



The following report details mergers and acquisitions activity in South Africa in Q1 2011 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.

### Lower company valuations in Q1 2011

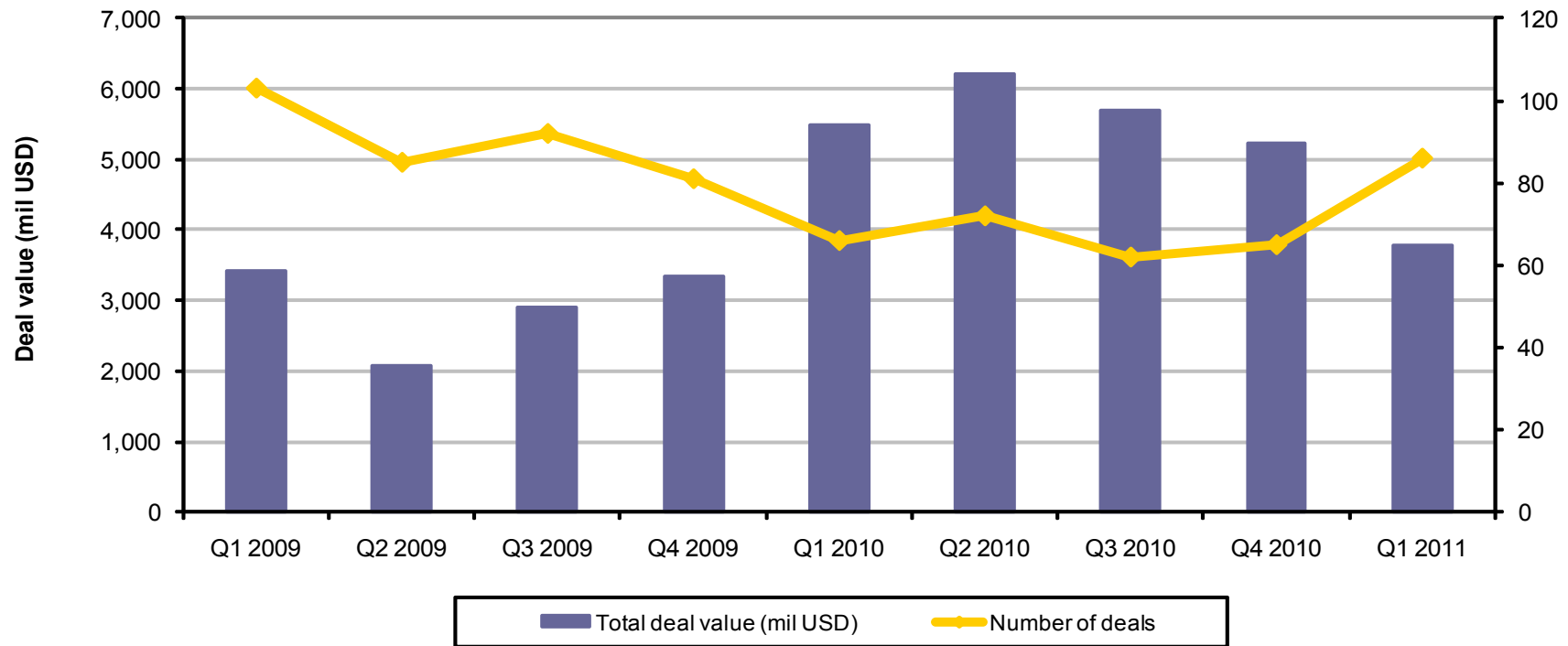
The value of deals targeting South Africa-based companies rescinded in Q1 2011 to the lowest level recorded since Q4 2009 despite gains in deal volume. There were 86 transactions worth a combined USD 3,773 million and by value this was 31 per cent lower than the USD 5,481 million recorded in Q1 2010.

Volume was 30 per cent higher over the same timeframe, suggesting lower company valuations in Q1 2011 than the year-ago quarter.

The largest transaction by value was worth USD 1,335 million and accounted for more than a third of the quarter's value total. It targeted Lexshell 44 General Trading.

Announced date	No of deals	Total deal value (mil USD)
Q1 2011	86	3,773
Q4 2010	65	5,233
Q3 2010	62	5,688
Q2 2010	72	6,217
Q1 2010	66	5,481
Q4 2009	81	3,343
Q3 2009	92	2,904
Q2 2009	85	2,086
Q1 2009	103	3,428

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	1,335	Acquisition 100%	Lexshell 44 General Trading (Pty) Ltd	Growthpoint Properties Ltd; Public Investment Corporation Ltd	ZA	14/02/11
2	597	Minority stake 25%	Pepkor Holdings Ltd	Capital Partners Group Holdings Ltd	VG	02/03/11
3	348	Acquisition 74%	Black Mountain Mining (Pty) Ltd	Sterlite Infra Ltd	IN	04/02/11
4	215	Minority stake 1%	AngloGold Ashanti Ltd			19/01/11
5	201	Acquisition 100%	Finsch Diamond Mine	Sedibeng Mining (Pty) Ltd; BEE investors; Afropean Diamonds (Pty) Ltd; Namoise Mining (Pty) Ltd	ZA	21/01/11
6	184	Acquisition 100%	Davita Trading (Pty) Ltd	Tiger Brands Ltd	ZA	15/02/11
7	153	Minority stake 50%	Premier Group (Pty) Ltd	Capital Partners Group Holdings Ltd	VG	02/03/11
8	109	Minority stake 40%	Nokia Siemens Networks South Africa (Pty) Ltd	Nokia Siemens Networks BV	NL	04/02/11
9	100	Minority stake	IFCA Technologies Ltd	Equity Partners Fund SPC	SG	17/02/11
10	95	Acquisition 75%	Tradehold Ltd			09/03/11
11	60	Minority stake 1%	RMB Holdings Ltd			04/02/11
12	60	Minority stake 1%	RMB Holdings Ltd	Remgro Ltd	ZA	14/01/11
13	57	Minority stake 17%	Premium Properties Ltd			21/01/11
14	54	Acquisition 100%	Peresys (Pty) Ltd	IRESS Market Technology Ltd	AU	18/01/11
15	38	Minority stake 34%	KWV Holdings Ltd	Hosken Consolidated Investments Ltd's wholly owned subsidiary	ZA	07/02/11
16	22	Minority stake 40%	Sovereign Food Investments Ltd			01/02/11
17	20	Minority stake 30%	Afrifresh Group (Pty) Ltd	Standard Chartered Private Equity Ltd	SG	07/03/11
18	14	Minority stake 0.3%	Steinhoff International Holdings Ltd			03/03/11
19	10	Acquisition 64%	Leeuw Mining and Exploration (Pty) Ltd	Keaton Energy Holdings Ltd	ZA	14/02/11
20	10	Acquisition 100%	RNE Engineering and Projects (Pty) Ltd	Kentz Corporation Ltd	GB	08/02/11

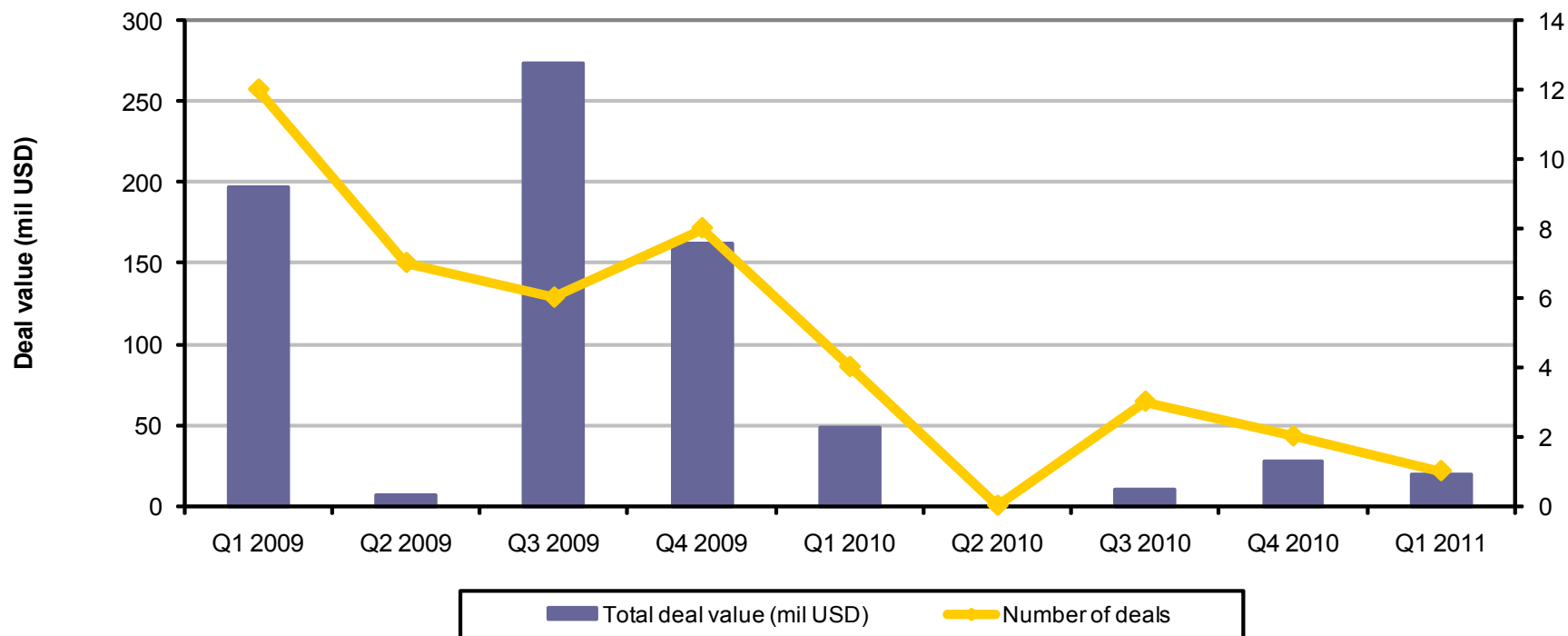
### PE activity holds, but still weak

There was just one private equity deal in Q1 2011 worth USD 20 million, compared to two worth USD 28 million in the previous quarter. Despite the value of private equity deals holding quarter-on-quarter, there is still some way to go before values return to the levels recorded in late 2009.

The Q1 2011 South Africa private equity deal was backed by Standard Chartered Private Equity and completed in early March. It targeted the farming, viticulture and fruit export group Agrifresh, which specialises in grapes, raisins and wine.

Announced date	No of deals	Total deal value (mil USD)
Q1 2011	1	20
Q4 2010	2	28
Q3 2010	3	10
Q2 2010	0	0
Q1 2010	4	48
Q4 2009	8	162
Q3 2009	6	273
Q2 2009	7	7
Q1 2009	12	197

Private equity deals by volume and value



### Target sectors by volume

Target sector	Q1 2010	Q4 2010	Q1 2011
Other services	13	19	28
Wholesale & retail trade	3	6	14
Banks	4	10	9
Chemicals, rubber, plastics	2	5	7
Primary sector	7	6	6
Metals & metal products	10	5	5
Food, beverages, tobacco	3	0	4
Construction	4	2	3
Machinery, equipment, furniture, recycling	9	3	2
Transport	4	5	2

### Target sectors by value

Target sector	Q1 2010 (mil USD)	Q4 2010 (mil USD)	Q1 2011 (mil USD)
Banks	95	1,386	725
Metals & metal products	2,016	621	574
Other services	274	386	250
Food, beverages, tobacco	76	0	248
Primary sector	238	62	239
Wholesale & retail trade	42	2,173	207
Machinery, equipment, furniture, recycling	39	3	14
Chemicals, rubber, plastics	0	631	14
Construction	24	18	5
Gas, water, electricity	0	21	4

### Target countries by volume

Target country	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011
US	2,497	2,128	2,043	2,165	2,132
UK	1,321	1,327	1,144	1,121	1,251
Canada	1,136	1,017	1,000	1,406	920
China	924	969	905	1,043	869
Russia	1,058	1,151	888	1,076	728
South Korea	697	632	564	700	485
Japan	824	1,119	578	521	484
France	495	490	407	447	438
India	514	328	437	352	335
Germany	467	372	238	294	266
Singapore	185	193	225	199	115
Hong Kong	113	102	93	94	91
South Africa	66	72	62	65	86
Brazil	136	124	124	141	76
Poland	213	176	109	83	74
Israel	79	55	52	69	56
Egypt	40	30	27	23	16
Saudi Arabia	13	3	7	4	6
Nigeria	7	7	8	12	1

### Target countries by value

Target country	Q1 2011 (mil USD)	Q2 2011 (mil USD)	Q3 2011 (mil USD)	Q4 2011 (mil USD)	Q1 2011 (mil USD)
US	180,723	236,166	179,269	216,506	303,429
UK	55,722	41,719	58,156	48,669	53,532
China	74,038	56,221	63,163	62,020	52,854
Canada	26,281	28,520	30,593	33,667	38,842
Russia	42,597	57,164	30,403	42,428	38,132
Brazil	21,141	32,704	81,583	40,857	31,480
France	14,670	15,389	13,080	24,658	27,869
Japan	29,972	43,669	56,257	16,363	26,332
South Korea	14,985	16,013	16,184	22,252	19,467
Germany	20,715	12,966	18,348	31,358	18,644
India	12,387	16,771	25,617	9,907	14,833
Poland	2,919	2,113	4,916	6,366	9,771
Hong Kong	5,926	7,442	11,689	6,839	8,582
South Africa	5,481	6,217	5,688	5,233	3,773
Israel	1,595	1,320	1,114	2,149	3,179
Singapore	5,003	2,959	9,843	8,171	2,091
Egypt	1,498	712	1,466	161	119
Saudi Arabia	503	0	479	33	6
Nigeria	302	118	596	299	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

Q1 2011 date range is from 01/01/2011 to 31/03/2011 inclusive