

DATE

January 31, 2019

SECTORS

Financial Services

DEAL LOCATIONS



DEAL TEAM



Raúl J. Julián

Managing Director

DC Advisory advised MAPFRE on the acquisition of Santander Spain's General Insurance business



Background

- MAPFRE Group (MAPFRE) is the leading Spanish insurance company, listed on the Spanish Stock Exchange with a market capitalisation of approximately €7.6 billion
- MAPFRE's total consolidated revenue amounted to c. €28 billion in 2018
- Banco Santander (Santander) is a leading Spanish financial group listed on the Spanish Stock Exchange, with a market capitalisation of approximately €71.3 billion
- Santander España is a retail and commercial bank with more than 4,000 branches and a €218 billion gross loan value

Process

- As a result of DC Advisory's (DC) relationship with Banco Santander, in October 2018, DC introduced MAPFRE to the potential acquisition opportunity with the General Insurance (Motor & SMEs) business of Santander España
- In November 2018, DC was hired as exclusive financial advisor to MAPFRE for the transaction
- Santander arranged a competitive process to sell its Motor, SME Multi-risk and Third-Party Liability Insurance businesses
- DC's deep understanding of the business and its relationships with both MAPFRE and Santander allowed MAPFRE to move fast during the process

Outcome

- In January 2019, MAPFRE acquired 50.01% of Santander's General Insurance (Motor & SMEs), while Santander will retain the remaining 49.99%
- The enterprise value of the transaction was €164.4 million
- The acquisition also includes a long-term agreement, ending December 2037, for the distribution of Motor, SME Multi-risk and Third-Party Liability Insurance on an exclusive basis throughout the Santander banking network in Spain