



The following report details mergers and acquisitions 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.

Growth in South African M&A in Q3

The value of mergers and acquisitions (M&A) targeting South African companies advanced 9 per cent in Q3 compared to the preceding quarter but was down more than a fifth on the same time last year.

Deals worth a combined USD 4,744 million were announced between July and September, compared to USD 4,341 million in Q2 and USD 6,092 million in Q3 2014.

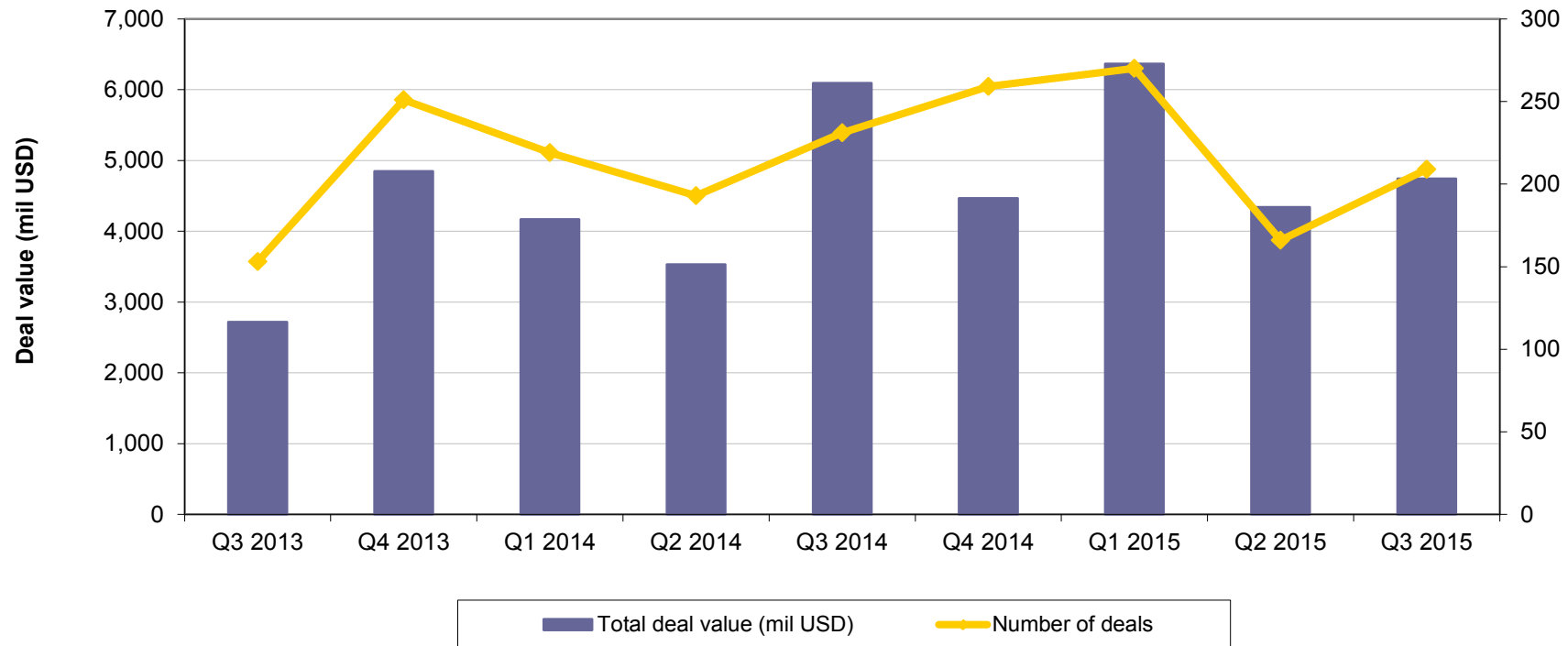
There was 26 per cent growth in transaction volume between Q2 and Q3 from 166 deals to 209, and although the result was lower than the 231 deals signed off at the same time last year, it still ranks among one of the highest of the last two years under review.

M&A value was boosted by a single transaction which accounted for 43 per cent of the total invested in South African companies in the three months to September. The country's government sold a 14 per cent stake in mobile network operator Vodacom to the Public Investment Corporation, acting on behalf of the Government Employees Pension Fund for USD 2,054 million. Proceeds of the transaction will be used to bolster state-owned power utility Eskom Holdings.

Deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Q3 2015	209	4,744
Q2 2015	166	4,341
Q1 2015	270	6,366
Q4 2014	259	4,465
Q3 2014	231	6,092
Q2 2014	193	3,531
Q1 2014	219	4,167
Q4 2013	251	4,848
Q3 2013	153	2,720

Deals by volume and value



Top 20 deals by value with South Africa targets

	Deal value (mil USD)	Deal type	Target	Acquiror	Acquiror country	Announced date
1.	2,054	Minority stake 14%	Vodacom Group Ltd	Public Investment Corporation Ltd	ZA	01/07/2015
2.	356	Acquisition 100%	Southern View Finance Mauritius Ltd; Southern View Finance SA (Pty) Ltd	Fulcrum Financial Services SA	CH	18/08/2015
3.	298	Capital Increase 21%	Impala Platinum Holdings Ltd	Investors		03/09/2015
4.	198	Minority stake 15%, 25% and 42%	Namibia Breweries Ltd; Sedibeng Brewery (Pty) Ltd; DHN Drinks (Pty) Ltd	Heineken NV	NL	28/07/2015
5.	163	Acquisition 100%	Regent Life Insurance Company Ltd; Regent Insurance Company Ltd	The Yellowwoods Group; Hollard Insurance Group	ZA	29/09/2015
6.	108	Acquisition 100%	Iliad Africa Ltd	Steinhoff International Holdings Ltd	ZA	23/07/2015
7.	103	Acquisition 100%	The Standard General Insurance Company Ltd.	African Bank Ltd	ZA	09/09/2015
8.	87	Capital Increase 12%	Oceana Group Ltd			24/08/2015
9.	86	Acquisition 100%	Digicore Holdings Ltd	Novatel Wireless Inc.	US	31/07/2015
10.	82	Acquisition 70%	Dimopoint (Pty) Ltd	Imbali Props 21 (Pty) Ltd	ZA	07/09/2015
11.	73	Capital Increase 27%	Texton Property Fund Ltd	Shareholders; Luna Group (Pty) Ltd	ZA	02/09/2015
12.	72	Acquisition 100%	The Creative Counsel Group	Publicis Groupe SA	FR	10/09/2015
13.	65	Capital Increase 10%	Super Group Ltd			10/09/2015
14.	62	Capital Increase 13%	Advtech Ltd			11/09/2015
15.	59	Minority stake 17%	Hospitality Property Fund Ltd			27/08/2015
16.	56	Minority stake 25%	Torre Industries Ltd	Stellar Capital Partners Ltd	ZA	06/07/2015
17.	50	Acquisition 90%	Molopo South Africa Exploration and Production (Pty) Ltd	Reenergy Ltd	ZA	18/08/2015
18.	50	Capital Increase	Huge Group Ltd			30/07/2015
19.	49	Minority stake	Hospitality Property Fund Ltd			08/09/2015
20.	48	Acquisition 100%	Sappi Southern Africa (Pty) Ltd's Cape Kraft paper mill	Golden Era Group	ZA	14/07/2015

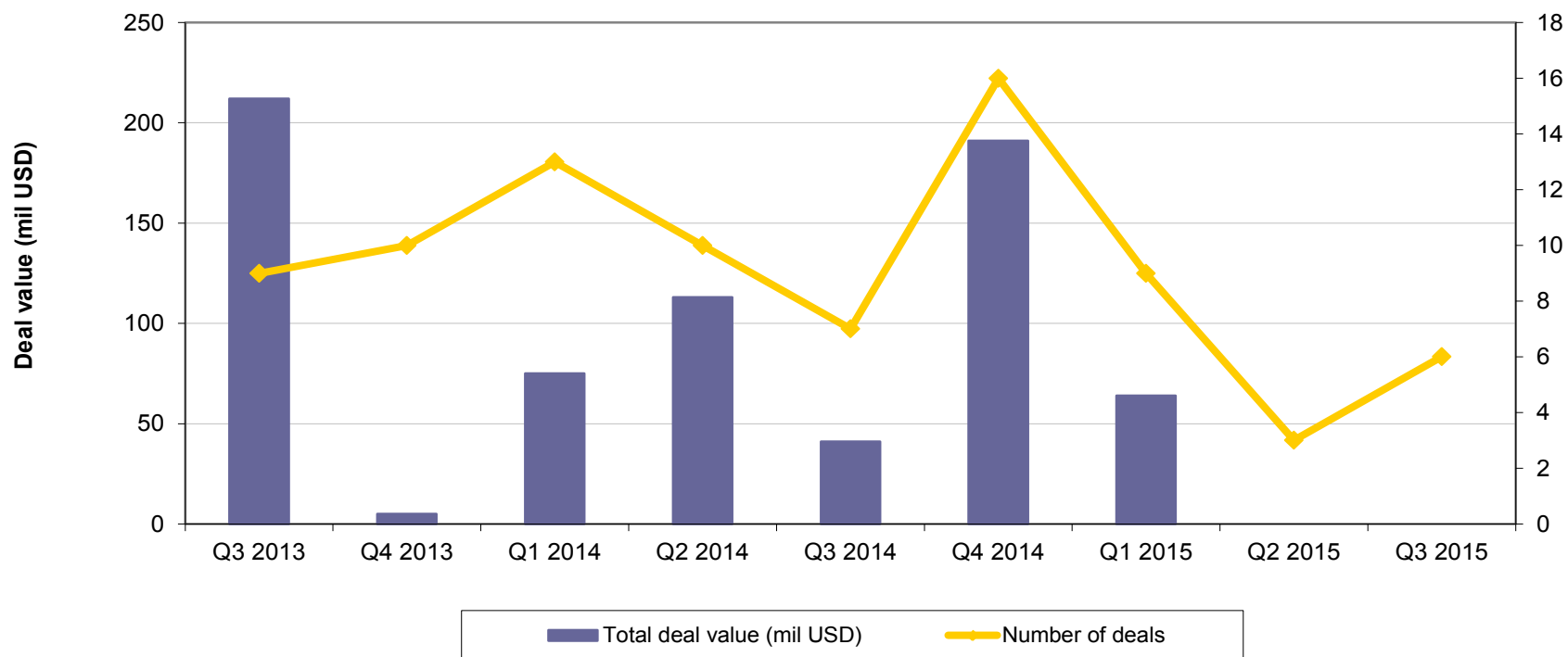
PE volume doubles Q-on-Q

A total of 6 private equity and venture capital (PE and VC) transactions targeted South African companies in Q3, up from 3 last quarter and fractionally down on the 7 deals announced at the same time in 2014. None of the transactions in the July to September period had disclosed values.

Private equity deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Q3 2015	6	0
Q2 2015	3	0
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

Private Equity Deals by volume and value



Target sectors by volume

Target sector	Q3 2014	Q2 2015	Q3 2015
Other services	68	42	53
Wholesale & retail trade	35	27	38
Banks	36	23	30
Machinery, equipment, furniture, recycling	19	11	16
Chemicals, rubber, plastics	10	11	16
Metals & metal products	12	8	14
Food, beverages, tobacco	6	8	9
Primary sector	10	4	9
Wood, cork, paper	2	3	7
Education, health	2	2	6
Insurance companies	1	4	5
Hotels & restaurants	10	6	4
Transport	4	4	3
Construction	9	8	2
Gas, water, electricity	1	1	1
Publishing, printing	5	3	1
Post and telecommunications	0	0	0
Public administration and defence	0	0	0
Textiles, wearing apparel, leather	1	0	0

Target sectors by value

Target sector	Q3 2014 (mil USD)	Q2 2015 (mil USD)	Q3 2015 (mil USD)
Other services	279	811	2,899
Banks	264	732	710
Insurance companies	0	81	348
Wholesale & retail trade	2,271	221	319
Metals & metal products	220	103	313
Food, beverages, tobacco	0	48	204
Primary sector	398	20	89
Education, health	5	796	73
Machinery, equipment, furniture, recycling	1,789	34	51
Wood, cork, paper	0	2	48
Chemicals, rubber, plastics	1,259	458	21
Transport	0	69	15
Construction	9	220	15
Gas, water, electricity	77	687	3
Hotels & restaurants	759	19	3
Public administration and defence	0	0	0
Post and telecommunications	0	0	0
Publishing, printing	1	0	0
Textiles, wearing apparel, leather	0	0	0

Target countries by volume

Target country	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015
1 US	4,232	3,540	3,404	3,419	2,972
2 China	1,907	2,211	2,150	2,957	2,583
3 UK	1,595	1,794	1,863	1,996	1,787
4 Australia	1,228	1,129	918	1,005	849
5 Canada	1,062	1,101	993	1,090	840
6 Germany	520	520	648	649	808
7 India	865	780	638	871	761
8 Spain	650	840	598	772	702
9 Japan	995	920	961	866	568
10 South Korea	807	837	592	1,006	552
11 France	519	606	722	732	521
12 Netherlands	325	335	404	576	502
13 Poland	363	594	467	519	450
14 Russia	748	781	436	532	446
15 Taiwan	612	625	656	702	382
16 Malaysia	374	341	315	339	306
17 Italy	346	326	313	417	295
18 Sweden	291	301	253	312	274
19 Romania	148	140	171	214	267
20 Vietnam	276	301	248	304	264
22 South Africa	231	259	270	166	209

Target countries by value

Target country	Q3 2014 (mil USD)	Q4 2014 (mil USD)	Q1 2015 (mil USD)	Q2 2015 (mil USD)	Q3 2015 (mil USD)
1 US	491,587	450,654	403,883	446,136	595,233
2 China	149,525	180,685	144,497	299,084	194,273
3 Luxembourg	1,058	7,894	3,928	3,567	70,949
4 UK	61,676	77,122	130,121	150,488	69,159
5 Ireland	1,070	7,217	12,898	41,806	45,399
6 Australia	32,971	34,507	28,971	46,069	34,498
7 Netherlands	13,768	29,935	31,544	90,133	33,916
8 Germany	29,017	15,184	30,227	30,579	33,122
9 Russia	36,329	50,137	4,470	32,464	27,619
10 Italy	21,444	24,894	24,222	31,932	26,045
11 Cayman Islands	13,133	16,058	14,347	40,829	22,950
12 South Korea	21,685	29,329	15,041	40,131	22,229
13 Spain	26,775	20,549	26,845	26,717	20,241
14 India	17,348	17,790	29,246	22,908	18,986
15 Japan	47,540	36,730	24,925	42,009	16,718
16 Taiwan	14,248	14,839	18,702	22,363	16,174
17 Canada	59,327	36,908	49,693	58,212	16,169
18 France	18,753	29,967	52,606	23,454	14,940
19 Bermuda	7,334	15,374	34,791	19,130	11,467
20 Ukraine	8,620	2,009	862	1,043	11,442
30 South Africa	6,092	4,465	6,366	4,341	4,744

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