

CRS Report for Congress

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Largest Mergers and Acquisitions by Corporations: 2005

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Summary

Mergers and acquisitions activity increased in 2004 over 2003 and 2005 looks to be an even bigger year for m&a.¹ This report provides a listing of the largest mergers (announced value of at least two billion U.S. Dollars) or acquisitions during 2005 through November 18, 2005. Completion dates for the mergers or acquisitions are included and merger or acquisition failures noted. These data have been drawn from publicly available sources and have not been otherwise verified by CRS. (For the top 25 mergers of 1998, see CRS Report RS20502, *Twenty-five Largest Mergers and Acquisitions by Corporations: 1998*; for the top 25 mergers of 1999, see CRS Report RS20503, *Twenty-five Largest Mergers and Acquisitions by Corporations: 1999*; for the top 25 mergers of 2000, see CRS Report RS20504, *Twenty-five Largest Mergers and Acquisitions by Corporations: 2000*; for the top 25 mergers of 2001, see CRS Report RS20804, *Twenty-five Largest Mergers and Acquisitions by Corporations: 2001*; for the top 25 mergers of 2002, see CRS Report RS21147, *Largest Mergers and Acquisitions by Corporations: 2002*; for the top mergers of 2003, see CRS Report RS21415, *Largest Mergers and Acquisitions by Corporations: 2003*; and for the top mergers of 2004, see CRS Report RS21726, *Largest Mergers and Acquisitions by Corporations: 2004*.) This report will be updated monthly.

Largest Mergers or Acquisitions: 2005 (ranked by value)

(All amounts cited are U.S. Dollars)

Acquirer, Sector, and New Name (if applicable)	Target Firm and Sector	Date Announced	Date Completed	Value (\$ billions)
Procter & Gamble Conglomerate	Gillette Inc. Conglomerate	1/28/05	10/1/05	\$56.9 ^a
Bank of America Banking and finance	MBNA Inc. Banking and finance	6/30/05	Pending*	35.0 ^a

¹ Saigol, Lina. "Biggest M&A boom since 2000 coming." *FT.com*, November 16, 2005. <http://www.news.ft.com/cms/s/a8a71814-560b-11da-b04f-00000e25118c.html> (last viewed November 16, 2005); and, Kay, John. "Why many mergers are a triumph of hope over experience." *Financial Times*, November 15, 2005. p. 15.

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Acquirer, Sector, and New Name (if applicable)	Target Firm and Sector	Date Announced	Date Completed	Value (\$ billions)
Telefónica SA Telecommunications	O ₂ Plc. Telecommunications	10/31/05	Pending*	31.5 ^c
Gas Natural SDB SA Natural gas supplier	Endesa SA Power company	9/5/05	Pending*	28.3 ^c
Unicredito Italiano SpA Banking and finance	HVB Group AG Banking and finance	5/26/05	Pending*	20.17 ^a
Chevron Energy	Unocal Energy	3/7/05	8/10/05	19.4 ^b
Kroger Co. Groceries	Albertson's Inc. Groceries	10/24/05	Pending*	16.5 ^a
SBC Communications Inc. Telecommunications AT&T Inc.	AT&T Corp. Telecommunications	1/27/05	11/18/05	15.7 ^a
Weather Investments SAE Naguib Sawiris et al.	Wind SpA Telecommunications	4/11/05	8/12/05	15.0 ^a
Clayton, Dubilier & Rice LLC Carlyle Group Merrill Lynch Global Private Equity Investors	Hertz (division of Ford Motor Co.) Automobile rentals	9/12/05	Pending*	15.0 ^b
Time Warner Comcast Conglomerates	Adelphia Cable operator	1/31/05	Pending*	14.0 ^a
Suez SA Utilities	Electrabel SA Electricity	8/9/05	Pending*	14.0 ^c
Koch Industries Commodities	Georgia-Pacific Inc. Wood products	11/14/05	Pending*	13.2 ^b
OAQ Gazprom Natural gas producer	OAQ Sibneft Petroleum	9/27/05	10/21/05	13.01 ^a
MetLife Inc. Life insurance	Travelers Life & Annuity Co. Life insurance	1/31/05	7/1/05	11.5 ^a
Silver Lake Partners LLC Bain Capital Blackstone Capital Carlyle Group Kohlberg, Kravis, Roberts Texas Pacific Group Thomas H. Lee Partners Investors	SunGard Data Systems Software and data processing	3/21/05	8/11/05	11.3 ^b
Federated Department Stores Department store operator	May Department Stores Department store operator	1/20/05	8/30/05	11.0 ^a
France Telecom SA Telecommunications	Grupo Auna SA mobile phone unit Telecommunications	7/21/05	Pending*	11.0 ^a
INCO Metals producer	Falconbridge Metals producer	10/11/05	Pending*	11.0 ^b
Pernod Ricard S.A. Wine and spirits	Allied Domecq Plc Conglomerate	2/4/05	7/26/05	10.0 ^a
Verizon Corp. Telecommunications	MCI Corp. Telecommunications	1/14/05	Pending*	9.74 ^c
Berkshire Hathaway Corp. Holding company	PacifiCorp Energy	5/24/05	Pending*	9.4 ^c
Barrick Gold Corp. Mining	Placer Dome Inc. Mining	10/31/05	Pending*	9.2 ^a
Duke Energy Corp. Energy	Cinergy Corp. Energy	5/9/05	8/2006	9.1 ^c
Ineos Group Holdings Plc Petrochemicals	Innovene, Inc. Petrochemicals	10/7/05	Pending*	9.0 ^a

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Acquirer, Sector, and New Name (if applicable)	Target Firm and Sector	Date Announced	Date Completed	Value (\$ billions)
Valero Energy Inc. Energy	Premcor, Inc. Energy	4/24/05	9/1/05	8.7 ^a
Kohlberg, Kravis, Roberts Bain Capital Vornado Realty Investors	Toys 'R Us Retailer	3/17/05	7/21/05	8.6 ^c
ABN Amro Holding NV Banking and finance	Banca Antonveneta SpA Banking and finance	3/30/05	Pending*	8.16 ^c
UnitedHealth Inc. Health insurer	PacifiCare Health Systems, Inc. Health insurer	7/6/05	Pending*	8.14 ^c
Novartis AG Pharmaceuticals	Hexal AG Pharmaceuticals	2/21/05	5/28/05	8.37 ^a
SABMiller Plc Beverages	Grupo Empresarial Bavaria SA Beverages	7/18/05	Pending*	7.8 ^a
Sankyo Corp. Pharmaceuticals Daiichi Sankyo Co.	Daiichi Pharmaceutical Co. Pharmaceuticals	2/25/05	9/1/05	7.7 ^c
Lincoln National Corp. Insurance	Jefferson-Pilot Corp. Insurance	10/10/05	Pending*	7.5 ^a
Teva Pharmaceutical Industries Ltd. Pharmaceuticals	Ivax Corp. Pharmaceuticals	7/25/05	Pending*	7.4 ^c
Metrovacesa S.A. Real estate developer	Gecina S.A. Real estate company	3/15/05	6/6/05	7.39 ^b
BHP Billiton Mining	WMC Resources Mining	3/8/05	6/3/05	7.3 ^b
Allianz A.G. Insurance	Riunione Adriatica di Sicurtà SpA Insurance	9/11/05	Pending*	7.1 ^c
VNU NV Media	IMS Health Inc. Health industry data	7/11/05	Abandoned	7.0 ^c
Deutsche Post AG Mail, package handling, delivery	Exel Plc Package handling, delivery	9/16/05	Pending*	6.9 ^c
Cisco Systems Inc. Routers	Scientific-Atlanta Inc. TV set-top boxes	11/17/05	Pending**	6.9 ^a
Swiss Reinsurance Co. Insurance	General Electric Co. reinsurance division Conglomerate	11/18/05	Pending*	6.8 ^c
Cie. de Saint-Gobain SA Conglomerate	BPB Plc Building materials	7/21/05	Pending*	6.62 ^a
WellPoint Inc. Health insurer	WellChoice Inc. Health insurer	9/27/05	Pending*	6.6 ^c
Washington Mutual Banking and finance	Provident Banking and finance	6/6/05	10/1/05	6.45 ^a
Hilton Hotels Corp. Lodging	Hilton International Plc Lodging	10/13/05	Pending*	6.3 ^a
NTL Inc. Cable operator	Telewest Global Inc. Cable operator	10/3/05	Pending*	6.0 ^a
News Corp. Ltd. Conglomerate	Fox Entertainment Group, Inc. Entertainment	1/10/05	3/21/05	5.9 ^a
Oracle Corp. Inc Software	Siebel Systems Inc. Customer service software	9/12/05	Pending*	5.85 ^c
Dubai Ports World Port operator	Peninsular & Oriental Steam Navigation Co., Plc Port operator	10/30/05	Pending*	5.32 ^a

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Acquirer, Sector, and New Name (if applicable)	Target Firm and Sector	Date Announced	Date Completed	Value (\$ billions)
Cinven Group Ltd. BC Partners Ltd. Investors	Amadeus Global Travel Distribution SA Travel	1/12/05	7/4/05	5.8 ^a
Boots Group Plc Drugstore chain Alliance Boots Plc	Alliance Unichem Plc Drugstore chain	10/3/05	Pending*	5.6 ^a
Punch Taverns Plc Tavern operator	Spirit Group Ltd. Tavern operator	6/25/05	Pending*	5.47 ^b
Capital One Financial Banking and finance	Hibernia Bank Banking and finance	3/6/05	Postponed due to Hurricane	5.35 ^b
Barclays Plc Banking and finance	Absa Group Ltd. Banking and finance	4/25/05	7/27/05	5.2 ^c
Altria Group Conglomerate	PT HM Sampoerna Cigarette maker	3/14/05	5/30/05	5.1 ^c
Novartis AG Pharmaceuticals	Chiron Corp. Inc. Pharmaceuticals	10/31/05	Pending*	5.1 ^c
Deutsche Annington GmbH Real estate	Viterra AG Real estate	5/17/05	5/17/05	5.0 ^c
Mittal Steel N.V. Steel	Kryvorizhstal Steel	10/24/05	Pending*	4.8 ^a
Yuji Tsutsumi Seiji Tsutsumi Investors	Seibu Railway KK Transportation and real estate	10/31/05	Pending*	4.8 ^b
Alltel Telecommunications	Western Wireless Telecommunications	1/6/05	8/1/05	4.3 ^a
Occidental Petroleum Energy	Vintage Petroleum Inc. Energy	10/13/05	Pending*	4.3 ^a
R.H. Donnelley Corp. Publisher	Dex Media Inc. Publisher	10/3/05	Pending*	4.2 ^b
OAo Lukoil Energy	PetroKazakhstan Energy	10/25/05	Pending*	4.18 ^c
China National Petroleum Co. Energy	PetroKazakhstan Energy	8/22/05	Pending*	4.18 ^b
Fresenius Medical Care AG Kidney dialysis	Renal Care Group Inc. Kidney dialysis	5/4/05	Pending*	4.0 ^a
BAE Systems Plc. Defense/aerospace	United Defense Technologies Inc. Defense contractor	3/7/05	6/24/05	3.97 ^c
Wachovia Corp. Inc. Banking and finance	Westcorp Banking and finance	9/12/05	Pending*	3.91 ^c
adidas-Salomon AG Apparel	Reebok International Ltd. Apparel	8/2/05	Pending*	3.8 ^c
Gala Group Holdings Plc. Gambling	Coral Eurobet Plc. Gambling	10/7/05	Pending*	3.8 ^c
Marathon Oil Corp. Energy	Marathon Ashland Petroleum LLC Petroleum refiner	4/28/05	6/30/05	3.7 ^a
Legg, Mason & Co. Banking and finance	Citigroup's fund unit Banking and finance	6/24/05	Pending*	3.7 ^c
Texas-Pacific Group Apollo Management LP TowerBrook Capital Partners LLP Investors	Drax Group Ltd. power plant Electricity generation	10/13/05	Pending*	3.63 ^c
Whirlpool Inc. Appliances	Maytag Inc. Appliances	7/16/05	Pending*	3.6 ^b
Porsche AG Automobiles	Volkswagen AG (20%) Automobiles	9/24/05	Pending*	3.6 ^c

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Acquirer, Sector, and New Name (if applicable)	Target Firm and Sector	Date Announced	Date Completed	Value (\$ billions)
Liberty Media Conglomerate Liberty Global	UnitedGlobalCom Inc. Telecommunications	1/18/05	6/15/05	3.5 ^b
Reckitt Benckiser Ple. Home products	Boots Group's health-care unit Pharmaceuticals	10/7/05	Pending*	3.43 ^c
Adobe Systems Inc. Software	Macromedia Inc. Software	4/17/05	Pending*	3.4 ^a
Blackstone Group LP Investors	Wyndham International Inc. Hotels	6/14/05	8/16/05	3.24 ^c
Intelsat Ltd. Satellite telecommunications	PanAmSat Satellite teleocmmunications	8/29/05	Pending*	3.2 ^c
TeliaSonera AB Telecommunications	Turkcell Iletisim Hizmetleri AS Telecommunications	3/25/05	Pending*	3.1 ^a
Repsol YPF S.A. Energy	Royal Dutch/Shell Group's LPG assets	6/2/05	Pending*	3.1 ^a
CVC Capital Partners Ltd. Investor	Liquified petroleum gas			
Axel Springer AG Communications	ProSiebenSat.1 Media AG Broadcasting	8/5/05	Pending*	3.05 ^c
J.C. Flowers & Co. LLC ABN Amro Holding NV American International Group Inc. Banco Santander Central Hispano SA Delta Lloyd Shinsel Bank Ltd. Bank of America Corp. Govt. of Singapore Investment Corp. Goldman Sachs Group J.P. Morgan Chase & Co. Investors	NIB Capital Bank NV Banking and finance	7/07/05	8/9/05	3.05 ^a
American Tower Corp. Wireless towers	SpectraSite Inc. Wireless towers	5/4/05	8/8/05	3.0 ^a
Medicis Pharmaceutical Pharmaceuticals	Inamed Prosthetics maker	3/15/05	Pending*	2.8 ^b
Publicis Groupe SA Advertising	Aegis Group Plc Advertising	9/21/05	Pending*	2.8 ^c
Extra Space Storage Inc. Prudential Financial Inc. Investors	Storage USA (unit of General Electric) Self-storage	4/25/05	7/14/05	2.6 ^a
A.P. Moeller-Maersk A/S Shipping	Royal P&O Nedlloyd NV Shipping	5/10/05	9/14/05	2.6 ^c
Starwood Capital LLC Investment fund	Taittinger SA Conglomerate	7/22/05	7/22/05	2.6 ^c
eBay Inc. Internet auctioneer	Skype SA VOIP seller	9/12/05	Pending*	2.6 ^b
Woolworths Ltd. Metcash Trading Groceries	Foodland Associated Ltd. Groceries	5/25/05	Pending*	2.57 ^c
Kohlberg, Kravis, Roberts & Co. Permira Advisers Ltd. Investors	SBS Broadcasting SA Telecommunications	8/22/05	Pending*	2.55 ^b
Foster's Group Ltd. Beverages	Southcorp Ltd. Winemaker	4/22/05	5/27/05	2.46 ^a

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Acquirer, Sector, and New Name (if applicable)	Target Firm and Sector	Date Announced	Date Completed	Value (\$ billions)
Norsk Hydro ASA Conglomerate	Spinnaker Exploration Co. Oil and gas	9/18/05	Pending*	2.45 ^a
General Electric Co. Conglomerate	Bombardier Inc. finance unit Conglomerate	4/17/05	6/1/05	2.4 ^c
Macquarie Bank Ltd. Macquarie Capital Alliance Group	YBR Group NV Telephone directory publisher	5/16/05	6/1/05	2.3 ^c
Nikko Cordial Corp. Caisse de Depot et Placement du Quebec Investors				
Medco Health Solutions Pharmaceuticals distributor	Accredo Health Specialty pharmaceuticals	2/23/05	8/18/05	2.2 ^b
Liberty Global Inc. Cable-television systems	Cablecom AG Cable-television systems	9/30/05	Pending*	2.2 ^c
Postbank AG Banking and finance	BHW AG Banking and fianance	10/25/05	Pending*	2.16 ^b
Talisman Energy, Inc. Oil	Paladin Resources Plc Oil	10/20/05	Pending*	2.15 ^c
Cimarex Energy Co. Natural gas	Magnum Hunter Resources Co. Natural gas	1/26/05	6/7/05	2.1 ^a
Aviva plc Insurance	RAC plc Automobile servicing	3/9/05	5/27/05	2.1 ^a
Ericsson AB Telecommunication equipment	Marconi Corp. Telecommunications equipment	10/25/05	Pending*	2.1 ^c
IAC/InterActiveCorp. Internet conglomerate	Ask Jeeves Inc. Internet search engine	3/21/05	8/9/05	2.0 ^a
Statoil ASA Norwegian government	Encana Corp. Gulf of Mexico oil and gas properties	4/28/05	7/1/05	2.0 ^a
OAQ Lukoil Petroleum	Nelson Resources Ltd. Oil	9/30/05	Pending*	2.0 ^c

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

Note: Values given for transactions are expressed as the value of the combined assets of the two firms when there is a merger. In an acquisition, the value shown is the purchase price of the target corporation. These figures sometimes vary from one source to another and can change as the market value of the company's stock changes; values are shown in U.S. Dollars. U.S. Dollar value can fluctuate with changes in exchange rates. The values shown above are derived from the following sources:

^a Source for value: *The Wall Street Journal*.

^b Source for value: *The Financial Times*.

^c Source for value: *bloomberg.com*

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