Michael Baker Increases PIK Toggle Offering to $150 Million

Construction engineering firm Michael Baker Holdings LLC upsized its offering of five-year PIK toggle notes to $150 million from $125 million on Thursday, according to Bloomberg data. Proceeds will back a dividend to its PE sponsor DC Capital Partners.

The 8.875% notes priced at 99 to yield 9.13%. Price talk was at 9% for the coupon. The notes carry two years of call protection. Jefferies led the financing.

DC Capital paid just under $400 million to buy the construction engineering company in October. The firm bought Michael Baker through portfolio company Integrated Mission Solutions LLC. Michael Baker issued $350 million of 8.25% five-year notes to finance the deal.