GRATA INTERNATIONAL

Local Knowledge
for Global Business

www.gratanet.com

Acquisition Finance

What Is Acquisition Finance?

- Acquisition financing is the funding a company uses specifically for the purpose of acquiring another company.
- By acquiring another company, a smaller company can increase the size of its operations and benefit from the economies of scale achieved through the purchase.
- Bank loans, lines of credit, and loans from private lenders are all common choices for acquisition financing.
- Other types of acquisition financing including Small Business Association (SBA) loans, debt security, and owner financing.

Types of Purchasers

Strategic investors: Corporate purchasers acquire competitors ("market shares"), complementary businesses or non-related businesses (diversification).

Financial investors:

Collective investments (e.g., from insurance companies, pension funds, general investment funds, individuals – "family offices") pooled in private equity funds acquire companies/ businesses with the aim of achieving an attractive rate of return through a sale within a limited period of time.

Read more

Practice areas

FINANCE AND SECURITIES

Industries

BANKING & FINANCE

Locations

GERMANY MOLDOVA

Key contacts

Igor Popa
Senior Partner
Chisinau, Moldova
Frankfurt on Main, Germany
+49 69509565401
ipopa@gratanet.com