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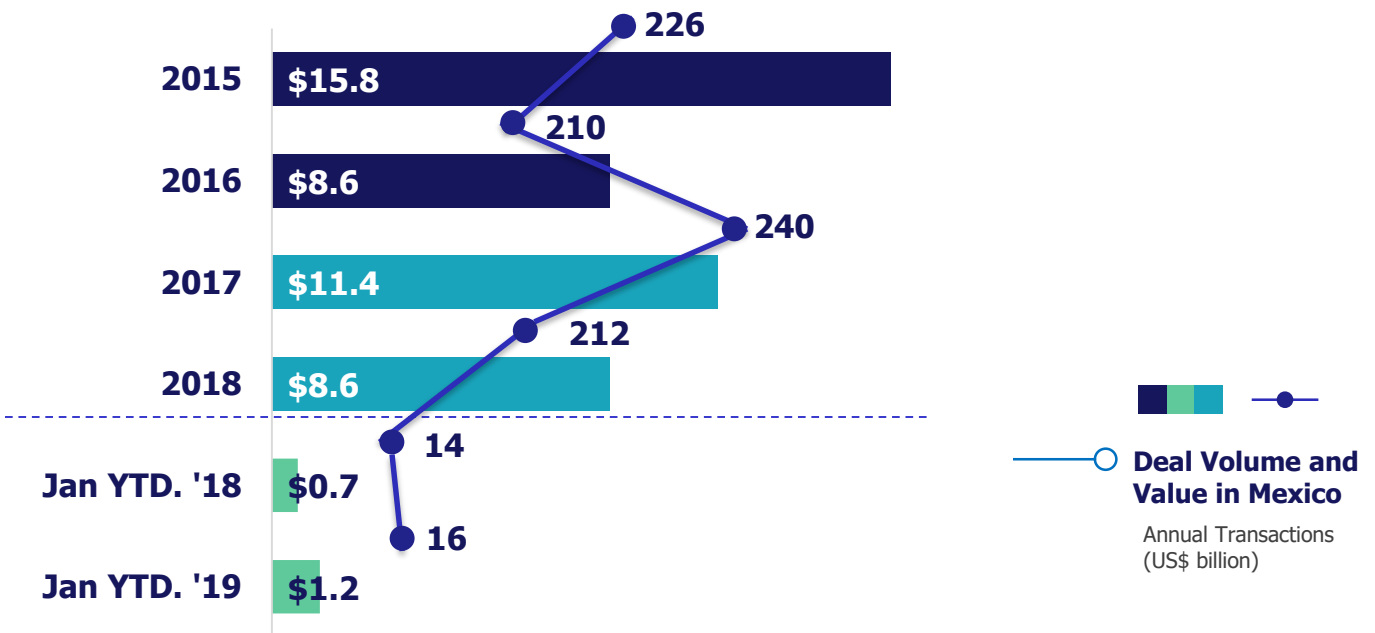
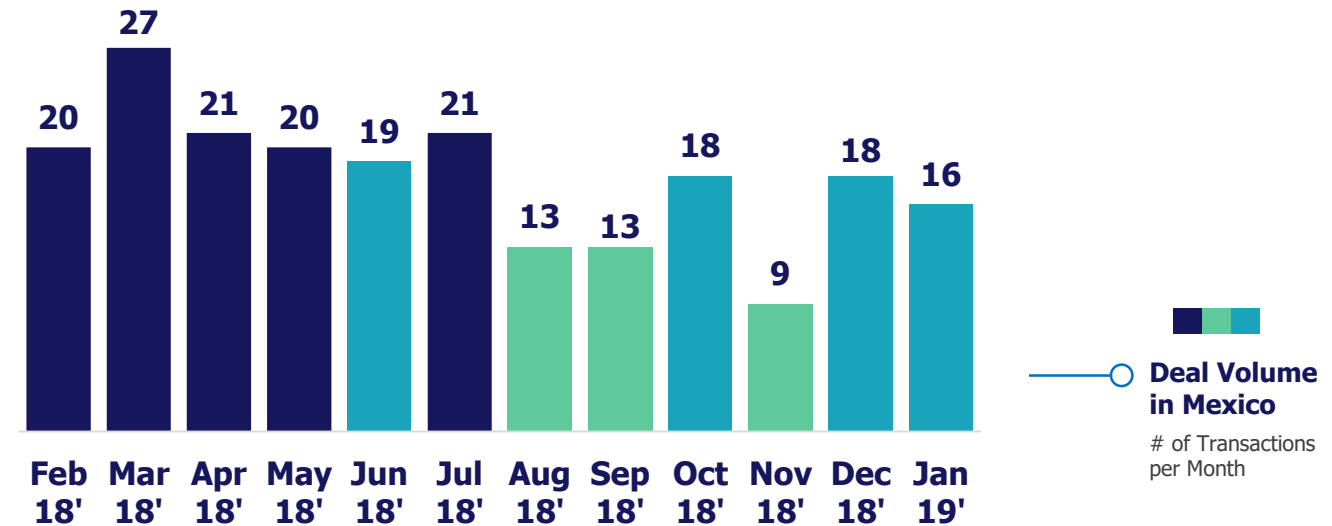
MERGERS &
ACQUISITIONS
MEXICO

JANUARY
2019

MONTHLY ISSUE

SUMMARY OF MERGERS & ACQUISITIONS IN MEXICO

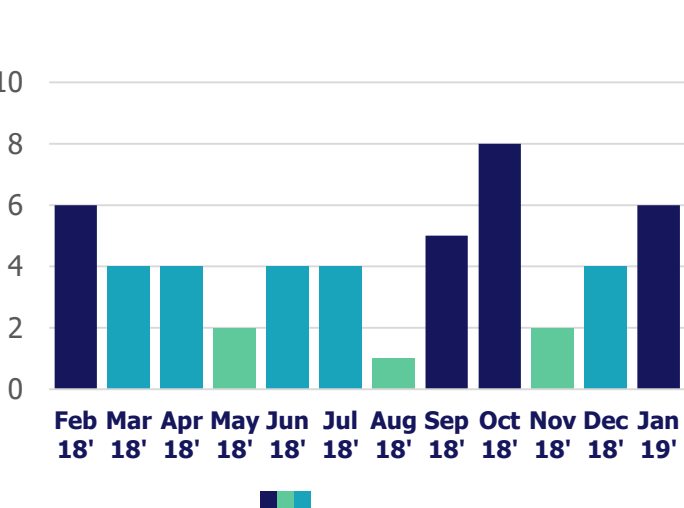
In January 2019, **16 transactions** were announced in Mexico, a **decrease of 11%** over last month. Also, **total reported deal value was US\$1,222 million**. Representing an increase in deal value of 86% and a 14% deal volume increase over January 2018.



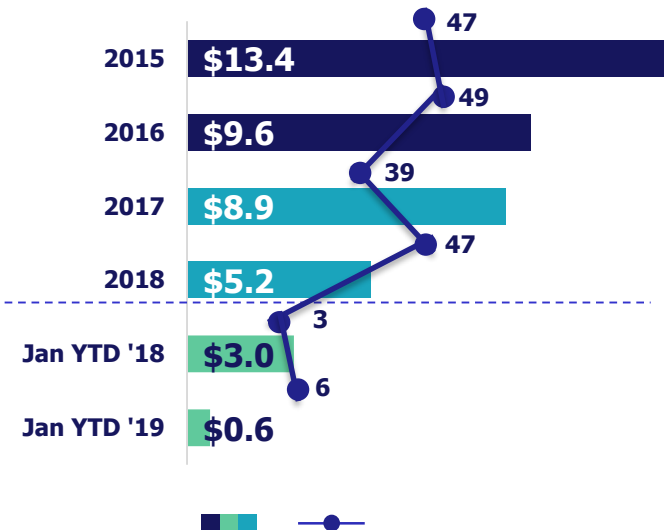


SUMMARY OF MERGERS & ACQUISITIONS BY MEXICAN COMPANIES ABROAD

Mexican companies completed **6 acquisitions outside of Mexico** with a reported value of **US\$647 million**. Representing an increase in value of 48% and an increase in volume of 21% compared to January 2018.



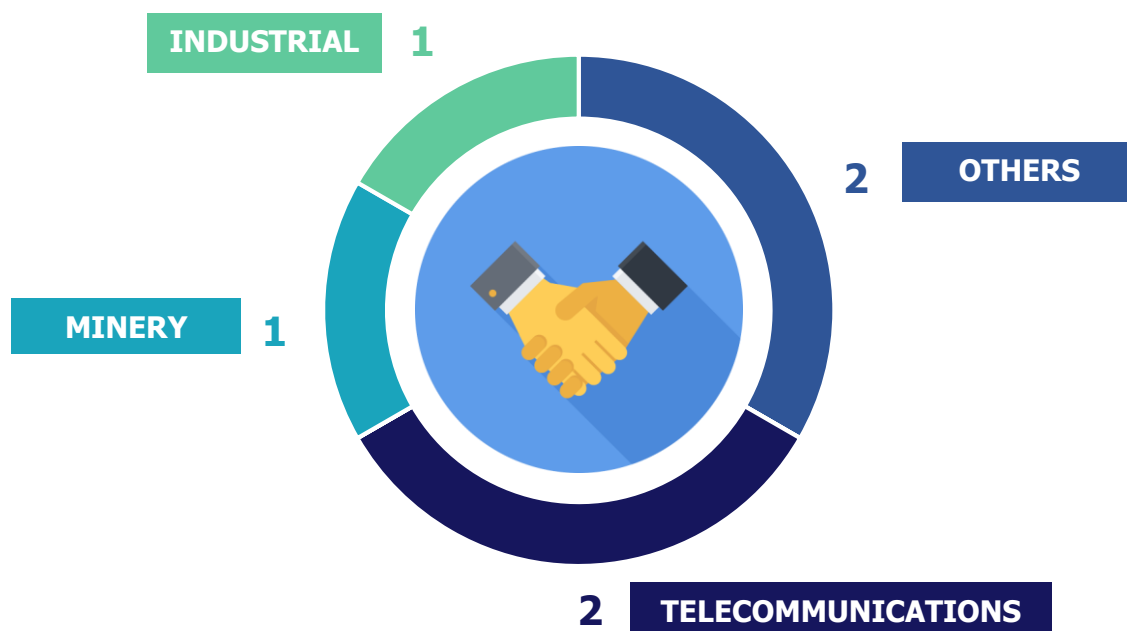
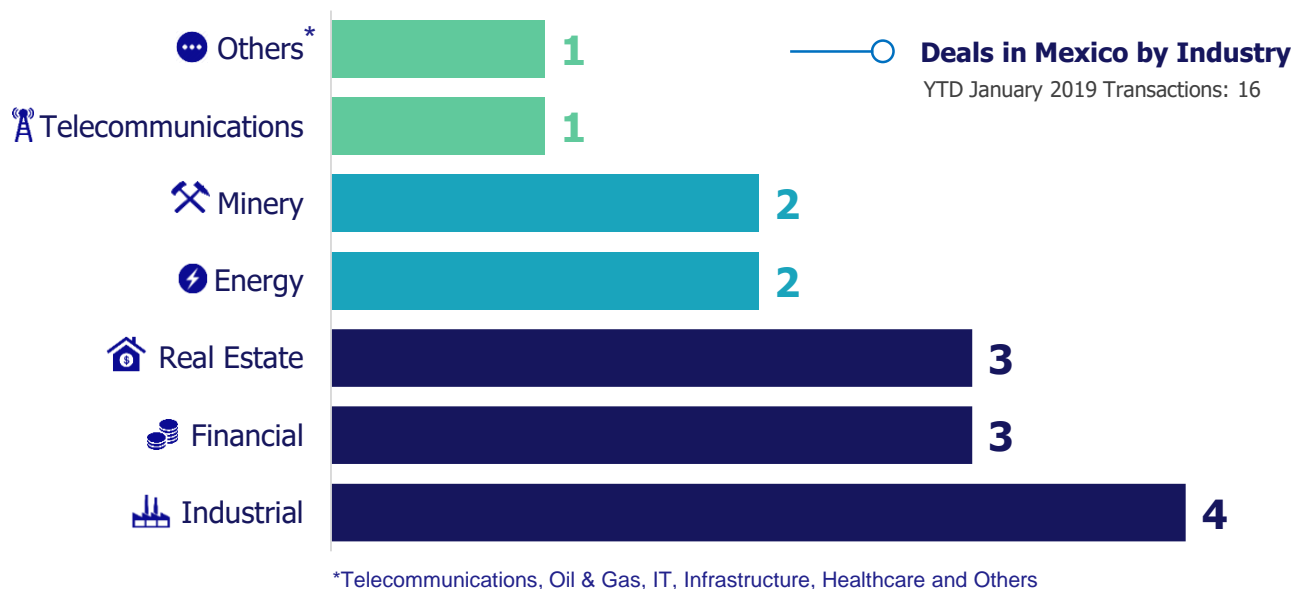
Deal Volume of Mexican Companies Acquiring Abroad
of Transactions per month



Deal Volume and Value of Mexican Companies Acquiring Abroad
Annual Transactions US\$ billion

SUMMARY OF MERGERS & ACQUISITIONS BY INDUSTRY

Industrial sector leads M&A activity in Mexico during 2019 with 2 announced transactions, representing 25% of total volume. Meanwhile, the telecommunication sector leads total acquisitions of Mexican companies abroad with 2 transactions announced.



Representative International Acquisitions by Mexican Companies

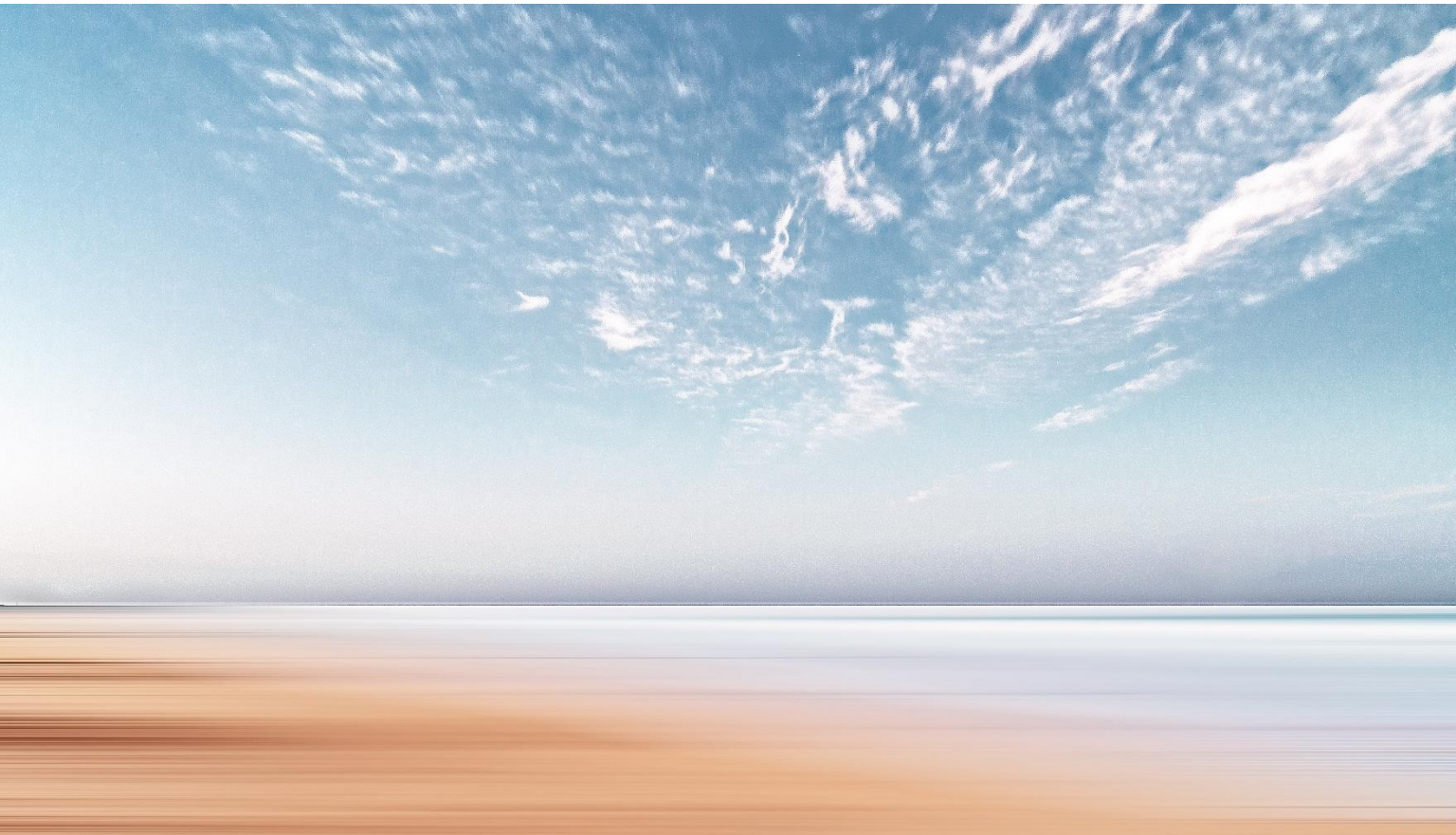
YTD January 2019 Transactions: 6

REPRESENTATIVE TRANSACTIONS IN MEXICO

Deal Summary	Target	Buyer
ContourGlobal , energy company in UK, announced the acquisition of two cogeneration energy plants of Alpek , petrochemical company in Mexico, for US\$801 million	 Two Cogeneration Energy Plants	
Ariston Thermo , Italian company of heaters, announced the acquisition of Calorex , heaters in Mexico, to Grupo Industrial Saltillo for US\$145 million		
AM Resorts , hotel services in the US, announced the acquisition of Grand Hotel Acapulco & Convention Center , hotel in Acapulco, Mexico, for US\$35 million		
Even Telecom S.A. de C.V. and Neutral Networks , Mexican telecommunications companies, announced the acquisition of Fiber optic assets of Pegaso, subsidiary of Telefonica Movistar , telecommunication company from Mexico / Spain, for US\$34 million	 Fiber Optic Assets	 

REPRESENTATIVE INTERNATIONAL ACQUISITIONS BY MEXICAN COMPANIES

Deal Summary	Target	Buyer
<p>America Movil, Mexican telecommunications company, announced the acquisition of Telefonica Moviles Guatemala and Telefonica Moviles El Salvador, telecommunications companies, for US\$332 and US\$314 million respectively</p>	 Guatemala and El Salvador	
<p>Alpek, petrochemical company in Mexico, announced the acquisition of Pet recycling plant of Perpetual Recycling Solutions, plant in the US, for an undisclosed amount</p>	 Recycling Plant	



DEAL OF THE MONTH #1

Ariston Thermo, Italian company of heaters, announced the acquisition of **Cal-o-Rex**, heaters in Mexico, to Grupo Industrial Saltillo for US\$145 million

Cal-o-Rex deals with the design, production, marketing and distribution of natural gas, electric and water heaters

BUYER



**ARISTON THERMO,
ANNOUNCED THE ACQUISITION OF
CALOREX**

TARGET



The transaction includes the sale of Calentadores de América, Fluida and Water Heating Technologies Corp.

With the transaction, GIS will pay debt and invest in other investment projects



PRESENCE IN +150 COUNTRIES



+850 EMPLOYEES



REVENUES OF US\$1.6 BILLION



IT BELONGED TO GRUPO INDUSTRIAL SALTILLO



FOUNDED IN 1930

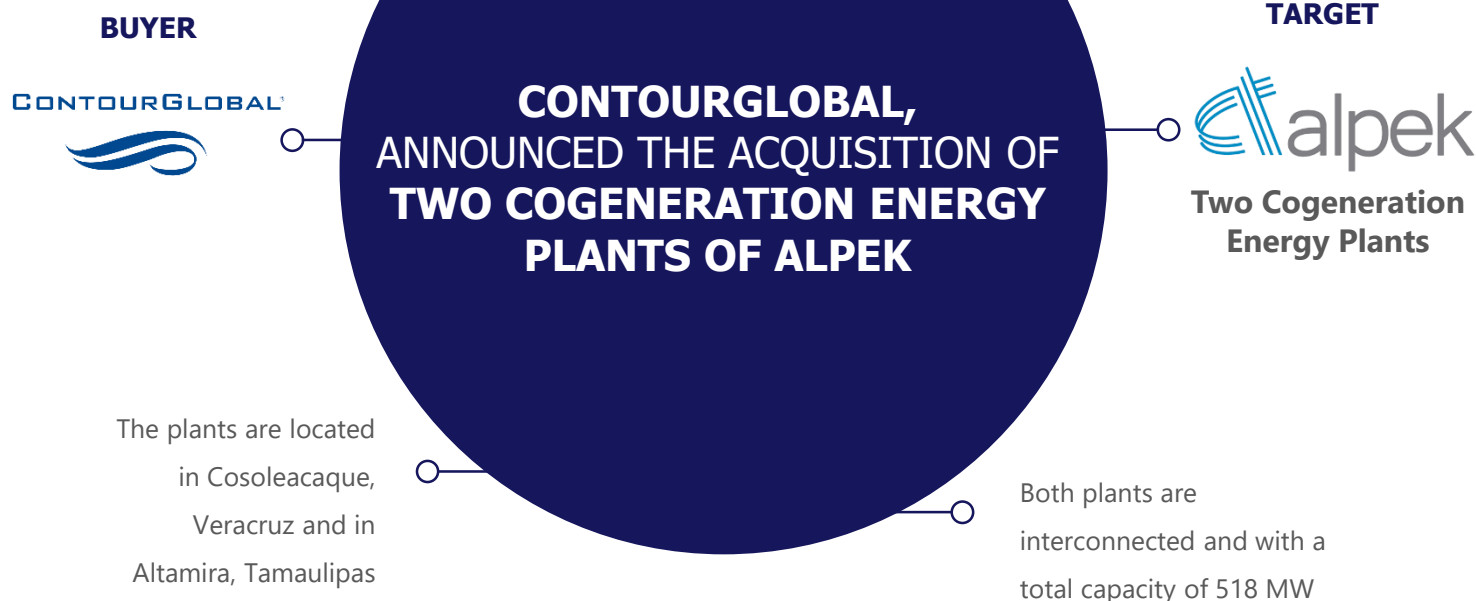


FOUNDED IN THE 40'S

DEAL OF THE MONTH #2

ContourGlobal, energy company in UK, announced the acquisition of **two cogeneration energy plants of Alpek**, petrochemical company in Mexico, for US\$801 million

The transaction includes the opportunity to build a third plant with a capacity of 414 MW in Altamira



PRESENCE IN 18 COUNTRIES



+100 ENERGY PLANTS



ENERGY CAPACITY OF 4,305 MW



SUBSIDIARY OF ALFA


















ONE OF THE BIGGEST PRODUCERS OF PET AND PTA



UNIQUE PRODUCER OF CAPROLACTAM IN MEXICO

DEALS IN MEXICO IN JANUARY 2019

Target			Buyer		Financial Information			
Name	Industry	Description	Name	Country	Size (\$USDM)	Part. Acquired	EV / EBITDA	EV / Revenue
VicRes Mining México S.A. de C.V.		Mining exploration	Undisclosed Buyer	-	-	100.0%	-	-
Metal precision business of FNA Mechatronics México		Automotive precision metal parts	FUJI ALCONIX México S.A. de C.V.	MEX	-	51.0%	-	-
Two cogeneration plants of ALPEK		Cogeneration plants	ContourGlobal Terra 3	LUX	\$801.0	100.0%	-	-
Urban Centar Condesa in Mexico City		Real estate properties	Seris Retail Holding	MEX	-	100.0%	-	-
Mexarrend		Leasing services	Docuformas	MEX	-	100.0%	-	-
Cal-o-rex of GIS		Heaters	Ariston Thermo	ITA	\$145.4	100.0%	-	-
Fibre optic assets of Pegaso PCS, S.A. de C.V.		Fibre optic assets	Even Telecom S.A. de C.V. and Neutral Networks	MEX	\$34.4	100.0%	-	-
PRETTL electronics Querétaro S.A. de C.V.		Electric equipment	Melecs EWS GmbH & Co.	GER	-	70.0%	-	-
Latin America private equity platform of Abraaj Holdings		Private Equity	Colony Capital, Inc.	USA	-	100.0%	-	-
Xpress Internacional S.A. de C.V.		Freight transport	U.S. Xpress Enterprises, Inc.	MEX	\$20.0	100.0%	-	-
Real estate portfolio in Puebla		Real estate portfolio	Investments & Properties M2	MEX	\$26.0	100.0%	-	-
Arcaya S.A. de C.V.		Investment platform	Axman Holdigns LP	MEX	-	-	-	-
Property in Oaxaca		Mining property	Minaurun Gold Inc.	CAN	\$0.0	80.0%	-	-
Two panels plants in Mexico		Wooden panels	Celulosa Arauco y Constitución S.A.	CHL	\$1.6	100.0%	-	-
Fuerza Eólica de San Matías S.R.L. de C.V.		Eolic energy	Sinia Capital S.A. de C.V.	MEX	-	-	-	-
Grand Hotel Acapulco & Convention Center		Hotel in Acapulco	AM Resorts LLC	USA	\$35.0	100.0%	-	-

 Mining
  Real Estate
  Others
  Financial
  Energy
  Consumer Goods
  Industrial
  Infrastructure
  Healthcare

 Telecommunications
  IT
  Oil & Gas

REPRESENTATIVE INTERNATIONAL ACQUISITIONS BY MEXICAN COMPANIES IN JANUARY 2019

Target				Buyer	Financial Information			
Name	Country	Industry	Description	Name	Size (\$USDM)	Part. Acquired	EV / EBITDA	EV / Revenue
PET Recycling plant of Perpetual Recycling	USA	...	Recycling plant	Alpek S.A.B. de C.V.	-	100.0%	-	-
Club Everton of Viña de Mar	CHL	...	Soccer team	Grupo Pachuca	-	20.0%	-	-
Assets of SCR-Sibelco N.V.	AUS	⚒️	Minerals	Graymont Ltd y Grupo Calidra S.A. de C.V.	-	100.0%	-	-
Telefónica Móviles Guatemala S.A.	GUA	📶	Telecommunication services	América Móvil	\$332.0	100.0%	-	-
Telefónica Móviles El Salvador S.A.	ESA	📶	Telecommunication services	América Móvil	\$314.0	99.0%	-	-
Yellow	BRA	...	Electric scooters	Grin Scooters	-	100.0%	-	-

 Mining
  Real Estate
  Others
  Financial
  Energy
  Consumer Goods
  Industrial
  Infrastructure
  Healthcare

 Telecommunications
  IT
  Oil & Gas

REPRESENTATIVE MEXICO ENGAGEMENTS

intelectiva
has acquired




KFC Costa Rica
from
QSR

ARCACONTINENTAL
has acquired



ARCACONTINENTAL
has acquired



CHEN
has merged with




a business of
alfa

FOQUE
GRUPO FOMENTO QUERETANO
merged its beverage division with



GRUPO TAMPICO
merged its beverage division with



caffenio
has partnered with



a subsidiary of
FEMSA

caffenio
has partnered with



Ragasa
Acquisition
Advisory
Services

Fonterra
Acquisition
Advisory
Services

TORREY
has been acquired by



CORPORACION ECG
Corporate
Finance
Advisory
Services

GRUPO INDUSTRIAL SALTILLO
has formed a partnership in the casting tools business between



AMERICAN STANDARD COMPANIES
sold



to



CEMEX
has carved out and sold its concrete pumping assets in Mexico

to



CEMEX
has formed a partnership to market and develop oil storage and distribution in Mexico with



FEMSA
sold



to



grupo protexa
Corporate
Finance
Advisory
Services

GRUPO SIELUB LUBRI TECH
has been acquired by



COSMOCEL
has sold Cosmotel Química to



a business unit of



FORTACERO
Corporate
Finance
Advisory
Services

Pinturas Berel
Corporate
Finance
Advisory
Services

GRUPO TAMPICO
has acquired



dealers of



INVERSA
Holding company of
sanfer
acquired a 61% stake on



GBM
has been acquired by



INMAGUSA
Grupo Galaz, S.A de C.V.
has been acquired by



DLG
has acquired

workshop and store in Mexico City from



Discovery Americas
has partnered with




AlEn
Acquisition
Advisory
Services

GRUPO INDUSTRIAL SALTILLO
has sold its sanitaryware business

ST. THOMAS CREATIONS
BATHROOMS THAT WORK BEAUTIFULLY

and
VITROMEX
to



Seale & Associates

Creative Solutions. Trusted Advice.

Since 1999, **Seale & Associates** has been the trusted advisor to highly respected public and private companies from around the world, with a track record of success in a diverse range of industries. Seale is an elite boutique global investment banking firm with extensive experience in mergers and acquisitions (M&A), corporate finance advisory, and enterprise level strategy consulting. Our experienced team of professionals are committed to serving clients with excellence and integrity, while offering innovative ideas and solutions to address complex dealings. All securities related transactions are cleared through Seale Capital, Inc., a registered broker dealer and member of FINRA and SIPC.

ADVISOR TO LEADING COMPANIES WORLDWIDE



* Multiple engagements

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Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry.

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