

## **O&G Sector to see RM15 Billion Worth of Acquisitions in 2013**

Merger and acquisition (M&A) activities remain on the cards of local oil and gas (O&G) players, with about RM10 billion to RM15 billion worth of acquisitions expected this year, said tax experts. Deloitte Southeast Asia M&A tax leader and country energy and resources leader, Steven Yap said that factors driving acquisitions are growing demand, replacing existing resources for expansion and worldwide M&A trend. He cited national oil firm Petroliam Nasional Bhd. (Petronas) which has been actively seeking to acquire foreign oil and gas assets and had recently planned a US\$850 million acquisition of Brazil's Tubarao Martelo oil field from OGX Petroleo e Gas participacoes SA. Many more companies will be pursuing M&A activities globally for the obvious benefit of access to capital, improved profitability and sharing of technology and risk. Yap described the outlook for the O&G sector as "attractive" and there will be a lot of exploration activities with new discovery.

*{Sourced from The Sun Daily, 15 May 2013}*