

DATE

July 08, 2019

SECTORS

Infrastructure

DEAL TYPE

Debt Advisory & Restructuring

DEAL LOCATIONS



DEAL TEAM



Neale Marvin
Managing Director



Stephen Davies
Executive Director

DC Advisory advised TCR on a private placement debt issuance



Background

- Headquartered in Brussels, Belgium, the TCR Group (TCR) is the world's largest provider of full service ground support equipment rental solutions at airports
- TCR provides high quality assets alongside a leasing, maintenance and fleet management offering supported by medium to long term rental contracts, with the equipment representing critical infrastructure, without which airports could not operate
- The customer base comprises predominantly independent ground handling companies, major airlines and airports

Process

- In June 2018, TCR secured a NAIC 2 level equivalent rating with Kroll (maintained), and the same with Fitch (point in time only), as well as issued c.€340m of private placement (PP) debt across ten and 12 year tenors
- In February 2019, TCR acquired Aerolima, the company's main competitor in France. The acquisition was funded through its current capex facility
- DC Advisory (DC) was mandated to:
 - Provide debt advice to TCR on the issuance of new PP debt to restore the headroom under its capex facility so that it can continue to grow in accordance with its business plan; and
 - Provide ratings advice to TCR to ensure the 2018 rating is maintained following the new issuance.
- DC has an in-depth understanding of the company and the market, having advised 3i Infrastructure and DWS on the acquisition of TCR in 2016. Additionally, key members of

the DC deal team advised TCR on the implementation of its investment grade rated debt platform in 2018 for this PP issuance

- DC ran a focused process and engaged with the rating agencies and existing PP lenders in TCR to deliver a successful financing under a tight timetable

Outcome

- DC delivered a positive outcome to meet the company's financing objectives, including:
 - Kroll's re-affirmation of the company's rating
 - The company's issuance of c.€105m (equivalent of 12 year PP debt across EUR and GBP) at coupon levels lower than the 12 year tranches issued during the 2018 financing
 - The above outcome resulted in restoring the headroom under the capex facility, enabling the company to continue growing internationally