

pbb finances aquatic center for a SEMOP structure involving city of Rillieux-la-Pape and Opalia

- pbb proves ability to work through the innovative public-private investment vehicle SEMOP

Munich/Paris, 11.10.2017 – pbb Deutsche Pfandbriefbank, the public investment finance specialist, has provided a €15 million loan facility for the construction of a new €19 million aquatic complex in Rillieux-la-Pape, a city in the greater Lyon region in eastern France through a concession contract. This contract is signed by a public private company jointly owned by Opalia and the city of Rillieux-la-Pape, with the effect that the city will be involved in this infrastructure project both as a grantor and a shareholder of the project company. The 2.5-year design and construction period will be financed through an additional €4 million equipment subsidy by the city of Rillieux-la-Pape. After completion of the construction pbb will provide a long term investment loan over 22.5 years of €15 million. pbb acted as arranger and sole lender. The transaction closed in June 2017.

The city of Rillieux-la-Pape and Opalia, which is jointly owned by Suez Eau France and Vert Marine, signed the 25-year concession contract to finance, design, build, maintain and operate a new aquatic complex following a 12 month tender process. The new aquatic center will replace a 40 year-old swimming-pool, which involved high maintenance cost and add a learning pool, a ludic pool, a children's pool and a wellness center with spa, sauna and hamam. Rillieux-la-Pape is located in the Métropole du Grand Lyon area, which shows a dynamic development, both economically and demographically.

While the structure of the concession remains standard, the management of contract is not. The city of Rillieux-la Pape decided to use a newly-created public-private company, a so called SEMOP (*Société d'économie mixte à opération unique*) to manage the concession. The SEMOP is owned by Opalia, which holds 51 percent, and the City of Rillieux-la-Pape with a 49 percent stake. The City of Rillieux-la-Pape is therefore expected to be closely involved in the follow-up of the construction and the management of the new aquatic center.

City of Rillieux-la-Pape's project responds to a strong local demand through a financially and architecturally well-scaled infrastructure. Indeed, the precedent swimming-pool, built in the 70ies, represented increasing costs of repair and management for the public authority's budget. Savings from these operational costs will compensate the cost of this long-term investment. It is expected that the new aquatic center will draw a significantly higher number of visitors than the currently recorded average number of 110'000 visitors per year.

Jean Christophe, Head of Public Investment Finance and General Manager of the French branch of pbb Deutsche Pfandbriefbank said: "With this new deal - the first with a specially-set up innovative public-private investment vehicle SEMOP for a swimming-pool concession - pbb shows its ability to adjust to a new framework leveraging its long-established expertise in public infrastructure finance. We firmly believe the SEMOP has many merits, including the closer involvement of the public sector all along the project, strengthening the cooperation between the public and private sectors. This is why we are happy to work alongside Opalia and Rillieux-la-Pape in this transaction.



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Note to editors:

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