



McPherson's Limited

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ASX Announcement and Media Release

20 March 2015

McPherson's Limited to Undertake \$60 Million Corporate Bond Offering

McPherson's Limited (ASX: MCP) (McPherson's) is pleased to announce it will undertake an unsecured corporate bond offering to raise up to \$60 million. The bond issue will be comprised of two tranches:

- Series A - \$30 million, four year Floating Rate Bonds, 2019 maturity; and
- Series B - \$30 million, six year Fixed Rate Bonds, 2021 maturity.

The bond offering will increase the tenure of McPherson's debt maturity profile and diversify its debt funding sources. The net proceeds of the offering will be used to reduce existing bank debt.

The Lead Arranger for the transaction is FIIG Securities Limited. The bond offering is only open to eligible professional and sophisticated investors. No prospectus or other disclosure documents in relation to the bond will be lodged with the Australian Securities and Investment Commission or any other regulatory authority. Investors can elect to participate in either or both Series A and B.

McPherson's Managing Director Paul Maguire said "The bond offering announced today presents eligible and sophisticated investors with a unique opportunity to invest directly in the debt capital requirements of McPherson's. We are pleased with the terms of the offering given the various benefits derived for McPherson's, including greater financial flexibility, extended tenure, diversification and a broadening of our capital base."

FIIG Securities CEO Mark Paton said the company was pleased to assist McPherson's to diversify and lengthen the duration of its debt funding. "This is our first multi tranche bond issue with different tenors and also offering investors the option to invest in fixed and / or floating rate bonds, in another positive development for the expanding Australian bond market for mid-sized corporates," Mr. Paton said.

Full terms and conditions of the offering will be set out in an Information Memorandum to be lodged with the ASX once the terms have been finalised. The Information Memorandum is not a prospectus or other disclosure document for the purposes of the Corporations Act 2001 and, as noted above, the offering is only open to eligible professional and sophisticated investors.

A summary of the key terms of the proposed bond offering is set out below:

Issuer	McPherson's Limited (ACN 004 068 419)
Guarantors	McPherson's Limited and certain of its subsidiaries
Eligible investors	The offering is only available to investors who qualify as professional and sophisticated investors as prescribed in and in accordance with Part 6D.2 of the Corporations Act 2001
Status and ranking	The Bonds will be direct, unsecured and unsubordinated obligations of the Issuer
Denominations	The Bonds will be issued in denominations of A\$1,000, subject to a minimum initial subscription of A\$50,000 per Series

Series	A (2019)	B (2021)
Amount	A\$30 million	A\$30 million
Indicative margin	4.30% per annum	4.60% per annum
Interest Rate	Floating Rate (90 day BBSW) + margin paid quarterly	Fixed Rate (6 year swap rate) + margin paid semi-annually
Term	4 years	6 years
Rating	The Bonds will not be rated by any rating agency	
Negative pledge and other covenants	The Bonds will include a negative pledge and certain covenants, including Issuer and Group financial indebtedness incurrence covenants and limits on the quantum of cash distributions.	

Lead Arranger: FIIG Securities Limited
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- Ends -

For further information please contact:

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About McPherson's Limited

McPherson's, established in 1860, is a leading supplier of health & beauty, consumer durable and household consumable products in Australasia, with operations in Australia, New Zealand and Asia. The health & beauty division markets and distributes beauty care, hair care, skin care and fragrance product ranges; the home appliance division markets and distributes large appliances such as ovens, cooktops, washing machines and dishwashers; and the household consumables division markets and distributes kitchen essentials such as plastic bags, baking paper, cling wrap and aluminium foil.

The housewares division markets and distributes cutlery, knives, bakeware, glassware and kitchen accessories under brands such as Wiltshire, Stanley Rogers, Furi and Luigi Bormioli. With effect from 1 November 2014 McPherson's stake in this division reduced to 49% with the remaining 51% owned by the Fackelmann Group. Founded in Germany in 1948, the Fackelmann Group is a global manufacturer and distributor of kitchen, baking, home, leisure and bathroom products with annual sales of more than AUD470 million.

McPherson's manages some significant brands for overseas agency partners such as Gucci, Dolce&Gabbana and Hugo Boss Fine Fragrances; however, the majority of revenue is derived from the company's diversified portfolio of owned market-leading brands, including Manicare, Lady Jayne, Dr LeWinn's, A'kin, Al'chemy, Swisspers, Moosehead, Maseur, Euromaid, Baumatic, and Multix.

About FIIG Securities

FIIG Securities Limited, which is licensed by the Australian Securities and Investment Commission (ASIC), is Australia's largest specialist fixed-income broker. FIIG offers private investors access to Australia's widest range of domestic and international corporate bonds through its ground-breaking Direct Bonds service. FIIG has more than \$11 billion in term deposits and corporate bonds under advice in its short-term money market and custody business. The company has offices in Sydney, Melbourne, Brisbane and Perth.