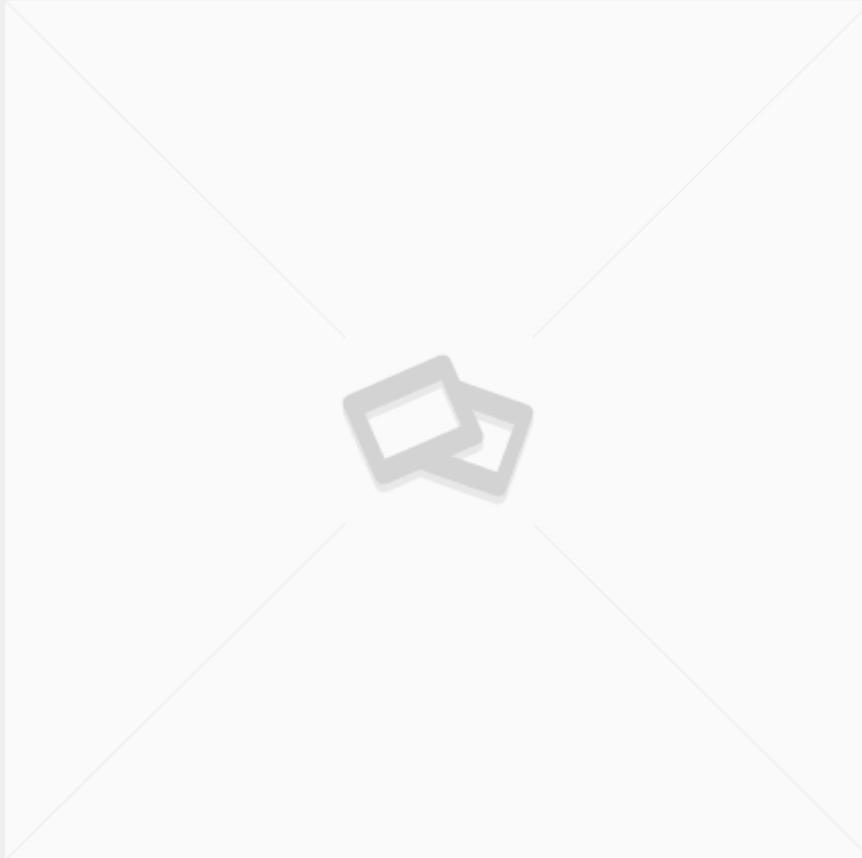


PÉREZ-LLORCA, WHITE & CASE AND BAKER MCKENZIE ADVISE ON SANTANDER TAKEOVER OF BANCO POPULAR

Posted on 03/07/2017



Category: [Archive](#)



Pérez-Llorca acted for Banco Santander on its takeover of the failing Banco Popular, which instructed Baker McKenzie.

White & Case acted for Banco Santander's financial adviser Citi. Banco Santander was also advised by Lisbon law firm MLGTS on the deal, according to Mergermarket.

Banco Santander bought the bank for the symbolic price of €1 – European Union authorities had previously declared that the bank was “failing or likely to fail”.

Owners of Banco Popular bonds reportedly face losses of €2 billion.

It was also reported that up to €2 billion a day was being taken out of the bank by savers in the week prior to it being taken over.

A Santander statement said: The integration of Santander and Popular will significantly enhance

Santander's franchises in both Spain and Portugal. In Spain the bank will become the leading bank by both lending and deposits, serving over 17 million customers with a credit market share of around 20 per cent. The combined business, which will operate under the Santander brand, will have a 25 per cent market share in SME lending in Spain."

It added: "In Portugal, the integration of Popular with Santander Totta will accelerate growth and strengthen market shares in both lending and deposits, enhancing Totta's position as the leading privately owned bank in the country, with over 4 million customers. The acquisition is expected to generate a return on investment of 13-14 per cent in 2020, and an increase in Earnings Per Share (EPS) in 2019. The combined business will benefit from increased profitability with strong potential for further revenue growth. The expected cost synergies of close to €500 million per year from 2020 will lead to efficiency ratios that are among the best in both Spain and Portugal."