The Mergers & Acquisitions Review

Fifth Edition

Editor
Simon Robinson

Law Business Research

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Editor
Simon Robinson

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EDITOR'S PREFACE

After a prolonged period of uncertainty and decreased M&A activity, deal-making is undergoing something of a resurgence. Over the course of recent years, corporations across the world have been carefully navigating the economic downturn and attempting to consolidate their positions. In 2011 the market has proved more conducive to M&A and, at least in the first half year, confidence seems to be returning. Opportunities are seemingly limited to those companies and private equity houses that enjoy a stable financial basis. Governments have addressed the perceived failings of the regulatory framework and, for the most part, reforms have now been implemented. One of the underlying reasons for the drop in M&A was the drought of acquisition finance; without the necessary funding, few players were able to launch major takeover bids. However, the loan market appears to have gained a new lease of life and banks are adamant that they are willing and able to fuel well-conceived bids. The task that lies ahead of companies and funds is identifying truly value-generative targets and negotiating the new regulatory framework. There is increased emphasis on the views of shareholders following the financial crisis, and companies are best advised to gauge shareholder sentiment early. The provenance of M&A is undergoing a gradual shift, with deal-making in the Asia-Pacific region reaching its highest-ever level in 2010 and also representing its highest proportion of the total global value of M&A. In addition, the emerging markets are witnessing heightened deal activity, in particular the BRIC nations. These trends seem set to continue.

It would be premature, however, to suggest that M&A has completed a Lazarus-like revival. The recovery of deal-making is in its infancy and it is still highly susceptible to external forces. A number of major political and economic factors may impede sustained M&A activity, and could even force it to retreat. The sovereign debt tribulations in Europe, the weakening of the US economy, the 'Arab Spring' uprisings, the earthquake in Japan, rising commodity prices and global austerity measures all pose severe challenges. Given the fragile state of the global economy, such issues could well shackle the fledgling M&A revival. In short, economists remain uncertain about the health of M&A, and although many commentators hope that it will continue to gather pace, albeit slowly, there are a number of variables that may waylay deal-making. Economists have not ruled out short-term stagnation in deal value and volume, as a precursor to the dawning of an M&A renaissance further down the line.

I wish again to thank all the contributors for their continued support in producing this book – one would hope that in this uncertain time the following chapters should provide cause for cautious optimism, while also reiterating some of the lessons from the recent lean years.

Simon Robinson
Slaughter and May
London
August 2011

Chapter 54

SPAIN

*Christian Hoedl and Javier Ruiz-Cámara**

I OVERVIEW OF RECENT M&A ACTIVITY

Mergers and acquisitions in Spain have been hit hard by the global financial crisis and sovereign debt crisis. In 2009, a number of transactions across the region failed to be completed due to limited access to credit and investors' reduced appetite for risk. In 2010, there was a slight rebound as the global recovery gained traction and the overall volume of M&A deals announced in Spain rose. Since early 2011, investment activity, especially that in the middle market, has been showing some encouraging signs, with several deals in the offing, although the credit drought remains a significant obstacle.

Going forward, although the potential for a full recovery in Spain does exist, it has yet to translate into more activity. The market reaction to the global recovery has been slow, but deal volume should continue to improve. Heavily leveraged deals will take longer to return while deals without financing issues should flow more readily. Access to financing continues to hamper buyer ambitions and, although deal structures have not changed significantly, lending syndicates are making negotiations longer and more difficult. These difficulties have often made it hard to complete announced deals: in 2010 the number of completed deals decreased by 45 per cent from 2009 levels.

Nevertheless, there have been signs of green shoots for those making strategic investments, embarking on joint ventures and chasing returns through logical synergies. As from late 2010, Spain seems to be emerging from the worst difficulties and the restructuring of the Spanish economy will create new market opportunities. In the context of the restructuring of the financial sector, banks, and specifically savings banks, are looking to consolidate and divest to help strengthen margins, focus on their core business and rebuild their balance sheets, creating a range of investment opportunities.

* Christian Hoedl is a partner and Javier Ruiz-Cámara is a counsel at Uría Menéndez.

II GENERAL INTRODUCTION TO THE LEGAL FRAMEWORK FOR M&A

i Corporate law

The basic Spanish legal framework for corporate acquisitions, mergers and other types of corporate reorganisation includes both contract and corporate law. For listed companies, the 1988 Stock Market Law and the regulations on takeovers by tender offers are also applicable.

Spanish contract law is mainly contained in the Civil and Commercial Codes.

As regards corporate law, the Capital Companies Law ('Capital Companies Law') governs, *inter alia*, the corporate aspects of the acquisition of corporations and limited liability companies (the most common type in Spain). The Capital Companies Law, which was approved by Royal Legislative Decree 1/2010 and entered into force on 1 September 2010, replaces the 1989 Law on Corporations and the 1995 Law on Limited Liability Companies. It also includes the basic legal framework for listed companies, which was previously contained in Title X of the 1988 Stock Market Law.

In turn, Law 3/2009 on Corporate Reorganisations ('Law 3/2009') contains the regulation of corporate reorganisations, such as mergers, spin-offs, conversions or *en bloc* transfers of assets and liabilities of all forms of commercial companies. Law 3/2009 specifically regulates LBO mergers (i.e., mergers between two or more companies whereby one has incurred debt during the immediately preceding three years in order to acquire control or the essential assets of the other company participating in the merger). Law 3/2009 requires, *inter alia*, that an independent expert determines whether the LBO merger constitutes financial assistance. The provisions nevertheless fail to establish the effects of the declaration of the existence of financial assistance; circumstances that create uncertainty in LBO mergers (particularly due to the interpretation of the law by various commercial registries of Spain, which has not been as consistent as would have been desirable).

The 1988 Stock Market Law regulates public offerings, official listings of securities, transactions related to listed securities and takeovers, whereas the legal framework for listed companies is now contained in the Capital Companies Law.

ii Insolvency law

The general legal framework on insolvency is primarily contained in Law 22/2003 on Insolvency Proceedings ('the Insolvency Law').

The Insolvency Law created a single insolvency proceeding applicable to any insolvent debtor (i.e., a debtor that is unable to, or will imminently be unable to, regularly comply in a timely manner with its payment obligations). The single procedure has a joint phase and two different solutions: (1) the creditors' agreement (the purpose of which is for the debtor and the creditors to reach an agreement on the payment of the outstanding claims in order to enable the debtor to restructure its business); and (2) the liquidation of the assets of the debtor in order to satisfy its debts. The Insolvency Law has also helped to clarify the risks associated with the clawback (rescission) of acts considered detrimental to the estate of the debtor, which were carried out within the two years preceding the declaration of insolvency.

The Insolvency Law is generally seen as a positive development as it replaced the outdated insolvency regulations of the 19th-century Commercial Code. Nevertheless, it must be kept in mind that the law was passed in a more favourable economic climate in which few insolvency proceedings were initiated. Indeed, the application of the Insolvency Law only started to be tested in practice during the turbulence experienced in recent years, during which time the number of insolvency proceedings has increased dramatically.

The Insolvency Law was amended by Royal Law Decree 3/2009 ('RLD 3/2009'). According to one new provision of RLD 3/2009, specific refinancing agreements and the corresponding security interests will not be subject to clawback (rescission). In order to be eligible for the special framework, refinancing agreements must:

a increase the available financing commitments in favour of the debtor or amend the obligations contained in the original financing agreements, either by means of the extension of the repayment terms or the replacement of the covenants;

b be based on a viability plan, under which the company will continue its operations in the short and middle term; the refinancing agreement and the viability plan must be approved by an independent expert appointed by the commercial registry;

c be approved by creditors representing at least 60 per cent of the liabilities of the relevant debtor; and

d be formalised in a public deed.

There is currently a Draft Bill being discussed in the Spanish Parliament to reform the Insolvency Law. If ultimately passed, the proposed reform would entail, *inter alia*:

a for the first time under Spanish law, a protection for the new money and some sort of scheme of arrangement that extends the effects of certain out-of-court arrangements to unsecured financial entities that failed to accede to such arrangement;

b introduce the possibility to appoint a legal entity as insolvency administrator and widen the scope of the insolvency administrators' powers; and

c a modification of the labour provisions to further protect the employees' rights in the event of insolvency proceedings.

Although the complex political environment in Spain creates uncertainty that the reform will be approved by Parliament in 2011, the contents of the Bill confirm that Spanish insolvency laws are evolving in a positive direction, allowing new out-of-court solutions to insolvency or pre-insolvency scenarios and, for judicially declared insolvency, accelerating the process of the sale of the assets and therefore mitigating the loss of value during insolvency proceedings. However, the proposed reform has not captured many relevant demands of the market entities (legal protection of debt-to-equity or asset-to-equity schemes, extension of the out-of-court arrangements to secured financial entities, etc.)

iii Other regulations

Other matters relating to tax, employment, antitrust, unfair competition, administrative and regulatory issues, alternative dispute resolution and other laws and regulations also form part of the M&A legal framework.

III DEVELOPMENTS IN CORPORATE AND TAKEOVER LAW AND THEIR IMPACT

Several regulations enacted in 2009 and 2010, and others currently being enacted, will directly or indirectly affect M&A transactions involving Spanish companies.

Although the Capital Companies Law was meant to be a mere consolidation of the 1989 Law on Corporations and the 1995 Law on Limited Liability Companies, it actually introduces some new provisions that are worth highlighting. In some cases the law incorporates brand new regulations and in other cases extends the framework of corporations to limited liability companies or vice versa. For instance:

a If there are pre-emption rights for the transfer of shares, the by-laws may not delegate to the company's auditor the task of assessing stakes to be transferred to third parties (thereby making it necessary to engage a third party for those purposes).

b The legal framework on 'indirect' treasury shares will be that of the subsidiary company acquiring the shares or stakes from the parent company. Prior to the enactment of the Capital Companies Law, this rule only applied to limited liability companies.

c Creditors of bond issuances seem to have preference over creditors of subsequent issuances, but not over other creditors in the insolvency proceedings. This provision adds uncertainty to existing bond issuances and could increase the cost of new issuances.

d The duty of loyalty (refraining from voting in the event of a conflict of interest) of corporation directors expressly applies to directors of limited liability companies. References to the duties of fidelity are removed, as they had generally been regarded by scholars as included within the general duties of loyalty.

e The prohibition on directors undertaking the same, similar or complementary activities to those set out in the corporate purpose also applies to directors of corporations, whereas this prohibition was only included in the 1995 Law on Limited Liability Companies.

f Conflicts of interest must be explained in the annual report (without prejudice to the obligation of listed companies to report such situations in the Corporate Governance Annual Report).

g In addition to the legal causes of shareholders' withdrawal from the company, other causes may also be established in the bylaws, which is a novelty for corporations.

h The legal framework applicable to the preferred dividend of preference shares issued by listed companies is now that for non-voting shares issued by non-listed companies. Thus, the existing flexibility when conferring privileges in listed companies is no longer present, although the basis for this is not clear.

i The by-laws of listed companies may not include clauses establishing a maximum number of votes that one shareholder or the same group of companies can issue. The limitation of voting rights has often been used as a 'poison pill' against hostile takeovers of listed companies. The provision enters into force on 1 July 2011.

Finally, the Spanish government recently approved Royal Decree-law 2/2011 of 18 February on strengthening the banking system and whose purpose is twofold: (1) to strengthen the solvency of Spanish banking entities; and (2) to speed up the restructuring process initiated by saving banks. The objective is to dissipate fears that have arisen in the markets in recent months concerning the capacity of the Spanish banking system to absorb potential losses associated with the depreciation of assets (in particular, real estate assets).

IV FOREIGN INVOLVEMENT IN M&A TRANSACTIONS

There have been a number of relevant cross-border deals in the past 12 months. In this period, outbound deals have exceeded inbound deals, although there have also been relevant investment in Spanish companies.

The following are some of the most relevant outbound deals in the second half of 2010 and the first half of 2011:

a In June 2010, Telefónica submitted a revised binding and unconditional offer to acquire Portugal Telecom's 50 per cent stake in Brasilcel (which in turn controlled the operator Vivo) for €6.5 billion. Telefónica faced strong opposition from the Portuguese government, which tried to exercise its golden share. The European Court of Justice ultimately ruled that the Portuguese government did not have the right to block the deal and the companies agreed to the acquisition in late July, following particularly difficult negotiations between the two boards, which nearly ended in the initiation of arbitration proceedings.

b In that same month, Grifols, a Spanish listed company, which serves health-care professionals and patients in over 90 countries around the world, announced it had agreed to acquire Talecris, a global biotherapeutic and biotechnology company based in the US that seeks out, develops and produces critical care treatments for people with life-threatening disorders in a variety of therapeutic areas. The transactions involved the sale of Talecris to Grifols for a combination of cash and innovative newly-issued non-voting shares in Grifols.

c Banco Santander continued its shopping spree in 2010 with its offer to acquire Bank Zachodni WBK SA, the listed Poland based bank (€4.3 billion), with the acquisition of the remaining 24.9 per cent stake it did not already own in Grupo Financiero Santander Serfin, the Mexico-based commercial and private banking group for total consideration of $2.5 billion in cash.

d In November 2011, BBVA acquired a 24.9 per cent stake in Turkiye Garanti Bankasi AS Garanti, the listed Turkey-based company headquartered in Istanbul, from GE Arastirma ve Musavirlik Ltd Sti and Dogus Holding AS (€4.2 billion).

e In January 2011, the Spanish construction company Actividades de Construcción y Servicios (ACS) launched a hostile offer for German construction giant

Hochtief. The offer was originally valued at €5 billion, but as only 3.84 per cent was tendered, the deal value dropped to €181 million.

The following are some of the relevant inbound deals that were either announced or completed in the first half of 2011:

a In February 2011, a public takeover was announced for Spanish oil refinery CEPSA by IPIC, a sovereign wealth fund and investment company established by the Abu Dhabi government, for €3.9 billion, one of the largest deals in 2011 so far.

b In March 2011, Qatar Holding LLC, the sovereign investment fund of the Emirate of Qatar, acquired a 6.16 per cent stake in Iberdrola via a capital increase and the acquisition of treasury stock (€2 billion).

c In May 2011, the Brazilian Companhia Siderurgica Nacional, a worldwide leader in the steel and mining sectors, listed in Sao Paulo and New York, announced the acquisition of several steel and plants in Spain and Germany from Spanish Grupo Gallardo ($1.35 billion).

V SIGNIFICANT TRANSACTIONS, KEY TRENDS AND HOT INDUSTRIES

The M&A valuation climate is settling closer to the centre as more buyers are entering what was previously a seller-heavy market. As from the end of 2010, corporate and private equity M&A professionals are slowly returning to dealmaking. Spain is experiencing a trend of inbound M&A investment from China and Brazil, with deals such as the sale of Brasilcel to Telefónica, the alliance of Repsol YPF and the Chinese Sinopec in Brazil, and the rising importance of sovereign wealth funds and state-owned enterprises in cross-border M&A in Spain.

As a result of the financial crisis, the Basel Committee on Banking Supervision introduced various reforms ('Basel III') that increase capital requirements for credit entities as well as liquidity requirements. At the Spanish level, several regulations were enacted in 2010 and 2011 to meet these demands and to facilitate the capitalisation of savings banks by enabling them to form an Institutional Protection Scheme ('SIP'), also known as a 'cold merger'. A 'cold merger' is a contractual arrangement whereby members of a group undertake to support each other in terms of liquidity and solvency. Each savings bank maintains its own brand and part of its workforce, balance sheet and branch network, but there is a single management structure. Part of their businesses and some central functions are centralised, such as the management of liquidity. These structures contrast with a full-scale merger involving the takeover of weaker lenders by their stronger peers. Prospective initial public offerings for the new banks created as a result of this restructuring are likely to be worth tens of billions of euros in market capitalisation and have stirred interest from investors, including sovereign wealth funds and foreign banks.

Private equity dealmaking seems to be rebounding in 2011, with CVC's proposed takeover of Abertis Infraestructuras (the fund became a core shareholder in the company after the LBO failed), among other deals. While 2010 witnessed a return of private equity investors to the M&A market, investors had to contend with demands for higher levels of equity investment on their part. Sectors such as those of financial services, health care and industrial goods and services will offer opportunities for private equity investors in upcoming months. Higher levels of M&A activity by private equity investors in 2011 will be stimulated if the IPO market in Spain proves hospitable and private equity investors have greater confidence that today's investments in M&A can be easily divested at an appropriate rate of return for future IPOs.

Distressed debt transactions in Spain are also on the rise. Spain is expected to see an increase in foreign fund investment in distressed debt portfolios from Spanish banks. While that market is growing, it nevertheless remains relatively new. Some key factors that may lead to rapid growth include Spain's economic climate, an increase in the number of such transactions in other EU Member States, recent provisional regulations of the Bank of Spain, an absence of licensing requirements for the acquisition and more favourable treatment in the Draft Bill of the Insolvency Law.

VI FINANCING OF M&A: MAIN SOURCES AND DEVELOPMENTS

The number of acquisition finance transactions increased in 2010 as well as in the first quarter of 2011, although the figures continue to be far removed from Spain's golden years. As in recent years, the terms and conditions offered to the borrowers continue to be challenging. Despite the environment, some large transactions have been closed recently, such as the €15 billion financing to CVC for the acquisition of a significant (although minority) stake in Abertis, the financing of AmRest's €205 million acquisition of a majority stake in the restaurant company Restauravia, and EQT Infrastructure's financing of the €190 million acquisition of Acciona's parking business.

The Spanish market currently offers good opportunities for M&A transactions, but financing continues to be a bottleneck for many acquisitions. Some interesting transactions ultimately do not close due to the strict conditions imposed by banks. The availability of funds from Spanish financing entities seems to have decreased due to (1) the stronger needs for 'principal capital' (slightly different from tier 1 capital required by Basel III) for Spanish financing entities; and (2) the reorganisation of the Spanish savings banks sector, as described in Section V. The reorganisation makes most Spanish savings banks focus less on lending and more on their corporate reorganisations, the injection of new equity and the sale of some of their non-core assets as distressed assets.

Due to the shortage of available funds, some borrowers have been seeking out debt issuances. However, debt security instruments still have to fight against both the drought in capital markets (which recovered last year) and Spain's strict legal limits (limited liability companies, which are the most commonly used vehicles for such transactions, may not issue or guarantee debt instruments and the maximum amount of the issuance is limited by the equity of the issuing company).

Unlike in 2008, 2009 and the first half of 2010, the volume of large refinancings and restructurings decreased during the second half of 2010 and the first quarter of 2011. Most restructurings in 2008 and the first half of 2009 involved the real estate sector; however, manufacturers, media and services companies soon required that their debt be refinanced or restructured. Nevertheless, it is likely that in the second half of 2011 and in 2012 some of the restructurings and refinancings closed in the first years of the crisis will need to be revisited, mainly due to breaches of the previously agreed business plans.

These restructurings could be facilitated if the Spanish Insolvency Law improves the protection of global out-of-court rescue plans to avoid insolvency. However, Spanish regulations do not currently regulate out-of-court arrangements where the decisions of certain supermajorities can bind dissenting lenders, which often makes this type of out-of-court agreement unfeasible.

Apart from these general trends, the following are the main features of acquisition financings during 2010 and 2011:

a The range of financing products available to the borrowers remains limited: second-lien facilities, ancillary facilities, bridge-to-equity facilities and equity-like facilities have almost entirely disappeared and the amount of mezzanine and payment-in-kind ('PIK') facilities has decreased (except in specific restructurings when borrowers do not generate sufficient cash to serve all the debt and part of the term loan facilities are converted into PIK facilities). In contrast, vendor loans are increasingly used to finance acquisitions.

b Banks still refrain from agreeing to the 'certainty of funds' provision in commitment letters, whereas the inclusion of 'MAC' clauses and the 'diligence out' provisions are currently a must. Limits to changes in pricing that can be arranged without the borrower's consent have been widened under the 'market flex' provisions, and 'reverse flex' provisions have disappeared. Facility agreements always include widely drafted 'market disruption' clauses. In contrast, LMA provisions concerning defaulting lenders are uncommon in the Spanish market.

c As in recent years, the economic terms of the acquisition finance transactions currently contemplate a reduction in the terms and an increase in margins and fees compared to previous years, mainly focusing on making the ratio between risk and returns more appealing to banks. Leverage ratios have been reduced and banks tend to include amortising term loans rather than bullet loans (which approach, to a certain extent, commits banks to the future refinancing of the bullet loan).

d Banks continue to reject specific provisions, which were common in a more favourable economic environment. Banks are currently focused on anticipating insolvency given that agreements can only be terminated due to breaches that occurred after the declaration of insolvency (and not as a result of the borrower being insolvent).

e Security packages requested in acquisition finance continue to be robust in Spain.

f We continue to see that some of the target companies acquired by private equity companies in leveraged buyouts, which closed at high prices between 2005 and 2007 are facing financing difficulties, as 'wall of debt' approaches (leveraged loans due to mature between 2012 and 2014). Similar difficulties have arisen for other companies, which during the same years financed ambitious recaps out of new subordinated bank facilities. The base cases, which assumed constant growth have been breached due to the deep crisis, and the companies are unable to service their debt. We have even witnessed large and medium-size private equity firms that have failed to support their vehicles, leaving the financing banks with the dilemma of whether to look for a new purchaser, acquiring the shares of the vehicle in exchange for their debt, or requesting the declaration of the vehicle's insolvency.

VII EMPLOYMENT LAW

There have not been any labour law developments this year that would notably impact M&A deals.

VIII TAX LAW

The most relevant legal amendments and developments affecting the M&A tax practice during the last 12 months are the following:

a The capital duty applicable on the incorporation, capital increase or migration to Spain of companies, as well as on any contribution to companies, has been abolished with effect as of 3 December 2010.

b The minimum holding requirement for the application of the exemption on dividends distributed to European parent companies under the parent-subsidiary Directive (as implemented in Spain) has been reduced from a 10 per cent direct holding to a 5 per cent direct or indirect holding.

c If certain requirements are met, royalties paid by Spanish companies to European associated companies will not be subject to any withholding tax as of 1 July 2011.

d The financial goodwill connected to the acquisition of European subsidiaries will not be deductible for corporate income tax purposes for acquisitions carried out after 21 December 2007. This measure implements a European Commission resolution of 28 October 2009. By means of a new resolution dated 12 January 2011, the European Commission also declared the illegality of the tax deductibility of financial goodwill connected to the acquisition of non-European subsidiaries unless specific requirements are met (the new resolution is expected to be implemented in the coming months).

e The tax benefit consisting of the free depreciation of fixed assets has been extended and the requirement that employment be maintained or increased has been eliminated.

f As of 1 July 2010, the standard VAT rate was increased from 16 to 18 per cent, and the reduced VAT rate was increased from 7 to 8 per cent.

g The tax framework applicable to shareholders of Spanish SICAVs has changed (a SICAV or 'Sociedad de Inversión de Capital Variable' is a type of Spanish collective investment company). The tax deferment rules applicable to share premium distributions and capital decreases by SICAVs have been abolished with effect as of 23 September 2010.

Given the current economic situation, the financial downturn and the financial needs of the public sector, it is likely that there will be additional tax reforms in 2011 and 2012.

IX COMPETITION LAW

In 2010, the number of merger control proceedings submitted to the Spanish Competition Commission has continued the upward trend initiated in the previous year, particularly in the banking and insurance, energy, telecom and food sectors. Merger control proceedings are expected to continue rising in these sectors in 2011.

While in previous years the Spanish Competition Commission had not initiated infringement proceedings for the violation of the obligation of suspension, several such proceedings were initiated during 2010. Among others, a fine was imposed on the Bergé Group (one of Spanish leading groups in the field of port services) in July 2010 for failure to notify its acquisition of exclusive control over Marítima Candina.

According to the new competition regulations approved in March 2011, it will not be necessary to notify transactions that exceed the 30 per cent market share threshold if the following two requirements are both met: (1) the market share of the resulting entity does not exceed 50 per cent; and (2) the acquired undertaking has turnover of less than €10 million.

X OUTLOOK

The 2011 and 2012 outlook for corporate and M&A transactions is positive, with a number of opportunities for both foreign and domestic players.

Spain is set to launch large-scale privatisation programmes to cut deficit and to preserve market faith in turnaround plans. In particular, the Spanish government has launched the privatisation process of the Spanish airport operator (AENA) and the Spanish lottery operator (LAE), in what would be the largest IPO in Spanish history.

The current restructuring process of Spanish saving banks, a sector that still accounts for nearly half of the country's domestic banking operations by asset value, will also be essential for understanding the M&A environment of the following months.

Spanish corporations are expected to grow stronger in foreign markets where they already have a robust presence, specifically in several Latin American countries such as Brazil and Mexico. On the other hand, emerging countries (particularly Brazil and China) and sovereign-wealth funds have been keeping their eyes on Spain and, in some cases, are expected to use Spain as a hub for their investments in Europe or Latin America, which can also help revive the Spanish M&A market.

Finally, the revision of the Spanish economic model (reforms in the labour market, reduction of the public sector, deregulation of specific areas of activity, privatisations, etc.) and the new political environment expected in the upcoming months (with elections to be called by March 2012 at the latest) should help give Spain a fresh start and recover the growth path experienced in the past decade, create employment and increase competitiveness.

Appendix 1

ABOUT THE AUTHORS

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Uría Menéndez

Christian Hoedl was educated at the Universidad Autónoma de Madrid and holds a Masters from the Centro de Estudios Tributarios y Financieros and the Universidad Complutense de Madrid. He joined Uría Menéndez in 1987, and became a partner in 1998. From 1999 to 2001, he was the resident partner in the firm's Bilbao office.

Christian focuses his practice on privatisations, mergers and acquisitions and private equity. He is secretary or vice secretary to the boards of various companies.

During 1998, Christian lectured on commercial law at the Universidad Pontificia de Comillas in Madrid. From 2000 to 2001, he lectured at the Universidad de Deusto in Bilbao. He is also a regular speaker and commentator at law seminars and conferences.

He is fluent in German, English and French.

JAVIER RUIZ-CÁMARA

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Javier Ruiz-Cámara was educated at the Business, Economics and Law School (ICADE) of the Universidad Pontificia de Comillas. He joined Uría Menéndez in 1999 and was seconded to Slaughter and May from 2004 to 2005. From June 2005 until September 2007 he was head of the firm's Santiago de Chile office. He became a counsel of the firm in 2011.

Javier focuses his practice on mergers and acquisitions, private equity and financing and speaks fluent English and German.

Javier has lectured on company law at ICADE and on commercial contracts at the Universidad Nebrija. He has contributed to various publications focused on matters pertaining to his field of expertise.

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