

Chinese Companies' Acquisitions Trends: Recent Evidences

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Global mergers and acquisitions reached about \$5 trillion in 2015. The Asia Pacific region played a key role. It doubled acquisitions from \$748 billion in 2013 to \$1.5 trillion in 2015. Especially, Chinese buyers increased three times purchases of foreign firms from \$259 billion in 2013 to \$735 billion in 2015 (JP Morgan, 2017). There are many factors underlying Chinese enterprises' overseas acquisitions in recent years. First, the Chinese government encourages and supports companies' overseas investments. Second, China is changing its economic focus from export manufacturing to technology and consumption. Third, there are good financing options for Chinese companies to acquire overseas firms. The main body of China's overseas acquisitions has transitioned from state-owned to private enterprises. In addition, industry distribution of overseas acquisitions has changed. The proportion of energy and resources industries has begun to decline, while the proportion of science and technology services, consumer goods industry is accelerating. This research paper analyzes five private companies' overseas acquisitions in 2009-2017: Haier, Wanda, Tencent, Midea, and Bright Food.