

Winner

Top tap

Hunting

HUNTING'S TRANSFORMATIONAL ACQUISITIONS DOUBLED THE SIZE OF THE ENERGY SERVICES GROUP, BUT A COMPLEX FINANCING DEAL HAD TO BE COMPLETED PROMPTLY JUST WHEN MARKET CONDITIONS WERE MOST CHALLENGING.

In normal times, Hunting's string of acquisitions last year might not have attracted much attention. But these are anything but normal times and the energy services group's ability to successfully complete four transformational acquisitions during a period of great market volatility won the admiration of the judging panel for skill of execution against a turbulent backdrop.

With the oil market continuing to boom, Hunting spent around £570m to acquire a string of businesses in 2011, as part of what chief executive Dennis Proctor called "our strengthening portfolio in specialist manufacturing for complex conventional and unconventional oil and gas wells". The deals also expanded Hunting's presence in the fast-growing shale oil and gas drilling sector.

Financing for the deals included successfully placing over 13.1m new ordinary shares – nearly 10% of Hunting's existing issued ordinary share capital – in early August to raise £85.4m, coupled with a new five-year £375m multicurrency revolver agreed with its lenders.



PRINCIPAL TERMS

A combination of £375m debt and £85m equity with a five-year tenor completed at the start of August clinched the acquisition of Titan Specialities.

Mandated leading arranger, bookrunner and underwriter: Barclays, RBS and Lloyds Banking Group, with LBG acting as agent.

These arrangements were completed just as Europe's sovereign debt crisis was accelerating and equity markets were heading sharply lower, yet the new term facility had to be quickly finalised to clinch the acquisition of Titan, by far the biggest deal of the four.

As one of the judging panel commented: "I liked the way the group lined up its ducks in order to beat off private equity before financing the deal. That it managed to do so during the difficult conditions that prevailed in August was doubly commendable."

Christopher Berris, Hunting's group treasurer, said: "The acquisition of Titan in September 2011 was the largest and most significant in Hunting's history. Knowing that the revolving credit facility to support this acquisition would be pivotal in its success made this an immensely satisfying process for the whole finance function. The team worked tirelessly to ensure the facility was underwritten, with documentation agreed and signed in just nine working days against a backdrop of increasing economic and market uncertainty."