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### **Eight-Strong Banking Group Backs £1.5bn Porterbrook Acquisition**

Deutsche Bank, Lloyds TSB, and Antin Infrastructure Fund's acquisition of rolling stock company Porterbrook from Abbey National earlier this week has been backed by a £1.5bn, eight-bank financing package.

The £1.5bn senior secured debt facilities were provided by a syndicate of banks including MLAs and bookrunners Abbey UK Corporate Banking, Barclays Capital, BNP Paribas, Calyon, Dexia, Lloyds TSB and SMBC, with CBA also coming in as an MLA.

Commitments were split equally between the MLAs, with each bank providing £187.5m.

The deal is understood to be structured in a similar way to the Angel Trains acquisition, which closed in June, although pricing on the Porterbrook deal is higher, possibly around 200bps, in line with current market conditions. The benchmark five-year BBB-rated tranche financing Angel Trains had margins of 135bps rising to 150bps.

The Porterbrook facilities are expected to be rated BBB by S&P.

General syndication of the debt is expected to be launched early next year.

#### **Porterbrook**

The Deutsche Bank, Lloyds TSB, and Antin Infrastructure Fund consortium completed its 100% acquisition of the Porterbrook operational infrastructure rolling stock business from Abbey National on Monday (October 27).

Porterbrook's fleet comprises 5,500 vehicles. Its investment to date in the UK rail market totals over £1.5bn in new trains and over £200m on existing fleet refurbishment.

It now has leases with 17 out of the 24 passenger Train Operating Companies as well as the principal Freight Operating Companies.

Meanwhile, HSBC is considering the sale of its rolling stock leasing company, HSBC Rail, which has a similar fleet size to Porterbrook. A sale could take place early next year.

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