

July 26, 2013 at 11:47am

BMC Software readies \$4.55B leveragd loan backing LBO by Bain



A Credit Suisse-led arranger group has scheduled bank meetings for next week to roll out the approximately \$4.55 billion covenant-lite loan backing the \$6.9 billion leveraged buyout of **BMC Software**, according to sources. A meeting is scheduled for 2:00 p.m. EDT on Tuesday, July 30 in New York and for 2:00 p.m.

BST on Monday, July 29 in London.

The senior secured component of the financing is structured as a \$3.2 billion, seven-year term loan; a €750 million, or roughly \$1 billion, seven-year term loan; and a \$350 million, five-year revolving credit.

Ahead of the bank meeting, the dollar term loan is talked at L+400, with a 1% floor, offered at 99. Guidance on the euro loan is E+450, with a 1% floor, offered at 99. Both tranches would include six months of 101 soft call protection.

At the proposed guidance, the dollar loan offers a yield to maturity of 5.28%, while the euro loan would yield about 5.8%.

Credit Suisse, RBC Capital Markets, Barclays, Goldman Sachs, Deutsche Bank, Citigroup, Mizuho, Jefferies, BMO Capital Markets, HSBC, and UBS are arranging the financing. Commitments will be due on Thursday, Aug. 8.

The deal backs the purchase of BMC by Bain Capital and Golden Gate Capital, together with GIC Special Investments and Insight Venture Partners. As reported, the financing commitment for the LBO also provides for a \$1.68 billion unsecured bridge loan, which is expected to be replaced with high-yield bonds.

Cash equity will total \$1.25 billion, and the issuer will also utilize \$1.4 billion of cash on hand.

Under the terms of the agreement, which was announced in May, affiliates of the investor group will acquire all outstanding BMC common stock for \$46.25 per share in cash, or approximately \$6.9 billion.

BMC Software provides business services and applications across distributed, mainframe, virtual, and cloud environments. For the four fiscal quarters ended March 31, 2013, BMC had revenue of \$2.2 billion. — Kerry Kantin

Posted in [Covenant-lite](#), [LBO](#), [News](#), [Private Equity](#), [US](#)

Share +1

1 Comments 0

SEARCH

Search

SORT NEWS STORIES

Airlines/Aviation

Asia-Pacific

Bankruptcy/Restructuring

Cancelled deals

Casino/Gaming

CLO

Corporate Bonds

Covenant-lite

Defaults

Distressed Debt

Dividend

Economy

ETF

Europe

High-yield bond

LBO

Media/Technology

Mergers & Acquisitions

Middle Market

Mutual Funds

News

Oil & Gas

People

Private Equity

retail

Trading

Leave a Reply

Comments are moderated and will not appear until the admin has approved them.

Full Name *(Required)*

Email Address *(Will not be displayed with your comment)*

Website URL *(Optional)*

Comment

Post

PreviousNext

- Trends
- Uncategorized
- US

ARCHIVES

- September 2014
- August 2014
- July 2014
- June 2014
- May 2014
- April 2014
- March 2014
- February 2014
- January 2014
- December 2013
- November 2013
- October 2013
- September 2013
- August 2013
- July 2013
- June 2013
- May 2013
- April 2013
- March 2013
- February 2013
- January 2013
- December 2012
- November 2012
- October 2012
- September 2012
- August 2012
- July 2012
- June 2012
- May 2012
- April 2012

March 2012

February 2012

January 2012

December 2011

June 2011

April 2011

SUBSCRIBE TO RSS

LCD Subscription Stories

Copyright © 2014 by Standard & Poor's Financial Services LLC (S&P),
a subsidiary of The McGraw-Hill Companies, Inc.