


**Ambac**

# Major PFI School Construction Project Represents a Significant Capital Improvement Project in Scotland's 4th Largest City

£103,800,000

Discovery Education Plc

Dundee Schools Project Financing



Dundee is a city in Scotland located 60 miles north of Edinburgh with a population of approximately 142,000. The city's education facilities, which have been in need of significant investment for some time, were included in the government's extensive 21st Century School Improvement Programme. One of the key objectives of the programme was to procure a project to design, build, finance and operate these eight new schools through the Private Finance Initiative (PFI) over a 31-year concession period.

The Discovery Education (Dundee) Project (£86.8 million) is one of the most ambitious investments in education ever undertaken in the region. In addition to brightening the future for Dundee's school system by providing significantly improved learning and teaching facilities, the project will generate a great deal of construction activity, fueling the economy of the region over the next few years.

The Dundee City Council sought to finance the project in the most efficient manner possible by using a monoline-wrapped bond issue. The financing package is the second Ambac primary bond financing for schools and further enhances Ambac's reputation in the Scottish PFI market.

The financing successfully closed on 28 February 2007 with construction on six sites beginning immediately thereafter.

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