

## Santander buys majority stake in UK fintech Ebury for £350m

Spain's biggest bank is trying to capture more small business customers

Nicholas Megaw in London 3 HOURS AGO

---

Banco Santander has bought a majority stake in British fintech Ebury for £350m, as Spain's biggest bank seeks to win more business from small companies that trade internationally.

The deal will see the Spanish lender take a 50.1 per cent in the London-based start-up, which provides services including foreign exchange, cash management and trade finance for small and medium-sized businesses.

Ana Botín, Santander executive chairman, said the deal was “very important strategically” for the group, which made building a new global trade platform for businesses a core part of its [plan](#) earlier this year. Sergio Rial, who leads Santander in its largest market, Brazil, will join Ebury's board as chairman.

Citibank, HSBC and Standard Chartered are focused on serving larger companies, but Ebury's user-friendly system for bringing on board new customers would make it easier for Santander to target small businesses, Ms Botín said.

“Ebury and [Santander's] Global Trade Services aims to connect the medium and small companies that are not getting that attention from anybody else,” she added.

Ebury, which was founded in 2009 by Juan Lobato and Salvador García, reported revenues of £43.7m in the 12 months to April 2018. It made a pre-tax loss of £19.1m, compared with a profit of £1.1m the previous year.

“Combining a big bank with nimble fintech means we can offer our clients the best of both worlds: they can benefit from our technology and high-quality service safe in the knowledge that they are counterparty to one of the world's most important financial institutions,” Messrs Lobato and García said.

The group currently operates in 19 countries, and Santander said the new primary funding would be used to support Ebury's expansion into Latin America and Asia.

Ebury will continue to operate as a standalone business under its existing management team but “will be able to leverage Santander's capabilities, brand and correspondent bank network to establish new bank partnerships,” the companies said.

The approach echoes Santander's previous investment in Brazilian payments processor Getnet. The bank took a majority stake in Getnet in 2014 before buying out its remaining shareholders last year.

Santander said it expected its investment in Ebury to provide a return on invested capital of above 25 per cent in 2024. Under the terms of the deal announced on Monday, Santander is spending £70m on new shares and a further £280m buying shares from existing Ebury investors. Early backers include venture capital group 83 North and Germany-based private equity firm Vitruvian Partners.