



# 3i Infrastructure plc announces investment in TCR

29 APRIL 2016

3i Infrastructure plc (“3i Infrastructure”) has signed an agreement to invest approximately €200m, subject to completion adjustments, in TCR, in a consortium with Deutsche Asset Management (“Deutsche AM”). Headquartered in Brussels, Belgium, TCR is Europe’s largest independent asset owner of airport ground support equipment (“GSE”) and operates at approximately 100 airports.

3i Infrastructure and Deutsche AM’s infrastructure investment business will each acquire economic interests in TCR of up to 50% with the remaining equity being retained by the existing management team. 3i Infrastructure and Deutsche AM are purchasing their interests from the current owners, Chequers Capital and Florac.

Since inception, TCR has defined the market for leased GSE, providing high quality assets and a full service leasing, maintenance and fleet management offering to its clients, which are predominantly independent ground handling companies, airlines and airports. This enables GSE operators to concentrate on their core business of ground handling. The equipment that TCR provides to its clients is critical infrastructure, without which some of Europe’s busiest airports could not operate.

TCR leads the GSE leasing market in Europe. The leasing model makes up a growing proportion of the overall market for GSE in Europe where most equipment remains owned by airlines and ground handlers. GSE leasing is becoming an increasingly attractive model, as it offers greater flexibility than ownership and provides ground handlers with an external source of capital for investment. We expect TCR will continue to grow as the market for GSE leasing expands. Today’s investment is part of a strategy to support TCR not only in its growth in Europe, but also to expand further internationally.

Completion of the transaction is conditional upon receiving clearance from the European Commission under the EU Merger Regulation which is anticipated by the end of August 2016.

3i Infrastructure has exercised the accordion option in its Revolving Credit Facility, increasing liquidity by a further £200 million until December 2016.

Richard Laing, Chairman, 3i Infrastructure plc, commented:

“We are pleased to be investing in TCR, which fits our strategy of investing in companies with good asset backing, strong market positions and barriers to entry, yet with operational levers to achieve attractive returns for 3i Infrastructure’s shareholders.”

Ben Loomes and Phil White, Managing Partners and Co-heads, Infrastructure, 3i Investments plc, added:

“TCR is a clear leader in its market and well positioned to grow with the trend towards increased GSE outsourcing in Europe. We also plan to support TCR as it grows internationally where we see attractive opportunities, using 3i’s, and Deutsche AM’s, network of offices and contacts. We look forward to working with TCR’s management team to achieve this.”

Hamish Mackenzie, Managing Director, Head of Infrastructure Europe and Debt at Deutsche AM said:

"We are excited by this investment in TCR. It represents a unique opportunity to invest in one of the best performing companies in the aviation sector. The management team is strong and we look forward to working alongside them and our partners 3i in delivering the full potential on a European and global scale."

Bertrand Rabiller, Partner at Chequers Capital, stated:

"We are delighted to have supported the TCR management team in developing the group in Europe over the last ten years. We are convinced that the ownership of two reputable infrastructure funds will enable its next phase of development on a global basis."

-ENDS-

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### **Notes to editors:**

#### **About 3i Infrastructure plc**

3i Infrastructure plc is a Jersey-incorporated, closed-ended investment company, listed on the London Stock Exchange and regulated by the Jersey Financial Services Commission. The Company is a long-term investor in infrastructure businesses and assets. The Company's market focus is on economic infrastructure and greenfield projects in developed economies, principally in Europe, investing in operating businesses and projects which generate long-term yield and capital growth.

3i Investments plc, a wholly-owned subsidiary of 3i Group plc, is authorised and regulated in the UK by the Financial Conduct Authority and acts as Investment Adviser to 3i Infrastructure plc.

#### **About Deutsche Asset Management – Infrastructure**

Deutsche Asset Management's infrastructure investment business has been investing in infrastructure assets since 1992. The global platform – which provides client solutions covering private equity infrastructure, listed infrastructure and infrastructure debt – gives investors access to such economic sectors as transportation, utilities, telecommunications, and other service sectors critical to the basic functioning of local and global economies. As part of the Alternatives and Real Assets platform, this infrastructure business has approximately €20.9 / \$22.8 billion in assets under management as at 31 December 2015, 18+ years of direct infrastructure experience and 49 infrastructure investment professionals.

#### **About Chequers Capital**

Chequers Capital, founded in 1972 in Paris, is one of the leading Pan-European investment firms focusing on mid-cap corporations. With €2bn under management, Chequers Capital has a unique experience in developing companies towards international success, in partnership with their management team.



### About Florac

Florac is the private equity arm of the Meyer / Louis-Dreyfus family. Since its creation in 2009, Florac invests alongside managers and other investors in companies with a strong growth profile and the potential to become industry leading businesses.

### About TCR

TCR is Europe's leading provider of GSE leasing services. The company offers expertise in the rental and operating leasing of GSE, maintenance and ramp assistance and fleet management, which enables GSE operators to concentrate on their core business of ground handling. TCR is headquartered in Brussels and has local offices in Belgium, Denmark, France, Germany, Ireland, Italy, Norway, Spain, Sweden, The Netherlands and the UK. In 2015, TCR started activities in Asia where it rents equipment in Malaysia and Japan. TCR Americas was founded in 2016. TCR has increased its turnover from approximately €10 million in 1999 to over €130 million in 2015. The company employs approximately 750 staff and is present in approximately 100 airports across 12 countries.