

A different kind of M&A - VdA

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Paulo de Barros Baptista

Aside from the much publicised privatisations, there are still a number of other opportunities in the M&A sector

While Portugal's privatisations have contributed to keeping a deteriorating M&A sector afloat, says Paulo de Barros Baptista, M&A Partner at Vieira de Almeida, there is still a high level of other transactional activity out there. "And as long as there is activity, there will always be work for law firms, and we have to look for every opportunity in the crisis."

In the transport sector, for example, he says the next year will see privatisations and secondary market transactions on the ensuing concession deals. "But restructurings are currently dominating the market, and, to adapt, VdA have set up a practice area exclusively devoted to those Portuguese groups or companies that are now under a restructuring process."

De Barros Baptista also sees an increase in private equity deals, as there are both domestic and Iberian PE companies that have the liquidity to invest and buy up Portuguese distressed assets.

Although there is a lack of high profile deals, smaller but less visible transactions are, and will continue to, keep law firms very busy, he says. For example, with long-standing client BRISA, he is now working on a number of strategic transactions, such as acquiring a former BRISA-owned maintenance company. "But while these deals are of a lesser value, the complexity of transactions has increased."

As an example, he's working on restructurings on project and road finance transactions and concession companies – deals that have been derailed due to the crisis. And they involve working with stakeholders, the Government, banks, sponsors, operators and contractors to find some innovative solutions to put things back on track.

"The crisis has therefore made clients much more demanding in terms of law firms having to find these creative ways of working, he adds, "and in M&A departments I think we see that more than most."

Aunque las privatizaciones en Portugal han contribuido a mantener a flote un ya deteriorado mercado de fusiones y adquisiciones, se puede afirmar que aun hay una actividad transaccional razonable, dice Paulo de Barros Baptista de VdA. Sin embargo los despachos deben ser capaces de buscar formatos creativos para apoyar a sus clientes.

