

MEDIA RELEASE

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KIWIBANK GROUP TO PURCHASE GARETH MORGAN INVESTMENTS

Kiwibank and Gareth Morgan Investments (GMI) confirmed today that the Kiwibank group will purchase GMI's business, including the high profile Gareth Morgan KiwiSaver Scheme.

GMI currently manages over \$1.5 billion, of which \$650 million is KiwiSaver related, on behalf of more than 57,000 clients.

GMI will operate as a stand-alone entity under the Kiwibank Wealth and Insurance line of business. Gareth Morgan will remain a major client of the business and member of the investment strategy team. Both GMI principals, Gareth Morgan and Andrew Gawith, will remain directors of GMI alongside two Kiwibank-appointed directors.

Kiwibank Chief Executive Paul Brock described the purchase as "a unique opportunity to rapidly grow our Wealth and KiwiSaver businesses, while remaining true to the values that have built Kiwibank".

"GMI's core values of trust and honesty; transparency; respect for clients' interests; and the continual pursuit of excellence mirror Kiwibank's values of doing what's right; making it easy; and raising the bar".

Mr Brock added "we started our own KiwiSaver scheme just over a year ago and while the growth has been impressive we were aware of the need to extend our investment management capability. Our plan to do this looked very much like what GMI has developed".

"The aligned values of both organisations reinforced the decision to buy rather than build and we are delighted to have GMI as part of the Kiwibank group and the ongoing participation of its principals".

In looking to the future, Mr Brock said "both Kiwibank and Gareth Morgan Investments look to put Kiwi's first and both organisations have and continue to challenge the status quo. By combining the strengths of both organisations we look forward to exciting innovation, growth and continuing to do what's best for Kiwis".

Kiwibank was launched in 2002 and has about 800,000 customers. Kiwibank launched its KiwiSaver scheme in 2010 and currently has 15,000 clients.

For further information:

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