



*NZX & Media Release
1 April 2008*

MARAC Finance secures \$480m Syndicated Bank Facility further strengthening its funding sources

Pyne Gould Corporation's subsidiary MARAC Finance Ltd announced today that it has completed a new \$480m syndicated bank facility to complement its securitisation facility, finalised last year, and its retail deposits.

The bank facility of \$480m is an increase of \$80m on existing facilities and is provided by all five major banks in New Zealand. The facility is a cash advance facility, split into three equal tranches, with terms of one year, two years and three years.

"It is particularly pleasing that at this time of financial market uncertainty both globally and locally, MARAC Finance continues to enjoy the support of its bankers, is able to obtain an increase in facilities of \$80m, and attract the Bank of New Zealand to join our existing bankers. This support clearly demonstrates the quality of the MARAC business" said Chairman Sam Maling.

MARAC's funding sources now comprise this new bank syndicated facility of \$480m, retail debentures of \$570m and the securitisation facility of \$300m.

Managing Director, Brian Jolliffe said "The syndicated facility will be used to improve MARAC's liquidity position and to enable MARAC to continue to support its existing clients.

Retail deposit reinvestment rates continue at around 65% with inflows of new monies a little tighter, reflecting the current economic conditions, so we will continue to be very prudent, maintain the credit quality of our lending, and continue to ensure appropriate liquidity. The additional \$80m will be used for this purpose".

The new syndicated facility was jointly arranged by ANZ and Westpac.

Managing Director of ANZ's Institutional, Corporate and Commercial division Nigel Williams said "this financing transaction demonstrates that the syndicated bank loan market continues to be available for well rated borrowers.

We were very pleased to assist MARAC to establish New Zealand's largest syndicated facility for a non bank financial institution. This is a significant financing transaction in the current market environment, which confirms that investment grade businesses continue to have the ability to attract funding through well structured deals".

"We are confident that this new bank facility under-scores our Investment Grade credit rating from Standard & Poor's which was reaffirmed yesterday" said Brian Jolliffe.