



Debt Market Monitor  
Q3 2018  
November 2018

# Recent European capital advisory transactions

**HLD elivie SRS ui**  
 Advisor to the Company on refinancing  
 Value not disclosed  
 Pending

**SOCIÉTÉ REL**  
 Advisor to the shareholders and the Company on its sale process and lender education  
 Value not disclosed  
 September 2018

**Project Siri**  
 Advisor to the Company on refinancing  
 £146m  
 August 2018

**NEILSON**  
 Advisor to sponsor on acquisition financing  
 Value not disclosed  
 August 2018

**lar**  
 Advisor to the Company on refinancing and recapitalisation  
 Value not disclosed  
 August 2018

**ERGON CAPITAL PARTNERS**  
 Advisor to the Company on refinancing  
 Value not disclosed  
 July 2018

**r2p openaccess**  
 Advisor to HQ Equita on the acquisition financing of r2p and Open Access  
 Value not disclosed  
 July 2018

**evernex THE CARLYLE GROUP**  
 Advisor to Evernex on refinancing  
 Value not disclosed  
 July 2018

**Project Broadleaf**  
 Advisor to sponsor on acquisition financing  
 Value not disclosed  
 July 2018

**Project Harrow**  
 Advisor to sponsor on acquisition financing  
 £80m  
 July 2018

**PORTMAN dental care**  
 Advisor to sponsor on acquisition financing  
 Value not disclosed  
 June 2018

**Project White**  
 Advisor to the Company on amendment and refinancing  
 Value not disclosed  
 May 2018

**NEOXAM**  
 Advisor on the acquisition financing of Neoxam  
 Value not disclosed  
 May 2018

**spgprints**  
 Advisor to the sponsor on amendment  
 €160m  
 April 2018

**VECOY**  
 Advisor to the sponsor on acquisition facilities  
 €125m  
 April 2018

**Trescal**  
 Advisor to the sponsor on acquisition facilities  
 Value not disclosed  
 April 2018

**Reconomy**  
 Advisor to the Company on refinancing  
 Value not disclosed  
 April 2018

**ELATEC RFID Systems**  
 Advisor to Summit Partners on acquisition financing  
 Value not disclosed  
 March 2018

**eurazeo**  
 Advisor to Eurazeo Patrimoine on acquisition financing of Groupe C2S  
 Value not disclosed  
 March 2018

**LABELUM Qualium**  
 Advisor to Qualium on acquisition financing of Labelium  
 Value not disclosed  
 February 2018

**Secure Link**  
 Advisor to the Company on refinancing  
 Value not disclosed  
 February 2018

**Clumater SAGARD**  
 Advisor to the shareholders and the Company on its sale process and lender education  
 Value not disclosed  
 January 2018

**CCC COMPETENCE CALL CENTER**  
 Advisor to Ardian on acquisition financing of Competence Call Center  
 Value not disclosed  
 January 2018

**SCHROTH**  
 Advisor to Perusa on acquisition financing of Schroth Safety Products  
 Value not disclosed  
 January 2018

**Active**  
 Advisor on staple financing  
 Value not disclosed  
 January 2018

**PRIMARY**  
 Advisor to the Company on debt raising  
 \$75m  
 January 2018

**Law Business Research**  
 Advisor on staple financing  
 Value not disclosed  
 January 2018

**thomas**  
 Advisor on staple financing  
 Value not disclosed  
 January 2018

**JOA**  
 Advisor on disposal to Blackstone  
 Value not disclosed  
 October 2017

**AWK GROUP**  
 Advisor to DPE Deutsche Private Equity on acquisition financing of AWK Group  
 Value not disclosed  
 December 2017

**DOLZ**  
 Dividend recapitalisation  
 €41m  
 December 2017

**GROUP IMD**  
 Advisor to the Company on acquisition financing  
 Value not disclosed  
 December 2017

**Project Elixir**  
 Advisor to the sponsor on dividend refinancing  
 Value not disclosed  
 December 2017

**DATAWORDS**  
 Advisor on refinancing & add-on financing  
 Value not disclosed  
 December 2017

**ATCORE**  
 Advisor to the sponsor on acquisition facilities  
 Value not disclosed  
 November 2017

# Q3 2018 – Executive summary

Total leverage loan volumes are broadly flat YTD at €84.9bn, reflecting a drop in M&A activity in Q3 2018



## Highlights - Europe

- Lender risk assessments are increasingly focusing on performance through the cycle
- Private debt funds continue to increase their market share by delivering larger ticket sizes and directly competing with the underwritten market

### Highlights – UK

- Q3 has seen a step up in refinancing activity and this is expected to continue in Q1 2019 as companies prioritise flexibility and covenants over headline price, ahead of Brexit uncertainty
- Investor demand is exceptionally strong for resilient, recurring revenue type deals which are continuing to obtain terms more akin to large cap deals. However, lenders are remaining disciplined for weaker credit stories

### Highlights – Spain

- In Spain, leveraged financing activity has nearly doubled to 16 transactions in Q3, in comparison to 9 in Q2 2018
- Increased appetite from banks with new lenders entering the Spanish market (e.g. Credit Industriel et Commercial, Banco Pichincha)
- Direct lending activity is increasing in the region, albeit banks continue to dominate sponsor-backed financings, closing c. 90% of the transactions during the quarter

### Highlights – DACH

- Q3 2018 has been characterised by lower activity versus Q2 and the prior year, reflecting lower M&A activity
- Competition amongst debt funds remains very strong, as funds look to increase portfolio exposure to DACH
- Senior banks increasingly participating in the now well established 1st/2nd out financing structures

### Highlights – France

- The French market has continued to perform well, with increased volumes in Q3 compared to Q2 2018, reflecting buoyant M&A volumes
- We've seen an increased focus on lender-friendly documentation; with credit investors resisting certain perceived 'large cap' features
- Slight widening in margins for single TLB (Term Loan B) to 400-425bps (+25bps versus Q2 18)









# Benelux Debt Market Monitor Q3 2018

## Multi-banked LBOs and refinancings completed Q3 2018

	Target	Sponsor	NIBC	ING	Rabobank	ABN Amro	SMBC	Investec	HSBC	Deutsche Bank	Bank of Ireland	IKB	Belfius	BNP Paribas	Unicredit	Citi	Goldman Sachs	NatWest	UBS	Barclays	Lloyds	Mizuho	SEB	KBC	Siemens	AimCo	Alcentra	Bain	Robeco	Permira	Ardian	CDPQ	Partners	Ares	Hayfin	Idinvest	Pemberton	HPS	KKR	Barings	CVC	Nature of deal														
LBO	<u>EBITDA &gt; €25m</u>																																																							
	IGM Resins	Astorg Partners		●	●										●	●	●																																	UW						
Refinancing	<u>EBITDA &gt; €25m</u>																																																							
	Actief Interim	Gilde		○					○				○	○	○																																				CL					
	Conclusion	NPM Capital			○	○		○	○	○			○																																						CL					
	Roompot	PAI						○									○				○																													UW						
	SERB	Charterhouse		○				○	○							○																																			CL					
	<u>EBITDA &lt; €25m</u>																																																							
	Alpega	Castik																																																						Uni
	<b>Total Q3-18</b>		0	3	2	1	2	2	2	1	0	2	1	2	1	1	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6					
	<b>Total Q2-18</b>		7	4	3	7	4	1	1	3	4	1	0	0	1	0	0	0	0	0	1	1	1	1	1	0	0	2	1	1	1	0	0	0	0	0	1	1	1	1	1	0	0	0	0	0	0	0	0	9						
	<b>Total Q1-18</b>		4	3	4	3	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	0	0	0	0	0	0	0	0	0	1	1	0	0	0	0	0	8						
	<b>Total Q4-17</b>		2	2	2	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0	4						
	<b>Total LTM</b>		13	12	11	11	7	5	4	4	4	3	3	2	2	1	1	1	1	1	1	1	1	1	1	1	1	3	2	2	2	2	2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	27						

Notes: The Benelux Debt Market Monitor shows senior and subordinated debt providers for bilateral and multi-banked loan-funded LBO / refinancings involving a Benelux target.

● denotes a LBO

○ denotes a refinancing

●/○\* denotes lender is solely the provider of undrawn facilities in a unitranche transaction

CL: Club deal; UW: Underwrite; Hybrid: Hybrid facility; Uni: Unitranche; Mezz: Mezzanine; PIK: PIK note; 1 O / 2 O: First out, second out

LTM # of deals





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