

## Acquisition Support on Exeter Airport

Service Area	Transaction Support	Sector	Transport
Client	Confidential Investment Fund	Date	2008



### The Project

Maddox Consulting was appointed by an international infrastructure fund to lead their bid to acquire Exeter Airport, developing a full valuation for the airport, undertaking commercial due diligence and leading negotiations during the acquisition process.

### Our Role

- We prepared detailed passenger forecasts for the airport, modelling passenger and aircraft movements across different journey lengths, journey purpose and service types (low cost, full service, charter). These forecasts considered a number of different competitive scenarios for the airport vis-a-vis alternative nearby airports and modelled the impact of different expansion strategies by the airlines servicing the airport.
- We identified specialist property advisors and worked with these experts to review the opportunities to realise value from the property estate at the airport, looking at innovative opportunities to improve asset utilisation and release land for alternative development.
- We undertook detailed commercial due diligence, assessing the macro-economic market drivers, the competition from other modes and other airports, the impacts of government and the risks arising from the reliance on specific airlines.
- We then developed a full financial model for the airport and a detailed financial valuation to support the acquisition, and leveraged this model to secure additional equity funding for the transaction.
- We then led the consortium's negotiations with the local authorities during the transaction process.

