

# WestConnex Stage 1



AUSTRALIA

## Main features of the financing

- Financing of a strategic and highly visible toll road project part of one of Australia's largest transport infrastructure projects
- Solid D&C group with key clients of the bank (CIMIC/ACS)
- Effectively a brownfield toll road with 24+ year traffic data and strong resilience to downside cases
- Successful cross selling achieved with Natixis providing 17% of the interest rate swaps for the transaction



**WestConnex M4**  
**AUD 1.7 billion**

Australia

**Mandated Lead Arranger**  
**Underwriter Bookrunner**  
**Hedging Provider**

2016

## SPONSORS

Sydney Motorway Corporation 100%

## PROJECT COMPANY

WCX M4 Finco Pty Ltd



## PROJECT DESCRIPTION

WestConnex is a c. A\$16.8bn transport infrastructure project in Sydney totaling approx. 33 km of motorway and including over 19 km of tunnels. WestConnex is being delivered by Sydney Motorway Corporation (SMC) in 3 stages, each a separate concession, between 2015 and 2023.

WestConnex M4 Project is a toll road project developed by SMC and provided under a long-term concession (until 2060) with Roads and Maritime Services (RMS), a body of the NSW Government (rated AAA by S&P). The M4 Project involves the widening to four lanes in both directions of 7.5km of the existing M4 motorway (M4 Widening), the construction of a 5.5km tunnel (M4 East) and the operations of the toll road. A joint venture of Rizzani and CPB Contractors (CIMIC group) is delivering the M4 Widening and a joint venture of CPB Contractors, John Holland and Samsung C&T is delivering the M4 East. The M4 Widening is on track to be completed mid-2017 and the M4 East is targeted to open in 2019. A joint venture of Fulton Hogan and Egis will act as Operations and Maintenance contractor for the Project.

Traffic risk is mitigated by 24 years of proven traffic data including 18 years of tolled traffic data (the M4 was tolled between 1992 and 2010), independent Natixis traffic consultant advice and existing competing routes are heavily congested.

## FINANCING

Total senior debt amounts to c. A\$1.7bn comprising 5 and 7 year loan facilities. The transaction reached financial close on 23 November 2016 and syndication was successfully completed on 29 March 2017.

## ROLE OF NATIXIS

Natixis acted as Mandated Lead Arranger Underwriter Bookrunner along with CBA (Agent), CACIB, ING, NAB and Westpac. Natixis also acted as Hedging Provider providing its pro-rata share of the interest rate swaps (c. 17%).

## CONTACTS

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