Who owns international business?*

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Abstract

International business in the past century has largely been the domain of large multinational enterprises and banks, as well as small exporting and importing companies. The scope of international business activity has grown in recent years, and today there are many State-owned companies involved in international business activities, as well as financial investors rather than only industrial or commercial companies undertaking foreign direct investment (FDI). Government policy toward international business has largely been supportive since the 1990s, while concerns have arisen particularly in regard to the activities of State-owned enterprises and also the activities of non-traditional investors such as investment funds. To achieve the greatest benefits from FDI and trade, governments need to understand which companies are making the key decisions in global value chains and to collaborate in rule-setting and in guiding companies to pursue desirable activities and to limit non-business goal-seeking.

Keywords: foreign direct investment, cross-border M&A, multinational enterprises, global value chains, state-owned enterprises

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1. Introduction

At the 2021 World Investment Forum sponsored by UNCTAD (https://worldinvestmentforum.unctad.org/7th-world-investment-forum/), in sessions co-sponsored by the Academy of International Business, the issue of non-traditional ownership of international business activities such as foreign direct investment (FDI) was raised and discussed. The fact that much of international business today is involved in global value chains (GVCs) led to additional discussion of that phenomenon as well. The present paper focuses on the ownership of international business activities and on its implications for government policy.

The answer to the question of who owns international business is not any single country. If we look at international business activities such as exports, imports and FDI, they are undertaken by companies rather than countries. The countries of origin of the international business activities are important to policymakers and competitors, so countries are relevant in this way. Also, State-owned enterprises (SOEs) are important in a number of industries around the world, such as oil and banking, so many countries do participate in owning part of international business through these companies. In addition, sovereign wealth funds (SWFs) are increasingly important investors in global firms, adding to the relevance of State involvement.

Another feature of international business that is now more difficult to interpret is the private sector ownership of companies that operate abroad. When one looks at FDI activity through mergers and acquisitions (M&As), it turns out that since 2000 a lot of that activity has been taking place through acquisitions by financial entities such as investment funds or private equity groups rather than through traditional investment overseas by industrial or commercial companies. The implications of this kind of ownership remain to be explored, and this is a key theme of the present article.

The analysis proceeds as follows. First, the various owners of international business activities are discussed, and some measures of their size are presented. These activities include exports, FDI, international lending and contractual arrangements such as licensing and franchising. Second, one specific kind of activity, FDI through M&As, is considered in some detail as far as ownership in the 21st century is concerned. Third, the paper discusses the perspective of government policymakers on each of the international business activities and on the new element of financial entities being key foreign direct investors. Finally, some conclusions are drawn for companies and governments, and areas of possible collaboration between them are noted.

2. The owners of international business

Ownership of international business looks at who owns the companies that carry out international business activities. In the case of small and medium-sized companies, which are often involved in exporting and importing, the owners are generally individuals or families. In the case of large multinational enterprises (MNEs), especially those traded on stock exchanges, the owners tend to be numerous people, financial institutions, investment funds and others, sometimes including government investors. The paper does not pursue the ultimate ownership of the financial institutions and funds that are involved in international business. Four major categories of international business activity are discussed here:

- Exports and imports
- Foreign direct investment (wholly and partially owned)
- International bank lending and borrowing
- Licensing, franchising and other contracting

These activities are carried out by a wide variety of institutions such as MNEs, small and medium-sized enterprises and financial entities. FDI in particular is now carried out not only by traditional MNEs but also by private investors, hedge funds, SOEs and even sovereign wealth funds.

Owners of exports and imports

The owners of exports and imports range from tiny microenterprises to giant multinationals. In the United States alone in 2019, there were approximately 300,000 companies that exported, of which 98 per cent were small and medium-sized.[1] This feature has not changed much in the past half-century, except through the development of GVCs. That is, small companies still participate in exporting and importing, but much more often today they are linked into a global supply chain, such as for production of automobiles or t-shirts or even hotel or restaurant services. Thus, the small companies continue to dominate the numbers of enterprises involved in exports and imports, but they are increasingly part of production processes orchestrated by MNEs. These processes go from farming (e.g. cotton) to producing fibre, to designing and manufacturing t-shirts, to shipping them to customers around the world, or from producing some service such as local sales of cell phone service or just retail sales of products in small communities, that links to production of the cell phone or the plastic item, which may be

[1] United States Chamber of Commerce, “The benefits of international trade”, 15 January 2021, www.uschamber.com.

carried out in another country or other countries.[2] Even so, while small and medium-sized companies from emerging markets may become involved in GVCs, they more often than not are challenged by these sources of competition, and they do not readily fit into such GVCs.

For many years it has been estimated that in about two-thirds of international trade multinational companies are involved as either the exporter or the importer or both (De Backer et al., 2019, figure 1). A multinational company would be involved on both sides of an export-import transaction when the shipment goes from one affiliate of the company to another in a different country.

Owners of FDI

FDI implies that a company from one country establishes an owned affiliate in another country. Given this fact, it is certain that FDI is more often the domain of large MNEs rather than microenterprises. While the size of the company involved in a direct investment may be relatively small compared with an MNE such as Apple or Exxon, still the companies tend to be large. The largest 100 direct investment projects in 2021 included investments by oil companies, banks, and producers of high-tech software and hardware, as well as many other kinds of products and services.[3] The smallest deal among these major investments was for $1 billion, and the largest for $44 billion.

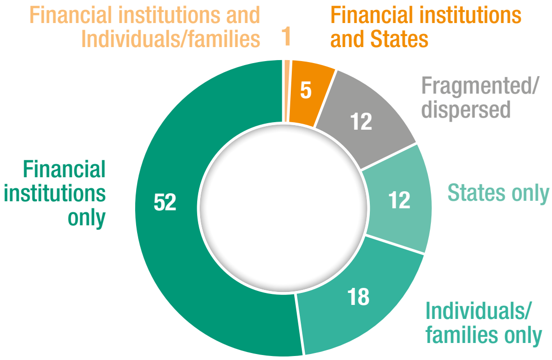
As far as geographic distribution of ownership of FDI is concerned, the largest single source country of FDI flows in 2019 was China, followed by Japan and Germany, and then the United States (UNCTAD, 2021). The United States has usually been the largest source of FDI in the period since World War II, so the shift to other countries is noteworthy, and especially important when China is the leader. FDI is largely owned by MNEs based in the source country, although affiliates of MNEs from other countries also invest overseas in third countries.

Looking at the multinational companies that carry out FDI, UNCTAD measured the *ultimate ownership* of these firms in 2015, as shown in figure 1.

It is truly striking to see that the majority (52 per cent) of MNEs are ultimately owned by financial investors rather than being widely held and traded on stock exchanges (12 per cent) or family owned (18 per cent). But this fact does not change our understanding that MNEs are the main drivers of FDI and also exports and imports, and that they are managed by experts in the business, regardless of the companies' ultimate ownership.

[2] On the issue of GVCs, and the fit of emerging markets into them, see UNCTAD (2013).
[3] See "Largest merger and acquisition deals", 20 November 2021, www.Intellizence.com.

Figure 1. Predominant ultimate beneficial owners in UNCTAD's Top 100 MNEs
(Per cent)



Source: UNCTAD (2016, p. 131).

UNCTAD has also looked at the issue of corporate ownership of FDI and value chain activities in international business, aiming to identify the companies that are at the base of value chains and direct investment activities. That is, the focus is not on understanding which financial investors or families own shares of a company traded on a stock exchange, but rather on understanding which industrial or commercial companies are behind the international business activities. For example, Casella (2019) looks specifically at "conduit FDI", in which a multinational firm invests overseas in one country (frequently a tax haven), and then uses that base to invest in business activities in another country. His analysis points out that for policymaking, governments want to know which company and country of origin is ultimately driving flows of exports, flows of funds and transfer of technology. This thinking was extended in Alabrese and Casella (2020), in which the authors investigated foreign affiliates of multinational firms and found that several types of multiple-country ownership chains exist, from conduit FDI to round-tripping from home to host country and back, to using home or host country as a base for multinational expansion. Each of these analyses focused on the ultimate ownership of foreign affiliates, so that government policymakers in these affiliate countries could understand where the decision-making buck stops in those affiliates.

Owners of international bank lending and borrowing

As with FDI, international bank lending and borrowing tend to be the domain of large multinational firms, in this case financial institutions. These banks tend to do the bulk of their international transactions (by value) in international financial centres, principally London and New York. With the greater participation of Chinese firms in international business in recent years, the largest Chinese State-owned banks, including ICBC and China Construction Bank, have joined JPMorgan Chase, Bank of America and HSBC among the leaders in this activity. The point is less to identify specific banks than to note that the main lenders are almost all large commercial banks headquartered in the Triad countries (in North America and Europe, as well as Japan) plus China, with international banking activity centred in London and New York. The value of this cross-border lending was approximately $30 trillion at the end of 2019, according to the Bank for International Settlements – almost identical to the global stock of FDI at that time.

Owners of international franchising, licensing and contracting

In this final category of international business activities, the bulk of business is done by major *franchisors* such as hotels (Marriott, Hyatt, Intercontinental) and restaurants (McDonalds, KFC, Burger King); major *licensors* of media (Walt Disney, Warner, NBCUniversal), consumer goods (Mattel, Phillips-Van Heusen, Hasbro) and software (Microsoft, SAP, Oracle); and major construction *contracting* companies (China State Construction Engineering, Bouygues, Bechtel) management *consulting* companies (McKinsey, BCG, Bain) and IT consulting companies (Accenture, Deloitte, IBM). In some instances of the hotel and restaurant chains, the parent company owns and manages foreign locations. But more commonly they are franchised: McDonald's franchises 93 per cent of its restaurants and Marriott franchises 99 per cent of its hotel rooms.[4]

This category of companies is fairly restricted by the fact that in order to convince potential buyers to contract with the company, it has to be publicly known in the first place. The time and expense needed to build an international brand name exclude all but the already-successful companies in these industries, or acquirors of such companies. Possession of the brand is key, even though the brand could in principle be purchased in the market from the original owner.

[4] Based on information on each company's website.

3. FDI through M&As

FDI is undertaken by investors of various sorts, with the only key criterion being that the investor is a company that invests in a company overseas. So, for example, an investment company such as Kohlberg Kravis & Roberts can buy a manufacturing company such as RJR Nabisco (in 1989), even though KKR has no knowledge of or experience in that industry. If KKR buys a company overseas, for example Alliance Boots in the United Kingdom (2007) or Axel Springer in Germany (2019), it is likewise considered FDI, even though the acquiring company does not come from the same industry as the acquiree.

Perhaps parenthetically, the way that FDI is *financed* does not require funds to come from the acquiring company's country. It is very common for a company to make a cross-border acquisition and to fund it by issuing equity or debt in the two main financial centres, London or New York – regardless of the company's origin. So, when we talk about FDI, we are talking about the acquisition of controlling ownership of a company in another country carried out by a company in the initiating country. The industry of either acquiror or acquiree does not matter; public or private ownership of either company does not matter; and the source of funds to pay for the investment does not matter.

Existing MNEs

With these statements as preamble, the bulk of FDI still takes place when a large company buys another company or creates a new company in its own or a related industry in another country. The main source of FDI is investment by existing large companies, most often from China, the United States, Germany or Japan, in another country (often one of these same countries). Since the global financial crisis, much greater FDI is taking place from emerging markets, particularly the largest ones such as India and China. As can be seen in the appendix, in 2015, the 75 largest cross-border M&As were undertaken by companies such as Merck, General Electric and Bank of Montreal. Even so, there are several cases in the list in which the acquiring company was "investors", meaning an incorporated private equity group or fund that purchased the other company.

Private investors

Increasingly in a "financialized" world, we are seeing financial entities getting involved in company ownership. In the list of the largest 75 cross-border M&A deals shown in the appendix, 10 were undertaken by investor groups, which can probably be interpreted as private equity. Private equity is a somewhat amorphous term, meaning that a group of investors has formed an unlisted legal entity to carry out investment, in this case in owning companies.

This is a fascinating type of direct investor, as the company does not necessarily have any experience at all in the industry of investment. Just as with Warren Buffett selecting companies for Berkshire Hathaway to acquire, the knowledge held by the investor groups is presumably mostly financial and broadly strategic, along with the ability to hire industry experts to run the acquired business (or keep the existing management team).

SOEs

These companies may be long-lived and very large, just like the private sector companies that are the "traditional" MNEs. State-owned MNEs are prevalent in some industries, especially petroleum and banking. In the case of Chinese SOEs, they exist in a wide range of industries. The 50 largest multinational SOEs are almost exclusively in the two main industries, and many are based in China, although the analysis on SOEs in UNCTAD's *World Investment Report 2017* shows that SOE-MNEs are common in Europe and other countries. Given the central importance of extractives and banking to the global economy, and the significance of Chinese FDI today, SOEs are a major factor in the FDI that takes place and in government policy to regulate that FDI.

SWFs

These government-owned organizations may be incorporated or may be structured in some other manner, but they tend to be portfolio investors rather than taking control of companies they invest in as direct investors. There are some exceptions in which SWFs do take controlling ownership, such as in the case of Temasek from Singapore, which owns DBS Group, several telecommunication and media companies, several energy companies and other businesses. As in many cases SWFs are not required to divulge their controlling ownership, there are surely some that control commercial and industrial companies that we do not know about.

Hedge funds, pension funds

These funds, like SWFs, generally invest as portfolio investors, without the aim of controlling companies whose shares or bonds they buy. Nevertheless, as shown with the growth of special purpose acquisition companies (SPACs) in recent years, investors can pool funds in SWFs and similar legal entities to buy out a company or take public a private company.

4. Government policy related to owners of international business

Government policymakers use a wide array of regulations and subsidies in relation to the international business activities discussed here. With respect to imports, governments use tariffs, import quotas, subsidy of domestic producers and other non-tariff barriers to restrict some imports. Since most countries are members of the World Trade Organization, they have reduced tariffs over the years to low levels today (with a trade-weighted average tariff of less than 3 per cent ad valorem in 2020, according to the World Bank.[5] Most of the tariff reductions since 2000 have been through preferential regional trade agreements such as the North American Free Trade Agreement (now the United States–Canada–Mexico Agreement), the Comprehensive and Progressive Trans-Pacific Partnership, and the African Continental Free Trade Area.

Governmental restrictions on imports tend to be limited to specific products (such as steel and autos) and to specific countries where some disagreement may exist. With respect to FDI, many governments restrict foreign ownership in industries such as media, national defence and domestic transportation, but they largely remain open to incoming FDI in most industries and they even subsidize it in many instances to attract money, knowledge and jobs. Typically, cross-border bank lending and contracting arrangements such as licensing and franchising are not restricted.

The fairly new use of financial entities to carry out FDI poses new challenges for policymakers, along with the FDI carried out by SOEs. It is not obvious that new rules are needed to either regulate or incentivize FDI that is owned by financial entities. But it is certain that SOEs and SWFs that undertake FDI will have national government non-business interests to take into account, beyond purely business goals of earning income and building market share. It is not as clear that the financial entities such as pension funds and SPACs will have any different goals than a traditional MNE, although these financial entities may pay more attention to investment returns alone.

Regulation of foreign State-owned businesses is a huge issue that has been explored by the Organisation for Economic Co-operation and Development (OECD) (2016) and by UNCTAD (2014). The OECD established guidelines for SOEs in its 2015 publication, *OECD Guidelines on Corporate Governance of State-Owned Enterprises*, and pursued further action on competitive neutrality. Specific jurisdictions, such as the United States and the European Union, have adopted policies on FDI by SOEs and SWFs, seeking to ensure such companies act as private sector entities rather than extensions of the State. There is, of course, no easy solution to this challenge.

[5] World Bank, "Tariff rate, applied, weighted mean, all products", DataBank, https://data.worldbank.org/indicator/TM.TAX.MRCH.WM.AR.ZS.

A desirable direction for exploration of government and company interests and concerns in the various types of ownership of international business is to widen the scope of such exploration. Discussions on ownership so far have focused narrowly on State ownership, so it would be useful to expand the discussion to cover other types of ownership. Expanding the discussion would help to explore the implications of new types of owners and of increasingly concentrated ownership.

5. Conclusions

International business is largely owned by large corporations that trade internationally and invest abroad. Even the small and medium-sized enterprises that are involved in exports and imports in many cases have become incorporated into GVCs led by MNEs, so policymakers need to understand both the direct activities of MNEs and their spillover impacts on smaller companies around the world. The challenge to incorporate small and medium-sized companies from emerging markets into GVCs remains a difficult one, and it requires much additional exploration.

State-owned companies have become more noticeably active in FDI and other international business activities in recent years, and the SOEs present a challenge to government regulators who want to establish a reasonably level playing field for domestic and foreign companies. Because governments and companies already have to juggle the multiple interests of their constituents and stakeholders, SOEs are just one more element that needs to be dealt with in the ongoing government-business relationship.

Financial investment has become much more important as a base for FDI as well as for trade and contracting. Since global markets have become more open to financial activities, this has led to many innovations such as cross-border M&As and SWFs, as well as vehicles such as SPACs and private equity investment to pursue FDI. While financial investors such as banks, pension funds and mutual funds have long been ultimate owners of large corporations, the direct entry of these investors into taking controlling ownership in companies is new. Policymakers will need to decide whether this kind of investment is problematic or just another wrinkle in the financial landscape.

International organizations have been pursuing efforts to deal with some of these challenges through the discussions on updates of the benchmark definition of FDI (led by the OECD, with the International Monetary Fund and UNCTAD) to capture the implications for FDI statistics of new types of ownership and new types of transactions and financial restructuring, which deal with many of the new ownership phenomena discussed. Even with these efforts, there is a lot of room for future work on understanding the beneficial ownership of companies involved in international business. If it turns out that a large percentage of ownership in many companies that invest abroad is held by financial institutions and funds, then regulators and policymakers need to consider appropriate rules specifically related to this kind of investor.

To conclude on a very positive note, because of the opening of financial markets in most of the world, it is possible today for investors from almost any country to be owners of any company whose shares are publicly traded. A further avenue for future research would be to explore the degree to which this can make the global system of international business more “democratic”.

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Appendix table 1. Largest cross-border M&A deals in 2015

Rank	Value ($ billion)	Acquired company	Host economy[a]	Industry of the acquired company	Acquiring company	Home economy[a]	Industry of the acquiring company	Shares acquired (%)
1	68.4	Allergan Inc	United States	Pharmaceutical preparations	Actavis PLC	Ireland	Pharmaceutical preparations	100
2	42.7	Covidien PLC	Ireland	Surgical and medical instruments and apparatus	Medtronic Inc	United States	Electromedical and electrotherapeutic apparatus	100
3	20.6	Lafarge SA	France	Cement, hydraulic	Holcim Ltd	Switzerland	Cement, hydraulic	96
4	20.4	Steinhoff International Holdings Ltd	South Africa	Metal household furniture	Genesis International Holdings NV	Netherlands	Metal household furniture	100
5	16.9	Sigma-Aldrich Corp	United States	Chemicals and chemical preparations, nec	Merck KGaA	Germany	Pharmaceutical preparations	100
6	16.0	GlaxoSmithKline PLC	United Kingdom	Pharmaceutical preparations	Novartis AG	Switzerland	Pharmaceutical preparations	100
7	14.0	Ondereel Ltd, Best-Growth Resources Ltd, Havensbrook Investments Ltd, China Resources	Hong Kong, China	Grocery stores	China Resources (Holdings) Co Ltd	Hong Kong, China	Investors, nec	100
8	12.5	TRW Automotive Holdings Corp	United States	Motor vehicle parts and accessories	ZF Friedrichshafen AG	Germany	Motor vehicle parts and accessories	100
9	12.0	GE Antares Capital	United States	Misc business credit	CPPIB Credit Investments Inc	Canada	Investment advice	100
10	10.7	Alstom SA-Energy Businesses	France	Turbines and turbine generator sets	General Electric Co	United States	Power, distribution, and specialty transformers	100
11	10.4	Gagfah SA	Luxembourg	Operators of apartment buildings	Deutsche Annington Immobilien SE	Germany	Real estate investment trusts	94
12	9.9	China United Network Communications Corp Ltd	China	Telephone communications, except radiotelephone	China Tower Corp Ltd	China	Telephone communications, except radiotelephone	100

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Appendix table 1. Largest cross-border M&A deals in 2015 (Continued)

Rank	Value ($ billion)	Acquired company	Host economy[a]	Industry of the acquired company	Acquiring company	Home economy[a]	Industry of the acquiring company	Shares acquired (%)
13	9.8	GVT Participacoes SA	Brazil	Telephone communications, except radiotelephone	Telefonica Brasil SA	Brazil	Telephone communications, except radiotelephone	100
14	8.9	General Electric Capital Corp	United States	Personal credit institutions	Bank of Montreal,Ontario, Canada	Canada	Banks	100
15	8.7	Friends Life Group Ltd	Guernsey	Life insurance	Aviva PLC	United Kingdom	Life insurance	100
16	8.4	PetSmart Inc	United States	Retail stores, nec	PetSmart Inc SPV	United States	Investment offices, nec	100
17	8.3	Talisman Energy Inc	Canada	Crude petroleum and natural gas	Repsol SA	Spain	Petroleum refining	100
18	8.1	IndCor Properties Inc	United States	Real estate investment trusts	Investor Group	Singapore	Investors, nec	100
19	7.5	HCC Insurance Holdings Inc	United States	Life insurance	Tokio Marine & Nichido Fire Insurance Co Ltd	Japan	Fire, marine and casualty insurance	100
20	7.4	TransGrid Ltd	Australia	Electric services	Investor Group	Canada	Investors, nec	100
21	7.4	Lafarge SA & Holcim Ltd	France	Cement, hydraulic	CRH PLC	Ireland	Cement, hydraulic	100
22	7.2	GE Capital Fleet Services	United States	Passenger car leasing	Element Financial Corp	Canada	Personal credit institutions	100
23	7.2	Oi SA-PT Portugal Assets	Portugal	Telephone communications, except radiotelephone	Altice Portugal SA	Portugal	Cable and other pay television services	100
24	7.1	Novartis AG-Vaccines Business	Switzerland	Biological products, except diagnostic substances	GlaxoSmithKline PLC	United Kingdom	Pharmaceutical preparations	100
25	7.1	RWE Dea AG	Germany	Crude petroleum and natural gas	L1 Energy Ltd	United Kingdom	Investment offices, nec	100
26	7.1	Reynolds American Inc	United States	Cigarettes	Imperial Tobacco Group PLC	United Kingdom	Cigarettes	100

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Appendix table 1. Largest cross-border M&A deals in 2015 (Continued)

Rank	Value ($ billion)	Acquired company	Host economy[a]	Industry of the acquired company	Acquiring company	Home economy[a]	Industry of the acquiring company	Shares acquired (%)
27	7.0	Fortum Distribution AB	Sweden	Electric services	Investor Group	Canada	Investors, nec	100
28	6.7	Dresser-Rand Group Inc	United States	Turbines and turbine generator sets	Siemens AG	Germany	Radio and TV broadcasting and communications equipment	100
29	6.6	Elster Group GmbH	Germany	Totalizing fluid meters and counting devices	Honeywell International Inc	United States	Motor vehicle parts and accessories	100
30	6.4	Tesco PLC-Homeplus Group	Korea, Republic of	Grocery stores	Investor Group	Korea, Republic of	Investors, nec	100
31	6.2	International Game Technology	United States	Manufacturing industries, nec	GTECH SpA	Italy	Amusement and recreation svcs	100
32	5.9	CITIC Ltd	Hong Kong, China	Security and commodity services, nec	Chia Tai Bright Investment Co Ltd	Hong Kong, China	Investors, nec	12
33	5.7	Abbott Laboratories	Netherlands	Pharmaceutical preparations	Mylan Inc	United States	Pharmaceutical preparations	100
34	5.7	ITR Concession Co LLC	United States	Inspection and fixed facilities for motor vehicles	Industry Funds Management Pty Ltd	Australia	Investment advice	100
35	5.7	Protective Life Corp	United States	Life insurance	The Dai-ichi Life Insurance Co Ltd	Japan	Insurance agents, brokers and service	100
36	5.5	China Overseas Land & Investment Ltd	Hong Kong, China	Land subdividers and developers, except cemeteries	China Overseas Holdings Ltd	Hong Kong, China	Residential construction, nec	17
37	5.5	Cytec Industries Inc	United States	Chemicals and chemical preparations, nec	Solvay SA	Belgium	Plastics materials and synthetic resins	100
38	5.5	Corio NV	Netherlands	Real estate investment trusts	Klepierre SA	France	Real estate investment trusts	100

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Appendix table 1. Largest cross-border M&A deals in 2015 (Continued)

Rank	Value ($ billion)	Acquired company	Host economy[a]	Industry of the acquired company	Acquiring company	Home economy[a]	Industry of the acquiring company	Shares acquired (%)
39	5.5	Celestial Domain Investments Ltd	China	Land subdividers and developers, except cemeteries	Alpha Progress Global Ltd	Hong Kong, China	Investors, nec	100
40	5.4	Novartis AG	Switzerland	Pharmaceutical preparations	Eli Lilly & Co	United States	Pharmaceutical preparations	100
41	5.4	City National Corp	United States	National commercial banks	Royal Bank of Canada	Canada	Banks	100
42	5.4	Polyus Gold International Ltd	United Kingdom	Gold ores	Sacturino Ltd	Russian Federation	Gold ores	60
43	5.2	Informatica Corp	United States	Prepackaged software	Informatica Corp SPV	Canada	Investment offices, nec	100
44	5.1	NPS Pharmaceuticals Inc	United States	Biological products, except diagnostic substances	Shire PLC	Ireland	Pharmaceutical preparations	100
45	5.1	Toll Holdings Ltd	Australia	Arrangement of transportation of freight and cargo	Japan Post Co Ltd	Japan	Courier services, except by air	100
46	5.0	Komi Oil OOO	Russian Federation	Crude petroleum and natural gas	Gaetano Holdings Ltd	United Kingdom	Investors, nec	100
47	4.7	Reynolds American Inc	United States	Cigarettes	British American Tobacco PLC	United Kingdom	Cigarettes	-
48	4.7	SIG Combibloc Group AG	Switzerland	Packaging machinery	Investor Group	Canada	Investors, nec	100
49	4.6	QCLNG Pipeline Pty Ltd	Australia	Crude petroleum and natural gas	APA Group	Australia	Natural gas transmission	100
50	4.6	Industrial Income Trust Inc	United States	General warehousing and storage	Global Logistic Properties Ltd	Singapore	General warehousing and storage	100
51	4.5	Omega Pharma Invest NV	Belgium	Pharmaceutical preparations	Perrigo Co PLC	Ireland	Pharmaceutical preparations	96

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Appendix table 1. Largest cross-border M&A deals in 2015 (Continued)

Rank	Value ($ billion)	Acquired company	Host economy[a]	Industry of the acquired company	Acquiring company	Home economy[a]	Industry of the acquiring company	Shares acquired (%)
52	4.5	TDF SA-Assets	France	Television broadcasting stations	Investor Group	Canada	Investors, nec	100
53	4.4	CITIC Ltd	Hong Kong, China	Security and commodity services, nec	Chia Tai Bright Investment Co Ltd	Hong Kong, China	Investors, nec	10
54	4.4	China Merchants Property Development Co Ltd	China	Land subdividers and developers, except cemeteries	China Merchants Industrial Zone Holding Co Ltd	China	Land subdividers and developers, except cemeteries	40
55	4.3	Jazztel PLC	Spain	Radiotelephone communications	Orange SA	France	Telephone communications, except radiotelephone	100
56	4.2	Mondelez International Inc	Netherlands	Roasted coffee	DE Master Blenders	Netherlands	Roasted coffee	100
57	4.1	Songbird Estates PLC	United Kingdom	Land subdividers and developers, except cemeteries	Stork Holdco LP	Bermuda	Investors, nec	100
58	3.9	iGATE Corp	United States	Computer programming services	Cap Gemini SA	France	Computer facilities management services	100
59	3.8	Catlin Group Ltd	Bermuda	Insurance agents, brokers and service	XL Group PLC	Ireland	Life insurance	100
60	3.7	Sapient Corp	United States	Computer integrated systems design	Publicis Groupe SA	France	Advertising, nec	100
61	3.7	Standard Life Financial Inc	Canada	Insurance agents, brokers and service	Manufacturers Life Insurance Co	Canada	Insurance agents, brokers and service	100
62	3.5	Amdipharm Mercury Co Ltd	United Kingdom	Pharmaceutical preparations	Concordia Healthcare Corp	Canada	Pharmaceutical preparations	100
63	3.5	Halla Visteon Climate Control Corp	Korea, Republic of	Refrigeration and heating equipment	Investor Group	Korea, Republic of	Investors, nec	70
64	3.5	Arysta Lifescience Ltd	Ireland	Pesticides and agricultural chemicals, nec	Platform Specialty Products Corp	United States	Industrial organic chemicals, nec	100

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Appendix table 1. Largest cross-border M&A deals in 2015 (Concluded)

Rank	Value ($ billion)	Acquired company	Host economy[a]	Industry of the acquired company	Acquiring company	Home economy[a]	Industry of the acquiring company	Shares acquired (%)
65	3.4	Avanir Pharmaceuticals Inc	United States	Pharmaceutical preparations	Otsuka America Inc	United States	Pharmaceutical preparations	100
66	3.4	Auspex Pharmaceuticals Inc	United States	Pharmaceutical preparations	Teva Pharmaceutical Industries Ltd	Israel	Pharmaceutical preparations	100
67	3.2	Ranbaxy Laboratories Ltd	India	Pharmaceutical preparations	Sun Pharmaceutical Industries Ltd	India	Pharmaceutical preparations	100
68	3.2	Verallia SA	France	Glass containers	Investor Group	United States	Investors, nec	100
69	3.2	GALERIA Kaufhof GmbH	Germany	Department stores	Hudson's Bay Co	Canada	Department stores	100
70	3.2	Exeter Property Group LLC	United States	Operators of nonresidential buildings	Henley Holding Co	United Arab Emirates	Real estate investment trusts	100
71	3.1	Douglas Holding AG	Germany	Department stores	CVC Capital Partners Ltd	United Kingdom	Investors, nec	100
72	3.1	E ON Espana SL	Spain	Electric services	Investor Group	United Kingdom	Investors, nec	100
73	3.1	Columbus International Inc	Bahamas	Telephone communications, except radiotelephone	Cable & Wireless Communications PLC	United Kingdom	Telephone communications, except radiotelephone	100
74	3.1	Nokia Oyj-HERE Business	Germany	Communications services, nec	Investor Group	Germany	Investors, nec	100
75	3.1	TE Connectivity Ltd	Switzerland	Electronic components, nec	CommScope Holding Co Inc	United States	Radio and TV broadcasting and communications equipment	100

Source: UNCTAD (2016, pp. 208–209).
Note: As long as the ultimate host economy is different from the ultimate home economy, M&A deals that were undertaken within the same economy are still considered cross-border M&As.
[a] Immediate economy.