

# 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	6 years
Coupon	FRN	7.10%
Margin	430bps	460bps

### Issuer Profile

McPherson's Limited ("MCP") is an ASX listed consumer products company which markets and distributes leading Australian housewares, personal care, home appliance and household consumable products. MCP owns a diversified portfolio of brands including Manicare, Lady Jayne, Dr LeWinn's, Swisspers, Euromaid, Baumatic and Multix and manages some significant brands for overseas agency partners such as P&G and Trilogy. MCP, established in 1860, is a leading marketer and distributor of health & beauty, consumer durable and household consumable products, with operations in Australia, New Zealand and Asia.

### Issuer Need

McPherson's had undertaken a series of acquisitions over recent years, with the debt funding provided by short term revolving bank facilities.

### FIIG Solution

The bond issue enabled the company to term out core debt and extend their weighted average debt from 1 year to over 4 years. The company maintained their banking relationship for liquidity facilities and issued \$60m into the debt market, split across 2 equal tranches. The two tranche structure was a first for FIIG, optimising structuring flexibility in tenor and rates for McPherson's, whilst providing diversity for investors, highlighting the sophistication of the unrated bond market.

### Client Testimonial

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."

### Client Contact

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