

Bonds, Loans and Equities

Premier Foods, owner of household brands such as Typhoo Tea and Branston Pickle, completed its £780m five-year loan through BNP Paribas, JPMorgan, Lloyds TSB and RBS in August.

The company, which floated in London with an initial market capitalisation of £526m in July 2004, has refinanced all existing debt obligation with its new £780m facility at an initial margin of 100bp over Libor. This compares to 125bp payable under the previous debt facility.

The loan is split into a £325m term loan and a £455m revolver, with tickets of £50m for 40bp or £25m for 30bp offered. The borrower will use the loan to finance its £172m acquisition of Marlowe Foods and refinance its £580m five-year post-IPO loan of 2004. Premier acquired Marlowe Foods, owner of Quorn, the UK's leading meat alternative brand, from Montagu Private Equity for £172m.

The loan was oversubscribed which can be put down to the amount of liquidity in the market at the moment and a lack of good deals.

Paul Leach, Group Treasurer of Premier Foods, said: "Premier is in a stable sector and viewed positively by the lenders. We expected it to be well received in the market. Despite the summer

not being an ideal time to come to the market syndication was a great success and significantly oversubscribed."

Directories group **Yell** has entered into a new £2bn credit facility, fully underwritten by ABN AMRO, BNP Paribas, Citibank, HSBC and JPMorgan Chase. The five-year facility will be used to finance the acquisition of TransWestern, a US independent directories publisher. Proceeds of the loan will also be used to repay TransWestern's debts included in the deal and to refinance all of Yell's existing bank debt which is around £860m.

The facilities agreement, arranged by ABN AMRO, BNP Paribas, Citigroup, HSBC and JP Morgan comprises a term loan and a revolving credit facility.

David Scriven, Group Treasurer at Yell, said: "We needed committed term sheets very quickly to support our bid in the auction of TransWestern. Increasing our leverage moved us further into cross-over territory, but even so our five Mandated Lead Arrangers (MLAs) were extremely supportive and keen to do the deal with us. We achieved keen pricing on a large deal, whilst also tidying up our documentation

which will stand us in good stead for the future as we deleverage further and re-finance other tranches of debt."

In September the **Wood Group** was in the market with a cash placing to support the group's future growth strategy. The board believes the current strong conditions in the oil and gas market will continue and plans to continue its acquisition route.

The Scottish energy company placed 24.18m new shares for a 5% capital increase in the form of an accelerated bookbuild. The stock was priced at 210p, a 4.4% discount to the previous close, to raise £50.8m. The aim of the placing is to strengthen the group's balance sheet and increase its flexibility to pursue an aggressive growth strategy. In the short term, the proceeds will be used to reduce net borrowing, lowering gearing from 70% to around 46% as at 30 June 2005. The Wood Group has grown substantially over the past three and a half years, increasing revenues by over 70%, and investing \$200m in acquisitions and \$140m in capital expenditure.

CSFB and JPMorgan Cazenove were joint bookrunners. The deal was oversubscribed with most interest from UK investors.

INTERNATIONAL BONDS

BORROWER	LAUNCH RATING		AMOUNT	COUPON (%)	ISSUE PRICE	MATURITY	REOFFER SPREAD (BP)	FEES (%)	BOOKRUNNER
	M	S&P							
ALSTOM	-	-	€600m	100	-	3.49 yrs	220	-	Dresdner Kleinwort Wasserstein, HSBC, Isis, Natexis Banques Populaires

The bond will be due in March 2009 and will bear a coupon of Euribor +2.20%. Currently unrated.

INTERNATIONAL EQUITIES

ISSUER	AMOUNT	TYPE	NO OF SHARES	OFFER PRICE	PRICING DATE	EXCHANGE	FEES (%)	BOOKRUNNER
CLIPPER WINDPOWER	£75m	IPO	39.5m	190p	12 Sept	London	-	Lehman Brothers

California-based wind-power company Clipper Windpower, whose UK chairman is former Olympic cox and Conservative sports minister Lord Colin Moynihan, opted to list on AIM, London's junior market, instead of a US market.

ABB=Accelerated book build, IPO=Initial Public Offering