

## **Dubai's Emirates NBD Saves \$500M In Its Acquisition Of Turkish Denizbank Thanks To Lira Slump**

Dubai's Emirates NBD has said that it will acquire 99.85% of Turkish Denizbank for \$2.75 billion, a 19% discount (almost \$500 million) compared to the \$3.26 billion agreed in the deal signed a year ago in May 2018.

The drop comes as the lira slumped over the last year, with the rise of political and monetary concerns. The lira has lost 17% against the dollar since the deal was signed, hitting a record low in August.

Denizbank is the fifth largest private bank in Turkey, with equity capital amounting to \$3 billion, assets of \$37.1 billion, loans to customers amounting to \$26.1 billion and deposits amounting to \$25.4 billion as of March 31, 2018.

The Turkish bank operates through a network of 751 branches, with 708 branches in Turkey and 43 in other territories (Austria, Germany, Bahrain, Moscow and Cyprus), servicing around 11.8 million customers, through almost 14,100 employees and 5,900 ATMs.

Following the deal, Emirates NBD will increase its international presence to 13 markets and international assets will exceed 30% of the consolidated post acquisition balance sheet.

The transaction is expected to be complete by the end of Q2 2019, subject to obtaining the required regulatory approvals.

Emirates NBD has seen its shares jump today by 6%, hitting the highest level in 10 years.

“Through this transaction, Emirates NBD will establish itself as a leading bank in the Middle East, North Africa and Turkey (MENAT) region and achieve meaningful diversification of its operations,” said Hesham Abdulla Al Qassim, Vice Chairman and Managing Director, Emirates NBD in May.

<https://www.forbesmiddleeast.com/dubais-emirates-nbd-saves-500m-in-its-acquisition-of-turkish-denizbank-thanks-to-lira-slump>