



Teachers Insurance and Annuity Association of America Announces \$750 Million Cash Tender Offer for Its 6.850% Surplus Notes Due 2039

April 19, 2017 04:09 PM Eastern Daylight Time

NEW YORK--(BUSINESS WIRE)--Teachers Insurance and Annuity Association of America (“TIAA”) announced today that it has commenced a cash tender offer (the “Tender Offer”) for up to \$750 million aggregate principal amount of its 6.850% Surplus Notes due 2039 (the “Notes”).

The Tender Offer is being made by TIAA upon the terms and subject to the conditions set forth in its Offer to Purchase, dated April 19, 2017 (the “Offer to Purchase”), which sets forth a complete description of the terms of the Tender Offer. A summary of certain terms of the Tender Offer is below:

Title of Security	CUSIP/ISIN Number	Aggregate Principal Amount Outstanding	Reference U.S. Treasury Security	Early Tender Premium(1)	Bloomberg Reference Page(2)	Fixed Spread (basis points)
6.850% Surplus Notes due 2039	144A: 878091 BC0 / US878091BC04 Reg S: U87602 AV7 / USU87602AV70	\$2,000,000,000	2.875% due November 15, 2046	\$50	FIT1	120 bps

(1) Each holder who validly tenders Notes pursuant to the Tender Offer at or before the Early Tender Deadline (as defined below) and whose Notes are accepted for purchase will be entitled to receive, as part of its Total Consideration (as defined below), the Early Tender Premium per \$1,000 principal amount of such Notes.

(2) The page on Bloomberg from which the Dealer Managers will quote the bid-side prices of the Reference U.S. Treasury Security.

The Tender Offer will expire at 12:00 midnight, New York City time, at the end of May 16, 2017, unless extended (such date and time, as the same may be extended, the “Expiration Time”). Holders of Notes must validly tender and not validly withdraw their Notes at or before 5:00 p.m., New York City time, on May 2, 2017, unless extended (such date and time, as the same may be

extended, the “**Early Tender Deadline**”) to be eligible to receive the Total Consideration for their tendered Notes. Notes tendered at or before the Early Tender Deadline may be validly withdrawn at any time at or before 5:00 p.m., New York City time, on May 2, 2017 (such date and time, as the same may be extended, the “**Withdrawal Deadline**”), but not thereafter, except in certain limited circumstances where additional withdrawal rights are required by law.

The “**Total Consideration**” for each \$1,000 principal amount of Notes validly tendered at or before the Early Tender Deadline and accepted for purchase pursuant to the Tender Offer will be determined in the manner described in the Offer to Purchase by reference to the fixed spread plus the reference yield based on the bid-side price of the Reference U.S. Treasury Security specified in the table above. Holders of Notes that are validly tendered and not validly withdrawn at or before the Early Tender Deadline and accepted for purchase will receive the applicable Total Consideration for such Notes, which includes the early tender premium specified in the table above (the “**Early Tender Premium**”). Holders of Notes that are validly tendered after the Early Tender Deadline and at or before the Expiration Time and accepted for purchase will receive the Tender Consideration (as defined in the Offer to Purchase) for such Notes, which equals the Total Consideration for such Notes minus the Early Tender Premium for their purchased Notes. Holders whose Notes are accepted for purchase pursuant to the Tender Offer will also receive accrued and unpaid interest on their purchased Notes from the last interest payment date for such Notes to, but excluding, the applicable settlement date.

Subject to applicable law, the Tender Offer may be amended, extended, terminated or withdrawn. TIAA will only accept for purchase Notes up to an aggregate principal amount of \$750 million (the “**Maximum Tender Amount**”).

TIAA reserves the right to increase or decrease the Maximum Tender Amount. If holders tender more Notes in the Tender Offer than they expect to be accepted for purchase by TIAA, and TIAA subsequently accepts more than such holders expected of such Notes tendered and not validly withdrawn at or before the Withdrawal Deadline, such holders will not be able to withdraw any of their previously tendered Notes. Accordingly, holders should not tender any Notes that they do not wish to be accepted for purchase.

All Notes validly tendered and not validly withdrawn at or before the Early Tender Deadline will be accepted for purchase in priority to Notes tendered after the Early Tender Deadline, subject to the limitation that the aggregate principal amount of Notes purchased pursuant to the Tender Offer will not exceed the Maximum Tender Amount.

TIAA may, but it is not obligated to, elect, following the Early Tender Deadline and prior to the Expiration Time, to accept the Notes validly tendered and not validly withdrawn at or prior to the Early Tender Deadline provided that all conditions to the Tender Offer, including the financing condition more fully described in the Offer to Purchase, have been satisfied or waived by TIAA. TIAA may then settle such Notes at such time or promptly thereafter (such date of settlement, the “**Early Settlement Date**”). The “**Final Settlement Date**” is the date that TIAA settles all Notes accepted for purchase and not previously settled on the Early Settlement Date, if any. TIAA refers to each of the Early Settlement Date and the Final Settlement Date as a “**Settlement Date**.”

If purchasing all of the tendered Notes on any Settlement Date would cause the Maximum Tender Amount to be exceeded, the amount of Notes purchased on that Settlement Date will be prorated based on the aggregate principal amount of Notes tendered in respect of that Settlement Date such that the Maximum Tender Amount will not be exceeded. Furthermore, if the Tender Offer is fully subscribed as of the Early Tender Deadline, holders who tender Notes after the Early Tender Deadline will not have any of their Notes accepted for payment.

If the Tender Offer is terminated without Notes being accepted for purchase, Notes tendered pursuant to the Tender Offer will promptly be returned to the tendering holders. Notes tendered pursuant to the Tender Offer and not purchased due to proration, as described in the Offer to Purchase, will be returned to the tendering holders promptly following the Expiration Time or, if the Tender Offer is fully subscribed as of the Early Tender Deadline, promptly following the Early Tender Deadline.

The Tender Offer is subject to the satisfaction or waiver of certain conditions set forth in the Offer to Purchase, including, among other things, TIAA having raised net proceeds through one or more issuances of surplus notes in the capital markets, on terms reasonably satisfactory to TIAA, sufficient to purchase all Notes validly tendered, not validly withdrawn and accepted for purchase by TIAA in the Tender Offer and to pay accrued interest and all fees and expenses in connection with the Tender Offer, in accordance with the terms of the financing condition more fully described in the Offer to Purchase. TIAA reserves the right, in its sole discretion, to waive any and all conditions of the Tender Offer described in the Offer to Purchase, including such financing condition, on or prior to the Expiration Time.

This press release is neither an offer to purchase nor a solicitation of an offer to sell securities. No offer, solicitation, purchase or sale will be made in any jurisdiction in which such offer, solicitation, or sale would be unlawful. The Tender Offer is being made solely pursuant to the terms and conditions set forth in the Offer to Purchase.

Citigroup Global Markets Inc. and J.P. Morgan Securities LLC are serving as Joint Lead Dealer Managers for the Tender Offer. Questions regarding the Tender Offer may be directed to Citigroup Global Markets Inc. at (800) 558-3745 (toll free) or (212) 723-6106 (collect) and to J.P. Morgan Securities LLC at (866) 834-4666 (toll free) or (212) 834-8553 (collect). Requests for the Offer to Purchase may be directed to Global Bondholder Services Corporation, which is acting as Tender Agent and Information Agent for the Tender Offer, at the following telephone numbers: banks and brokers, (212) 430-3774; all others toll free at (866) 470-3700 or email at contact@gbsc-usa.com.

Cautionary Statement Regarding Forward-Looking Information

This press release contains forward-looking statements. Such statements include statements regarding the belief or current expectations of TIAA concerning its future financial condition and results of operations. Holders of Notes are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those in the forward-looking statements as a result of various factors. The information in the Offer to Purchase identifies important factors that could cause such differences.

About TIAA

TIAA (www.tiaa.org) is a unique financial partner. With an award-winning track record for consistent performance, TIAA is the leading provider of financial services in the academic, research, medical, cultural and government fields. TIAA has \$938 billion in assets under management (as of 3/31/2017) and offers a wide range of financial solutions, including investing, banking, advice and guidance, and retirement services.

Contacts

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