
Heartland Bank Limited sets offer size and rate on retail note offer

Date 29 August 2017

Release Immediate

Heartland Bank Limited ("**Issuer**") today announced that it had successfully closed the bookbuild for the five year, unsecured, unsubordinated, medium term, fixed rate notes ("**Notes**" or "**Offer**"). The Offer size has been set at \$150 million. The Issuer has decided to proceed with the full offer amount following the successful bookbuild, which saw a significant degree of oversubscription.

The Offer opens on 30 August 2017 and is expected to close on 18 September 2017. There is no public pool available.

The interest rate for the Notes has been set at 4.50% p.a. This reflects a margin of 1.88% p.a. over the underlying five year swap rate. The Notes will be issued on 21 September 2017 and will mature on 21 September 2022. The Notes are expected to be quoted on the NZX Debt Market.

The Notes are expected to have a credit rating of BBB from Fitch Ratings.

The full details of the offer are contained in the Limited Disclose Document and in the Register Entry for the Offer, both available at <https://www.companiesoffice.govt.nz/disclose>. Summarised terms of the Offer are contained in the updated Terms Sheet attached.

Ends

For more information please call:

Joint Lead Managers

- BNZ 0800 284 017
- Commonwealth Bank of Australia (acting through its New Zealand branch) 0800 272 633
- Deutsche Craigs Limited 0800 226 263
- Westpac Banking Corporation (acting through its New Zealand branch) 0800 942 822

David Mackrell
Chief Financial Officer
Heartland Bank Limited
09 927 9561