

INCREASE IN ACQUISITIONS BY GUERNSEY COMPANIES, SAYS APPEBY

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Statistics from [Appleby](#) show that offshore deal volumes rose steadily throughout 2013, resulting in a cumulative 12-month deal value topped only three times in the last decade.

The latest edition of Offshore-i, the firm's quarterly report which provides data and insight on merger and acquisition activity in major offshore financial centres, has observed considerable gains in Q4 over the previous quarter in terms of the number of deals, their cumulative value, and average deal size.

There were 49 deals involving Guernsey targets in Q4 2013 worth US\$2.7bn, with an average deal size of US\$56m. While this number represents a decrease in the amount of deals when compared to the previous quarter, an increase in the number of Guernsey companies acting as acquirers is cause for optimism.

"The growing strength of offshore companies as acquirers in the global M&A markets is beginning to gain traction," said Jeremy Berchem, Corporate and Commercial Group Partner in Guernsey.

"In Guernsey, we saw a significant gain in the number of deals involving a local acquirer in the fourth quarter of 2013 when compared to the previous quarter, as well as an uptick over the same period of 2012."

There were 27 purchases by Guernsey-based companies totalling US\$865m. in the fourth quarter of 2013, which represents a 29% increase in volume and a 9% jump in acquisition values over the previous quarter. Compared to the same quarter of 2012, that represents an 8% increase in deals and an uptick of 6% in deal value in which Guernsey-based companies were the acquirer.

For the year, offshore companies have been busy and were involved in transactions across a wide range of sectors and geographies. The return to form of the equity capital markets, and particularly the heating up of the IPO pipeline, has been a notable feature for 2013, as has the steadily growing frequency of deals in the US\$1bn-plus range. The year ended with a cumulative 12-month deal value of US\$151bn, an annual total topped only three times in the last decade.

In Q4 2013 the offshore markets ranked sixth amongst world regions for deal volume, fifth for deal value and third for average deal size. Only North America and South and Central America came in with a higher deal average.

Cameron Adderley, Partner and Global Head of Corporate & Commercial, said: "While the final quarter of the year is typically the busiest, every one of the principal indicators has progressively improved. Indeed, the global M&A environment is fragile and to an extent lacks depth, but we can't help but view these year-end numbers as positive."

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