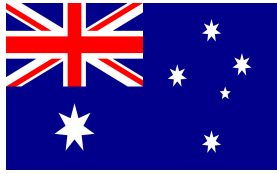


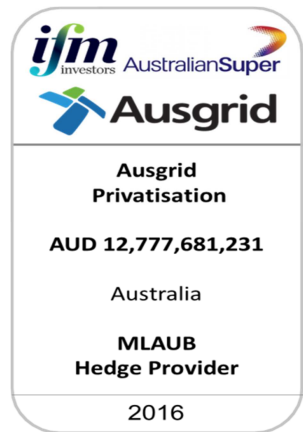
Ausgrid Privatisation



Australia

Main features of the financing

- Ausgrid is one of the largest electricity networks in Australia, distributing over 25,000 Gwh per year to 1.7 million homes & businesses throughout Australia's most densely populated areas
- Investment grade (BBB+) and a regulated business with over 100 years of history and monopolistic position in its network areas
- Highly experienced sponsors – two of Australia's biggest superannuation funds with significant footprints in the Australian infrastructure sector
- Remarkable cross selling economics – c. A\$852mn IRS and potential for bond take-out



SPONSORS

IFM Investors	25.2%
AustralianSuper	25.2%
<hr/>	
	50.4%
State of NSW	49.6%



PROJECT COMPANY

Ausgrid Finance Pty Ltd

PROJECT DESCRIPTION

The NSW Government recently started the process of privatisation of its electricity transmission and distribution networks in order to repay existing State debt and pay for new infrastructure developments. Ausgrid is the second asset to be privatised, following Transgrid, and will be leased on a 99-year term.

Natixis Hong Kong supported the IFM Investors / AustralianSuper consortium for their unsolicited bid for the acquisition of 50.4% share of Ausgrid after the rejection of the potential sale to the two final bidders, State Grid of China and CKI of Hong Kong (both supported by different trees of the bank) in August. The NSW Government accepted the offer on 20 October 2016, and Financial Close occurred on 1 December 2016. Total acquisition cost amounts to A\$16.3bn, financed by A\$11.9bn of senior acquisition facilities and A\$4.4bn equity.

FINANCING

The total senior debt financing amounts to c. A\$12,778mn, including: (i) A\$11,931mn acquisition facilities (A\$2,000mn 2-year bridge loan, A\$1,500mn 3-year bridge loan, A\$917mn 3.5-year term loan, A\$6,014mn 5-year term loan, A\$1,500mn 7-year term loan); (ii) A\$721mn 3.5-year capex facility; and (iii) A\$125mn 3.5-year working capital facility.

ROLE OF NATIXIS

Natixis acted as Mandated Lead Arranger, Underwriter and Bookrunner along with 14 other banks: BNPP, CACIB, Soc Gen, ANZ, CBA, NAB, Westpac, Mizuho, MUFG, SMBC, BAML, HSBC, ING, and Scotia. Natixis also acted as a Hedge Provider to provide c. A\$852mn Interest Rate Swap.

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