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## ASIA

### [Foxconn Likely to Acquire Sharp](#)

The Taiwanese electronics assembler Hon Hai Precision Industry (more commonly known as Foxconn) has announced that it is in the final stages of negotiating Foxconn's acquisition of Japan's Sharp Corp. and expects to complete the deal by the end of the month. Foxconn's bid of ¥659 billion (\$5.5 billion) is larger than the competing offer by state-backed Innovation Network Corporation of Japan of less than ¥300 billion (\$2.6 billion) and at a \$2.9 billion premium to Sharp's current market value. If the deal is completed, it will become one of the largest foreign takeovers of a Japanese company. Sharp, a maker of iPhone screens, had been struggling due to the falling prices of its LCD display panels and competition from South Korean and Chinese companies.

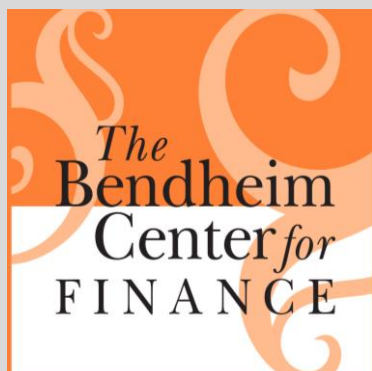
### [\\$43.8 Billion Syngenta-ChemChina Deal Pending Regulatory Approval](#)

ChemChina's \$43.8 billion takeover bid was accepted by Syngenta's board, making this the largest acquisition by a Chinese company. Syngenta, a Swiss agrochemical manufacturer, had previously rejected a \$47 billion bid from Monsanto, but Dow Chemical and DuPont's merger and falling grain prices pushed Syngenta into discussions with ChemChina. ChemChina has since secured a \$50 billion line of credit to complete the deal, and it is pending approval from antitrust regulators, which is unlikely to pose a challenge to the completion of the deal.

### [Alibaba Founder to Form Investment Bank in Shanghai](#)

Reorient Group Ltd., Giant Investment Co., and Jiangsu YuWell Technology Development Co. have announced their intentions to form a joint venture, Yunfeng Securities Co., to offer brokerage and asset management services in China. Reorient, a Hong Kong-based investment bank, is controlled by Alibaba founder Jack Ma's private-

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equity fund Yunfeng Financial Holdings Ltd. Reorient's 430 million yuan (\$65.4 million) contribution to the joint venture's 1 billion yuan (\$152.1 million) in registered capital will give Reorient a 43% stake in the new firm, which will be based in Shanghai.

### [Goodbaby IPO thrown out with China water](#)

Goodbaby China decided to pull its HK\$1.25 billion (\$161 million) initial public offering in Hong Kong, indicating a deterioration of investor confidence toward consumer plays in China as the economy slows. In 2015, the Chinese economy grew by 6.9%, the slowest growth rate in 25 years. After China's stock market crash in June, market volatility has discouraged investors from putting money into IPOs. Goodbaby China, which manufactures maternity, baby, and children products, is the first company to withdraw an IPO in Hong Kong after the deal was launched since April 2014.

### [Chinese Investor Group Agrees To Buy Chicago Stock Exchange](#)

On Friday, it was announced that Chinese investors within Chongqing Casin Enterprise Group have agreed to purchase the Chicago Stock Exchange Inc. (CHX). The purchase of the stock exchange by this company, an obscure property and investment firm from southwestern China, has raised some questions about reasons for their interest in buying one of America's smaller equity exchanges. The deal, which is expected to close in the second half of 2016, will require the approval of the U.S. Securities and Exchange Commission. Chicago Stock Exchange CEO and President John Kerin said the sale will provide the exchange with more resources to pursue new business initiatives, including financial products and technological services. The exchange plans to launch an on-demand auction service called SNAP (subsecond nondisplayed auction process), which should foster competition based on price, rather than on speed.

### [BOJ Roils \\$14.1 Billion Money Market Industry as Nomura Suspends](#)

After the Bank of Japan introduced negative interest rates last week, 10 other managers and Nomura Asset Management Co. have stopped accepting investments into some money-market funds, a \$14.1 billion industry. Specifically, Nomura has said Friday that it will

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suspend orders for its Money Management Fund and Free Financial Fund from Feb. 9. Figures on Normura's website show that the Nomura Money Management Fund has 474.5 billion yen in assets and the Free Financial Fund holds 560 billion yen. Assets held by money-market funds dropped to a record 1.643 trillion yen (\$14.1 billion) in December, down 4.3 percent from November.

### [China Foreign Reserves Head for Record Drop on Yuan](#)

China foreign exchange reserves, already at a three-year low, are poised to post a second consecutive record monthly drop as policy makers intervene to support the yuan. The central bank will say Sunday that the currency hoard fell by \$118 bn to \$3.2 trillion in January, according to economists' estimates in a Bloomberg survey. That would exceed a record \$108bn decline in December, which brought last year's total draw-down to more than half a trillion dollars and capped the first annual decrease in the reserves since 1992. Policy makers are burning through billions of dollars to hold up a weakening currency amid flagging growth and \$1 trillion in capital outflow last year.

### [Terex Confirms \\$3.2bn Bid from China's Zoomlion](#)

Zoomlion, China's answer to Caterpillar, is trying to gatecrash a deal between its US and Finnish rivals that would create one of the world's biggest cranimakers. The Chinese industrial company, which makes everything from cranes to pile-drivers, has offered to buy US-based Terex, in a move that would scupper the latter's planned merger with Finland's KonecranesIn. In a statement on Tuesday, Terex said it has received an unsolicited approach from Zoomlion to acquire the company at \$30 a share. The all cash offer represents a 100 per cent premium to Terex's closing price on Monday and would value the company at \$3.2bn.

### [Beijing Enterprises Buys German Waste-to-Energy Plants for 1.44 Billion Euros](#)

Beijing Enterprises has bought EEW Energy from Waste operation for 1.44 billion euros, the largest ever Chinese acquisition of a German business. Private equity firm EQT said on Thursday it had agreed to sell the operation to the Chinese conglomerate, which is controlled by the Beijing City Government. EEW has developed advanced technology for filtering emissions, an interest to China's

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urgent needs to address its waste problem. China has also identified the acquisition of European technology companies as a way to modernize its economy.

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