

Transaction Highlights Q1 2018

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



Summary of key market observations

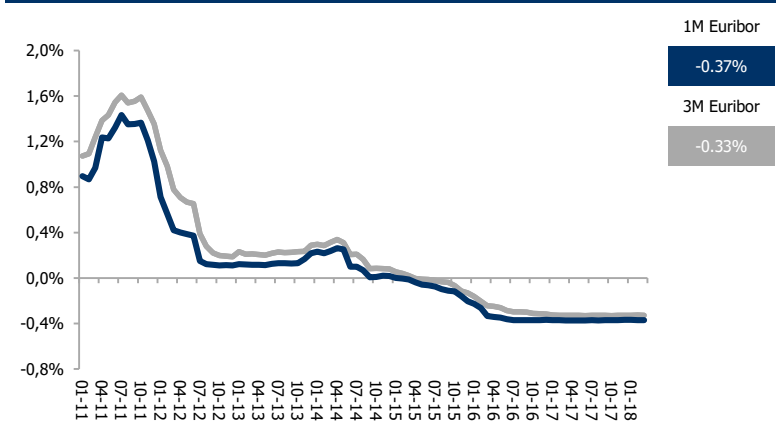
	Commentary
Benchmark yields and credit spreads	<ul style="list-style-type: none"> Credit spreads of BBB- and A-rated Industrials and Financials had been range-trading around bottom lows since the second quarter of 2017. <ul style="list-style-type: none"> During the last month of Q1 '18, this trend reversed as credit spreads showed a steep increase. US government bond yields jumped to a four-year high during the first quarter of 2018, thereby widening the gap with the Dutch and German bond yields.
Syndicated loan market	<ul style="list-style-type: none"> Total Q1 '18 volume in the Dutch syndicated loan market increased to EUR 19.0bn compared to EUR 14.1bn in Q4 '17 which is mainly driven by a relatively large number of EUR 1bn+ deals. Remarkable is that these transactions account for almost a 90% of the total Q1 volume. Peer Holding III issued a total of EUR 2,410m, comprising of a EUR 2,285m term loan (@Euribor+350) and a EUR 125m revolving credit facility (@Euribor+375). <ul style="list-style-type: none"> Peer Holding III acts as borrower for its subsidiary Action Nederland.
Debt capital market	<ul style="list-style-type: none"> Total deal volume in the Dutch Debt Capital Market dropped from EUR 3.4bn in Q4 '17 to EUR 2.1bn in Q1 '18. Also the total number of deals dropped, however the total number of 6 deals is around quarterly average. <ul style="list-style-type: none"> Ahold has issued EUR 500m fixed rate notes (@1.125) and EUR 300m floating rate notes. The floating rate notes bear a coupon of 18bps over 3m-Euribor per annum. Alliander lowered its financing costs by issuing a 500m hybrid perpetual bond (@1.625) and used the proceeds to buy back 2013 hybrid notes (@3.125). The European debt capital market decreased in both total volume as well as in total number of deals. The decrease in total number of deals was mainly driven by a large decline of sub-investment grade rated deals, from 46 in Q4 '17 to 18 in Q1 '18.
NL league tables	<ul style="list-style-type: none"> BNP Paribas leads the Dutch syndicated loan market with a market share of 12.6% and already exceeds by more than 50% its volume for the entire year 2017. <ul style="list-style-type: none"> Remarkable is that the 3 major Dutch banks hold significantly lower positions on the SLM league table than usual due to the large international syndicated deals. ING is the first Dutch bank, ranking 14th with a market share percentage of 2.6%. Deutsche Bank ranks first in the DCM league table with a market share of 14% market share, followed by BNP Paribas (13%) and JP Morgan (13%).

Benchmark yields and credit spreads

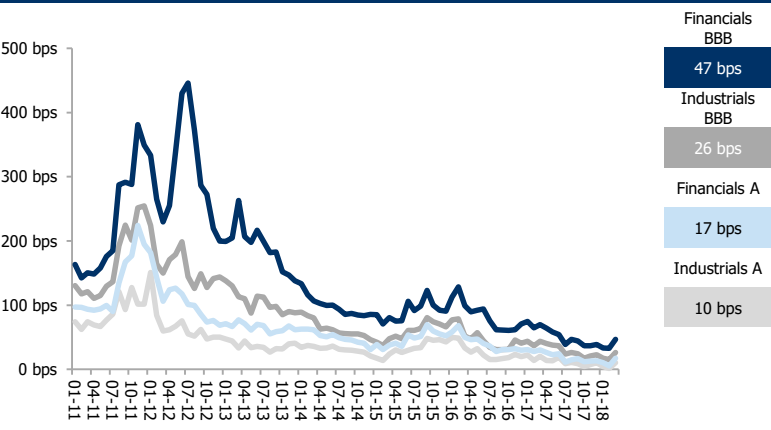
Key highlights

- 1-month and 3-month Euribor remain unchanged at -0.37% and -0.33% respectively, showing no volatility.
- Credit spreads of BBB- and A-rated Industrials and Financials had been range-trading around bottom lows since the second quarter of 2017.
 - During the last month of Q1 '18, this trend reversed as credit spreads showed a steep increase.
- Swap rates slightly increased compared to Q4 2017. Compared to Q1 2017, both 5- and 10 year swap rates increased with 20bps, whereas the 3-year swap rate showed hardly any increase.
- US government bond yields jumped to a four-year high during the first quarter of 2018, thereby widening the gap with the Dutch and German bond yields.

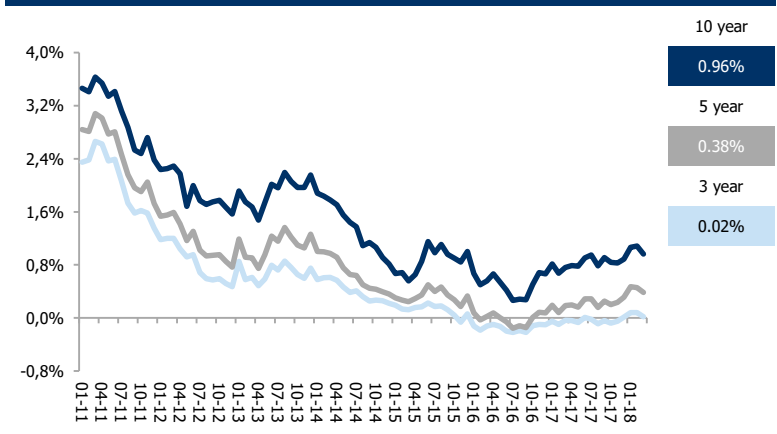
Development 1-month versus 3-month Euribor



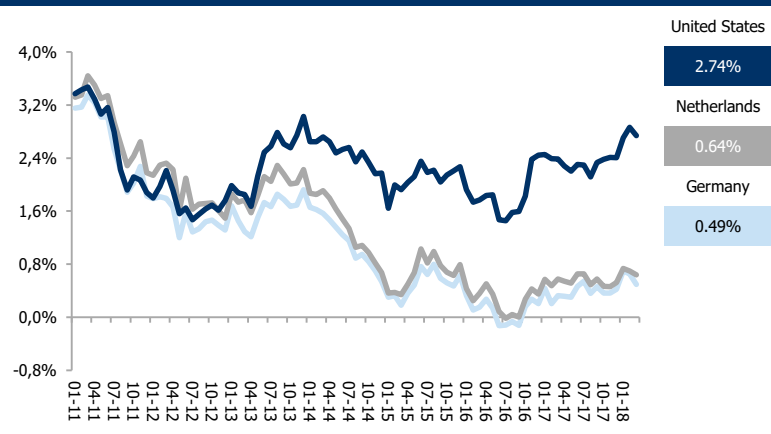
European Industrials and Financials 5-year credit spreads



Development of 3, 5 and 10-year swap rates



Yield development 10-year sovereign bonds



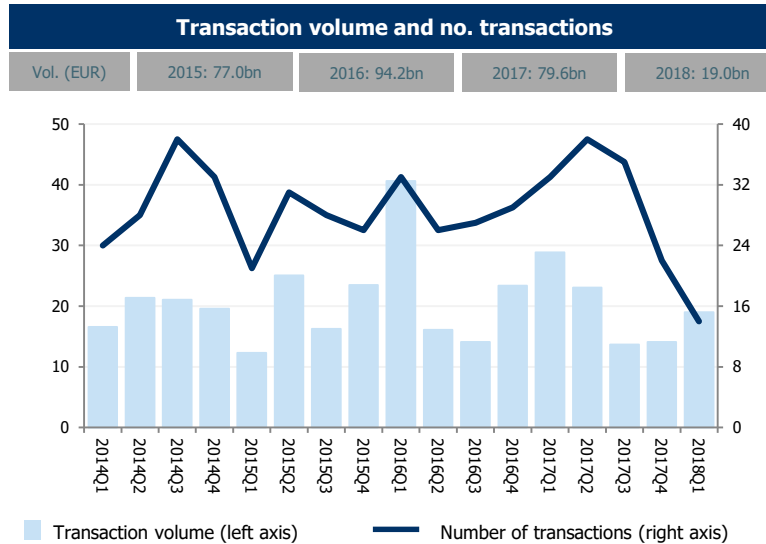
Source: Bloomberg (all data until 1 April 2018)
The European Industrials and Financials Bloomberg indices are populated with noted EUR currency denominated fixed-rated bonds. Spreads are above 5yr EUR swap rate

Syndicated loan market in the Netherlands and the Eurozone

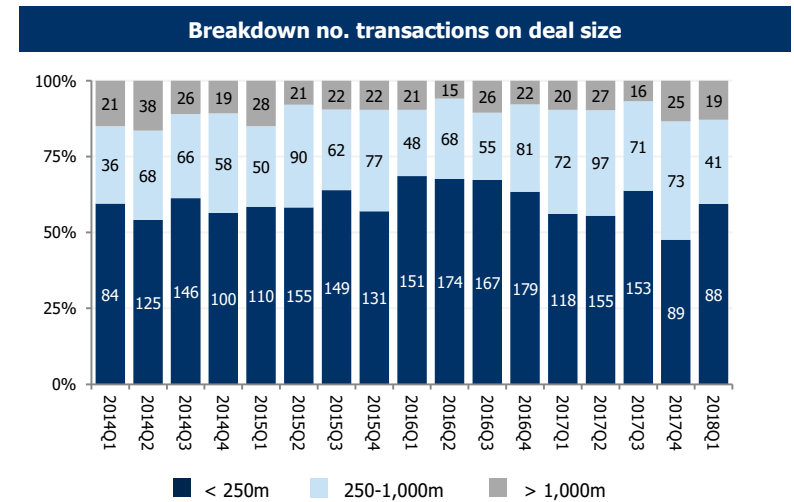
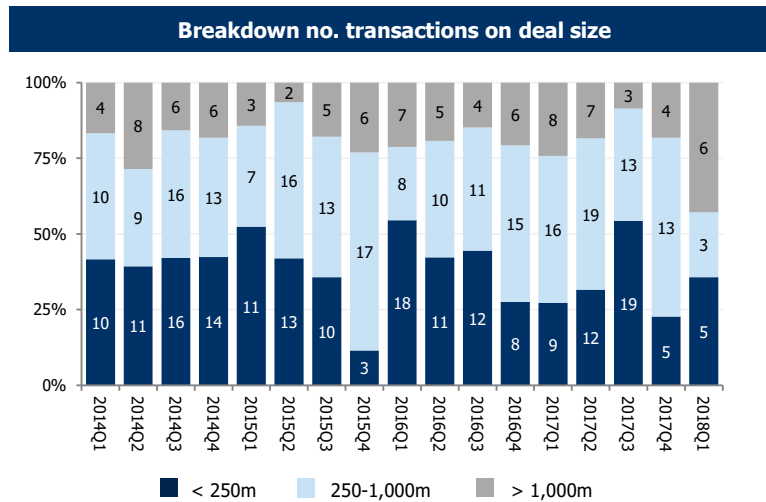
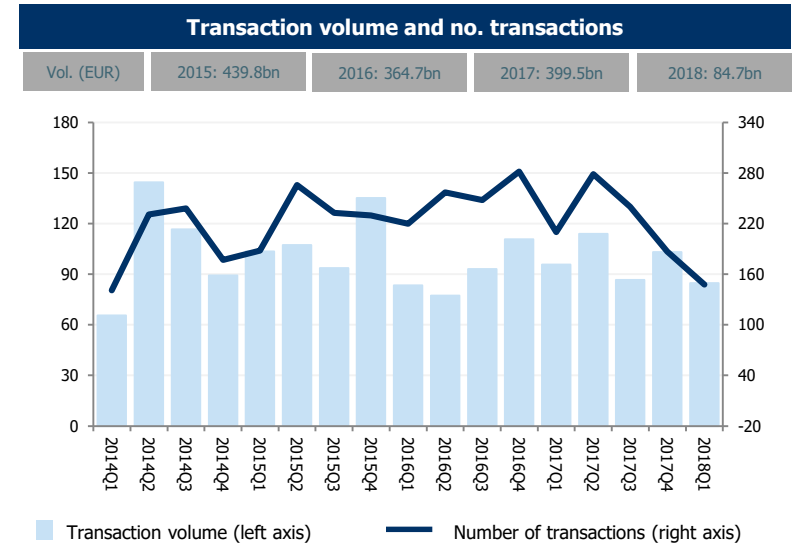
Key highlights

- Total Q1 '18 volume in the Dutch syndicated loan market increased to EUR 19.0bn compared to EUR 14.1bn in Q4 '17.
- However, compared to the first quarter in 2017, total volume dropped over a third.
- The increase in volume is mainly driven by a relatively large number of >1,000m deals.
- Despite the increase in volume, total number of deals dropped for the third consecutive time.
- The European syndicated loan market shows a similar pattern compared to the Dutch market when looking at the total number of deals.
- Total number of deals dropped to 148 compared to 187 deals in Q4 2017.

The Netherlands



Eurozone



Q1 2018 syndicated loan transactions in the Netherlands – a selection

Key highlights

- The increase in volume in the first quarter of 2018, is mainly related to 6 'jumbo' transactions (deals >1.0bn). These transactions account for almost a 90% of the total Q1 volume.
- Peer Holding III issued a total of EUR 2,410m, comprising of a EUR 2,285m term loan (@Euribor+350) and a EUR 125m revolving credit facility (@Euribor+375).
 - Interesting to note is that Peer Holding III acts as borrower for its subsidiary Action Nederland.
- "AMG mandated HSBC and Citi to raise USD 550m in new credit facilities, comprised of a \$ 350m seven-year term loan(@US Libor+300) and a USD 200m revolving credit facility. The new facilities are intended to refinance AMG's existing term loan as well as fund incremental capital expenditures"
- "Sabic has secured a USD 3.0bn bridge loan to meet its ongoing financial requirements."

Date	Company	Type	Currency	Size (mln.)	Maturity	Sector	Purpose	Rank	Pricing
27 Mar	Fiat Chrysler Automobiles	REV	EUR	3,125	2021	Consumer, Cyclical	Refinance	Unsecured	Undisclosed
27 Mar	Fiat Chrysler Automobiles	REV	EUR	3,125	2023	Consumer, Cyclical	Refinance	Unsecured	Undisclosed
22 Mar	Syncreon Group	REV	USD	100	2020	Industrial	Acquisition Financing	Secured	US LIBOR + 325
22 Mar	Rhi Magnesita	TERM	EUR	306	2023	Industrial	Refinance	Unsecured	EURIBOR + 75
16 Mar	InterXion Holding	REV	EUR	225	2018	Technology	Gen Corp Purp	Unsecured	EURIBOR + 300
8 Mar	Kraton Polymers Holdings	TERM	EUR	315	2025	Basic Materials	Refinance	Secured	EURIBOR + 200
7 Mar	Petrobras Global Trading	REV	USD	4,350	2023	Energy	Gen Corp Purp	Secured	US LIBOR + 170
6 Mar	Peer Holding III	REV	EUR	125	2024	Consumer, Cyclical	Dividend Payment	Secured	EURIBOR + 325
6 Mar	Peer Holding III	TERM	EUR	2,285	2025	Consumer, Cyclical	Refinance	Secured	EURIBOR + 350
27 Feb	Schlumberger Finance	REV	USD	2,000	2023	Energy	Refinance	Unsecured	Undisclosed
27 Feb	Vermeg Group	TERM	EUR	25	Undisclosed	Technology	Acquisition Financing	Unsecured	Undisclosed
14 Feb	ASP Chromaflo Dutch I	TERM	USD	201	2023	Basic Materials	Refinance	Secured	US LIBOR + 350
2 Feb	Selecta Group	REV	EUR	150	2023	Industrial	Working Capital	Secured	Undisclosed
1 Feb	AMG Advanced Metallurgical Group	TERM	USD	350	2025	Industrial	Refinance	Secured	US LIBOR + 300
1 Feb	AMG Advanced Metallurgical Group	REV	USD	200	2023	Industrial	Refinance	Secured	Undisclosed
1 Feb	Bright Bidco	TERM	USD	1,383	2024	Technology	Refinance	Secured	US LIBOR + 350
25 Jan	SABIC Capital	BRIDGE TERM	USD	3,000	2018	Basic Materials	Gen Corp Purp	Unsecured	Undisclosed

Debt capital market in the Netherlands and the Eurozone

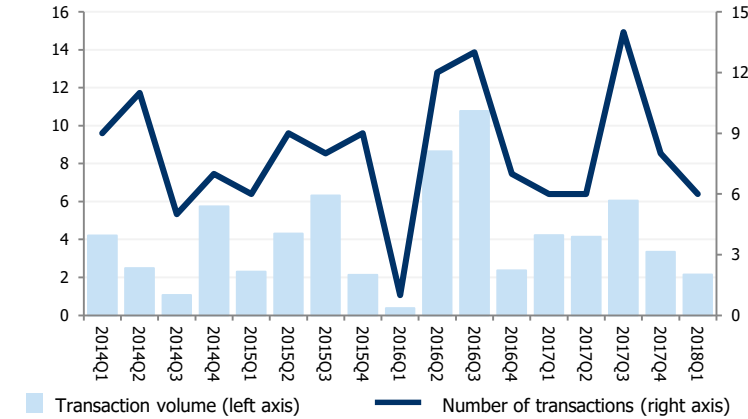
Key highlights

- Total deal volume in the Dutch Debt Capital Market dropped from EUR 3.4bn in Q4 '17 to EUR 2.1bn in Q1 '18.
 - Also the total number of deals dropped, however the total number of 6 deals is around quarterly average.
- The European debt capital market showed decreasing numbers both in total volume as well as in total number of deals.
 - Total volume dropped 18% to EUR 62.9bn compared to Q4 '17.
 - The decrease in total number of deals was mainly driven by a large decline of sub-investment grade rated deals, from 46 in Q4 '17 to 18 in Q1 '18.

The Netherlands

Transaction volume and no. transactions

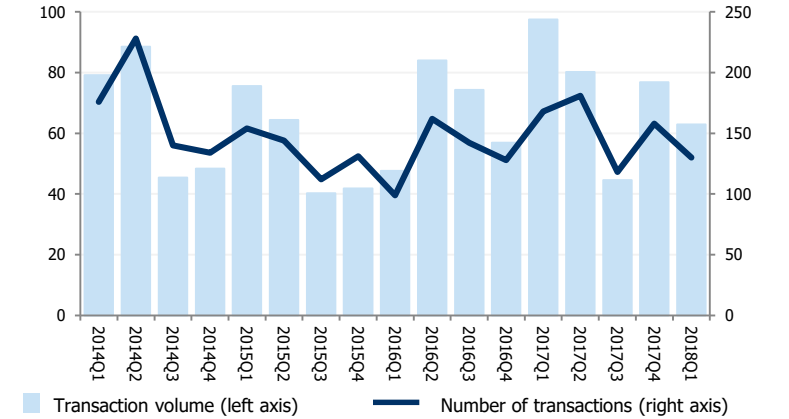
Vol. (EUR)	2015: 15.1bn	2016: 22.2bn	2017: 17.8bn	2018: 2.1bn
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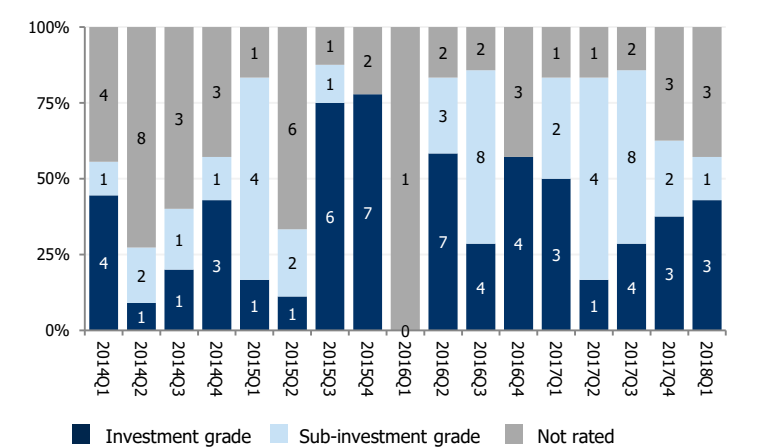
Eurozone

Transaction volume and no. transactions

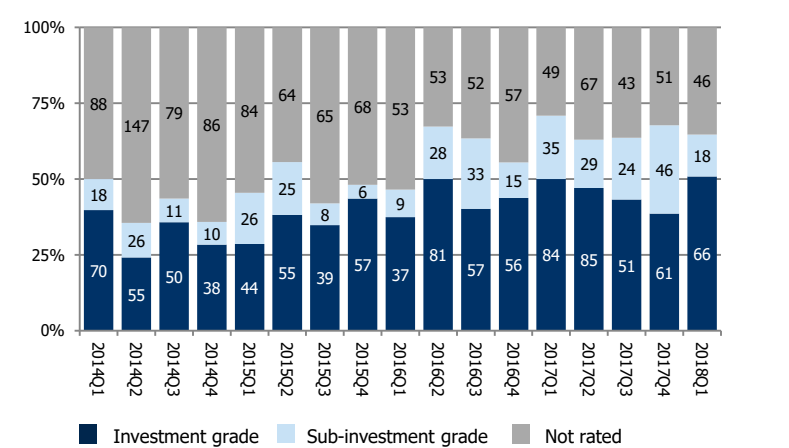
Vol. (EUR)	2015: 222.0bn	2016: 262.8bn	2017: 275.8bn	2018: 62.9bn
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Breakdown no. transactions on credit profile



Breakdown no. transactions on credit profile



Source: Bloomberg, Orchard Finance analysis. These analyses are based on publicly available information on Bloomberg with respect to the debt capital market of entities incorporated in the relevant markets.

Debt capital market transactions of Dutch issuers in 2018 and Q4 2017

Key highlights

- Ahold has issued EUR 500m fixed rate notes due in 2026 (@1.125) and EUR 300m floating rate notes, due in 2021. The floating rate notes will bear a coupon of 18bps over 3m-Euribor per annum.
- Alliander lowered its financing costs by issuing a 500m hybrid perpetual bond (@1.625) and used the proceeds to buy back 2013 hybrid notes (@3.125).
- After its first issue in Q3 '17, Ipd3 issued a second bond of EUR 475 due in 2022 (@ 4.50%).
 - Ipd3 is a Dutch special purpose vehicle of the French company Infopro digital, a multimedia products and solutions company.

Date	Company	Credit rating	Currency	Size (mln.)	Maturity	Sector	Series	Coupon (%)	Spread*
2018 Q1									
26-mar	Sand Hill Petroleum	N.R.	EUR	70	2022	Energy	EURO-ZONE	9.000	Undisclosed
19-mar	Imcd	N.R.	EUR	300	2025	Consumer, Cyclical	EURO-ZONE	2.500	Undisclosed
12-mar	Koninklijke Ahold Delhaize	Baa1 / BBB	EUR	500	2026	Consumer, Non-cyclical	EURO-ZONE	1.125	Undisclosed
12-mar	Koninklijke Ahold Delhaize	Baa1 / BBB	EUR	300	2021	Consumer, Non-cyclical	EURO-ZONE	Floating	Undisclosed
1-mar	Trafigura Funding	N.R.	USD	400	2023	Energy	EMTN	5.250	Undisclosed
30-jan	Alliander	A2 / A	EUR	500	Perpetual	Utilities	EURO-ZONE	1.625	Undisclosed
30-jan	Ipd 3	B2 / B	EUR	475	2022	Consumer, Non-cyclical	EURO MTN / REGS	4.500	Undisclosed
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	Floating	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	Floating	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 NL Offshore	N.R.	EUR	87	2022	Energy	EURO-ZONE	8.500	Undisclosed

Dutch syndicated loan and debt capital markets league tables

Key highlights

- BNP Paribas leads the Dutch syndicated loan market with a market share of 12.6% and already exceeds by more than 50% its volume for the entire year 2017.
 - BNP has been involved with the deals of among others Action Nederland, Sabic and IMCD.
- Please note that the 3 major Dutch banks hold significantly lower positions on the SLM league table than usual due to the large international syndicated deals.
 - ING is the first Dutch bank, ranking 14th with a market percentage of 2.6%.
- Deutsche Bank ranks first in the DCM league table with a market share of 14% market share, followed by BNP Paribas (13%) and JP Morgan (13%).
- ING is the first Dutch bank, ranking 5th with a market share of 11%.

Dutch syndicated loan league table (based on volume in EURm)

Rank YTD	Bank	2018			2017		
		Vol.	No.	Mrkt %	Vol.	No.	Mrkt %
1	BNP Paribas	2,396	5	12.6	4,038	28	3.1
2	Citi	2,387	5	12.6	2,661	21	3.5
3	Credit Agricole CIB	1,294	2	6.8	1,465	11	1.5
4	Deutsche Bank	1,061	3	5.6	4,608	26	11.0
5	Mizuho Financial	877	1	4.6	767	8	1.2
6	Mitsubishi UFJ Financial Group	873	2	4.6	1,186	10	1.5
6	Standard Chartered Bank	873	2	4.6	1,250	6	
8	JP Morgan	794	3	4.2	4,668	24	4.7
9	Societe Generale	689	2	3.6	2,349	18	1.1
10	Credit Suisse	659	2	3.5	3,432	22	6.7
11	HSBC	593	3	3.1	3,495	27	10.1
12	Commerzbank	519	2	2.7	1,006	7	0.3
12	UniCredit	519	2	2.7	938	7	6.2
14	ING Groep	502	2	2.6	4,309	41	5.1
14	Rabobank	502	2	2.6	4,367	38	10.1
16	Goldman Sachs	484	3	2.5	1,889	11	7.5
17	UBS	444	2	2.3	1,062	7	0.6
18	Bank of America Merrill Lynch	417	1	2.2	2,350	18	5.2
18	Barclays	417	1	2.2	2,795	15	1.6
18	Intesa Sanpaolo	417	1	2.2	819	6	0.6

Dutch DCM league table (based on volume in EURm)

Rank YTD	Bank	2018			2017		
		Vol.	No.	Mrkt %	Vol.	No.	Mrkt %
1	Deutsche Bank	300	3	13.9%	1,049	10	6.0%
2	BNP Paribas	275	3	12.8%	1,367	15	7.8%
2	JP Morgan	275	3	12.8%	1,593	15	9.1%
4	ING Groep	225	2	10.5%	1,238	12	7.1%
5	Goldman Sachs	200	2	9.3%	746	6	4.3%
6	Mitsubishi UFJ Financial Group	125	1	5.8%	379	5	2.2%
6	Morgan Stanley	125	1	5.8%	239	2	1.4%
6	Rabobank	125	1	5.8%	633	6	3.6%
9	HSBC	100	1	4.7%	1,505	15	8.6%
10	Bank of America Merrill Lynch	81	1	3.8%	667	8	3.8%
10	Citi	81	1	3.8%	616	6	3.5%
10	DBS Group	81	1	3.8%	-	-	-
10	Standard Chartered Bank	81	1	3.8%	30	1	0.2%
14	ABG Sundal Collier Asa	35	1	1.6%	87	1	0.5%
14	Pareto Securities	35	1	1.6%	350	1	2.0%

Recent assignments



2018

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



2018

Advice on refinancing



2017

Support in arranging Schuldscheindarlehen



2017

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



2017

Support in renewal and expanding of group credit and guarantee facilities



2017

Refinancing and interest rate hedging



2017

Refinancing asset-based credit facilities



2017

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



2017

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



2017

Support in the renewal group financing arrangements



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