

GREATER AVAILABILITY OF FINANCING DRIVING INCREASE IN SPANISH M&A - ROCA JUNYENT

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Private equity funds among the investors competing for assets in the infrastructure, energy, healthcare and technology sectors

Improved access to financing means more investors are able to make acquisitions in the Spanish market, with the result that there are significant opportunities for M&A lawyers, says Carlos Blanco, partner at Roca Junyent in Madrid.

"It is a very good period for M&A in Spain and there is a lot of liquidity in the market, with both private equity and industrial companies competing for attractive assets in sectors such as infrastructure, energy, healthcare and technology," Blanco says. "This high liquidity and the growth of our economy is pushing up EBITDA [earnings before interest, taxes, depreciation and amortisation] multiples and prices."

While in recent years, international investors played a significant role in the recovery of the M&A sector, domestic funds and industrial companies are now very active as well, says Blanco. He adds: "Getting financing is much easier than it was some years ago as it's not only provided by the banks but also by new direct lending vehicles." As a result, Spanish corporate and M&A lawyers now have a

good opportunity to win more work. "However, while there is more M&A activity than there was a few years ago, fees are not the same as the pre-crisis era," Blanco says.

Show 'added value'

He adds that competition between M&A lawyers in Spain is fierce, with many sophisticated practitioners in the market. Consequently, law firms should focus on showing clients the value that M&A lawyers can add. "It's not enough to demonstrate our technical capabilities, which are understood, we should show other distinguishing elements of our service, such as availability, knowledge of the client's business, proactivity and whether we are technology-friendly," explains Blanco. "We need to use technological tools to think more efficiently, in order to add value for the client while making a profit for the law firm."