

transaction support

Transaction Support

The Airport sector is a hotbed of investment activity. However buying the right asset at the right price to achieve maximum returns requires real insight and business knowledge. AviaSolutions provides this insight and works closely with its clients through every step of the transaction process with the primary aim of maximising value.

Target identification

One of AviaSolutions' greatest strengths is its knowledge of the air transport market borne through an industry network that is second to none. This network, supported by our in-depth analytical capability, enables us to spot opportunities ahead of the market and provide first mover advantage to our clients. In the last three years, we have advised on either the buy or sell side on every major airport related transaction.

Due Diligence

A thorough Due Diligence (DD) process is vital for assessing the viability of a potential transaction. It will vary depending on whether or not a transaction is pre-emptive or an auction. In most cases however we would recommend a multi stage DD process:

- Stage 1 - a high level DD exercise to determine the broad scope of the opportunity and to achieve a high level feel for the underlying value and potential returns.
- Stage 2 - undertaken on the back of access to an Information Memorandum (IM) or management accounts, this builds on previous work allowing for a more detailed valuation exercise to be undertaken.
- Stage 3 - triggered by access to the data room. At this point a thorough understanding of the business is established and with it opportunities to add value over and above that suggested by the IM and management are identified. This is key to maximizing value and ensuring competitiveness in an auction situation.

This process results in the production of a robust business plan including long term passenger, income, cost, and capex projections.

Financing Support

Key to a successful bid is having the appropriate funding in place. AviaSolutions has significant experience of producing documentation for presenting a compelling investment case in support of raising acquisition finance. AviaSolutions also supports its clients through dialogue and presentations to potential funding providers.

Structuring a Business for Sale

AviaSolutions works closely with sell-side clients to advise on the optimal structure of the business in order to maximise its transaction value. We also work closely with the client's financial advisors, preparing the IM and building a compelling and robust investment case built on intelligent and defensible long term passenger, income, cost, and capex projections.

case studies



AviaSolutions provided comprehensive support to a leading global investment fund looking to make a potential investment in a major international airport. This included:

- Detailed analysis of the market, including an assessment of the key market drivers, market structure and the major airline players.
- Production of detailed long-term traffic forecasts reflecting the market assessment.
- Detailed asset due diligence through site visits and desk top analysis.
- An in depth analysis of the existing business plan, suggesting areas for challenge as part of the due diligence process and providing recommendations on potential business and operational efficiencies for future value enhancement.
- Analysis of existing and future airport capacity.
- Support in business plan challenge meetings with vendor management.

A major international Airport operator appointed AviaSolutions to advise on its bid to acquire a large European Airport. AviaSolutions provided support in the development of traffic forecasts and the business plan to inform the preparation of the bid. This involved:

- Detailed analysis of the market, including an assessment of key market risks and opportunities including low cost growth, exposure to possible airline failures and competition issues.
- Production of detailed traffic forecasts over a 30 year period reflecting the market assessment.
- Production of detailed business plan taking into account existing aeronautical and commercial revenues, operating costs, future revenue opportunities and future capital investment requirements.
- Analysis of existing and future airport capacity potential.
- Analysis and recommendations on potential business and operational efficiencies to inform the development of the bid.
- Presentation to banks and other potential lenders supporting the bid.

