



BUREAU VAN DIJK

Monthly M&A Activity Report

Banking Deals, July 2016

zephyr

m&a research
catalyst

The following report details mergers and acquisitions of banking companies in July 2016 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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Banking value up against decline in volume

The value of mergers and acquisitions (M&A) targeting banking companies increased 23 per cent against a 22 per cent decline by volume in July, marking the second consecutive increase by value. In all there were 186 deals worth a combined USD 28,501 million announced during the four weeks, compared to 238 deals worth USD 23,240 million in June, suggesting higher individual deal valuations during the month.

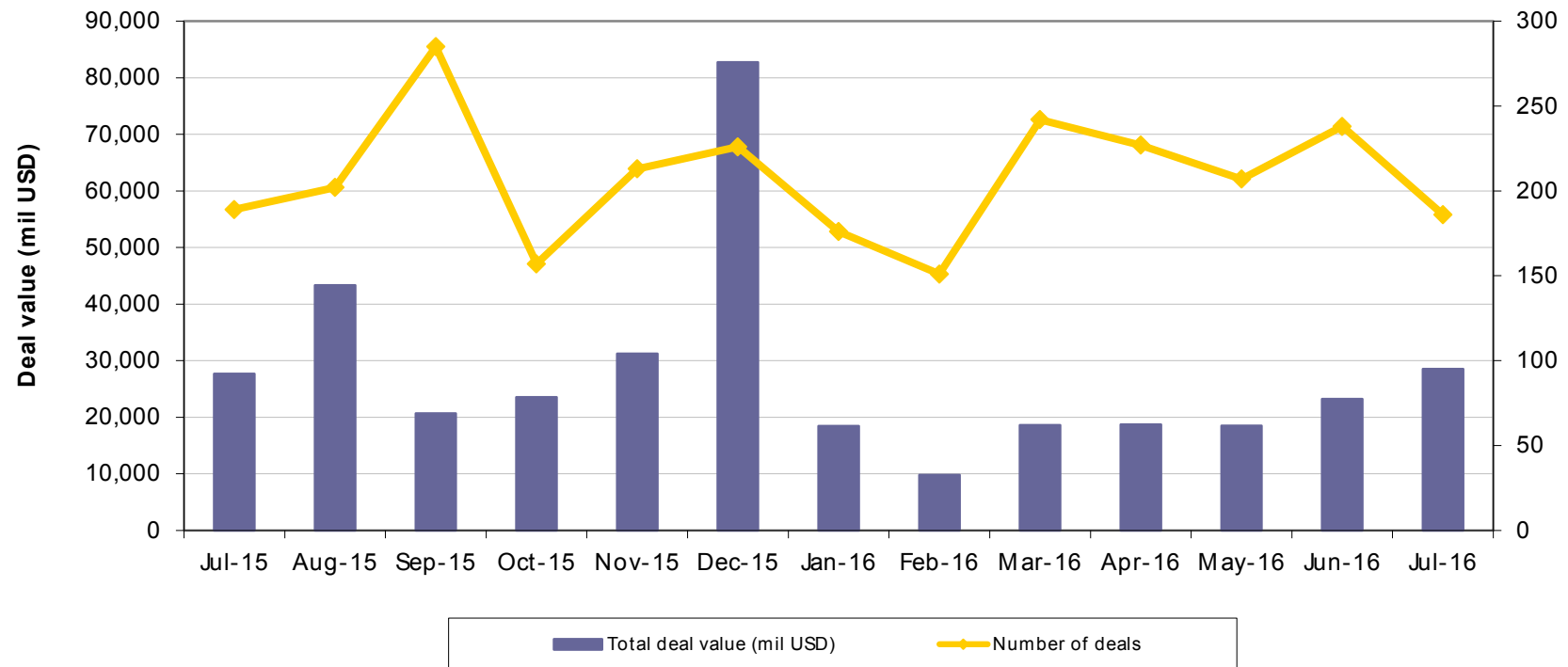
Companies based in the UAE were the most valuable in July as the country was targeted in deals worth USD 14,841 million. However, this was attributable solely to a single deal which involved the National Bank of Abu Dhabi buying First Gulf Bank in a reverse takeover. This placed the country significantly ahead of China and the US which notched up USD 4,368 million and USD 2,681 million, respectively.

In terms of volume Italy led the way with 58 deals, followed by the US (33) and Russia (13).

All banking deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jul-16	186	28,501
Jun-16	238	23,240
May-16	207	18,496
Apr-16	227	18,722
Mar-16	242	18,577
Feb-16	151	9,805
Jan-16	176	18,460
Dec-15	226	82,733
Nov-15	213	31,214
Oct-15	157	23,560
Sep-15	285	20,698
Aug-15	202	43,315
Jul-15	189	27,662

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.	14,841	Acquisition 100%	First Gulf Bank PJSC	AE	National Bank of Abu Dhabi	AE	03/07/2016
2.	3,916	Capital Increase 8%	Industrial Bank Co., Ltd	CN	China National Tobacco Corporation; China National Tobacco Corporation Guangdong Company; Fujian Investment & Development Group Co., Ltd; Fujian Provincial Department of Finance; China National Tobacco Corporation Fujian Company; Yangguang Holding Co., Ltd	CN; CN; CN; CN; CN	30/07/2016
3.	1,400	Acquisition 100%	Yadkin Financial Corporation	US	FNB Corporation	US	21/07/2016
4.	825	Minority stake 10%	Bank Polska Kasa Opieki SA	PL	Institutional Investors		12/07/2016
5.	779	Minority stake increased from 6% to 10%	Deutsche Bank AG	DE	Paramount Services Holding Ltd; Supreme Universal Holdings Ltd	VG; KY	15/07/2016
6.	558	IPO 17% on Nasdaq	First Hawaiian Inc.	US			08/07/2016
7.	395	Acquisition 66% Bid 2 – Increased offer	Bank BPH SA	PL	Alior Bank SA	PL	18/07/2016
8.	363	Minority stake 10%	FinecoBank SpA	IT	Institutional Investors		11/07/2016
9.	340	Acquisition 100%	SinoPac BanCorp	US	Cathay General Bancorp	US	08/07/2016
10.	333	Capital Increase 17%	Banca Transilvania SA	RO			21/07/2016
11.	300	Joint venture 100%	Guian Bank Co., Ltd	CN	Undisclosed joint venture partners; Guiyang Financial Holding Co., Ltd; Guizhou Meiyi Investment (Group) Co., Ltd	CN; CN	27/07/2016
12.	274	Acquisition increased to 100%	Erste Bank Hungary Zrt	HU	Erste Group Bank AG	AT	01/07/2016
13.	262	Capital Increase 17%	Banco Comercial Portugues SA	PT	Fosun Industrial Holdings Ltd	HK	29/07/2016
14.	236	Capital Increase	Westpac Banking Corporation	AU			04/07/2016
15.	223	Acquisition increased from 75% to 100%	Alternatifbank AS	TR	Commercial Bank of Qatar QSC	QA	19/07/2016
16.	210	Capital Increase	Ukrsofsbank PAT	UA	Unicredit SpA	IT	01/07/2016
17.	183	Minority stake	BNP Paribas SA	FR			05/07/2016
18.	175	Capital Increase	Westpac Banking Corporation	AU			26/07/2016
19.	169	Minority stake	BNP Paribas SA	FR			06/07/2016
20.	148	Capital Increase	Australia and New Zealand Banking Group Ltd	AU			01/07/2016



Target country by volume - global banking deals

Target country	Jul-15	Jun-16	Jul-16
Italy	6	35	58
US	40	30	33
Russia	19	17	13
China	9	12	8
Ukraine	9	11	7
Kyrgyzstan	2	2	6
Switzerland	2	6	6
Germany	2	16	6
UK	4	9	5
Netherlands	3	4	5
Romania	1	13	4
France	3	9	4
Spain	4	10	4
Australia	4	3	3
Japan	3	2	3
South Korea	2	1	2
Cyprus	0	0	2
Poland	2	1	2
Sweden	0	1	2

Target country by value - global banking deals

Target country	Jul-15 (mil USD)	Jun-16 (mil USD)	Jul-16 (mil USD)
UAE	0	0	14,841
China	6,448	6,886	4,368
US	3,272	6,356	2,681
Poland	34	0	1,219
Italy	255	2,094	1,208
Germany	266	172	818
Australia	3,152	1,671	559
France	1,909	489	513
Romania	2	65	340
Hungary	0	416	274
Portugal	59	6	262
Turkey	1,997	340	223
Ukraine	278	7	212
Spain	121	162	174
South Korea	177	24	167
Switzerland	322	980	165
Netherlands	148	152	110
Russia	5,336	355	91
Uzbekistan	0	0	62
UK	505	189	54

Target region by volume - global banking deals

Target region	Jul-15	Jun-16	Jul-16
Western Europe	31	102	94
North America	41	34	33
Eastern Europe	45	48	29
Far East and Central Asia	55	47	26
Oceania	4	3	3
Middle East	0	1	1
Africa	8	2	0
South and Central America	6	0	0

Target region by value - global banking deals

Target region	Jul-15 (mil USD)	Jun-16 (mil USD)	Jul-16 (mil USD)
Middle East	0	1	14,841
Far East and Central Asia	7,622	9,088	4,667
Western Europe	5,594	4,620	3,618
North America	3,387	6,904	2,681
Eastern Europe	6,024	862	2,136
Oceania	3,152	1,671	559
Africa	642	49	0
South and Central America	3,069	0	0

Strategic M&A value doubles month-on-month

In keeping with the overall trend for the banking industry, strategic M&A value was up against a decline in volume. There were 145 deals worth a combined USD 22,280 million announced in July, representing a 17 per cent decrease by volume while value almost doubled on the 174 deals worth USD 11,158 million in June. Value in July was the largest recorded since December when deals worth an aggregate USD 63,262 million were signed off.

On a 12 month comparison both the volume and value of strategic M&A transactions were up on the 122 deals worth USD 15,423 million announced in July 2015.

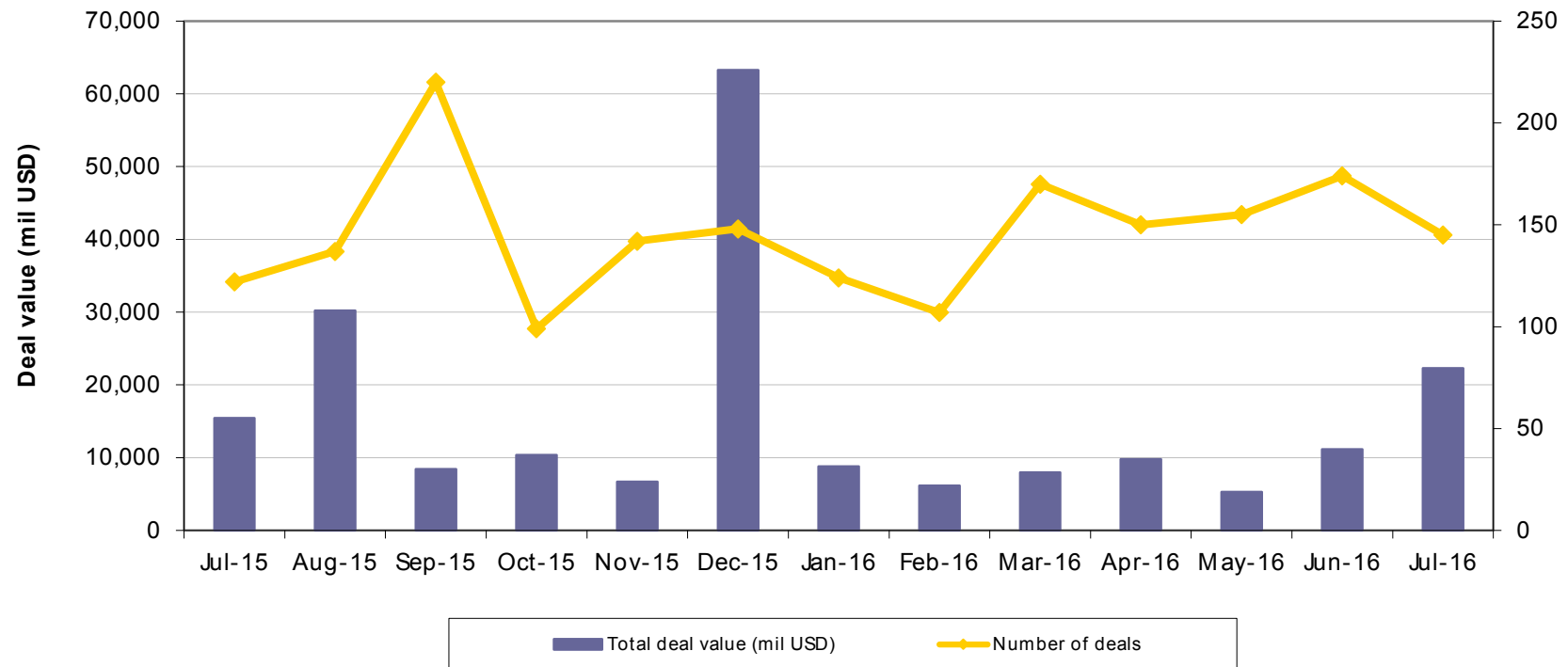
The largest strategic M&A deal announced during July was also the largest in the entire banking industry and involved the National Bank of Abu Dhabi acquiring First Gulf Bank in a reverse takeover valued at USD 14,841 million. This was worth significantly more than the number two deal which involved FNB buying Yadkin Financial for USD 1,400 million.

Given the UAE was targeted in the top strategic M&A deal in July it is unsurprising to see the country lead the way by value, despite only being targeted in this one transaction. The US was the second most valuable, with deals worth an aggregate USD 2,002 million, followed by Poland (USD 1,219 million) and Italy (USD 1,208 million).

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

Announced date	No of deals	Total deal value (mil USD)
Jul-16	145	22,280
Jun-16	174	11,158
May-16	155	5,293
Apr-16	150	9,787
Mar-16	170	7,989
Feb-16	107	6,153
Jan-16	124	8,775
Dec-15	148	63,262
Nov-15	142	6,683
Oct-15	99	10,355
Sep-15	220	8,416
Aug-15	137	30,220
Jul-15	122	15,423

“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.	14,841	Acquisition 100%	First Gulf Bank PJSC	AE	National Bank of Abu Dhabi	AE	03/07/2016
2.	1,400	Acquisition 100%	Yadkin Financial Corporation	US	FNB Corporation	US	21/07/2016
3.	825	Minority stake 10%	Bank Polska Kasa Opieki SA	PL	Institutional Investors		12/07/2016
4.	779	Minority stake increased from 6% to 10%	Deutsche Bank AG	DE	Paramount Services Holding Ltd; Supreme Universal Holdings Ltd	VG; KY	15/07/2016
5.	395	Acquisition 66% Bid 2 – Increased offer	Bank BPH SA	PL	Alior Bank SA	PL	18/07/2016
6.	363	Minority stake 10%	FinecoBank SpA	IT	Institutional Investors		11/07/2016
7.	340	Acquisition 100%	SinoPac BanCorp	US	Cathay General Bancorp	US	08/07/2016
8.	300	Joint venture 100%	Guian Bank Co., Ltd	CN	Undisclosed joint venture partners; Guiyang Financial Holding Co., Ltd; Guizhou Meiyi Investment (Group) Co., Ltd	CN; CN	27/07/2016
9.	274	Acquisition increased to 100%	Erste Bank Hungary Zrt	HU	Erste Group Bank AG	AT	01/07/2016
10.	223	Acquisition increased from 75% to 100%	Alternatifbank AS	TR	Commercial Bank of Qatar QSC	QA	19/07/2016
11.	183	Minority stake	BNP Paribas SA	FR			05/07/2016
12.	169	Minority stake	BNP Paribas SA	FR			06/07/2016
13.	146	Acquisition 100%	Ocean Shore Holding Company	US	OceanFirst Financial Corporation	US	13/07/2016
14.	132	Minority stake 1%	Banco Popular Espanol SA	ES	Samlyn Capital LLC	US	15/07/2016
15.	125	Minority stake 1%	Julius Bar Gruppe AG	CH			18/07/2016
16.	109	Minority stake increased from 5% to 6%	Societe Generale SA	FR	BlackRock Inc.	US	26/07/2016
17.	108	Minority stake 1%	Unicredit SpA	IT			01/07/2016
18.	100	Minority stake	Intesa SanPaolo SpA	IT			01/07/2016
19.	91	Acquisition increased from 49% to 100%	Bank Zenit PAO	RU	Tatneft Imeni VD Shashina PAO	RU	25/07/2016
20.	89	Minority stake 1%	China CITIC Bank Corporation Ltd	CN	CITIC Ltd's undisclosed subsidiary		07/07/2016



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

Target country	Jul-15	Jun-16	Jul-16
Italy	5	33	58
Russia	16	12	13
US	15	13	10
Kyrgyzstan	2	1	6
Germany	2	16	6
Switzerland	2	6	6
Ukraine	4	6	5
Netherlands	2	4	5
China	7	5	5
UK	0	9	4
Spain	4	9	4
France	1	8	4
Romania	1	12	3
Japan	2	0	2
South Korea	2	0	2
Poland	1	1	2
Sweden	0	1	2

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

Target country	Jul-15 (mil USD)	Jun-16 (mil USD)	Jul-16 (mil USD)
UAE	0	0	14,841
US	2,924	6,119	2,002
Poland	32	0	1,219
Italy	250	952	1,208
Germany	266	172	818
France	1,829	489	513
China	4,993	499	410
Hungary	0	6	274
Turkey	1,997	0	223
Spain	121	79	174
South Korea	177	0	167
Switzerland	322	980	165
Netherlands	148	152	110
Russia	191	0	91
Sweden	0	15	44
UK	0	189	9
Romania	2	40	7
Cyprus	0	0	4
Ukraine	11	2	2
Kyrgyzstan	0	0	1

Target region by volume - “Strategic M&A” banking deals

Target region	Jul-15	Jun-16	Jul-16
Western Europe	22	96	91
Eastern Europe	31	34	25
Far East and Central Asia	47	29	18
North America	15	14	10
Middle East	0	1	1
Africa	3	0	0
South and Central America	5	0	0
Oceania	0	0	0

Target region by value - “Strategic M&A” banking deals

Target region	Jul-15 (mil USD)	Jun-16 (mil USD)	Jul-16 (mil USD)
Middle East	0	1	14,841
Western Europe	4,992	3,056	3,266
North America	2,924	6,119	2,002
Eastern Europe	529	56	1,593
Far East and Central Asia	5,813	1,926	578
Africa	66	0	0
South and Central America	2,929	0	0
Oceania	0	0	0

Capital markets value halves in July

Both the volume and value of capital markets banking transactions halved in July as 20 deals worth a combined USD 6,124 million were signed off during the four weeks under review, compared to 44 deals worth USD 11,269 million in June.

A similar result was seen year-on-year as volume fell 52 per cent, against a 49 per cent decline in value from 42 deals worth a combined USD 12,020 million in July 2015.

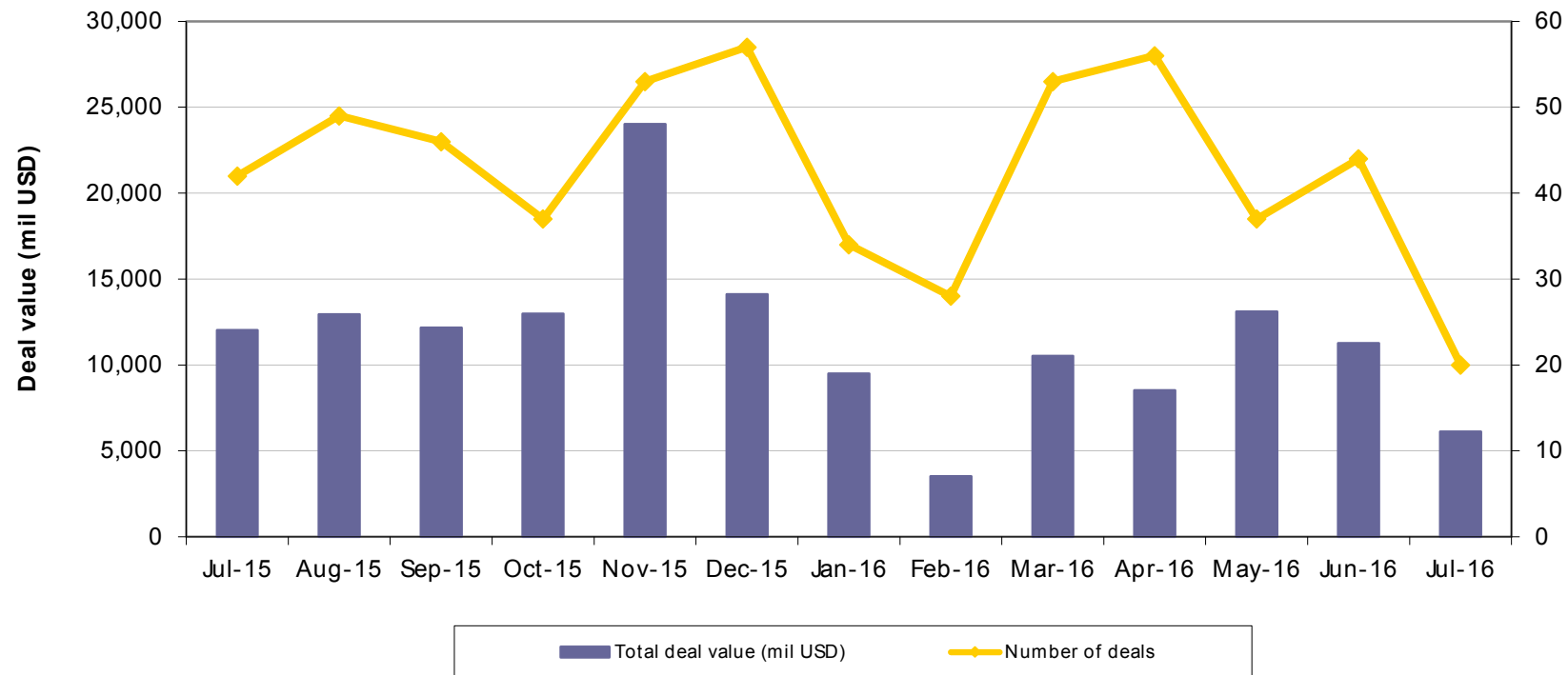
The disappointing result in capital market transactions was partly attributable to a lack of high value deals announced during the month as only one transaction was worth more than USD 1,000 million in July and accounted for 64 per cent of total capital markets M&A value. China-based Industrial Bank raised USD 3,916 million through a capital increase by issuing new shares to Fujian Provincial Department of Finance, China National Tobacco and Yangyuang Holding, among others.

This deal accounted for 99 per cent of total investment in the country and ensured companies operating in China were the most valuable in terms of capital market investments in July with USD 3,958 million. The US followed with USD 583 million, while companies based in Australia were third with USD 559 million.

Capital markets banking deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jul-16	20	6,124
Jun-16	44	11,269
May-16	37	13,099
Apr-16	56	8,522
Mar-16	53	10,517
Feb-16	28	3,525
Jan-16	34	9,500
Dec-15	57	14,117
Nov-15	53	24,022
Oct-15	37	12,981
Sep-15	46	12,177
Aug-15	49	12,944
Jul-15	42	12,020

Capital markets banking deals by volume and value



Top 20 capital markets banking deals by value

	Deal value (mil USD)	Deal type	Target	Target country	Acquiror	Acquiror country	Announced date
1.	3,916	Capital Increase 8%	Industrial Bank Co., Ltd	CN	China National Tobacco Corporation; China National Tobacco Corporation Guangdong Company; Fujian Investment & Development Group Co., Ltd; Fujian Provincial Department of Finance; China National Tobacco Corporation Fujian Company; Yangguang Holding Co., Ltd	CN; CN; CN; CN; CN	30/07/2016
2.	558	IPO 17% on Nasdaq	First Hawaiian Inc.	US			08/07/2016
3.	333	Capital Increase 17%	Banca Transilvania SA	RO			21/07/2016
4.	262	Capital Increase 17%	Banco Comercial Portugues SA	PT	Fosun Industrial Holdings Ltd	HK	29/07/2016
5.	236	Capital Increase	Westpac Banking Corporation	AU			04/07/2016
6.	210	Capital Increase	Ukrsotsbank PAT	UA	Unicredit SpA	IT	01/07/2016
7.	175	Capital Increase	Westpac Banking Corporation	AU			26/07/2016
8.	148	Capital Increase	Australia and New Zealand Banking Group Ltd	AU			01/07/2016
9.	62	Capital Increase	Otkryti Aktsionernii Innovatsionnyi Kommercheskii Bank Ipak Yuli	UZ			22/07/2016
10.	45	Capital Increase	Barclays plc	GB			13/07/2016
11.	44	Capital Increase 76%	Piraeus Bank (Cyprus) Ltd	CY	Holding M Sehnaoui SAL	LB	08/07/2016
12.	42	Capital Increase 10%	Yangquan Commercial Bank Co., Ltd	CN	Jinzhong Longyue Investment Consultation Service Co., Ltd	CN	27/07/2016
13.	40	Capital Increase 20%	Bank MNC Internasional Tbk, PT	ID			01/07/2016
14.	25	Capital Increase	Sunrise Bank	US			07/07/2016
15.	18	Capital increase acquired 21%, to hold 29%	Dhanlaxmi Bank Ltd	IN	PVP Ventures Ltd; Mr B Ravindran Pillai; Mr CK Gopinathan; Mr Kapilkumar Wadhawan; Mr B Govindan	IN; IN; IN; IN; IN	05/07/2016
16.	6	Capital Increase	Yamaguchi Financial Group, Inc	JP	Employees; Board members		25/07/2016
17.	6	Capital Increase 8%	Unibank OAO	AM			27/07/2016
18.	n.a.	Capital Increase 4%	Aktsionerniy Komertsyiny Promislovo-Investitsyiny Bank PAT	UA			11/07/2016
19.	n.a.	Capital Increase 28%	Primorska Banka dd	HR			20/07/2016
20.	n.a.	Planned IPO 20% on Shenzhen Stock Exchange	Bank of Lanzhou Co., Ltd	CN			01/07/2016



Target country by volume - Capital markets banking deals

Target country	Jul-15	Jun-16	Jul-16
Australia	4	3	3
China	1	7	3
US	4	3	2
Ukraine	5	5	2
UK	3	0	1
Cyprus	0	0	1
Indonesia	0	2	1
Croatia	1	1	1
India	3	0	1
Japan	1	2	1
Portugal	0	0	1
Romania	0	1	1
Uzbekistan	0	0	1
Armenia	0	2	1

Target country by value - Capital markets banking deals

Target country	Jul-15 (mil USD)	Jun-16 (mil USD)	Jul-16 (mil USD)
China	1,450	6,386	3,958
US	140	174	583
Australia	3,152	1,671	559
Romania	0	25	333
Portugal	0	0	262
Ukraine	267	5	210
Uzbekistan	0	0	62
UK	503	0	45
Cyprus	0	0	44
Indonesia	0	51	40
India	280	0	18
Japan	75	204	6
Armenia	0	10	6

Target region by volume - Capital markets banking deals

Target region	Jul-15	Jun-16	Jul-16
Far East and Central Asia	7	17	8
Eastern Europe	14	12	4
Oceania	4	3	3
Western Europe	7	3	3
North America	5	6	2
Africa	4	2	0
South and Central America	1	0	0
Middle East	0	0	0

Target region by value - Capital markets banking deals

Target region	Jul-15 (mil USD)	Jun-16 (mil USD)	Jul-16 (mil USD)
Far East and Central Asia	1,804	7,162	4,089
North America	255	722	583
Oceania	3,152	1,671	559
Eastern Europe	5,496	396	543
Western Europe	601	1,225	351
Africa	571	49	0
South and Central America	140	0	0
Middle East	0	0	0

Financial sponsors volume up, while value plummets

There were 21 banking deals involving financial sponsors in July, representing a slight increase on the 20 deals announced during June and a 16 per cent decline on the 25 deals announced in July 2015. Value decreased 88 per cent month-on-month and 56 per cent year-on-year as deals worth USD 96 million were signed off in the four weeks, representing the lowest recorded month by value since March (USD 70 million).

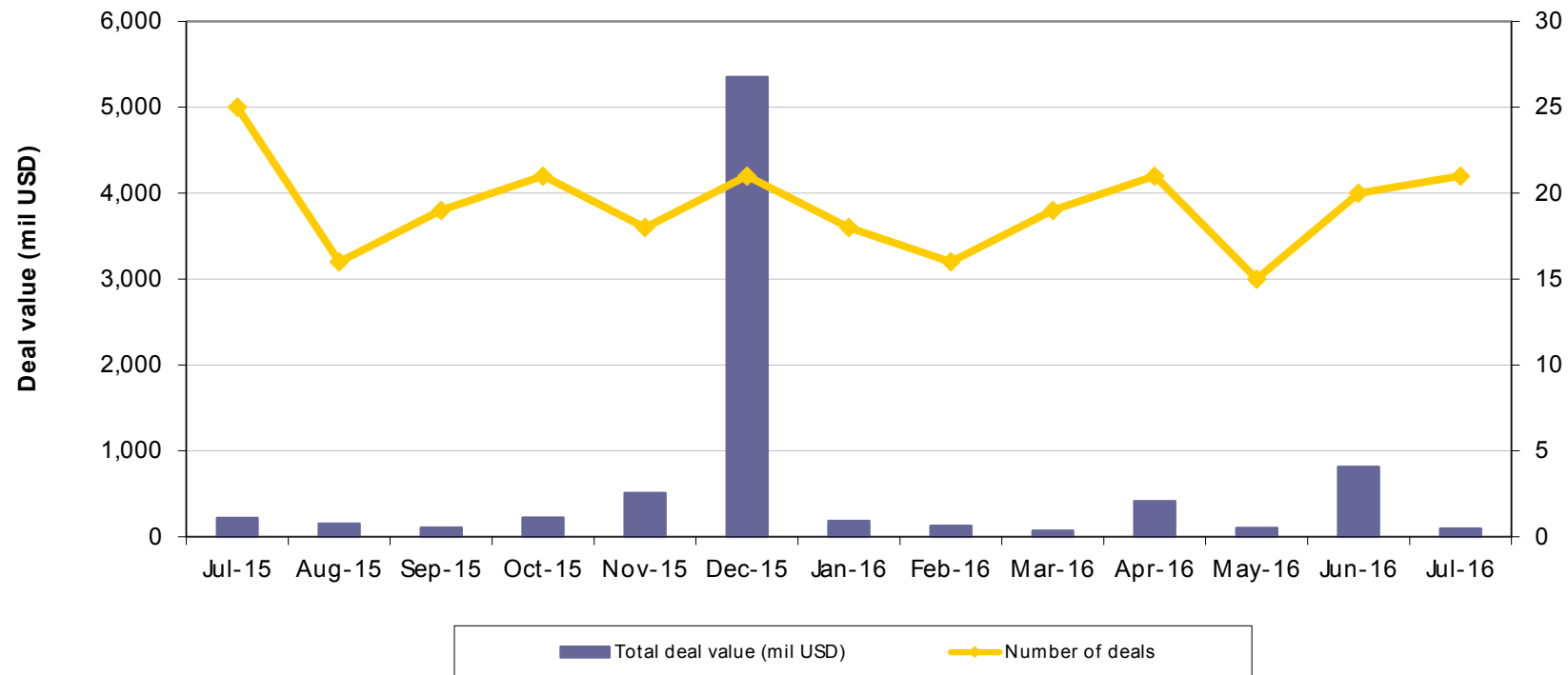
The decline in value can be attributed to the lack of large deals in July as no single transaction was worth in excess of USD 20 million. All of the top 20 deals by value took the form of minority stake investments or funding rounds, the largest of which involved US-based Merchants Bancorp raising USD 19 million in a round of funding.

All financial sponsors deals announced during the four weeks under review featured US targets as the country notched up a total of USD 96 million across 21 deals.

Banking deals with financial sponsors by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jul-16	21	96
Jun-16	20	813
May-16	15	104
Apr-16	21	413
Mar-16	19	70
Feb-16	16	127
Jan-16	18	184
Dec-15	21	5,353
Nov-15	18	509
Oct-15	21	224
Sep-15	19	105
Aug-15	16	151
Jul-15	25	219

Banking deals with financial sponsors by volume and value





Banking deals with financial sponsors by value

	Deal value (mil USD)	Deal type	Target	Target country	Financial Sponsor	Announced date
1.	19	Minority stake	Merchants Bancorp	US		08/07/2016
2.	13	Minority stake	Bridgewater Bancshares Inc.	US		05/07/2016
3.	12	Minority stake	Banc3 Holdings Inc.	US		12/07/2016
4.	10	Minority stake	Eagle Income Fund LLC	US		25/07/2016
5.	8	Minority stake	MidCoast Community Bancorp Inc.	US		19/07/2016
6.	8	Minority stake	FB Bancorp	US		13/07/2016
7.	8	Minority stake	Community First Inc.	US		13/07/2016
8.	5	Minority stake	LBB Holdings LLC	US		28/07/2016
9.	3	Minority stake	Lea County Bancshares Inc.	US		14/07/2016
10.	3	Minority stake	General Bancshares Inc.	US		15/07/2016
11.	2	Minority stake	PSB Holding Corp	US		11/07/2016
12.	2	Minority stake	Miami Dade LLC	US		18/07/2016
13.	2	Minority stake	Country Bank Holding Co Inc.	US		15/07/2016
14.	1	Minority stake	Atlas Fintech Holdings Corp	US		14/07/2016
15.	1	Minority stake	Huron Valley Financial Inc.	US		27/07/2016
16.	1	Minority stake	Entegra Capital LLC	US		11/07/2016
17.	1	Minority stake	Progress Financial Corp	US		18/07/2016
18.	1	Minority stake	Credda Capital LLC	US		05/07/2016
19.	1	Minority stake	Crossfirst Holdings LLC	US		07/07/2016
20.	0	Minority stake	Gradschoolloans Inc.	US		27/07/2016
21.	0	Minority stake	University FanCards LLC	US		05/07/2016

Target country by volume - Banking deals with financial sponsors

Target country	Jul-15	Jun-16	Jul-16
US	21	14	21

Target country by value - Banking deals with financial sponsors

Target country	Jul-15 (mil USD)	Jun-16 (mil USD)	Jul-16 (mil USD)
US	208	63	96

Target region by volume - Banking deals with financial sponsors

Target region	Jul-15	Jun-16	Jul-16
North America	21	14	21
Western Europe	2	3	0
Oceania	0	0	0
South and Central America	0	0	0
Africa	1	0	0
Far East and Central Asia	1	1	0
Eastern Europe	0	2	0
Middle East	0	0	0

Target region by value - Banking deals with financial sponsors

Target region	Jul-15 (mil USD)	Jun-16 (mil USD)	Jul-16 (mil USD)
North America	208	63	96
Western Europe	2	340	0
Oceania	0	0	0
South and Central America	0	0	0
Africa	5	0	0
Far East and Central Asia	5	0	0
Eastern Europe	0	410	0
Middle East	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 01/07/2016 - 31/07/2016 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