

# HEARTLAND

New Zealand Limited

*NZX Release*

## Heartland Confirms Continued Interest in MTF

18 September 2015

Heartland New Zealand Limited (**Heartland**) (NZX: HNZ) notes that Turners Limited, through its subsidiary Turners Finance Limited (**Turners**), has notified Motor Trade Finances Limited (**MTF**) of its intention to write to MTF ordinary shareholders with an unsolicited offer to buy ordinary shares at \$1.15 per share. Turners is prepared to receive acceptances that would take its shareholding up to 20% of the ordinary shares in MTF.

In light of the proposed offer by Turners, Heartland wishes to update the market in relation to its interest in acquiring MTF. Heartland confirms that it continues to have an interest in acquiring MTF if the shareholders, franchisees and dealers of MTF were receptive to a proposal, and if the existing issues between MTF and the Commerce Commission as to loan fees in the Sportzone case were better understood.

Heartland believes that MTF shareholders should exercise caution when considering the merits of Turners' unsolicited offer. In particular, Heartland observes that:

- Turners' unsolicited offer comes at a time of uncertainty for MTF, given that the Sportzone case is pending. The outcome of the Sportzone case may or may not have material value implications for MTF.
- If Turners successfully achieves a 10%+ shareholding in MTF (and if MTF shareholders vote to approve registration of transfers affecting that outcome) then Turners will effectively have a blocking stake in MTF and will be able to prevent a full takeover of MTF by another party. Thus, any takeover premium potentially realisable by MTF shareholders for their shares would effectively be removed, as competing offers would be discouraged.

- Ends -

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