

Boom Logistics Limited Announcement

19 December 2013
ASX code: BOL

Successful debt refinancing

Boom Logistics Limited (“Boom”) is pleased to announce that it has successfully entered into a new agreement for the refinancing of the company’s syndicated bank debt facility, which was due to mature in August 2014.

The A\$120 million 3 year revolving debt facility will be provided by existing syndicate members National Australia Bank and GE Capital and introduces ANZ Bank as a new syndicate member.

Boom’s Net Debt position has reduced from \$115.8m at 30 June 2013 to \$104.3m at 30 November 2013, with gearing (Net Debt / Equity) reducing from 37% to 33% over the same period. In line with Boom’s commitment to further debt reduction, the facility will amortise down to A\$90 million over its life. The facility has an expiry date of January 2017.

The new facility enables Boom to comfortably meet funding requirements over the 3 year period and includes a covenant package which compares favourably with Boom’s previous arrangements.

Boom’s overall cost of debt is expected to remain at an average of circa 7.5%, consistent with the previous facility.

Boom’s Managing Director, Brenden Mitchell said “The continued support of NAB and GE and the introduction of ANZ - another major Australian bank - is an extremely pleasing outcome for Boom. Boom’s ability to generate free cashflow and its significant backing of quality assets were two of the key factors in securing favourable arrangements in the refinancing. The covenant package, pricing and a January 2017 expiry provide a solid debt platform within Boom’s capital structure.”

The refinancing was self arranged by Boom.

Further Information:

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