

## **BlueBay Asset Management LLP and National Pensions Reserve Fund Announce Launch of New Lending Vehicle for Irish SMEs**

10 July 2013

BlueBay Asset Management LLP (BlueBay) and the National Pensions Reserve Fund (NPRF) have today announced the successful launch of a new vehicle - BlueBay Ireland Corporate Credit I Ltd (BICC) - that will provide loans to larger SMEs and mid-sized businesses in Ireland.

Following a preliminary announcement in January 2013, the new vehicle has raised the full target amount of €450 million (including an NPRF commitment of €200 million) and has launched within the expected timescale. The very significant level of investment from third-party institutional investors is at the upper end of the range anticipated by BlueBay and the NPRF.

Loan amounts are expected to range in size from €5 million to €45 million and BlueBay is able to access additional capital for situations that require larger amounts. The loans can be used by borrowers for a variety of purposes such as refinancing existing liabilities, acquisition finance or investment expenditure. Pure real estate finance is not intended to be included.

BlueBay Ireland Corporate Credit I Ltd is an Irish company that will issue notes with an approximate seven-year maturity to investors, the proceeds of which are intended to be used primarily to acquire and originate term loans to established Irish businesses of varying sizes.

BlueBay's Head of Irish Investments, Pat Walsh said: "It is a great result to have reached the target size of €450 million within our expected timescale. We are already in discussions with a good number of potential borrowers and have issued several indicative term sheets. We look forward to engaging with a wide variety of intermediaries and companies in the future."

National Pensions Reserve Fund Chairman Paul Carty said: "This is the largest of the NPRF's suite of SME-focused funds and an essential complement to the equity and restructuring funds launched earlier this year. We are very pleased to see strong domestic and international investor participation."

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## **Background Information**

### **BlueBay Asset Management LLP (BlueBay)**

BlueBay is a specialist asset manager of fixed income credit, corporate loans and alternative products. Based in London, with offices in the US, Dublin, Luxembourg, Hong Kong and Japan, we manage over US\$55bn (as at 31<sup>st</sup> March 2013) for institutions and high-net-worth individuals. BlueBay manages a range of credit products covering investment grade, emerging markets, convertibles, private lending, high yield and special situations. BlueBay Asset Management LLP is a wholly-owned subsidiary of Royal Bank of Canada (RBC) and part of the RBC asset management division, RBC Global Asset Management group of companies.

### **The National Pensions Reserve Fund (NPRF)**

The NPRF was established in 2001 to meet as much as possible of the costs of Ireland's social welfare and public service pensions from 2025 until at least 2055.

Under the Ireland Strategic Investment Fund initiative, announced in June 2013, the Government plans to reorient the NPRF and make its €6.4 billion of resources available for investment on a commercial basis to support economic activity and employment in Ireland. The Ireland Strategic Investment Fund will leverage its resources by attracting co-investment from third-party investors and will seek to recycle its investments over time in line with its new mandate.

BlueBay Ireland Corporate Credit I is the third in a suite of new long-term funds announced by the NPRF in January 2013 that will provide €850 million of equity, credit and restructuring / recovery investment for Irish small and medium-sized businesses (SMEs) and mid-sized corporates. The NPRF played a significant role in the development of the three funds and will be a cornerstone investor in each alongside additional investment from third-party investors.