



8 March 2022

SBS BANK RETAIL BOND OFFER – INDICATIVE ISSUE MARGIN

Further to the announcement by Southland Building Society, trading as SBS Bank (SBS Bank) of an offer of up to \$100,000,000 (with the ability to accept oversubscriptions of up to an additional \$50,000,000 at SBS Bank's discretion) of 5 year, unsecured, senior, fixed rate bonds maturing on 18 March 2027, SBS Bank today announced indicative pricing for the offer.

The interest rate for the bonds will be no less than the minimum interest rate of 4.05% per annum and the indicative issue margin range above the underlying base rate for the bonds is 1.15% to 1.30% per annum.

The offer opens today and the issue margin and interest rate for the bonds will be set following a bookbuild process, which is expected to be completed on 11 March 2022 and announced via www.sbsbank.co.nz/sbs-senior-bond shortly thereafter. The bonds are expected to be issued on 18 March 2022.

The bonds are expected to be rated BBB+ by Fitch Australia Pty Limited. There is no public pool for the offer, with all of the bonds being reserved for clients of the Joint Lead Managers, NZX Participants and other approved financial intermediaries.

Full details of the offer are contained in the Limited Disclosure Document (LDD). The LDD is available through www.sbsbank.co.nz/sbs-senior-bond or by contacting a Joint Lead Manager or a NZX Participant and must be obtained by investors before they decide to acquire any bonds. The LDD (together with further information in relation to the bonds and the offer) is also available on the Disclose Register at www.companiesoffice.govt.nz/disclose under SBS Bank's offer number OFR13263. There are restrictions on offering, issuing or selling bonds outside New Zealand, as set out in the LDD.

A copy of the indicative terms sheet (updated for the indicative issue margin range and minimum interest rate set out above) and other related documents concerning the bonds are also available through www.sbsbank.co.nz/sbs-senior-bond.

Interested investors should contact a Joint Lead Manager or their usual financial advice provider.

Arranger and Joint Lead Manager



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Joint Lead Manager



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