



TRANSPORTATION PARTNERS ISSUES FIRST COFACE GUARANTEED BOND TRANSACTION FINANCING ATRS

News / Finance



Transportation Partners Pte. Ltd (“Transportation Partners”), **BNP Paribas** and **ATR** are pleased to announce the successful closing of **USD143,711,000** guaranteed floating rate notes due 2025 for Aeronautic Investments 18 Limited with the benefit of a guarantee by Compagnie Française d’Assurance pour le Commerce Extérieur, acting for the account of the French State (“Coface”). BNP Paribas acted as the sole lead manager for the transaction.

This landmark transaction marks Coface’s first guaranteed bond transaction financing ATR aircraft. It also represents the world’s first-ever Coface guaranteed bond transaction for an Asian client.

Aeronautic Investments 18 Limited is an issuing vehicle set up within an aircraft financing structure for Transportation Partners. In 2014, Transportation Partners took delivery of 10 ATR 72-600 turboprop aircraft and leased them to PT Wings Abadi and Malindo Airways Sdn Bhd. The financing was structured through 10 Coface guaranteed loans arranged by BNP Paribas. The

proceeds from the transaction were used to refinance those loans at a lower funding cost to Transportation Partners.

Mr. Nicolas Parrot, Co-Head, Transportation Sector at BNP Paribas said, “In today’s challenging economic environment, credit loans do not necessarily provide the most optimal solution for companies seeking to diversify their funding base. We are pleased to be able to offer our expertise in the bonds market to enable Transportation Partners to tap new sources for funding in a more cost effective manner.”

Ms. Valerie Tay, Chief Financial Officer, Transportation Partners said, “Being the largest ATRcustomer, we are very pleased to have launched the first-ever ATR Coface guaranteed bond. This issuance provides Transportation Partners with more competitive long-term financing costs.”

Mr. Giorgio Moreni, Chief Financial Officer of ATR, said: “We are delighted to work with BNP Paribas and Transportation Partners on the first ever ECA Guaranteed Bonds for ATR aircraft. We are confident that this transaction will set a new benchmark for airlines and leasing companies to fund their ATR aircraft going forward. This bond issuance enhances the already strong financing credentials of ATR aircraft which benefits all ATR asset holders”.

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