



MEDIA RELEASE

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Adelaide Airport finances terminal expansion in US private placement bond market

Adelaide Airport (AAL) has successfully returned to the US private placement market pricing approximately AUD\$280 million in bonds late last week.

The issue was spread evenly across a US\$100 million 15-year issue (approximately AUD\$140 million) and an AUD\$140 million 25 year fixed issue - priced directly in Aussie dollars by US investors. It followed a recent US roadshow by senior AAL executives to showcase the airport and the South Australian economy.

AAL Manager Financial Planning & Analysis, Joshua Golding, said US investors remained impressed by the diversified nature of South Australia's economy, which did not display over-reliance on any one particular industry.

"We're pleased that we've been able to successfully return to the US private placement bond market. The outcome of tight pricing spread across extremely long 15 and 25-year tenors adds further efficiency and duration to our balance sheet," Mr Golding said.

"Funds raised will go towards refinancing bank debt as well as providing the debt funding component for our terminal expansion."

"The work we are doing towards attracting further international growth was seen as a strong upside opportunity for the business and the local economy."

The bonds were priced on 15 November in the US but will be funded in mid-March 2019 utilising the delayed draw ability in the market.

Bank of America-Merrill Lynch / Westpac and Commonwealth Bank of Australia were the Joint Lead Arrangers. RBC Capital Markets was Financial Advisor to AAL. King Wood Mallesons and Sidley Austin were legal advisors to AAL.

The 15-year US\$100 million notes were priced at 130bps above US Treasuries.

The AUD\$140 million Australian denominated 25-year fixed direct issue was priced at 5.04% implying a 160 points margin to base rates.

Adelaide Airport Ltd holds a BBB credit rating. Its shareholders are predominantly Australian superannuation funds – being Unisuper Ltd, Statewide Super, Colonial First State, Industry Funds Management and Perron Investments.