

20 April 2018

## Suncorp prices upsized \$1.25 billion RMBS issue

Suncorp today confirmed it had finalised pricing for the APOLLO Series 2018-1 Trust transaction, which was upsized from \$750 million following its launch on 16 April 2018.

After investor meetings in Tokyo, Hong Kong, London, Melbourne, Sydney and Brisbane, a total of 52 bids from more than 40 investors were received from Asia, UK and Australia.

All seven classes of notes were offered to the market and priced as follows:

Note	Amount	Price
Class A1 Notes	A\$1,150,000,000	BBSW + 102
Class A2 Notes	A\$ 46,250,000	BBSW + 115
Class AB Notes	A\$ 8,750,000	BBSW + 150
Class B Notes	A\$ 18,750,000	BBSW + 170
Class C Notes	A\$ 12,500,000	BBSW + 250
Class D Notes	A\$ 5,625,000	BBSW + 340
Class E Notes	A\$ 8,125,000	BBSW + 590

Suncorp Banking & Wealth CEO David Carter said while the Bank was pleased with the transaction, the total coupon of 3.03% on the first payment date clearly demonstrates the trend of rising funding costs, which is an issue facing the broader industry.

“Whilst the average credit margin of 115bps to investors is 3bps lower than our last APOLLO transaction in September 2017, one month BBSW has risen from 1.60% to 1.88% over the same period” Mr Carter said.

“However, this transaction demonstrates Suncorp’s strong position in the market and ability to access a diversified group of investors onshore and offshore.

“We have now completed 24 APOLLO transactions since 1999 and this remains an important part of our diversified funding program, supporting the strength of the balance sheet and profitable growth.”

National Australia Bank arranged the transaction and was a Joint Leader Manager alongside HSBC, Macquarie Bank and Westpac.

**Ends**

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