

Case Study

PMP Limited



\$50m

October 2013
Senior Unsecured Notes
Sole Lead Arranger

Issue Date	October 2013
Amount	\$50m (upsized from \$40m)
Maturity	23 September 2017
Term	4 years
Coupon	8.75%
Margin	525bps over swap

Issuer Profile

PMP Limited ("PMP") was listed on the ASX in 1991 and is the largest commercial printer in Australia and NZ. Its principal activities are commercial printing, letterbox delivery and magazine distribution services. PMP is ranked 1st or 2nd in each of its product segments and is the only one stop print and distribution house in Australia. PMP has a blue-chip customer base including Bauer Media, Woolworths and Metcash.

Issuer Need

PMP were in the early stages of a transformation program to reduce costs, minimise financial risk and finally build a more profitable and sustainable business, however, found that banks were showing limited support to the printing industry.

FIIG Solution

FIIG was able to review the group's overall strategy and structure a deal that balanced the needs of PMP with that of investors. Despite the obvious concerns around the printing industry and its slow down, issuing a bond into the Australian credit market provided PMP access to an investor base that were able to make their own credit assessment. The Notes were oversubscribed resulting in the transaction being increased from \$40m to \$50m.

Client Testimonial

Chief Financial Officer Geoff Stephenson said that as well as delivering on the company's initial capital requirements, the bond issue had set them up for future raisings should they need capital going forward.

"It gives us a cache of people that we may be able to tap in the future for things like industry consolidation," Mr Stephenson said.

"We're finding some of the bond holders are coming to our annual general meeting. They're ringing me up and talking like investors do so we're going to have a tap of investors that we can touch again if we need to."

Client Contact

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FIIG Contact

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