

# European Private Credit CLOs

**Market-leading European private credit CLO practice. Our EU practice represents an important part of the firm's global CLO capabilities.**

Dechert's London office has firmly positioned itself as a market leader in the European private credit CLO space, leveraging its deep expertise and innovative approach to advise on several pioneering transactions that have set new benchmarks, which are helping to drive the evolution of the industry.

Through its role as drafting counsel on every European private credit CLO to date, the Dechert team have consistently demonstrated their ability to navigate complex regulatory frameworks, structure innovative solutions and support clients in achieving first-of-their-kind milestones, solidifying our reputation as a trusted advisor in this dynamic and rapidly growing market.

## A focus on European private credit CLOs - a closer look

### ▼ **July 2026, Golub Capital Partners Euro CLO 89 (M)**

Dechert advised Golub, the world's largest private credit CLO issuer by AUM, on their first European CLO. The €351 million private credit issue included a triple A tranche priced in sterling and is rated by KBRA. This makes Golub the third manager to issue a European private credit CLO, after Barings and Ares. This transaction further solidifies the popularity of dual currency structures in European private credit CLOs.

### ▼ **February 2026, Ares European Direct Lending CLO 2:**

Dechert advised Ares, on their second European Direct Lending CLO. The deal is among the first multicurrency middle-market CLOs in Europe, it is weighted towards senior-secured floating rate loans and is rated by S&P and KBRA.



[web release](#)

### ▼ **October 2025, Barings Euro Middle Market CLO 2025-1 DAC:**

Dechert advised Barings, on the launch of Europe's first multicurrency private credit CLO. With Euro and Sterling tranches, it is the first of its kind to combine a multicurrency structure with a portfolio targeting exclusively private credit assets, directly originated by the Barings' European Private Credit Platform.



[web release](#)

### ▼ **June 2025, Ares European Direct Lending CLO 1:**

Dechert advised Ares on the firm's first European Direct Lending CLO. The deal is the first reinvesting private credit CLO in the European market and one of the first middle-market CLOs issued in Europe. The CLO issuer is domiciled in Luxembourg, which is a first in the European CLO market.



[web release](#)

- **November 2024, Barings Euro Middle Market CLO 2024-1 DAC:**  
Dechert advised Barings on the launch of the first-ever European middle market private credit CLO. Barings Euro Middle Market CLO 2024-1 DAC was a static deal and was valued at €380 million.



web release

## The Importance of Multi-Currency CLO Structures

Building a sufficiently diverse asset pool has been the defining challenge for managers seeking to access the nascent EU private credit CLO market. The European market's multi-currency landscape, fragmented jurisdictions, and comparatively restricted asset universe have historically made it difficult to construct the diversified portfolios that CLO structures require — a key reason why the market is only now beginning to develop, with the first deal emerging in December 2024.

Multi-currency CLO structures help to address this issue. By raising liabilities in both Euros and Sterling, these vehicles create a natural currency hedge — Euro proceeds fund Euro-denominated assets and Sterling proceeds fund Sterling-denominated assets — eliminating the cost and complexity of perfect asset swaps. The result is a materially broader eligible asset pool, enabling managers to source loans across a wider range of European jurisdictions without currency mismatch risk. We expect the multi-currency feature to become standard across new EU private credit CLOs, opening the market to a broader universe of managers and sponsors.

## Awards and rankings

Ranked in Band 2 for Capital Markets: CLOs Chambers UK, 2026

Ranked for in Tier 3 Securitisation in Legal 500 UK, 2026

Aaron Scott is ranked for Capital Markets: CLOs by Chambers UK, 2026

Won 'Impact Deal Award – Securitization and Structured Finance' for the Barings Euro Middle Market CLO 2025-1 at IFLR Europe Awards, 2026

Won 'CLO Deal of the Year' and 'Overall Securitization Deal of the Year' for the Ares European Direct Lending CLO 1 at GlobalCapital's European Securitization Awards, 2026

Shortlisted for Innovative lawyers in private finance: 'Advising Barings on its launch of Europe's inaugural private credit CLO' at the FT Innovative Lawyers Europe Awards, 2025

Won 'CLO Deal of the Year' for the Barings Euro Middle Market CLO 2024-1 at GlobalCapital's European Securitization 2025 awards.

## Client quotes



**Aaron offered hands-on leadership and expertise with the CLO business model**

*Chambers UK, 2026*

**Dechert is commercial, detail-oriented, innovative and familiar with the latest CLO technology and documentation trends**

*Chambers UK, 2026*

**Aaron has a good understanding of the market and the regulatory landscape**

*Chambers UK, 2026*

**Dechert has a deep knowledge of the CLO market and regulatory protocols. They also have a tremendous work ethic providing us round the clock service**

*Chambers UK, 2026*

## QR codes to resources



**The Cred:**  
Private Credit CLOs in Europe:  
From Pioneering Structures to  
a Scalable Product



**The Cred Convo:**  
Exploring the EU's First  
Private Credit CLO



**The Cred:**  
Structured Product Innovations:  
Middle Market CLOs and  
Rated Note Feeders



**The Cred:**  
European Private Credit CLOs:  
Have the Floodgates Opened?

## Core team



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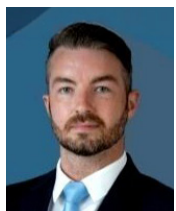
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