

ASX Announcement

G8 Education Limited
(ASX:GEM)



12 May 2014

G8 Education Limited Completes Debt Raising

G8 Education Limited (ASX:GEM) is pleased to announce that it has priced its first issue of an unsecured note offering under its Multicurrency Debt Issuance Programme (**Programme**) announced to the market on 5 May 2014 with completion to occur on 19 May 2014.

The issue was oversubscribed. SGD \$175 million (being the equivalent of AU\$150 million) will be raised at a 4.75% per annum coupon for a three year term, maturing in May 2017.

DBS Bank Ltd. was the Sole Arranger for the Programme and Sole Lead Manager and Bookrunner for this first series of Notes.

Overview of the Notes

The terms and conditions of the Notes were set out in the Information Memorandum which was released to the market on 5 May 2014.

Key terms of this Issue

Issuer:	G8 Education Limited
Guarantors:	G8 Education Limited and its subsidiaries representing no less than 90% of the consolidated total assets of G8 Education Limited and its subsidiaries at all times.
Sole Lead Manager and Bookrunner:	DBS Bank Ltd.
Issue size:	SGD \$175 million (being the equivalent of AU\$150 million)
Type:	Fixed Rate Notes
Form and Denomination:	Bearer form, in denominations of SGD\$250,000
Coupon:	4.75% per annum payable semi-annually in arrears
Issue Date:	19 May 2014
Maturity Date:	19 May 2017
Eligible Investors:	Investors in Singapore, Hong Kong or such other applicable jurisdictions, who fall within the exemptions invoked under Sections 274 and/or 275 of the Securities and Futures Act, Chapter 289 of Singapore.
Purpose:	The net proceeds will be used to finance the general corporate purposes of the G8 Education group of companies, including to finance current and potential acquisitions, strategic expansions, general working capital, capital expenditure and investments, and to refinance existing borrowings.

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Change in control: In the event of a change in control (as defined in the Corporations Act 2001, Australia) in respect of G8 Education Limited, Noteholders will have the opportunity to have their Notes redeemed at 101% of face value of the Notes, on the terms set out in the Information Memorandum.

Negative pledge and other covenants: The terms of the Notes include a negative pledge, financial covenants and other terms which are set out in the Information Memorandum.

Listing: An application will be made to Singapore Exchange Securities Trading Limited (**SGX-ST**) for permission to deal in, and for quotation of, the Notes to be listed on the SGX-ST.

The SGX-ST assumes no responsibility for the correctness of any statement made or opinion expressed or reports contained herein or in the Information Memorandum relating to the Programme. Admission to the Official List of the SGX-ST and approval for the listing and quotation of the Notes to be issued pursuant to the Programme on the SGX-ST are not to be taken as an indication of the merits of G8 Education Limited or its subsidiaries.

Conclusion

As set out in the recent developments section of the information memorandum the G8 Education group of companies has during 2014 announced conditional contractual arrangements which will enable it to acquire up to 154 child care and education centres by 30 September 2014.

As at 29 April 2014, 64 of these child care and education centres had settled. The balance 97 child care and education centres are scheduled to settle by 30 September 2014.

Managing Director Chris Scott said, *'This issue of Notes to raise the equivalent of AU\$150 million, combined with the recent two tranche share placement which raised \$100 million at \$4.60 per share, enables all announced transactions to be completed and provides additional capital for future acquisitions. This will ensure that G8 Education is well placed to expand its business activities with a conservative debt position and strong balance sheet.'*

The strong demand for the Notes from international investors is evidence of the market's support for G8 Education's strategy and business model.'

ENDS

Chris Scott
Managing Director
G8 Education Limited