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Intel HR M&A



Europe M&A Environment

- Global M&A worth \$600bn in Q1 14
- European deal making up 19% annually in 2014
- Nordic and German regions account for 33%
- Telecommunications, Pharma & medicals lead regions activities



Intel and Acquisitions

- Intel - long history in M&A.
- Recent high profile acquisitions include McAfee, WindRiver and the Wireless division of Infineon.
- Intel - Shannon (Basis Technologies)
- Havok Games Software (Dublin).



Why does Intel do acquisitions?

- Faster time to money: Acquire developed technology, save on lengthy development
- Acquire key IP
- Hiring intact teams
- Buy leadership position and credibility
- Learn about potential business opportunities



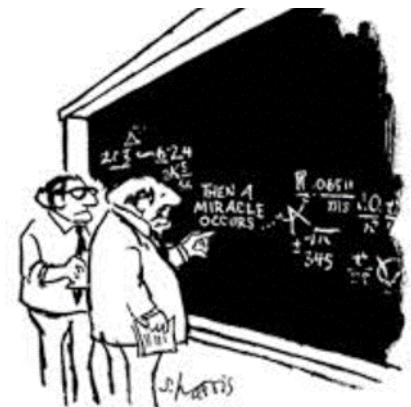
Types of Acquisitions

- Stock vs Asset deals
- Integrated, Non-Integrated, Hybrid



What's in it for the employee?

- New & exciting business challenges
- Opportunity to be part of something bigger
- Financial awards for meeting strategic and financial business targets



"I think you should be more explicit here in step two."

EFI (Employee Financial Involvement)



- Challenge - keep employees motivated and focused on Business strategies.
- Medium term Retention Bonuses (time and performance metric)
- Short Term performance Bonuses
- Stock Programs (for Key and non-Key employee).
- Conversion of 'Target' Stock.



Metrics of Success

- Offer to accept ratio (Keys & general)
- Post close attrition levels (retention levels)
- Business Value drivers.



M&A Future and EFI

- M&A not going away in Europe
- Necessity to keep Key employees through engagement and connected to business financial & business strategies (deal Key value drivers). HR a key partner.
- Stock and Performance Metric based Bonuses





QUESTIONS?

