

Banchetti's boutique wins €1bn in mandates

Harry Wilson and Vivek Ahuja

Lehman Brothers' former co-chief executive of Europe has won more than €1bn (\$1.5bn) of restructuring mandates from Italian businesses for his boutique advisory firm in its first three months of operation, as companies and institutions look to unwind damaging debt and derivatives trades.

Riccardo Banchetti, who was last year made co-head of Lehman Brothers' European business in the week before it went

bankrupt, has established himself as an adviser to Italian companies and institutions needing advice on restructuring of derivatives positions.

Banchetti, along with former colleague at Lehman Brothers Antonio Miele, founded London-based Pactum Advisers in the spring, and since gaining approval from the Financial Services Authority three months ago has gathered derivatives and debt value recovery work worth more than €1bn, according to Miele.

The boutique business model has been criticised this year, as some question whether there is much of a market for specialist financial services outside large banks.

While boutiques have won roles on some of the largest deals of the year, such as Perella Weinberg Partners' work for France Telecom on its joint venture between its UK subsidiary Orange and Deutsche Telekom's UK business T-Mobile, others have failed to gain as much traction.

Miele, who was head of structured solutions for southern Europe at Nomura until January, said he and Banchetti had been "extremely surprised" by the speed with which the business had taken off and were recruiting more staff to help expand the firm.

He said: "We expect to keep growing at this rate for the next six months and we will be focusing on building up the debt restructuring business as well as developing a more traditional corporate finance capability."