

LuxCSD supports IPO and new issue of equities



LuxCSD is acting as the Issuer Central Securities Depository (Issuer CSD) for two major Luxembourg-based companies. Brederode, an investment company, is valued at more than EUR 800 mn and eDreams ODIGEO, a global online travel company with key brands such as Opodo and GoVoyages, had an IPO value of EUR 1 bn.

Dematerialised issuance of equity shares

Brederode issued new dematerialised shares through LuxCSD following its successful cross-border merger with Acturus. The primary listing is on Bourse de Luxembourg and a secondary listing is on Euronext Brussels. A listing and clearing solution was agreed upon with Euronext and LCH Clearnet.

eDreams ODIGEO successfully performed its IPO of EUR 1 bn on 4 April 2014 with a dematerialised issuance through LuxCSD and listings on the Madrid, Barcelona, Bilbao and Valencia stock exchanges. Banco Santander and Société Générale CIB

acted as joint lead managers while BP2S was the LuxCSD principal agent. In order to make this Luxembourgish equity available in the Spanish market, BP2S also acts as the foreign depository on behalf of Iberclear, the Spanish CSD.

Gateway for issuers under T2S

This IPO structure with a company domiciled in one country and listing in another is becoming increasingly popular and perfectly demonstrates LuxCSD's flexible solutions to best serve global issuers. It is a precursor of what could become common practice in a TARGET2-Securities environment: pick and choose a domicile which meets the corporate objectives of a company with a trading venue tailored to its target shareholders.

In its role as Issuer CSD, LuxCSD is the place where the equity shares were issued and distributed on behalf of the issuer. LuxCSD also provides the safekeeping and the servicing of the equity shares.

Dematerialisation of securities

BIP Investment Partners was the first Luxembourg-based company to dematerialise its shares through LuxCSD following the implementation of the new Luxembourgish law in 2013. The level of dematerialisation is now close to 100% so that potential compliance and operational problems with residual paper shares have been overcome. The dematerialisation of existing securities as well as the issuance of dematerialised securities significantly reduces inefficiencies, risks and costs for the industry.

Growth of securities issuance

Volumes in 2013 and the first half of 2014 have shown vigorous growth with LuxCSD approaching EUR 10 bn of issued securities.

Key figures (as per June 2014)

Settlement

– Number of instructions
5928

Custody volume

– Equities
EUR 1.4 bn market value

– Bonds
EUR 5.7 bn nominal amount

– Investment funds
EUR 2.4 bn market value.

More information

For more information on these topics, please contact your Relationship Manager or send an email to cslux@luxcsd.com. If you would prefer not to receive our email news, please ask your RM to remove you from the mailing list.