
Heartland Bank Limited launches retail note offer

Date 21 August 2017

Release Immediate

Heartland Bank Limited ("**Issuer**") today announced that it is offering up to \$100 million (with the ability to accept up to another \$50 million in oversubscriptions at its discretion) of five year, unsecured, unsubordinated, medium term, fixed rate notes ("**Notes**" or "**Offer**").

The Offer is made pursuant to the Financial Markets Conduct Act 2013.

The full details of the Offer are contained in the Limited Disclosure Document ("**LDD**") (attached) and in the Register Entry for the Offer available at www.companiesoffice.govt.nz/disclose. Investors must receive a copy of the LDD before they acquire any Notes. Summarised terms of the Offer are contained in the attached Terms Sheet. There are provisions relating to offering, issuing and selling the Notes outside of New Zealand, as set out in the LDD and Terms Sheet. A copy of the presentation that the Issuer will be giving to investors in connection with the offer is also attached.

The Notes will have a maturity date of 21 September 2022 and are expected to be quoted on the NZX Debt Market. They are expected to have an issue credit rating of BBB from Fitch Ratings Ltd.

The indicative margin range is 1.75% to 1.95% p.a. An announcement (via NZX) of the actual margin (which may be above or below the indicative margin range) and the interest rate on the Notes will be made following the bookbuild process. This is expected to be on 29th August. The interest rate will not be less than 4.50%.

Interest will be paid on the Notes semi-annually in arrear with the first interest payment to be made on 21 March 2018.

The Offer will open on 30th August and close on 18th September. The Notes are expected to be issued on 21st September.

Investors interested in the offer should contact any of the Joint Lead Managers, a NZX Primary Market Participant, or their usual financial adviser, to obtain details as to how Notes may be acquired. There will be no public pool for the Notes.

Ends

For more information please contact:

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