

NEWS RELEASE
DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAI'I



FOR IMMEDIATE RELEASE
Monday, February 22, 2016

State of Hawai'i Prepares to Issue \$850 million in General Obligation Bonds

HONOLULU – The State of Hawai'i is moving forward with the sale of its \$850 million 2016 General Obligation bond issuance.

The State has requested ratings from Moody's, Standard and Poor's, and Fitch.

The \$500 million Series FB and \$25 million Series FC bonds will be issued for new money purposes and are scheduled to be sold via competitive bid on March 15th. FirstSouthwest, a Division of Hilltop Securities Inc., is the financial advisor facilitating the competitive bid process.

The State also expects to sell \$325 million of refunding bonds (Series FD, FE & FF) via a negotiated sale on or around March 31st. Bank of America Merrill Lynch will serve as the lead book running manager for the offering, with Goldman Sachs serving as a co-senior manager. A Hawaii-based selling group will also be utilized to market the bonds to local retail investors. Anyone interested in purchasing the State's General Obligation bonds should contact their broker at Bank of America Merrill Lynch, Goldman Sachs or any member of the selling group.

The bonds will pay semi-annual interest and will be sold in denominations of \$5,000, or multiples thereof. The general obligation bonds Series FB, FD, FE & FF bonds will be exempt from Hawaii and federal income taxes. Series FC bonds are subject to federal income taxes but exempt from Hawaii income taxes.

Both the competitive and negotiated bond offerings will close simultaneously on or around April 14th.