



NZX & Media Release

Banking Proposal Gets Project Manager

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A Project Manager with more than 20 years banking experience has been appointed for the recently announced merger project between three long-established financial services businesses to create a New Zealand owned banking group.

The appointment of James Mitchell as Project Manager follows the signing of a Memorandum Of Understanding on 1 June 2010 relating to the evaluation of a merger of the banking activities of Canterbury Building Society (CBS), Southern Cross Building Society (SCBS) and Pyne Gould Corporation (PGC).

Mr Mitchell spent the last 11 years with ASB Bank Limited (between 1999 and 2010) and as a senior executive he was involved in implementing strategies that led to significant growth in the bank's Business Banking division. His last position with the ASB was Chief Executive Relationship Banking. He also held various other senior positions with the bank including General Manager of BankDirect. Prior to joining ASB his banking career was with the ANZ Banking Group where he held a range of positions particularly in the areas of electronic banking and new business development.

Mr Mitchell's appointment follows the establishment of a provisional project board which will oversee the merger evaluation process. The board includes Bruce Irvine (PGC Chairman) as Chairman, Jeff Greenslade (PGC Managing Director), Gary Leech (CBS Chairman) and Geoff Ricketts (SCBS Chairman).

Mr Irvine said "James' experience and understanding of the banking environment make him a perfect candidate to project manage the merger evaluation process. In addition, he has the proven ability to lead people through large and complex change.

"He will be initially responsible for overseeing the various work streams required to complete the evaluation, prepare a Merger Implementation Agreement and seek necessary approvals. Subject to obtaining those approvals, James will project manage the integration of the three businesses. James will report directly to Jeff Greenslade who is the Project Director."

Mr Irvine said that the respective boards of CBS, SCBS and PGC were yet to formally endorse the proposed merger and that it would need to be put to their shareholders for approval. However, the due diligence and detailed evaluation processes were under way and preliminary indications confirmed both the potential within the combined client base and a complimentary product capability. Once the due diligence and detailed evaluation processes are completed the proposal would be subject to various approval processes including those involving respective boards and shareholders.

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