

LONG AWAITED MEGA ITALIAN MOTORWAY DEAL REACHES FINANCIAL CLOSE

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The EUR 2.29bn Pedemontana Veneta motorway project in north-eastern Italy has reached financial close, a decade after procurement started.

The closing, announced on Wednesday (29 November) by its sponsors, follows the issuance of bonds for a combined EUR 1.57bn on the same day.

The project has suffered significant delays since its tender was launched more than 10 years ago, in part because of a legal battle with a competing bidder, in part due to banks' reluctance to commit to a traffic risk project.

The bonds, which will finance the construction of the long-delayed project, are split in two tranches: EUR 1.22bn senior secured amortising notes due 30 June 2047 with a 5% coupon, payable semi-annually; and a subordinated debt tranche of EUR 350m with a maturity date of 30 June 2027 and a 8% coupon rate.

The unrated bonds are listed on the Irish Stock Exchange. The issuer is Superstrada Pedemontana Veneta.

JP Morgan acted as global coordinator and joint bookrunner for the issuance. Banca Akros, Banca IMI, and Santander were co-coordinators and joint bookrunners, whilst Kommunalkredit Austria acted as joint bookrunner.

In addition to the bonds, a VAT facility of EUR 290m was provided by Gruppo Banco BPM.

The project sponsor, SIS, provide EUR 430m as equity. SIS comprises Italian infrastructure group Fininc and Spanish developer [Sacyr](#).

SIS chairman Matterino Dogliani said in a statement that investors in the bonds included major international investors, signalling an increase of interest for Italian greenfield projects.

The project involves building a 94km tolled motorway linking the cities of Vicenza and Treviso in the Veneto region. It also involves 68km of ancillary roads.

The closing is expected to speed up construction works with a view to complete the motorway by 2020.

In May, the Region of Veneto approved a further EUR 300m of financial support, and also reviewed multiple clauses in the contract with SIS.

Deal Profile

Pedemontana Veneta Toll Road

 ITALY | Transport | Roads | PPP | Greenfield

SPV Financial Advisor

SPV Financial Model Auditor

SPV Legal Advisor

Funders Legal Advisor

Funders Technical Advisor

Legal Advisor

Insurance Advisor

Due Diligence

JP Morgan

BDO, KPMG

Ashurst, DLA Piper

White & Case (W&C)

Arcadis, LeighFisher

Simmons & Simmons

Marsh

Legance

Investor Profile

Sacyr CORPORATE

 SPAIN | Listed | Bolsa de Madrid | Ticker: SCYR.MC

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