



P: +61 3 9038 1774
F: +61 3 8526 7430
www.hpitrust.com.au

23 June 2017

Address
Suite 2, L17, IBM Centre
60 City Road, Southbank
Melbourne VIC, 3006

The Manager
Australian Securities Exchange Limited
Corporate Announcement Officer
Level 4, 20 Bridge St
Sydney NSW 2000

Hotel Property Investments (ASX Code: HPI)

HPI Prices A\$230m in Notes through Inaugural USPP

Hotel Property Investments Limited (“HPI” or “the Company”) announces that it has priced long-term debt finance of A\$230m via the US Private Placement (“USPP”) market. This will represent HPI’s inaugural issuance into this market. The issue will enhance HPI’s debt platform by diversifying its funding sources and significantly increasing the weighted average debt tenor.

The issue will comprise three tranches of Australian Dollar denominated notes:

- A\$100m fixed with an 8 year tenor, maturing in 2025;
- A\$100m floating with a 10 year tenor, maturing in 2027; and
- A\$30m fixed with a 10 year tenor, maturing in 2027.

The issue’s weighted average tenor is 9.1 years from pricing date, at a weighted average cost of 4.52% assuming the current 3 month BBSW rate. Upon settlement, currently expected in August 2017, HPI will use the proceeds to reduce its existing bank debt.

HPI’s Chief Financial Officer, Blair Strik, said: “This issuance is consistent with HPI’s prudent capital management policy and enables the Company to achieve a number of key objectives, including:

- Diversifying HPI’s debt funding, reducing existing bank debt to approximately 19% of total debt, down from 100%; and
- Significantly extending HPI’s weighted average debt tenor”.

“HPI is very pleased with the USPP market’s response to this issue. The transaction not only enhances HPI’s debt platform, but also reaffirms the high quality nature of the Company’s assets which are underpinned by long-term leases to investment grade tenants,” Mr Strik said.

Contact:
Blair Strik
Chief Financial Officer & Company Secretary
Hotel Property Investments Limited
03 9038 1774
Website: www.hpitrust.com.au

NOTE: This announcement does not constitute an offer to sell or the solicitation of an offer to buy the notes referenced above or any other securities. The notes referenced above have not been and will not be registered under the US Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold in the United States absent registration under the Securities Act or an applicable exemption from the registration requirements of the Securities Act.