

HEARTLAND

New Zealand Limited

NZX Release

Heartland Market Update

30 July 2015

Heartland New Zealand Limited (**Heartland**) (NZX: HNZ) intends to announce its full year results for the year ended 30 June 2015 on Tuesday 18 August 2015.

Heartland advises that it expects its net profit after tax (**NPAT**) for the year ended 30 June 2015 to be approximately \$48m which, as previously advised, is at the upper end of the NPAT range of \$46m - \$48m. This result is preliminary and subject to finalisation.

Given heightened market interest in the dairy sector in New Zealand, Heartland advises its exposure to dairy is currently 7.6% of its total lending book. The average loan to value ratio (**LVR**) for Heartland's dairy exposures is 61%. However, it is important to note that LVRs are only one of the indicators of loan quality.

Where Heartland's dairy clients are experiencing financial stress as a result of lower dairy pay-out forecasts, we are actively working with them to fund working capital shortfalls where appropriate and ensuring they have access to appropriate support including emotional support through the Rural Support Trust and Farmstrong.

Heartland advises its preliminary forecast range for NPAT for the financial year ending 30 June 2016 is \$51m - \$55m. This includes an allowance for estimated impairments.

- Ends -

For further information, please contact:

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