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Masuda Funai Releases Results From Annual M&A Survey

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Practices: Corporate, Finance & Acquisitions

Masuda, Funai, Eifert & Mitchell, Ltd. today released the results of its annual Mergers and Acquisitions Survey. The survey features data and reflections gathered from executives, professionals, service providers and thought leaders in the Japanese business community in the United States. The survey results provide predictions about economic performance for the year to come, relay insight into likely levels of Japanese inbound investment, and identify key factors in investment decisions by Japanese companies doing business in the United States.

A strong majority of respondents expect the U.S. economy to be somewhat or substantially stronger than it was in 2020 and a substantial majority expect M&A activity levels in the United States to improve. Prospects for inbound M&A activity from Japan to the United States in 2021 appear to be more mixed. Respondents again cited economic conditions and trends in Japan and access to U.S. consumers as major factors driving Japanese investment in the United States. Most respondents expect the political transitions in both the United States and Japan will have a neutral effect on the M&A market in the United States and Japanese investment in the United States.

"There seems to be general agreement among survey respondents that we are headed for stronger economic growth in the year ahead," said Greg Wright of Masuda Funai's Corporate, Finance & Acquisitions practice group. "What is less clear is whether Japanese companies will be ready to embark in large-scale investment in the United States before the pandemic has fully subsided. Our view is that anticipated economic growth in the United States, coupled with greater market and political stability, will ensure that the second half of this year will be a strong one from inbound M&A from Japan."

We hope that these notable findings reflected in the survey results will be helpful in planning your company's growth strategy for the year ahead. We welcome comments and questions about the survey results, which should be directed to its author, Greg Wright, at gwright@masudafunai.com.

Please click here for the 2021 M&A Survey Report.