



Bank of Queensland Limited
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ASX RELEASE

28 December 2017

BOQ closes Capital Notes Offer raising \$350 million

Bank of Queensland Limited (**BOQ**) today announced it has completed the Capital Notes offer (**Offer**), raising \$350 million through the issue of 3.5 million Capital Notes for \$100 each.

Following strong investor demand, the size of the Offer has been increased from \$325 million to \$350 million.

BOQ has also confirmed the allocation policy applicable to the Offer and the Distribution Rate applicable to the first Distribution in respect of the Capital Notes, which is expected to be paid on 15 February 2018.

Allocation policy

All valid Applications under the Reinvestment Offer have been accepted in full. Applicants under the Reinvestment Offer can confirm their allocation by calling the BOQ Offer Information Line below.

All valid Applications under the Securityholder Offer have been accepted in full. Applicants under the Securityholder Offer can confirm their allocation by calling the BOQ Offer Information Line below.

Applicants under the Broker Firm Offer can confirm their allocation with their broker or by calling the BOQ Offer Information Line below.

Allocations to Syndicate Brokers and Institutional Investors were determined under the Bookbuild completed on 29 November 2017.

An advertisement regarding the basis of allocation of Capital Notes will be published on 29 December 2017 in *The Australian*. A copy of the advertisement is attached to this announcement.

Trading on ASX

The Capital Notes were issued today, 28 December 2017, and are expected to begin trading on a deferred settlement basis on the Australian Securities Exchange (**ASX**) at approximately 10:00am (Sydney time) on 29 December 2017 under the ASX code "BOQPE". Trading on a normal T+2 settlement basis is expected to commence on 3 January 2017.

Holding statements and refund cheques

CHESS transaction confirmation statements and issuer sponsored holding statements, which state the number of Capital Notes issued to successful Applicants, are expected to be sent to successful Applicants by 29 December 2017. Any Application refunds are also expected to be sent by this date.

All Applicants are responsible for determining and confirming the number of Capital Notes allocated to them prior to selling any Capital Notes. Applicants who sell Capital Notes before receiving their CHESS transaction confirmation statement or issuer sponsored holding statement do so at their own risk.

Distribution Rate and first Distribution payment

The first Distribution payment will be \$0.5211 per Capital Note and is expected to be paid on 15 February 2018 (subject to no Payment Condition existing).

The Distribution Rate for the first Distribution payment, which is for the Distribution Period from (and including) 28 December 2017 and ending on (but excluding) 15 February 2018 (being a period of 49 days), will be 5.5450% per annum. The Distribution Rate has been determined under the Capital Notes Terms as follows:

BBSW Rate	1.7950% per annum
Plus Margin	3.75% per annum

Equivalent unfranked Distribution rate	5.5450% per annum
Multiplied by (1 - t)	X 0.70
Indicative fully franked Distribution Rate	3.8815% per annum

Distributions are expected to be fully franked.

Maximum Conversion Number

For the purposes of the Conversion calculations, the Issue Date VWAP is \$12.74 and the Maximum Conversion Number is:

- 15.6986 in the case of a Mandatory Conversion; and
- 39.2465 in the case of any other Conversion.

The Maximum Conversion Number may be adjusted at a future date to reflect divisions or consolidations of Ordinary Shares (among other matters) in the manner described in the Capital Notes Prospectus.

Participation by BOQ Directors and their related persons

BOQ Directors and their related persons (being their spouses, parents, children and associates) did not participate in the Offer.

Ends

For more information contact:

Securityholders	Media	Analysts
BOQ Offer Information Line 1800 779 639 (within Australia) or +61 1800 779 639 (outside Australia) 8:30am to 7:30pm Sydney time Monday to Friday www.boq.com.au	Tracy Hicks Head of Corporate Affairs P: 0439 540 960 E: tracy.hicks@boq.com.au	Daniel Ryan Head of Investor Relations P: 0421 757 926 E: daniel.ryan@boq.com.au

Appendix – Holders of Capital Notes

Included below is a listing of the twenty largest Capital Note Holders and a schedule showing the distribution of Capital Note Holders.

Top 20 Holders

Rank	Name	Total	% Issued capital
1	NATIONAL NOMINEES LIMITED	173,235	4.95
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	128,369	3.67
3	BNP PARIBAS NOMINEES PTY LTD (HUB24 CUSTODIAL SERV LTD DRP)	75,647	2.16
4	JP MORGAN NOMINEES AUSTRALIA LIMITED	37,117	1.06
5	DOMER MINING CO PTY LTD	32,200	.92
6	JOHN E GILL TRADING PTY LTD	25,200	.72
7	PERSHING AUSTRALIA NOMINEES PTY LTD (<ACCUM A/C>)	24,450	.70
8	PACMIN HOLDINGS PTY LIMITED (<PENSION FUND NO 2 A/C>)	22,418	.64
9	HAVENFLASH PTY LTD (<FARRER FAMILY A/C>)	21,000	.60

10	BNP PARIBAS NOMS PTY LTD (<DRP>)	20,012	.57
11	BOND STREET CUSTODIANS LTD	19,320	.55
12	NETWEALTH INVESTMENTS LIMITED (<WRAP SERVICES A/C>)	18,923	.54
13	AUST EXECUTOR TRUSTEES LTD (<DDH PREFERRED INCOME FUND>)	18,159	.52
14	ZW 2 PTY LTD	18,000	.51
15	VISION AUSTRALIA FOUNDATION (<VISION AUSTRALIA CREDIT A/C>)	17,100	.49
16	NETWEALTH INVESTMENTS LIMITED (<SUPER SERVICES A/C>)	15,555	.44
17	PACIFIC DEVELOPMENT CORPORATION PTY LTD	15,500	.44
18	ZW 2 PTY LTD	15,200	.43
19	SIMPLY BRILLIANT PTY LTD (<D'ANNA & CO SUPER FUND A/C>)	15,000	.43
20	SEYMOUR GROUP PTY LTD	14,000	.40

Distribution schedule

Ranges	Investors	Securities	% Issued capital
1 to 1,000	4,543	1,587,054	45.34
1,001 to 5,000	440	895,897	25.60
5,001 to 10,000	31	219,594	6.28
10,001 to 100,000	24	495,851	14.17
100,001 and over	2	301,604	8.62
Total	5,040	3,500,000	100

Definitions

Unless otherwise defined, capitalised words used in this announcement have the meaning given to them in the Prospectus.

Disclaimer

This announcement does not constitute an offer of any securities (including Capital Notes or CPS) for sale or issue. No action has been taken to register or qualify Capital Notes or the Offer or to otherwise permit a public offering of Capital Notes outside Australia. In particular, this announcement does not constitute an offer of securities for sale in the United States. Neither the Capital Notes nor the Ordinary Shares have been or will be registered under the US Securities Act or the securities laws of any state of the United States, and they may not be offered or sold in the United States or to, or for the account or benefit of, a US Person.

The following advertisement will appear in *The Australian* on 29 December 2017.

IMPORTANT NOTICE

to all Applicants under the Bank of Queensland Limited Capital Notes Offer

29 DECEMBER 2017

Bank of Queensland Limited (ABN 32 009 656 740) (BOQ) is pleased to announce that the offer of Capital Notes (Offer) has successfully closed, raising \$350 million (prior to Offer expenses). Through the Offer, 3.5 million Capital Notes have been Issued at \$100 each.

ALLOCATION POLICY

The Capital Notes allocation policy is described below.

- **Reinvestment Offer:** All Applications under the Reinvestment Offer have been accepted in full.
- **Securityholder Offer:** All Applications under the Securityholder Offer have been accepted in full.
- **Broker Firm Offer:** Allocations to Syndicate Brokers have been agreed by the Arranger, Joint Lead Managers and BOQ following completion of the Bookbuild completed on 29 November 2017. Allocations to Broker Firm Applicants by a Syndicate Broker were at the discretion of that Syndicate Broker.
- **Institutional Offer:** Allocations to institutional Investors were determined by BOQ, the Arranger and the Joint Lead Managers pursuant to the Bookbuild completed on 29 November 2017.

Reinvestment Offer Applicants, Securityholder Offer Applicants and Broker Firm Offer Applicants can obtain information about their allocation of Capital Notes by calling the BOQ Offer Information Line on the numbers provided below.

Broker Firm Applicants can also confirm their allocation of Capital Notes with their Syndicate Broker from whom they received their allocation.

DEFERRED SETTLEMENT TRADING

Capital Notes are expected to commence trading on the Australian Securities Exchange (ASX) on a deferred settlement basis today at approximately 10:00am (Sydney time) under the ASX code "BOQPE".

Trading of Capital Notes is expected to commence on a normal settlement basis on Wednesday, 3 January 2018.

All successful Applicants are responsible for confirming the number of Capital Notes allocated to them prior to selling any Capital Notes.

Applicants who sell Capital Notes before receiving their CHES transaction confirmation statement or issuer sponsored holding statement do so at their own risk (even if they obtained information on their allotment from the BOQ Offer Information Line or from their Syndicate Broker).

HOLDING STATEMENTS

CHES transaction confirmation statements and issuer sponsored holding statements stating the number of Capital Notes issued to each successful Applicant are expected to be despatched by 29 December 2017. Any refunds are also expected to be despatched by this date.

FURTHER INFORMATION

Applicants may call their Syndicate Broker or the BOQ Offer Information Line on **1800 779 639** (within Australia) or **+61 1800 779 639** (outside Australia) between 8:30am and 7:30pm (Sydney time) Monday to Friday (as applicable) to confirm their Capital Notes allocation.



Unless otherwise defined, capitalised terms in this advertisement have the same meaning given to them in the replacement Prospectus (**Prospectus**) dated 30 November 2017, which is available at <http://www.boq.com.au/capitalnotes>. The Offer has now closed, but offers of Capital Notes were made under and in accordance with the Prospectus and subscriptions for Capital Notes were made through Application Forms accompanying the Prospectus. This advertisement contains general information only and does not take into account the investment objectives, financial situation or particular needs of any investor (including financial and tax issues). Investors should obtain their own independent advice from a licensed adviser having regard to their own investment objectives and circumstances before making an investment decision. Capital Notes have not been, and Capital Notes will not be, registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States. Capital Notes may not be offered, sold or resold in the United States, or to, or for the account or benefit of, a U.S. person (as defined in the U.S. Securities Act), except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

BOQ017-TA-Capital Notes Announcement