TIMING

For investment banking clients, the question of "when" is not only a matter of understanding the client company, but also its industry and influence in the various financial markets. PaineWebber's bankers combine a keen sense of timing with detailed industry knowledge and financial acumen to produce highly creative — and effective — solutions.

PaineWebber has developed a well respected mergers and acquisitions (M&A) advisory capability that is oriented to the specialized needs of its client base. PaineWebber's bankers have helped clients seize the opportunities created by broad, industry-wide shifts, such as the consolidations occurring in health care, utilities and retailing. In 1998, PaineWebber won a significant increase in the total number of corporate, real estate, and public finance M&A advisory assignments.

GIANT FOOD AND ROYAL AHOLD

In December, PaineWebber closed the $2.8 billion acquisition of its regional supermarket client, Giant Food, by the Dutch supermarket conglomerate Royal Ahold, NV. For PaineWebber's investment bankers, the key to creating the transaction was timing — an understanding of the rapid consolidation underway in the U.S. supermarket industry and its impact upon the financial strategies of Giant and Royal Ahold. Working with an unusual ownership structure at Giant — involving voting and non-voting shares, estate and international corporate interests — PaineWebber strengthened the company's competitive and strategic standing while delivering outstanding value to its shareholders. The transaction, PaineWebber's largest M&A advisory transaction of 1998, took two years from engagement to close.

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