

DATE

July 19, 2012

SECTORS

Financial Services

DEAL TYPE

Debt Advisory & Restructuring

DEAL LOCATIONS



DEAL TEAM



Raúl J. Julián

Managing Director



Henry Berczely

Managing Director

DC Advisory advised Grupo Santander on the monetisation of its Life Risk insurance portfolio



Background

- Grupo Santander (Santander) is a retail bank based in Spain and present in ten major markets. It is the eurozone's leading bank and is among the top 20 financial institutions worldwide with more than €40 billion¹ of market capitalization
- Founded in 1857, Santander manages €1.383 billion in funds for more than 102 million clients through its network of 15,000 offices
- Santander has an important presence across the Iberian Peninsula
- In Spain, Santander is the largest financial group by profit, with over 5,000 branches and more than 12 million clients
- The portfolio reinsured in this transaction consists of Life Risk policies distributed by Santander's retail banks in the Iberian Peninsula

Process

- DC Advisory (DC) advised Santander on the monetization of its Life Risk insurance portfolio in Spain and Portugal through a reinsurance agreement
- The insurance policies ceded to Abbey Life Assurance Ltd consist of a portfolio as of June 30, 2012, distributed by Santander's retail banks in Spain and Portugal
- DC acted as financial advisor to Santander on this transaction and continues to be engaged by the client
- With this transaction, DC strengthens its leadership in the Spanish FIG / Insurance sector, having advised on the first agreement of this kind closed in the Spanish and Portuguese insurance markets

Outcome

- This reinsurance agreement does not involve any changes for Santander customers as services will continue to be provided by Santander's insurance companies. This was a relevant issue due to the importance of customer relationship in Santander
- Santander will continue to offer through its branches in Spain and Portugal products designed by its insurance companies as the agreement reached with Abbey Life Assurance Ltd does not involve any commitment on future distribution and is limited to the portfolio existing at June 30, 2012