



The CA-CIB team. L-R: Laurent Delvart, Florence Haziot, Leo Burrell, Franck Genet, José Abramovici, James Meyler (ORIX), Sandra Lift, Brian Bolotin, Antoine Blairon.

Bank of the year: Credit Agricole CIB

Credit Agricole-Corporate Investment Bank (CA-CIB) has been voted the top aviation finance house in the Aviation 100 survey by some margin ahead of last year's winner Citi. Throughout 2014, CA-CIB demonstrated its leadership in virtually all aviation fields ranging from aviation debt finance, both commercial and export credit, to capital markets products including Eximbonds, ABS and corporate bonds, French and Japanese tax leases, not to mention the bank's financial and rating advisory work.

During 2014 CA-CIB arranged and/or co-arranged 93 aircraft financings and 27 engine financings totalling \$6.2bn.

Overall, CA-CIB was involved

in \$17.3bn of financings (including corporate revolvers, aircraft, engines, portfolio deals) and \$13.7 billion of capital markets transactions for the full year 2014.

The French bank has been recognised for its role in many of this year's Aviation 100 Deals of the Year awards. CA-CIB was the joint arranger on the Qatar Airways Middle East Deal of the Year, which was the first ever French lease structured for an A380 operated by a Middle East carrier. The financing was structured as a French lease with CA-CIB acting as arranger, security trustee and facility agent combined with commercial debt provided by KfW IPEX-Bank. Both

CACIB and KfW IPEX-Bank acted as debt arrangers. The banks were advised by Norton Rose Paris, while Qatar Airways was advised by Dentons in London. The French Lease and ECA financing is a very efficient way of financing an A380, as it combines the most competitive debt available with attractive tax benefits. Although the pricing of the components of the deal have not been disclosed, it can be assumed Qatar Airways received very attractive overall economics. CA-CIB also acted as arranger for a French Lease for one A330 and three A321s for China Southern Airlines.

In 2014, CA-CIB acted as global coordinator, sole bookrunner, senior

mandated lead arranger and agent for the senior and junior credit facility for IAG/ British Airways financing of four A380s between March-October 2014, which was combined with Japanese Operating Leases (JOLCOs) for an unconfirmed amount. This deal is the largest single mandate combining commercial debt and JOLCO. CA-CIB acted as JOLCO arranger for three of the four A380s. DBS Bank was also senior mandated lead arranger. Mandated lead arrangers were Century Tokyo Leasing Corporation, Commerzbank, Crédit Industriel et Commercial and ING Bank. Sumitomo Mitsui Trust Bank was lead arranger and La Banque Postale was lead manager.

In addition CA-CIB also arranged JOLCOs during 2014 for Qantas for one 787-8 and one 737-800; and one A320-200 for AWAS.

Capital markets continued to be very active for aviation companies and CA-CIB was present as arranger and/or bookrunner on almost all of the major deals closed in 2014 – including many more Aviation 100 award winners.

At the very start of the year, in the deal that arguably reopened the aviation ABS market, CA-CIB acted a joint lead arranger and liquidity facility provider on the \$739 million RISE deal from GECAS, which was led by Goldman Sachs. CA-CIB was joint bookrunner and liquidity facility provider for CIT's \$640million ABS deal – again with Goldman Sachs – and was a co-manager on the lessor's \$1bn 3.875% senior unsecured high yield bond, which was led by Bank of America, Credit Suisse and Morgan Stanley. The French bank was among the 12 joint bookrunners for Bombardier's \$1.8bn high yield bond that consisted of \$600million 4.75% five-year senior notes and \$1.2bn 6% eight-year senior notes.

CA-CIB was a joint book runner on AerCap's high yield bond that financed its acquisition of ILFC, led by UBS and Citi, which was recognised as this year's M&A Deal of the year.

CA-CIB acted as joint lead manager in the first ever \$500 million Sukuk capital markets issuance by flydubai, which was awarded the Aviation 100 Islamic Deal of the Year.

CA-CIB was a joint co-lead arranger for a \$350million secured private placement for AWAS and acted as joint

bookrunner for Aircastle's \$500million unsecured high yield bond.

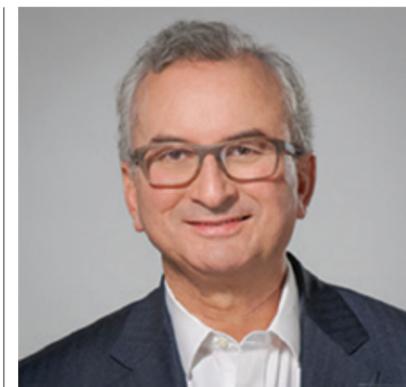
The bank was a joint lead arranger on Apollo Aviation's ABS deal that was awarded the Americas Deal of the Year for this year, and was a bookrunner and liquidity facility provider on ICBC Leasing's \$583million private placement that won the Asia-Pacific Deal of the Year.

CA-CIB has closed very many deals with leasing companies in 2014 in particular. Speaking to Airline Economics, Jose Abramovici, explained why he likes lessors. "We like the lessors because they tap all capital (debt, equity, bonds, ABS) markets. Most the airlines can be rather conservative – they do not like to be officially rated and prefer straight export credit or full pay out commercial debt so there is little value we can add with capital markets products. Leasing companies understand that to be a smart lessor, they need to purchase the right aircraft, lease it efficiently, monitoring it carefully, be active in trading it and they also understand the need to manage their liabilities closely which means tapping more than one source of debt and utilising non-recourse, full recourse, secured, unsecured, high yield, Term Loan B, ABS and export credit. This provides us with many more cross-selling possibilities so we are able to help these clients more and leverage the use our own balance sheet. We have even provided rating advisory for lessors in 2014."

Although there were only three Enhanced Equipment Trust Certificates issued in 2014, CA-CIB was present on all of them – two for United and one for American Airlines.

Before the financial crisis, CA-CIB was very focused on export credit but today the bank is doing much less export guaranteed loans since the pricing is very low for plain vanilla transactions. The bank has closed four Eximbonds in 2014 for Cargolux, Norwegian and Korean Air – the latter the bank acted as structuring agent as well as joint bookrunner.

CA-CIB also provided more commercial aircraft loans than ever before. Although there are too many airlines or lessors to list here, notable deals include a \$533 million aircraft portfolio financing for Avolon, a \$156 million spare engines financing for LATAM, a two



BANK OF THE YEAR

Company	% of top ten vote	% of total vote
CACIB	26.0	14
Citi	16.0	8.60
Goldman Sachs	15.4	8.29
Deutsche Bank	15.1	8.13
BNP Paribas	9.0	4.85
DVB	6.8	3.66
Credit Suisse	3.3	1.78
Bank of America	3.1	1.67
Morgan Stanley	3.0	1.62
Development Bank of Japan	2.3	1.24

B777-300ER commercial financing for Emirates, the bank financed 12 CFM56-7Bs for GOL and was sole arranger and agent for a \$101 million term loan facility for Air Lease Corporation.

Looking forward, CA-CIB will keep supporting its key clients with its balance sheet so long as it can also provide added-value products such as tax lease, advisory (financial, M&A, rating), high yield/high grade bonds, ECA bonds, private placement, term loan B, securitisation, equity capital markets, hedging services. CA-CIB management has recently approved a significant increase in aviation exposure based upon very good return generated over the last years, and virtually no cost of risk as the bank managed to avoid recent airline bankruptcies.

All in all, 2014 was a great year for the French bank that has worked tirelessly throughout the financial crisis to the resurgence in the banking market experienced today to remain a powerhouse in the world of aviation finance.