

Mergerstat Review Premiums and Discounts

Sample Report



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Mergerstat Review Premiums and Discounts

ValuSource's Mergerstat Review Premiums and Discounts database is an annual compilation of statistics on mergers and acquisitions. The data comes from FactSet's Mergerstat database, which tracks formal transfers of ownership of at least 5% of a company's common equity. Open market stock purchases, new equity investments, private placements, new joint ventures, asset swaps, and real property are not recorded. Mergerstat records transactions as they are announced, not as they are completed. Unless otherwise noted, all statistics contained in Mergerstat's database reflect completed or pending transactions, as of the end of the applicable period. To determine whether the transactions meet the Mergerstat requirements, the research analysts conduct company interviews and consult company press releases, source documents, SEC filings, company website information, and other various sources of corporate financial disclosure.

Using Mergerstat Review Premiums and Discounts

Mergerstat Review Price to Earnings Ratios allows you to view and print Mergerstat data, and to download Mergerstat data into ValuSource applications.

Selecting the Year

If you have Mergerstat data for multiple years, you can change the data year.

Selecting an Industry

Mergerstat data is grouped into fifty industries ranging from Aerospace, Aircraft & Defense to Wholesale & Distribution.

Using Mergerstat Data in ValuSource Applications

You can download Mergerstat data into ValuSource applications, including ValuSource Pro and Express Business Valuation. The downloaded data automatically appears in the correct lines on the appropriate schedules. In the following example, the data in blue would be downloaded from Mergerstat.

Please Note: The following schedule is shown for example purposes only. It does not contain actual Mergerstat data.

Control Premiums And Discounts Schedule (Example)Industry Class: [Sample Industry](#)

	Acquisition Year	Number of Transactions	Average Control Premium	Implied * Minority Discount
Year 5	2000	10	30.0%	23.1%
Year 4	2001	12	35.5%	26.2%
Year 3	2002	8	39.9%	28.5%
Year 2	2003	13	46.0%	31.5%
Year 1	2004	17	48.7%	32.8%
	Weighted Average		<u>41.2%</u>	<u>29.0%</u>

* Formula: $1 - (1 / (1 + \text{Average Premium Paid}))$