

## **Infrastructure funds managed by MIRA and Goldman Sachs to acquire HES International from Riverstone and The Carlyle Group**

Rotterdam, 3 April 2018 - Macquarie European Infrastructure Fund 5, which is managed by Macquarie Infrastructure and Real Assets (MIRA), and West Street Infrastructure Partners III (WSIP), which is managed by the Merchant Banking Division of Goldman Sachs, have reached an agreement in principle with Riverstone Holdings LLC ("Riverstone") and The Carlyle Group ("Carlyle") to acquire HES International B.V. ("HES" or "the Company"). Capital for the original investment by Riverstone and Carlyle came from two funds: (i) Riverstone/Carlyle Global Energy & Power Fund IV, L.P. and (ii) Carlyle International Energy Partners, L.P. (CIEP).

HES will now initiate consultations where appropriate with the relevant works councils. The financial terms of the transaction are not disclosed and should definitive transaction documentation be executed following the consultation process, completion will remain subject to legal and antitrust approvals.

HES is one of the largest diversified port terminals businesses in Europe and focuses on the storage and handling of liquid bulk products, such as crude oil, refined petroleum products and bio-fuels, and dry bulk products, primarily iron ore and coking coal, minerals and agri-bulk and thermal coal. The Company has strategic locations in Europe's best accessible ports and benefits from highly attractive catchment areas, including key industrial areas in North West Europe, and from deep long-term relationships with blue-chip customers. The Company has built a unique platform of best-in-class liquid and dry bulk terminals operating across Europe, including EMO (Rotterdam) and OBA (Amsterdam), the two largest dry bulk import terminals in North West Europe. HES has also established the HES Botlek Tank Terminal (HBTT), the newest liquid bulk terminal in North West Europe, and enhanced the transition of HES Wilhelmshaven Tank Terminal (HWTT), the largest independent tank terminal in Germany, to a fully operational terminal.

Under Riverstone's and Carlyle's ownership, the HES management team has been successfully implementing an over €700 million transformation and growth strategy, including the recent Financial Investment Decision on the landmark Hartelstrip expansion project. This strategy makes HES one of the most significant tank terminal operators in North West Europe while further strengthening its position as a large diversified dry bulk terminal operator in Europe.

In tank storage, investments include increasing capacity of the HES Botlek Tank Terminal from 200,000 cbm to over 620,000 cbm by 2019 and the construction of the world class HES Hartel Tank terminal. In Wilhelmshaven, HES repurposed the former refinery into a commercial tank terminal and is currently preparing to restart part of the primary distillation processing capacity

under a tolling agreement. These investments are all based on long-term contracts and together they are expected to triple operational liquid bulk capacity to 3.2 million cbm.

The transformation program also extends to dry bulk, where HES has consistently diversified into agri-bulk and minerals by expanding its capacity to 900,000 cbm of highly flexible covered storage and supporting HES's strategy to become a major European operator in this segment.

MIRA and WSIP are experienced, long-term infrastructure investors with strong track records of supporting their portfolio companies' investment plans and they are supportive of the management team's vision for the Company.

Jan Vogel, Chief Executive Officer of HES International, said: "With the support of Riverstone and Carlyle we have become one of Europe's most successful independent bulk handling companies providing products and services to our customers at 18 sites across 8 countries. Over the past 3.5 years, we have implemented a focused strategy that makes optimal use of our prime real estate in Europe's key ports and allows us to adjust flexibly to future changes and opportunities that energy transition will bring to our sector. We have also built a strong pipeline of additional growth projects for both our liquid bulk and dry bulk businesses to support our strong position in each of our core businesses. We are confident MIRA and WSIP will be strong, long-term partners for our continued future growth and continued international expansion."

Leigh Harrison, European Head of MIRA, said: "As long term investors we are excited about the growth opportunities HES offers in dry and liquid bulk as well as its strong management team, market position in North West Europe and its focused strategy. Together with our partner WSIP, we are looking forward to supporting management in expanding the business through new growth projects."

Philippe Camu, Co-Head and Co-Chief Investment Officer of the Infrastructure Investment Group within the Merchant Banking Division of Goldman Sachs, said: "We are pleased to invest in HES alongside MIRA and are keen to support the Company in its next stage of development. The HES team has built an impressive business underpinned by strong customer relationships and strategic locations in Europe's key ports. We look forward to drawing on our experience in the sector for the benefit of HES and its stakeholders."

**-Ends-**

**For further information:**

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**About HES International B.V.**

HES International B.V., founded in 1908, is a private company, headquartered in Rotterdam (the Netherlands) and is one of the largest storage and port logistics companies in Europe. Storage and handling activities comprise dry and liquid bulk terminals in North West Europe. The company's focus is on growing its present portfolio of high quality dry and liquid bulk terminals by means of expansion of its already owned sites, greenfield development and acquisitions of existing terminals. HES International B.V. is developing a tank terminal for the storage and transshipment of petroleum products and biofuels at the Hartelstrip, on the south side of the Mississippi harbour at Maasvlakte 1. The HES Hartel Tank Terminal is planned to be operational at the end of 2019.

For more information about HES International B.V. please visit [www.hesinternational.eu](http://www.hesinternational.eu)

## **About Macquarie Infrastructure and Real Assets**

More than 20 years ago Macquarie Infrastructure and Real Assets (MIRA) pioneered investment in a new asset class for institutional investors – infrastructure. Today we combine two decades of experience and expertise to identify and unlock investment opportunities in the assets that people use every day – extending beyond infrastructure to real estate, agriculture and energy. As at 30 September 2017, MIRA has assets under management of more than €94 billion invested in 137 portfolio businesses, ~300 properties and 4.5m hectares of farmland.

Globally, MIRA manages over 25 marine terminals located across Asia, Europe, and North America, ~15 of which handle dry or liquid bulk cargoes. Since 2005, MIRA has completed over USD4 billion of terminal investments in nine countries, including a range of brownfield and greenfield projects. In the bulk liquid storage sector MIRA owns and manages assets with a combined capacity exceeding 23 million cbm, placing Macquarie as the fourth largest independent owner globally. This includes Pisto in France, TanQuid in Germany and IMTT in the US / Canada.

MIRA is a division of Macquarie Asset Management, the asset management arm of Macquarie Group, a diversified financial group providing clients with asset management, banking, advisory and risk and capital solutions across debt, equity and commodities.

## **About West Street Infrastructure Partners**

WSIP is an infrastructure investment fund managed by the Merchant Banking Division of Goldman Sachs. WSIP, together with its predecessor funds GS Infrastructure Partners I & II, are the principal investment vehicles managed by Goldman Sachs that make direct investments in infrastructure and infrastructure-related assets and companies. The primary focus of the funds is on investment opportunities in the energy, transportation and utilities sectors.

Goldman Sachs is a leading global investment banking, securities and investment management firm. Founded in 1869, the firm is headquartered in New York and maintains offices in other major financial centers around the world.

Goldman Sachs is one of the largest infrastructure fund managers globally, having raised over \$13 billion of capital since the inception of the business in 2006.

## **About Riverstone Holdings LLC:**

Riverstone is an energy and power-focused private investment firm founded in 2000 by David M. Leuschen and Pierre F. Lapeyre, Jr. with over \$38 billion of capital raised. Riverstone manages private equity and debt investments in the exploration & production, midstream, oilfield services, power, and renewable sectors of the energy industry. With offices in New York, London,

Houston, and Mexico City, Riverstone has committed over \$37 billion to more than 150 investments in North America, Latin America, Europe, Africa, Asia, and Australia.

Web: [www.riverstonellc.com](http://www.riverstonellc.com)

### **About The Carlyle Group:**

The Carlyle Group (NASDAQ: CG) is a global alternative asset manager with \$195 billion of assets under management across 317 investment vehicles as of December 31, 2017. Carlyle's purpose is to invest wisely and create value on behalf of its investors, many of whom are public pensions. Carlyle invests across four segments – Corporate Private Equity, Real Assets, Global Credit and Investment Solutions – in Africa, Asia, Australia, Europe, the Middle East, North America and South America. Carlyle has expertise in various industries, including: aerospace, defense & government services, consumer & retail, energy & power, financial services, healthcare, industrial, infrastructure, real estate, technology & business services, telecommunications & media and transportation. The Carlyle Group employs more than 1,600 people in 31 offices across six continents.

### **About Carlyle International Energy Partners, L.P. (CIEP)**

Established in May 2013, the CIEP team focuses on oil and gas exploration and production mid- & downstream, refining and marketing and oil field services in Europe, Africa, Latin America and Asia. CIEP is a \$2.5 billion fund dedicated to oil and gas investing. The CIEP team focuses on transactions where it has a distinctive competitive advantage and can create tangible value for companies in which it invests, through industry specialization, deployment of human capital and access to The Carlyle Group's global network.

Web: [www.carlyle.com](http://www.carlyle.com)

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