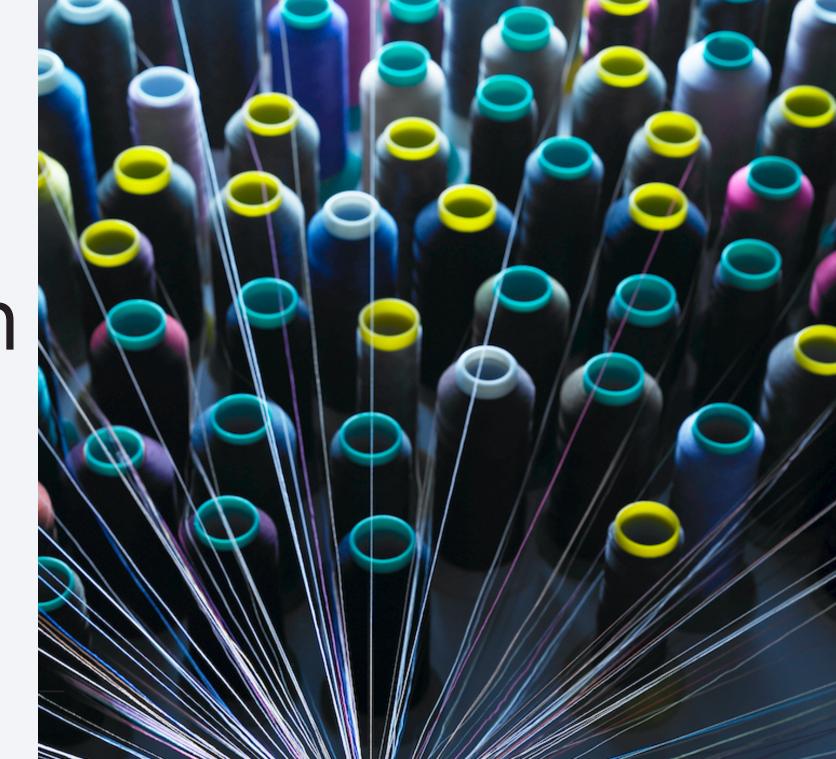
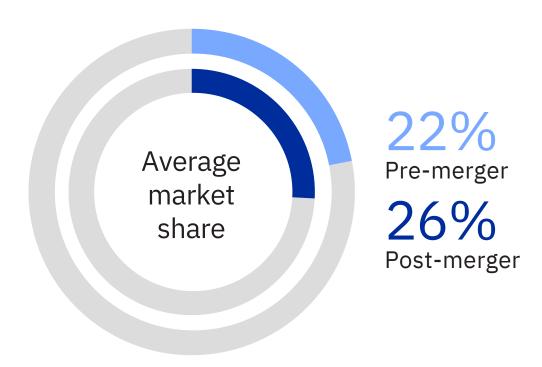
Stronger M&A strategies through AI-driven processes

Ten tenets for electronics companies to drive effective inorganic portfolio growth



Why do electronics companies buy?

Their primary motivation is expansion, delivering an additional 4% of market share from an average of 22% pre-merger to 26% post-merger.



65% Mitigate risk or explore new market opportunities 51% Acquire unique intellectual property, product, pipeline, or skills 48% Unique synergy between buyer and target capabilities 39% Get leaner to drive margin 33% Expand horizontally (buy vs. build) 16% Create entirely new value proposition or business model 14% Present fundamentally similar product offering/reduce competition 11%

Expand market presence or geographic reach

How do electronics companies buy?

30%

Old Guard

Using three distinct M&A capability models that demonstrate varying levels of sophistication and success.

Vanguard

40 percent of electronics companies are progressing 30 percent of electronics companies have a strong M&A foundation and past success. But without new tools and techniques, they are missing the opportunity to scope and scale.

New Guard

40%

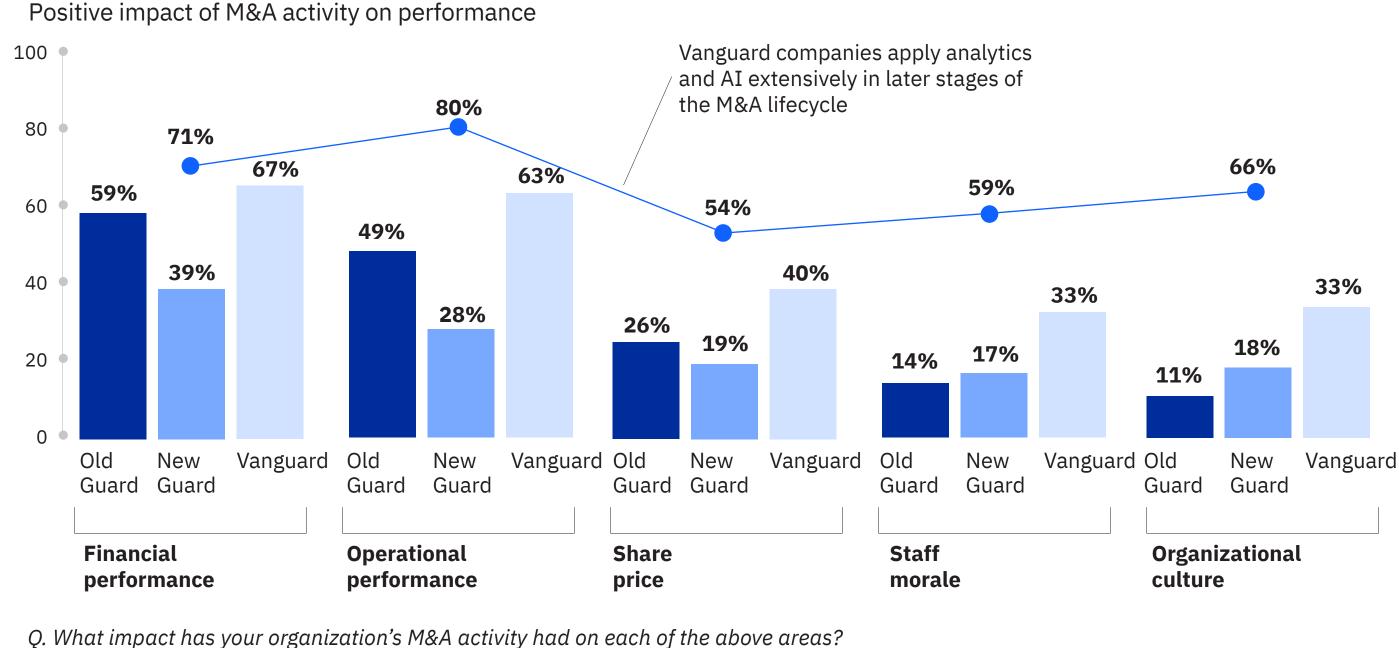
with automation but lack an M&A foundation. This means they don't optimize the benefits from their own automation investments.

have sophisticated M&A capabilities and are best positioned for scope and scale.

30 percent of electronics companies

How can electronics companies optimize deal value?

By applying analytics and AI extensively in the later stages of the M&A lifecycle.



How can electronics companies build repeatable, scalable M&A capabilities?

a modern M&A foundation and embed automation, analytics, and AI throughout the M&A lifecycle.

By following ten tenets to establish

The ten M&A tenets **Identify and**

quantify value Strategy and screening

Realize and

optimize deal value

Integration processes

processes

Due diligence, negotiations, transaction execution processes

Understand and mitigate value at risk

inhibits the realization of value Identify and quantify

value at risk Mitigate risk; pay the

Scan for value

Quantify potential value

Understand what amplifies and

right price

Analyze cybersecurity risk Analyze margins to determine what places value at risk

8 Analyze synergies to evaluate and understand value creation

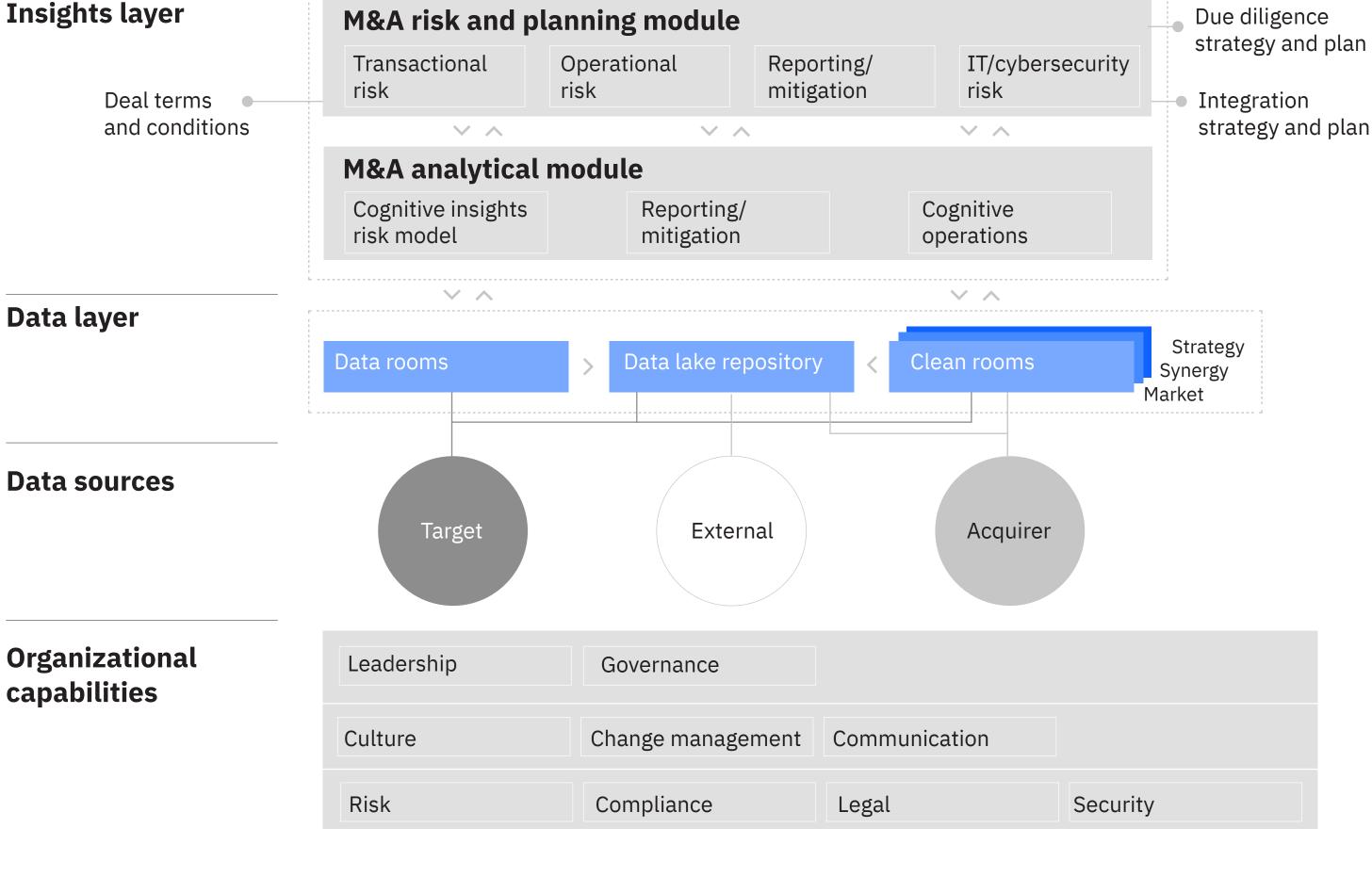
10 Extract incremental value

Integrate for value

Where can electronics companies start?

that sets the foundation for dialogue among diverse stakeholders, and implementations of M&A capabilities, including the ten tenets.

Develop a conceptual architecture



Corporate development, and M&A in particular, will always be a human-plus-machine

partnership. Old Guard. New Guard. Vanguard. Where does your organization fall on the spectrum?

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