



## Media Release

For release: 21 June 2018

### **UDC Finance half-year profit up 8% to \$32.7 million**

#### **Interim performance highlights**

- Net half-year profit after tax of \$32.7 million
- Revenue up 10% to \$66.3 million
- Total lending increases to \$3.07 billion

UDC Finance continues to deliver a strong financial performance, posting a first half-year net profit after tax of \$32.7 million, an increase of 8%, on the same period from the previous financial year.

Overall revenue was \$66.3 million, an increase of 10%. This was driven by increased lending, off the back of an improving economy, a buoyant motor vehicle sector and people investing in plant and machinery. The result was achieved against a backdrop of tighter margins.

Wayne Percival, UDC's CEO, said: "We're proud that after 80 years in business UDC is able to continue delivering solid growth and financial performance, with our lending passing \$3 billion for the first time during this period."

"We're pleased with this result and also very grateful for the ongoing support we've received from our customers during a period of uncertainty about our ownership.

"This has highlighted the strong relationships we have with our customers and our commitment to supporting and growing their businesses.

"The outlook continues to be positive in many of the key industries we focus on, such as forestry, road transport, construction and the motor vehicle sector.

"The sentiment at the recent National Fieldays also reflected a good outlook for machinery and equipment sales across the broader primary sector."

At 0.15% of the portfolio, provision expenses remain low. The overall quality of the lending book remains strong and there were no individually significant write-offs in the period.

#### **Media enquiries**

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#### **About UDC**

UDC Finance is a wholly owned subsidiary of ANZ Bank New Zealand Limited, and has a Standard & Poor's\* credit rating of BBB/A-2

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