

MyState Bank Limited successfully prices inaugural Tier 2 \$25m subordinated debt issue

Hobart, Friday, 7 August 2015: MyState Limited (ASX:MYS), the banking and wealth management group, is pleased to announce today that its wholly owned subsidiary, MyState Bank Limited (the “Issuer”) has successfully priced \$25m of 10-year, non call 5-year, Tier 2 subordinated notes under its newly established Medium Term Note (MTN) programme.

Under the Australian Prudential Regulation Authority’s (APRA) capital adequacy framework the notes will qualify as Tier 2 capital. The notes include the following terms:

- A term of 10 years (maturing 14 August 2025);
- The notes will pay interest quarterly at a floating rate equal to the three-month bank bill swap reference rate (BBSW) plus a margin of 5.00% per annum;
- The issuer has the option to redeem the notes at face value on 14 August 2020 and every quarterly interest payment date thereafter up to the maturity date, and for certain regulatory events (in each case subject to APRA’s prior written approval);
- If APRA deem MyState Limited or the Issuer to be non-viable, the notes will convert to ordinary shares of MyState Limited.

MyState Limited’s Managing Director, Melos Sulicich, said “The successful launch of this transaction in a challenging market is a positive step for the Group as we build greater diversity into our capital base. The issue supports our continued organic growth and allows the Bank to maintain strong loan growth momentum into the future.

“The establishment of the MTN programme is a milestone achievement and this inaugural issue strengthens the Group’s capital and funding options. Specifically, this issue allows the Group to utilise a cost effective capital structure to support continued returns to shareholders said Mr Sulicich.

The issue was well supported and over-subscribed by a broad base of institutional and private wealth investors both domestic and international markets and scaled back to \$25m.

ENDS

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About MyState Limited

MyState Limited is an ASX-listed diversified financial Group formed in September 2009 to effect the merger of MyState Bank Limited (MSB), an authorised deposit-taking institution, and Tasmanian Perpetual Trustees Limited (TPTL), a trustee and wealth management company. MyState acquired The Rock Building Society Limited, based in Rockhampton, in December 2011.

MyState Limited, MSB and The Rock are regulated by APRA and MyState Limited was enabled under Tasmanian legislation to own the authorised trustee company TPT. MSB, The Rock and TPT hold Australian Financial Services Licences issued by ASIC.