



*Budget 2015*  
**New South Wales**  
Briefing and Discussion, 24 June 2015, Sydney



Mr Stephen Knight  
Chief Executive, NSW TCorp  
*The borrowing program 2015-16*





## TCorp Borrowing Programme

Stephen Knight  
Chief Executive Officer

24 June 2015



New South Wales Treasury Corporation

### Borrowing Programme FY16 and Beyond - Key Themes

- Healthy NSW Budget position and liquidity balances
- Minimal new debt requirements of general government
- TCorp has \$15.7bn of debt with the 'for lease' electricity entities, and \$16bn of term debt maturities over the next three years
- While the size of TCorp's borrowing programme will be modest over the coming period, we will need to remain active in the market as we re-position risk. This will underpin secondary market activity and liquidity



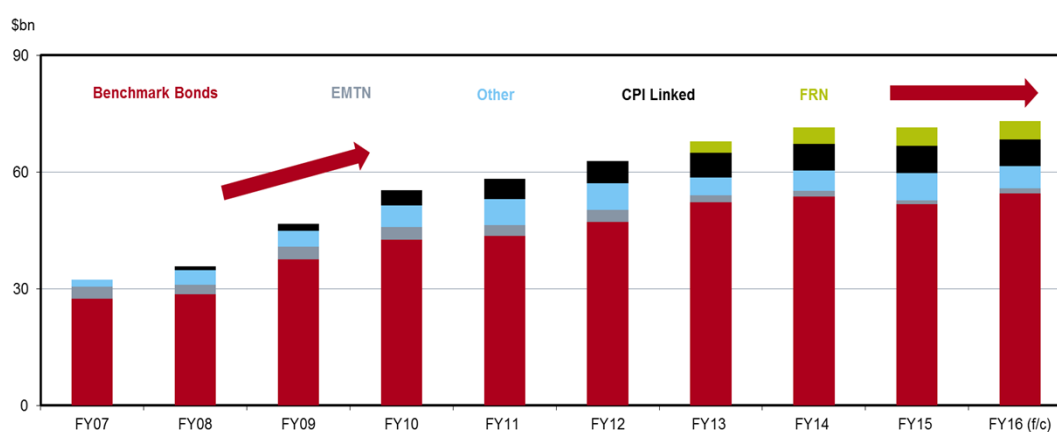
## FY16 Term Borrowing Programme

|                            | FY16 Forecast<br>(\$bn) |
|----------------------------|-------------------------|
| Maturing term debt         | 5.1                     |
| Client new term borrowings | 2.2                     |
| Term borrowing programme*  | 7.3                     |

\*Note: The FY16 borrowing programme does not include any potential debt retirement by the three 'poles and wires' businesses. As at 15 June 2015, the outstanding debt (face value) of the businesses was:

|           |         |
|-----------|---------|
| Transgrid | \$2.8bn |
| Endeavour | \$4.0bn |
| Ausgrid   | \$8.9bn |

## TCorp Debt on Issue



TCorp's total debt on issue is expected to plateau and potentially decline in coming years as electricity transactions are undertaken.

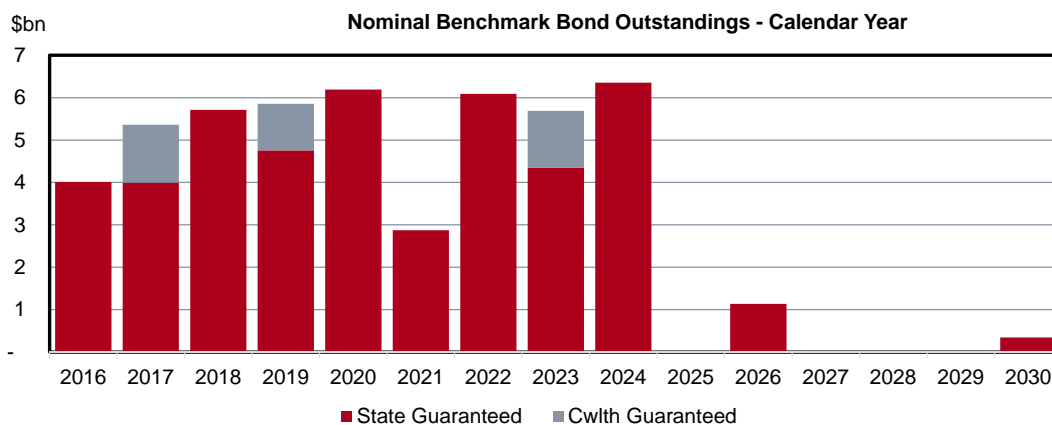
## TCorp Debt Strategy

- While future funding requirements are likely to be modest, and potential asset leases may lead to a reduced balance sheet, TCorp remains committed to:
  - large and liquid AUD nominal benchmark bond lines
  - developing the Floating Rate Note curve in response to bank balance sheet demand
  - looking to offshore markets for further diversification and funding opportunities eg. RMB
  - transparency and communication with the market and investors



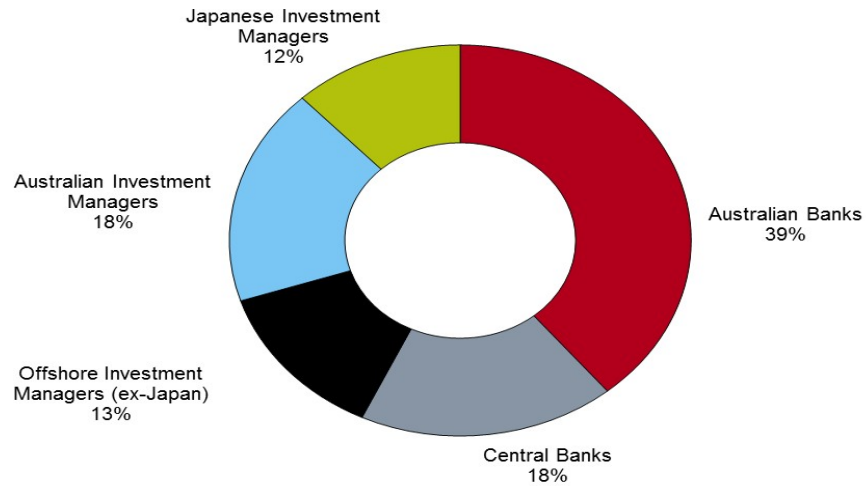
## Benchmark Bonds

Maturity Profile as at June 2015



## Who Buys TCorp Bonds?

### TCorp AUD Benchmark Bond Holders (estimate)



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