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Zephyr Quarterly M&A Report  
Middle East, Q1 2013

The following report details mergers and acquisitions activity in the Middle East, excluding Israel, in Q1 2013 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.

### Deal value weakens quarter-on-quarter and year-over-year

Mergers and acquisitions (M&A) activity involving Middle Eastern targets started the year on a rather subdued note, as both the volume and value of deals weakened from the previous quarter.

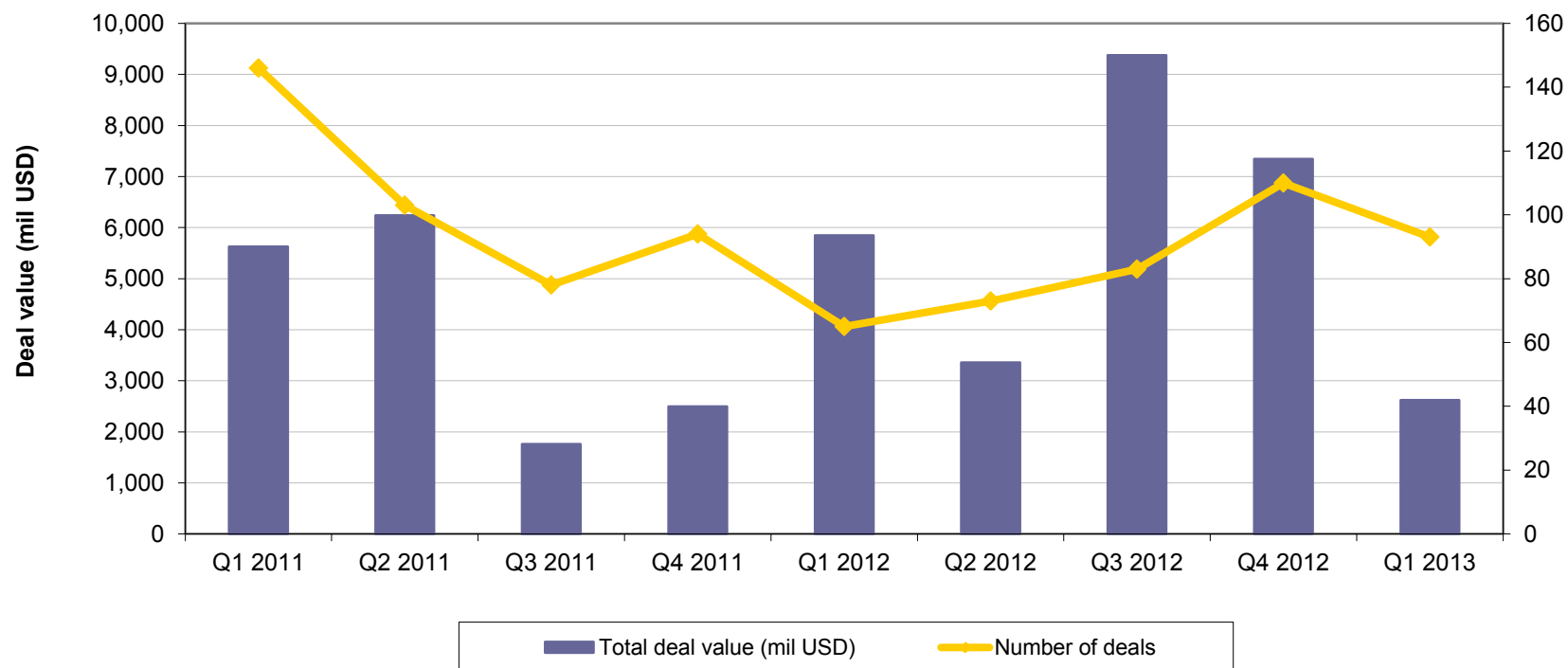
There were 93 transactions worth a combined USD 2,622 million in Q1 2013, which marked the second consecutive quarterly decline in value (Q3 2012: USD 9,377 million; Q4 2012: USD 7,347 million) while volume fell back by 15 per cent quarter-on-quarter (Q4 2012: 110 transactions).

Value was also weaker compared with a year ago when there were 65 transactions worth an aggregate USD 5,848 million.

### Deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Q1 2013	93	2,622
Q4 2012	110	7,347
Q3 2012	83	9,377
Q2 2012	73	3,359
Q1 2012	65	5,848
Q4 2011	94	2,497
Q3 2011	78	1,757
Q2 2011	103	6,242
Q1 2011	146	5,628

Deals by volume and value



## Doha Bank features in top two deals by value

The decision by Doha Bank to increase its capital by 50 per cent in two phases gave the Qatari lender first and second position in the deal rankings by value.

In the first phase of the exercise the bank increased its capital by an initial 25 per cent via a rights issue to raise USD 426 million. In the second, the lender will increase its capital by another 25 per cent by issuing global depository receipts worth USD 805 million, which will be listed on the London Stock Exchange.

Interestingly, the top five transactions by value during Q1 2013 all featured Qatari companies issuing new shares, with Qatar Insurance Company and Al Meera Consumer Goods Company both holding cash calls. The combined value of these deals amounted to USD 1,891 million, accounting for almost three-quarters of the total deal value for the region.

## Banking once again the most valuable sector

The Doha Bank capital increase did much to boost the value of deals targeting the banking sector, with USD 1,646 million recorded during Q1 2013. While this was a 65 per cent drop from the previous quarter's figure of USD 4,640 million, it was still the third highest result of the last two years under review.

Insurance was the second most valuable sector, again largely due to the Qatar Insurance Company deal, while the Al Meera Consumer Goods Company transaction pushed wholesale and retail into third position by value.

By volume, banking was the most frequently targeted sector with 34 transactions, slightly down on last quarter's 38. Hotels and restaurants also featured quite highly with 12 deals recorded, the second highest result recorded for the sector in the last two years.

## Qatar tops the value rankings, Jordan leads by volume

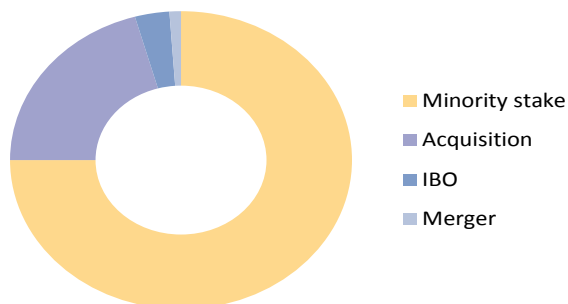
Predictably, Qatar was the most valuable country in M&A terms during Q1 2013, chalking up USD 1,890 million of deal-making, a big increase on USD 585 million in Q4 2012. United Arab Emirates (UAE) was ranked second, but conversely deal value fell sharply quarter-on-quarter, from USD 2,029 million to USD 193 million.

Jordan was the most prolific M&A target, featuring in 47 transactions during the three months under review. UAE was second with 18, unchanged from Q4 2012, and Saudi Arabia ranked third with 10 transactions, slightly down on the 13 recorded last quarter.

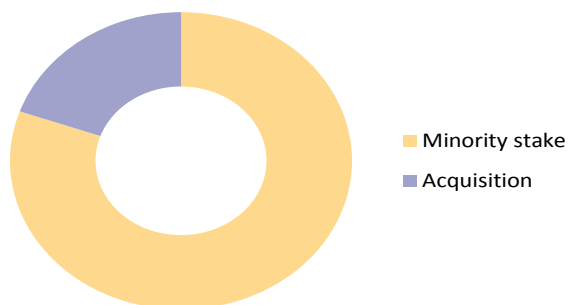
## Top 20 deals by value

	Deal value (mil USD)	Deal type	Target	Target country	Acquiror	Acquiror country	Announced date
1.	805	Minority stake 17% on LSE	Doha Bank QSC	QA	Undisclosed depository bank		21/02/2013
2.	426	Minority stake 17%	Doha Bank QSC	QA			21/02/2013
3.	265	Minority stake 17%	Qatar Insurance Company SAQ	QA			18/02/2013
4.	261	Acquisition 50%	Al Meera Consumer Goods Company QSC	QA			02/01/2013
5.	134	Minority stake 20%	Qatar Insurance Company SAQ	QA	Qatar Holding LLC	QA	18/02/2013
6.	128	Acquisition increased from 58% to 100%	Tamweel PJSC	AE	Dubai Islamic Bank plc	AE	24/02/2013
7.	104	Minority stake 13%	Najran Cement Company	SA	Mr Khalid Al-Barrak		27/01/2013
8.	92	Acquisition 52%	Bahrain Islamic Bank BSC	BH	National Bank of Bahrain	BH	11/03/2013
9.	82	Minority stake 15%	Bank Sohar SAOG	OM	Oman Investment and Finance Company SAOG	OM	05/03/2013
10.	57	Minority stake 41%	Oman National Investment Corporation Holding SAOG	OM	Oman Investment Fund	OM	28/02/2013
11.	50	Minority stake	Virgin Mobile Middle East & Africa	AE	Gulf Investment Corporation	KW	12/03/2013
12.	31	Minority stake 2%	International Financial Advisers KSCC	KW	International Finance Company KSCC	KW	28/01/2013
13.	30	Minority stake	Tawoos Industrial Services Company LLC	OM	The International Finance Corporation	II	24/03/2013
14.	26	Minority stake 10%	Capital Bank of Jordan	JO	Mr Saad Asaam Al Janabi	IQ	21/03/2013
15.	13	Minority stake 5%	Capital Bank of Jordan	JO	Mr Abdullah Saad Al Janabi	IQ	21/03/2013
16.	13	Minority stake 5%	Capital Bank of Jordan	JO	Mr Raad Asaam Al Janabi	IQ	21/03/2013
17.	11	Acquisition 51%	Integrated Multimodal Transport Company	JO	Jordanian government	JO	29/01/2013
18.	10	Minority stake increased from 6% to 10%	Kuwait Financial Centre SAKC	KW	Strategia Investments Company KSCC	KW	17/02/2013
19.	10	Acquisition increased from 10% to 61%	Al Mutakamilah Transportation Company	JO	Greater Amman Municipality	JO	04/02/2013
20.	10	Acquisition 51%	Al-Babtain LeBLANC Emirates Telecommunication Systems LLC	AE	Al-Babtain for Operation and Maintenance Ltd		08/01/2013

### Deal types by volume in Q1 2013



### Deal types by value in Q1 2013



### Deal types by volume

Deal type	Q1 2012	Q4 2012	Q1 2013
Minority stake	40	79	69
Acquisition	25	28	19
IBO	1	3	3
Merger	0	0	1
MBI	0	0	1
MBO	0	0	0

### Deal types by value

Deal type	Q1 2012 (mil EUR)	Q4 2012 (mil EUR)	Q1 2013 (mil EUR)
Minority stake	5,054	5,845	2,108
Acquisition	794	1,502	514

## Target sectors by volume

Target sector	Q1 2012	Q4 2012	Q1 2013
Banks	15	38	34
Other services	27	16	14
Hotels & restaurants	0	13	12
Chemicals, rubber, plastics	1	5	8
Insurance companies	0	1	5
Education, health	1	5	4
Construction	4	11	4
Metals & metal products	2	1	3
Transport	0	4	2
Food, beverages, tobacco	2	3	2
Public administration and defence	0	0	1
Wholesale & retail trade	2	5	1
Gas, water, electricity	3	3	0
Machinery, equipment, furniture, recycling	3	0	0
Primary sector	2	0	0
Publishing, printing	0	1	0
Wood, cork, paper	1	0	0
Textiles, wearing apparel, leather	0	0	0
Post and telecommunications	0	0	0

## Target sectors by value

Target sector	Q1 2012 (mil EUR)	Q4 2012 (mil EUR)	Q1 2013 (mil EUR)
Banks	692	4,640	1,646
Insurance companies	0	21	457
Wholesale & retail trade	545	77	261
Chemicals, rubber, plastics	0	20	106
Other services	4,584	242	74
Hotels & restaurants	0	57	45
Transport	0	1,363	10
Food, beverages, tobacco	0	584	8
Construction	4	102	4
Public administration and defence	0	0	0
Education, health	0	2	0
Post and telecommunications	0	0	0
Publishing, printing	0	5	0
Wood, cork, paper	0	0	0
Textiles, wearing apparel, leather	0	0	0
Metals & metal products	0	0	0
Primary sector	0	0	0
Gas, water, electricity	0	137	0
Machinery, equipment, furniture, recycling	22	0	0

## Target countries by volume

Target country	Q1 2012	Q4 2012	Q1 2013
Jordan	12	56	47
UAE	20	18	18
Saudi Arabia	11	13	10
Kuwait	3	7	6
Qatar	6	2	6
Oman	9	7	5
Bahrain	0	5	1
Yemen	0	0	0
Syria	0	0	0
Iraq	0	0	0
Iran	1	0	0
Lebanon	3	2	0

## Target countries by value

Target country	Q1 2012 (mil USD)	Q4 2012 (mil USD)	Q1 2013 (mil USD)
Qatar	2,012	585	1,890
UAE	2,501	2,029	193
Oman	151	64	169
Jordan	22	238	128
Saudi Arabia	779	983	108
Bahrain	0	154	92
Kuwait	288	3,294	41
Yemen	0	0	0
Syria	0	0	0
Iraq	0	0	0
Iran	0	0	0
Lebanon	95	0	0



## 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 Middle East region covers target companies in Bahrain, Iran, Iraq, Kuwait, Jordan, Lebanon, Oman, Qatar, Saudi Arabia, Syria, UAE and Yemen

The date range is 01/01/2013 - 27/03/2013 inclusive