



## OFFSHORE M&A: FINANCIAL SERVICES TO THE FORE

In the third quarter of 2013, there were 538 deals announced offshore, with a combined value of USD 34.5bn. The financial services sector continued to be an extremely active sector with the Cayman Islands one of the most popular jurisdictions for M&A activity. During this time, Appleby acted on a large number of buy/sell side deals involving banks as well as trust and fiduciary services businesses.

Vendors, buoyed by resilient valuations, are seeking to dispose of assets to free up their balance sheets. Meanwhile, disposals appear ever more attractive to European vendor banks in light of the strict regulatory capital requirements imposed under Basel III.

Purchasers, benefiting from continuing low interest rates, are seeking acquisitions to either grow or consolidate their offshore market share. In other cases, purchasers with no existing offshore presence are deal hungry to obtain a foothold in the offshore space, attracted to higher yielding offshore markets in contrast to the declining profitability of some domestic businesses. The Cayman Islands remains particularly appealing to purchasers having, for the fifth consecutive year, recently been recognised as the best specialised financial centre in the world, as surveyed by The Banker.

These deals typically take the form of an auction process and are structured either as an asset or a share purchase dependent upon deal specifics. In all cases, local regulatory clearance is critical with the relevant regulator either approving the transaction in advance of closing or such approval being a condition precedent to closing. The Cayman Islands Monetary Authority is a flexible and pragmatic regulator that is familiar working alongside its onshore counterparts as well as both onshore and offshore financial services professionals to facilitate the implementation of transactions in a timely manner.

Deals such as these typically involve assets located in multiple offshore jurisdictions. Appleby, with its unique global footprint and strong working relationships with local regulators is well placed to service the needs of its clients on such multi-disciplinary, multi-jurisdictional transactions.

Appleby is the leading provider of offshore legal, fiduciary and administration services with an unparalleled presence in all the key offshore jurisdictions.

Please [click here](#) to review the latest edition of our quarterly Offshore-i report.

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