

SCOTIABANK ACQUIRES BBVA CHILE

Torys LLP in Toronto and Carey in Santiago have helped Canadian lender Scotiabank buy a majority stake in BBVA Chile for US\$2.2 billion.

Philippi Prietocarrizosa Ferrero DU & Uría (Chile) advised Spanish banking group BBVA. The deal was signed on 4 December.

BBVA sold 68.19% of its stake to Scotiabank after getting approval from Chile's Said family, which owns the remaining 32%. The family also waived its right of first refusal to acquire BBVA's shares in BBVA Chile.

The transaction will double Scotiabank's market share in Chile, worth US\$390 billion, to 14%, and make it the third-largest private sector bank in Chile.

Scotiabank, which has the biggest foreign presence of any Canadian bank, has made the Pacific Alliance countries of Chile, Colombia, Mexico and Peru a primary focus for expansion. The region already accounts for over 60% of the bank's international earnings.

The deal comes as large banks continue to make strategic acquisitions to absorb greater regulatory compliance and operational costs. Earlier this month, Chile's Banco de Crédito e Inversiones (BCI) expanded its presence in the US by acquiring TotalBank from Santander for US\$528 million. In another recent tie-up, investment manager BlackRock agreed to buy Citigroup's Mexican subsidiary.

Counsel to BBVA

Philippi Prietocarrizosa Ferrero DU & Uría (Chile)

Partner Juan Francisco Gutiérrez, and associates Constanza Rodríguez, Diego Bunster and Sebastián Melero in Santiago

This news alert is provided by Carey y Cía. Ltda. for educational and informational purposes only and is not intended and should not be construed as legal advice.

Carey y Cía. Ltda.
Isidora Goyenechea 2800, 43rd Floor.
Las Condes, Santiago, Chile.
www.carey.cl

Counsel to the Bank of Nova Scotia

Torys LLP

Partner AS Bhasin and associates Konata Lake, Kevin Armitage,
Selam Ibrahim and Jessica He in Toronto

Carey

Partners Felipe Moro, Cristián Eyzaguirre and Jessica Power, and
associates Fernando Noriega, Manuel José Garcés and Loreto Ribera
in Santiago