



# MARKET STATEMENT

Pyne Gould Corporation

4 APRIL 2006

## Standard & Poor's assigns "investment grade" rating to Pyne Gould Corporation's subsidiary MARAC

Pyne Gould Corporation's [NZX:PGC] wholly-owned subsidiary, MARAC Finance Ltd (MARAC), today announced it has been assigned an "investment grade" rating by internationally recognised credit rating agency, Standard & Poor's.

The rating is BBB-\* and has been issued as 'stable' for two years.

MARAC, which contributed approximately two-thirds to Pyne Gould Corporation's total 2005 year-end profits, is the first New Zealand owned and operated non-bank finance company to achieve a Standard & Poor's "investment grade" rating.

Pyne Gould Corporation Chairman, Sam Maling, said the rating was a significant validation of MARAC's status as a top-tier finance company and set a new standard for the finance industry.

"MARAC is an important part of the Pyne Gould Corporation portfolio and the rating is an independent endorsement of the Board's view of MARAC. It also confirms the Board's strategy of making investments in financial services since Pyne Gould Corporation acquired MARAC and of the benefits of moving MARAC more towards the quality end of the market."

"MARAC's rating is reassurance for Pyne Gould Corporation shareholders. It reinforces our commitment to providing greater shareholder returns through strengthening Pyne Gould Corporation's investments."

MARAC Managing Director, Brian Jolliffe, said the Standard & Poor's credit rating was an exciting milestone in MARAC's development.

"The rating reflects the quality of service that our customers already enjoy and provides our investors with a reassurance that they have made a sound decision in investing with MARAC.

"Investors now have a benchmark by which they can make more informed investment decisions and distinguish the level of risk associated with different companies' investment offerings.

"It will also increase MARAC's ability to borrow money and attract new investors, such as institutions, that require an investment grade rating before they will invest in a company."

MARAC is one of the first finance companies in New Zealand to take proactive steps to seek a Standard & Poor's credit rating. MARAC selected Standard & Poor's as it believes it is important for investors and financial intermediaries to have complete confidence in the organisation undertaking such an important analysis.

Standard and Poor's Credit Analyst, Craig Bennett, said the rating was a reflection of MARAC's good asset quality experience, its experienced management, sound strategy and good market position in the New Zealand finance sector.

"We believe MARAC is well placed to maintain its business and earnings profile by continued focus on asset quality and liquidity management."

Standard & Poor's also examined MARAC's funding, profit and capitalisation as well as its ownership structure, governance and risk management.

\* Standard & Poor's ratings are statements of opinion, not statements of fact or recommendations to buy, hold, or sell any securities. Ratings may be changed, withdrawn or suspended at any time. For the latest ratings information, please visit [www.standardandpoors.com](http://www.standardandpoors.com)