



Media Release

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Bonus Bonds confirms strategy to sustain prize offering in low-interest environment

Bonus Bonds will commit to remaining among the highest-rated investments available in New Zealand, with a AAf Standard & Poor's fund credit rating, despite recent credit rating downgrades across securities in which savings funds invest.

The assurance comes as the ANZ Investment Services board, manager and promoter of the Bonus Bonds Trust, today renewed its commitment to an investment strategy which has enabled Bonus Bonds to pay out over \$2 billion in tax free cash prizes over the past 41 years.

Head of Bonus Bonds Glenn Stevenson says: "Investors tell us the unique offer of potentially life-changing prizes is the key to their enduring attraction to Bonus Bonds – yet maintaining attractive prize returns is increasingly challenging following the global financial crisis.

"To maintain prize levels Bonus Bonds will continue to invest the portfolio selectively across a range of low-risk debt securities, as it has over the past 41 years.

"But because even these low-risk securities have been downgraded globally, we expect that Bonus Bonds' current AAf Standard & Poor's credit rating will change to AAf.

"Bonus Bonds will remain among the highest-rated investments in the market. However, recent credit rating downgrades across government bonds and bank deposits in which it predominantly invests mean it is no longer viable to manage Bonus Bonds to its current credit rating while sustaining the prize levels bondholders expect."

A fund credit rating of AAf from independent credit rating agency Standard & Poor's* indicates that "The Trust Funds' portfolio holding provides very strong protection against losses from credit default" – a reassurance offered by no other New Zealand investment fund.

"Today's renewed commitment to our proven investment strategy means that existing and future bondholders can continue to share in the unique opportunity provided by Bonus Bonds: to save and have chances to win life-changing tax-free cash prizes," Glenn Stevenson adds.

* Fund credit quality ratings range from 'AAAF' (highest level of protection) to 'CCCF' (lowest level of protection), are identified by the subscript 'f' for fund, and represent Standard & Poor's assessment of the overall credit quality of a fund's portfolio holdings.

Credit ratings assigned by Standard & Poor's Rating Services are statements of opinion, not statements of fact or recommendations to buy, hold or sell any securities. Credit ratings may be changed, withdrawn or suspended at any time.

Bonus Bonds Fact file

- Bonus Bonds has held a unique place in the New Zealand financial scene for over 40 years, paying out millions of prizes over that period totalling over \$2 billion
- The Bonus Bonds Trust generates the money for prizes by pooling bondholders' savings and investing them predominantly in debt securities from issuers such as the Government, selected local authorities, New Zealand registered banks and selected corporates
- Bonus Bonds currently pays out more than 200,000 cash prizes every month – including one \$1 million prize, two \$100,000 prizes and three \$50,000 prizes
- Tuesday 13th December 2011 marked the 500th Bonus Bonds prize draw, with the creation of another monthly millionaire
- The youngest winner of the Bonus Bonds \$1 million prize was six years old
- Bonus Bonds winning numbers are drawn at random by ELSIE (Electronic Selection Indicator Equipment). Elsie is a computer that used to fill a small room in 1970, but is now a far less spectacular (but much more user-friendly) desktop computer

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Minimum purchase of \$20 applies. Bonus Bonds are eligible to win prizes after they've been held for one complete calendar month following the date of purchase. Prize payout amounts are subject to change. The mix and number of prizes in a month may vary. The mix of major prizes will include no less than one \$1 MILLION prize, one \$100,000 prize and one \$50,000 prize. Bonus Bonds are units in the Bonus Bonds Trust and are not deposits or other liabilities of ANZ National Bank Limited. The principal and returns of Bonus Bonds are not guaranteed and are subject to investment risk. A copy of the registered prospectus and Bonus Bonds terms and conditions are available at bonusbonds.co.nz, an ANZ branch or your local PostShop. ANZ Investment Services (New Zealand) Limited is the manager and promoter of the Bonus Bonds Trust.