

Appendix 3A.2 - Notification of interest payment & interest rate change

Important Information

Information and documents given to ASX become ASX's property and may be made public.

Please note that two corporate actions on the same security may not run with different record dates if the timetables result in overlapping (but not identical) ex-periods. It is permissible to run different corporate actions with the same record date except in the case of reorganisations - consolidations/splits which cannot run at the same time as any other corporate action for that entity

***Denotes minimum information required for first lodgement of this form.**

****Denotes information that must be provided before or on +business day 0 of the relevant Appendix 6A or Appendix 7A timetable. The balance of the information, where applicable, must be provided as soon as reasonably practicable by the entity.**

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

Monday March 16, 2015

1.6 ASX +Security Code for Interest Payment

IANG

ASX +Security Description

PERPETUAL RESET EXCHANGEABLE NOTES

Part 2A - Interest period dates and interest payment details

Interest Rate Calendar Type

Rule 7(2), 7 calendar day

2A.1 Payment date Monday June 15, 2015	2A.2 +Record Date Friday June 5, 2015
2A.3 Ex-Date Wednesday June 3, 2015	2A.4 First day of payment period Monday March 16, 2015
2A.5 Last day of payment period Sunday June 14, 2015	2A.6 Number of days in the payment period 91
2A.7 Total interest rate (annual) 6.320000 %	2A.8 Interest payment rate for the period 4.424000 %
2A.9 Currency in which the interest payment is made ("primary currency") AUD - Australian Dollar	
2A.10 Interest payment amount per +security AUD 1.10300000	
2A.11 Is the payment of the interest payment conditional? 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 Whether mandatory or via an optional plan or facility, will or can the interest payment be paid in a currency other than the primary currency? 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 1.10300000
2C.5 Percentage of interest payment that is unfranked 0.0000 %	2C.6 Interest payment unfranked amount AUD 0.00000000
2C.7 Interest payment conduit foreign income amount AUD 0.00000000	

Part 3 - Floating rate +securities - notification of new interest rate applicable to the payment confirmed in Part 2A

3.1 Date interest rate is set

Monday March 16, 2015

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

The first business day of the interest period

3.3 Interest base rate

2.3200 %

3.4 Comments on how interest base rate is set

3 month bank bill rate as at 16 March 2015

3.5 Interest margin

4.0000 %

3.6 Comments on how interest margin is set

3.7 Any other rate/multiplier used in calculating interest rate

0.0000 %

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

3.9 Total interest rate

6.3200 %

Part 4 - Further information

4.1 Please provide any further information applicable to this payment

Total interest rate is reduced by the value of the franking credits ($6.3200\% \times 0.7 = 4.424\%$)

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

<http://www.iag.com.au/shareholder-centre/public-offers-and-proposals>