

DATE

February 03, 2020

SECTORS

Financial Services

DEAL TYPE

M&A Advisory

DEAL LOCATIONS



DEAL TEAM



Raúl J. Julián

Managing Director

DC Advisory advised Ibercaja on the sale of Caser to Helvetia and on the renewal of its distribution agreement



Background:

- Caser is a leading insurer in Spain with revenues over EUR 1.6 billion and a strong focus on Non-Life Insurance. Caser was owned by several Spanish banks and French insurers
- Ibercaja is a retail Spanish bank with over EUR 50 billion on-balance assets and strong leadership across some of the wealthiest regions in Spain
- Ibercaja is one of the key shareholders of Caser and its most relevant distributor of Non-Life Insurance products, instrumented in a long-term distribution agreement
- Helvetia is a leading Swiss all-line insurer with a market cap of c. EUR 6.5 billion and presence across several European countries, including Spain
- A competitive process to sell Caser was launched in July 2019, whereby DC Advisory was appointed as exclusive advisor to Ibercaja

Process:

- The sale process of Caser was complex due to the different nature and interests of the existing shareholders
- The main objectives of Ibercaja, as shareholder and main distributor of Caser, was to maximise the value of the distribution agreement, achieving a high valuation for the stake to be sold whilst retaining a strategic minority stake
- Maintaining Ibercaja's distribution agreement post-acquisition of Caser was very important for the potential buyers
- Ibercaja's strategy, developed with DC Advisory, consisted of providing clarity to the

renewal of the distribution agreement which resulted in high visibility of Caser's sale process

Outcome:

- Total proceeds for Ibercaja will amount to EUR 171 million
- Ibercaja sold 4.45% of its stake in Caser for a consideration of EUR 51 million (Caser's 100% EV equalled EUR 1.1 billion) and maintains a 9.5% stake for the continuation of Ibercaja's revenue diversification strategy
- The renewal of Ibercaja's Non-Life distribution agreement has been valued at EUR 120 million, whereby EUR 70 million is to be paid upon transaction closing and an additional consideration of EUR 50 million is subject to business plan performance