



## News release

### For immediate use

### \$172.6m RMBS refinancing affirms FirstMac's market commitment

Brisbane, Australia (17.10.2008) – Australian owned, mortgage finance lender FirstMac today successfully refinanced its 2-2007 Residential Mortgage Backed Securities (RMBS) Issue after voluntarily increasing margins and credit enhancement of the original issue. This is a reflection of both the current credit environment and FirstMac's willingness to show a long-term commitment to the residential mortgage market and its RMBS investor base.

Joint Arrangers and Joint Book Runners to the \$172.6 million refinancing transaction were ANZ and HSBC. Joint Lead Managers were ANZ, HSBC, and Macquarie Bank.

There were 12 investors involved in the transaction with the Senior Note pricing at 160 basis points above the one-month Bank Bill Swap (BBSW) Rate.

FirstMac Chief Financial Officer James Austin said FirstMac wanted to work with existing investors to find a constructive solution in the current market.

"In this light we priced this refinance transaction at 160 basis points above the BBSW and increased the level of credit enhancement. In the process FirstMac was able to bring new investors into the deal," Mr Austin said.

"FirstMac was willing to absorb the additional market costing in order to demonstrate our commitment to our investor base," he said.

The Federal Government recently announced a directive to the Australian Office of Financial Management (AOFM) to purchase \$8 billion of prime AAA rated Australian RMBS.

Mr Austin said this directive had included an allocation of at least \$4billion to invest in Non-ADI Issuers such as FirstMac.

"FirstMac applauds this Government initiative to reinvigorate Australian securitisation and help underpin ongoing competition in the residential mortgage market."

"The policy and AOFM Request for Proposals (RFP) has been very well considered and designed."

"FirstMac hopes to participate in the program and will use funding made available for the writing of new home loans."

"We anticipate being able to significantly increase our new lending volumes as a consequence of the Government initiative."

Standard & Poor's recently affirmed FirstMac's "Above Average" Servicer Rating with "Stable" Outlook on 06 October 2008.



## About FirstMac Limited

FirstMac Limited is a leading Australian-owned mortgage finance lender with almost 30 years experience. It delivers a comprehensive range of loan funding, loan servicing and portfolio management services. FirstMac initially originated and managed home loans through major third party providers, but in 2002 entered the securitisation market and began self-funding its own loan business, by issuing AAA-rated bonds on global capital markets.

FirstMac's presence has been growing through the provision of wholesale funding via a national distribution network of mortgage originators and brokers.

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### For more information:

James Austin  
Chief Financial Officer  
FirstMac Limited  
(07) 3017 8883  
[James.Austin@firstmac.com.au](mailto:James.Austin@firstmac.com.au)

### Media:

Anna O'Gorman  
Principal Consultant - Three Plus  
(07) 3503 5700  
0423 463 548  
[annao@threeplus.com.au](mailto:annao@threeplus.com.au)