

## Acquiring a Business in Austria

### 7 deal areas North American buyers should assess early

A practical comparison of US deal expectations and Austrian execution requirements.

| DEAL AREA                                                                                                                                                                             |  TYPICAL US DEAL EXPECTATION                                                                                                                                |  AUSTRIAN TRANSACTION CONTEXT                                                                                                                                                                                                                                                                                                                                                                                                             |
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| <b>Purchase price mechanics</b>                                                                                                                                                       |                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|  <p><b>QUESTION:</b> Which purchase price mechanism best protects value in this transaction?</p>     | <p>Many US private deals use closing accounts and post-closing true-ups for cash, debt and working capital. Detailed definitions and accounting hierarchies are central because the final equity price remains adjustable after closing.</p> | <p>In Austrian deals, closing accounts and locked box structures are equally common. Thus, sellers likely may propose a locked-box structure based on historical accounts to secure price certainty. The buyer must focus on the reliability of the locked-box accounts, permitted leakage and business performance through closing.</p>                                                                                                                                                                                     |
| <b>Risk allocation &amp; due diligence</b>                                                                                                                                            |                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|  <p><b>QUESTION:</b> Have local findings been converted into deal protection?</p>                   | <p>US buyers often expect detailed representations, warranties and indemnities to allocate risk in the SPA. Diligence findings are translated into contractual protection, pricing adjustments or closing conditions.</p>                    | <p>Local diligence commonly focuses on title, change-of-control clauses, financing, grants, employment, pensions, regulatory matters, GDPR, IP/IT and litigation. Findings may require remediation, specific indemnities or tailored W&amp;I coverage.</p>                                                                                                                                                                                                                                                                   |
| <b>Foreign investment screening</b>                                                                                                                                                   |                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|  <p><b>QUESTION:</b> How can foreign direct investment status affect timing or deal certainty?</p> | <p>Foreign investment review is familiar to US deal teams primarily through CFIUS when a foreign investor acquires a US business. A US buyer may not expect to be the foreign investor in the outbound transaction.</p>                      | <p>For Austria, a US acquirer is a third-country investor. Direct or indirect acquisitions in security-relevant sectors may require approval. The Austrian FDI screening differentiates between generally sensitive areas and particularly sensitive areas (e.g. defense, energy, digital infrastructure, water and data sovereignty). The relevant thresholds vary. While for generally sensitive areas relevant thresholds are 25% and 50% voting rights, for particularly sensitive areas these are 10%, 25% and 50%.</p> |

## DEAL AREA



## TYPICAL US DEAL EXPECTATION



## AUSTRIAN TRANSACTION CONTEXT

### Merger control & clearances



**QUESTION:** Have all filing regimes been mapped before signing?

US antitrust analysis typically starts with Hart-Scott-Rodino (HSR) thresholds, transaction size and competitive overlap. Deal teams are accustomed to assessing filing obligations early and allocating clearance risk in the agreement.

Austrian merger control has a broad reach. In particular, it also covers the acquisition of non-controlling minority stakes over 25%.

### Labour & workforce matters



**QUESTION:** Does the legal structure support the workforce plan?

US buyers often plan workforce changes within a comparatively flexible employment framework, subject to applicable federal and state rules, contracts, unions and WARN-type requirements.

Austrian outcomes depend on structure. A business transfer may trigger automatic transfer of employment relationships with all rights and obligations, while works council information and consultation may affect restructurings. Collective agreements and works agreements require local review.

### Tax structure & deal design



**QUESTION:** Are historical risk and future structure assessed together?

US tax workstreams commonly assess historical exposure, acquisition financing, tax attributes and purchase price allocation. The buyer also considers how tax protection is reflected in the SPA.

Austrian analysis should connect historic corporate, VAT and payroll exposure with share-versus-asset structure, financing, tax warranties and indemnities, real-estate tax issues and the intended post-closing tax organisation.

### Closing & integration



**QUESTION:** Is the Day 1 model executable as designed?

US buyers may deploy a global Day 1 and 100-day playbook once commercial terms and clearances are secured, with governance, reporting, controls and synergy initiatives following the signing workstream.

Execution may require Austrian corporate formalities, local regulatory commitments and early alignment of governance, reporting, employment frameworks, data privacy, tax and management retention. A global blueprint should be locally adapted.



## Evaluating an Austrian acquisition opportunity?

Get local insight before local issues become deal issues.



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