

100% FOR NEW ZEALAND

Our vision is to drive prosperity in Heartland communities across New Zealand for businesses, farmers and families. We are proudly New Zealand operated and managed, with our parent company listed on the NZSX.



Across New Zealand, in Heartland communities

The people at Heartland are part of your local community. They work with you and your community to help provide a sustainable future for all. Heartland has an extensive network of branches and offices spread throughout New Zealand.

Service the Heartland way

Heartland values its heritage, and works hard to earn and retain its customers' respect and loyalty every day. As a Heartland customer you will experience service with a personal touch.

Future focused

One of the key objectives of Heartland is ultimately to create a New Zealand controlled banking⁶ group, with a parent company listed on the NZSX¹, that is focused on providing financial services to 'heartland' New Zealanders and supporting the economic backbone of New Zealand in their communities. The Heartland vision encompasses:

- Providing a lasting and positive contribution to New Zealand communities by New Zealanders for New Zealanders;
- Providing a customer-focused offering that values client relationships over the long term; and
- Providing credit for middle New Zealand focusing particularly on New Zealand small-to-medium sized businesses, farmers and families.

6 Neither HNZ, Heartland Building Society nor any subsidiary is a registered bank under the Reserve Bank of New Zealand Act. The bank registration process after application is of indeterminate length and bank registration is subject to satisfaction of the Reserve Bank's requirements.

An investment solution to suit you

Everyone has different investment goals, and that's why Heartland offers a wide range of investment options. There is something for everyone – whether you are an individual, trust or business. From call accounts – which provide competitive rates of return and the flexibility of on-call access to funds, to term deposits – which offer a fixed rate of return for a fixed term with tailored interest payments.

If you would like to chat about which investment is right for you, we are here to help – please contact us on the details below or visit your local CBS Canterbury or Southern Cross branch.



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E invest@heartland.co.nz
W www.heartland.co.nz



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E info@cbscanterbury.co.nz
W www.cbscanterbury.co.nz



P 0800 26 27 22
E invest@marac.co.nz
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P 0800 744 346
E investments@pggwrightsonfinance.co.nz
W www.pggwrightsonfinance.co.nz



P 0800 657 935
E info@buildingsociety.co.nz
W www.buildingsociety.co.nz

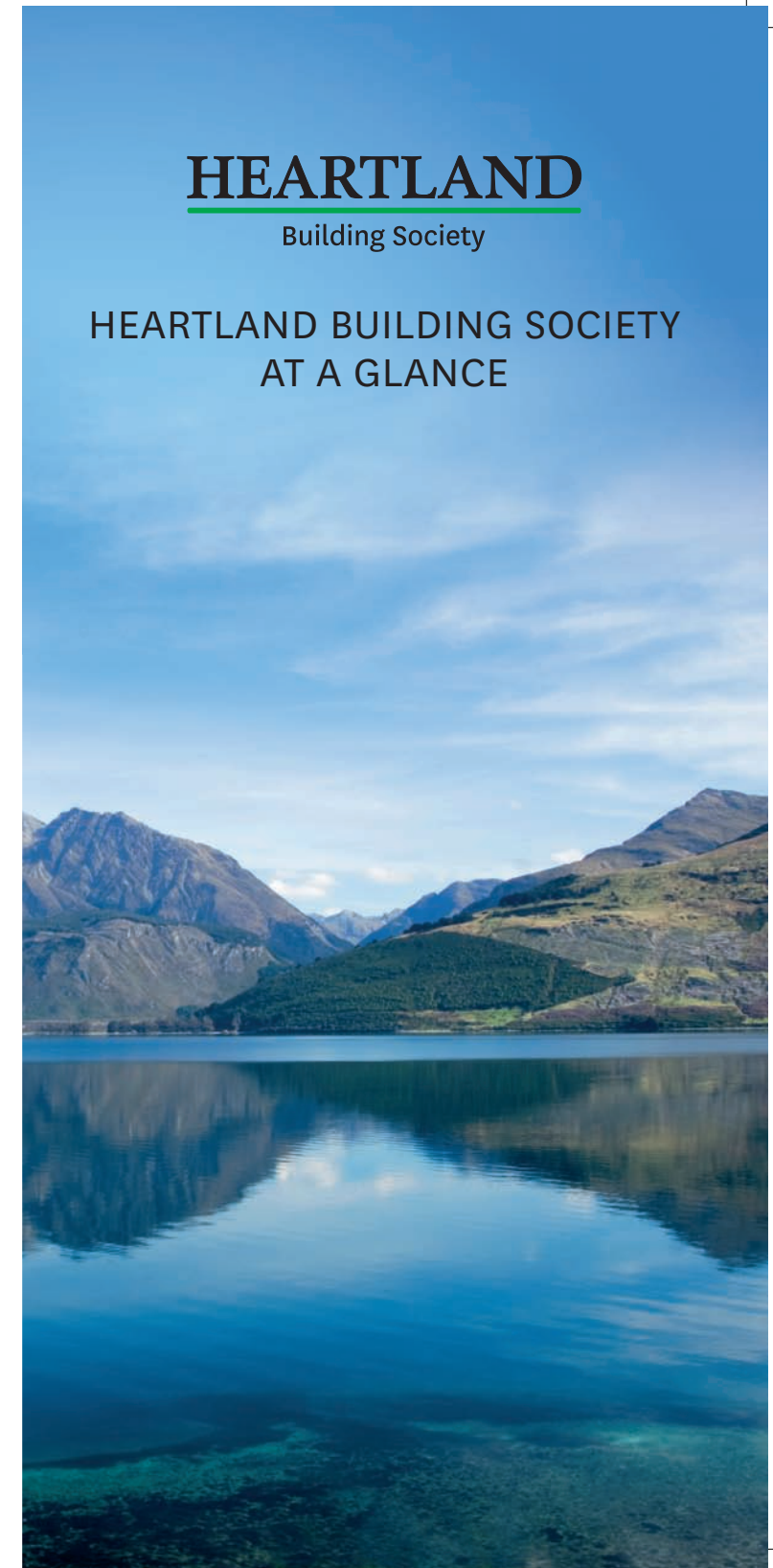
For more information or a copy of our Investment Statement, call us or visit www.heartland.co.nz

HEARTLAND

Building Society

BUSINESS | RURAL | FAMILIES

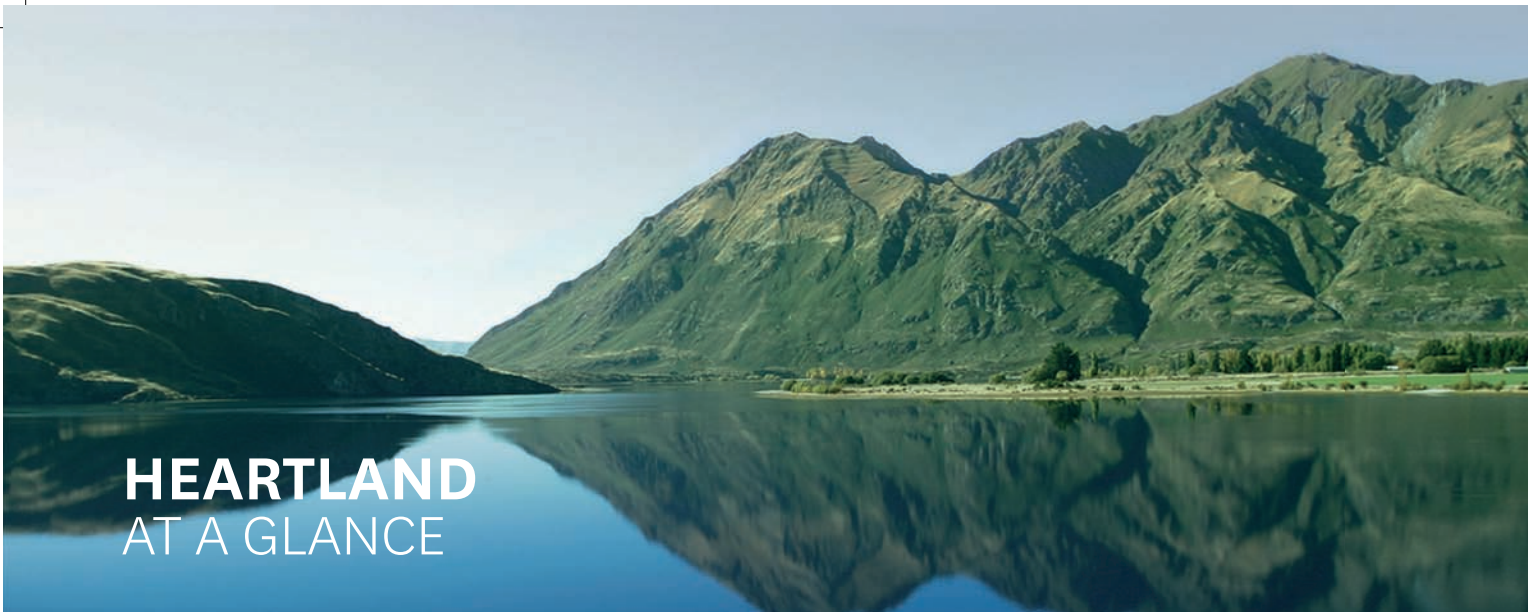
INVESTMENTS – LENDING – WORKING CAPITAL – LIVESTOCK & SEASONAL FINANCE
HOME & VEHICLE LOANS – DAY TO DAY ACCOUNTS – INSURANCE



HEARTLAND

Building Society

HEARTLAND BUILDING SOCIETY AT A GLANCE



HEARTLAND AT A GLANCE

Heartland Building Society (Heartland) is a new name for an old friend, comprising the former businesses of CBS Canterbury, MARAC, PGG Wrightson Finance (PWF) and Southern Cross Building Society. With origins dating back to 1875, Heartland has a proud history of providing small-to-medium sized New Zealand businesses, farmers and families with financial solutions to help them achieve prosperity.

Looking after our depositors' hard-earned money is something Heartland takes very seriously. Our lending is spread both geographically across New Zealand and over a wide range of sectors. This diversification, along with robust governance, experienced management and a rigorous approach to credit mean you can feel confident your deposit is in good hands with Heartland.

Here are some of Heartland's strengths, which together form a solid base our depositors can rely on.

• NZSX listed parent company¹

Heartland's parent company, Heartland New Zealand Limited (HNZ), is listed on the NZSX and has over 8,000 shareholders. Having an NZSX-listed parent provides strength and access to capital to fund growth.

¹ Heartland Building Society (Heartland) is a subsidiary of Heartland New Zealand Limited (HNZ). HNZ shares are tradeable on the NZSX. However, NZX Limited accepts no responsibility for any statement in this brochure. The NZSX is a registered market operated by NZX Limited, which is a registered exchange, regulated under the Securities Markets Act 1988. **HNZ does not guarantee the obligations of Heartland Building Society in relation to deposits.**

• Strong governance

The Directors of Heartland and its executive management team are experienced in the financial services and banking industries. All of the Directors have extensive corporate governance experience.

• Credit rating

Heartland has an 'investment grade' credit rating of BBB- (Outlook Stable) from Standard & Poor's². This rating is higher than the standalone rating previously held by any of the merging entities.

• Substantial balance sheet, sound cash flow

Heartland is a substantial business. As at 30 June 2011 (before the acquisition of PWF), Heartland Group³ had \$294 million in shareholder funds, \$2.1 billion in total assets and \$1.8 billion in total liabilities⁴. Heartland's focus is on lending against assets that generate cash flow, assets that have essential uses and assets that have sound realisable values. Through this, Heartland maintains a sound cashflow.

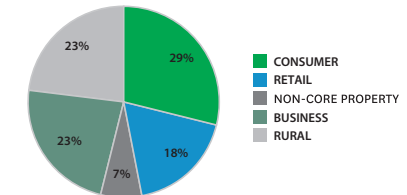
² See Heartland's Investment Statement or our website www.heartland.co.nz for more details about our credit rating.

³ The Heartland Group comprises Heartland and its subsidiaries. For more information about the Heartland Group see our Investment Statement. Note that the Heartland Group also consolidates in its financial statements two securitisation trusts, totalling \$210 million of net securitised receivables, which are set aside for the benefit of the investors in the trusts and do not form part of Heartland's assets that are available to repay depositors.

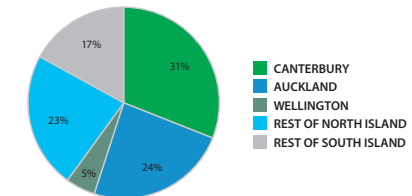
• Lending diversity

Heartland's lending is diversified across the small-to-medium sized business, rural and household sectors, and geographically across New Zealand to reduce risk. All of Heartland's lending is in relation to New Zealand based assets.

NET RECEIVABLES OF HEARTLAND GROUP³ AND PWF BY DIVISION (AS AT 30 JUNE 2011)⁵



NET RECEIVABLES OF HEARTLAND GROUP³ AND PWF BY GEOGRAPHY (AS AT 30 JUNE 2011)⁵



• Funding diversity

Heartland is funded through retail deposits, committed bank facilities, a securitisation programme and an NZDX-listed bond. This diversified funding base reduces Heartland's reliance on any single funding source, and together with the staggering of maturity dates assists in managing liquidity and re-financing risk.

⁴ These amounts have been taken from the most recent statement of financial position of Heartland Group dated 30 June 2011. The amounts were calculated as at that date. These amounts and statement of financial position are included in Heartland Group's audited financial statements for the year ended 30 June 2011.

⁵ The information contained in these graphs has been taken and derived, from the most recent audited financial statements of Heartland Group dated 30 June 2011 and PWF dated 30 June 2011 (but excludes \$32.7 million operating lease vehicles, \$34.5 million investment properties and the loan assets that were sold by PWF on or about 31 August 2011). The 30 June 2011 financial statements precede the 31 August 2011 acquisition of PWF by Heartland. The categories have been reclassified and aggregated where necessary for consistency of presentation. The graphs are provided for illustrative purposes only.