



NZX Release

**MARAC acquires the GMAC NZ motor vehicle book**

1 July 2010

Pyne Gould Corporation Limited subsidiary, MARAC Finance Limited (MARAC), has today announced the purchase of GMAC New Zealand Limited's (GMAC NZ) retail motor vehicle financing book from GMAC NZ and Cari New Zealand.

MARAC's purchase includes the secured loan receivables, finance leases and operating leases of GMAC NZ, which announced in 2008 that it would cease retail finance business and transition out of wholesale business.

The purchase price is approximately \$70 million and will be paid in cash. MARAC will assume the rewards and risks of ownership of the financing book from 31 May 2010, subject to completion occurring. Completion is subject to the conditions in Appendix 1 and is currently expected to occur on 30 July 2010.

MARAC's Managing Director Jeff Greenslade stated: "We're pleased to have made this purchase. It is a clear fit with our strategic direction, our proposed merger with Canterbury Building Society and Southern Cross Building Society and our banking aspirations. The GMAC customer base will enhance access to our target market of heartland New Zealanders – small and medium-sized businesses and New Zealand families – and provide us with the opportunity to present them with finance, investment and insurance solutions."

The General Manager of MARAC's personal finance business, Chris Flood, said the purchase would significantly expand MARAC's presence in motor vehicle financing, which is one of the company's core business areas.

"It further enhances MARAC's leading position in this market," Mr Flood said. "It also highlights our commitment to this sector, and provides reassurance to GMAC's motor vehicle finance customers and dealers.

"We are very pleased to welcome the GMAC customers, and the motor vehicle dealers through which their finance was arranged, into our business."

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## Appendix 1

On 30 June 2010 MARAC Finance Limited (**MARAC**), GMAC New Zealand Limited (**GMAC NZ**) and Cari New Zealand (**Cari**) entered into a portfolio sale, transfer and assignment agreement (the **Agreement**) pursuant to which MARAC agreed to acquire GMAC NZ's motor vehicle financing book, including the secured loan receivables, finance leases and operating leases, from GMAC NZ and Cari for an estimated purchase price of approximately NZ\$70 million. The final purchase price is subject to a post-completion adjustment based on customer receipts and expenses for the period from 31 May 2010 until completion. MARAC will assume the rewards and risks of ownership of the financing book from 31 May 2010, subject to completion occurring. Completion is currently expected to occur on 30 July 2010.

Completion is conditional upon a deed of termination in respect of the Guild NZ Trust:

1. being executed and delivered by the persons expressed to be parties to it;
2. remaining in full force and effect; and
3. having all conditions to its operation satisfied or lawfully waived in accordance with their terms.

The parties may terminate the Agreement if the above conditions become incapable of satisfaction or have not been satisfied on or before 31 August 2010 (or such other date as agreed between MARAC, GMAC NZ and Cari).

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### About MARAC

MARAC has been helping New Zealanders with finance, insurance and investment solutions for more than 55 years. It is a wholly owned subsidiary of PGC and, accordingly, New Zealand-owned and operated.

MARAC's lending business is focused on two main areas:

- Business – lending to small and medium-sized businesses for the purchase of assets, such as plant and equipment; and the provision of working capital finance, invoice finance and overdraft facilities.
- Personal – offering finance, leasing and insurance packages for the funding of new and used vehicles, and lending on the purchase of leisure assets such as yachts or motor homes.

MARAC also offers a range of investment options.

For more information on MARAC visit [www.marac.co.nz](http://www.marac.co.nz).

### About PGC

PGC has a long and proud New Zealand history, stretching back to the 1850s, starting with a stock and station business in Canterbury. That business has grown through organic growth, acquisitions and mergers, and today comprises:

- Financial services – MARAC (100% ownership)
- Funds management – Perpetual Asset Management (100% ownership)
- Trustee services – Perpetual Trust (100% ownership)
- Rural services – an 18.3% shareholding in PGG Wrightson Ltd.

PGC listed on the New Zealand Stock Exchange in 2004 and was promoted to the NZX50 Index from 18 January 2010.

For more information on PGC visit [www.pgc.co.nz](http://www.pgc.co.nz).