



BUREAU VAN DIJK

A Moody's Analytics Company

Banking M&A Review February 2019

The following report details mergers and acquisitions of banking companies in February 2019 using data from the Zephyr database.

It focuses on deal activity by target company.

Click [here](#) to access the raw data in an Excel spreadsheet.

Bureau van Dijk recently expanded its reach to cover an additional number of smaller development capital deals. This expansion has resulted in increased deal volumes of smaller financial services companies receiving investment from financial sponsors.

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SunTrust acquisition props up global banking value in February

There were 159 mergers and acquisitions (M&A) worth a combined USD 45,978 million targeting the global banking sector announced in February 2019, compared to 166 such deals totalling USD 21,117 million in January 2019.

Volume remained fairly level month-on-month but was up 38 per cent year-on-year, from 220 deals. Meanwhile, value spiked in February 2019 to reach a new 12-month high - in fact, the result is the highest since December 2015 (USD 85,007 million) - due to one strategic banking deal that accounted for 63 per cent of the month's total.

BB&T is acquiring SunTrust Banks for USD 28,085 million in the month's largest deal. The public takeover is described as a merger of equals and will create a combined business worth USD 66,000 million. This deal has resulted in the US topping the country rankings by value (USD 28,253 million), though the 15 deals targeting the country in February was lower than the 24 deals recorded for Romania.

All banking deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Feb-19	159	45,978
Jan-19	166	21,117
Dec-18	182	17,955
Nov-18	178	22,878
Oct-18	198	43,550
Sep-18	187	18,313
Aug-18	146	7,746
Jul-18	147	30,771
Jun-18	155	13,806
May-18	190	31,695
Apr-18	184	27,640
Mar-18	185	34,762
Feb-18	220	29,207



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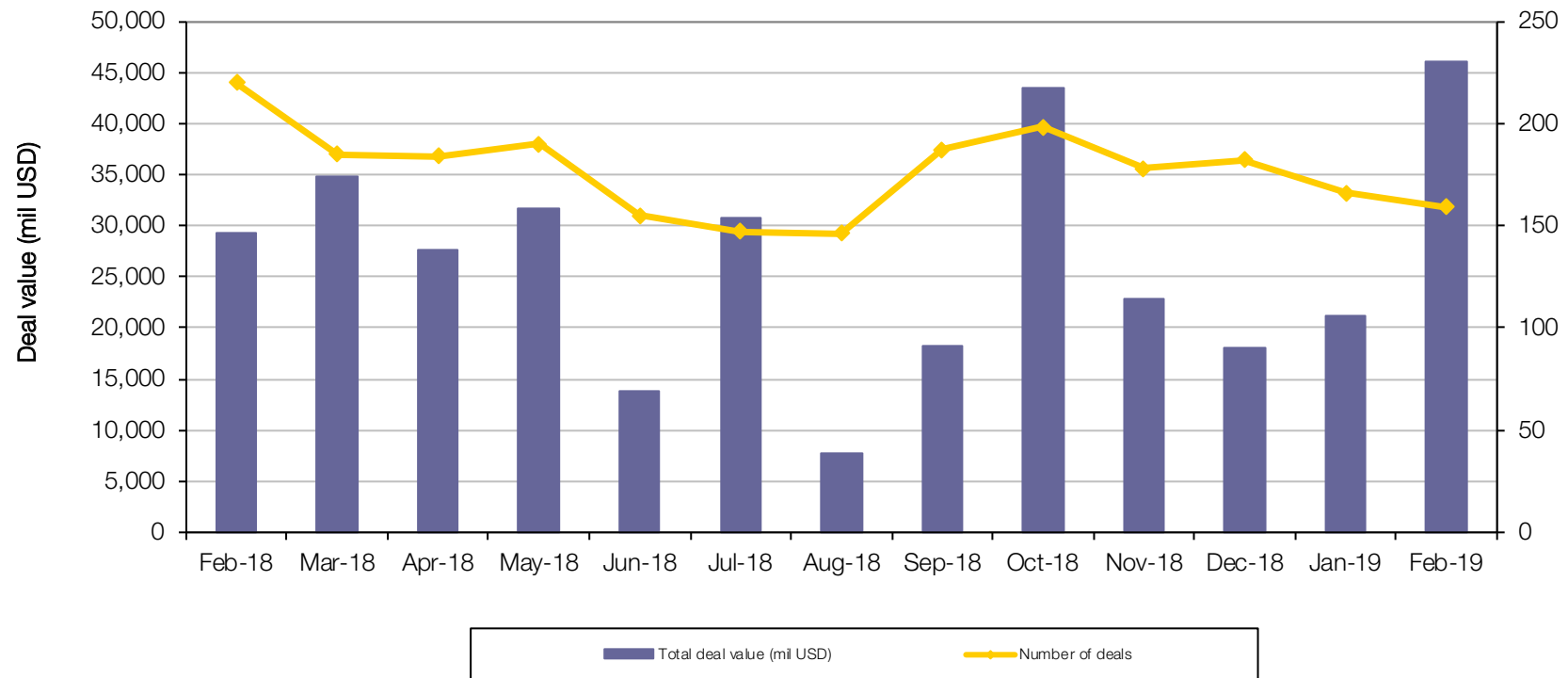


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All banking deals by volume and value



Top 20 global banking deals by value

	Deal value (mil USD)	Deal type	Target	Target country	Acquiror	Acquiror country	Announced date
1.	28,085	Acquisition 100%	SunTrust Banks Inc.	US	BB&T Corporation	US	07/02/2019
2.	1,276	Capital Increase 59%	Corporation Bank Ltd	IN	Government of India	IN	22/02/2019
3.	969	Capital Increase 52%	Allahabad Bank	IN	Government of India	IN	21/02/2019
4.	881	Minority stake 3%	Barclays plc	GB	Investors		17/02/2019
5.	830	Capital Increase 18%	Punjab National Bank	IN	Government of India	IN	21/02/2019
6.	684	Capital Increase 14%	Boubyan Bank KSC	KW			20/02/2019
7.	666	Capital Increase	Shinhan Financial Group Co., Ltd	KR	IMM Private Equity Inc.	KR	12/02/2019
8.	652	Capital Increase 25%	Bank of India Ltd	IN	Government of India	IN	21/02/2019
9.	631	Minority stake 4%	Danske Bank A/S	DK	PFA Pension	DK	07/02/2019
10.	578	Capital Increase 31%	The Union Bank of India	IN	Government of India	IN	21/02/2019
11.	535	Capital Increase 32%	Indian Overseas Bank	IN	Government of India	IN	21/02/2019
12.	532	Capital Increase	National Australia Bank Ltd	AU			11/02/2019
13.	530	Capital Increase	HSBC Holdings plc	GB	Investors		12/02/2019
14.	496	Minority stake 2%	Axis Bank Ltd	IN	Investors		11/02/2019
15.	468	Capital Increase 24%	UCO Bank Ltd	IN	Government of India	IN	21/02/2019
16.	458	Capital Increase 44%	Andhra Bank	IN	Government of India	IN	21/02/2019
17.	447	Minority stake 6%	Standard Life Aberdeen plc	GB	Investors		15/02/2019
18.	440	Minority stake	Acorn OakNorth Holdings Ltd	GB	SoftBank Vision Fund I LP; Clermont Group Ltd	GB; KY	08/02/2019
19.	410	Minority stake 1%	Deutsche Bank AG	DE	Investors		16/02/2019
20.	398	Capital Increase 37%	United Bank of India Ltd	IN	Government of India	IN	20/02/2019

Target countries by volume - global banking deals

Target country	Feb-18	Jan-19	Feb-19
Romania	15	32	24
Italy	7	16	16
US	20	21	15
Russia	10	20	15
India	22	7	14
Germany	31	22	11
UK	7	2	8
Kazakhstan	2	4	7
Netherlands	8	1	6
China	8	2	4
Denmark	2	1	4
Japan	0	4	4
Finland	0	0	3
South Africa	4	0	3
Moldova	0	0	2
South Korea	1	1	2
Norway	1	0	2
Spain	17	1	2
Indonesia	5	3	2
Kuwait	0	2	2

Target countries by value - global banking deals

Target country	Feb-18 (mil USD)	Jan-19 (mil USD)	Feb-19 (mil USD)
US	2,051	3,851	28,253
India	8,640	1,124	7,530
UK	641	91	2,486
Germany	2,253	658	888
South Korea	66	0	845
Kazakhstan	0	133	828
Denmark	68	48	728
Kuwait	0	727	691
Russia	206	439	660
Australia	1,330	0	532
Japan	0	0	522
Italy	1,188	158	517
Finland	0	0	451
Netherlands	390	42	289
Sweden	774	3	130
Ukraine	41	0	122
Romania	51	136	97
Moldova	0	0	89
Belarus	0	0	71
Vietnam	0	279	68

Target region by volume - global banking deals

Target region	Feb-18	Jan-19	Feb-19
Western Europe	115	50	53
Eastern Europe	34	53	44
Far East and Central Asia	42	29	36
North America	21	21	15
Africa	7	3	6
South and Central America	0	4	2
Middle East	0	6	2
Oceania	1	0	1

Target region by value - global banking deals

Target region	Feb-18 (mil USD)	Jan-19 (mil USD)	Feb-19 (mil USD)
North America	2,250	3,851	28,253
Far East and Central Asia	15,241	3,364	9,876
Western Europe	9,698	1,359	5,510
Eastern Europe	633	577	1,040
Middle East	0	11,906	691
Oceania	1,330	0	532
Africa	55	59	69
South and Central America	0	0	8

Strategic M&A accounts for majority of banking dealmaking in February

Strategic M&A banking activity totalled 112 deals worth an aggregate USD 34,484 million in February, which accounted for 70 per cent and 75 per cent, respectively, of the month's total banking M&A.

While February's volume was down month-on-month and year-on-year from 130 and 160 deals, respectively, value was up over the comparable timeframes, from USD 18,996 million in January and was more than treble the USD 9,625 million recorded in February 2018.

BB&T acquiring SunTrust Banks – and owning 57 per cent of the resulting merged group - was not only the largest all banking deal by value announced in February but was also the biggest strategic M&A deal of the month.

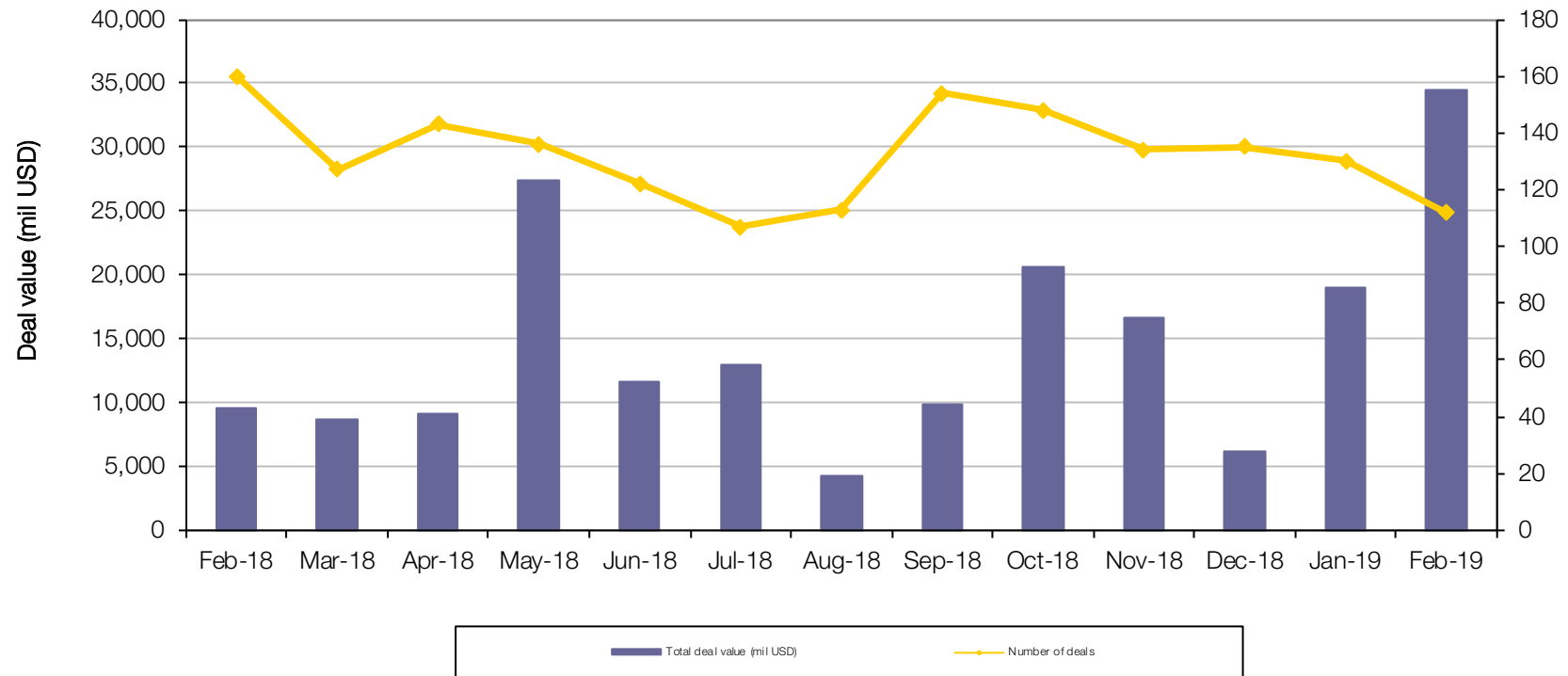
The second-biggest strategic M&A deal of the month involved hedge fund Tiger Global Management selling its entire stake of almost 3 per cent in Barclays for roughly USD 881 million while PFA Pension's purchase of additional shares in Danske Bank was the third-largest at USD 631 million.

Only three deals strategic M&A banking deals targeted North American companies in February, of which two featured in the month's top 20 deals by value. These three deals made North America the top target region by value (USD 28,199 million), though the 47 deals worth an aggregate USD 4,010 million targeting Western European banks made Western Europe the top region by volume.

"Strategic M&A" banking deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Feb-19	112	34,484
Jan-19	130	18,996
Dec-18	135	6,154
Nov-18	134	16,715
Oct-18	148	20,640
Sep-18	154	9,840
Aug-18	113	4,318
Jul-18	107	12,953
Jun-18	122	11,646
May-18	136	27,334
Apr-18	143	9,064
Mar-18	127	8,643
Feb-18	160	9,625

“Strategic M&A” banking deals by volume and value



Top 20 “Strategic M&A” banking deals by value

	Deal value (mil USD)	Deal type	Target	Target country	Acquiror	Acquiror country	Announced date
1.	28,085	Acquisition 100%	SunTrust Banks Inc.	US	BB&T Corporation	US	07/02/2019
2.	881	Minority stake 3%	Barclays plc	GB	Investors		17/02/2019
3.	631	Minority stake 4%	Danske Bank A/S	DK	PFA Pension	DK	07/02/2019
4.	496	Minority stake 2%	Axis Bank Ltd	IN	Investors		11/02/2019
5.	447	Minority stake 6%	Standard Life Aberdeen plc	GB	Investors		15/02/2019
6.	410	Minority stake 1%	Deutsche Bank AG	DE	Investors		16/02/2019
7.	355	Acquisition 99%	Tsesnabank AO	KZ	First Heartland Securities AQ	KZ	06/02/2019
8.	257	Minority stake 1%	Axis Bank Ltd	IN	Investors		13/02/2019
9.	250	Acquisition 100%	Unipol Banca SpA	IT	BPER Banca SpA	IT	08/02/2019
10.	226	Acquisition to 100%	Bank Dom.Rf AO	RU	Dom.RF AO	RU	19/02/2019
11.	225	Minority stake	Nordea Bank Abp	FI	Investors		11/02/2019
12.	224	Minority stake	Nordea Bank Abp	FI	Investors		11/02/2019
13.	202	Minority stake 3%	FinecoBank Banca Fineco SpA	IT	Invesco Ltd	BM	05/02/2019
14.	185	Acquisition to 99%	Tsesnabank AO	KZ	First Heartland Securities AQ	KZ	06/02/2019
15.	182	Acquisition 55% to 95%	MTS-Bank PAO	RU	Mobilnye TeleSistemy PAO	RU	12/02/2019
16.	130	Minority stake	Svenska Handelsbanken AB	SE	Investors		25/02/2019
17.	122	Acquisition to 100%	Sberbank PAT	UA	Sberbank Rossii PAO	RU	08/02/2019
18.	84	Minority stake 1% to 2%	Danske Bank A/S	DK	Arbejdsmarkedets Tillaegspension	DK	07/02/2019
19.	72	Minority stake to 5%	ING Groep NV	NL	BlackRock Inc.	US	28/02/2019
20.	68	Acquisition 100%	Citizens First Corporation	US	German American Bancorp Inc.	US	21/02/2019

Target countries by volume - "Strategic M&A" banking deals

Target country	Feb-18	Jan-19	Feb-19
Romania	15	32	24
Italy	5	16	16
Russia	7	20	12
Germany	29	21	10
Netherlands	8	1	6
Kazakhstan	0	1	5
UK	4	2	4
Denmark	2	1	4
China	5	2	3
US	8	7	3
South Africa	4	0	3
Finland	0	0	3
Spain	17	1	2
Japan	0	4	2
Moldova	0	0	2
India	1	0	2
Indonesia	2	2	2

Target countries by value - "Strategic M&A" banking deals

Target country	Feb-18 (mil USD)	Jan-19 (mil USD)	Feb-19 (mil USD)
US	1,890	3,793	28,199
UK	389	91	1,355
India	49	0	753
Denmark	68	48	728
Kazakhstan	0	89	622
Germany	1,047	358	524
Italy	256	158	517
Finland	0	0	451
Russia	2	439	427
Netherlands	390	42	289
Sweden	221	3	130
Ukraine	41	0	122
Romania	51	136	97
Moldova	0	0	89
Vietnam	0	13	68
China	320	24	56
Spain	1,180	13	15
South Africa	8	0	15
Indonesia	152	1,124	13
Hong Kong	0	0	13
Bosnia and Herzegovina	0	2	2

Target region by volume - "Strategic M&A" banking deals

Target region	Feb-18	Jan-19	Feb-19
Western Europe	106	48	47
Eastern Europe	29	53	40
Far East and Central Asia	10	13	17
Africa	7	1	4
North America	8	7	3
South and Central America	0	3	1
Middle East	0	5	0
Oceania	0	0	0

Target region by value - "Strategic M&A" banking deals

Target region	Feb-18 (mil USD)	Jan-19 (mil USD)	Feb-19 (mil USD)
North America	1,890	3,793	28,199
Western Europe	6,755	1,002	4,010
Far East and Central Asia	521	1,899	1,525
Eastern Europe	404	577	736
Africa	55	0	15
Middle East	0	11,724	0
South and Central America	0	0	0
Oceania	0	0	0

Capital Markets volume and value climb in February

Both the volume and value of capital markets banking M&A increased in February as 36 such deals worth a combined USD 10,943 million were announced during the month, compared to the USD 1,713 million injected across 20 deals in January. However, the result represents a year-on-year decline; in February 2018 there were 46 deals worth a combined USD 17,795 million.

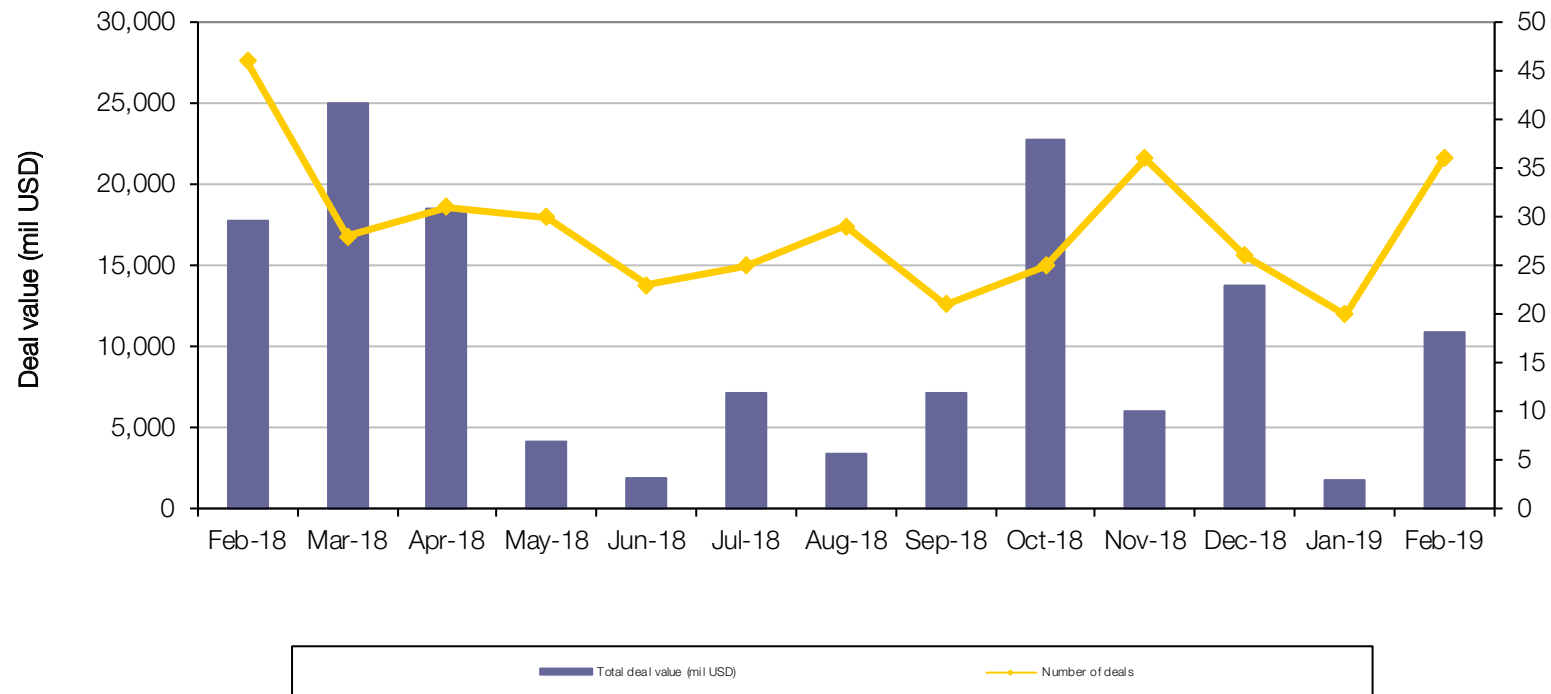
The most valuable capital markets deal to have been announced during February was worth USD 1,276 million and involved an Indian target as Corporation Bank announced a planned capital increase equating to a 59 per cent stake in the company. This was the only deal worth in excess of USD 1,000 million during the month under review. Second place was taken by another Indian deal; Allahabad Bank conducted a USD 969 million capital increase, which was followed by a USD 830 million stock issue by Punjab National Bank.

Given that the month's top three capital markets deals all featured targets based there, it is unsurprising to see India top the country rankings by volume and value in February, with 12 deals worth USD 6,778 million. In terms of value, it was followed by South Korea (USD 845 million), Kuwait (USD 691 million) and the UK (USD 613 million).

Capital markets banking deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Feb-19	36	10,943
Jan-19	20	1,713
Dec-18	26	13,700
Nov-18	36	6,030
Oct-18	25	22,705
Sep-18	21	7,170
Aug-18	29	3,424
Jul-18	25	7,194
Jun-18	23	1,899
May-18	30	4,129
Apr-18	31	18,500
Mar-18	28	25,077
Feb-18	46	17,795

Capital markets banking deals by volume and value



Top capital markets banking deals by value

	Deal value (mil USD)	Deal type	Target	Target country	Acquiror	Acquiror country	Announced date
1.	1,276	Capital Increase 59%	Corporation Bank Ltd	IN	Government of India	IN	22/02/2019
2.	969	Capital Increase 52%	Allahabad Bank	IN	Government of India	IN	21/02/2019
3.	830	Capital Increase 18%	Punjab National Bank	IN	Government of India	IN	21/02/2019
4.	684	Capital Increase 14%	Boubyan Bank KSC	KW			20/02/2019
5.	666	Capital Increase	Shinhan Financial Group Co., Ltd	KR	IMM Private Equity Inc.	KR	12/02/2019
6.	652	Capital Increase 25%	Bank of India Ltd	IN	Government of India	IN	21/02/2019
7.	578	Capital Increase 31%	Union Bank of India, The	IN	Government of India	IN	21/02/2019
8.	535	Capital Increase 32%	Indian Overseas Bank	IN	Government of India	IN	21/02/2019
9.	532	Capital Increase	National Australia Bank Ltd	AU			11/02/2019
10.	530	Capital Increase	HSBC Holdings plc	GB	Investors		12/02/2019
11.	468	Capital Increase 24%	UCO Bank Ltd	IN	Government of India	IN	21/02/2019
12.	458	Capital Increase 44%	Andhra Bank	IN	Government of India	IN	21/02/2019
13.	398	Capital Increase 37%	United Bank of India Ltd	IN	Government of India	IN	20/02/2019
14.	364	Capital Increase	Norddeutsche Landesbank Girozentrale	DE	Sparkassenverband Niedersachsen	DE	28/02/2019
15.	360	Capital Increase 19%	Central Bank of India	IN	Government of India	IN	21/02/2019
16.	295	Capital Increase	The Chiba Kogyo Bank Ltd	JP	Investors		19/02/2019
17.	229	Capital Increase	Bank Dom.Rf AO	RU	Dom.RF AO	RU	11/02/2019
18.	227	Capital increase acquired 28%, to hold 64%	Jibun Bank Corporation	JP	KDDI Corporation	JP	12/02/2019
19.	225	Capital Increase 24%	Syndicate Bank	IN	Government of India	IN	21/02/2019
20.	183	Capital Increase 34%	Tsesnabank AO	KZ			04/02/2019

Target countries by volume - Capital markets banking deals

Target country	Feb-18	Jan-19	Feb-19
India	20	7	12
US	4	0	4
Russia	3	0	3
Kuwait	0	0	2
Kazakhstan	2	3	2
UK	2	0	2
South Korea	0	1	2
Japan	0	0	2
Norway	0	0	1
Germany	1	0	1
Belarus	0	0	1
Tanzania	0	0	1
Egypt	0	0	1
China	3	0	1
Australia	1	0	1

Target countries by value - Capital markets banking deals

Target country	Feb-18 (mil USD)	Jan-19 (mil USD)	Feb-19 (mil USD)
India	8,579	1,124	6,778
South Korea	0	0	845
Kuwait	0	0	691
UK	250	0	613
Australia	1,330	0	532
Japan	0	0	522
Germany	76	0	364
Russia	204	0	233
Kazakhstan	0	43	206
Belarus	0	0	71
Egypt	0	0	54
US	137	0	29
Norway	0	0	5
Tanzania	0	0	1

Target region by volume - Capital markets banking deals

Target region	Feb-18	Jan-19	Feb-19
Far East and Central Asia	30	16	19
North America	5	0	4
Western Europe	5	1	4
Eastern Europe	5	0	4
Africa	0	1	2
Middle East	0	1	2
Oceania	1	0	1
South and Central America	0	1	0

Target region by value - Capital markets banking deals

Target region	Feb-18 (mil USD)	Jan-19 (mil USD)	Feb-19 (mil USD)
Far East and Central Asia	14,642	1,465	8,351
Western Europe	1,258	57	983
Middle East	0	182	691
Oceania	1,330	0	532
Eastern Europe	229	0	304
Africa	0	9	54
North America	336	0	29
South and Central America	0	0	0

Financial sponsors value increases in February, despite month-on-month volume decline

The aggregate value of banking deals featuring financial sponsors increased month-on-month in February, despite volume declining over the same timeframe. In all, there were 11 deals worth a combined USD 550 million announced during the month, compared to 16 worth USD 409 million in January.

The result was less positive in a year-on-year comparison; both volume and value were down, from 14 and USD 1,788 million, respectively, in February 2018.

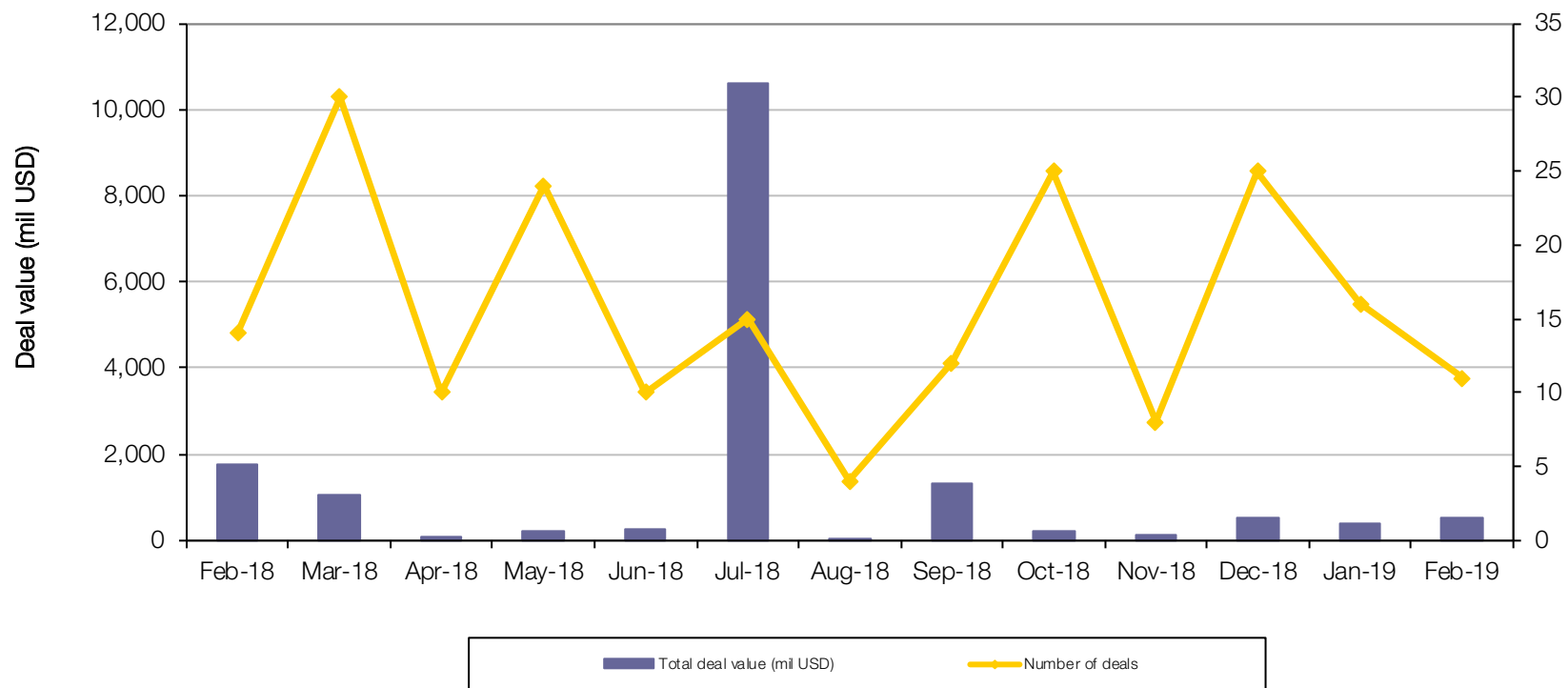
February's value is largely due to a single deal; UK-based Acorn OakNorth Holdings raised USD 440 million from Clermont Group via a round of funding, thereby accounting for 80 per cent of total value in the month under review. It was followed by a USD 77 million investment in Starling Bank from Merian Global Investors (UK), Merian Chrysalis Investment Company and Harald Pike.

The UK topped the country rankings by value, having been targeted in deals worth USD 517 million, although a vast proportion of this amount is due to the two aforementioned funding rounds. The US came next with USD 25 million, despite topping the volume rankings with eight deals, while the UK placed second with two.

Banking deals with financial sponsors by volume and value

Announced date	No of deals	Total deal value (mil USD)
Feb-19	11	550
Jan-19	16	409
Dec-18	25	526
Nov-18	8	134
Oct-18	25	205
Sep-18	12	1,303
Aug-18	4	4
Jul-18	15	10,624
Jun-18	10	261
May-18	24	232
Apr-18	10	75
Mar-18	30	1,042
Feb-18	14	1,788

Banking deals with financial sponsors by volume and value



Top banking deals with financial sponsors deals by value

	Deal value (mil USD)	Deal type	Target	Target country	Financial Sponsor	Announced date
1.	440	Minority stake	Acorn OakNorth Holdings Ltd	GB	Clermont Group Ltd	08/02/2019
2.	77	Minority stake	Starling Bank Ltd	GB	Merian Chrysalis Investment Company Ltd; Merian Global Investors (UK) Ltd	13/02/2019
3.	20	Minority stake	Atlas Fintech Holdings Corp	US		15/02/2019
4.	8	Minority stake	Citius Holdings Ltd	MX		26/02/2019
5.	2	Minority stake	Noble Capital Portfolio Fund II LLC	US		04/02/2019
6.	1	Minority stake	Sixty West O4W Opportunity Fund LLC	US		08/02/2019
7.	1	Minority stake	Noble Capital Portfolio Fund III LLC	US		04/02/2019
8.	0	Minority stake	SWNB Bancorp Inc	US		27/02/2019
9.	0	Minority stake	Vitanova Inc	US		05/02/2019
10.	0	Minority stake	Alliance Bancshares Inc.	US		20/02/2019
11.	0	Minority stake	Ehedge Bank Holding Corp	US		07/02/2019

Target countries by volume - Banking deals with financial sponsors

Target country	Feb-18	Jan-19	Feb-19
US	8	14	8
UK	1	0	2
Mexico	0	0	1

Target countries by value - Banking deals with financial sponsors

Target country	Feb-18 (mil USD)	Jan-19 (mil USD)	Feb-19 (mil USD)
UK	3	0	517
US	24	59	25
Mexico	0	0	8

Target region by volume - Banking deals with financial sponsors

Target region	Feb-18	Jan-19	Feb-19
North America	8	14	8
Western Europe	4	1	2
South and Central America	0	0	1
Africa	0	1	0
Eastern Europe	0	0	0
Far East and Central Asia	2	0	0
Middle East	0	0	0
Oceania	0	0	0

Target region by value - Banking deals with financial sponsors

Target region	Feb-18 (mil USD)	Jan-19 (mil USD)	Feb-19 (mil USD)
Western Europe	1,685	300	517
North America	24	59	25
South and Central America	0	0	8
Africa	0	50	0
Eastern Europe	0	0	0
Far East and Central Asia	78	0	0
Middle East	0	0	0
Oceania	0	0	0

Notes to editors

Activity is based on the activity of the target company under either Nace code 641 (Monetary intermediation) or a combination of Nace code 642 (Activities of holding companies) and keywords relating to banking and financial institutions

Deal status is announced within the time period

The date range is 01/02/2019 - 28/02/2019 inclusive

Strategic M&A transactions comprise Acquisitions, Joint Ventures, Mergers, Demergers and Minority Stakes and exclude Private Equity and Venture Capital transactions

Capital Markets transactions comprise Initial Public Offerings, Planned IPOs and Capital Increases

Financial Sponsors transactions comprise Acquisitions, Institutional Buy-Outs, Management Buy-Ins, Management Buy-Outs, Management Buy-In/Buy-Outs and Minority Stake transactions with Private Equity or Venture Capital involvement

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