

HERBERT SMITH FREEHILLS ADVISES VIRGIN AUSTRALIA ON ISSUANCE OF A\$325M AND US\$425M NOTES

06 November 2019 | Australia, Asia Pacific
Deals and cases

Herbert Smith Freehills is pleased to be advising Virgin Australia Holdings Limited (**Virgin Australia**) on its concurrent issues of A\$ denominated unsecured notes to be listed on ASX to raise approximately A\$325 million (with the ability to raise more or less) (**A\$ Notes**) and US\$ denominated unsecured notes to be sold to certain institutional investors in the United States and certain other jurisdictions to raise US\$425 million (**US\$ Notes**) (**Offers**).

The Offers form part of Virgin Australia's funding strategy in connection with its proposed acquisition of Affinity Equity Partners' approximately 35% minority investment in the award-winning 'Velocity' loyalty program. The surplus proceeds from the Offers will be used for general corporate purposes.

The Herbert Smith Freehills team is led by partners [Patrick Lowden](#) and [Philippa Stone](#), and includes partner [John Angus](#), executive counsel [Vinh Huynh](#), senior associates [Steven Catanzariti](#) and [Peter Ip](#), solicitors Michael Burrell, Jennie Bian, Shananne Joyce, Luca Credientino, Jennifer Catterson and graduate Katherine Duong.

Patrick Lowden said: "It is a pleasure to work with the Virgin Australia team on this transaction. The Offers mark an exciting development for Australian corporate debt capital markets, demonstrating investor support in a market traditionally dominated by investment grade issuers."

Philippa Stone said: “We are delighted to assist Virgin Australia on this important milestone. We are proud of our work with the Virgin Australia team and wish them well with the acquisition of Velocity. We are also delighted to be involved in the first prospectus notes offering for some time, diversifying investment opportunities for retail investors.”

UBS AG, Australia Branch is acting as arranger, and Morgan Stanley, Morgans Financial Limited, Ord Minnett Limited and UBS AG, Australia Branch are acting as joint lead managers of the A\$ Notes Offer and Morgan Stanley & Co. LLC, The Hongkong and Shanghai Banking Corporation Limited and UBS Securities LLC are acting as joint lead managers of the US\$ Notes Offer.

This deal is another example of Herbert Smith Freehills’ market-leading capital markets work. Other recent examples include, advising:

- The joint lead managers on Westpac Banking Group’s A\$1.42 billion offer of Westpac Capital Notes 6;
- The joint lead managers on MGL’s A\$1 billion placement to institutional investors and share purchase plan;
- The joint lead managers on MGL’s A\$1 billion offer of Macquarie Group Capital Notes 3;
- The joint lead managers on MGL’s A\$905.5 million offer of Macquarie Group Capital Notes 4; and
- Virgin Australia on its previous note issuances, including A\$250 million Australian medium term note issue to wholesale market investors in February 2019.

MEDIA CONTACT

For further information on this news article, please contact:

**KELLY MURRAY, EXTERNAL
COMMUNICATIONS LEAD**

SYDNEY

Tel: +61 2 9322 4472

Mob: +61 429 115 625

Email: kelly.murray@hsf.com
