



NZX Release

Heartland Share Purchase Plan closes oversubscribed

13 March 2017

Heartland Bank Limited (NZX: HBL) (**Heartland**) is pleased to announce that its \$20,000,000 Share Purchase Plan (**SPP**) has closed oversubscribed. Heartland is delighted with the level of demand, both for the December 2016 placement and for the current SPP, and the endorsement by our shareholders of our plans to grow and invest in our digital strategy.

The price at which the shares will be issued under the SPP is \$1.46 per share, which represents the lesser of:

- a 4.6% discount to the average end of day market price of Heartland shares over the 5 day trading period from 6 March to 10 March 2017; and
- \$1.46 per share (being the price paid by investors in Heartland's equity placement completed on 13 December 2016).

The SPP received very strong shareholder support, with Heartland receiving applications totalling \$62,117,500, exceeding the offer size of \$20,000,000 by \$42,117,500 or 211%. In accordance with the terms of the SPP, Heartland will scale back all applications on a proportionate basis by reference to the size of each application. For example, this means that a shareholder who applied for \$15,000 of shares will receive \$4,829.56 of shares after scaling, which is equal to 3,308 shares at the issue price (rounded up to the nearest whole number of shares).

Allotment of the SPP shares is expected to occur on 15 March 2017, with refunds paid to shareholders by either direct credit or by cheque within 5 business days of the allotment date. No interest will be paid on any application monies returned to shareholders.

- Ends -

For further information please contact:

Jeff Greenslade
Chief Executive Officer
Heartland Bank Limited
DDI 09 927 9149
M 021 563 593

Laura Byrne
Chief Operations Officer
Heartland Bank Limited
DDI 09 927 9029
M 027 6111 557