

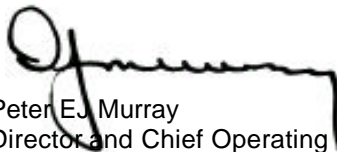
- ASX Announcement -

London City accepts Grosvenor's takeover of Tranzact

London City advises that it has lodged, in respect of the bulk of its 7.4% shareholding in Tranzact Financial Services Limited, an acceptance of the takeover being pursued by that company's New Zealand parent, Grosvenor Investment Services Limited group.

London City has made this decision reluctantly in the light of what it considers to be some unsatisfactory aspects relating to the takeover offer and, ultimately, the decision by the Takeovers Panel not to conduct proceedings into the matter.

Through its acceptance London City will receive \$1,004,728 in consideration. This compares favourably to the market value at 30 June 2013 of \$712,000 but not favourably against the book cost of \$1,164,000. However it should be noted that dividends have been received from Tranzact in each of the years since London City made its first investment in Tranzact in 2009.



Peter EJ Murray
Director and Chief Operating Officer

29 January 2014

