

HEARTLAND

New Zealand Limited

NZX Release

1 April 2014

HEARTLAND COMPLETES ACQUISITION OF HOME EQUITY RELEASE MORTGAGE BUSINESSES

Further to our announcement of 14 February 2014, Heartland New Zealand Limited (“Heartland”) (NZX: HNZ) is pleased to announce that we have today completed the acquisition of Seniors Money International Limited's (“SMI”) New Zealand and Australian Home Equity Release mortgage businesses. The consideration for the acquisition was NZ\$87 million, with NZ\$48.3million paid in cash and NZ\$38.7million satisfied through the issue of 43,000,000 Heartland shares (at 90 cents per share).

Heartland will acquire SMI's Sentinel New Zealand and the Australian Seniors Finance businesses, including their respective mortgage portfolios and their operational infrastructure and funding arrangements. Heartland will hold the Australian business separately outside Heartland Bank but the New Zealand business will be migrated into Heartland Bank over time.

For further details of the acquisition, please refer to our announcement of 14 February 2014.

- Ends -

For further information please contact:

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