



Media Release

For release: 21 May 2014

UDC Finance lifts half year profit by 8 per cent

UDC Finance has recorded a net profit after tax of \$25.7 million for the six months to 31 March 2014, an increase of 8 per cent on the corresponding half last year.

The result was driven by continued lending growth, a decreased cost-to-income ratio and improved asset quality.

Against the same period last year, UDC has grown new lending by \$89 million, or 16 per cent, and reduced its cost-to-income ratio by 7 per cent.

Tessa Price, UDC's CEO, said: "UDC has continued to play to its strengths as New Zealand's leading finance company, building further on the growth and momentum we've achieved, with an increase in lending across our core segments.

"As economic recovery has gained pace in New Zealand and globally, businesses are now operating from a solid base of confidence. They have more work, are growing, and we are now seeing pent up demand for assets being converted into decisions to invest in vehicles, plant and equipment."

UDC achieved particularly strong lending growth in forestry (new lending up 53 per cent on the same period last year); and car loans, with new car lending up by over 70 per cent.

Ms Price said: "As we move forward, our focus remains on our core business of financing companies' requirements as they invest in assets to take their business forward. We're reinvesting in technology and training to make it easier for customers to do business with us.

"We'll continue to work hard to understand the needs of our customers, to help them grow and build long-term resilience into their businesses.

"We're also proud that, through our investors, we're helping Kiwis to support New Zealand businesses and our economy," Ms Price said.

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