

23 August 2017

AMP announces wholesale tier 2 issue

AMP Limited has today announced the launch of a new tier 2 subordinated notes issue to wholesale investors.

The AMP Subordinated Notes will be fully paid, unsecured, subordinated debt obligations of AMP. AMP is seeking to raise \$200 million, with the ability to raise a higher or lower amount.

The principal terms of the AMP Subordinated Notes are as follows:

- the notes will have a notional face value of \$10,000 per instrument, with a minimum subscription amount of \$500,000 or otherwise in a manner which does not require disclosure in accordance with Part 6D.2 or Part 7 of the Corporations Act
- subject to satisfaction of a solvency condition, interest will be payable quarterly and based on a floating rate (three month BBSW + a margin)
- the notes will mature in December 2027 and, subject to APRA's prior written approval¹ and certain other conditions, the notes are callable from December 2022 or if certain tax or regulatory events occur
- if a non-viability trigger event occurs, the notes may be converted into ordinary shares of AMP or written-off
- on a winding-up of AMP and assuming a non-viability trigger event has not occurred, the notes will be subordinated to senior creditors.

There are risks associated with an investment in AMP Subordinated Notes. It is important that wholesale investors read the Information Memorandum for a full description of the terms and risks associated with an investment in AMP Subordinated Notes and AMP's business before making a decision to invest in AMP Subordinated Notes.

The notes are not being offered to retail investors and are not issued under a prospectus. The margin will be determined by a bookbuild process.

AMP expects to use all or a substantial portion of the net proceeds of the issue to fund tier 2 capital of one or more regulated entities within the AMP Group.

NAB, UBS and Westpac are each Joint Lead Managers for the notes issue.

¹ Holders should not expect that APRA's approval will be given.

King & Wood Mallesons is acting as legal adviser to AMP in connection with this issue. 

Investor enquiries

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