

Santander in talks about swoop on £14bn abrdn private equity unit

An arm of Santander, the Spanish banking giant, is in talks to swoop on the £14bn private equity unit of abrdn, the British fund manager.

Sky News has learnt that Santander Asset Management is one of a small number of parties vying to buy the business from abrdn.

Sources said a deal was expected to be struck between abrdn and a buyer in the next couple of months that could value the division at approximately £250m.

At least one other party has been in discussions in recent weeks, although a source close to Fidelity International denied a suggestion that it was considering a deal.

The division being sold by abrdn manages investments in private equity funds and is a legacy of Standard Life Investments, whose parent company merged with Aberdeen Asset Management in 2017.

Under current chief executive Stephen Bird, abrdn has attempted to reshape itself, shedding non-core assets and spending £1.5bn on the acquisition of Interactive Investor, the retail platform.

Mr Bird will later this month unveil abrdn's full-year results, with City analysts pencilling in a consensus pre-tax profit forecast of £228m.

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Assets under management are expected to have fallen to £502bn.

On Friday, shares in abrdn were trading at about 213p, giving the company a market capitalisation of £4.3bn.

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Abrdn and Santander declined to comment.