



PGG Wrightson Finance signs new Bank Syndicate deal

PGG Wrightson Finance announced today that they have formed a formal banking syndicate with Bank of New Zealand and Commonwealth Bank of Australia, to provide ongoing wholesale funding to the business for an initial period of two years. The facility replaces previous bilateral facilities.

Making the announcement, Mark Darrow, head of PGG Wrightson Finance said “While our two banking partners remain unchanged, forming a syndicate provides a structure to which other banks can easily join, and it is certainly our intention to broaden the syndicate further in 2010 with additional banks being added.”

“In times of very tough financial markets and tight liquidity, it has been great to receive continued support from our bank partners, with facilities that extend to late 2011 as part of our overall funding strategy.”

“Wholesale Bank finance forms part of a conservative and diversified funding structure used by the company to fund its business,” said Mr Darrow.

“Our largest funding source remains our client investor base with over 6,000 clients providing various types of secured and unsecured deposits, followed by NZDX listed Bonds, wholesale bank lines and shareholder equity,” said Mr Darrow.

“The investors’ support over the last two years has been excellent and continues to provide a very stable base for the business. The new bank facility is another important building block to prepare the company for life under the new Reserve Bank regulatory framework, which is currently being phased in over the 2009/10 period. We welcome the new regulatory environment and plan to continue to provide excellent customer service as one of New Zealand’s strongest finance companies.” concluded Mr Darrow.

For more information:

Mark Darrow
021 888 858

PGG Wrightson Finance Limited is a subsidiary of PGG Wrightson Limited, New Zealand’s only nationwide full-service provider to the agricultural sector. Most of its clients are also parent company clients, for whom the finance products and services compromise a highly important value-added offering.