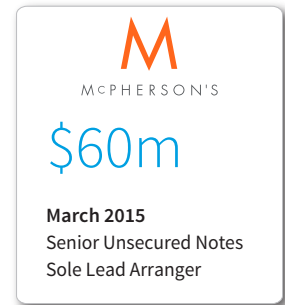


Case Study

McPherson's Limited



Issue Date	March 2015	
Amount	\$60m dual-tenor	
	Series A	Series B
	\$30m	\$30m
Maturity	31 Mar 2019	31 Mar 2021
Term	4 years call after 2	6 years call after 3
Coupon	BBSW+ 430bps	7.10% (Fixed Rate)

Issuer Profile

McPherson's is an ASX-listed consumer products company which markets and distributes leading Australian housewares, personal care, home appliance and household consumable products. The company owns a diversified portfolio of well-known brands including Manicare, Lady Jayne, Dr LeWinn's and also manages some significant brands for overseas agency partners such as Procter & Gamble (Hugo Boss, Dolce & Gabbana & Gucci fragrances) and Trilogy.

Issuer Need

In the years leading up to the Issue, McPherson's had undertaken a series of acquisitions using debt funding provided by short-term revolving bank facilities. McPherson's was seeking a financier that would work with the company to elongate its debt profile, diversify its funding sources away from the existing bank facilities and look to reduce the overall reliance on bank debt over the medium term.

FIIG Solution

FIIG was able to work closely with McPherson's to issue the bond to the FIIG investor network. The terms of the bond allowed McPherson's the flexibility to both diversify its funding base and lengthen the duration of its debt funding.

The dual-tranche Fixed and Floating Rate structure optimised the structuring flexibility in both tenor and interest rate hedging protection for McPherson's, fitting within its broader capital and risk management objectives whilst also providing additional diversity of bond options for investors.

Issuer Comment

McPherson's Managing Director Paul Maguire said "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".

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