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Cologne, 4 November 2019

Alpha Trains sets basis for further growth

Alpha Trains Group raises over €700m of debt, including a Green Loan and Green Notes

- Renewal and increase of credit facilities for future growth
- Acquisition of 13 passenger trainsets
- Financing of 24 new build passenger trains and 14 new build locomotive orders

Alpha Trains, Continental Europe's largest lessor of locomotives and trains, refinanced some of its existing bank debt and secured further bank funds with a total volume of over €500m. Along with the bank debt, Alpha Trains raised an additional €200m through a US private placement. Fitch reaffirmed the current BBB rating of the Issuer's senior secured debt before closing this new financing.

As part of the transaction, Alpha Trains has integrated 13 of its passenger trainsets, which have been manufactured by Stadler and been operating on its respective long-term concessions since 2017 and 2018, into its ring-fenced financing platform. The acquisition of these assets was financed through the company's second US private placement with a green note issuance, which was multiple times oversubscribed. In 2016, the company concluded the world's first US Green Private Placement ever completed by a private leasing company in the rolling stock sector.

Furthermore, Alpha Trains arranged a €140m green bank financing to fund the purchase of 24 new build passenger trainsets and 14 new build locomotives which will be leased to its customers on a long-term contract basis. The manufacturers of these trains and locomotives are Stadler and Siemens.

"We are delighted to hear that we are the first ROSCO in Europe which has developed and published a Green Finance Framework that is fully aligned with the Green Bond and Green Loan Principles. This framework was used for our combined green loan and green notes financing and verified by Sustainalytics, whilst the Climate Bond Initiative has certified the green finance transaction", said Bernhard Holzer, Group Investment Funding Director of Alpha Trains Group.

The transaction also consisted of the refinancing and upsizing of Alpha Trains' ancillary facilities to a volume of €340m to support its future growth.

"We are proud of the smooth and successful closure of this complex financing transaction and the very high interest from our existing and new lenders. Regarding the US Private Placement, we were able to more than double the number of our existing investor base. Again, our financing platform proved itself to be the ideal basis for future growth," said Shaun Mills, CEO of Alpha Trains Group.

The transaction was arranged by Cr dit Agricole Corporate & Investment Bank and Santander in the role of financial advisors and PP joint placement agents.

Watson Farley & Williams ("WFW") advised Alpha Trains in this transaction, Allen & Overy advised the lenders and Loyens & Loeff advised the Alpha Trains Luxembourg legal department.



[photo: One of the 13 integrated trainsets: Stadler Flirt on the Teutoburger Wald Netzwerk (TWN) operated by Keolis]

About Alpha Trains

Alpha Trains is the leading rolling stock lessor in Continental Europe. Around 110 employees from 11 countries work in offices in Luxembourg, Antwerp, Cologne, Madrid and Paris. Alpha Trains owns 432 passenger trains and 363 locomotives and offers tailor-made leasing solutions, comprehensive know-how in maintenance and vehicle repairs as well as long-term experience in the financing of new build projects. Alpha Trains' fleets are in use by many public and private operators in 17 European countries. Alpha Trains' shareholders are Arcus Infrastructure Fund, AMP Capital and Public Sector Pension Investment Board (PSP Investment).

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