

14 July 2014

## HSBC SUPPORTS ICELAND FOODS REFINANCING AND EXPANSION PLANS

HSBC is pleased to announce it has supported Iceland Foods' debt refinancing, store expansion programme and international development via a high yield bond issue and new finance facilities.

HSBC has acted as a Joint Bookrunner on the £950 million high yield bond issue, alongside Credit Suisse, the Lead Left Bookrunner, and JP Morgan, which also acted as Joint Bookrunner. In addition, HSBC has provided a new £30 million Super Senior Revolving Credit Facility to support the Company's liquidity requirements.

HSBC's relationship with Iceland is managed by Senior Corporate Banking Manager Mark Rowan from HSBC's North West Corporate team. HSBC's involvement in the transaction strengthens its eight-year banking relationship with Iceland and consolidates the number of banks the supermarket chain works with.

Iceland will use the proceeds of the fundraising to refinance existing debt relating to its management buy-out in 2012, releasing funding to support its expansion plans.

Iceland operates 833 stores located across the UK, as well as through franchise stores in Spain, Portugal, Ireland and the Czech Republic. It is expected to open 46 new Iceland Food stores in the UK this year, targeting high street locations in towns with populations below 300,000, as well as expanding its international presence.

HSBC's North West Head of Corporate Sacha Balachandran said: "We are pleased to have strengthened our relationship with Iceland by supporting this high yield bond issue and also providing the company with a new funding facility. Iceland continues to drive sales in the UK and overseas by adopting a clear strategy that differentiates it from the market. Customers like the value it offers and the

convenience it provides, and this new fundraising will enable Iceland to open in more parts of the UK.”

*Ends*

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**Notes to Editors:**

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