

Transaction Highlights Q4 2017

Quarterly compilation of syndicated loan and debt capital market transactions in the Netherlands



Summary of key market observations

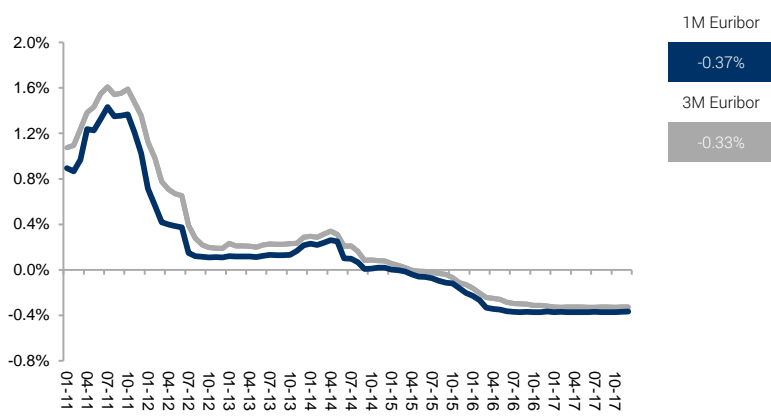
	Commentary
Benchmark yields and credit spreads	<ul style="list-style-type: none"> Spread gap between A-rated Financials and Industrials continues to tighten once again. Swap rates continue to move away from bottom lows. However, the short end of the curve increased less rapidly compared to the 10-year swap rates resulting in a steepening of the yield curve. <ul style="list-style-type: none"> 3-year swap rates only for the second time in 2 years (although slightly) above 0%.
Syndicated loan market	<ul style="list-style-type: none"> Total 2017 volume in the Dutch syndicated loan market dropped 15% to EUR 79.6bn compared to record levels set in 2016 (94.2bn). Total volume is in line with 2014 and 2015 volumes. Total 2017 volume in the European SLM market amounts EUR 399.5bn and is thereby almost 10% higher compared to 2016.
Debt capital market	<ul style="list-style-type: none"> Total 2017 deal volume in the Dutch DCM market amounts EUR 17.8bn, a drop of 20% compared to record levels set in 2016. The European debt capital market set a new record high in total volume of EUR 275.8bn mainly due to the strong first half year in which 65% of the total volume was issued. The continuation of positive market circumstances is reflected in multiple bond issues in the Dutch DCM market. <ul style="list-style-type: none"> Two 0% coupon bond issues were issued: one by Akzo Nobel (EUR 500mn, maturing in 2019) and one by Stedin (EUR 300mn, maturing in 2022). BE Semiconductor issued an EUR 175mn bond maturing in 2024 (@ 0.50 – 1.25%).
NL league tables	<ul style="list-style-type: none"> Deutsche bank leads the Dutch syndicated loan market with a market share of 7.2%. However, its total 2017 volume is merely 50% of its total volume in 2016. When looking purely at the total number of deals, the Dutch banks lead the SLM market with ING ranking first with 36 deals (among other Philips, Action, Randstad and FrieslandCampina).

Benchmark yields and credit spreads

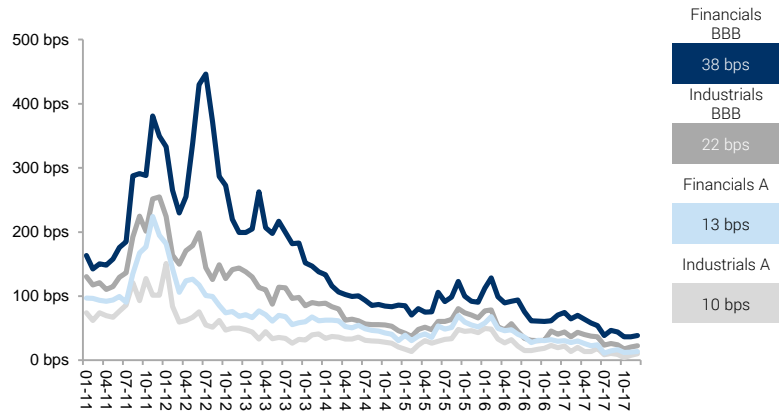
Key highlights

- 1-month and 3-month Euribor remain unchanged at -0.37% and -0.33% respectively. Both Euribor rates have been range-trading around these bottom lows for one year now.
- Credit spreads of BBB- and A-rated Industrials and Financials marginally increased in the last quarter of 2017 but still very near all time lows. Spread gap between A-rated Financials and Industrials continues to tighten once again.
- Swap rates continue to move away from bottom lows. However, the short end of the curve increased less rapidly compared to the 10-year swap rates resulting in a steepening of the yield curve.
 - 3-year swap rates marginally above 0%, only for the second time in 2 years.
- US government bond yields close to Q4 2016 levels again a dip during the first half of 2017.
 - The FED increased its interest rate in Q4 2017 for the third time in 2017 to 1.50%.

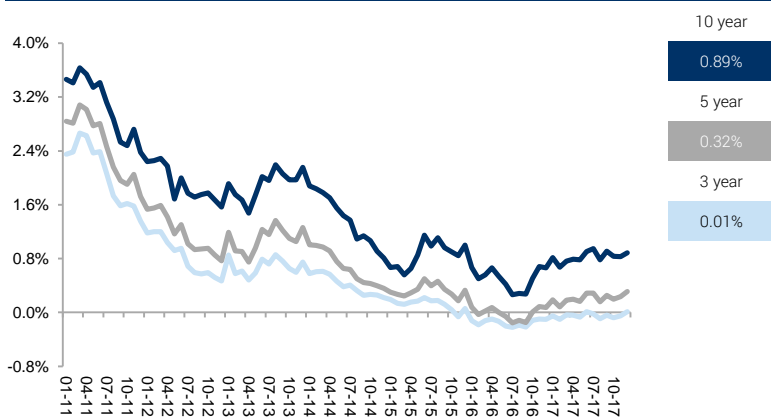
Development 1-month versus 3-month Euribor



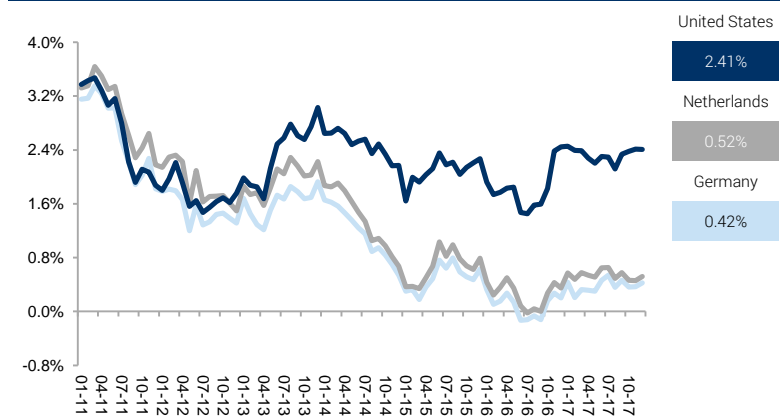
European Industrials and Financials 5-year credit spreads



Development of 3, 5 and 10-year swap rates



Yield development 10-year sovereign bonds



Source: Bloomberg (all data until 1 January 2018)
The European Industrials and Financials Bloomberg indices are populated with noted EUR currency denominated fixed-rated bonds. Spreads are above 5yr EUR swap rate

Syndicated loan market in the Netherlands and the Eurozone

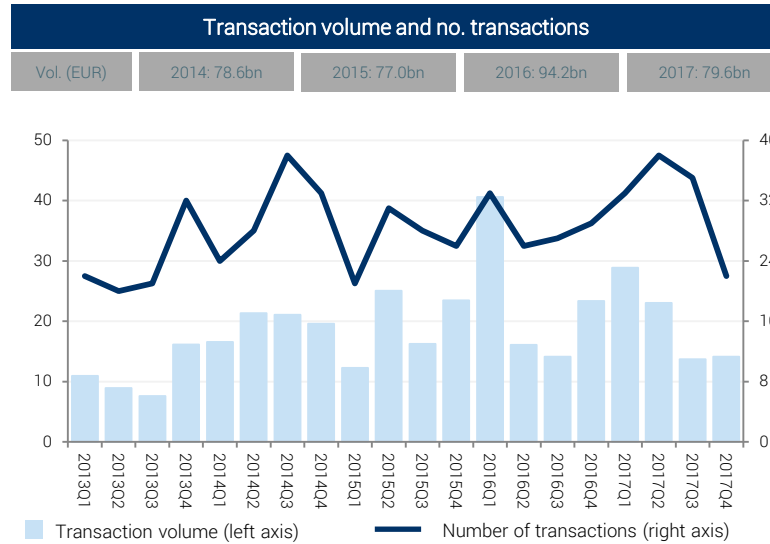
Key highlights

- Total 2017 volume in the Dutch syndicated loan market dropped 15% to EUR 79.6bn compared to record levels set in 2016 (94.2bn). Total 2017 volume is in line with 2014 and 2015 volumes.
- Total number of deals dropped steeply during the last quarter of 2017 to a total of 22, thereby reaching the lowest number of deals since Q1 2015.

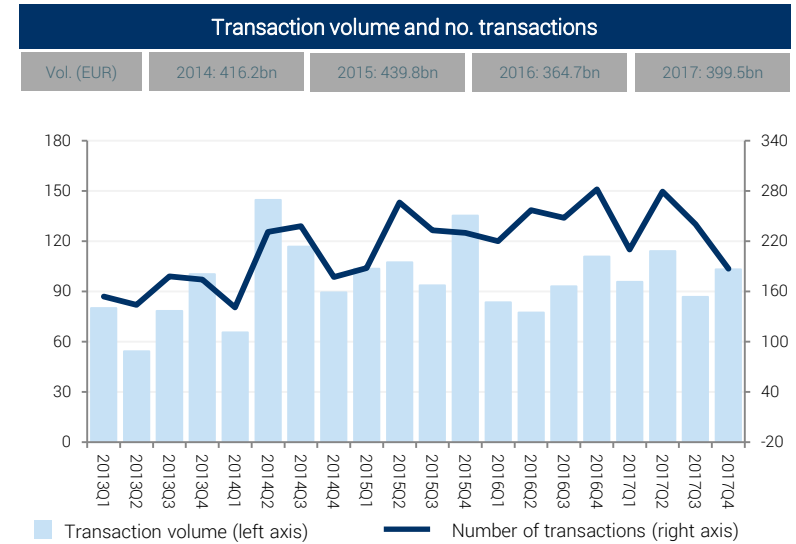
 - Total volume in Q4 (EUR 14.1bn) is slightly below average (EUR 16.0bn).
- Similar to the Dutch syndicated loan market, total number of deals also dropped in the European syndicated loan market to a total of 187. This is the lowest record number of deals since Q4 2014.
- Despite the decrease in total number of deals, the deals completed were relatively large. As a result total deal volume increased in Q4 to EUR 103.1bn.

 - Total 2017 volume amounts EUR 399.5bn and is thereby almost 10% higher compared to 2016.

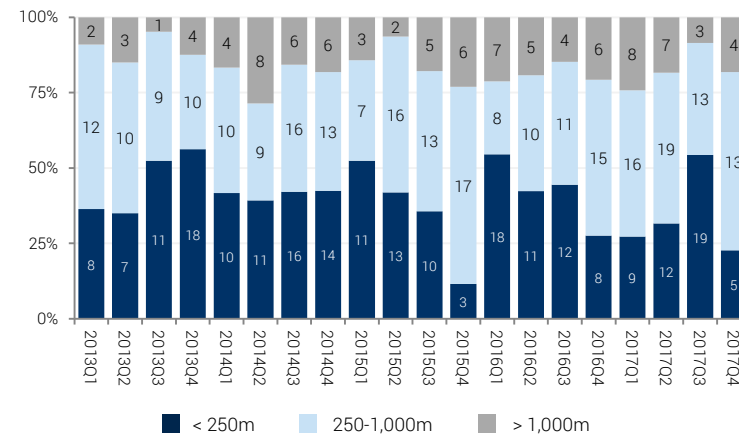
The Netherlands



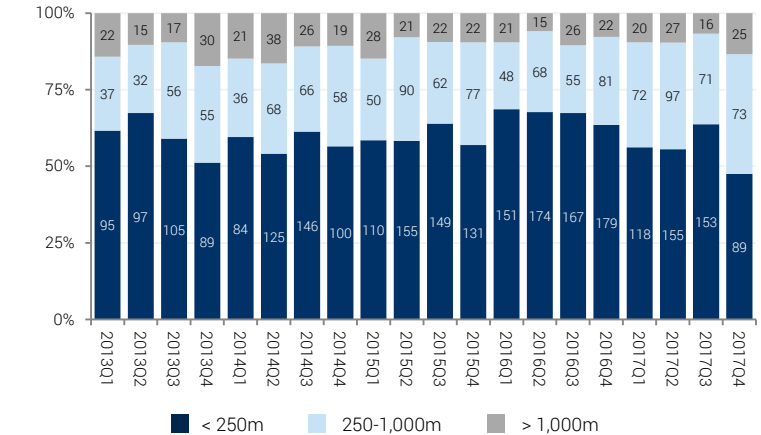
Eurozone



Breakdown no. transactions on deal size



Breakdown no. transactions on deal size



Q4 2017 syndicated loan transactions in the Netherlands – a selection

Key highlights

- In total 5 'jumbo' transactions (deals > EUR 1.0bn) were signed in Q4 2017. These transactions account for almost a third of the total Q4 volume and are mainly driven by captives / financial holdings such as Huawei, Petrobras, Bunge and Gunvor.
- Also FrieslandCampina issued a 'jumbo' loan of EUR 1.0bn with a tenor of 5 years and two extension options. The proceeds are used to refinance its current revolving facility.

Date	Company	Type	Currency	Size (mln.)	Maturity	Sector	Purpose	Rank	Pricing
22 Dec	CDS Holdco III	TERM	EUR	550	2023	Communications	Refinance	Secured	EURIBOR + 375
22 Dec	Huawei Technologies Coop	TERM	USD	1,500	2022	Technology	Gen Corp Purp	Unsecured	US LIBOR + 95
13 Dec	Fugue Finance	TERM	EUR	220	2024	Consumer, Non-cyclical	Gen Corp Purp	Secured	EURIBOR + 325
12 Dec	Tata Communications	TERM	USD	315	2022	Communications	Refinance	Unsecured	Undisclosed
12 Dec	Tata Communications	TERM	USD	135	2019	Communications	Refinance	Unsecured	Undisclosed
12 Dec	Bunge Finance Europe	REV	USD	1,750	2020	Consumer, Non-cyclical	Refinance	Unsecured	US LIBOR + 50
4 Dec	Swinkels Family Breweries	REV	EUR	250	2022	Consumer, Non-cyclical	Refinance	Unsecured	Undisclosed
28 Nov	Petrobras Netherlands	TERM	USD	1,000	2022	Energy	Refinance	Secured	US LIBOR + 250
27 Nov	BPRL International	TERM	USD	100	2022	Energy	Capital Expenditures	Secured	US LIBOR + 72
27 Nov	BPRL International	TERM	USD	300	2024	Energy	Capital Expenditures	Secured	US LIBOR + 102
21 Nov	Avast Software	TERM	EUR	508	2023	Technology	Refinance	Secured	EURIBOR + 300
16 Nov	Gunvor International	REV	USD	1,140	2018	Consumer, Cyclical	Gen Corp Purp	Unsecured	Undisclosed
16 Nov	Gunvor International	REV	USD	250	2020	Consumer, Cyclical	Gen Corp Purp	Unsecured	Undisclosed
7 Nov	Oryx Stainless Holding	REV	EUR	20	2020	Industrial	Gen Corp Purp	Secured	Undisclosed
7 Nov	Oryx Stainless Holding	REV	EUR	80	2020	Industrial	Gen Corp Purp	Secured	Undisclosed
7 Nov	Sensata Technologies	TERM	USD	928	2021	Technology	Refinance	Secured	US LIBOR + 175
3 Nov	Bij Lou	TERM	USD	165	Undisclosed	Technology	Recapitalization	Secured	Undisclosed
2 Nov	Hertz Holdings Netherlands	REV	EUR	153	2020	Consumer, Non-cyclical	Gen Corp Purp	Unsecured	Undisclosed
31 Oct	VTTI	REV	USD	650	2022	Industrial	Refinance	Unsecured	Undisclosed
30 Oct	Unit4	TERM	EUR	60	2021	Technology	Refinance	Secured	EURIBOR + 425
26 Oct	Koninklijke FrieslandCampina	REV	EUR	1,000	2022	Consumer, Non-cyclical	Refinance	Unsecured	Undisclosed
23 Oct	Frigoglass Finance	REV	EUR	41	2021	Industrial	Bankruptcy Exit Financing	Secured	EURIBOR + 425
23 Oct	Frigoglass Finance	REV	EUR	42	2022	Industrial	Bankruptcy Exit Financing	Secured	EURIBOR + 325
13 Oct	UPC Broadband Holding	TERM	EUR	500	2026	Communications	Refinance	Secured	EURIBOR + 275
4 Oct	Cegeka Nederland Holding	TERM	EUR	108	2024	Technology	Refinance	Secured	Undisclosed
3 Oct	MacDermid European	TERM	EUR	630	2020	Basic Materials	Refinance	Secured	EURIBOR + 250

Debt capital market in the Netherlands and the Eurozone

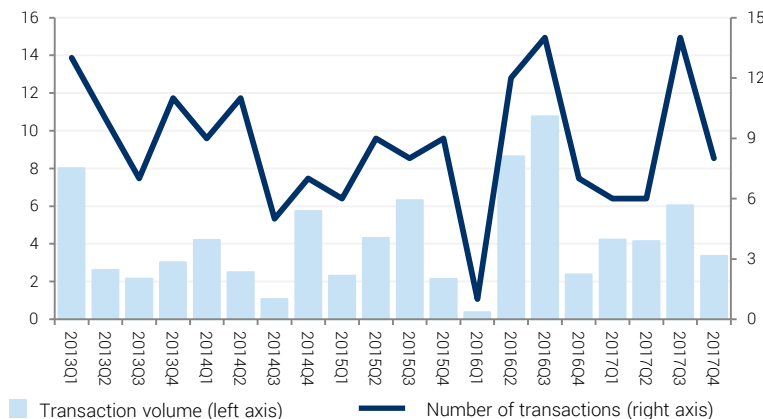
Key highlights

- Total number of deals in the Dutch DCM market dropped from 14 deals in Q3 to 8 deals in Q4.
- The decline in number of deals in mainly driven by a decrease in sub-investment grade rated deals.
- Total 2017 deal volume in the Dutch DCM market amounts EUR 17.8bn. Which was almost equally spread among all four quarters of the year whereas other years show a more volatile pattern in quarterly volume.
- The European debt capital market set a new record high in total volume of EUR 275.8bn.
- This is mainly due to the strong first half year in which 65% of the total volume was issued.

The Netherlands

Transaction volume and no. transactions

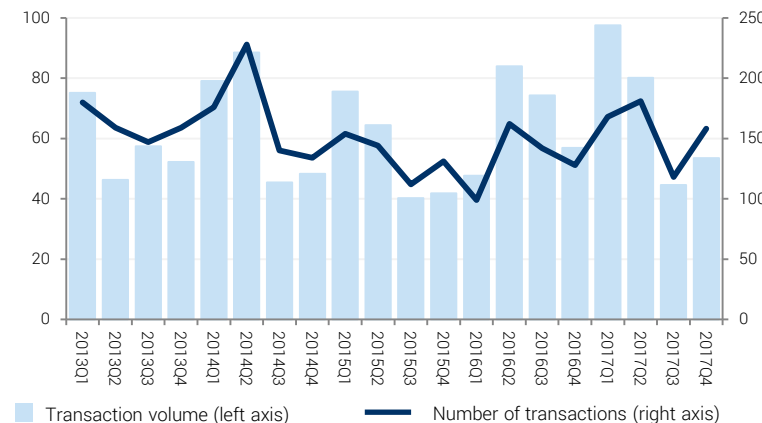
Vol. (EUR)	2014: 13.5bn	2015: 15.1bn	2016: 22.2bn	2017: 17.8bn
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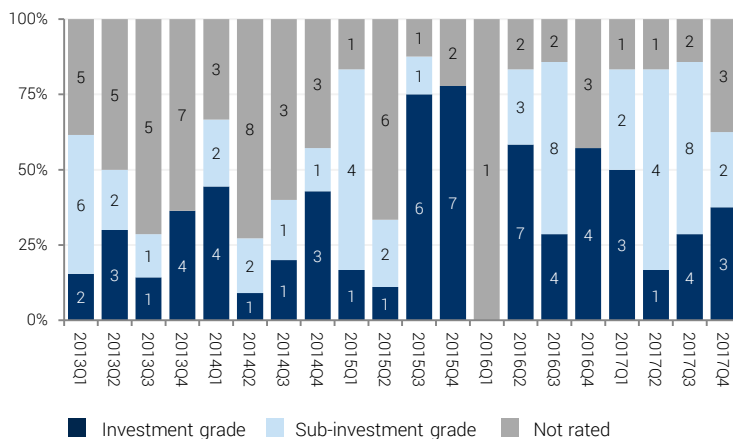
Eurozone

Transaction volume and no. transactions

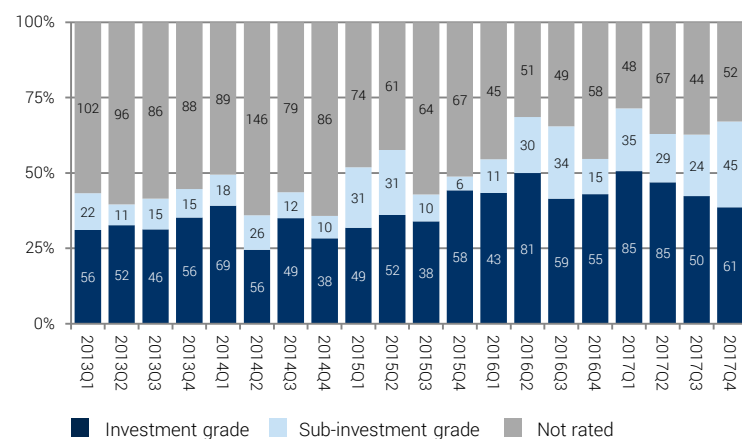
Vol. (EUR)	2014: 261.4bn	2015: 222.0bn	2016: 262.8bn	2017: 275.8bn
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Breakdown no. transactions on credit profile



Breakdown no. transactions on credit profile



Debt capital market transactions of Dutch issuers in 2017 (Q3 and Q4)

Key highlights

- *BE Semiconductor issued an EUR 175mn bond maturing in 2024. "The bonds will be convertible into Besi ordinary shares and are expected to carry a coupon in the range of 0.50% to 1.25% per annum."*
- *Akzo Nobel issued an EUR 500mn bond with a two year tenor and a 0% coupon.*
 - *Interesting to highlight is that Akzo Nobel's bond was issued and priced while Akzo was in rough waters due to PPG's acquiring bid and the pressure of its shareholder Elliott.*
- *Also Stedin issued a 0% coupon bond of EUR 300mn maturing in 2022, thereby benefitting of the continuation of improved market circumstances.*
 - *Additionally, Stedin also issued a EUR 500mn bond due in 2025 (@0.875%).*
- *In October, Fugro issued an EUR 100mn subordinated convertible bond maturing in 2024. "The proceeds will be offered to the USPP note holders for early repayment."*
 - *Please note that "the related bond amount and interest costs are excluded from the covenant ratios."*

Date	Company	Credit rating	Currency	Size (mln.)	Maturity	Sector	Series	Coupon (%)	Spread*
2017 Q4									
29-nov	Be semiconductor	N.R.	EUR	175	2024	Technology	EURO-ZONE	0.500	Undisclosed
14-nov	Postnl	BBB+	EUR	400	2024	Industrial	EURO-ZONE	1.000	Undisclosed
6 nov	Akzo Nobel	Baa1 / A-	EUR	500	2019	Basic Materials	EMTN	0.000	Undisclosed
31-oct	Constellium	B3 / B-	USD	500	2026	Basic Materials	Private placement	5.875	Undisclosed
31-oct	Constellium	B3 / B-	EUR	400	2026	Basic Materials	EURO-ZONE / REGS	4.250	Undisclosed
30-oct	Fugro	N.R.	EUR	100	2024	Energy	EURO-ZONE	4.500	Undisclosed
17-oct	Stedin Holding	A-	EUR	300	2022	Utilities	EMTN	0.000	Undisclosed
17-oct	Stedin Holding	A-	EUR	500	2025	Utilities	EMTN	0.875	Undisclosed
13-oct	UPC Holding	B2 / B	USD	550	2028	Communications	Private placement	5.500	Undisclosed
10-oct	Tulip Oil NLOffshore	N.R.	EUR	87	2022	Energy	EURO-ZONE	8.500	Undisclosed
2017 Q3									
22-sep	Heineken	Baa1	EUR	800	2029	Consumer, Non-cyclical	EMTN	1.500	Undisclosed
12-sep	Koninklijke Ahold Delhaize	Baa2	EUR	750	2024	Consumer, Non-cyclical	EURO NON-DOLLAR	0.875	Undisclosed
31-aug	Koninklijke Philips	Baa1	EUR	500	2019	Industrial	Private placement	0.000	Undisclosed
31-aug	Koninklijke Philips	Baa1	EUR	500	2023	Industrial	Private placement	0.500	30.0
30-aug	Metalcorp Group	N.R.	EUR	50	2022	Basic Materials	EMTN	7.000	Undisclosed
25-aug	Vieo	N.R.	EUR	350	2022	Communications	EMTN	6.750	Undisclosed
20-jul	Ipd 3	B2 / B	EUR	325	2022	Consumer, Non-cyclical	REGS	4.500	Undisclosed
20-jul	Ipd 3	B2 / B	EUR	175	2022	Consumer, Non-cyclical	REGS	4.500	Undisclosed
10-jul	Hema Bondco II	Caa2 / CCC	EUR	150	2023	Consumer, Cyclical	REGS	8.500	Undisclosed
14-jul	Hema Bondco I	B2 / B-	EUR	600	2022	Consumer, Cyclical	Private placement/ REGS	6.250	Undisclosed
13-jul	Maxeda Diy Holding	B2 / B-	EUR	475	2022	Consumer, Cyclical	Private placement/ REGS	6.125	Undisclosed
12-jul	United Group	B2 / B	EUR	575	2022	Communications	REGS	4.375	Undisclosed
13-jul	United Group	B2 / B	EUR	325	2024	Communications	EMTN / REGS	4.875	Undisclosed
12-jul	United Group	B2 / B	EUR	450	2023	Communications	Private placement / REGS	4.375	Undisclosed

Dutch syndicated loan and debt capital markets league tables

Key highlights

- Deutsche bank leads the Dutch syndicated loan market with a market share of 7.2%. However, its total 2017 volume is merely 50% of its total volume in 2016.
- When looking purely at the total number of deals, the Dutch banks lead the market with ING ranking first with 36 deals followed by Rabobank and ABN Amro. ING has been involved in deals of among others
 - Philips (Q1)
 - Action (Q2)
 - Randstad (Q3)
 - FrieslandCampina (Q4)
- JP Morgan ranks first in the DCM league table with 9.1% market share, followed by HSBC (8.6%) and BNP Paribas (7.8%).
- ING is the first Dutch bank, ranking 5th with a market share of 7.1%.

Dutch syndicated loan league table (based on volume in EURm)							
Rank YTD	Bank	2017			2016		
		Vol.	No.	Mrkt %	Vol.	No.	Mrkt %
1	Deutsche Bank	4,608	26	7.2%	8,884	23	11.0%
2	JP Morgan	4,157	23	6.5%	3,792	14	4.7%
3	ING Groep	3,991	36	6.2%	4,132	32	5.1%
4	Rabobank	3,602	34	5.6%	8,164	26	10.1%
5	BNP Paribas	3,480	26	5.4%	2,532	19	3.1%
6	Credit Suisse	3,385	21	5.3%	5,399	13	6.7%
7	ABN Amro Bank	3,377	31	5.3%	3,267	18	4.1%
8	HSBC	3,359	26	5.3%	8,100	15	10.1%
9	Barclays	2,795	15	4.4%	1,252	10	1.6%
10	Citi	2,526	20	4.0%	2,827	15	3.5%
11	Bank of America Merrill Lynch	2,214	17	3.5%	4,208	17	5.2%
12	Societe Generale	2,213	17	3.5%	885	8	1.1%
13	Morgan Stanley	1,865	9	2.9%	794	7	1.0%
14	Goldman Sachs	1,753	10	2.7%	6,055	13	7.5%
15	Credit Agricole CIB	1,465	11	2.3%	1,237	9	1.5%
16	RBC Capital Markets	1,431	8	2.2%	282	4	0.4%
17	Standard Chartered Bank	1,250	6	2.0%	-	-	-
18	Mitsubishi UFJ Financial Group	1,186	10	1.9%	1,248	9	1.5%
19	Macquarie	1,119	3	1.8%	-	-	-
20	UBS	1,062	7	1.7%	521	4	0.6%

Dutch DCM league table (based on volume in EURm)							
Rank YTD	Bank	2017			2016		
		Vol.	No.	Mrkt %	Vol.	No.	Mrkt %
1	JP Morgan	1,593	15	9.1%	372	5	1.8%
2	HSBC	1,505	15	8.6%	870	9	4.2%
3	BNP Paribas	1,367	15	7.8%	1,812	12	8.8%
4	Credit Suisse	1,338	14	7.6%	338	6	1.6%
5	ING Groep	1,238	12	7.1%	1,503	15	7.3%
6	Barclays	1,164	8	6.6%	3,131	19	15.2%
7	Deutsche Bank	1,049	10	6.0%	2,128	14	10.4%
8	NatWest Markets	839	8	4.8%	-	-	-
9	Societe Generale	783	8	4.5%	565	5	2.7%
10	ABN Amro Bank	763	8	4.3%	707	9	3.4%
11	Goldman Sachs	746	6	4.3%	786	8	3.8%
12	Bank of America Merrill Lynch	667	8	3.8%	1,089	8	5.3%
13	Rabobank	633	6	3.6%	1,322	12	6.4%
14	Citi	616	6	3.5%	1,997	12	9.7%
15	Mitsubishi UFJ Financial Group Inc	379	5	2.2%	163	1	0.8%
16	Pareto Securities	350	1	2.0%	-	-	-
17	Credit Agricole CIB	324	3	1.8%	230	4	1.1%
18	Morgan Stanley	239	2	1.4%	743	4	3.7%
19	Sumitomo Mitsui Financial	200	2	1.1%	718	5	3.5%
20	Unicredit	180	4	1.0%	208	2	1.0%

Recent assignments



2017

Support in arranging
Schuldscheindarlehen



2017

Refinancing and interest rate
hedging



2017

Advice on financing structure
and coordination of refinancing
of group credit facilities



2017

Support in renewal and
expanding of group credit and
guarantee facilities



2017

Advice on financing structure
and support in coordination of
group ABF credit facilities



2017

Coordination of real estate
development financing facilities
for the Y-Towers



2017

Refinancing asset-based credit
facilities



2017

Advice and support in arranging
new additional long-term
financing for its residential
portfolio



2017

Support in the renewal group
financing arrangements



2017

(Advice on) feasibility study SCF
/ choice of SCF bank platform
and roll-out in organization



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