



Notification of interest payment & interest rate change

Announcement Summary

Entity name

IAG FINANCE (NEW ZEALAND) LIMITED

Security on which the Interest Payment will be paid

IANG - CONVERT BOND 3-BBSW+4.00% PERP SUB NON-CUM EX RES

Announcement Type

New announcement

Date of this announcement

Friday September 15, 2017

Interest Payment Amount

AUD 0.9983

Ex Date

Wednesday December 6, 2017

Record Date

Thursday December 7, 2017

Payment Date

Friday December 15, 2017

Refer to below for full details of the announcement

Announcement Details

Part 1 - Entity and announcement details

1.1 Name of +Entity

IAG FINANCE (NEW ZEALAND) LIMITED

1.2 Registered Number Type

ABN

Registration Number

97111268243

1.3 ASX issuer code

IAN

1.4 The announcement is

New announcement

1.5 Date of this announcement

Friday September 15, 2017

1.6 ASX +Security Code for Interest Payment

IANG



ASX +Security Description

CONVERT BOND 3-BBSW+4.00% PERP SUB NON-CUM EX RES

Part 2A - Interest period dates and interest payment details

Interest Rate Calendar Type

Rule 7(2), 7 calendar day

2A.1 Payment date

Friday December 15, 2017

2A.2 +Record Date

Thursday December 7, 2017

2A.3 Ex-Date

Wednesday December 6, 2017

2A.4 First day of payment period

Friday September 15, 2017

2A.5 Last day of payment period

Thursday December 14, 2017

2A.6 Number of days in the payment period

91

2A.7 Interest rate expressed as a per annum rate

5.720000 %

2A.8 Interest rate pro-rated for the number of days in the payment period

1.426082 %

2A.9 Currency in which the interest payment is made ("primary currency")

AUD - Australian Dollar

2A.10 Interest payment amount per +security

AUD 0.99830000

2A.10(i) Comment on how the interest payment amount per security is calculated

Based on the interest base rate on 15/09/17 plus the interest margin less imputed credit rate for 91 days

2A.11 Are any of the below approvals required for the interest payment before business day 0 of the timetable?

- Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity required before business day 0 of the timetable for the interest payment.

No

2A.12 Is the interest payment franked?

Yes

2A.13 Is the interest payment payable in the form of +securities rather than cash?

No

2A.14 Does the entity have arrangements relating to currency in which the interest payment is paid to security holders that it wishes to disclose to the market?

No



2A.15 Is there a principal amount payment component payable?

No

Part 2C - Franking

2C.1 Is the interest payment fully franked?

Yes

2C.2 Percentage of interest payment that is franked

100.0000 %

2C.3 Applicable corporate tax rate for franking credit (%)

30.0000 %

2C.4 Interest payment franked amount

AUD 0.99830000

2C.5 Percentage of interest payment that is unfranked

%

2C.6 Interest payment unfranked amount, excluding conduit foreign income amount

AUD

2C.7 Interest payment conduit foreign income amount

AUD 0.00000000

Part 3 - Floating rate +securities - details of interest rate applicable to the payment notified in

Part 2A

3.1 Date interest rate is set

Friday September 15, 2017

3.2 Comments on how the date that interest rate is set is determined

First day of the interest payment

3.3 Interest base rate

1.7200 %

3.4 Comments on how interest base rate is set

3 month BBSW on the first day of the interest period

3.5 Interest margin

4.0000 %

3.6 Comments on how interest margin is set

As set out in Clause 3.1 of the RES amended terms dated 15 December 2009

3.7 Any other rate/multiplier used in calculating interest rate

%

3.8 Comments on how other rate used in calculating interest rate is set



3.9 Total interest rate expressed as a per annum rate

5.7200 %

3.10 Comment on how the total interest rate expressed as a per annum rate is set

Total rate is reduced to account for the Franking Credit applicable to this payment.

Part 4 - Further information

4.1 Please provide any further information applicable to this payment

4.2 URL link to a copy of the prospectus/PDS or further information about the +security

<https://www.iag.com.au/shareholder-centre/reset-exchangeable-securities>

4.3 Additional information for inclusion in the Announcement Summary