

DATE

June 22, 2017

SECTORS

Infrastructure

DEAL TYPE

Debt Advisory & Restructuring

DEAL LOCATIONS



DEAL TEAM



Neale Marvin

Managing Director



Phillip Hyman

Managing Director

DC Advisory advised Rock Rail, SL Capital and GLIL on the refinancing of the new Bombardier trains to the South Western franchise



SL Capital Partners

BACKGROUND

- First Group-MTR was recently awarded the new seven year South Western rail franchise (commencing on 20th August 2017) by the Department for Transport
- As part of the franchise, the Rock Rail consortium was selected to procure a new fleet of 90 trains comprising of 750 Electric Multiple Unit vehicles which will upgrade the rolling stock on the inner suburban services serving London Waterloo
- The trains will be built by renowned train manufacturer, Bombardier. The Aventra trains, which will be built for the needs and specifications of the South Western rail network, are based on the same design as those secured for Crossrail (66 x 9-car Class 345), London Overground (34 x 4-car Class 710) and Abellio Greater Anglia (111 x 5/10-car)
- The transaction was led by Rock Rail (Rock), SL Capital (part of Standard Life Investments) and GLIL Infrastructure LLP, who all provided the equity investment. GLIL is the infrastructure investment vehicle of Greater Manchester Pension Fund, London

PROCESS

- DC Advisory (DC) was mandated to provide debt advice to the consortium and supported Rock throughout the process including the volatile market conditions in the run up to the recent general election
- DC ran a focused process engaging across a number of detailed workstreams in working with a group of nine institutional funders to achieve an optimal long-dated financing

outcome, as well as leading the overall execution protocol

OUTCOME

- DC delivered the largest unrated Sterling Private Placement issuance in the infrastructure market to date
- The debt package was highly attractive and executed on very competitive terms
- The senior financing was signed with a group of nine institutional investors including (amongst others) Aviva, Barings, Legal & General, MEAG, Rothesay Life, Scottish Widows, Standard Life and SunLife
- This transaction follows the success of the East Anglia transaction in 2016 where DC was also financial adviser to the Rock Consortium