

Case Study

Cash Converters



Issue Date	Sep 2013
Amount	\$60m
Maturity	19 Sep 2018
Term	5 years
Coupon	7.95%
Margin	410bps over swap

Issuer Profile

Cash Converters International Limited (“CCV”) began operations in 1984, was listed on the ASX in 1997 (ASX:CCV) and has a current market cap of ~\$530m (as at Sep 2013). CCV is a specialty retailer and micro-financier with a retail network of 717 stores in over 20 countries. CCV has a diverse revenue base comprised from a broad range of service offerings.

Issuer Need

Cash converters had experienced significant growth over the last few years; with almost \$80m of debt from a single lender management were seeking a debt solution to diversify and reduce risk.

FIIG Solution

By issuing a senior unsecured \$60m bond into the capital markets, CCV was able to diversify its funding sources and lengthen their debt maturity profile. The bond issue allowed for their banking facilities to remain providing greater flexibility to expand its business through growing its loan book and further acquisitions.

Client Testimonial

According to Chief Financial Officer, Ralph Groom, management were surprised by how fast and efficient the process was compared to their previous loan applications.

“With FIIG the whole raising only took two months from start to finish, so it was a new experience for us to have a relatively straightforward process that went quite smoothly and without a hiccup,” Mr Groom said.

“One of the benefits for us has been having a straightforward document that is easy to follow and understand from our view as well as from the bondholders’ point of view. It is also easy and painless to administer,” Mr Groom said.

Client Contact

Ralph Groom

CFO
Cash Converters
Ph: (02) 9220 0810

FIIG Contact

Tony Perkins

Head of Credit Structuring
FIIG Securities Limited
Ph. (03) 8668 8833