

NZX/ASX release  
8 October 2021

## Heartland long-term rating affirmed, outlook remains stable

Fitch Rating (**Fitch**) has affirmed the Long-Term Issuer Default Ratings (IDR) of Heartland Group Holdings Limited (NZX/ASX: HGH) (**Heartland Group**) and Heartland Bank Limited (NZX: HBL) (**Heartland Bank**) at 'BBB' and the Long-Term IDR of Heartland Australia Group Pty Ltd (**Heartland Australia**) at 'BBB-'. The Outlooks remain Stable.

In its press release, attached, Fitch noted Heartland's favourable profitability comparative to other banks, stable asset quality, good risk management systems and control frameworks, and strong capital position as positive rating factors.

Heartland is pleased with this recognition, and attributes it to its strategy to deliver products that are the best or only of their kind, its consistently high net interest margin, stability in its asset quality, and strong cost management through the delivery of products to customers by way of digital platforms.

Fitch has also revised the operating environment factor outlook to stable, from negative, as part of the review, reflecting its belief that downside risks related to New Zealand's economic prospects have abated sufficiently.

Heartland Bank remains one of just two Australasian banks to have no reduction or adverse change to its ratings or outlook since January 2020, despite the economic impacts of COVID-19.

– ENDS –

**For further information, please contact the person(s) who authorised this announcement:**

Andrew Dixon  
Chief Financial Officer  
021 263 2666

[andrew.dixon@heartland.co.nz](mailto:andrew.dixon@heartland.co.nz)

Level 3, Heartland House, 35 Teed Street, Newmarket, Auckland, New Zealand