

# HEARTLAND

New Zealand Limited

*NZX Release*

## **Heartland welcomes Trade Me investment in Harmony**

12 January 2015

Heartland New Zealand Limited (**Heartland**) (NZX: HNZ) welcomes Trade Me Limited as a fellow shareholder of Harmony Corp Limited (**Harmony**), New Zealand's only licenced peer to peer lending platform. In an announcement released today, it was confirmed that Harmony has completed a successful \$10m capital raise in which Trade Me has taken a 15% shareholding in Harmony.

As part of this capital raise, Heartland has increased its investment in Harmony to maintain its existing shareholding of approximately 10%. Based on the investment made by Trade Me, the current implied value of Heartland's investment in Harmony is in excess of \$5.0m. Following the capital raise, Heartland will have invested approximately \$3.5m in Harmony. Heartland's initial investment in September 2014 was prior to the launch of Harmony's platform and formed part of a wider commercial arrangement.

Heartland is pleased with the further endorsement of Harmony's growth potential which the Trade Me investment represents. Harmony operates a lending model that challenges those being offered by traditional banks. This model is complementary to Heartland Bank's strategy of occupying leading positions in niche markets through specialist products which are different to those offered by mainstream banks.

Heartland Managing Director Jeff Greenslade comments: "We are continuing to build our relationship with Harmony and look forward to working with Trade Me as a fellow shareholder. Heartland believes further scope exists to create high value products for consumer and business customers in New Zealand through the Harmony platform."

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