COMPANY FACT SHEET

HEARTLAND BANK

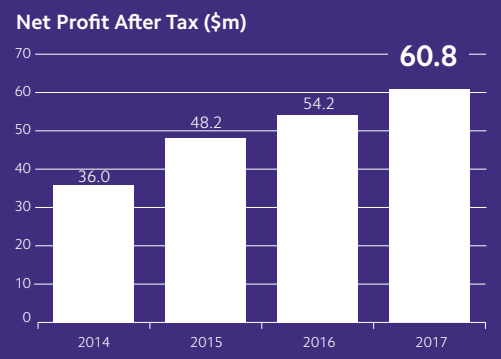
ABOUT HEARTLAND

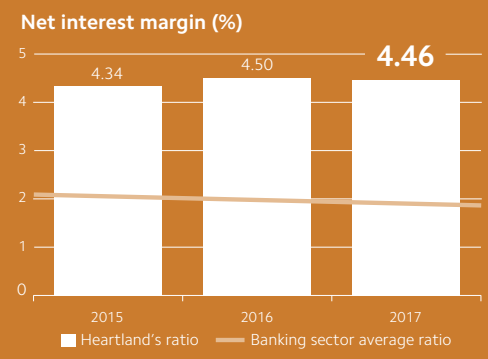
Heartland Bank Limited (Heartland) is a New Zealand registered bank with operations in New Zealand and Australia. It was listed on the NZX Main Board in February 2011 and obtained its bank registration in December 2012.

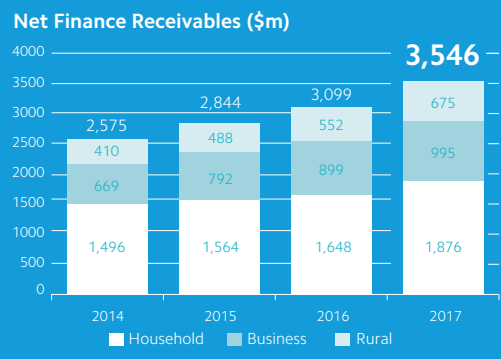
Heartland's focus is on providing "best or only" banking products within the Household, Business and Rural sectors. Examples of such products include reverse mortgages and livestock finance, as well as products where it can offer better features, such as faster online applications for small business working capital loans. Heartland uses technology and other partnerships with intermediaries to extend its customer reach.

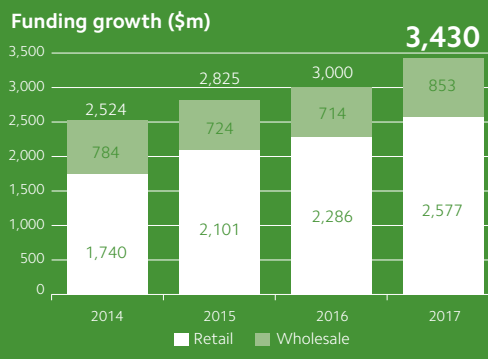
Heartland's strategic priorities for growing earnings and improving return on equity are to:

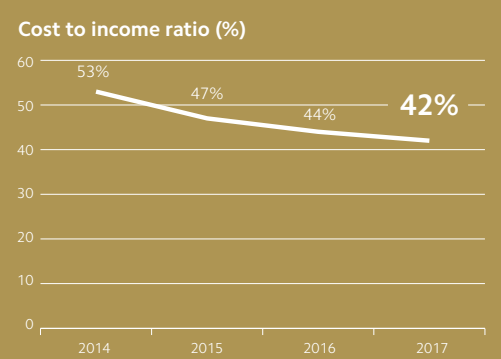
- Target markets with significant opportunity and focus on niche products where customers are under-served by the other banks;
- Be in the right place at the right time through digital, intermediated and direct channels to ensure Heartland's products are in easy reach for its customers;
- Leverage established intermediary relationships and use digital platforms to distribute selected new products and grow Heartland's business in Australia; and
- Pursue acquisition opportunities that deliver innovation or a compelling distribution capability, and are value accretive.

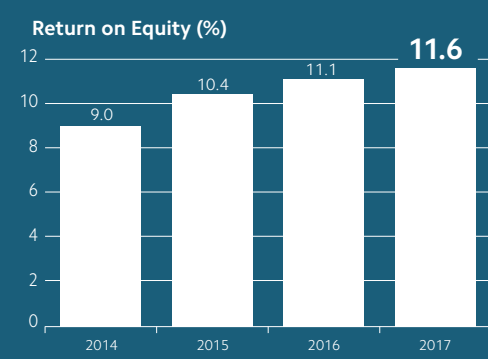












Note: The net finance receivable figures for 2014 and 2015 relate to Heartland New Zealand Limited.
The net finance receivable figures exclude non-core property.

Our Business

Motor Vehicle Finance

Growth of 10% net finance receivables in 2017.

Distributed through our motor vehicle dealer network to enable customers to access finance at the point of sale.

Also online through Heartland's digital platform, Open for You.

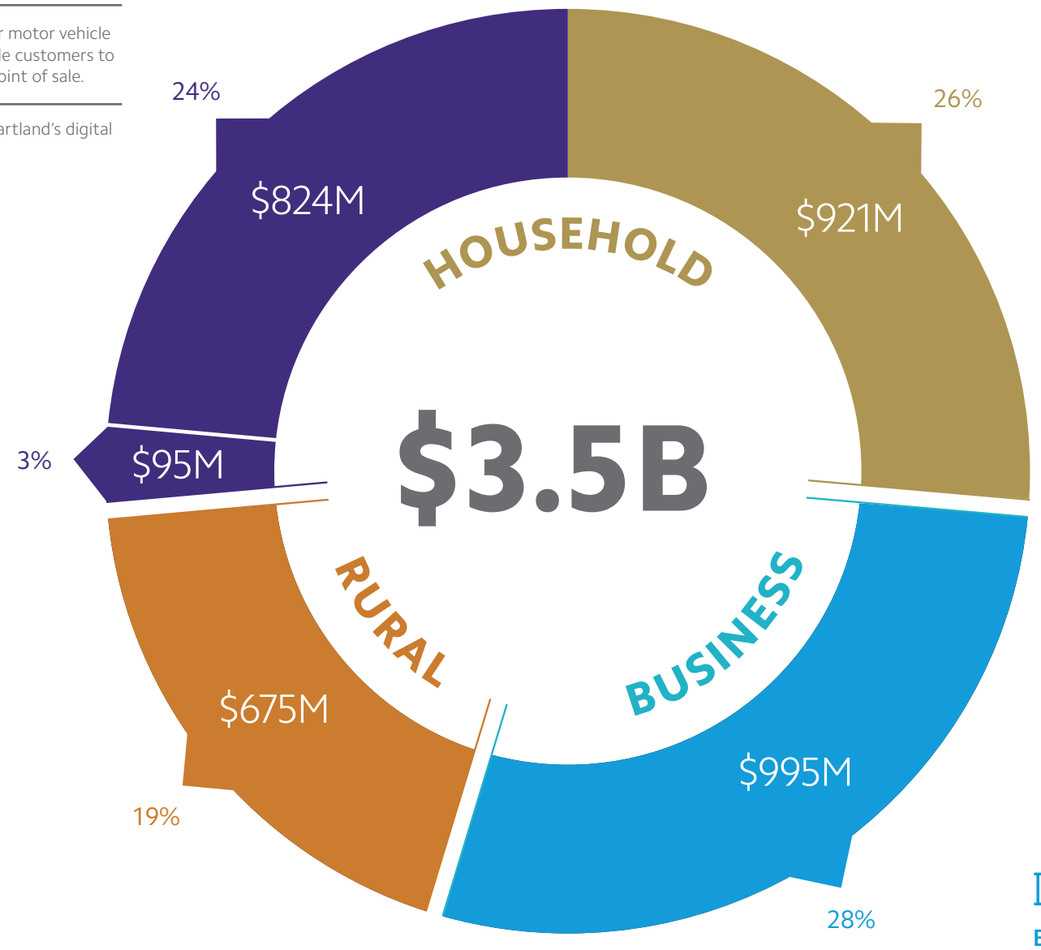
Personal Loans

Growth of 73% net finance receivables in 2017.

Distributed online through Heartland's digital platform, Open for You, and through intermediary partners.

Partnership with Harmoney enables Heartland to lend through Harmoney's online platform.

Harmoney



Reverse Mortgages

New Zealand

Growth of 12% net finance receivables in 2017.

Primarily distributed through our Heartland Seniors Finance sales team in New Zealand.

Australia

Net finance receivables up 19%.

Distributed through brokers, aggregators and through our Heartland Seniors Finance sales team based in Australia.

Rural Finance

Growth of 22% net finance receivables in 2017.

Rural loans and livestock finance distributed through Heartland's relationship managers and alliance partners.

Online applications for livestock finance available through Heartland's digital platform, Open for Livestock.

Business Finance

Growth of 11% net finance receivables in 2017.

Finance for small-to-medium sized businesses available online through Heartland's digital platform, Open for Business.

Working capital and plant and equipment finance distributed through Heartland's relationship managers, partners and intermediaries.

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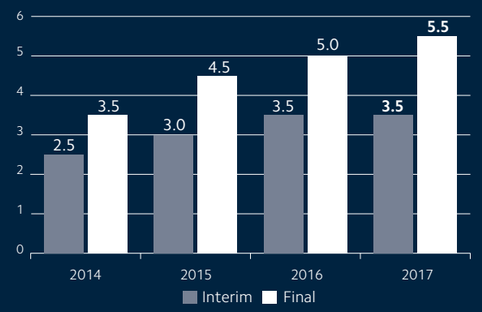
Note: These figures exclude $36m of residential mortgage lending.

DIVIDEND

Heartland will determine dividends (both interim and final) based on its net profit after tax, subject to maintaining a prudent level of capital for its needs. Heartland's capital needs will vary from time to time, depending on a range of factors (including regulatory and credit rating requirements, general economic conditions, current and expected growth and the mix of business). A key objective is to ensure an appropriate balance between maximising shareholder returns, and protecting the interests of depositors through prudent capital management.

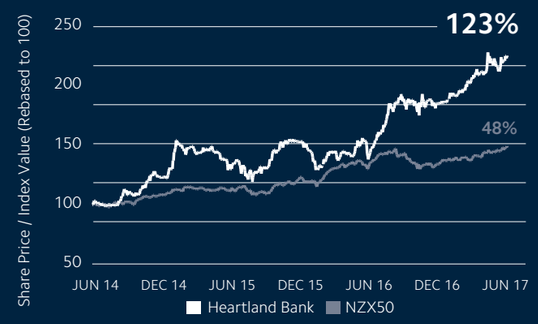
DIVIDEND HISTORY

Dividends (cents per share)



TOTAL SHAREHOLDER RETURN PERFORMANCE

Heartland's three year TSR performance relative to NZX50



Note: Total Shareholder Return (TSR) means share price appreciation plus dividends received. TSR has been calculated on the basis that dividends are reinvested and excludes imputation credits.

SHARE INFORMATION

NZX code	HBL
First listed on NZX	1 February 2011
Share price at 30 November 2017	$2.00
Shares on issue at 30 November 2017	522,670,335
Market capitalisation at 30 November 2017	$1,045,340,670
Share price high/low for 6 months to 30 November 2017	$2.00/$1.69
Financial year end	30 June
NZX industry sector	Services / Finance & Other Services
Indices	NZX 50, NZX 50 Portfolio, NZX MidCap, NZX All

RESEARCH

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Macquarie	Stephen Hudson	stephen.hudson@macquarie.com

DIRECTORS

Geoff Ricketts	Chair
Bruce Irvine	Deputy Chair
Jeff Greenslade	Executive Director
Ellie Comerford	Director
John Harvey	Director
Graham Kennedy	Director
Chris Mace	Director
Vanessa Stoddart	Director
Greg Tomlinson	Director

STRATEGIC MANAGEMENT GROUP

Jeff Greenslade	Chief Executive Officer
Chris Flood	Deputy Chief Executive Officer
Laura Byrne	Chief Operating Officer
Richard Lorraway	Chief Risk Officer
David Mackrell	Chief Financial Officer
Sarah Smith	Head of Business Enablement
Lydia Zulkifli	Head of Digital Strategy

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