

18 March 2014

## TRUSTEE AND RECEIVERS ANNOUNCE SALE OF GIPPSLAND SECURED INVESTMENTS (GSI) LOAN BOOK

### *Total expected returns for Note Holders revised upwards*

The Trustee and the Receivers of Gippsland Secured Investments Limited (Receivers & Managers Appointed) (**GSI**) today finalised a deal with Deutsche Bank AG to purchase the entire remaining GSI loan book.

The sale of the loan book and initial settlements from the successful Riviera Properties Ltd auction will enable the next distribution to Note Holders to be between 50 and 55 cents in the dollar.

The next distribution is expected to be paid to Note Holders in late April, bringing total distributions made to Note Holders to be between 75 and 80 cents in the dollar less than eight months after Receivers were appointed.

Following the sale of the loan book, the Trustee and Receivers have also revised upwards their total Note Holder returns guidance for the Receivership to be between 87 to 92 cents in the dollar – up from the initial returns guidance provided of between 80 to 90 cents in the dollar.

The sale of the loan book to Deutsche Bank was unanimously supported by the GSI Note Holder Committee, which was formed to represent Note Holder interests.

Receiver Adam Nikitins of EY said: “There was strong demand in the market for the portfolio and the competitive field ensured we were able to achieve the best outcome for all Note Holders.”

“The loan book sale is a very positive outcome for GSI Note Holders; not only does it maximise returns but it also means we can accelerate the timing of our next distribution.”

“We are pleased that we’re able to increase our return estimates and that we have been able to distribute a majority of these payments to Note Holders in a relatively quick time frame.”

Following the upcoming distribution to Note Holders the receivership will move from asset realisation to asset recovery. A core part of this will be the ongoing collection of proceeds from the recently-completed successful Riviera auction where more than 80 properties were auctioned, realising over \$11.5 million for Note Holders and the sale of other real estate assets.

The Trustee and Receivers will make further distributions to Note Holders at an appropriate time.

**ENDS**



**Media enquiries:**

Paul Cheal

Honner Media

02 8248 3752

[paul@honnermedia.com.au](mailto:paul@honnermedia.com.au)

**GSI note holders, other creditors and borrowers:**

GSI Hotline

1300 551 378

[gsi@linkmarketservices.com.au](mailto:gsi@linkmarketservices.com.au)

[www.gsi.com.au](http://www.gsi.com.au)



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