

## 2016 Annual Arizona Deal Review

*The Annual Arizona Deal Review is prepared as a courtesy to the Arizona business community based on our research and analysis of data from various sources on disclosed deals for Arizona-based companies.*

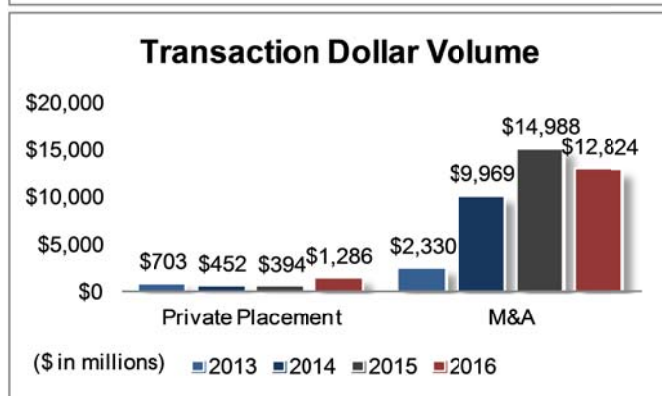
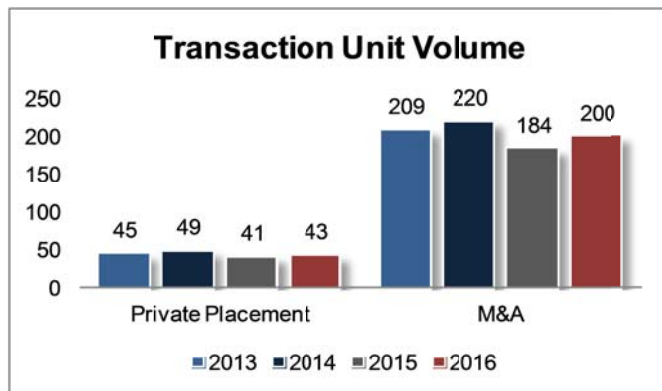
The stock market experienced new highs in 2016 as the Dow Jones Industrial Average reached record highs, edging close to 20,000 by year end. Arizona M&A activity and private placements also experienced growth this past year. Disclosed M&A transactions for Arizona-based companies increased from 184 in 2015 to 200 in 2016, an increase of 8.7%. Despite the increase in overall transaction volume, 2016 M&A activity experienced a decrease in transaction dollar volume from \$14.8 billion to \$12.8 billion, a decrease of 13.5%. The average M&A deal size on disclosed transactions between \$5.0 million and \$1.0 billion was \$72.0 million, compared to 2015's average of \$97.0 million.

Private placement dollar volume experienced a significant increase of 226.3% in 2016 of \$1.3 billion compared to \$394.1 million in 2015. This increase was driven from the \$575.0 million JDA Software Group transaction. Removing the JDA transaction still shows exceptional growth of 80.4% from 2015 to 2016. Unit volume for the past year had a modest increase of 4.9% from 41 to 43 transactions.

The average private placement on disclosed transactions between \$5.0 million and \$500.0 million was \$19.7 million, compared to 2015's average of \$14.0 million.

Electronics & Semiconductors led Arizona's activity, followed by Consumer & Retail which together comprised 74% of total dollar volume of M&A and capital raising transactions. The top three most active industries during the past year were Medical/Healthcare, Business Services, and Technology/Software. Of the thirteen industries analyzed, seven illustrated an increase in combined M&A and private placement unit volume, while only three increased in dollar volume.

M&A transaction volume declined in both the U.S. and Arizona from a record 2015. Despite the dip, an 8.7% increase in M&A unit volume is impressive for Arizona, and the same motivations continue to drive historically high volume: an abundance of private equity capital, corporations' need to drive expansion in the face of modest organic growth, low interest rates, baby boomer retirements, and the desire for owners to harvest after years of recovery. For additional information, please contact John Farr at [jfarr@columbiawestcap.com](mailto:jfarr@columbiawestcap.com).



\*Excludes Real Estate, Mining, Energy Exploration, Project finance, 144 placements and transactions smaller than \$5.0 million. Includes only disclosed transactions amounts.

# COLUMBIA WEST CAPITAL, LLC

INVESTMENT BANKING

## TOP 10 2016 M&A DEALS:

(\$ in millions)

1:	Sun Products Corp. (Henkel)	\$3,600
2:	Atmel Corporation (Microchip Tech.)	3,501
3:	Fairchild Semiconductor (ON Semi)	2,596
4:	Premier Farnell plc (Avnet)	1,111
5:	Kahala Brands, Ltd. (OTCPK:KAHL)	340
6:	Avesis Incorporated	258
7:	Robertson Fuel Systems, LLC	255
8:	TriState CareFlight, LLC	223
9:	The Meadows of Wickenburg, Inc.	180
10:	Healthiest You Corporation	156

## TOP 10 2016 PRIVATE PLACEMENTS:

(\$ in millions)

1:	JDA Software Group, Inc.	\$575
2:	Carvana, LLC	160
3:	Global Water Resources, Inc. (NasdaqGM:GWRS)	115
4:	Universal Technical Institute, Inc. (NYSE:UTI)	70
5:	Centauri Health Solutions, Inc.	50
6:	Vantage Mobility International, LLC	31
7:	The CORE Institute	22
8:	Fluidic, Inc.	20
9:	DEPCOM Power, Inc.	18
10:	World View Enterprises, Inc.	15

*\*Excludes Real Estate, Mining, Energy Exploration, Project Finance, 144a placements*

*Includes only disclosed transaction amounts.*

## ARIZONA DEAL SUMMARY BY INDUSTRY

(\$ in millions)

	2016			2015			Variance		% Growth	
	\$( <sup>(1)</sup> )	%	#	\$( <sup>(1)</sup> )	%	#	\$	#	\$	%
Medical / Healthcare / Biotech	\$945	6.7%	47	\$1,607	10.4%	35	(662)	12	(41.2%)	34.3%
Business Services	41	0.3%	46	338	2.2%	44	(298)	2	(87.9%)	4.5%
Technology / Software / Services	1,933	13.7%	46	904	5.9%	40	1,028	6	113.7%	15.0%
Electronics / Semiconductors	6,271	44.4%	24	1,135	7.4%	11	5,136	13	452.7%	118.2%
Consumer / Retail	4,142	29.4%	23	9,172	59.6%	26	(5,029)	(3)	(54.8%)	(11.5%)
Manufacturing	275	2.0%	16	51	0.3%	24	225	(8)	445.0%	(33.3%)
Construction Services/ Homebuilding	23	0.2%	16	823	5.3%	10	(800)	6	(97.2%)	60.0%
Financial Services	302	2.1%	10	538	3.5%	13	(237)	(3)	(44.0%)	(23.1%)
Gaming / Leisure / Lodging	15	0.1%	5	0	-	4	15	1	N/A	25.0%
Energy/Utilities	158	1.1%	4	540	3.5%	2	(382)	2	(70.8%)	100.0%
Telecom	5	0.0%	2	89	0.6%	6	(84)	(4)	(94.1%)	(66.7%)
Natural Resources	0	-	2	96	0.6%	4	(96)	(2)	(100.0%)	(50.0%)
Real Estate Services	0	-	2	89	0.6%	6	(89)	(4)	(100.0%)	(66.7%)
<b>Totals</b>	<b>\$14,110</b>	<b>100.0%</b>	<b>243</b>	<b>\$15,382</b>	<b>100.0%</b>	<b>225</b>	<b>(1,273)</b>	<b>18</b>	<b>(8.3%)</b>	<b>8.0%</b>

*\*Excludes Real Estate, Mining, Energy Exploration, Project Finance, 144a placements and transactions smaller than \$5.0 million.*

*(1) Includes only disclosed transactions amounts*

**14624 N. Scottsdale Road, Ste. 124, Scottsdale, Arizona 85254**  
**Phone: (480) 664-3949 Fax: (480) 664-3952**  
**www.columbiawestcap.com**