

9 November 2015

## Australian Unity Limited announces offer of Series B Australian Unity Bonds

Australian Unity Limited ("**Australian Unity**") today announced the launch of new unsecured debt securities called Series B Australian Unity Bonds (the "**Bonds**") ("**Offer**").

Australian Unity is seeking to raise approximately \$200 million under the Offer, with the ability to raise more or less subject to a minimum issue amount of \$50 million. The funds raised under the Offer will be used by Australian Unity for refinancing the Australian Unity Notes issued in 2011 ("**2011 Notes**"), to partly finance the purchase of Home Care NSW and for general corporate purposes.

Application has been made for the Bonds to be quoted on the ASX under the ticker "AYUHB".

The Offer comprises:

- Reinvestment Offer – to eligible 2011 Notes holders;
- Member Offer – to eligible Australian Unity Members;
- Broker Firm Offer – to Australian resident private retail clients of the broker participants in the Offer; and
- Institutional Offer – to certain institutional investors invited to bid under the Bookbuild.

Under the Reinvestment Offer:

- eligible 2011 Notes holders have the opportunity to subscribe for Bonds by selling to Australian Unity some or all of their 2011 Notes; and
- holders of 2011 Notes will receive \$100 per 2011 Note sold to Australian Unity (which is directed towards reinvestment in the Bonds) plus:
  - an additional amount to compensate them for the difference in margin between the 2011 Notes and the Bonds for the

**ASX code:**  
AYU

**Notes on Issue:**  
1,200,000

**Issuer:**  
Australian Unity Limited  
ACN 087 648 888

**Enquiries:**  
Australian Unity Notes  
registry  
1300 554 474

**Contact details:**  
Australian Unity Limited  
114 Albert Road  
South Melbourne VIC 3205  
Tel: 13 29 39

The listing of Australian Unity Notes on the ASX does not affect Australian Unity Limited's status as a mutual organisation

- period from the Issue Date to the 2011 Notes maturity date;
- and
- an amount representing the accrued and unpaid interest up to the day before the issue date of the Bonds paid in cash.

Australian Unity Group Managing Director Rohan Mead said the Series B Australian Unity Bonds is a simple corporate bond structure that suits Australian Unity's objectives as a mutual company seeking to expand operations without the ability to raise equity.

"This facility enables both institutional and retail investors, including the company's members, to participate in these Bonds and to contribute to the expansion of our activities to support the Australian Unity Group's growth strategy," Mr Mead said.

The Offer is expected to open on 17 November 2015 to eligible members of Australian Unity, eligible holders of the 2011 Notes via the Reinvestment Offer, institutional investors and Australian resident retail clients of broker participants in the Offer, in accordance with the requirements set out in the Offer Documents.

The key features of the Bonds include:

- the Bonds have a face value of \$100 per Bond;
- the Bonds are interest paying, unsubordinated and unsecured debt obligations issued by Australian Unity;
- the Bonds have been assigned an investment grade long term credit rating of 'BBB+' and a 'green' Product Complexity Indicator by Australia Ratings;
- holders of Bonds will receive floating rate interest payments to be paid quarterly in arrears;
- the interest rate will be calculated on a quarterly basis as the sum of the market rate plus the margin; and
- the margin will be determined under the bookbuild, and is expected to be in the range of 2.80 percent and 2.90 percent per annum.

On the maturity date of the Bonds, 15 December 2020, holders will receive the face value of the Bonds plus the final payment of interest unless the Bonds are redeemed.

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The Offer is being made under an Offer-Specific Prospectus and Base Prospectus (together, the “**Offer Documents**”) that was lodged with the Australian Securities and Investments Commission today. Investors should read the Offer Documents carefully, including, the key risks sections of the Offer Documents which set out the risks associated with an investment in the Bonds and Australian Unity’s business, before making a decision to invest in the Bonds.

The Offer Documents can be accessed online at [www.australiannunity.com.au/bonds](http://www.australiannunity.com.au/bonds) or by requesting a copy of the Offer Documents by calling the numbers set out below.

A replacement Offer Specific Prospectus, which will include the margin and application forms, is expected to be lodged with ASIC on 17 November 2015.

Anyone wishing to subscribe for Bonds will need to complete an application form which will be included in, or accompanying, the replacement Offer Specific Prospectus. Applications for Bonds will be accepted during the Offer Period only. Please refer to the attached Offer timetable for details of Offer open and close times.

Evans and Partners and National Australia Bank Limited have been appointed as Joint Arrangers and Joint Lead Managers to the Offer, and ANZ has been appointed as Joint Lead Manager to the Offer. Australian Unity Funds Management and JBWere Limited have been appointed as Co-managers for the Offer.

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**Verran Fehlberg**  
Company Secretary

For more information please contact:

Australian Unity Bonds Information Line

1800 550 560 (within Australia)

+61 1800 550 560 (outside Australia)

Monday to Friday – 8:30am to 5:30pm (Melbourne time)

For any media enquiries please contact:

Andrew Scannell, Head of Public Affairs and Communications

03 8682 6777 or mobile 0429 187 105

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## More information about the Offer

### Series B Australian Unity Bonds – Indicative Timetable

#### Key dates for the Offer\*

Reinvestment Record Date for determining eligible Australian Unity Noteholders (7.00pm Sydney time)	05/11/2015
Lodgement of Offer-Specific Prospectus with ASIC	09/11/2015
Bookbuild to determine Margin and Allocations to Syndicate Brokers and Institutional Investors	16/11/2015
Opening Date for the Offer and lodgement of Replacement Offer-Specific Prospectus with ASIC	17/11/2015
Closing Date for the Member Offer and Reinvestment Offer	04/12/2015
Closing Date for the Broker Firm Offer	11/12/2015
Issue Date	15/12/2015
Bonds commence trading on ASX on deferred settlement basis	16/12/2015
Holding Statements despatched by the Registry	17/12/2015
Bonds commence trading on ASX on normal settlement basis	18/12/2015

#### Key dates for Australian Unity Bonds Series B

First Interest Payment Date <sup>1</sup>	14/04/2016
Maturity Date	15/12/2020

\*These dates are indicative only and may change without notice.

<sup>1</sup> Interest is scheduled to be paid on the quarterly Interest Payment Dates, until the Maturity Date or any earlier Redemption Date. If any of these scheduled dates is not a Business Day, then the Interest Payment Date will be the next Business Day. The first Interest Payment Date will be 14 April 2016.

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