



The following report details private equity activity in South 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 worked with SAVCA members to ensure that their deals were fully represented upon our database. This project has resulted in additional deals being added which had not previously been available in broader publically available sources. Information on any further missing transactions can be submitted for inclusion on the Zephyr database by emailing details to zephyreditorial@bvinfo.com

South African PE volume advances Q-on-Q

The volume of private equity and venture capital (PE and VC) investments targeting South African companies rose in Q3 2015 to 6 transactions from 4 last quarter. The result was slightly weaker than the same time last year, when 7 deals were announced.

None of the 6 transactions recorded between July and September had disclosed values.

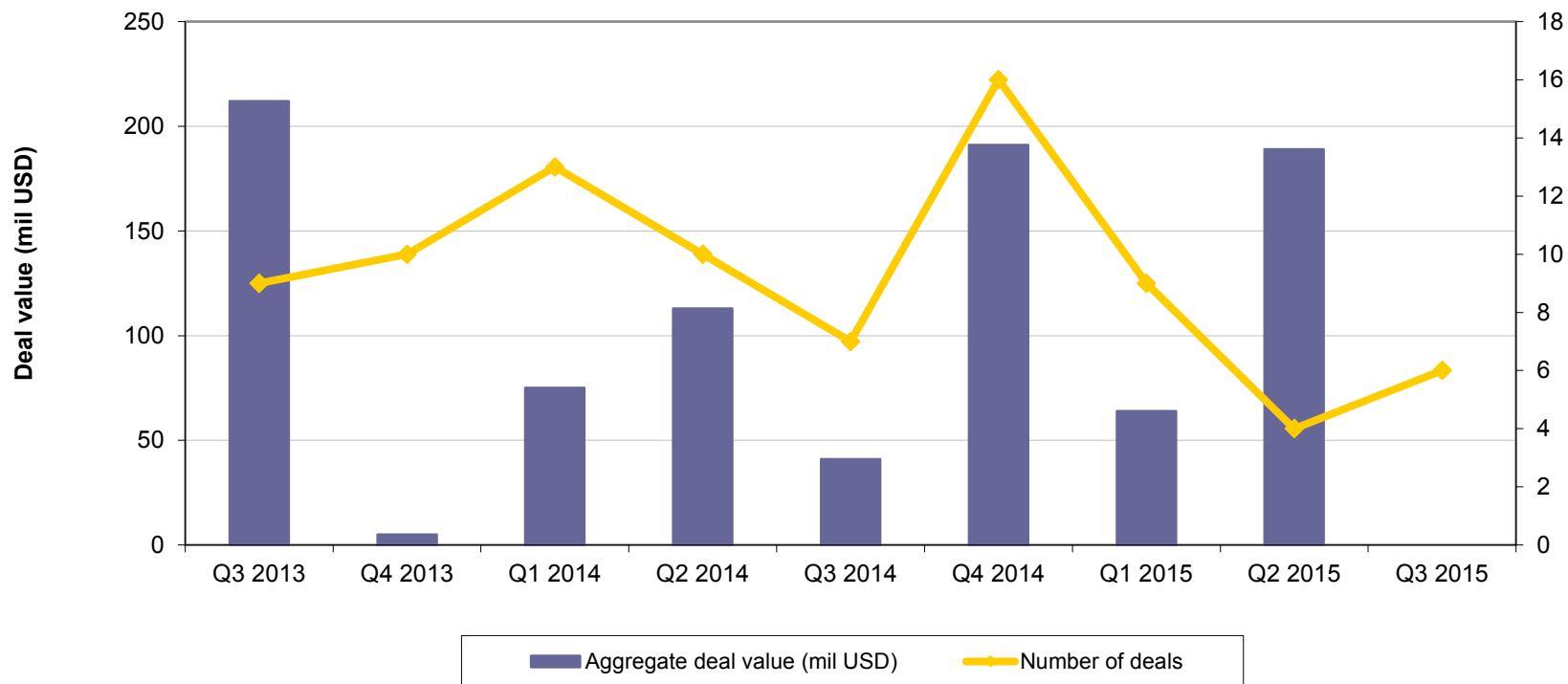
There were two buyouts of South African companies in Q3. Brait Mauritius, a unit of consumer sector-focused investment firm Brait SE, agreed to increase its stake in DGB, a South African wine producer, from 41 to 61 per cent. In the second, Marlow Capital acquired Benoni-headquartered battery manufacturer Just Batteries.

The other four transactions were funding rounds, including Investec Asset Management investing in Cape Town-based Intelligent Debt Management. In a separate deal, the UK-South African private equity firm purchased a stake in wiGroup, a mobile payments technology developer also based in South Africa.

Quarterly private equity deals by volume and value - South African targets

Announced date	No of deals	Total deal value (mil USD)
Q3 2015	6	0
Q2 2015	4	189
Q1 2015	9	64
Q4 2014	16	191
Q3 2014	7	41
Q2 2014	10	113
Q1 2014	13	75
Q4 2013	10	5
Q3 2013	9	212
Q2 2013	10	141
Q1 2013	5	22
Q4 2012	13	426
Q3 2012	5	0
Q2 2012	6	396
Q1 2012	11	151
Q4 2011	9	492
Q3 2011	8	1,934

Quarterly private equity deals by volume and value - South African targets



Annual private equity deals by volume and value - South African targets

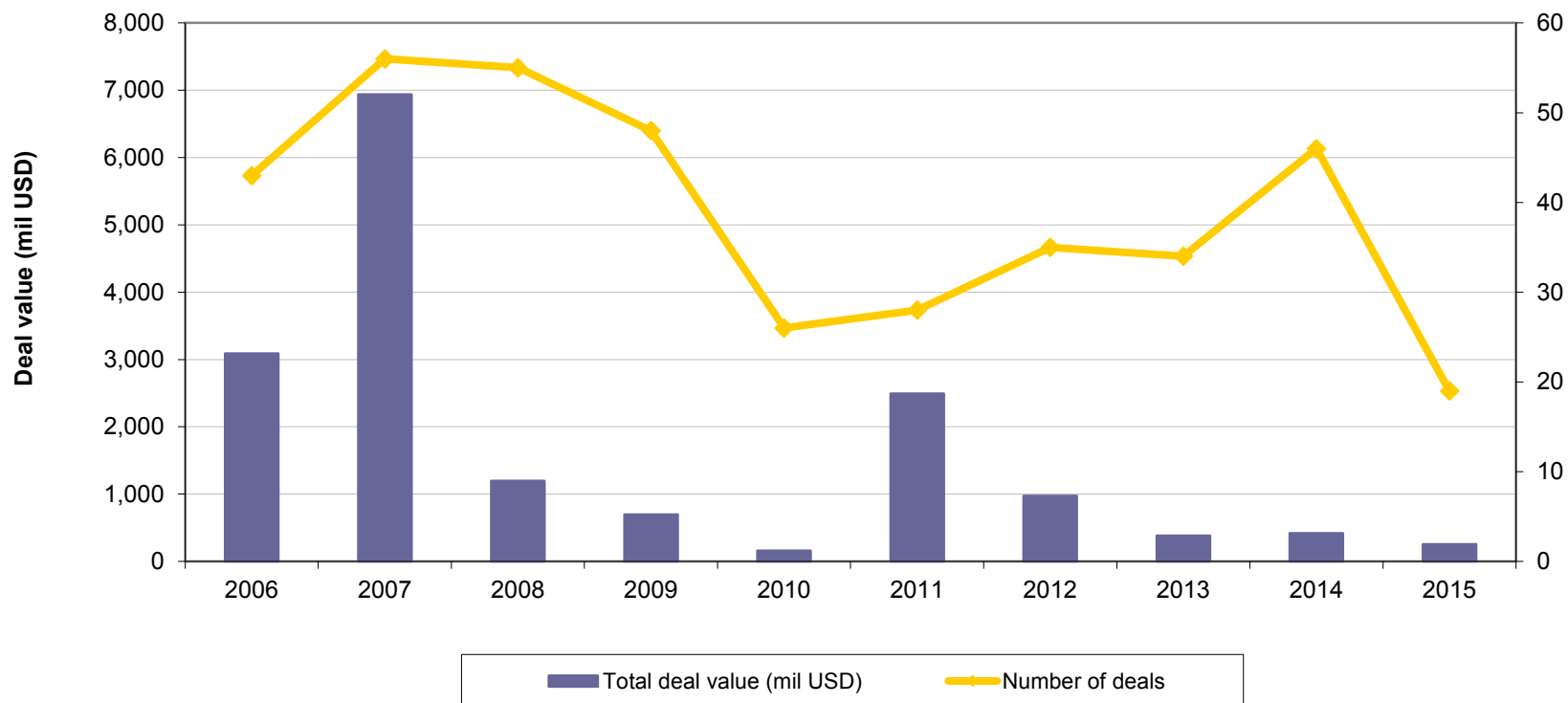
Announced date	No of deals	Total deal value (mil USD)
2015	19	253
2014	46	420
2013	34	380
2012	35	973
2011	28	2,495
2010	26	157
2009	48	698
2008	55	1,195
2007	56	6,937
2006	43	3,087
2005	40	1,973

South African PE investment buoyant so far in 2015

Three-quarters of the way through 2015, PE and VC investment activity in South Africa has already overtaken a couple of previous results and looks set to end the year on a reasonably strong note.

In the nine months to the end of September, a total of 19 deals worth a combined USD 253 million have targeted companies based in the country. Volume is already equal to the 19 transactions recorded for the whole of 2004, while value has surpassed the USD 157 million-worth of investments announced in 2010, the lowest point in the entire period under review.

Annual private equity deals by volume and value - South African targets



Quarterly private equity deals by volume and value - African targets (excluding South Africa)

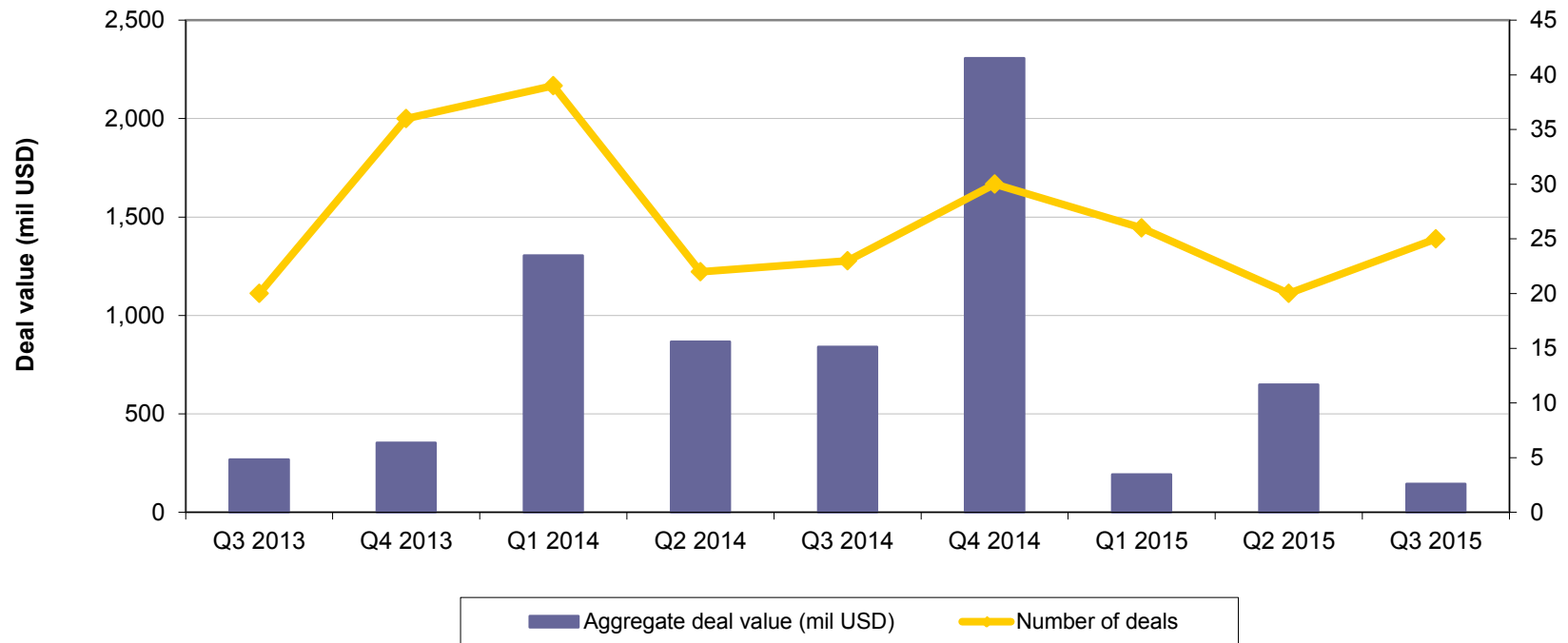
Announced date	No of deals	Total deal value (mil USD)
Q3 2015	25	144
Q2 2015	20	649
Q1 2015	26	193
Q4 2014	30	2,307
Q3 2014	23	841
Q2 2014	22	866
Q1 2014	39	1,305
Q4 2013	36	353
Q3 2013	20	268
Q2 2013	16	279
Q1 2013	17	220
Q4 2012	11	229
Q3 2012	9	102
Q2 2012	21	604
Q1 2012	10	411
Q4 2011	15	225
Q3 2011	6	19
Q2 2011	11	139
Q1 2011	14	266
Q4 2010	15	212
Q3 2010	9	89

PE investment value in rest of Africa weakens in Q3

The value of PE and VC investment targeting companies based elsewhere in Africa, excluding South Africa, fell back in Q3 after a brief upturn last quarter. Deals worth a combined USD 144 million were recorded between July and September, down more than three-quarters on USD 649 million in Q2 and the lowest since Q3 2012. Compared to the same time last year, the USD 841 million-worth of investments signed off in Q3 2014 was almost six-times higher than Q3 2015.

Conversely, volume advanced 25 per cent quarter-on-quarter from 20 transactions to 25 and was 9 per cent higher than the 23 deals announced in the corresponding three months of 2014.

Quarterly private equity deals by volume and value - African targets (excluding South Africa)



Annual private equity deals by volume and value - African targets (excluding South Africa)

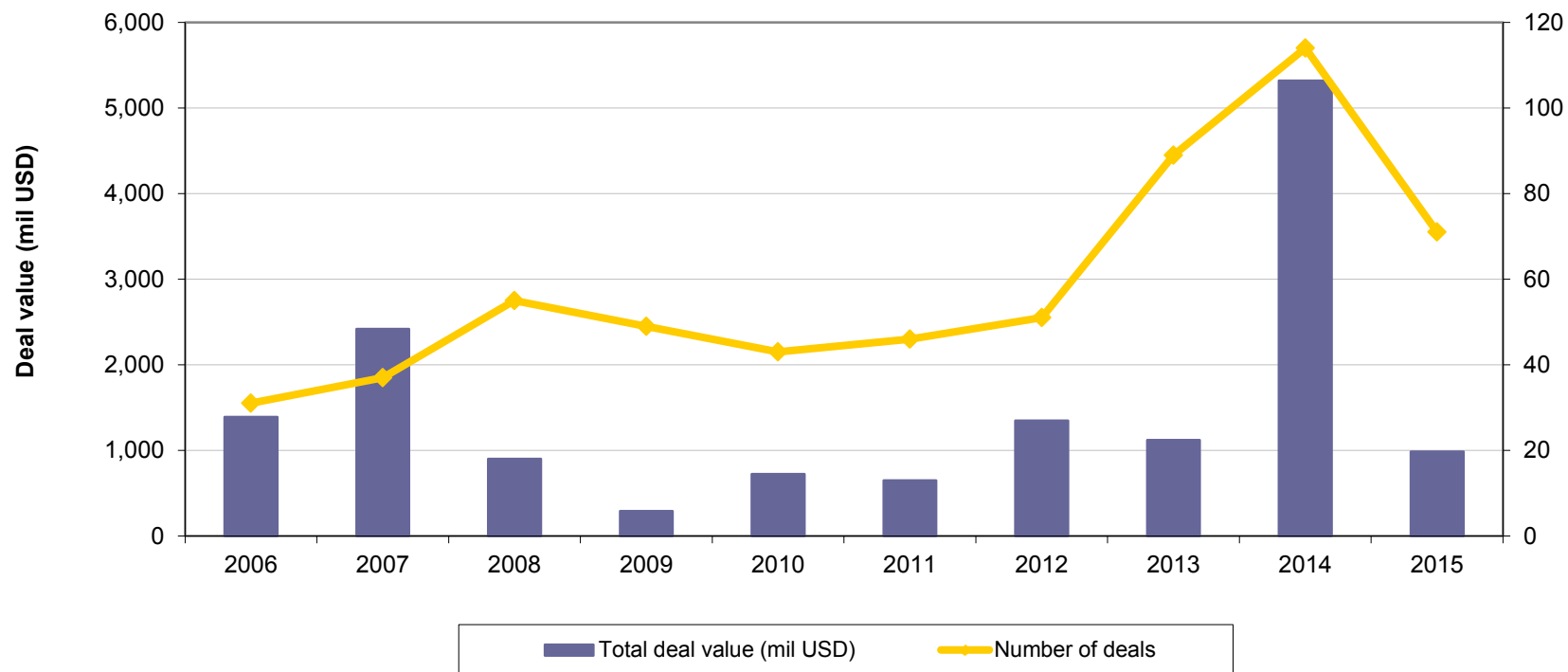
Announced date	No of deals	Total deal value (mil USD)
2015	71	986
2014	114	5,319
2013	89	1,119
2012	51	1,346
2011	46	648
2010	43	724
2009	49	290
2008	55	901
2007	37	2,417
2006	31	1,391
2005	26	994

African PE investment shaping up for a strong year

Meanwhile, for the rest of Africa (excluding South Africa), PE and VC investment is already strong and there is every reason to expect this to continue through to the end of 2015.

A total of 71 transactions worth an aggregate USD 986 million targeting companies based in the rest of Africa have been recorded in the first three quarters of this year. In monetary terms, this is already the sixth-highest result of the 12 years under review and the third-highest by volume. While it would be a tall order for results to match 2014, which marked a particularly high base both for value and volume, 2015 is set to rank among one of the best years for PE and VC investment in Africa.

Annual private equity deals by volume and value - African targets (excluding South Africa)



Top Q3 2015 private equity deals by value with South Africa targets

	Deal value (mil USD)	Deal type	Target	Target country	General Partner/Fund Manager	Deal status
1.	n.a.	Minority stake	Intelligent Debt Management (Pty) Ltd	ZA	Investec Asset Management Ltd	Announced
2.	n.a.	IBO 20%	DGB (Pty) Ltd	ZA	Brait Mauritius Ltd	Announced
3.	n.a.	Minority stake	wiGroup (Pty) Ltd	ZA	Investec Asset Management Ltd	Completed
4.	n.a.	Minority stake	Coricraft Group (Pty) Ltd	ZA	Actis LLP; Westbrooke Capital Partners (Pty) Ltd	Completed
5.	n.a.	IBO 100%	Just Batteries CC	ZA	Marlow Capital	Completed
6.	n.a.	Minority stake	K2015139680 (South Africa) (Pty) Ltd	ZA		Completed

Private Equity target sectors by volume (quarterly)

Target sector	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015
Other services	2	3	3	4	4	4	3	3	3
Wholesale & retail trade	3	2	2	1	0	6	1	0	1
Machinery, equipment, furniture, recycling	0	1	1	1	0	0	1	0	1
Food, beverages, tobacco	0	0	2	0	0	2	1	1	1
Education, health	0	0	0	1	0	0	0	0	0
Transport	0	0	0	0	1	0	0	0	0
Hotels & restaurants	0	0	0	0	0	0	0	0	0
Insurance companies	0	0	0	0	0	0	0	0	0
Public administration and defence	0	0	0	0	0	0	0	0	0
Post and telecommunications	0	0	0	0	0	1	0	0	0
Banks	1	0	1	1	0	0	0	0	0
Wood, cork, paper	0	1	0	0	0	1	0	0	0
Publishing, printing	1	1	0	0	0	0	2	0	0
Primary sector	0	0	2	1	1	0	1	0	0
Textiles, wearing apparel, leather	0	0	0	0	1	0	0	0	0
Gas, water, electricity	0	1	0	0	0	0	0	0	0
Construction	0	0	0	0	0	1	0	0	0
Chemicals, rubber, plastics	1	1	1	0	0	0	0	0	0
Metals & metal products	1	0	1	0	0	1	0	0	0

Private Equity target sectors by volume (annually)

Target sector	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Other services	8	15	18	21	5	10	11	13	15	9
Food, beverages, tobacco	0	2	1	0	2	3	1	0	4	3
Publishing, printing	1	1	1	2	0	0	0	2	0	2
Machinery, equipment, furniture, recycling	3	9	1	1	0	1	1	3	2	2
Wholesale & retail trade	3	11	6	8	3	3	5	8	9	2
Primary sector	0	2	3	3	1	5	1	0	4	1
Post and telecommunications	0	0	0	0	0	0	0	0	1	0
Education, health	0	0	2	1	1	1	0	1	1	0
Transport	1	2	2	3	1	0	0	0	1	0
Insurance companies	0	0	0	0	0	0	0	0	0	0
Public administration and defence	0	0	0	0	0	0	1	0	0	0
Banks	9	3	3	1	1	0	4	2	2	0
Chemicals, rubber, plastics	7	5	6	3	4	0	2	3	1	0
Wood, cork, paper	2	1	0	0	1	0	1	1	1	0
Textiles, wearing apparel, leather	1	0	2	0	0	1	0	0	1	0
Metals & metal products	6	2	3	4	3	2	6	1	2	0
Hotels & restaurants	1	0	4	0	1	1	0	0	0	0
Construction	1	1	0	1	2	0	1	0	1	0
Gas, water, electricity	0	1	2	0	1	1	1	1	0	0

Private Equity target sectors by value (quarterly)

Target sector	Q3 2013 (mil USD)	Q4 2013 (mil USD)	Q1 2014 (mil USD)	Q2 2014 (mil USD)	Q3 2014 (mil USD)	Q4 2014 (mil USD)	Q1 2015 (mil USD)	Q2 2015 (mil USD)	Q3 2015 (mil USD)
Transport	0	0	0	0	0	0	0	0	0
Post and telecommunications	0	0	0	0	0	0	0	0	0
Wholesale & retail trade	43	0	0	0	0	65	0	0	0
Hotels & restaurants	0	0	0	0	0	0	0	0	0
Banks	93	0	18	0	0	0	0	0	0
Public administration and defence	0	0	0	0	0	0	0	0	0
Education, health	0	0	0	0	0	0	0	0	0
Insurance companies	0	0	0	0	0	0	0	0	0
Other services	0	5	0	101	28	0	2	189	0
Construction	0	0	0	0	0	0	0	0	0
Textiles, wearing apparel, leather	0	0	0	0	0	0	0	0	0
Wood, cork, paper	0	0	0	0	0	126	0	0	0
Primary sector	0	0	14	12	13	0	56	0	0
Food, beverages, tobacco	0	0	18	0	0	0	0	0	0
Publishing, printing	76	0	0	0	0	0	0	0	0
Machinery, equipment, furniture, recycling	0	0	0	0	0	0	6	0	0
Gas, water, electricity	0	0	0	0	0	0	0	0	0
Chemicals, rubber, plastics	0	0	3	0	0	0	0	0	0
Metals & metal products	0	0	23	0	0	0	0	0	0

Private Equity target sectors by value (annually)

Target sector	2006 (mil USD)	2007 (mil USD)	2008 (mil USD)	2009 (mil USD)	2010 (mil USD)	2011 (mil USD)	2012 (mil USD)	2013 (mil USD)	2014 (mil USD)	2015 (mil USD)
Other services	3	1,094	43	209	36	2,118	4	5	129	191
Primary sector	0	62	32	0	3	299	38	0	38	56
Machinery, equipment, furniture, recycling	5	137	0	0	0	40	0	0	0	6
Post and telecommunications	0	0	0	0	0	0	0	0	0	0
Hotels & restaurants	609	0	199	0	0	30	0	0	0	0
Transport	979	0	0	0	0	0	0	0	0	0
Public administration and defence	0	0	0	0	0	0	0	0	0	0
Education, health	0	0	2	6	7	0	0	22	0	0
Banks	32	1,164	15	0	0	0	38	93	18	0
Insurance companies	0	0	0	0	0	0	0	0	0	0
Wholesale & retail trade	92	3,985	7	2	58	0	97	184	65	0
Wood, cork, paper	8	0	0	0	0	0	0	0	126	0
Publishing, printing	0	5	0	2	0	0	0	76	0	0
Food, beverages, tobacco	0	198	0	0	0	8	0	0	18	0
Textiles, wearing apparel, leather	0	0	15	0	0	0	0	0	0	0
Gas, water, electricity	0	0	847	0	21	0	0	0	0	0
Construction	0	12	0	0	0	0	12	0	0	0
Chemicals, rubber, plastics	1,112	29	35	313	7	0	0	134	3	0
Metals & metal products	248	0	0	164	26	0	784	0	23	0

Countries targeting South African PE deals (quarterly volume)

Acquiror country	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015
UK	0	0	0	2	1	1	2	1	1	3
South Africa	3	9	8	8	6	2	9	5	2	2
Mauritius	0	0	0	0	0	0	0	0	0	1

Countries targeting South African PE deals (annual volume)

Acquiror country	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
South Africa	36	47	43	39	20	23	32	25	25	9
UK	4	5	2	2	2	2	0	0	6	5
US	1	0	1	1	1	2	1	1	5	3
China	0	0	0	0	0	0	0	0	0	1
Mauritius	0	0	1	0	0	0	0	0	0	1

Countries targeting South African PE deals (quarterly value)

Acquiror country	Q2 2013 (mil USD)	Q3 2013 (mil USD)	Q4 2013 (mil USD)	Q1 2014 (mil USD)	Q2 2014 (mil USD)	Q3 2014 (mil USD)	Q4 2014 (mil USD)	Q1 2015 (mil USD)	Q2 2015 (mil USD)	Q3 2015 (mil USD)
South Africa	141	212	5	21	13	0	126	6	189	0

Countries targeting South African PE deals (annual value)

Acquiror country	2006 (mil USD)	2007 (mil USD)	2008 (mil USD)	2009 (mil USD)	2010 (mil USD)	2011 (mil USD)	2012 (mil USD)	2013 (mil USD)	2014 (mil USD)	2015 (mil USD)
South Africa	3,031	6,760	993	262	134	863	948	379	160	195
China	0	0	0	0	0	0	0	0	0	56
UK	987	124	700	166	28	1,600	0	0	96	2

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 Q3 2015 date range is from 01/07/2015 to 30/09/2015 inclusive