



MEDIA RELEASE

19 November 2009

AQUASURE SUCCESS ON FINANCE PACKAGE FOR VICTORIAN DESALINATION PROJECT

AquaSure is pleased to announce senior debt syndication has now been successfully completed by the bookrunners, National Australia Bank Limited ("NAB") and Westpac Banking Corporation ("Westpac").

AquaSure wishes to thank NAB and Westpac, the State as well as the sponsors, Macquarie Capital, Thiess and SUEZ ENVIRONNEMENT through its affiliate Degrémont, who each played ongoing significant roles in ensuring the syndication was successful.

The end of the syndication finalises the financing requirements for the financing, design, construction and operation of the \$3.5bn Victorian Desalination Plant.

The syndication requirement of \$1,746m was more than 50% oversubscribed with the majority of investors committing for large amounts, a clear improvement over pre-GFC levels.

In a testament to the quality of the project, the strength of the Victorian Government as well as the sponsor group, the State of Victoria is now, following the accession of the syndication financiers to the senior debt facility, no longer required to provide syndication support with respect to AquaSure's financing of the project.

Successful syndication was achieved in just over two months after financial close in September and three months from award of contract. The speed and execution of the syndication task reflects the interest in the transaction and a renewed international interest in the financing of large-scale infrastructure transactions in Australia.

The Chairman of AquaSure, Ms Chloe Munro, commented that this remarkable success showed both the strength and soundness of the project and great investor confidence in the Victorian economy and the PPP model adopted by the Victorian Government.

'It has confirmed the wisdom of the Victorian Government in providing contingent support for the syndication portion of the project finance. This has allowed us to get a head-start on the project despite the tough conditions of the GFC.

'The combination of a well structured transaction, NAB and Westpac's extensive global investor network, strong sponsors and improving market conditions have been key factors in the success of the syndication.

'Further, this success illustrates the ability of Macquarie Capital as AquaSure's financial advisor, to create innovative and efficient structures, even in difficult environments, that underpinned AquaSure's ability to win the bid with a fully financed package without direct State funding.'

AquaSure's 12 original mandated lead arrangers will be joined by 22 additional Banks and Funds, increasing the syndicate to 34. All of the Australian big-four banks showed their support for this key infrastructure project alongside investment in the senior debt from select Australian superannuation funds and managers. Strong interest was also shown in the transaction from European and Asian banks.

In further positive news for the Australian PPP market, all non-sponsor financiers from the losing consortium, Bass Water, committed substantial financing to AquaSure.

The closing of syndication means AquaSure has no refinancing obligations until 2016 at the earliest.

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