



The following report details mergers and acquisitions activity in the Middle East and North Africa in Q3 2015 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 undertook a project to ensure that deals for the MENA region were fully represented upon our database. This project has resulted in additional deals being added which had not previously been disclosed in broader publicly available sources. Information on any further missing transactions can be submitted for inclusion on the Zephyr database by emailing details to zephyreditorial@bvdfinfo.com

Significant growth in M&A value

Mergers and acquisitions (M&A) activity targeting companies based in the Middle East and North Africa between July and the end of September increased both from the preceding quarter and year-on-year.

There has been 56 per cent growth in volume over the last five quarters, from 117 deals in Q2 2014 to 182 in Q3 2015. The result was 39 per cent higher than at the same time last year, when 131 transactions were announced.

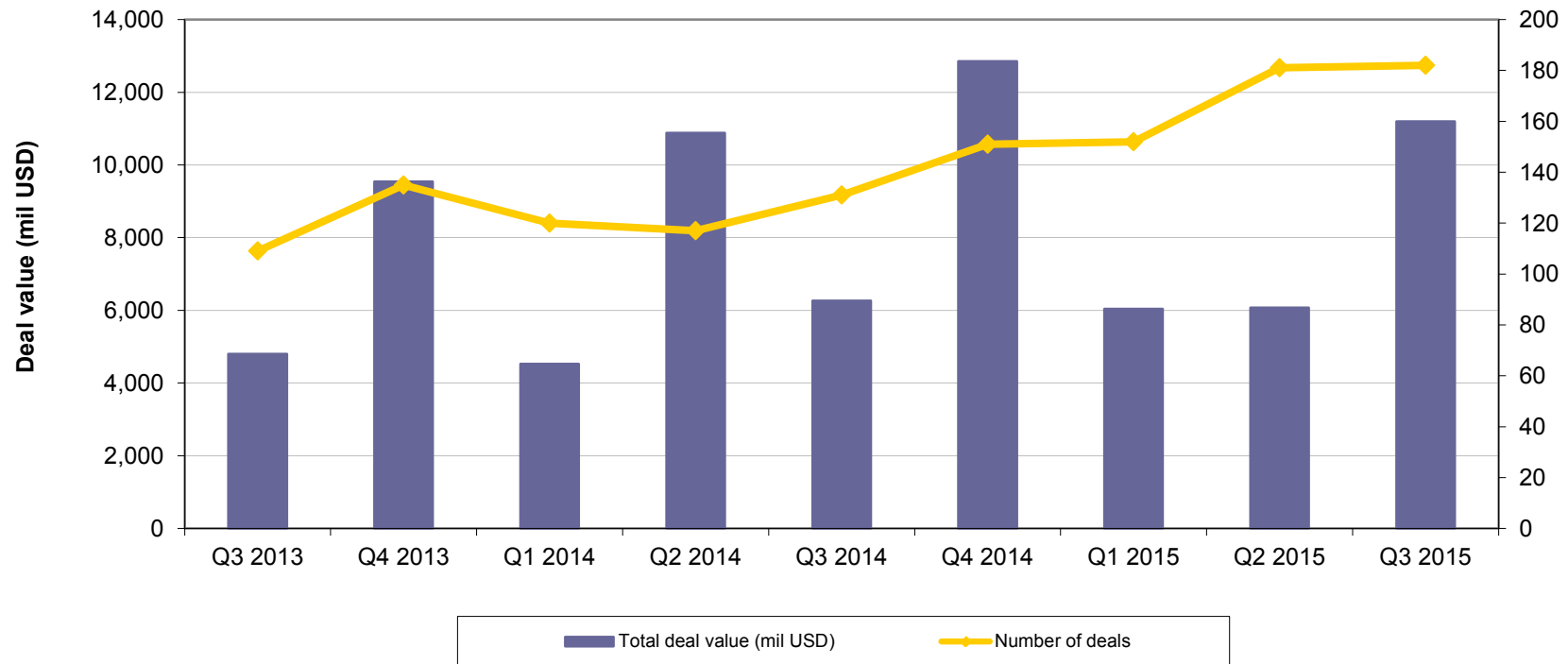
Value leapt 84 per cent quarter-on-quarter to USD 11,195 million from USD 6,070 million in Q2 and was up more than three-quarters on USD 6,267 million in the corresponding three months of 2014.

A single transaction boosted overall value for the region in the July to September period. Perhaps more noteworthy is the contribution Iran has made to the region's M&A results. The lifting of sanctions on the country earlier this year has opened the way for dealmaking in the country after a long period of stagnation.

Deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Q3 2015	182	11,195
Q2 2015	181	6,070
Q1 2015	152	6,041
Q4 2014	151	12,855
Q3 2014	131	6,267
Q2 2014	117	10,880
Q1 2014	120	4,529
Q4 2013	135	9,546
Q3 2013	109	4,797

Deals by volume and value



OCI sells Middle Eastern assets in top deal of Q3

Dutch fertiliser manufacturer OCI agreed to sell assets in the Middle East and other global regions businesses to US rival CF Industries in a deal worth USD 8,000 million, representing the region's biggest transaction in Q3 and accounted for 71 per cent of total value (USD 11,195 million). The deal will create the world's largest publicly-traded nitrogen company.

This transaction was worth 14-times more than the number two deal of Q3, which was the sale by Iran's state-owned oil company National Petrochemical Industries of its subsidiary Damavand Petrochemical Company for USD 562 million.

Three deals in Q3 involved buyers from outside the region targeting Egyptian companies. French insurer AXA acquired Commercial International Insurance for USD 97 million, US breakfast cereal giant Kellogg's bought Mass Food International for USD 50 million and US performance materials company Ferro agreed to purchase Cairo-headquartered ceramic glazes manufacturer Al Salomi for Frits and Glazes for USD 39 million.

Wholesale and retail sector region's most valuable in Q3

The value of M&A targeting wholesale and retail companies in MENA between July and September totalled USD 8,379 million, the highest recorded in the nine quarters under review. Chemicals, rubber and plastics companies were targeted in deals worth a collective USD 8,203 million, again the biggest result of the past 12 months.

Deals targeting hotels and restaurants and food, beverages and tobacco both rose in value in Q3 compared to Q2, while public administration and defence and wood, cork and paper remained unchanged at zero.

There were mixed results for volume. M&A targeting the construction industry rose from 19 deals Q2 to 24, making it one of the region's most frequently targeted sectors, while chemicals, rubber and plastics, which was just below construction in the rankings, declined from 30 to 19 transactions over the same period. Volume targeting the banking sector, which is one of MENA's most important industries, weakened from 24 deals in Q2 to 19, the lowest result of the last nine quarters.

UAE attracts highest amount of investment

The value of M&A targeting the United Arab Emirates soared to USD 8,104 million in Q3 2015, the highest result of the nine quarters under review, and largely attributable to the sale of OCI's nitrogen and fertiliser distribution business in Dubai.

Iran ranked second, with M&A value more than doubling from USD 249 million in Q2 to USD 674 million. At the same time in 2014, no deals were announced for the country. There was also a significant increase in the value of deals targeting Jordan to USD 591 million, the country's best result since Q2 2013.

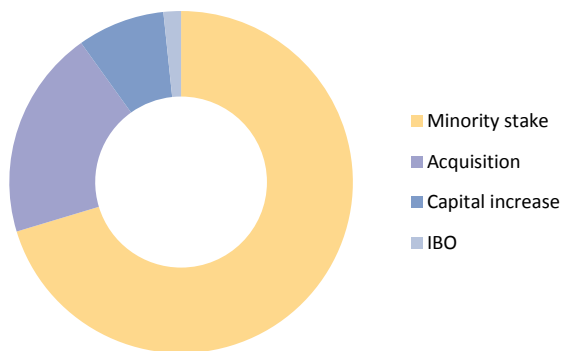
While Egyptian companies were targeted in five of the top 20 deals by value in Q3, the value of overall M&A for the country fell between July and September to USD 490 million, compared to USD 1,882 million in Q2, and marked the lowest result since Q4 2013.

Jordanian companies were targeted in 49 deals, up from 28 in Q2, to rank the country highest in the region by volume. Egypt was targeted in 38, down from 42 in Q2 and 58 in Q3 2014, and Kuwait was third with 34 transactions (Q2 2015: 24; Q3 2014: 4).

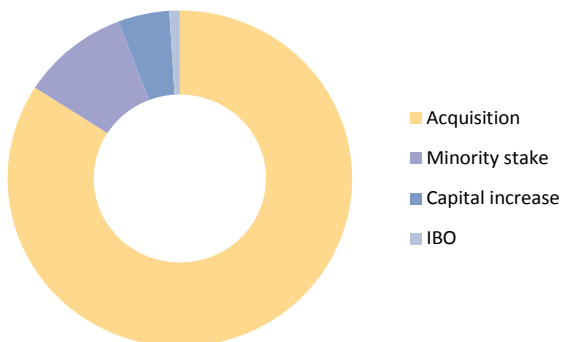
Top 20 deals by value

	Deal value (mil USD)	Deal type	Target	Target country	Acquiror	Acquiror country	Announced date
1.	8,000	Acquisition 100%	OCI NV's methanol and ammonia facility near Beaumont, Texas; OCI NV's European, North American and Global Distribution businesses; OCI NV's nitrogen production facilities in Geleen, Netherlands; OCI NV's nitrogen production facilities in Wever, Iowa; OCI NV's Global Distribution business in Dubai	US; NL; US; AE	Newco		06/08/2015
2.	562	Acquisition 100%	Damavand Petrochemical Company	IR			05/09/2015
3.	383	Capital Increase 84%	Societe Tunisienne de Banque	TN			21/07/2015
4.	314	Acquisition 84%	Afaq for Energy Company Plc	JO			07/07/2015
5.	179	Minority stake 25%	Zakhr Investment and Real Estate Development	SA	Al-Tayyar Travel Group	SA	16/08/2015
6.	163	Acquisition 86%	Afaq Holding for Investment and Real Estate Development Company Plc	JO			07/07/2015
7.	138	Minority stake 10%	Investcorp Bank BSC	BH	Institutional Shareholder		23/09/2015
8.	135	Minority stake 4%	Saudi Arabian Airlines Catering Ltd	SA			27/07/2015
9.	127	Minority stake 6%	Dar Al-Arkan Real Estate Development Company	SA	Mr Khalid Al-Shalash		15/09/2015
10.	97	Acquisition 100%	Commercial International Life Insurance Company SAE	EG	AXA SA	FR	12/07/2015
11.	74	Acquisition increased from 46% to 100%	El Kahera Housing and Development Company SAE	EG	Pioneers Holding Company SAE	EG	25/07/2015
12.	56	Capital Increase 36%	Banque de l'Habitat	TN			02/07/2015
13.	56	IBO 85%	Middle East Glass Manufacturing Company SAE	EG	Qalaa Holdings SAE	EG	02/07/2015
14.	54	IBO 80%	Undisclosed Private School in Dubai	AE	GFH Capital Ltd Company	AE	26/07/2015
15.	52	Minority stake 16%	North Drilling Company	IR			22/08/2015
16.	50	Acquisition 100%	Mass Food International SAE	EG	Kellogg Company	US	28/09/2015
17.	48	Minority stake 35%	Sukoon International Holding CJSC	SA	Amanat Holdings PJSC	AE	11/08/2015
18.	39	Acquisition 87%	Persian Gulf International Transportation Company	IR			22/08/2015
19.	39	Acquisition 100%	Al Salomi for Frits and Glazes	EG	Ferro Corporation	US	03/09/2015
20.	36	Minority stake 23%	Oula Fuel Marketing Company	KW			22/07/2015

Deal types by volume in Q3 2015



Deal types by value in Q3 2015



Deal types by volume

Deal type	Q3 2014	Q2 2015	Q3 2015
Minority stake	80	99	128
Acquisition	29	58	36
Capital increase	18	25	15
IBO	4	1	3

Deal types by value

Deal type	Q3 2014 (mil EUR)	Q2 2015 (mil EUR)	Q3 2015 (mil EUR)
Acquisition	4,061	1,658	9,414
Minority stake	1,150	3,285	1,131
Capital increase	649	1,227	540
IBO	408	394	110

Target sectors by volume

Target sector	Q3 2014	Q2 2015	Q3 2015
Other services	29	30	54
Construction	10	19	24
Chemicals, rubber, plastics	10	30	19
Banks	28	24	19
Wholesale & retail trade	11	14	13
Education, health	3	8	9
Insurance companies	4	13	9
Food, beverages, tobacco	8	5	7
Transport	4	6	7
Machinery, equipment, furniture, recycling	3	7	6
Hotels & restaurants	6	5	5
Primary sector	2	6	5
Metals & metal products	1	8	4
Gas, water, electricity	5	1	1
Publishing, printing	1	2	1
Public administration and defence	0	0	0
Wood, cork, paper	1	0	0
Textiles, wearing apparel, leather	2	6	0
Post and telecommunications	0	2	0

Target sectors by value

Target sector	Q3 2014 (mil EUR)	Q2 2015 (mil EUR)	Q3 2015 (mil EUR)
Wholesale & retail trade	3,142	641	8,379
Chemicals, rubber, plastics	498	561	8,203
Primary sector	25	1,796	620
Construction	214	745	550
Banks	983	563	496
Other services	698	873	351
Insurance companies	24	512	157
Education, health	108	288	139
Hotels & restaurants	36	91	136
Food, beverages, tobacco	64	4	69
Transport	76	406	49
Metals & metal products	0	674	27
Gas, water, electricity	378	394	15
Machinery, equipment, furniture, recycling	0	49	6
Publishing, printing	0	13	0
Public administration and defence	0	0	0
Wood, cork, paper	1	0	0
Textiles, wearing apparel, leather	2	22	0
Post and telecommunications	0	13	0

Target countries by volume

Target country	Q3 2014	Q2 2015	Q3 2015
Jordan	13	28	49
Egypt	58	42	38
Kuwait	4	24	34
UAE	26	37	24
Saudi Arabia	13	16	10
Iran	0	11	9
Morocco	4	6	8
Tunisia	1	4	4
Qatar	2	2	3
Bahrain	0	2	2
Oman	2	6	1
Palestine	6	1	0
Yemen	0	0	0
Algeria	0	1	0
Iraq	0	0	0
Lebanon	2	1	0
Libya	0	1	0
Syria	0	0	0

Target countries by value

Target country	Q3 2014 (mil USD)	Q2 2015 (mil USD)	Q3 2015 (mil USD)
UAE	3,493	2,613	8,104
Iran	0	249	674
Jordan	46	54	591
Saudi Arabia	960	496	508
Egypt	1,003	1,882	490
Tunisia	0	30	449
Kuwait	290	394	214
Bahrain	0	7	139
Morocco	102	98	24
Oman	46	239	3
Qatar	11	14	1
Palestine	15	4	0
Yemen	0	0	0
Algeria	0	1	0
Iraq	0	0	0
Lebanon	300	0	0
Libya	0	0	0
Syria	0	0	0

MENA IPO deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Q3 2015	2	7
Q2 2015	9	1,084
Q1 2015	4	267
Q4 2014	16	2,621
Q3 2014	7	9,987
Q2 2014	6	366
Q1 2014	5	1,013
Q4 2013	15	838
Q3 2013	5	12

The MENA region covers target companies in Algeria, Bahrain, Egypt, Iran, Iraq, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Syria, Tunisia, UAE, Yemen

MENA IPO deals in Q3 2015 by value

Deal value (mil USD)	Deal type	Target	Target business	Target country	Announced date
7	Planned IPO 36% on Tunis Stock Exchange	Office Plast Trading SARL	Stationery manufacturer	TN	26/08/2015
n.a.	IPO on Abu Dhabi Securites Exchange	Sharjah Group Company	Real estate developer	AE	13/09/2015

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Notes to editors

Activity is based on the activity of the target company

Deal status is announced within the time period

The sector breakdown uses targets' activities as defined to be 'Major Sectors' by Zephyr

The MENA region covers target companies in Algeria, Bahrain, Egypt, Iran, Iraq, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Syria, Tunisia, UAE, Yemen.

The date range is 01/07/2015 - 30/09/2015 inclusive