



*NZX and Media Release  
8 February 2010*

## **MARAC Update**

An internal audit of MARAC's lending activities has uncovered an irregularity in relation to one particular business loan.

The loan dates back to 2003 and is the only irregular loan that was found as a result of the new auditing processes introduced by the new management team from October 2009.

The circumstances behind that irregularity have only recently been ascertained, but it involves lending that is outside the company's internally prescribed practices. The circumstances do not appear to have involved personal gain. However, evidence points to the unauthorised lending having been suppressed.

MARAC will take this irregularity into account in the company's half year results (which are expected to be announced by the end of the month) and a provision of \$2.5 million post tax will be made.

PGC remains confident of meeting its full year forecast.

No further comment will be made regarding this loan ahead of the half year announcement.

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