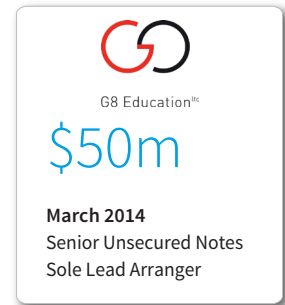


Case Study

G8 Education



Issue Date	March 2014
Amount	\$50
Maturity	3 March 2018
Term	4 years
Coupon	FRN
Margin	390bps over swap

Issuer Profile

G8 Education Ltd (ASX: GEM) is Australia's largest for profit provider of child care services. It was formed in March 2010 through the merger of Early Learning Services and Payce Childcare Pty Ltd at which time it operated 88 child care centres. GEM operates a multi-brand strategy which allows centres to operate largely autonomously, whilst overlaying the group's corporate disciplines across the portfolio.

Issuer Need

G8 Education experienced strong growth over the next 4 years acquiring over 200 additional childcare centres funded via a combination of bank debt, equity and a \$70m unsecured Note arranged by FIIG. Having seen value in the previous bond issuance, G8 approached FIIG to assist in arranging another bond issue.

FIIG Solution

The issue provided GEM with additional capital to continue on their acquisition strategy without additional bank constraints or further dilution of shareholder value. By diversifying its capital structure and issuing a 4 year FRN (as opposed to the 6 year fixed rate note previously issued) G8 maximised investor participation while minimising refinance and interest rate risk.

Client Testimonial

Managing Director Chris Scott said "The strong demand for the Notes from investors is reflective of the market's support for G8 Education's strategy and business model. This offering will enable us to continue our diligent approach to capital management and fund \$50million in further acquisitions which meet our metrics"

Client Contact

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