

COMPANIES & MARKETS

Santander seeks to crack the US with \$12bn takeover of Webster

Deal will create a top-10 bank in a country where European lenders have traditionally struggled

SIMON FOY AND ORTENCA ALIAJ
LONDON

Santander's largest M&A deal under chair Ana Botín began with a JPMorgan Chase conference in New York in 2023, where the Spanish executive first met John Ciulla, head of US-based Webster Financial.

The two struck up a rapport and stayed in touch. Then towards the end of last year, Ciulla approached Botín with an ambitious proposal: an outright takeover.

Within nine weeks of formal discussions beginning, the biggest acquisition of a US bank by a continental European lender was done. Santander announced its \$12.2bn purchase of Webster, code-named "Project Wren", last week.

The transaction marks the culmination of Botín's year-long mergers and acquisitions spree as she seeks to re-focus Santander by bolstering its operations in the UK and US – geographies where it has historically struggled.

"If one is not in the United States, one cannot aspire to be a global bank," Botín said of the deal. "Europe needs global companies and banks, and for that we need to compete successfully in the United States."

The deal, which will propel Santander into the top 10 retail and commercial banks by assets in the US, flies in the face of several European misadventures in the country. BNP Paribas, HSBC and BBVA have all exited US retail banking, having struggled with small franchises that delivered poor returns and distracted from more profitable regions.

"Some investors will worry about the risk of empire building," said Hugo Cruz, an analyst at KBW.

Andrea Filtri of Mediobanca said that while the deal was rational, it was also "perhaps a bit of a whim". Santander's share price fell as much as 4 per cent in the wake of the announcement.

Santander has had a foothold in the north-east of the US since it bought Sovereign Bancorp in 2008 at the height of the financial crisis. In parallel, the Spanish bank built a large and ultimately profitable car finance division.

However, by the early 2020s the small US business had attracted regulatory scrutiny and was struggling; the group's US consumer business holds the dubious distinction of becoming the first institution to fail the Federal Reserve's stress tests for three consecutive years.

Botín refused to quit and acquired Amherst Pierpont Securities, a designated primary dealer of US Treasuries, for \$600mn in 2021.

From there she embarked on a significant expansion of Santander's corporate and investment bank (CIB) – helped by the collapse of Credit Suisse, which enabled it to pick up a clutch of experienced bankers – with the CIB delivering €8.5bn of revenues last year, up from €5.7bn in 2021. The US is now Santander CIB's largest market, accounting for nearly a fifth of the unit's revenues last year.

Still, one senior investment banker, who praised Botín's "vision and decisiveness" in acquiring Webster, cautioned that the "jury is still out" on Santander's CIB progress. "We haven't seen them go through a down cycle yet."

The bank's motor finance business – which focuses on the subprime market – has also begun to show signs of strain.

At the end of last year, Santander's US bank subsidiary had \$13.6bn in car



Santander chair Ana Botín, above, has embarked on a year-long mergers and acquisitions spree to bolster its operations

Victor J. Blue/Bloomberg
Claudia Paparelli/Bloomberg



loans, about a quarter of its lending book, according to regulatory filings compiled by BankRegData. But almost 3 per cent of these loans had repayments that were at least 30 days past due, higher than most of its peers.

Despite recent growth, Santander only has about 4.5mn customers in the US and the bank's leadership felt the business lacked scale, according to people familiar with its thinking.

Executives started staking out new targets including Citizens Financial and M & T Bank, one person familiar with the matter said, before the opportunity to buy Webster came up.

With Webster, Santander will acquire an established retail and consumer bank with \$84bn in assets, 5mn customers and about 200 branches. Botín said Webster's presence in US commercial banking, where Santander is less strong, was also a key attraction.

One person involved in the deal said the Spanish group was concentrating its US network in Connecticut, Massachusetts and New York, as well as getting a "much more diversified balance sheet and improving its deposit mix with much cheaper funding".

"It gives them a much more effective base to grow organically," the person added. The two banks have meaningful overlap in parts of the north-east, which should enable Santander to find cost savings by consolidating branches and back-office functions.

It also sets Santander's takeover of Webster apart from other US bank deals. Although there has been a wave of consolidation among regional lenders,

much of the action has been concentrated in the southern US, where states such as Florida and Texas are experiencing faster growth than the wider country.

Santander said the "bolt-on" deal would enable it to grow return on tangible equity – a closely watched measure of profitability – at its US business from its current level of about 10 per cent to 18 per cent by 2028.

Botín's M&A push has been aided by a higher share price – which has climbed 140 per cent since the beginning of last year – as well as a €6.8bn windfall from the sale of its Polish business last year.

The Spanish lender is now the most valuable bank in the Eurozone with a market capitalisation of €158bn. It trades at about 1.5 times the book value of its assets, according to Bloomberg data.

The senior investment banker said: "This time last year, Santander was trading below book value. It is now well above book, so that multiple arbitrage

'Europe needs global companies and banks, and for that, we need to compete successfully in the United States'

has helped [Botín] execute these deals." However, whether an acquisition spree is the best use of capital for the bank is an open question and the deal took the market by surprise.

Borja Ramirez Segura, an analyst at Citigroup, said: "Investors may have preferred Santander to instead use its excess capital to fund additional [cost-cutting] and returns to shareholders."

But Cruz of KBW said that shareholders needed to "trust Santander a bit more . . . and think of M&A more as an opportunity than a risk".

After Webster and the £2.65bn purchase of British high street lender TSB last July, Botín has said she will not pursue further deals for at least three years. Santander's focus will turn to the potentially challenging task of integrating both acquisitions at the same time.

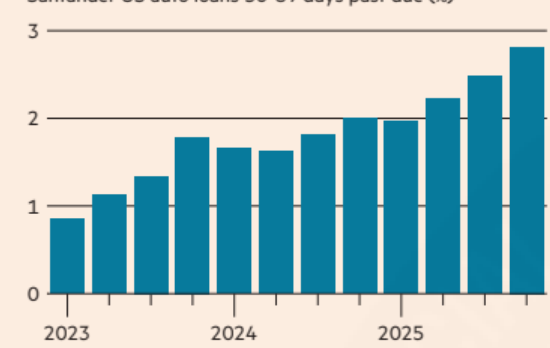
Execution will determine whether Botín's bet reshapes Santander successfully or joins the long list of European banks that misjudged the US.

"Webster is the last piece of the jigsaw," said one person who works closely with Botín. "Her legacy is about creating a bank that is very profitable and very scaled, and her focus is now on growth."

Additional reporting by Joshua Franklin in New York

A rising share of Santander's auto loans are late on payments

Santander US auto loans 30-89 days past due (%)



Source: BankRegData

Technology

Apple faces tensions with Trump administration over curation

MICHAEL ACTON — SAN FRANCISCO

Apple has been warned by the Federal Trade Commission not to stifle conservative content on its Apple News platform as tensions rise between the smartphone maker and the Trump administration.

In a letter to chief executive Tim Cook, FTC chair Andrew Ferguson cited recent press coverage of a report from conservative media watchdog Media Research Center, which claimed that Apple had promoted "leftist outlets" in its news feed.

Federal Communications Commission chair Brendan Carr, a fellow Trump appointee and vocal critic of Big Tech, applauded Ferguson's move, saying: "Apple has no right to suppress conservative viewpoints in violation of the FTC Act."

The public rebukes for Apple from top US enforcers came the day after President Donald Trump shared coverage of the MRC report on Truth Social.

"Any act or practice by Apple News to suppress or promote news articles based on the perceived ideological or political viewpoint of the article or publication . . . may violate" US laws that prevent businesses from misleading consumers, Ferguson said.

Ferguson, who Trump appointed to lead the US competition and consumer protection watchdog, said Apple should carry out a "comprehensive review" of its terms of service and take corrective action if its content curation is not in line with them. Apple did not respond to a request for comment.

The letter marks an escalation in public tensions between Apple and members of the Trump administration in recent days.

Trump has attacked Big Tech companies over claims they have suppressed conservative voices and has targeted Apple over its heavy reliance on manufacturing in China and India.

But the president has generally refrained from criticism of Apple since

Cook moved to mend fences with the administration in August. Cook pledged to spend \$600bn in the US over the next four years while Trump promised Apple an exemption from planned electronics tariffs.

Tech bosses have been at pains not to provoke the president since he returned

'Apple has no right to suppress conservative viewpoints in violation of the FTC Act'

to office. But Cook last week posted a selfie with Bad Bunny, the star of the Super Bowl halftime show on Sunday, which was sponsored by Apple Music and had drawn criticism from Trump.

Trump called the performance by Bad Bunny, who has been critical of the president's immigration crackdown, an "affront to the greatness of America".

It came shortly after the Apple boss

held an all-hands meeting with staff in which he promised to urge the administration to change its approach to immigration enforcement, according to people familiar with the matter, in the wake of the shootings of two people by federal agents during the crackdown in Minneapolis.

Cook faced an online backlash for attending a viewing of Melania Trump's Amazon Prime documentary at the White House hours after Border Patrol agents killed ICU nurse Alex Pretti.

White House press secretary Karoline Leavitt also shared coverage of the MRC report on X.

The report claimed that none of the 620 top stories featured on Apple's news app in the first month of 2026 was from a "right-leaning media outlet" such as Fox News, The Daily Mail or Breitbart.

"These reports raise serious questions about whether Apple News is acting in accordance with its terms of service and its representations to consumers," Ferguson wrote.

Banks

ANZ shares soar as chief's cost cutting shows promise

NIC FILDES — SYDNEY

The turnaround of Australian bank ANZ under former HSBC executive Nuno Matos has shown early signs of promise after strong first-quarter results sent shares soaring to a record high.

ANZ yesterday reported net profit in the quarter to the end of December rose to A\$1.9bn (\$1.4bn). It said the figure was 17 per cent higher than the average over the second half, when excluding charges it booked last year related to restructuring.

Revenue in the quarter increased to A\$4.9bn, compared with an average of A\$4.7bn over the previous two quarters. Shares surged as much as 10 per cent to an all-time high following the results.

Matos was appointed chief executive of ANZ in May after scandals including accusations that the bank had rigged the pricing of a government bond sale and that it had a culture of drinking on its trading floor.

The Portuguese executive quickly moved to settle cases with regulators and enacted a strategic revamp to improve the company's performance.

The productivity plan has delivered 'significant reduction in expenses while increasing revenue'

That included the elimination of 3,500 jobs and 1,000 contractor roles.

The bank also cancelled more than A\$30mn of executive bonuses while former chief executive Shayne Elliott gave up A\$13.5mn of shares after the bond-rigging scandal and trading floor culture issues during his tenure.

Matos said the first-quarter results highlighted "early progress" in his five-year plan to transform Australia's fourth-largest lender by market capitalisation into the country's "best bank".

"Our productivity programme aimed at removing duplication and simplifying the bank is well under way, delivering a significant reduction in expenses while increasing revenue," he said in a statement.

Andrew Lyons, an analyst with Jefferies, said in a research note that ANZ "deserves some credit" in how it had managed its balance between growth and improving profit margins, but the "real test" would be how that mix was maintained over time. "Looking ahead, we see execution risk and think its risk/reward is finely balanced," he said.

ANZ's earnings report followed a first-half update from Commonwealth Bank of Australia on Wednesday that showed a 5 per cent rise in net profit to A\$5.4bn on the back of strong mortgage demand, sending shares sharply higher.

The company, the biggest of Australia's "big four" banks, had been in danger of losing its position as the country's largest listed business to miner BHP before a 12 per cent rise in its share price over the past week.

Legal Notices

TENDER NOTICE

SEE - INTERNATIONAL PUBLIC TENDER N° 001/2026

The State of Minas Gerais, through the State Secretariat of Education - SEE/MG, hereby gives public notice of the International Public Tender N° 001/2026, the object of which is the administrative concession for the provision of renovation, conservation, maintenance, management, and operation of non-pedagogical services in 95 (ninety-five) public educational units of the State of Minas Gerais, under the terms and conditions set forth in the Tender Documents and their Exhibits. The bid evaluation criterion shall be the lowest maximum monthly consideration value to be paid by the Granting Authority to the Concessionaire, pursuant to Article 12, item II, letter "a", of Federal Law N° 11.079, of December 30, 2004. The tender documents (Tender Notice, Agreement, and their Exhibits) will be available for consultation on the websites of SEE (<http://educacao.mg.gov.br>), the PPP Unit of the State of Minas Gerais (<http://www.parcarias.mg.gov.br>), and the Virtual Data Room of the State of Minas Gerais (<https://dataroom.mg.gov.br>). Interested parties may submit requests for clarification regarding the Tender Documents until 11:59 p.m. on March 19, 2026, exclusively through the electronic address indicated in the Tender Notice, in compliance with the provisions set forth therein. The submission of the Envelopes containing the Proposal Guarantee, the Economic Proposal, and the Qualification Documents shall take place on March 25, 2026, from 10:00 a.m. to 2:00 p.m., at B3 S.A. - Brasil, Bolsa, Balcão, located at Rua XV de Novembro, N° 275, Downtown, São Paulo/SP, in accordance with the rules established in the Tender Documents. The Public Bid Opening and Evaluation Session (Auction) will be held on March 30, 2026, starting at 10:00 a.m., at B3 S.A. - Brasil, Bolsa, Balcão, at the same address, with the participation of the bidders whose Proposal Guarantees have been accepted, in accordance with the provisions of the Tender Documents. The qualification documents of the bidder(s) ranked first shall be analyzed immediately after the Public Bid Opening and Evaluation Session, as provided for in the Tender Documents.

Rosseli Soares da Silva
State Secretary of Education
GOVERNO DE MINAS
AGUO D' TRÊS
PROSPERA.

Contracts & Tenders

SC CUPRU MIN S.A. company, headquartered in Abrud, Petru Dobra Square No.1, Alba County, phone +40258-780083, email office@cuprumin.ro, procurement@cuprumin.ro, is organizing open tender for the purchase of: FORGED OR ROLLED STEEL BALLS. D=60mm-300 to, D=80mm-1400 to, D=100mm-600 to, D=120mm-400 tone. Products will be delivered to the Preparation Plant warehouse from Lupşa Commune, Muşca Village (No Number) Alba County. Contract duration: 12 months. Deadline for submitting the offer: February 23, 2026 at 12:00 at the company's headquarter-Administrative department, offers received after the specified time/date will not be considered and will be sent back unopened. Deadline for receiving clarification requests regarding the content of the tender documentation is February 13, 2025. Deadline for submitting responses to clarifications: 3 days from the request receipt. The offers will be submitted in Romanian, with a validity period of 90 days from the opening. The offers opening will take place on February 23, 2026 at 13:00 at company's headquarter. The evaluation will be conducted for each size separately, so a bidder may submit an offer for one, two, three, or all requested size, depending on availability. The award criterion is the lowest price offer for each dimension separately. The tender documentation can be obtained free of charge from our procurement department, based on a written request that will include all fiscal identification and contact details of the interested economic operator. The tender documentation can be picked up in person, by authorized courier, or can be sent by email.