Europe’s banks emerge from the COVID-19 pandemic resolute in their ambitions

UK & European Financial Services M&A: Sector trends H2 2021 | H1 2022

Banks

Top 3 drivers of UK and European bank M&A in the past 12 months:

- **Embracing the future**: Pruning overcapacity through internal reorganisations and ambitious non-core disposal programmes
- **Banks get match fit**: Regional consolidation M&A and opportunistic acquisitions in core geographies/business lines
- **Europe’s challengers dig their heels in**: More than five new entrants, more than five consolidation M&A deals and more than 10 successful funding rounds, in the UK alone
Europe’s banks emerge from the COVID-19 pandemic resolute in their ambitions

High levels of M&A across the UK and Europe, notwithstanding uncertainty ignited by the Russia/Ukraine conflict. Europe’s banks have emerged from COVID-19 turmoil resolute in their ambitions to shed non-core assets, consolidate regional strengths and vigorously pursue digitalisation strategies.

Overview

CURRENT MARKET

We are seeing

- Focus on internal restructurings: Corporate reorganisations (e.g., Société Générale’s merger of French retail bank with Credit du Nord)
- Branch closures, as European banks cut costs and migrate to digital distribution models (e.g., Lloyd’s closure of 80 UK branches and NatWest’s closure of 56 UK branches)
- Non-core disposals: Banks concentrate on core markets/business lines (e.g., BNP Paribas sold BNPPP Prusian Banking Spain, Bank of the West, Hello bank! Austria and ClimateSeed in the past 12 months)
- European banks with Russian exposures respond to sanctions (e.g., Société Générale’s disposal of Rosbank)
- Russian banks are forced to retreat from international markets (e.g., Sberbank’s disposals of its Croatian, Slovenian and Bosnian banking subsidiaries)
- Domestic and regional consolidation: Mergers of equals—Norway leads the charge in the past 12 months (e.g., Enet Sparebank & Sparebanken Vest and Sparebank 1 Sør-Ost-Norge & SpareBank1 MidtNord)
- Trade consolidators—Belgium (e.g., BNP Paribas Fortis’s acquisition of Boost Bankage and Crelan’s acquisition of AXA Bank Belgium and Spain (e.g., Banca March’s acquisition of BNP Paribas Private Banking Spain and CaixaBank’s acquisition of 57% of Bankia top the leader boards as the hottest European consolidation markets in the past 12 months
- Steady stream of successful large NPL/UTP/REO transactions, in the form of:
  - Portfolio sales (e.g., Santander’s disposal of €600 million of SME NPLs to Tidam Park and €495 million of unsecured NPLs to Axactor)
  - Equity investment by financial sponsors into debt servicing JVs, combined with long-term servicing arrangements (e.g., Davidson Kempner’s acquisition of 89% of Henick Group, a 52% stake in CreditEase, which services €10.8 billion of Alpha Bank’s NPLs)
  - Incumbent banks boosting affiliated debt servicing capability (e.g., Pricoa Bank’s acquisition of 52% of Transact)
  - Outsourcing of debt servicing to industrial-scale specialist debt collection specialists (e.g., Hellican Bank’s outsourcing for €1.32 billion of NPLs to DallekPIMCO)
  - Sophisticated securitisation structures (e.g., UniCredit securitisation of €2.2 billion of secured and unsecured NPLs, backed by the DACS state guarantee scheme)

Key Drivers

- European banks continuing to invest in the digital future:
  - Push in direct investments (e.g., BBVA’s participation in funding rounds for Atom Bank and NatWest)
  - Opting for the try-before-you-buy model (e.g., Barclays’ partnerships with Revolut and StarlingMoney/Carbon)
  - Tying the knot in the payments arena (e.g., NBO’s JV with EVO Payments and Unicredit’s JV with Naxa)
- Galvanising market share amidst fierce competition from Europe’s challengers:“
  - “Challengers” come of age—8 growth acquisitions in H2 2021, UK remains the hottest market (e.g., Tandem, Daalhuis, Solarisbank, bank199 and Starling Bank all inked transformative deals in H2 2021)
  - Smaller lenders stockpile lending firepower—>25 neo banks across Europe raise capital, primarily from growth equity and venture capital sponsors
  - Steady stream of new entrants into the banking market—more than 5 new entrants into the UK banking market in H2 2021
- Bank balance sheet deleveraging, driven by:
  - Mounting pressure on Europe’s systemic banks to deliver their strategic capital and restructuring plans
  - Europe’s banks actively managing Russian debt exposures (e.g., European banks have approximately US$84 billion of exposure to Russia, a significant proportion of which is expected to sour)
  - Europe’s banks being able to re-assess borrower default levels following withdrawal of government-backed COVID-19 credit support measures (e.g., provisioning levels within pan-European banks have nearly doubled year-on-year as they brace for expected losses due to the COVID-19 pandemic)
- Hungry buy-side recipients of financial assets, including financial sponsors (e.g., NPEX’s disposal of €550 million of residential mortgage NPLs from CaixaBank), industrial-scale debt servicing companies (e.g., Most’s acquisition of €2.1 billion of unsecured consumer and SME NPLs from Alpha Bank and acquisition of €400 million of unsecured NPLs from CaixaBank) and specialist credit managers (e.g., CreditEase’s acquisition of €1.1 billion of mortgage NPLs from KBC Bank Ireland)

Trends to Watch

- Government intervention to curb cost-cutting through branch closures, remediating concerns relating to reasonable customer access to cash facilities
- Established banks challenging the challengers (e.g., Société Générale’s Boursorama, Intesa Sanpaolo’s iwaybank and ING’s More
- Increasing regulator focus on ESG considerations:
  - Increasing remit of prudential regulators to ensure UK and European banks meet net-zero carbon ambition targets
  - Increasing scrutiny of sustainability disclosures
- Turkey dips its toes into the NPL sale market:
  - “Test deals” are still relatively small (e.g., Türkya Garanti Bankası’s disposal of US$37 million of NPLs to Galakcek Vakıf Yonetimezi)
  - Larger deals coming to market could attract international interest (e.g., Denizbank’s disposal of US$93.9 million of NPLs)
- Currently, only local asset managers are permitted to purchase (e.g., Isbank’s disposal of US$100 million of NPLs to Emir Vakıf Yonetimezi, Istanbul Vakıf Yonetimezi, Galakcek Vakıf Yonetimezi, Hudal Vakıf Yonetimezi and Arisan Vakıf Yonetimezi)
- Local asset managers bulk up in preparation (e.g., merger between Dunya Vakıf Yonetimezi, Hoca Stratejik Yatırımlar and Merkez Alacak Yonetimezi Danismanlik ve Dostek Hizmetleri)
- Growing legislative realisation that small NPL portfolio sales to local debt collection agencies are not helping Turkey’s endemic bad debt situation. Positive signs that the following archaic laws could soon be revisited:
  - Banking laws: NPLs can only be sold to Turkish asset management companies, while UTPs (i.e., Group II loans under close monitoring) can the Russia/Ukraine conflict. Europe’s banks exit hiatus, hastened by the need to consolidate market share and free-up balance sheet capacity
- Increasing NIM environment.

Our M&A forecast

- Strong growth in M&A activity as Europe’s banks exit hiatus, hastened by the Russia/Ukraine conflict, into a higher interest rate environment. Growth to be accelerated by restocked war chests following non-core business disposals, freeing-up of balance sheet capacity through legacy NPL portfolio sales and the need to consolidate market share as well as implement ambitious digital transformation strategies.

A forecast

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Our outlook for bank M&A is extremely positive despite current market uncertainty. Many of Europe’s lenders dedicated significant resources towards fine-tuning their development strategies during COVID-19 lockdowns. The result is emergence with clear goals into an increasing NIM environment.”

– Hyder Jumabhoy

Hyder Jumabhoy
Co-head EMEA Financial Services M&A
EMEA Corporate Group
PIG M&A
Partner, London

Ashley Ballard
EMEA Corporate Group
PIG M&A
Partner, London
## Europe’s financial asset transfer landscape

### Case study: Greece

**Cash purchase price**

<table>
<thead>
<tr>
<th>Investors</th>
<th>Lender</th>
<th>Bank of Greece</th>
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<tbody>
<tr>
<td>AM</td>
<td>Deferred consideration</td>
<td>HAPS guarantee</td>
</tr>
<tr>
<td>Servicer</td>
<td>Super senior securitisation notes</td>
<td>Senior securitisation notes</td>
</tr>
<tr>
<td>SPV</td>
<td>Junior securitisation notes</td>
<td>Investors</td>
</tr>
</tbody>
</table>

**Option 1: Asset management structure**

- Bank of Greece approves establishment of asset manager (AM).
- Lender conducts outright sale of NPLs at book value (thereby achieving significant risk transfer (SRT), together with a portion of deferred tax credits (DTCs), to AM).
- AM pays for NPLs and DTCs as follows:
  - **Upfront consideration to Lender:** Book value of NPLs, paid in kind through issuance by AM of senior securitisation notes to Lender.
  - **HAPS guarantee fee payments to Hellenic Republic.**
  - **Super senior securitisation notes benefit from HAPS guarantee (with rating of ≥BB-)**
  - **Principal and interest payments under securitisation notes are subscribed for by 3rd-party investors**
  - **Sufficient quantum of junior and/or mezzanine notes have not been redeemed in full by 3rd anniversary of issuance**

**Option 2: 3rd-party/Retained securitisation structure (not supported by HAPS)**

- **Orphan special purpose vehicle (SPV) acquires NPLs from Lender, in return for pre-agreed cash purchase price**
- **SPV appoints specialist debt servicer to manage NPLs**
- **Securitisation notes are subscribed for by 3rd-party investors**
- **Principal and interest payments under securitisation notes are funded from NPL recoveries by servicer**

**Option 3: 3rd-party securitisation structure supported by HAPS**

- **Orphan SPV acquires NPLs from Lender, in return for pre-agreed cash purchase price**
- **SPV appoints specialist debt servicer to manage NPLs**
- **Securitisation notes have floating coupon and flexible redemption to facilitate pass-on of NPL recoveries by servicer**
- **Senior securitisation notes benefit from HAPS guarantee (with rating of ≥BB-)**

**Condition 1:** Rating of securitisation notes is ≥BB-

**Condition 2:** ≥50% of junior securitisation notes have been subscribed for by 3rd-party investors

**Condition 3:** Sufficient quantum of junior and mezzanine securitisation notes have been subscribed for by 3rd-party investors to enable accounting re-recognition of NPLs from Lender’s balance sheet.
### Branch closures

<table>
<thead>
<tr>
<th>Bank</th>
<th>Country</th>
<th>Venue/Closure Details</th>
</tr>
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<tbody>
<tr>
<td>DBK</td>
<td>Northern Ireland</td>
<td>Closure of 4 Northern Irish branches (May 2022)</td>
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<tr>
<td>Barclays</td>
<td>UK</td>
<td>Closure of 103 UK branches (April 2022)</td>
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<tr>
<td>HSBC</td>
<td>UK</td>
<td>Closure of 69 UK branches (March 2022)</td>
</tr>
<tr>
<td>Lloyds</td>
<td>UK</td>
<td>Closure of 60 UK branches (March 2022)</td>
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<tr>
<td>Halifax</td>
<td>UK</td>
<td>Closure of 17 UK branches (March 2022)</td>
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<tr>
<td>NatWest</td>
<td>UK</td>
<td>Closure of 56 UK branches (February 2022)</td>
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<tr>
<td>unicaja</td>
<td>Spain</td>
<td>Closure of 395 Spanish branches (February 2022)</td>
</tr>
<tr>
<td>TSB</td>
<td>UK</td>
<td>Closure of 70 UK branches (November 2022)</td>
</tr>
</tbody>
</table>

### Lifeline funding:

- **Baltic International Bank (Latvia)**: Successful €12 million funding round (November 2021)
- **Morgan (France)**: Merger of French retail bank with Crédit du Nord (October 2022)

### Capital injections

- **Banque Misr (Egypt)**: US$201.1 million investment in Banque Misr (Egypt) (February 2022)

### Restructurings

- **Merger**: Crédit du Nord (France) with Société Générale (France) (January 2022)

### Corporate reorganisations

- **TSB**: Closure of 395 Spanish branches (February 2022)
- **Halifax**: Closure of 70 UK branches (November 2022)

### ECB aims to complete a detailed assessment of how international banks manage their EU business by early 2022 (Financial Times, December 2021)

### Deal highlights

**White & Case advised Alpha Bank, the largest of Greece’s four systemic banks by market capitalisation, on the disposal of Alpha Bank Albania, its Albanian banking subsidiary, to Hungary’s OTP Bank.**

- **Alpha Bank (Albania)**: Disposal of Alpha Bank Albania (December 2021)
- **Santander (Poland)**: Disposal of 10% of Avva Towarzystwo Ubezpieczeń na Życie and Santander Avva Towarzystwo Ubezpieczeń (December 2021)

**Credit Agricole (Kazakhstan)**: Disposal of 51% of Toficha (June 2022)

**ING (France)**: Disposal of French retail banking business (April 2022)

**BNP Paribas (Spain)**: Disposal of BNP Paribas Private Banking Spain (February 2022)

**Savcombank (Russia)**: Disposal of Septem Capital (February 2022)

**Icerea (Italy)**: Disposal of 60% of BCC Pay (February 2022)

**Citadele bank (Switzerland)**: Disposal of Kaleido Privatebank (January 2022)

**Emirates NBD (UAE)**: Disposal of controlling interest in Dubai Bank (December 2021)

**BNP Paribas (USA)**: Disposal of Bank of the West (December 2021)

**NatWest (Ireland)**: Disposal of Ulster Bank’s retail, SME and asset finance businesses (December 2021)

**Commerzbank (Hungary)**: Disposal of Commerzbank Zrt (December 2021)

**NLB (Slovenia)**: Disposal of Komercijalna banka (October 2021)

**TBA Bank (Ukraine)**: Disposal of Rad TBA Bank (October 2021)

**Sberbank (Uzbekistan)**: Disposal of Sberbank Buki (March 2022)

**Raiffeisen Bank International (Austria)**: Disposal of controlling interest in Raiffeisenbank Bulgaria (November 2021)

**ING (Austria)**: Disposal of Austrian retail banking business (November 2021)

**Aron Bank (Iceland)**: Disposal of cards (July 2021)

**Danske Bank (Luxembourg)**: Disposal of Luxembourg wealth management business (July 2021)

**Estonian Credit Union (Estonia)**: Disposal of cards (March 2022)

**Scandinavian Retail Bank (Sweden)**: Disposal of cards (March 2022)

**Raiffeisen Bank Europe (Austria)**: Disposal of cards (March 2022)

**Helvetia (Switzerland)**: Disposal of cards (March 2022)

**Intesa Sanpaolo (Italy)**: Disposal of cards (March 2022)

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**Scandinavian Retail Bank (Sweden)**: Disposal of cards (March 2022)
EBA has raised concerns over banks’ exposure to hospitality and leisure-related sectors, where NPL ratios are on the rise. (S&P Global, December 2021)

EU banks could suffer €308 billion of credit losses by 2023 if COVID-19 and the low interest rate environment were to be prolonged, with the largest losses across France, Italy, Germany, the US, Spain and the Netherlands. (S&P Global, July 2021)

**NPL/UTP disposals:**
- Santander (Spain): Disposal of €459 million of unsecured NPLs to Avantor (November 2021)
- CaixaBank (Spain): Disposal of €400 million of unsecured NPLs to Cabot and Hoist (November 2021)
- NatWest (UK): Disposal of €400 million of commercial real estate NPLs to Attestor, Octane Capital Partners and Elantra (September 2021)
- Piraeus Bank (Greece): Acquisition of 52% of Triast (January 2022)
- Ulster Bank (Ireland): Disposal of £600 million of performing UK SME loans to Alixa (November 2021)
- Kensington Mortgages (UK): Disposal of £1 billion of performing mortgage loans to Stable Bank (November 2021)
- KBC Bank Ireland (Ireland): Disposal of €8.8 billion of performing mortgage loans to Bank of Ireland (October 2021)
- Finqus (Netherlands): Disposal of €1.5 billion of mortgage loans to NIBC Bank (July 2021)
- Acquisitions – asset/credit managers: Lenders are tipped for further M&A and capital markets activity amid positive signs for the sector, including confidence in asset quality and the prospect of inflation. (Mergermarket, July 2021)

**Regional & domestic market consolidation**
- White & Case advised Atlas Mara and the other controlling shareholders on the disposal of Union Bank of Nigeria, one of Nigeria’s longest-standing and most respected lenders, to Titan Trust Bank.
- White & Case advised Landesbank Baden-Württemberg, the full-service savings bank in Baden-Württemberg Rheinland-Palatinate and Saxony, on its acquisition of Berlin Hyp, a leading commercial real estate financing provider in Germany.
- White & Case advised Spain’s BBVA on its £2.25 billion voluntary tender offer to acquire 50.15% of 7. Garanti Bankasi, the second-largest bank in Turkey.

**Mergers of equals:**
- National Commercial Bank, Itä-Uudenmaan Helsinki Area Cooperative & SpareBank 1 Modum (Finland)
- Budapest Bank & Magyar Takarék Bankholding (Hungary)
- Etna Sparebank & Sparebanken Vest (Norway)
- Sparebank 1 Sørøst-Norge & SpareBank 1 Midt-Norge & SpareBank 1 Nord-Norge & SpareBank 1 Vest-Norge (Norway)

**Acquisitions:**
- Attila Bank (Hungary)
- Alpha Bank (Ukraine)
- Abord Agriculture (Serbia)
- Sparebanken Sogn & Fjordane (Norway)
- SpareBank 1 Nord-Norge (Norway)
- NIBC Bank (Netherlands)
- Piraeus Bank (Greece)
- Illymera Bank (Italy)
- Allied Irish Bank (Ireland)
- Alpha Bank (Cyprus)
- NatWest (UK)
- KBC Bank Ireland (Ireland)
- Komplett Bank (Norway)
- Ulster Bank (Ireland)

**Secondaries market buyers:**
- CarVal Investors (Ireland)
- Attestor, Octane Capital Partners and Ellantra (UK)
- KBC Bank Ireland (Ireland)
- Attila Bank (Hungary)
- Kruk (Poland)

**Deal highlights:**
- Starling Bank (UK): Acquisition of €1 billion of performing mortgage loans from Kensington Mortgages (November 2021)
- Bank of Ireland (Ireland): Acquisition of €9.8 billion of performing mortgage loans from KBC Bank Ireland (October 2021)
- NIBC Bank (Netherlands): Acquisition of €1.5 billion of mortgage loans from Ficus (July 2021)

**Deal highlights:**
- White & Case advised Atlas Mara and the other controlling shareholders on the disposal of Union Bank of Nigeria, one of Nigeria’s longest-standing and most respected lenders, to Titan Trust Bank.
- White & Case advised Landesbank Baden-Württemberg, the full-service savings bank in Baden-Württemberg Rheinland-Palatinate and Saxony, on its acquisition of Berlin Hyp, a leading commercial real estate financing provider in Germany.
- White & Case advised Spain’s BBVA on its £2.25 billion voluntary tender offer to acquire 50.15% of 7. Garanti Bankasi, the second-largest bank in Turkey.

**Deal highlights:**
- White & Case advised France’s Crédit Mutuel Arkéa on the disposal of Keytrade Bank Luxembourg, the online challenger bank, to Swissquote Bank.

**Deals:**
- Banks are on pace to merge at a level not seen since the 2008 financial crisis. It is a sharp turnaround from 2020, when the economy spiralled and many regional and community banks put merger plans on the shelf. (Financial News, September 2021)

**Lenders are tipped for further M&A and capital markets activity amid positive signs for the sector, including confidence in asset quality and the prospect of inflation. (Mergermarket, July 2021)**

**Agg Capital Management and Nova Capital Management (Portugal)**
- Acquisition of €164.4 million of NPLs from Nova Banco (December 2021)
- Performing portfolio trades (buyers):
  - Allied Irish Bank (Ireland)
  - Alpha Bank (Cyprus)
  - Attestor, Octane Capital Partners and Ellandria (UK)
  - Kruk (Poland)

**Financial asset disposals & outsourceings**
- Residential mortgage NPLs to KKR (December 2021)
- Disposal of €580 million of CaixaBank (Spain) (December 2021)
- Disposal of €600 million of CaixaBank (Spain) (December 2021)
- Disposal of €37 million of Turkiye Garanti Bankasi (Turkey) (December 2021)
- Disposal of €222 million of UniCredit (Italy) (February 2022)
- Disposal of €1.1 billion of KBC Bank Ireland (May 2022)
- Disposal of €68.68 million of Komplett Bank (Norway) (July 2021)
- Disposal of €400 million of CaixaBank (Spain) (November 2021)
- Disposal of €600 million of unsecured and corporate NPLs from CaixaBank (November 2021)
Regional & domestic market consolidation

<table>
<thead>
<tr>
<th>Bank/Region</th>
<th>Acquisition Date</th>
<th>Target Bank</th>
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<tbody>
<tr>
<td>Jyske Bank (Denmark)</td>
<td>June 2022</td>
<td>Acquisition of Hvidebanken (Denmark)</td>
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<tr>
<td>Barclays (UK)</td>
<td>June 2022</td>
<td>Acquisition of Kensington Mortgage (June 2022)</td>
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<td>Credit Europe Bank (Russia)</td>
<td>June 2022</td>
<td>Acquisition of Ioma Bank (June 2022)</td>
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<tr>
<td>Banca Popolare di Lazio (Italy)</td>
<td>May 2022</td>
<td>Acquisition of Banca Popolare Valconca (May 2022)</td>
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<tr>
<td>Crédit Agricole (Italy)</td>
<td>March 2022</td>
<td>Acquisition of 9.18% of Banco BPM (April 2022)</td>
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<tr>
<td>Bank CenterCredit (Kazakhstan)</td>
<td>April 2022</td>
<td>Acquisition of Alfa-Bank Kazakhstan (April 2022)</td>
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<td>Boursorama (France)</td>
<td>April 2022</td>
<td>Acquisition of ING’s French retail banking business (April 2022)</td>
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<tr>
<td>Capital Bank of Jordan (Jordan)</td>
<td>February 2022</td>
<td>Acquisition of SVE Group General Bank Jordan (February 2022)</td>
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<td>BNP Paribas (France)</td>
<td>February 2022</td>
<td>Acquisition of FLOA Bank (February 2022)</td>
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<td>BPER Banca (Italy)</td>
<td>February 2022</td>
<td>Acquisition of 80% of Banca Carge (February 2022)</td>
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<td>Banco March (Spain)</td>
<td>February 2022</td>
<td>Acquisition of BNP Paribas Private Banking Spain (February 2022)</td>
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<td>Pancrota Bank (Greece)</td>
<td>February 2022</td>
<td>Acquisition of HSBC Greece (February 2022)</td>
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<td>Banca Postarea Postanka Banka (Croatia)</td>
<td>March 2022</td>
<td>Acquisition of Stierbank Croatia (April 2022)</td>
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<td>Nova Ljubljanska (Slovenia)</td>
<td>March 2022</td>
<td>Acquisition of Banca POP SALE Slovenia (March 2022)</td>
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<td>ASA Banka (Bosnia and Herzegovina)</td>
<td>March 2022</td>
<td>Acquisition of Stierbank Bosnia and Herzegovina (March 2022)</td>
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<td>Landesbank Baden-Württemberg (Germany)</td>
<td>January 2022</td>
<td>Acquisition of Berlin Hyp (January 2022)</td>
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<table>
<thead>
<tr>
<th>Acquisition</th>
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<tr>
<td>Domestic Financial Services</td>
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</tbody>
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Please refer to the ‘Fintech’ sub-Report in this series.

Deal highlight:
White & Case advised The Co-operative Bank on the acquisition of a significant minority interest in the bank by J.C. Flowers & Co and Bain Capital.

Deal highlight:
White & Case advised Goldman Sachs on the €1.8 billion consortium take-private offer, alongside Advent, Centerbridge, CPPIB and IGT, for Aurum Bank, the French Stock Exchange–listed specialist property lender.

Deal highlight:
White & Case advised Orange, the French telecommunication group, on the acquisition of the remaining minority stake held by Groupama in Orange Bank, the French neo-bank.

Deal highlight:
White & Case advised Syndeo Capital, the UK-based financial services specialist financial sponsor, on: its long-term strategic partnership with iFast Corp., the Singapore-listed WealthTech unicorn, in relation to BFC Bank; and its winning auction bid to acquire BFC Bank, a fully licensed UK deposit-taking institution providing cross-border banking and FX services.

PE firms have set their sights on mid-tier UK banks, but a divergence over valuations has stymied deal-making—for now (S&P Global, November 2021)

Private equity:
- Gulf Islamic Investments (UAE) Acquisition of Anglo-Gulf Trade Bank (June 2021)
- BDCP (Hungary) Acquisition of 89.1% of WiZink Bank (January 2022)
-isaia Capital (VAT) Acquisition of controlling interest in UFI (December 2021)
- Aareal Bank (Germany) Take private offer by consortium comprising Goldman Sachs, Advent, Centerbridge, CPPIB and IGT (December 2021)
Fierce competition for established banks

inorganic growth of “challenger” banks:
- Monesse (Ireland) Acquisition of Trezzo (December 2021)
- OakNorth (UK) Acquisition of Fluidity (December 2021)
- Solarisbank (UK) Acquisition of Contob (July 2021)
- Starling Bank (UK) Acquisition of Fleet Mortgages buy-to-let business (July 2021)
- Yandex (Russia) Acquisition of Apeol Bank (July 2021)
- bank99 (Austria) Acquisition of ING’s Austrian retail banking business (July 2021)
- bunq (Netherlands) Acquisition of Capitalflow Commercial Finance (July 2021)
- IPsos: 
  - Rocker (Sweden) €48 million Nordia First North IPO (October 2021)
- New entrants:
  - Bank of London (Clearing) UK launch (November 2021)
  - Monument Retail bank (UK) launch (November 2021)
- Chase (Retail banking) UK launch (September 2021)
- Recognise Bank (IAME banking) UK launch (August 2021)
- Bank North (IAME banking) UK launch (September 2021)
- JVs:
  - Recognise Bank Key account infrastructure JV with ClearBank (November 2021)
  - Chip Savings accounts JV with ClearBank (October 2021)
-neo-banks stockpile growth capital:
  - Trade Republic (Germany) Successful €320 million Series C extension funding round led by Ontario Teachers’ Pension Plan Board (June 2022)
  - Alpha Bank (Greece) Successful €120 million equity capital raise (July 2021)
  - Rasim Issaev (Belarus) Acquisition of Pantebank (October 2021)
  - IPOs/rights issues:
    - Alpha Bank of Greece Successful €120 million equity capital raise (July 2021)
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  - Inorganic growth of competition into the UK’s business banking market have led to a 13% shift away from large incumbent banks to smaller rivals. (Finextra, November 2021)

Funds donated by The Banking Competition Remedies Board to inject competition into the UK’s business banking market have led to a 13% shift away from large incumbent banks to smaller rivals. (Finextra, November 2021)

J.C. Flowers & Co and Bain Capital (UK) Acquisition of minority stake in The Co-operative Bank (September 2021)

Foreign strategic:
- Banco Master (Portugal) Acquisition of Banco BNI Europa (January 2022)
- Altaius Capital (Portugal) Acquisition of BNI Europa (October 2021)
- Pioneer Capital Invest (Russia) Acquisition of Asian-Pacific Bank (March 2022)
- Lenz of Bankhaus August Acquisition of payments division at Raisin Bank (Germany)

Inorganic growth of competition into the UK’s business banking market have led to a 13% shift away from large incumbent banks to smaller rivals. (Finextra, November 2021)

Non-bank:
- iuteCredit (Malta) Acquisition of 49.7% of Energobank (February 2022)
- Orange (France) Acquisition of remaining 21.7% of Orange Bank (October 2021)
- UHNV/family offices/private investment groups:
  - Kirill Sokolov (Russia) Acquisition of 54% of Vitabank (February 2022)
  - Vladimir Potanin (Russia) Acquisition of Rosbank (April 2022)
- rasim Issaev (Belarus) Acquisition of Pantebank (October 2021)

Market appetite:
- Irish Government (Ireland) Disposal of 1.04% of the Bank of Ireland (January 2022)
- Shari Arison (Israel) Disposal of 11.35% of Hapoalim (December 2021)
- Irish Government (Ireland) Disposal of 1.87% of Bank of Ireland (November 2021)
- UK Government (UK) Disposal of 3% of NatWest Group (November 2021)

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FSB says that the COVID-19 pandemic has enabled Big Tech firms like Google, Amazon and Apple to widen their footprint in financial services. (Finextra, March 2022)

HCL Technologies (Digital scoring) acquiring Acquisition of Continental (May 2022)

Apple (Credit scoring) Acquisition of Credit Kudos (March 2022)

Facebook (Digital wallet) Launch of Novi (October 2021)

Citi snaps up Europe activism experts to brace for shareholder ‘Trojan Horse’. (Financial News, April 2022)

115 investors managing US$4.2 trillion in assets has called on 63 global banks, including HSBC and Deutsche Bank, to take more action to tackle climate change and biodiversity loss. (S&P Global, July 2021)

Barclays Pressure from Extinction Rebellion and Money Rebellion calling for improved climate strategy (May 2022)

Standard Chartered Pressure from Extinction Rebellion calling for improved climate strategy (April 2022)

Deutsche Bank Pressure from Rebecka Braurei calling for re-confidence vote and resignation of CEO Christian Sewing (May 2022)

HSBC Pressure from Ping An calling for focus on Asian operations (May 2022)

ING Pressure from FossilVrij, Milieudefensie and BankTrack calling for improved climate strategy (April 2022)

Aareal Bank Pressure from Teleios Capital Partners calling for resignation of Chairman Hermann Wagner (March 2022)

Credit Suisse Pressure from City of Zurich, Swiss Post and Publica calling for reduction in fossil fuel financing (March 2022)

Monte dei Paschi Pressure from Italy’s Treasury calling for resignation of CEO Guido Bastianini (February 2022)

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