

Case Study

Adani Abbot Point Terminal (AAPT)

adani

Abbot Point Terminal

\$100m

May 2014

Senior Secured Notes

Sole Lead Arranger

Issue Date	May 2014
Amount	\$100m
Maturity	29 May 2020
Term	6 years
Coupon	6.10%
Margin	250bps over swap

Issuer Profile

Adani Group is one of India's leading business houses and one of the largest Indian investors in Australia with interests in mining and associated infrastructure. One of Adani Group's interests in Australia is the Abbot Point Coal Terminal, the most northerly bulk coal port on the east coast of Australia. AAPT subleases the land and fixtures for the Terminal from a Holding Trust (Mundra Port Holdings Trust ("MPHT")) which holds a 99 year lease from the Queensland Government. Both MPHT and AAPT are ultimately owned by Adani. AAPT enjoys long-term contracts to handle coal from mines whose ultimate parents are some of the world's biggest mining companies, many of which are investment grade.

Issuer Need

Adani had previously raised \$1.5bn in bonds across the Australian, Asian and US markets. As part of a strategy to diversify its funding sources, the Group's wholly-owned subsidiary Adani Abbott Point Pty Ltd wished to raise \$100 million.

FIIG Solution

FIIG acted as sole originator for the transaction. The \$100m bond was the largest primary issue arranged by FIIG and was also the first for a rated issuer. The AAPT Notes are rated BBB- and Baa3 by S&P and Moody's respectively.

Client Testimonial

According to EAC Partners Managing Director Robbie Singh, who advised Adani on the issue, the Group set out to reduce its reliance on a handful of lenders by issuing bonds to a variety of markets in Australia and overseas.

"It was part of a series of issues that we did to expand the bondholders to a larger group rather than just the key institutional investors," Mr Singh said.

"The key benefit for us was that we were able to expand our investor base. We were able to rope in one institution that previously had not participated but the main thing is that it opened up a new channel for the future."

FIIG Contact

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