



2 November 2017

Z Energy undertakes USPP transaction

Z Energy successfully completed its first United States Private Placement (USPP) on 1 November 2017 issuing USD270 million senior secured notes.

Z Chief Financial Officer Chris Day said he was particularly pleased with the outcome of the inaugural USPP transaction. The issue was well-received and substantially oversubscribed allowing the company to upsize from its original volume target, issue at a funding cost competitive to New Zealand domestic issuance and also achieve a number of additional benefits.

“The key objectives of this transaction were to further diversify our funding sources, significantly extend the average duration of Z’s debt portfolio, reduce refinancing risk and provide optionality for future financing decisions. Not only have we achieved these outcomes, we have completed the issue at a very competitive margin and created relationships with a new set of highly sophisticated long term investors.

The issue is at an average tenor of 10 years with three equal tranches split across eight, 10 and 12 year maturities. Z will receive circa NZD378 million upon settlement in January 2018, which will be used to refinance the Caltex acquisition bank facilities currently maturing in 2019.

For any enquiries, please contact Chris Day on 04 462 4620 or Z Treasurer Richard Norris on 04 462 4611.

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