
</tr>
<tr>
<td>2014</td>
<td>19</td>
<td>52.7m</td>
</tr>
<tr>
<td>2015</td>
<td>20</td>
<td>72m</td>
</tr>
</tbody>
</table>

Number of deals • Total value of deals (EUR)
Bulgaria

A positive outlook following significant transactions late in 2015

Number of deals by sector in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telecoms &amp; IT</td>
<td>14</td>
</tr>
<tr>
<td>Wholesale &amp; Retail Trade</td>
<td>7</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>3</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>11</td>
</tr>
<tr>
<td>Real Estate</td>
<td>6</td>
</tr>
<tr>
<td>Services</td>
<td>3</td>
</tr>
<tr>
<td>Media &amp; Entertainment</td>
<td>7</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>6</td>
</tr>
<tr>
<td>Other</td>
<td>6</td>
</tr>
</tbody>
</table>
In Bulgaria, some key transactions postponed in 2014 completed in 2015, including the acquisition of Blizoo by Telekom Austria and the acquisition of a majority stake in the Bulgarian IT company Fadata by Charles Taylor and private equity fund The Riverside Company. Overall, the number of deals completed decreased slightly, and the Bulgarian M&A market dropped considerably in total deal value.

Consistent with CEE regional trends, the most attractive sectors in 2015 were telecoms & IT, followed by manufacturing, retail and media & entertainment. The quick sale of the Bulgarian Telecommunications Company (Vivacom) by VTB Capital to Bulgarian businessman Spas Roussev, signed in the fourth quarter of 2015 (to complete in early 2016, following regulatory approval) was the largest deal in the sector in 2015. Private Equity deals, most notably the aforementioned Fadata transaction and the sale by Advent International of its stake in KAI Group to American strategic Mohawk Industries, Inc., took a prominent place on the market.

In 2015, the Greek crisis, a local banking crisis and the conflict between Russia and Ukraine had a negative impact on investor interest in Bulgaria. Certain of these problems are expected to continue in 2016.

Nevertheless, the Bulgarian economy is expected to grow modestly in 2016, and optimism prevails in light of the signing of a few significant M&A transactions late in 2015.

Corporations have record amounts of disposable cash available to support expansion and funds have accumulated significant resources for M&A and strategic partnerships. 2016 is expected to see increased M&A activity in the banking sector with several Greek banks looking to consolidate or sell non-strategic assets or non-performing loan portfolios, and continued redistribution of the assets of the insolvent Corporate Commercial Bank. We expect more exits by private equity funds, a continuing trend since 2013 in Bulgaria and across the region. We expect M&A activity in the telecoms & IT sector, and investment in the real estate sector to continue. Investors will continue to seek out companies with well-developed manufacturing and exporting capabilities, as well as smaller companies that offer smart solutions and high added value.

The overall outlook is positive. Whereas the economy will see only modest growth, the relatively stable political environment will contribute to M&A activity in the market.

Atanas Bangachev
Partner
CMS Bulgaria
atanas.bangachev@cms-cmck.com

David Butts
Partner
CMS Bulgaria
david.butts@cms-cmck.com

Gentscho Pavlov
Partner
CMS Bulgaria
gentscho.pavlov@cms-rrh.com

Deals by Value and Volume in Bulgaria (2012-2015)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Deals</th>
<th>Total Value of Deals (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>83</td>
<td>1,240m</td>
</tr>
<tr>
<td>2013</td>
<td>73</td>
<td>1,489m</td>
</tr>
<tr>
<td>2014</td>
<td>69</td>
<td>1,067m</td>
</tr>
<tr>
<td>2015</td>
<td>63</td>
<td>698.9m</td>
</tr>
</tbody>
</table>

Nethertheless, the Bulgarian economy is expected to grow modestly in 2016, and optimism prevails in light of the signing of a few significant M&A transactions late in 2015.
**Croatia**

A new government and revamped privatisation process to shape Croatian investment landscape in 2016

Number of deals by sector in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate</td>
<td>9</td>
</tr>
<tr>
<td>Wholesale &amp; Retail Trade</td>
<td>5</td>
</tr>
<tr>
<td>Media &amp; Entertainment</td>
<td>2</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>8</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>3</td>
</tr>
<tr>
<td>Agriculture, Forestry, Fishing and Hunting</td>
<td>1</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>6</td>
</tr>
<tr>
<td>Telecoms &amp; IT</td>
<td>3</td>
</tr>
<tr>
<td>Other</td>
<td>4</td>
</tr>
</tbody>
</table>
In 2015, the M&A market in Croatia improved significantly in value compared to recent years, but the public sector again disappointed investors. The motorway concession procedure was suspended and there were rumours that the oil concession procedures would be put on hold. This standstill, also true for other big-ticket state-owned projects, was accompanied by inconclusive results in the parliamentary elections late last year. A three month interim government contributed to a general investment deadlock. A new prime minister designate with a business background and a new government, once installed, are expected to significantly shape the Croatian investment landscape over the next four years.

On a positive note, the private sector was far more active than in previous years. The total value of the top ten M&A transactions in 2015 exceeded EUR 1bn. Prominent deals included the takeover by British American Tobacco of the leading regional tobacco player TDR for EUR 550m; and the largest privately owned agricultural company Agrokor acquiring close to 70% of Vupik.

In 2016, we expect the energy sector to be active, particularly in relation to LNG terminal development, and onshore and offshore exploitation of oil and gas. Tourism-related targets and green field investments are also certain to attract interest in Croatia. We will likely see further privatisations of state-owned companies, including Croatian Post, HEP (national energy company), HŽ Cargo (national railroad company), HAC (national motorway company), all airports, both state-owned banks, the national lottery and facilities with tourist potential (Kupari in Dalmatia, Brijuni and Muzil in Istria, state-owned hotels and former military resorts). In terms of legislation, we should see continued harmonisation with EU law and anticipate further governmental incentive schemes beyond those established by the amendments to the Act on Strategic Investments enacted in early 2015.

Gregor Famira
Partner
CMS Croatia
gregor.famira@cms-rrh.com

A three month interim government contributed to a general investment deadlock. A new prime minister designate with a business background and a new government, once installed, are expected to significantly shape the Croatian investment landscape over the next four years.

Deals by Value and Volume in Croatia (2012-2015)

- **2012**
  - Number of deals: 43
  - Total value of deals (EUR): 611m

- **2013**
  - Number of deals: 52
  - Total value of deals (EUR): 492.5m

- **2014**
  - Number of deals: 45
  - Total value of deals (EUR): 419.3m

- **2015**
  - Number of deals: 41
  - Total value of deals (EUR): 1,071m

- Number of deals
- Total value of deals (EUR)
Czech Republic

Czech M&A market likely to remain one of the most stable and best performing in the region

Number of deals by sector in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number of Deals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate</td>
<td>36</td>
</tr>
<tr>
<td>Wholesale &amp; Retail Trade</td>
<td>20</td>
</tr>
<tr>
<td>Telecoms &amp; IT</td>
<td>16</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>10</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>19</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>8</td>
</tr>
<tr>
<td>Services</td>
<td>8</td>
</tr>
<tr>
<td>Utilities</td>
<td>10</td>
</tr>
<tr>
<td>Other</td>
<td>16</td>
</tr>
</tbody>
</table>
2015 was another buoyant year for M&A in the Czech Republic. While neither the aggregate deal volume nor value matched those of the previous two years, the country witnessed a healthy deal flow and again saw a transaction with a value in excess of EUR 1bn. Trelleborg’s acquisition of Czech tire supplier Česká Gumárenská Společnost (CGS) was in fact one of the largest CEE deals outside Russia and Turkey.

With three robust years in a row, the Czech M&A market is one of the most stable and best performing in the CEE region. We expect this to continue in 2016 and foresee that the Czech M&A market may, in fact, benefit from the political uncertainty that has arisen in Poland and continues in Hungary.

Czech companies remained attractive targets, with a number of established names such as CGS, branded food producer Hamé and e-retailer Netretail (mall.cz) changing hands. Meanwhile, Enterprise Investors opted to dispose of a part of its stake in the popular beverage producer Kofola through a listing on the Prague Stock Exchange.

2015 will also be remembered as the first year to see Chinese investment in the country, which has been the subject of speculation for a long time. After acquiring a stake in J&T Financial Group in spring 2015, China Energy Company Limited (CEFC) went on a shopping spree in the second half of the year and acquired the 5-star Le Palais Art Hotel Prague and a well-known building in the centre of Prague formerly housing Živnobanka. CEFC also acquired minority stakes in a number of companies, including Czech airline Travel Service, football club Slavia Prague and brewer Pivovary Lobkowicz. The Czech government is actively lobbying to attract further Chinese investment and companies in the engineering and heavy industry sectors are likely targets for future deals.

Looking at 2016, there are a number of sectors where we expect to see increased M&A activity. Driven by new regulations such as Solvency II (insurance sector) and the new interchange fee regulation for card-based payments (merchant banking business), and by strategic disposals, the financial services sector is likely to be very active. The retail and consumer products sectors remain vibrant, with a number of players looking to exit the market, while both strategic and private equity investors continue to show interest in companies that own popular consumer brands.

Real estate has been making a very strong comeback over the last 24 months and the Czech market has seen new investors enter the market through the acquisition of local assets. We are likely to see large portfolio transactions feature in the top 10 deals for 2016. In line with the statistics from last year, traditionally strong sectors such as manufacturing and telecoms & IT are also expected to perform well.

Patrik Przyhoda  
Partner  
CMS Czech Republic  
patrik.przyhoda@cms-cmck.com

Helen Rodwell  
Partner  
CMS Czech Republic  
helen.rodwell@cms-cmck.com

Deals by Value and Volume in Czech Republic (2012-2015)

2015 will also be remembered as the first year to see Chinese investment in the country, which has been the subject of speculation for a long time.
Hungary

Private buyers returning to a rebounding M&A market despite some concern over sustainable growth

Number of deals by sector in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>Real Estate</th>
<th>Manufacturing</th>
<th>Telecoms &amp; IT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate</td>
<td>27</td>
<td>25</td>
<td>23</td>
</tr>
<tr>
<td>Services</td>
<td>18</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>12</td>
<td>10</td>
<td>12</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>10</td>
<td>10</td>
<td>24</td>
</tr>
<tr>
<td>Other</td>
<td>24</td>
<td>10</td>
<td>24</td>
</tr>
</tbody>
</table>

Other
The Hungarian M&A market experienced significant growth in 2015, confounding experts’ expectations at the start of the year, with activity approaching levels last seen before the start of the financial crisis in 2008. The number of deals increased by around 15% and the value of deals more than doubled, compared to relatively weak 2014 figures.

The return of foreign and domestic private buyers, all but absent from the market in 2013-2014, was a good sign. Whereas the Hungarian State and state owned entities continued to acquire companies, most of the top ten deals in 2015 involved private transactions. The largest transactions were in the real estate, consumer products, financial services, manufacturing and telecoms & IT sectors.

Market players and professional advisers are on the whole optimistic about prospects for M&A in 2016. The investment environment in Hungary improved over the last few years and Hungary benefited from more active regional, European and worldwide M&A markets. The market has been expecting for some time that investors from BRIC countries, especially China, will become increasingly active in the Hungarian market.

There are, however, concerns about the sustainability of growth. The unchanged Hungarian political climate, sometimes causing friction with fellow EU member states and others, and the prospect of fewer EU funds being made available to Hungary in 2016, may deter foreign buyers and hinder growth.

We expect the Hungarian M&A market to continue to grow moderately in the coming years and to see a number of high-profile transactions. The most active sectors will likely be real estate, telecoms & IT, financial services and energy. There are also some indications that Hungarian capital markets will see more activity, with new listings on the Budapest Stock Exchange.

Dr. Anikó Kirsch
Partner
CMS Hungary
aniko.kirsch@cms-cmck.com

Dr. Éva Talmácsi
Partner
CMS Hungary
eva.talmacsi@cms-cmck.com

Dr. Gábor Gelencsér
Senior Associate
CMS Hungary
gabor.gelencser@cms-cmck.com

Deals by Value and Volume in Hungary (2012-2015)
Montenegro

Montenegrin M&A market expected to pick up if planned privatisations finally go ahead

Number of deals by sector in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>Finance &amp; Insurance</th>
<th>Manufacturing</th>
<th>Real Estate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilities</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Wholesale &amp; Retail Trade</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Telecoms &amp; IT</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Education &amp; Healthcare</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>9</td>
<td>6</td>
<td>4</td>
</tr>
</tbody>
</table>
In 2015, the tourism, finance & insurance, hospitality and retail sectors were very active. Monte-Rock acquired the hotel resort and casino Maestral in Miločer and retailer Mercator Crna Gora acquired several retail stores from Solaris Kača.

European Bank for Reconstruction and Development (EBRD) became a minority shareholder in Montenegrin retailer Voli, EBRD’s first equity transaction in the country, aimed at boosting the country’s agribusiness by stimulating local agricultural producers and allowing them easier access to customers. In addition, EBRD allocated EUR 10m for a major investment in a distribution centre in Podgorica and expansion of its retail network, to incentivise the development of local and regional networks supplying agricultural products in the country.

2016 M&A activity in Montenegro is likely to be driven largely by planned privatisations. The privatisation council is expected to launch tenders for the previously announced planned sale of state-owned stakes in the national air carrier Montenegro Airlines, freight carrier Montecargo, marina operators Marina Bar and Luka Bar, hotel operators Budvanska rivijera and Ulcinjska rivijera, and the Ferrous Metallurgy Institute in Nikšić.

Milica Popović
Partner
CMS Montenegro
milica.popovic@cms-rrh.com
Poland

Generational change driving mid-market M&A activity

Number of deals by sector in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>Manufacturing</th>
<th>Services</th>
<th>Food &amp; Beverage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>71</td>
<td>37</td>
<td>17</td>
</tr>
<tr>
<td>Real Estate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>64</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wholesale &amp; Retail Trade</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>24</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education &amp; Healthcare</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>14</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telecoms &amp; IT</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>55</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>22</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td>42</td>
</tr>
</tbody>
</table>
Poland saw only a handful of large M&A transactions in the course of 2015. The largest transactions were the sale of TVN, the largest private media group to Scripps Networks for PLN 2.4bn, the sale of PKP Energetyka (railway and energy infrastructure company) to CVC Capital Partners for PLN 1.4bn, the sale of Bogdanka (coal mining company) to Enea for approx. PLN 1.5bn and the sale of Alior Bank to Polish state owned insurer PZU for PLN 1.6bn. Two of these transactions (Alior and Bogdanka) saw Polish government-controlled entities acquire private businesses.

The much anticipated consolidation of the banking sector and specific bank sales processes came to a standstill, after the new government announced the introduction of a special “banking tax”. The retail sector was similarly affected by the proposed introduction of a special tax on large retailers.

As we predicted at the beginning of 2015, last year was another robust year for the real estate sector, with five transactions valued in excess of EUR 200m. The most notable transactions were the sale of Trigranit’s Polish assets to TPG, the sale of CH Riviera shopping centre in Gdynia to Union Investment Real Estate GMBH, the sale of Stary Browar shopping centre in Poznan to Deutsche Bank and the sale of Echo Investment to PIMCO and Oaktree Capital Management. The bulk of M&A activity in the real estate sector was concentrated in the retail and warehousing segments and commercial office space. The trend is likely to continue in 2016, as Poland is still perceived as an attractive market for investing in commercial real estate.

M&A activity was particularly prominent in the mid-market segment, as business owners facing succession issues decided to cash out. The most active buyers were mid-market PE funds present in Poland. We expect this trend to continue in 2016, as generational change in medium size Polish businesses continues to fuel M&A activity. The majority of mid-market transactions will likely happen in unregulated sectors, less influenced by the regulatory and tax incursions of the current government. The overall disappointing performance of companies quoted on the Warsaw Stock Exchange in 2015, driven by political and regulatory uncertainty in the second half of 2015, is also likely to boost M&A activity this year. We also see an increase of company owners (whether entrepreneurs or private equity funds) opting for dual track sales via an auction and an IPO on the Warsaw Stock Exchange.

In addition, 2015 saw a growing trend of leading Polish companies expanding abroad, in particular in other EU countries, with acquisitions by Amica in the UK and Wielton in France.

Dariusz Greszta
Partner
CMS Poland
dariusz.greszta@cms-cmck.com

Michał Pawłowski
Partner
CMS Poland
michal.pawlowski@cms-cmck.com

Marek Sawicki
Partner
CMS Poland
marek.sawicki@cms-cmck.com

M&A activity was particularly prominent in the mid-market segment, as business owners facing succession issues decided to cash out.

Deals by Value and Volume in Poland (2012-2015)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of deals</th>
<th>Total value of deals (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>331</td>
<td>9bn</td>
</tr>
<tr>
<td>2013</td>
<td>363</td>
<td>11.6bn</td>
</tr>
<tr>
<td>2014</td>
<td>285</td>
<td>4.5bn</td>
</tr>
<tr>
<td>2015</td>
<td>346</td>
<td>6.3bn</td>
</tr>
</tbody>
</table>
Romania

Promising prospects following continued strong recovery

Number of deals by sector in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number of Deals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>19</td>
</tr>
<tr>
<td>Telecoms &amp; IT</td>
<td>15</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>6</td>
</tr>
<tr>
<td>Real Estate</td>
<td>17</td>
</tr>
<tr>
<td>Wholesale &amp; Retail Trade</td>
<td>13</td>
</tr>
<tr>
<td>Mining (incl. oil &amp; gas)</td>
<td>5</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>15</td>
</tr>
<tr>
<td>Education &amp; Healthcare</td>
<td>10</td>
</tr>
<tr>
<td>Other</td>
<td>19</td>
</tr>
</tbody>
</table>
The Romanian M&A market continued its recovery in 2015. Deal activity remained at a healthy level and the total value of deals increased significantly. A handful of high-value transactions on the market contributed to the highest annual total value of deals for the last six years.

M&A activity in 2015 was largely driven by strategic investment from foreign investors. We saw a healthy level of larger scale cross-border M&A activity, as international businesses expanded their activities in Romania or made their first acquisitions and as others restructured their global portfolios and divested some or all of their assets or business lines in Romania.

In 2015, the financial sector in particular saw high levels of transaction activity and some high value deals, with major deals in the banking (including both sales of banks and the transfer of loan portfolios), insurance and leasing sub-sectors. The most attractive sectors for acquisitions in 2016 will likely continue to be manufacturing, financial institutions and services, telecoms & IT and real estate (including logistics and agriculture).

Romania has the potential to become an increasingly attractive investment destination for regional M&A and is expected to become an interesting market again for private equity investors in the medium/long term. We believe that 2016 will bring continued growth in the Romanian M&A market, dominated by strategic investment and consolidation.

Prospects for 2016 are already quite good. A notable increase in the volume of pre-transaction due diligence and negotiations in the second half of 2015 should translate into significant deals in 2016. The potential in the M&A market in Romania in the years ahead, both in terms of volume and value, is significant.

Horea Popescu
Partner
CMS Romania
horea.popescu@cms-cmck.com

---

The most attractive sectors for acquisitions in 2016 will likely continue to be manufacturing, financial institutions and services, telecoms & IT and real estate (including logistics and agriculture).

Number of deals, Total value of deals (EUR)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of deals</th>
<th>Total value of deals (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>118</td>
<td>1,464m</td>
</tr>
<tr>
<td>2013</td>
<td>150</td>
<td>1,185m</td>
</tr>
<tr>
<td>2014</td>
<td>131</td>
<td>2,240.8m</td>
</tr>
<tr>
<td>2015</td>
<td>119</td>
<td>3,071.8m</td>
</tr>
</tbody>
</table>

The UniCredit Tiriac deal for an estimated amount of EUR 700m was reported by the media in 2014 but formally announced in 2015. It was excluded from the aggregated deal value for Romania for 2014 and included in 2015 instead.
Russia

A tale of sanctions, plummeting valuations and investor exits

Number of deals by sector in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>Telecoms &amp; IT</th>
<th>Manufacturing</th>
<th>Finance &amp; Insurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale &amp; Retail Trade</td>
<td>107</td>
<td>82</td>
<td>80</td>
</tr>
<tr>
<td>Mining (incl. oil &amp; gas)</td>
<td>61</td>
<td>61</td>
<td>53</td>
</tr>
<tr>
<td>Real Estate</td>
<td></td>
<td></td>
<td>147</td>
</tr>
<tr>
<td>Services</td>
<td>50</td>
<td>42</td>
<td></td>
</tr>
<tr>
<td>Transportation &amp; Warehousing</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
As expected, US and EU sanctions continued to impact negatively on deal activity in Russia throughout 2015. This is clearly shown by a significant slump in total deal value. Interestingly, some deal-making was clearly driven by the enactment of restrictions on foreign investment in the media sector (with Sanoma selling down its participations in a number of its Russian assets).

With the sanctions extended in time and scope, Russian businesses will continue to suffer from restricted access to capital and more foreign investors may consider exits. Coupled with further rouble devaluation, this should result in more desperate positioning of sellers who are keen to cash out and, potentially, in Russian businesses that have arguably reached the bottom in their valuations becoming more attractive to investors who have so far remained indecisive and sat on their cash.

Looking at the real estate sector in 2015, lenders completely took over, or stepped into the equity of, various projects run by overleveraged borrowers, a trend that will likely continue in 2016. Further market consolidation in the Russian financial services sector should also continue, as the Russian Central Bank presses on with its crusade against numerous unstable banks, paving the way for both state and private players who are prepared to offer a more robust proposition.

Russia’s turn eastwards is gathering pace, as we are seeing clear interest from Chinese and Middle Eastern investors in oil & gas, industrial, infrastructure and agricultural sectors, which interest is expected to strengthen in 2016.

Vladimir Zenin
Counsel
CMS Russia
vladimir.zenin@cmslegal.ru
Serbia

Sustained growth dependent on political stability and successful implementation of reforms

Number of deals by sector in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>Deals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>13</td>
</tr>
<tr>
<td>Telecoms &amp; IT</td>
<td>7</td>
</tr>
<tr>
<td>Agriculture, Forestry, Fishing and Hunting</td>
<td>6</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>6</td>
</tr>
<tr>
<td>Food and Beverage</td>
<td>5</td>
</tr>
<tr>
<td>Media &amp; Entertainment</td>
<td>51</td>
</tr>
<tr>
<td>Wholesale &amp; Retail Trade</td>
<td>4</td>
</tr>
<tr>
<td>Services</td>
<td>3</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
</tr>
</tbody>
</table>
2015 saw considerable growth in foreign direct investment in Serbia, both in the number and total value of transactions. The manufacturing, financial services, telecoms & IT and media & entertainment sectors were the most active. The most notable transaction was the acquisition by private equity firm Mid Europa Partners of Danube Foods Group for EUR 575m.

The start of 2015 was marked by the announcement of the biggest real estate project ever in Serbia, the EUR 3bn Belgrade Waterfront Project. The investor, Eagle Hills, a United Arab Emirates real estate developer, plans to create a new urban centre spreading along the Sava River, including residential buildings, office buildings, shopping malls, hotels and other commercial buildings. The project is actively supported by the government and should foster huge growth in the real estate sector over many years.

Prospects for 2016 depend predominantly on political stability, as well as continuation of the government’s recent efforts to facilitate investment and create an investor friendly environment. Legislative changes in 2015 appear to have contributed to a more productive year in terms of M&A transactions. The privatisations that remain to be finished in 2016 could have a huge impact on the Serbian economy. On a less positive note, the end of 2015 was of course marked by the unsuccessful attempt to privatise Telekom Srbija.

The food and agriculture industry has significant growth potential. Mid Europa Partners is keen to enhance the value of Danube Foods Group and Ferrero continues to be an active player in the sector. The trend of investment in the automotive industry will likely continue. Lear Corporation announced significant investments and American Ametek opened a new factory for the production of small engines in northern Serbia. The insurance sector also looks promising from an M&A perspective for the next few years, given that the sector is largely underdeveloped. It is likely that Dunav Osiguranje, the largest domestic insurance company, will be privatised.

Radivoje Petrikić
Partner
CMS Serbia
radivoje.petrikic@cms-rrh.com

Legislative changes in 2015 appear to have contributed to a more productive year in terms of M&A transactions. The privatisations that remain to be finished in 2016 could have a huge impact on the Serbian economy.

Deals by Value and Volume in Serbia (2012-2015)
Slovakia

Consumption and export to continue to lead growth, offsetting a likely decrease in inbound investment

Number of deals by sector in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance &amp; Insurance</td>
<td>7</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>5</td>
</tr>
<tr>
<td>Telecoms &amp; IT</td>
<td>3</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>6</td>
</tr>
<tr>
<td>Wholesale &amp; Retail Trade</td>
<td>5</td>
</tr>
<tr>
<td>Media &amp; Entertainment</td>
<td>3</td>
</tr>
<tr>
<td>Real Estate</td>
<td>6</td>
</tr>
<tr>
<td>Utilities</td>
<td>4</td>
</tr>
<tr>
<td>Other</td>
<td>8</td>
</tr>
</tbody>
</table>
The Slovak economy shifted into higher gear in the third quarter of 2015 on the back of resilient domestic demand, posting its strongest growth since 2010. Private consumption continues to be propelled by labour market gains. Investment remains solid as the country benefits from accelerated absorption of EU funds. In a move to offset an expected fall in EU funds in 2016, the government signed a EUR 1.5bn deal with Jaguar Land Rover in December last year. This consolidated the country’s position as a European automobile manufacturing powerhouse, producing close to one million vehicles last year and accounting for over 40% of overall industrial output.

While the number of transactions decreased in 2015, the overall value increased considerably, in large part due to the acquisition by Deutsche Telekom of the remaining shares (49%) in Slovak Telekom. The majority of deals involved strategic investors and inbound transactions, primarily in the telecoms & IT, manufacturing, utilities and financial services sectors. Other notable transactions included the acquisition of Holcim by Irish CRH plc. for EUR 285.7m, EPH acquiring a minority stake in Slovenske Elektrarne for EUR 375m*, British Prudential acquiring the Slovak utility company GGE for EUR 108m and the purchase of a minority stake in Generali PPF Holding (24%) by Assicurazioni Generali SpA for EUR 75.8m.

Slovak GDP is expected to expand by between 3.2 and 3.5% in 2016. Although the growth in investments is likely to taper off, private consumption and net exports should more than compensate. Weakening emerging markets may affect export growth in 2016, but the situation should improve in the coming years. The National Bank of Slovakia sees risks to the economy in the next two years as balanced.

Lucie Schweizer
Partner
CMS Slovakia
lucie.schweizer@rc-cms.sk

Peter Šimo
Partner
CMS Slovakia
peter.simo@cms-rrh.com

Frances Gerrard
Senior Associate
CMS Slovakia
frances.gerrard@cms-cmck.com

The majority of deals involved strategic investors and inbound transactions, primarily in the telecoms & IT, manufacturing, utilities and financial services sectors.

Deals by Value and Volume in Slovakia (2012-2015)

- Number of deals
- Total value of deals (EUR)

* The rest of the shares (another 33%) would be transferred to EPH after the completion of the Mochovce nuclear power plant in southern Slovakia.
Slovenia

Private investors and privatisations to shape the M&A market in 2016

Number of deals by sector in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>Slovenia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>13</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>7</td>
</tr>
<tr>
<td>Media &amp; Entertainment</td>
<td>4</td>
</tr>
<tr>
<td>Real Estate</td>
<td>8</td>
</tr>
<tr>
<td>Wholesale &amp; Retail Trade</td>
<td>7</td>
</tr>
<tr>
<td>Services</td>
<td>3</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>7</td>
</tr>
<tr>
<td>Telecoms &amp; IT</td>
<td>4</td>
</tr>
<tr>
<td>Other</td>
<td>9</td>
</tr>
</tbody>
</table>

Emerging Europe M&A Report 2015/16
After a promising start with a significant number of privatisations in the pipeline, 2015 was disappointing, in particular due to the non-transparent privatisation process of Paloma.

While two significant privatisations (of the second largest bank NKBM and the brewery Laško) succeeded, what was scheduled to be by far the biggest sale process (Telekom Slovenije) failed. This was considered a clear sign that the Slovenian government is not yet prepared to privatise companies of any significant size unless the companies in question are distressed. This was confirmed by the asset management strategy adopted in July 2015 by the Slovenian parliament, essentially taking the most interesting Slovenian companies from the market by declaring them either strategic or important assets – meaning that the state will continue to control these companies. The list of strategic assets, in addition to assets in the electricity and utility sectors, includes a number of potentially interesting Slovenian companies such as Triglav, Petrol, Krka, Sava Re and Nova Ljubljanska Banka (NLB).

Private-to-private business transactions increased significantly in 2015, with sizeable deals including the acquisition of 100% of Pekarna Grosuplje by Don Don; 100% of Iskra Zaščite and Varsi by Raycap and 46% of Perutnina Ptuj by SIJ. This trend is expected to continue in 2016, as evidenced by the sale of Trimo, a transaction that signed in December between seven banks and Innova Capital.

There will be additional privatisation processes in 2016, with Cimos already well under way. The Bank Asset Management Company kicked off the tender for Mariborska livarna Maribor, an automotive components maker; and a significant part of the Slovenian hotel sector could be put up for sale. There are also some NPL transactions ongoing with NLB’s EUR 900m portfolio a frontrunner. The biggest challenge for the Slovenian government in 2016 will be the privatisation of NLB. Under the EU Commission’s state aid decision, the Slovenian state has to reduce its current shareholding of 100% to 25% and one share by the end of 2017. Based on its asset management strategy, the government intends to achieve this via an IPO, whereby no other shareholder may hold more shares than the government. As NLB remains distressed, this plan seems unrealistic, but, to date, no alternative plan has been presented.

Aleš Lunder
Partner
CMS Slovenia
ales.lunder@cms-rrh.com

The list of strategic assets, in addition to assets in the electricity and utility sectors, includes a number of potentially interesting Slovenian companies such as Triglav, Petrol, Krka, Sava Re and Nova Ljubljanska Banka (NLB).

Deals by Value and Volume in Slovenia (2012-2015)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of deals</th>
<th>Total value of deals (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>34</td>
<td>376m</td>
</tr>
<tr>
<td>2013</td>
<td>38</td>
<td>960m</td>
</tr>
<tr>
<td>2014</td>
<td>39</td>
<td>923.2m</td>
</tr>
<tr>
<td>2015</td>
<td>62</td>
<td>870.8m</td>
</tr>
</tbody>
</table>
Turkey

An attractive investment destination; likely to benefit from a growing consumer market

Number of deals by sector in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>2015 Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>55</td>
</tr>
<tr>
<td>Telecoms &amp; IT</td>
<td>27</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>12</td>
</tr>
<tr>
<td>Wholesale &amp; Retail Trade</td>
<td>41</td>
</tr>
<tr>
<td>Services</td>
<td>20</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>11</td>
</tr>
<tr>
<td>Utilities</td>
<td>28</td>
</tr>
<tr>
<td>Real Estate</td>
<td>19</td>
</tr>
<tr>
<td>Other</td>
<td>27</td>
</tr>
</tbody>
</table>
The Turkish general election in June 2015 and the subsequent repeat election in November 2015, combined with increasing regional security fears, had a substantial impact on investor confidence in 2015. Investors were extremely cautious in Q1, Q2 and Q3, pending the election results. This resulted in a reduction in both the number and value of deals compared to 2014, although the market remained relatively active compared to other countries in the region. However, following the AK Party’s return to parliament for the next four years and expected increased political and economic stability, Q4 2015 saw a material increase in M&A activity.

As was the case in 2014, the manufacturing sector saw the most M&A activity in 2015, suggesting that Turkey continues to be an attractive hub for manufacturing due in part to its advantageous geographic position and also to its growing domestic consumer market. Despite the overall decrease in M&A activity in 2015, the utilities and telecoms & IT sectors saw an increase in the volume of deals compared to 2014, a trend which we believe will continue in 2016. The real estate and services sectors also saw a substantial number of deals, although not at the same level as 2014.

Due to ongoing political uncertainty and geopolitical tensions in the region, growth forecasts for 2016 and 2017 were downgraded pre-election to 3.5% for both years, from 3.9% and 3.7%, respectively. However, GDP growth is now predicted to pick up gradually over 2016. Indeed, data recently released by the Turkish Statistical Institute indicate that the economy grew by 4% in the third quarter of 2015 compared with the same period in 2014, surpassing market expectations of 2.8%.

Despite the overall decrease in M&A activity in 2015, the utilities and telecoms & IT sectors saw an increase in the volume of deals compared to 2014, a trend which we believe will continue in 2016.
Cautious optimism rests on a successful privatisation programme and continued reform efforts

Number of deals by sector in 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>Deals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Finance &amp; Insurance</strong></td>
<td>63</td>
</tr>
<tr>
<td>Real Estate</td>
<td>9</td>
</tr>
<tr>
<td>Agriculture, Forestry, Fishing and Hunting</td>
<td>5</td>
</tr>
<tr>
<td><strong>Telecoms &amp; IT</strong></td>
<td>16</td>
</tr>
<tr>
<td>Mining (incl. oil &amp; gas)</td>
<td>7</td>
</tr>
<tr>
<td>Utilities</td>
<td>5</td>
</tr>
<tr>
<td><strong>Manufacturing</strong></td>
<td>14</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>6</td>
</tr>
<tr>
<td>Other</td>
<td>15</td>
</tr>
</tbody>
</table>
2015 did not bring radical changes to the M&A market in Ukraine, as we had predicted. Whilst 2015 saw an increase in the number of M&A deals, the overall deal value dropped significantly, continuing the trend from 2014. Telecoms & IT had the biggest share of total deal value at 57%, largely due to Snapchat’s EUR 132.7m acquisition of Looksery Inc. and Turkcell’s EUR 89.3m purchase of a 45% stake in Astelit. By deal number, the financial services sector was the most active and accounted for 46% of total volume.

Given the continuing political unrest, we do not expect a boost in the M&A market in Ukraine in 2016. At worst, we see 2016 being much the same as 2015, with a few strategic exits and a number of high profile deals carried out by Ukraine’s elite. The most attractive sectors in 2016 will continue to be financial services, agriculture and telecoms & IT.

The optimistic expectations in relation to Ukraine’s 2015 privatisation programme were not met, as the government failed to prepare the legal framework and privatisation targets for a transparent and competitive sale process. Privatisation of large-scale assets has been postponed to 2016 and UAH 17bn is expected to be raised from their sale. If the government follows through on its commitments, the M&A landscape in 2016 may be driven by large-scale deals in the energy, infrastructure, chemicals and mining sectors.

Despite all the challenges, the investment appetite for Ukraine remains strong, and it is anticipated that the government’s continued efforts to improve the investment climate, including reforms in the agriculture, energy and banking sectors and anti-corruption measures implemented in 2015 will have a positive impact on the M&A market, starting as early as 2016.

Graham Conlon
Partner
CMS Ukraine
graham.conlon@cms-cmck.com

Johannes Trenkwalder
Partner
CMS Ukraine
johannes.trenkwalder@cms-rrh.com

Despite all the challenges, the investment appetite for Ukraine remains strong, and it is anticipated that the government’s continued efforts to improve the investment climate, including reforms in the agriculture, energy and banking sectors and anti-corruption measures implemented in 2015 will have a positive impact on the M&A market...
## Emerging Europe: Top 20 Deals 2015

<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Country of Target</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finansbank AS</td>
<td>Finance &amp; Insurance</td>
<td>Acquisition (99.8%)</td>
<td>Turkey</td>
<td>Qatar National Bank</td>
<td>Qatar</td>
<td>2,750.02</td>
</tr>
<tr>
<td>RussNeft</td>
<td>Mining (incl. oil &amp; gas)</td>
<td>Minority Stake Purchase (46%)</td>
<td>Russia</td>
<td>Glencore Plc</td>
<td>Switzerland</td>
<td>1,363.6**</td>
</tr>
<tr>
<td>Generali PPF Holding</td>
<td>Finance &amp; Insurance</td>
<td>Minority Stake Purchase (24%)</td>
<td>Czech Republic; Poland; Hungary; Slovakia; other</td>
<td>Assicurazioni Generali SpA</td>
<td>Italy</td>
<td>1,245.5²</td>
</tr>
<tr>
<td>Sibur Holding</td>
<td>Manufacturing</td>
<td>Minority Stake Purchase (10%)</td>
<td>Russia</td>
<td>China Petrochemical Corp</td>
<td>China</td>
<td>1,194.6²</td>
</tr>
<tr>
<td>Socar Turkey Enerji</td>
<td>Manufacturing</td>
<td>Minority Stake Purchase (46%)</td>
<td>Turkey</td>
<td>The Goldman Sachs Group Inc</td>
<td>United States</td>
<td>1,160.7²</td>
</tr>
<tr>
<td>CGS Holding as</td>
<td>Manufacturing</td>
<td>Acquisition (100%)</td>
<td>Czech Republic</td>
<td>Trelleborg AB</td>
<td>Sweden</td>
<td>1,157.0²</td>
</tr>
<tr>
<td>Vankorneft ZAO</td>
<td>Mining (incl. oil &amp; gas)</td>
<td>Minority Stake Purchase (15%)</td>
<td>Russia</td>
<td>ONGC Videsh Ltd</td>
<td>India</td>
<td>1,148.7³</td>
</tr>
<tr>
<td>Avito</td>
<td>Telecoms &amp; IT</td>
<td>Acquisition (50.5%)</td>
<td>Russia</td>
<td>Naspers Ltd</td>
<td>South Africa</td>
<td>1,081.1³</td>
</tr>
<tr>
<td>Digiturk</td>
<td>Telecoms &amp; IT</td>
<td>Acquisition (100%)</td>
<td>Turkey</td>
<td>beIN Media Group</td>
<td>Qatar</td>
<td>1,045.5¹</td>
</tr>
<tr>
<td>Cement operations of Holcim and Lafarge in CEE and SEE</td>
<td>Manufacturing</td>
<td>Acquisition (100%)</td>
<td>Romania; Slovakia; Hungary; Serbia</td>
<td>CRH Plc</td>
<td>Ireland</td>
<td>955.1³</td>
</tr>
<tr>
<td>Ust-Luga Oil</td>
<td>Wholesale &amp; Retail Trade</td>
<td>Acquisition (74%)</td>
<td>Russia</td>
<td>Andrey Bokarev - private investor</td>
<td>Russia</td>
<td>945.7¹</td>
</tr>
<tr>
<td>Slovak Telekom as</td>
<td>Telecoms &amp; IT</td>
<td>Privatisation (49%)</td>
<td>Slovakia</td>
<td>Deutsche Telekom AG</td>
<td>Germany</td>
<td>900.0²</td>
</tr>
<tr>
<td>Kumport Liman</td>
<td>Transportation &amp; Warehousing</td>
<td>Acquisition (65%)</td>
<td>Turkey</td>
<td>COSCO Pacific Ltd</td>
<td>Hong Kong</td>
<td>832.0²</td>
</tr>
<tr>
<td>Orsknefteorgsintez</td>
<td>Manufacturing</td>
<td>Acquisition (77.2%)</td>
<td>Russia</td>
<td>Mikhail Gutseriev - private investor</td>
<td>Russia</td>
<td>819.7³</td>
</tr>
<tr>
<td>Ak Gida</td>
<td>Food &amp; Beverage</td>
<td>Acquisition (80%)</td>
<td>Turkey</td>
<td>Groupe Lactalis SA</td>
<td>France</td>
<td>708.1¹</td>
</tr>
<tr>
<td>UniCredit Tiriac Bank**</td>
<td>Finance &amp; Insurance</td>
<td>Minority Stake Purchase (45%)</td>
<td>Romania</td>
<td>UniCredit SpA</td>
<td>Italy</td>
<td>700.0¹</td>
</tr>
<tr>
<td>Poultry Production Severnaya; Poultry Parent Stock Production Wyskowtysy</td>
<td>Agriculture, Forestry, Fishing and Hunting</td>
<td>Acquisition (100%)</td>
<td>Russia</td>
<td>Charoen Pokphand Foods PCL</td>
<td>Thailand</td>
<td>623.9²</td>
</tr>
<tr>
<td>Soma B TPP</td>
<td>Utilities</td>
<td>Privatisation (100%)</td>
<td>Turkey</td>
<td>Konya Seker</td>
<td>Turkey</td>
<td>606.6²</td>
</tr>
<tr>
<td>TVN SA</td>
<td>Media &amp; Entertainment</td>
<td>Acquisition (52.7%)</td>
<td>Poland</td>
<td>Scripps Networks Interactive Inc</td>
<td>United States</td>
<td>584.0²</td>
</tr>
<tr>
<td>Danube Foods Group</td>
<td>Food &amp; Beverage</td>
<td>Acquisition (n.a.%)</td>
<td>Serbia</td>
<td>Mid Europa Partners LLP</td>
<td>United Kingdom</td>
<td>575.0²</td>
</tr>
</tbody>
</table>

**Note 1:** The spinoff of Cetin from O2 Czech Republic is not included.  
**Note 2:** The alleged acquisition of Komi Oil Refinery by Gaetano Holdings for USD 5bn is not included.  
* Glencore wrote off EUR 1.4bn of RussNeft debts in exchange for equity in the company.  
** The deal was reported by the media in 2014 but formally announced in 2015. It was excluded from the region’s aggregated deal value for 2014 and included in 2015 instead.
<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Country of Target</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Socar Turkey Enerji</td>
<td>Manufacturing</td>
<td>Minority Stake Purchase (13%)</td>
<td>Turkey</td>
<td>The Goldman Sachs Group Inc</td>
<td>United States</td>
<td>1,160.72</td>
</tr>
<tr>
<td>Avito</td>
<td>Telecoms &amp; IT</td>
<td>Acquisition (50.5%)</td>
<td>Russia</td>
<td>Naspers Ltd</td>
<td>South Africa</td>
<td>1,081.12</td>
</tr>
<tr>
<td>Digiturk</td>
<td>Telecoms &amp; IT</td>
<td>Acquisition (100%)</td>
<td>Turkey</td>
<td>beIN Media Group</td>
<td>Qatar</td>
<td>1,045.51</td>
</tr>
<tr>
<td>Danube Foods Group</td>
<td>Food &amp; Beverage</td>
<td>Acquisition (n.a. %)</td>
<td>Serbia</td>
<td>Mid Europa Partners LLP</td>
<td>United Kingdom</td>
<td>575.02</td>
</tr>
<tr>
<td>Yemek Sepeti</td>
<td>Telecoms &amp; IT</td>
<td>Acquisition (100%)</td>
<td>Turkey</td>
<td>Delivery Hero Holding GmbH</td>
<td>Germany</td>
<td>530.62</td>
</tr>
<tr>
<td>TriGranit Zrt</td>
<td>Real Estate</td>
<td>Acquisition (n.a. %)</td>
<td>Hungary; Poland;</td>
<td>CVC Capital Partners Ltd</td>
<td>United States</td>
<td>500.01</td>
</tr>
<tr>
<td>PKP Energetyka SA</td>
<td>Utilities</td>
<td>Privatisation (100%)</td>
<td>Poland</td>
<td>TPG Capital</td>
<td>United States</td>
<td>339.72</td>
</tr>
<tr>
<td>Bulgarian Telecommunications Company (Vivacom)</td>
<td>Telecoms &amp; IT</td>
<td>Acquisition (100%)</td>
<td>Bulgaria</td>
<td>Spas Roussev - private investor; VTB Capital; Tennenbaum Capital Partners</td>
<td>Bulgaria; Russia; United States</td>
<td>330.02</td>
</tr>
<tr>
<td>Partner in Pet Food (PPF) Kft</td>
<td>Food &amp; Beverage</td>
<td>Acquisition (100%)</td>
<td>Hungary</td>
<td>Pamplona Capital Management</td>
<td>United Kingdom</td>
<td>315.02</td>
</tr>
<tr>
<td>Duropack AG</td>
<td>Manufacturing</td>
<td>Acquisition (100%)</td>
<td>Bosnia-Herzegovina;</td>
<td>DS Smith Plc</td>
<td>United Kingdom</td>
<td>300.02</td>
</tr>
<tr>
<td>CH Riviera shopping centre in Gdynia</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Poland</td>
<td>Union Investment Real Estate GmbH</td>
<td>Germany</td>
<td>291.02</td>
</tr>
<tr>
<td>AmRest Holdings SE</td>
<td>Services</td>
<td>Minority Stake Purchase (31.7%)</td>
<td>Poland</td>
<td>Finaccess Mexico SA de CV</td>
<td>Mexico</td>
<td>270.83</td>
</tr>
<tr>
<td>Nova KBM dd</td>
<td>Finance &amp; Insurance</td>
<td>Privatisation (100%)</td>
<td>Slovenia</td>
<td>Apollo Global Management LLC; European Bank for Reconstruction and Development (EBRD)</td>
<td>United States; International</td>
<td>250.02</td>
</tr>
<tr>
<td>Gama Enerji</td>
<td>Utilities</td>
<td>Minority Stake Purchase (30%)</td>
<td>Turkey</td>
<td>Tenaga Nasional Bhd</td>
<td>Malaysia</td>
<td>220.92</td>
</tr>
<tr>
<td>Logistics portfolio of IMMFINANZ (excl. Germany)</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Hungary; Poland; Romania;</td>
<td>The Blackstone Group LP</td>
<td>United States</td>
<td>178.03</td>
</tr>
<tr>
<td>KAI Group</td>
<td>Manufacturing</td>
<td>Acquisition (90%)</td>
<td>Bulgaria</td>
<td>Mohawk Industries Inc</td>
<td>United States</td>
<td>175.52</td>
</tr>
<tr>
<td>Office building of 50,000 m2 at Metropolis complex in Moscow</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Russia</td>
<td>Hines Interests LP; PPF Group NV</td>
<td>United States; Czech Republic</td>
<td>165.11</td>
</tr>
<tr>
<td>Real estate portfolio of Northern Horizon in the Baltics and Poland</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Estonia; Latvia; Lithuania; Poland</td>
<td>Partners Group AG</td>
<td>Switzerland</td>
<td>163.02</td>
</tr>
<tr>
<td>Inter RAO UES</td>
<td>Utilities</td>
<td>Minority Stake Purchase (9.7%)</td>
<td>Russia</td>
<td>United Capital Partners</td>
<td>Russia</td>
<td>140.02</td>
</tr>
<tr>
<td>Home.pl</td>
<td>Telecoms &amp; IT</td>
<td>Acquisition (100%)</td>
<td>Poland</td>
<td>United Internet</td>
<td>Germany</td>
<td>135.02</td>
</tr>
</tbody>
</table>

**Note:** The Private Equity deals include both entries and exits.

* Bulgaria; Croatia; Hungary; Macedonia; Serbia; Slovakia; Slovenia; Austria

** Russia; Slovakia

---

1. Market Estimate
2. Official data
3. EMIS DealWatch Estimate
### Top 3 Deals in Albania 2015

<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit Agricole Albania Bank</td>
<td>Finance &amp; Insurance</td>
<td>Acquisition (100%)</td>
<td>NCH Capital Inc</td>
<td>United States</td>
<td>19.1³</td>
</tr>
<tr>
<td>ANTEA Cement ShA</td>
<td>Manufacturing</td>
<td>Minority Stake Purchase (20%)</td>
<td>Titan Cement Group</td>
<td>Greece</td>
<td>11.9³</td>
</tr>
<tr>
<td>LandesLease</td>
<td>Finance &amp; Insurance</td>
<td>Acquisition (100%)</td>
<td>Union Bank</td>
<td>Albania</td>
<td>n.a.</td>
</tr>
</tbody>
</table>

### Top 5 Deals in Bosnia and Herzegovina 2015

<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ZIF Zepter Fond ad Banja Luka</td>
<td>Finance &amp; Insurance</td>
<td>Acquisition (100%)</td>
<td>Thaler Vermagengsverwaltung GmbH</td>
<td>Austria</td>
<td>24.4¹</td>
</tr>
<tr>
<td>Termalna Rivijera Ilidza</td>
<td>Real Estate</td>
<td>Acquisition (90%)</td>
<td>Mrkulic Company doo</td>
<td>Bosnia-Herzegovina</td>
<td>15.0¹</td>
</tr>
<tr>
<td>Nova Banka ad</td>
<td>Finance &amp; Insurance</td>
<td>Minority Stake Purchase (20.6%)</td>
<td>Hipotekarna Banka; Undisclosed investor(s)</td>
<td>Montenegro</td>
<td>7.7²</td>
</tr>
<tr>
<td>ZIF Kristal Invest Fond ad Banja Luka</td>
<td>Finance &amp; Insurance</td>
<td>Acquisition (70%)</td>
<td>Thaler Vermagengsverwaltung GmbH</td>
<td>Austria</td>
<td>6.1³</td>
</tr>
<tr>
<td>Kapis Tkt doo</td>
<td>Manufacturing</td>
<td>Acquisition (100%)</td>
<td>Athabasca Investment</td>
<td>Germany</td>
<td>5.5²</td>
</tr>
</tbody>
</table>

¹. Market Estimate
². Official data
³. EMIS DealWatch Estimate
## Top 10 Deals in Bulgaria 2015

<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bulgarian Telecommunications Company (Vivacom)</strong></td>
<td>Telecommunications</td>
<td>Acquisition (100%)</td>
<td>Spas Roussev - private investor; VTB Capital; Tennenbaum Capital Partners</td>
<td>Bulgaria; Russia; United States</td>
<td>330.0²</td>
</tr>
<tr>
<td>KAI Group</td>
<td>Manufacturing</td>
<td>Acquisition (90%)</td>
<td>Mohawk Industries Inc</td>
<td>United States</td>
<td>175.5²</td>
</tr>
<tr>
<td>Reward Gateway (Bulgarian assets)</td>
<td>Telecommunications</td>
<td>Acquisition (55%)</td>
<td>Great Hill Partners LLC</td>
<td>United States</td>
<td>54.5³</td>
</tr>
<tr>
<td>Blizoo Media and Broadband</td>
<td>Telecommunications</td>
<td>Acquisition (100%)</td>
<td>Telekom Austria AG</td>
<td>Austria</td>
<td>35.4²</td>
</tr>
<tr>
<td>Hilton Sofia</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Galaxy Investment Group</td>
<td>Bulgaria</td>
<td>20.0¹</td>
</tr>
<tr>
<td>Fadata</td>
<td>Telecommunications</td>
<td>Acquisition (80%)</td>
<td>Charles Taylor plc; The Riverside Company</td>
<td>United Kingdom; United States</td>
<td>16.3³</td>
</tr>
<tr>
<td>50 MW solar parks in Kazanlak</td>
<td>Utilities</td>
<td>Acquisition (100%)</td>
<td>BCI Kazanlyk Holding</td>
<td>Bulgaria</td>
<td>10.0¹</td>
</tr>
<tr>
<td>Walltopia</td>
<td>Manufacturing</td>
<td>Minority Stake Purchase (12.4%)</td>
<td>BlackPeak Capital; CEE-Equity Partners Ltd; Bulgarian private investor(s)</td>
<td>Bulgaria; China</td>
<td>9.1²</td>
</tr>
<tr>
<td>Starbucks chain in Bulgaria</td>
<td>Services</td>
<td>Acquisition (100%)</td>
<td>AmRest Holdings SE</td>
<td>Poland</td>
<td>8.2³</td>
</tr>
<tr>
<td>Grand Hotel Dimyat</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Kerateh Inzhenering</td>
<td>Bulgaria</td>
<td>6.8²</td>
</tr>
</tbody>
</table>

1. Market Estimate
2. Official data
3. EMIS DealWatch Estimate

Note: The sale of undisclosed stake in Ameta Holding is not included.

* The deal value does not include the EUR 84m debt paid by Telekom Austria on behalf of Blizoo.
## Top 10 Deals in Croatia 2015

<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TDR</td>
<td>Food &amp; Beverage</td>
<td>Acquisition (100%)</td>
<td>British American Tobacco</td>
<td>United Kingdom</td>
<td>550.0²</td>
</tr>
<tr>
<td>Privredna Banka Zagreb dd (PBZ)</td>
<td>Finance &amp; Insurance</td>
<td>Minority Stake Purchase (20.9%)</td>
<td>Intesa Sanpaolo SpA</td>
<td>Italy</td>
<td>319.8¹</td>
</tr>
<tr>
<td>Vukovarski Poljoprivredno Industrijski Kombinat (VUPIK) dd</td>
<td>Agriculture, Forestry, Fishing and Hunting</td>
<td>Acquisition (68.9%)</td>
<td>Agrokor dd</td>
<td>Croatia</td>
<td>39.2²</td>
</tr>
<tr>
<td>Genera dd</td>
<td>Manufacturing</td>
<td>Acquisition (92.3%)</td>
<td>Dechra Pharmaceuticals Plc</td>
<td>United Kingdom</td>
<td>36.3²</td>
</tr>
<tr>
<td>Hotel Njivice doo; Finvest Corp dd</td>
<td>Real Estate</td>
<td>Acquisition (90.5%)</td>
<td>John R. Alm - private investor</td>
<td>United States</td>
<td>30.0¹</td>
</tr>
<tr>
<td>Hoteli Baska dd</td>
<td>Real Estate</td>
<td>Acquisition (83.8%)</td>
<td>Valamar Riviera dd</td>
<td>Croatia</td>
<td>24.1²</td>
</tr>
<tr>
<td>1S floors of VMD Kvart Building B</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Tower Property Fund Ltd</td>
<td>South Africa</td>
<td>23.7²</td>
</tr>
<tr>
<td>Hoteli Plat dd</td>
<td>Real Estate</td>
<td>Privatisation (92.5%)</td>
<td>Karisma Hotels Adriatic doo (KHA)</td>
<td>Croatia</td>
<td>15.4²</td>
</tr>
<tr>
<td>Dalmacijavino dd</td>
<td>Food &amp; Beverage</td>
<td>Privatisation (100%)</td>
<td>Ostrc doo</td>
<td>Croatia</td>
<td>9.2²</td>
</tr>
<tr>
<td>Club Adriatic doo</td>
<td>Real Estate</td>
<td>Privatisation (95%)</td>
<td>Prosperus Invest doo</td>
<td>Croatia</td>
<td>7.5¹</td>
</tr>
</tbody>
</table>

1. Market Estimate
2. Official data
3. EMIS DealWatch Estimate
# Top 10 Deals in Czech Republic 2015

<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CGS Holding as</td>
<td>Manufacturing</td>
<td>Acquisition (100%)</td>
<td>Trelleborg AB</td>
<td>Sweden</td>
<td>1,157.0²</td>
</tr>
<tr>
<td>Generali PPF Holding (Czech assets)</td>
<td>Finance &amp; Insurance</td>
<td>Minority Stake Purchase (24%)</td>
<td>Assicurazioni Generali SpA</td>
<td>Italy</td>
<td>603.5¹</td>
</tr>
<tr>
<td>Heureka.cz; Netretail Holding Group</td>
<td>Wholesale &amp; Retail Trade</td>
<td>Acquisition (100%)</td>
<td>Rockaway Capital</td>
<td>Czech Republic</td>
<td>177.9²</td>
</tr>
<tr>
<td>Hame sro</td>
<td>Food &amp; Beverage</td>
<td>Acquisition (100%)</td>
<td>Orkla ASA</td>
<td>Norway</td>
<td>174.6²</td>
</tr>
<tr>
<td>Sokolovska uhelna, pravni nastupce as</td>
<td>Mining (incl. oil &amp; gas)</td>
<td>Minority Stake Purchase (30%)</td>
<td>Frantisek Stepanek, Jaroslav Rokos - private investor</td>
<td>Czech Republic</td>
<td>166.0¹</td>
</tr>
<tr>
<td>J&amp;T Finance Group SE</td>
<td>Finance &amp; Insurance</td>
<td>Minority Stake Purchase (9.9%)*</td>
<td>CEFC China Energy Company Ltd</td>
<td>China</td>
<td>156.3¹</td>
</tr>
<tr>
<td>255,000 m² logistics park in Prague</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>AEW Europe</td>
<td>France</td>
<td>150.0²</td>
</tr>
<tr>
<td>Savarín project</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>CRESTYL Real Estate sro</td>
<td>Czech Republic</td>
<td>83.0†</td>
</tr>
<tr>
<td>Pivovary Lobkowicz Group as</td>
<td>Food &amp; Beverage</td>
<td>Acquisition (79.4%)</td>
<td>Zdenek Radil - private investor</td>
<td>Czech Republic</td>
<td>68.5²</td>
</tr>
<tr>
<td>Corso Court office building</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Invesco Real Estate</td>
<td>United States</td>
<td>55.0²</td>
</tr>
</tbody>
</table>

1. Market Estimate
2. Official data
3. EMIS DealWatch Estimate

Note: The spinoff of Cetin from O2 Czech Republic is not included.
* The overall 9.9% stake was acquired through two transactions in May and September.
## Top 10 Deals in Hungary 2015

<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TriGranit Zrt</td>
<td>Real Estate</td>
<td>Acquisition (n.a. %)</td>
<td>TPG Capital</td>
<td>United States</td>
<td>500.0^1</td>
</tr>
<tr>
<td>Partner in Pet Food (PPF) Kft</td>
<td>Food &amp; Beverage</td>
<td>Acquisition (100%)</td>
<td>Pamplona Capital Management</td>
<td>United Kingdom</td>
<td>315.0^2</td>
</tr>
<tr>
<td>MOM Park shopping centre; West End Business Centre; EMKE office building</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Morgan Stanley &amp; Co LLC; WING Ingatlanfejlesztő es Beruházó Zrt; CC Real</td>
<td>United States; Hungary; Austria</td>
<td>200.0^1</td>
</tr>
<tr>
<td>Generali PPF Holding (Hungarian assets)</td>
<td>Finance &amp; Insurance</td>
<td>Minority Stake Purchase (24%)</td>
<td>Assicurazioni Generali SpA</td>
<td>Italy</td>
<td>173.8^3</td>
</tr>
<tr>
<td>Cement operations of Holcim in Hungary</td>
<td>Manufacturing</td>
<td>Acquisition (100%)</td>
<td>CRH Plc</td>
<td>Ireland</td>
<td>155.1^3</td>
</tr>
<tr>
<td>MTM-SBS Zrt (TV2)</td>
<td>Media &amp; Entertainment</td>
<td>Acquisition (100%)</td>
<td>Magyar Broadcasting Co Kft</td>
<td>Hungary</td>
<td>67.3^1</td>
</tr>
<tr>
<td>Duna Tower office complex in Budapest</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Globe Trade Centre SA</td>
<td>Poland</td>
<td>52.2^2</td>
</tr>
<tr>
<td>Magyar Olaj- Es Gazipari Nyrt (MOL)</td>
<td>Mining (incl. oil &amp; gas)</td>
<td>Minority Stake Purchase (1.2%)</td>
<td>UniCredit SpA</td>
<td>Italy</td>
<td>50.0^3</td>
</tr>
<tr>
<td>Budapest Stock Exchange (BSE)</td>
<td>Finance &amp; Insurance</td>
<td>Acquisition (68.8%)</td>
<td>Magyar Nemzeti Bank (MNB)</td>
<td>Hungary</td>
<td>42.6^2</td>
</tr>
<tr>
<td>GTS Hungary</td>
<td>Telecoms &amp; IT</td>
<td>Acquisition (100%)</td>
<td>Magyar Telekom</td>
<td>Hungary</td>
<td>42.0^2</td>
</tr>
</tbody>
</table>

1. Market Estimate
2. Official data
3. EMIS DealWatch Estimate

## Top 5 Deals in Montenegro 2015

<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maestral Resort &amp; Casino</td>
<td>Real Estate</td>
<td>Acquisition (75%)</td>
<td>Petros Stathis - private investor</td>
<td>Greece</td>
<td>22.0^1</td>
</tr>
<tr>
<td>Crnogorski Elektroprenosi Sistem AD (CGES)</td>
<td>Utilities</td>
<td>Minority Stake Purchase (10%)</td>
<td>Elektromreza Srbije (EMS)</td>
<td>Serbia</td>
<td>13.8^2</td>
</tr>
<tr>
<td>Mkabl doo</td>
<td>Telecoms &amp; IT</td>
<td>Acquisition (100%)</td>
<td>United Group SA</td>
<td>Luxembourg</td>
<td>12.0^1</td>
</tr>
<tr>
<td>Institut Dr Simo Milosevic AD Igalo</td>
<td>Education &amp; Healthcare</td>
<td>Privatisation (56.5%)</td>
<td>International Wellness Group Ltd</td>
<td>United Kingdom</td>
<td>10.0^2</td>
</tr>
<tr>
<td>Voli doo</td>
<td>Wholesale &amp; Retail Trade</td>
<td>Minority Stake Purchase (n.a. %)</td>
<td>European Bank for Reconstruction and Development (EBRD)</td>
<td>International</td>
<td>10.0^2</td>
</tr>
</tbody>
</table>

1. Market Estimate
2. Official data
3. EMIS DealWatch Estimate
## Top 20 Deals in Poland 2015

<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TVN SA</td>
<td>Media &amp; Entertainment</td>
<td>Acquisition (52.7%)</td>
<td>Scripps Networks Interactive Inc</td>
<td>United States</td>
<td>584.0²</td>
</tr>
<tr>
<td>Alior Bank SA</td>
<td>Finance &amp; Insurance</td>
<td>Minority Stake Purchase (25.3%)</td>
<td>PZU SA</td>
<td>Poland</td>
<td>395.1²</td>
</tr>
<tr>
<td>PKP Energetyka SA</td>
<td>Utilities</td>
<td>Privatisation (100%)</td>
<td>CVC Capital Partners Ltd</td>
<td>United Kingdom</td>
<td>339.7²</td>
</tr>
<tr>
<td>Wind assets portfolio of EDP Renovaveis in Poland</td>
<td>Utilities</td>
<td>Minority Stake Purchase (49%)</td>
<td>China Three Gorges Corp</td>
<td>China</td>
<td>312.3²</td>
</tr>
<tr>
<td>TriGranit Zrt (Polish assets)</td>
<td>Real Estate</td>
<td>Acquisition (n.a. %)</td>
<td>TPG Capital</td>
<td>United States</td>
<td>300.0¹</td>
</tr>
<tr>
<td>CH Riviera shopping centre in Gdynia</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Union Investment Real Estate GmbH</td>
<td>Germany</td>
<td>291.0²</td>
</tr>
<tr>
<td>Stary Browar shopping centre</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Deutsche Bank AG</td>
<td>Germany</td>
<td>290.0²</td>
</tr>
<tr>
<td>AmRest Holdings SE</td>
<td>Services</td>
<td>Minority Stake Purchase (31.7%)</td>
<td>Finaccess Mexico SA de CV</td>
<td>Mexico</td>
<td>270.8³</td>
</tr>
<tr>
<td>Echo Investment SA</td>
<td>Real Estate</td>
<td>Minority Stake Purchase (41.6%)*</td>
<td>PIMCO; Oaktree Capital Management LP</td>
<td>United States</td>
<td>260.5³</td>
</tr>
<tr>
<td>Karolinka shopping centre; Pogoria shopping centre</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Rockcastle Global Real Estate Co Ltd</td>
<td>Mauritius</td>
<td>220.8²</td>
</tr>
<tr>
<td>Generali PPF Holding (Polish assets)</td>
<td>Finance &amp; Insurance</td>
<td>Minority Stake Purchase (24%)</td>
<td>Assicurazioni Generali SpA</td>
<td>Italy</td>
<td>212.5³</td>
</tr>
<tr>
<td>Silesia Business Park A; Silesia Business Park B; Kapelanka 42 office building; Axis office building</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Niam AB</td>
<td>Sweden</td>
<td>160.0²</td>
</tr>
<tr>
<td>Home.pl</td>
<td>Telecoms &amp; IT</td>
<td>Acquisition (100%)</td>
<td>United Internet AG</td>
<td>Germany</td>
<td>135.0²</td>
</tr>
<tr>
<td>Real estate portfolio of Northern Horizon in Poland</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Partners Group AG</td>
<td>Switzerland</td>
<td>108.0³</td>
</tr>
<tr>
<td>easyPack</td>
<td>Services</td>
<td>Minority Stake Purchase (n.a. %)</td>
<td>PZU TFI SA; Integer. pl SA; Franklin Templeton Investments</td>
<td>Poland; United States</td>
<td>81.7²</td>
</tr>
<tr>
<td>NordGlass</td>
<td>Manufacturing</td>
<td>Acquisition (100%)</td>
<td>Asahi Glass Co Ltd</td>
<td>Japan</td>
<td>80.0²</td>
</tr>
<tr>
<td>Poleczki Business Park</td>
<td>Real Estate</td>
<td>Acquisition (50%)</td>
<td>UBM development AG</td>
<td>Austria</td>
<td>80.0²</td>
</tr>
<tr>
<td>Apteka Gemini Hutter sp j</td>
<td>Wholesale &amp; Retail Trade</td>
<td>Acquisition (n.a. %)</td>
<td>Warburg Pincus LLC</td>
<td>United States</td>
<td>70.2¹</td>
</tr>
<tr>
<td>MLP Tychy logistics park</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Deka Immobilien</td>
<td>Germany</td>
<td>62.7²</td>
</tr>
<tr>
<td>Phase II of Alchemia office complex in Gdansk</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Polski Holding Nieruchomosci SA</td>
<td>Poland</td>
<td>60.8²</td>
</tr>
</tbody>
</table>

1. Market Estimate
2. Official data
3. EMIS DealWatch Estimate

**Note 1:**
* The buyers subsequently acquired another 20.6% and 3.8% in Echo Investment through a tender offer and a block deal on the Warsaw Stock Exchange, upping their initial stake to 66%.

**Note 2:** As per EMIS methodology the sale of Bogdanka is not included in the table as it involved a tender offer executed through the Warsaw Stock Exchange.
### Top 10 Deals in Romania 2015

<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>UniCredit Tiriac Bank*</td>
<td>Finance &amp; Insurance</td>
<td>Minority Stake Purchase (45%)</td>
<td>UniCredit SpA</td>
<td>Italy</td>
<td>700.0¹</td>
</tr>
<tr>
<td>Cement operations of Lafarge SA in Romania</td>
<td>Manufacturing</td>
<td>Acquisition (100%)</td>
<td>CRH plc</td>
<td>Ireland</td>
<td>400.0²</td>
</tr>
<tr>
<td>Rompetrol Group</td>
<td>Wholesale &amp; Retail Trade</td>
<td>Acquisition (51%)</td>
<td>CEFC China Energy Co Ltd.</td>
<td>China</td>
<td>347.7¹</td>
</tr>
<tr>
<td>Greengold Value Forests SRL</td>
<td>Agriculture, Forestry, Fishing and Hunting</td>
<td>Acquisition (100%)</td>
<td>IKEA</td>
<td>Sweden</td>
<td>125.0¹</td>
</tr>
<tr>
<td>Non-performing loans of Banca Comerciala Romana (BCR)</td>
<td>Finance &amp; Insurance</td>
<td>Acquisition (100%)</td>
<td>APS Holding CZ SE; Deutsche Bank AG; International Finance Corporation (IFC)</td>
<td>Czech Republic; Germany; International</td>
<td>120.0¹</td>
</tr>
<tr>
<td>Pehart Tec</td>
<td>Manufacturing</td>
<td>Acquisition (n.a. %)</td>
<td>Abris Capital Partners</td>
<td>Poland</td>
<td>100.0¹</td>
</tr>
<tr>
<td>Regina Maria</td>
<td>Education &amp; Healthcare</td>
<td>Acquisition (100%)</td>
<td>Mid Europa Partners LLP</td>
<td>United Kingdom</td>
<td>99.6¹</td>
</tr>
<tr>
<td>Billa Romania SRL</td>
<td>Wholesale &amp; Retail Trade</td>
<td>Acquisition (100%)</td>
<td>Carrefour SA</td>
<td>France</td>
<td>96.0¹</td>
</tr>
<tr>
<td>Racova SA</td>
<td>Agriculture, Forestry, Fishing and Hunting</td>
<td>Acquisition (100%)</td>
<td>Trans Oil Group</td>
<td>Moldova</td>
<td>93.5¹</td>
</tr>
<tr>
<td>North Star Shipping SRL</td>
<td>Transporting &amp; Warehousing</td>
<td>Acquisition (78%)</td>
<td>Archer Daniels Midland Co (ADM)</td>
<td>United States</td>
<td>90.5¹</td>
</tr>
</tbody>
</table>

1. Market Estimate
2. Official data
3. EMIS DealWatch Estimate

Note:

* The deal was reported by the media in 2014 but formally announced in 2015. It was excluded from the aggregated deal value for Romania for 2014 and included in 2015 instead.
<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RussNeft</td>
<td>Mining (incl. oil &amp; gas)</td>
<td>Minority Stake Purchase (46%)</td>
<td>Glencore Plc</td>
<td>Switzerland</td>
<td>1,363.6*2</td>
</tr>
<tr>
<td>Sibur Holding</td>
<td>Manufacturing</td>
<td>Minority Stake Purchase (10%)</td>
<td>China Petrochemical Corp (Sinpec Group)</td>
<td>China</td>
<td>1,194.6*2</td>
</tr>
<tr>
<td>Vankorneft ZAO</td>
<td>Mining (incl. oil &amp; gas)</td>
<td>Minority Stake Purchase (15%)</td>
<td>ONGC Videsh Ltd</td>
<td>India</td>
<td>1,148.7*1</td>
</tr>
<tr>
<td>Avito</td>
<td>Telecoms &amp; IT</td>
<td>Acquisition (50.5%)</td>
<td>Naspers Ltd</td>
<td>South Africa</td>
<td>1,081.1*2</td>
</tr>
<tr>
<td>Ust-Luga Oil</td>
<td>Wholesale &amp; Retail Trade</td>
<td>Acquisition (74%)</td>
<td>Andrey Bokarev - private investor</td>
<td>Russia</td>
<td>945.7*1</td>
</tr>
<tr>
<td>Orsknfeorteorgsintez</td>
<td>Manufacturing</td>
<td>Acquisition (77.2%)</td>
<td>Mikhail Gutseriev - private investor</td>
<td>Russia</td>
<td>819.7*1</td>
</tr>
<tr>
<td>Poultry Production Severnaya; Poultry Parent Stock Production Woykosvitsy</td>
<td>Agriculture, Forestry, Fishing and Hunting</td>
<td>Acquisition (100%)</td>
<td>Charoen Pokphand Foods PCL</td>
<td>Thailand</td>
<td>623.9*2</td>
</tr>
<tr>
<td>Krasnaya Polyana</td>
<td>Construction</td>
<td>Acquisition (96.9%)</td>
<td>Kurort Plyus</td>
<td>Russia</td>
<td>496.9*2</td>
</tr>
<tr>
<td>Razgulay Polyna</td>
<td>Agriculture, Forestry, Fishing and Hunting</td>
<td>Minority Stake Purchase (20%)</td>
<td>RusAgro Group</td>
<td>Russia</td>
<td>487.1**2</td>
</tr>
<tr>
<td>MDM Bank</td>
<td>Finance &amp; Insurance</td>
<td>Acquisition (58.3%)</td>
<td>BIN Bank</td>
<td>Russia</td>
<td>438.0*1</td>
</tr>
<tr>
<td>Magnit</td>
<td>Wholesale &amp; Retail</td>
<td>Minority Stake Purchase (2.2%)</td>
<td>Sergey Galitsky - private investor</td>
<td>Russia</td>
<td>292.1*3</td>
</tr>
<tr>
<td>Modny Sezon shopping gallery</td>
<td>Real Estate</td>
<td>Acquisition (93.4%)</td>
<td>Sulena Holdings Ltd</td>
<td>Cyprus</td>
<td>284.1*1</td>
</tr>
<tr>
<td>PNK-Chekhov</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>BIN Group</td>
<td>Russia</td>
<td>270.2*1</td>
</tr>
<tr>
<td>EVN Ljuberzy</td>
<td>Manufacturing</td>
<td>Acquisition (100%)</td>
<td>Mosvodokanal</td>
<td>Russia</td>
<td>250.0*2</td>
</tr>
<tr>
<td>Sadovoe Koltso (Oruzheyny business centre)</td>
<td>Real Estate</td>
<td>Minority Stake Purchase (49.9%)</td>
<td>MegaFon</td>
<td>Russia</td>
<td>247.4*2</td>
</tr>
<tr>
<td>Shopping &amp; Leisure Mall Mozaica</td>
<td>Real Estate</td>
<td>Acquisition (n.a. %)</td>
<td>Vnesheconombank (VEB)</td>
<td>Russia</td>
<td>241.2*1</td>
</tr>
<tr>
<td>City Land Group Company LLC</td>
<td>Real Estate</td>
<td>Acquisition (43.2%) ***</td>
<td>VTB Group</td>
<td>Russia</td>
<td>212.2*1</td>
</tr>
<tr>
<td>Polymetal International</td>
<td>Mining (incl. oil &amp; gas)</td>
<td>Minority Stake Purchase (7.4%)</td>
<td>Otkritie Holding</td>
<td>Russia</td>
<td>207.1*2</td>
</tr>
<tr>
<td>Negusneft</td>
<td>Mining (incl. oil &amp; gas)</td>
<td>Acquisition (100%)</td>
<td>Aleksey Khotin - private investor; Yury Khotin - private investor</td>
<td>Belarus</td>
<td>185.2*1</td>
</tr>
<tr>
<td>CTC Media</td>
<td>Media &amp; Entertainment</td>
<td>Acquisition (75%)</td>
<td>UTH Russia</td>
<td>Russia</td>
<td>178.6*2</td>
</tr>
</tbody>
</table>

1. Market Estimate
2. Official data
3. EMIS DealWatch Estimate

Note: The alleged acquisition of Komi Oil Refinery by Gaetano Holdings for USD 5bn is not included.

* Glencore wrote off EUR 1.4bn of RussNeft debts in exchange for equity in the company.
** The deal value also includes all the existing debt of Razgulay Group.
*** Following the deal, VTB Group will have 71.1% in City Land Group.
## Top 10 Deals in Serbia 2015

<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Danube Foods Group</td>
<td>Food &amp; Beverage</td>
<td>Acquisition (n.a. %)</td>
<td>Mid Europa Partners LLP</td>
<td>United Kingdom</td>
<td>575.0²</td>
</tr>
<tr>
<td>Cement operations of Holcim in Serbia</td>
<td>Manufacturing</td>
<td>Acquisition (100%)</td>
<td>CRH Plc</td>
<td>Ireland</td>
<td>114.3¹</td>
</tr>
<tr>
<td>Shopping centres portfolio of MPC Properties</td>
<td>Real Estate</td>
<td>Minority Stake Purchase (33%)</td>
<td>Atterbury Europe; Attacq Ltd</td>
<td>South Africa</td>
<td>85.5³</td>
</tr>
<tr>
<td>PIK Becej</td>
<td>Agriculture, Forestry, Fishing and Hunting</td>
<td>Acquisition (100%)</td>
<td>MK Group doo</td>
<td>Serbia</td>
<td>45.5²</td>
</tr>
<tr>
<td>AIK Banka ad</td>
<td>Finance &amp; Insurance</td>
<td>Minority Stake Purchase (20.4%)</td>
<td>Piraeus Bank SA</td>
<td>Greece</td>
<td>24.4³</td>
</tr>
<tr>
<td>C Market</td>
<td>Wholesale &amp; Retail Trade</td>
<td>Minority Stake Purchase (16.3%)</td>
<td>Louis Delhaize Group</td>
<td>Belgium</td>
<td>11.8²</td>
</tr>
<tr>
<td>Poljoprivreda AD Senta</td>
<td>Agriculture, Forestry, Fishing and Hunting</td>
<td>Acquisition (100%)</td>
<td>Matijevic doo</td>
<td>Serbia</td>
<td>11.0²</td>
</tr>
<tr>
<td>Cacanska Banka ad</td>
<td>Finance &amp; Insurance</td>
<td>Acquisition (76.7%)</td>
<td>Halkbank AS</td>
<td>Turkey</td>
<td>10.1²</td>
</tr>
<tr>
<td>Avala Film ad</td>
<td>Media &amp; Entertainment</td>
<td>Privatisation (100%)</td>
<td>Filmski Put</td>
<td>Serbia</td>
<td>8.1²</td>
</tr>
<tr>
<td>Aleksa Santic ad</td>
<td>Agriculture, Forestry, Fishing and Hunting</td>
<td>Privatisation (100%)</td>
<td>Ferrero SpA</td>
<td>Italy</td>
<td>8.0²</td>
</tr>
</tbody>
</table>

1. Market Estimate
2. Official data
3. EMIS DealWatch Estimate
### Top 5 Deals in Slovakia 2015

<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Slovak Telekom as</td>
<td>Telecoms &amp; IT</td>
<td>Privatisation (49%)</td>
<td>Deutsche Telekom AG</td>
<td>Germany</td>
<td>900.0²</td>
</tr>
<tr>
<td>Slovenske Elektrarne as</td>
<td>Utilities</td>
<td>Minority Stake Purchase (33%)*</td>
<td>Energeticky A Prumyslov Holding as</td>
<td>Czech Republic</td>
<td>375.0²</td>
</tr>
<tr>
<td>Cement operations of Holcim in Slovakia</td>
<td>Manufacturing</td>
<td>Acquisition (100%)</td>
<td>CRH Plc</td>
<td>Ireland</td>
<td>285.7³</td>
</tr>
<tr>
<td>GGE as</td>
<td>Utilities</td>
<td>Acquisition (100%)</td>
<td>Prudential Plc</td>
<td>United Kingdom</td>
<td>108.0¹</td>
</tr>
<tr>
<td>Generali PPF Holding (Slovak assets)</td>
<td>Finance &amp; Insurance</td>
<td>Minority Stake Purchase (24%)</td>
<td>Assicurazioni Generali SpA</td>
<td>Italy</td>
<td>75.8³</td>
</tr>
</tbody>
</table>

1. Market Estimate
2. Official data
3. EMIS DealWatch Estimate

Note:
* The purchased 33% stake corresponds to the first phase of the deal only.
### Top 10 Deals in Slovenia 2015

<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nova KBM dd</td>
<td>Finance &amp; Insurance</td>
<td>Privatisation (100%)</td>
<td>Apollo Global Management LLC; European Bank for Reconstruction and Development (EBRD)</td>
<td>United States; International</td>
<td>250.0²</td>
</tr>
<tr>
<td>Pivovarna Lasko dd</td>
<td>Food &amp; Beverage</td>
<td>Acquisition (53.4%)</td>
<td>Heineken NV</td>
<td>Netherlands</td>
<td>119.5²</td>
</tr>
<tr>
<td>Pekarna Grosuplje</td>
<td>Food &amp; Beverage</td>
<td>Acquisition (100%)</td>
<td>Don Don doo</td>
<td>Slovenia</td>
<td>60.0²</td>
</tr>
<tr>
<td>Iskra Zascite doo; Varsi doo</td>
<td>Manufacturing</td>
<td>Acquisition (100%)</td>
<td>Raycap SA</td>
<td>Greece</td>
<td>50.9¹</td>
</tr>
<tr>
<td>Trimo</td>
<td>Manufacturing</td>
<td>Acquisition (97.5%)</td>
<td>Innova Capital Sp z oo</td>
<td>Poland</td>
<td>50.0¹</td>
</tr>
<tr>
<td>Perutnina Ptuj dd</td>
<td>Food &amp; Beverage</td>
<td>Minority Stake Purchase (46%)</td>
<td>SI – Slovenian Steel Group</td>
<td>Slovenia</td>
<td>40.0²</td>
</tr>
<tr>
<td>Zito dd</td>
<td>Food &amp; Beverage</td>
<td>Privatisation (51.5%)</td>
<td>Podravka</td>
<td>Croatia</td>
<td>33.0²</td>
</tr>
<tr>
<td>Amis doo</td>
<td>Telecoms &amp; IT</td>
<td>Acquisition (100%)</td>
<td>Telekom Austria AG</td>
<td>Austria</td>
<td>30.0¹</td>
</tr>
<tr>
<td>Gorenje Surovina doo</td>
<td>Services</td>
<td>Acquisition (69.3%)</td>
<td>Elemental Holding SA</td>
<td>Poland</td>
<td>29.2²</td>
</tr>
<tr>
<td>Kempinski Palace Hotel Portoroz</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>MK Group doo</td>
<td>Serbia</td>
<td>25.0¹</td>
</tr>
</tbody>
</table>

1. Market Estimate  
2. Official data  
3. EMIS DealWatch Estimate
<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finansbank AS</td>
<td>Finance &amp; Insurance</td>
<td>Acquisition (99.8%)</td>
<td>Qatar National Bank</td>
<td>Qatar</td>
<td>2,750.0²</td>
</tr>
<tr>
<td>Sobar Turkey Enerji</td>
<td>Manufacturing</td>
<td>Minority Stake Purchase (13%)</td>
<td>The Goldman Sachs Group Inc</td>
<td>United States</td>
<td>1,160.7²</td>
</tr>
<tr>
<td>Digiturk</td>
<td>Telecoms &amp; IT</td>
<td>Acquisition (100%)</td>
<td>belIN Media Group</td>
<td>Qatar</td>
<td>1,045.5¹</td>
</tr>
<tr>
<td>Kupport Liman</td>
<td>Transportation &amp; Warehousing</td>
<td>Acquisition (65%)</td>
<td>COSCO Pacific Ltd</td>
<td>Hong Kong</td>
<td>832.0²</td>
</tr>
<tr>
<td>Ak Gida</td>
<td>Food &amp; Beverage</td>
<td>Acquisition (80%)</td>
<td>Groupe Lactalis SA</td>
<td>France</td>
<td>708.1¹</td>
</tr>
<tr>
<td>Soma B TPP</td>
<td>Utilities</td>
<td>Privatisation (100%)</td>
<td>Konya Seker</td>
<td>Turkey</td>
<td>606.6²</td>
</tr>
<tr>
<td>Yemek Sepeti</td>
<td>Telecoms &amp; IT</td>
<td>Acquisition (100%)</td>
<td>Delivery Hero Holding GmbH</td>
<td>Germany</td>
<td>530.6²</td>
</tr>
<tr>
<td>Dogankent HEPP; Kurtun HEPP; Torul HEPP</td>
<td>Utilities</td>
<td>Privatisation (100%)</td>
<td>Kolin Insaat</td>
<td>Turkey</td>
<td>386.4²</td>
</tr>
<tr>
<td>Total Oil Turkey</td>
<td>Wholesale &amp; Retail Trade</td>
<td>Acquisition (100%)</td>
<td>Demiroren Holding</td>
<td>Turkey</td>
<td>325.0²</td>
</tr>
<tr>
<td>Boyner Perakende</td>
<td>Manufacturing</td>
<td>Minority Stake Purchase (30.7%)</td>
<td>Mayhoola for Investments SPC</td>
<td>Qatar</td>
<td>293.1²</td>
</tr>
<tr>
<td>Avea Iletisim Hizmetleri</td>
<td>Telecoms &amp; IT</td>
<td>Minority Stake Purchase (10%)</td>
<td>Turk Telekom</td>
<td>Turkey</td>
<td>292.3²</td>
</tr>
<tr>
<td>Kadincik 1 HEPP; Kadincik 2 HEPP</td>
<td>Utilities</td>
<td>Privatisation (100%)</td>
<td>IC Ictas Holding</td>
<td>Turkey</td>
<td>280.4²</td>
</tr>
<tr>
<td>Gama Enerji</td>
<td>Utilities</td>
<td>Minority Stake Purchase (30%)</td>
<td>Tenaga Nasional Bhd</td>
<td>Malaysia</td>
<td>220.9²</td>
</tr>
<tr>
<td>Beykoz Gayrimenkul</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Allianz SE</td>
<td>Germany</td>
<td>185.3¹</td>
</tr>
<tr>
<td>Karacaoren 1 HEPP; Karacaoren 2 HEPP</td>
<td>Utilities</td>
<td>Privatisation (100%)</td>
<td>Gama Enerji</td>
<td>Turkey</td>
<td>163.2²</td>
</tr>
<tr>
<td>Dogan TV Holding</td>
<td>Media &amp; Entertainment</td>
<td>Minority Stake Purchase (2.7%)</td>
<td>Dogan Holding</td>
<td>Turkey</td>
<td>150.4²</td>
</tr>
<tr>
<td>Kiler Alisveris</td>
<td>Wholesale &amp; Retail Trade</td>
<td>Acquisition (85%)</td>
<td>CarrefourSA A.S.</td>
<td>Turkey</td>
<td>149.3²</td>
</tr>
<tr>
<td>Unit Investment NV</td>
<td>Utilities</td>
<td>Minority Stake Purchase (23%)</td>
<td>International Finance Corporation (IFC)</td>
<td>International</td>
<td>123.9³</td>
</tr>
<tr>
<td>Manavgat HEPP</td>
<td>Utilities</td>
<td>Privatisation (100%)</td>
<td>Kibar Holding</td>
<td>Turkey</td>
<td>115.5²</td>
</tr>
<tr>
<td>Mardan Palace Hotel</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>Halkbank AS</td>
<td>Turkey</td>
<td>112.9²</td>
</tr>
</tbody>
</table>

1. Market Estimate
2. Official data
3. EMIS DealWatch Estimate
Top 10 Deals in Ukraine 2015

<table>
<thead>
<tr>
<th>Target Company</th>
<th>Sector</th>
<th>Deal Type</th>
<th>Buyer</th>
<th>Country of Buyer</th>
<th>Deal Value (EUR m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Looksery Inc</td>
<td>Telecoms &amp; IT</td>
<td>Acquisition (100%)</td>
<td>Snapchat Inc</td>
<td>United States</td>
<td>132.7(^1)</td>
</tr>
<tr>
<td>Astelit</td>
<td>Telecoms &amp; IT</td>
<td>Minority Stake Purchase (45%)</td>
<td>Turkcell AS</td>
<td>Turkey</td>
<td>89.3(^2)</td>
</tr>
<tr>
<td>Inter TV PJSC</td>
<td>Media &amp; Entertainment</td>
<td>Minority Stake Purchase (29%)</td>
<td>Dmitry Firtash - private investor; Serhiy Levochkin - private investor</td>
<td>Ukraine</td>
<td>88.5(^2)</td>
</tr>
<tr>
<td>Arena Entertainment</td>
<td>Real Estate</td>
<td>Acquisition (100%)</td>
<td>n.a.</td>
<td>Cyprus</td>
<td>36.7(^1)</td>
</tr>
<tr>
<td>Rozetka Ltd</td>
<td>Wholesale &amp; Retail Trade</td>
<td>Minority Stake Purchase (n.a. %)</td>
<td>Horizon Capital</td>
<td>Ukraine</td>
<td>36.4(^1)</td>
</tr>
<tr>
<td>KUB-Gas</td>
<td>Mining (incl. oil &amp; gas)</td>
<td>Acquisition (70%)</td>
<td>Cub Energy Inc.</td>
<td>Canada</td>
<td>27.5(^2)</td>
</tr>
<tr>
<td>Certain assets of Creative Group</td>
<td>Food &amp; Beverage</td>
<td>Acquisition (100%)</td>
<td>Arthur Granz - private investor; Rysbek Toktomushev - private investor</td>
<td>Ukraine</td>
<td>27.3(^1)</td>
</tr>
<tr>
<td>Motor Sich</td>
<td>Manufacturing</td>
<td>Minority Stake Purchase (9.3%)</td>
<td>n.a.</td>
<td>n.a.</td>
<td>25.4(^2)</td>
</tr>
<tr>
<td>Univermag Ukraine</td>
<td>Real Estate</td>
<td>Minority Stake Purchase (n.a. %)</td>
<td>Irish Bank Resolution Corporation</td>
<td>Ireland</td>
<td>10.0(^3)</td>
</tr>
<tr>
<td>Zernoprodukt MHP PJSC</td>
<td>Agriculture, Forestry, Fishing and Hunting</td>
<td>Minority Stake Purchase (10%)</td>
<td>Myronivsky Hliboprodukt</td>
<td>Ukraine</td>
<td>8.1(^3)</td>
</tr>
</tbody>
</table>

1. Market Estimate
2. Official data
3. EMIS DealWatch Estimate
About Us

About CMS

Founded in 1999, with 59 offices in 33 countries, CMS is ranked the second most global firm in the AmLaw 2015 Global Top 100. More than 3,000 legal professionals across the world work in sector-based teams and are trained in project management. CMS offers specialist, business-focused advice in law and tax matters to clients operating in complex business and constantly changing regulatory environments. CMS lawyers focus on their clients and on providing the best possible service.

From major multinationals and mid-caps to enterprising start-ups, CMS provides the technical rigour, strategic excellence and long-term partnership to keep each client ahead, whatever its chosen markets.

About EMIS

EMIS operates in and reports on countries where high reward goes hand-in-hand with high risk. The EMIS platform provides time-sensitive, hard-to-get, relevant news, research and analytical data, peer comparisons and more for over 120 emerging markets. EMIS licenses content from the cream of the world’s macroeconomic experts, the most renowned industry research firms and the most authoritative news providers. This is combined with proprietary company and M&A research to offer a multi-faceted view of each emerging market. Formed over 20 years ago, EMIS employs nearly 300 people in 13 countries around the world, providing intelligence to nearly 2,000 clients. EMIS is part of Euromoney Institutional Investor plc.