

# Seale & Associates

Creative Solutions. Trusted Advice.



MERGERS &  
ACQUISITIONS  
MEXICO

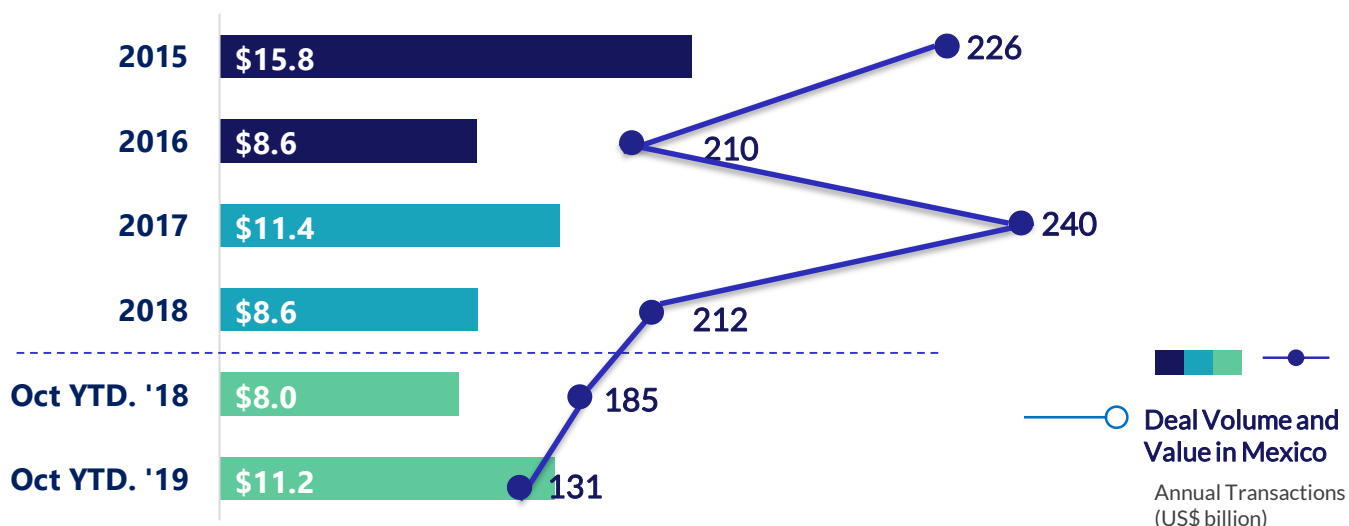
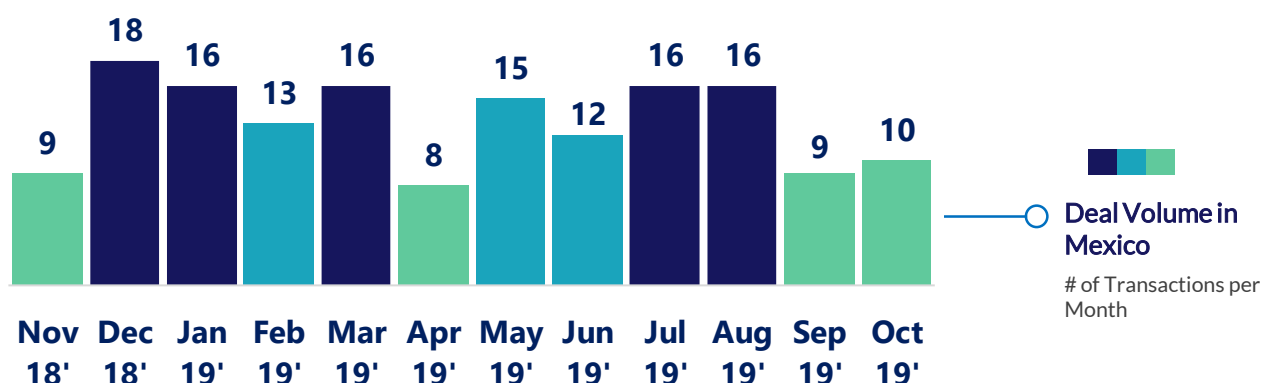
OCTOBER  
**2019**

MONTHLY ISSUE



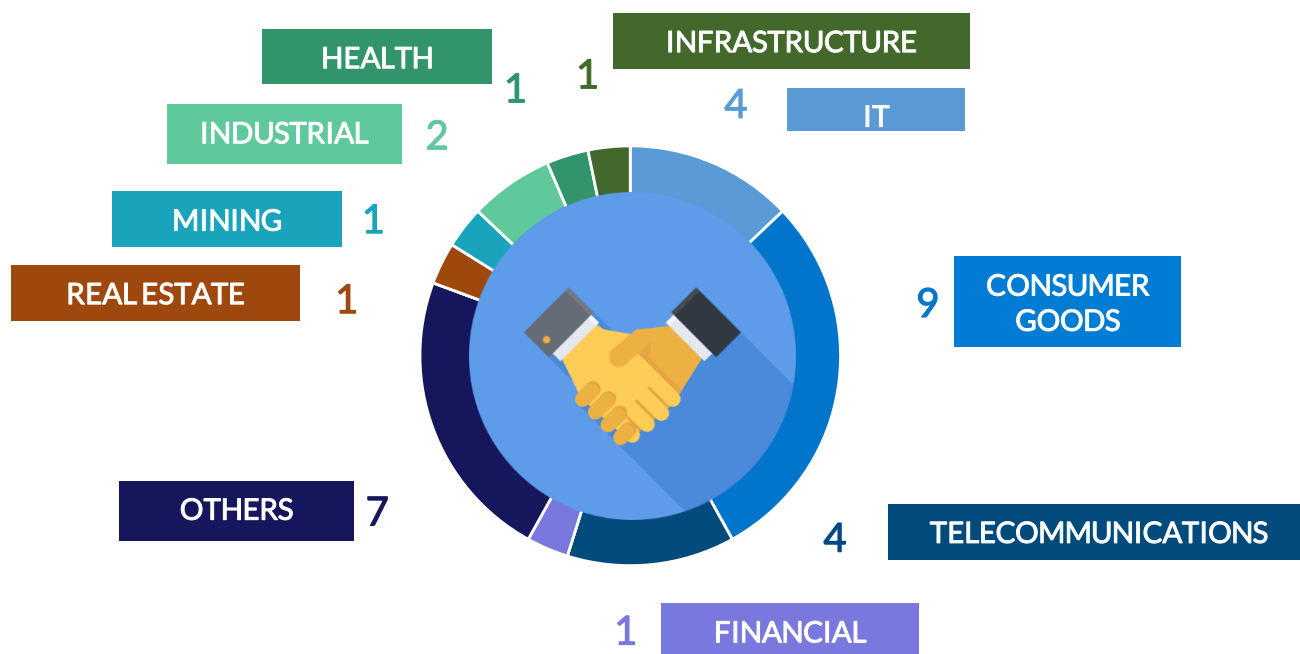
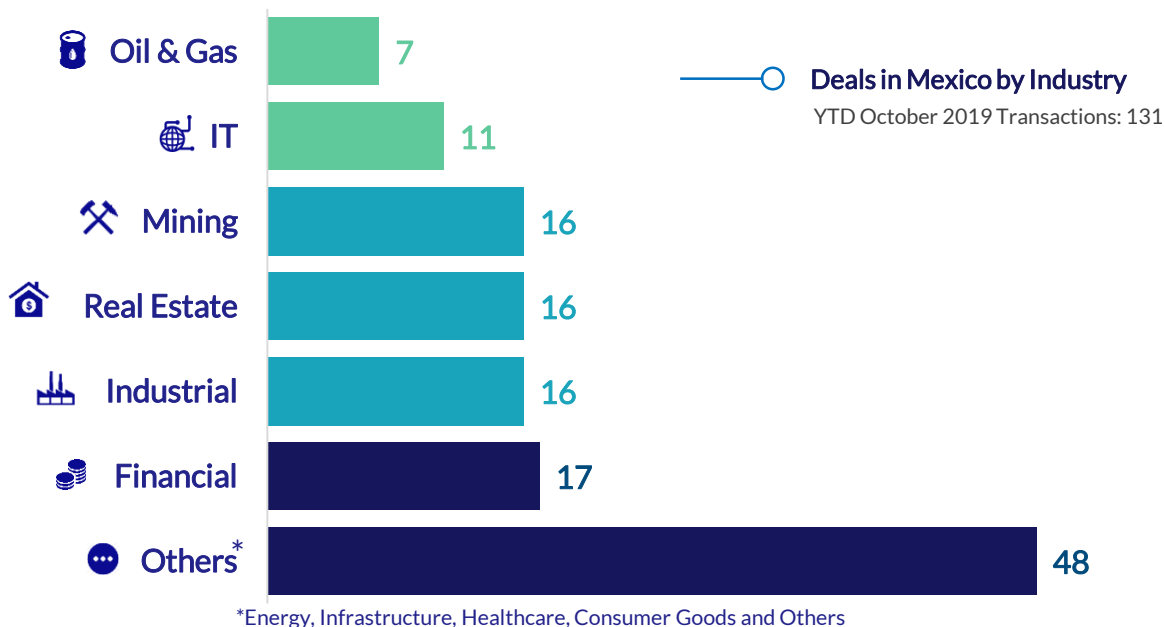
# SUMMARY OF MERGERS & ACQUISITIONS IN MEXICO

In October 2019, 10 transactions were announced in Mexico, increasing 11.1% against September of the ongoing year. In this period, the total reported deal value was US\$4,750 million. On the other hand, the volume and value of the announced transactions accumulated to October 2019 were 131 and US\$11,217.0 million respectively, representing a decrease in volume of 29.2% and an increase in value of 40.2% compared to the same period last year.



# SUMMARY OF MERGERS & ACQUISITIONS BY INDUSTRY

The financial sector leads the M&A activity in Mexico during 2019 with 17 announced transactions, representing 13.0% out of the total amount. Meanwhile, the consumer goods sector leads the accumulated acquisitions of Mexican companies abroad with 9 announced transactions. During October there were no announced transactions of Mexican companies abroad.










## Representative International Acquisitions by Mexican Companies

YTD October 2019 Transactions: 31

# REPRESENTATIVE TRANSACTIONS IN MEXICO

Deal Summary	Target	Buyer
On October 15 <sup>th</sup> of the ongoing year, <b>Banco C6 S.A.</b> , a Brazilian company providing digital banking services, announced the acquisition of 100% stake of <b>SOM.US, Intermediaria de Reaseguro S.A. de C.V.</b> , a Mexican insurance intermediary, for an undisclosed amount		
On October 11 <sup>th</sup> of the ongoing year, <b>Uber Technologies S.p.A.</b> , a U.S. transportation service provider, announced the acquisition of <b>Delivery Technologies S.p.A.</b> , a Mexican company that develops and operates an online consumer products platform, for an undisclosed amount		
On October 11 <sup>th</sup> of the ongoing year <b>Abertis Infraestructuras, S.A.</b> , a Spanish company dedicated to road management in Europe, announced the acquisition of 70% stake of the <b>Red de Carreteras de Occidente S.A.B. de C.V.</b> for US\$4,524.0 million, representing multiples of 13.3x EBITDA and 12.2x Sales		
On October 9 <sup>th</sup> of the ongoing year, <b>Davide-Campari-Milano S.p.A.</b> , an Italian spirits producer, announced the acquisition of <b>Licorera Ancho Reyes</b> and <b>CIA S.A.P.I. de C.V.</b> and <b>Casa Montelobos S.A.P.I. de C.V.</b> , Mexican spirits producers for US\$36.0 million		
On October 8 <sup>th</sup> of the ongoing year <b>Jaguar Ventures</b> , a Mexican investment firm, announced the acquisition of <b>NU BN Servicios México, S.A. de C.V.</b> , a Mexican company that offers financial services to consumers, for an undisclosed amount		

# REPRESENTATIVE TRANSACTIONS IN MEXICO

Deal Summary	Target	Buyer
On October 5 <sup>th</sup> of the ongoing year <b>Chevron Corporation</b> , a U.S. company focused on oil and specialized chemicals, announced the acquisition of a 40% stake of <b>3 Oil Blocks in the Gulf of Mexico</b> belonging to <b>Royal Dutch Shell PLC</b> , for an undisclosed amount	3 Oil Blocks in the Gulf of Mexico	
On October 4 <sup>th</sup> of the ongoing year <b>Equinix, Inc.</b> , an American company providing big data centers, announced the acquisition of <b>3 Data Centers</b> , 2 in Queretaro and one in Monterrey belonging to <b>Axtel S.A. de C.V.</b> , for US\$175.0 million, representing a multiple of 8.3x Sales	3 Axtel Data Centers	
On October 2 <sup>nd</sup> of the ongoing year, <b>Captiva Verde Land Corp.</b> , a Canadian pharmaceutical distributor, announced the acquisition of a 100% stake of <b>Salud Esmeralda de México S.A. de C.V.</b> , a Mexican company that distributes and sells pharmaceutical products for US\$15.0 million	Salud Esmeralda de México S.A. de C.V.	
On October 3 <sup>rd</sup> of the ongoing year <b>Sterimed SAS</b> , a French company focused on the manufacture of medical products, announced the acquisition of <b>Especialistas en Esterilización y Envase S.A. de C.V.</b> , a Mexican company supplying sterilized products for an undisclosed amount		
On October 11 <sup>th</sup> of the ongoing year <b>Lottus Education</b> , a Mexican platform providing educational courses for the higher level, announced the acquisition of an undisclosed stake in <b>Universidad Latinoamericana S.C.</b> , a private Mexican university, for an undisclosed amount		

# DEAL OF THE MONTH

Abertis Infraestructuras, S.A., a Spanish company dedicated to road management in Europe, announced the acquisition of 70% of the Red de Carreteras de Occidente S.A.B. de C.V. which has 5 concessionaires that handle 8 highways and total 876 kilometers in Mexico.



FOUNDED IN 1967



FOUNDED IN 2007

 **abertis**



HAS 13,400 EMPLOYEES



OPERATES AROUND 875 KILOMETERS OF HIGHWAYS



PRESENCE IN AMERICA, EUROPE AND ASIA



PRESENCE IN 5 STATES OF THE MEXICAN REPUBLIC

# DEALS IN MEXICO IN OCTOBER 2019

Target			Buyer		Financial Information			
Name	Industry	Description	Name	Country	Size (\$USDMMM)	% Sought	VE / EBITDA	VE / Revenue
SOM.US, Intermediario de Reaseguro S.A. de C.V.	🌐	Insurance Broker	Banco C6 S.A.	BRA	-	100.0%	-	-
Delivery Technologies SpA	🌐	Online consumer goods platforms	Uber Technologies, Inc.	USA	-	-	-	-
Red de Carreteras de Occidente, S.A.B. de C.V.	🚧	Highway operator	Abertis Infraestructuras, S.A.	ESP	\$4,524.0	70.0%	-	-
Casa Montelobos S.A.P.I. de C.V. Licorería Ancho Reyes y CIA S.A.P.I. de C.V.	🛒	Spirits producer	Davide Campari-Milano S.p.A.	ITA	\$36.0	51.0%	-	-
NU BN Servicios Mexico, S.A. de C.V.	💰	Financial Services	Jaguar Ventures	MEX	-	-	-	-
Three oil blocks located in the Gulf of Mexico	🛢️	Oil & Gas blocks in the Gulf of Mexico	Chevron Corporation	USA	-	40.0%	-	-
Three data centers belonging to Axtel, S.A.B. de C.V.	🌐	Axtel Data centers in Mexico	Equinix, Inc.	USA	\$175.0	100.0%	-	-
Salud Esmeralda de México S.A. de C.V.	🏥	Pharmaceutical producer and distributor	Captiva Verde Land Corp.	CAN	\$15.0	100.0%	-	-
Especialistas en Esterilización y Envase S.A. de C.V.	🏥	Sterilized packages supplier	Sterimed SAS	FRA	-	100.0%	-	-
Universidad Latinoamericana S.C.	🌐	Private university	Lottus Education	MEX	-	100.0%	-	-

 Mining
  Real Estate
  Others
  Financial
  Energy
  Consumer Goods
  Industrial
  Infrastructure
  Healthcare

 Telecommunications
  IT
  Oil & Gas

# REPRESENTATIVE MEXICO ENGAGEMENTS

 <i>has acquired</i>  <b>KFC Costa Rica</b> <i>from</i> 	 <b>ARCACONTINENTAL</b> <i>has acquired</i> 	 <b>ARCACONTINENTAL</b> <i>has acquired</i> 	 <i>has merged with</i>  <i>a business of</i> 	 <b>FOQUE</b> <small>GRUPO FOMENTO QUERETANO</small> <i>merged its beverage division with</i> 	 <b>GRUPO TAMPICO</b> <i>merged its beverage division with</i> 
 <b>caffenio</b> <i>has partnered with</i>  <i>a subsidiary of</i> <b>FEMSA</b>	 <b>caffenio</b> <i>has partnered with</i> 	 <b>Ragasa</b> <b>Acquisition Advisory Services</b>	 <b>Fonterra</b> <b>Acquisition Advisory Services</b>	 <b>TORREY</b> <i>has been acquired by</i> <b>FEMSA</b>	 <b>CORPORACION ECG</b> <b>Corporate Finance Advisory Services</b>
 <b>GRUPO INDUSTRIAL SÓLTILLO</b> <i>has formed a partnership in the casting tools business between</i> 	 <b>AMERICAN STANDARD COMPANIES</b> <i>sold</i>  <i>to</i> 	 <b>CEMEX</b> <i>has carved out and sold its concrete pumping assets in Mexico</i> <i>to</i> 	 <b>CEMEX</b> <i>has formed a partnership to market and develop oil storage and distribution in Mexico with</i> 	 <b>FEMSA</b> <i>sold</i>  <i>to</i> <b>ECOLAB</b>	 <b>grupo protexa</b> <b>Corporate Finance Advisory Services</b>
 <b>GRUPO SICELUB LUBRI TECH</b> <i>has been acquired by</i> <b>COLFAX</b>	 <b>COSMOCEL</b> <i>has sold Cosmolcel Química to</i>  <i>a business unit of</i> <b>ICL</b>	 <b>FORTACERO</b> <b>Corporate Finance Advisory Services</b>	 <b>Pinturas Berel</b> <b>Corporate Finance Advisory Services</b>	 <b>GRUPO TAMPICO</b> <i>has acquired</i>  <i>dealers of</i> <b>GRUPO FFB</b>	 <b>INVEKRA</b> <i>Holding company of</i> <b>sanfer</b> <i>acquired a majority stake in</i> 
 <b>GBM</b> <i>has been acquired by</i> 	 <b>INMAGUSA</b> <b>Grupo Galaz, S.A de C.V.</b> <i>has been acquired by</i> <b>IOCHPE - MAXION</b>	 <b>DLG</b> <i>has acquired</i> <i>workshop and store in Mexico City from</i> <b>GREENBRIER RAIL SERVICES</b>	 <b>Discovery Americas</b> <i>has partnered with</i>  <b>Anne Sullivan</b>	 <b>AlEn</b> <b>Acquisition Advisory Services</b>	 <b>GRUPO INDUSTRIAL SÓLTILLO</b> <i>has sold its sanitaryware business</i> <b>ST. THOMAS CREATIONS</b> <small>BAVARIANS THAT WORK BEAUTIFULLY</small> <i>and</i> <b>VITROMEX</b> <i>to</i>  <b>Villeroy &amp; Boch</b>



# 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.

## ADVISOR TO LEADING COMPANIES WORLDWIDE



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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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