

EXTENSION CERTIFICATE

**UDC SECURED INVESTMENTS PROSPECTUS No. 66
DATED 17 DECEMBER 2012 AS AMENDED ON 20 JUNE 2013**

DIRECTORS' CERTIFICATE

(Given under section 37A (1A) of the Securities Act 1978 by the directors of
UDC Finance Limited)

The following statement is given under section 37A (1A) of the Securities Act 1978 in respect of the UDC Secured Investments Prospectus No. 66, dated 17 December 2012 as amended on 20 June 2013 (the "Prospectus").

We hereby state that, in the opinion of all the directors of UDC Finance Limited as the Issuer of the securities being offered under the Prospectus, after due enquiry by them:

- The financial position of UDC Finance Limited shown in the audited statement of financial position for the 12 months to 30 September 2012 (and which is referred to on pages 31 to 57 of the Prospectus) has not materially and adversely changed during the period from 30 September 2012 to the date of this certificate; and
- The Prospectus is not, at the date of this certificate, false or misleading in a material particular by reason of failing to refer, or give proper emphasis, to adverse circumstances.

Dated at Auckland this *19* day of June 2013

SIGNED on behalf of all the directors of
UDC Finance Limited by:

.....
Director

[Signature]
.....
Director

UDC Finance Limited Interim Financial Statements

FOR THE SIX MONTHS ENDED 31 MARCH 2013

UDC Finance Limited

Statement of Comprehensive Income

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\$ thousands	Note	Unaudited 6 months to 31/03/2013	Audited 6 months to 31/03/2012	Audited Year to 30/09/2012
Interest income		88,704	88,775	178,475
Interest expense		41,884	45,412	89,788
Net interest income		46,820	43,363	88,687
Other operating income		521	289	739
Operating income		47,341	43,652	89,426
Operating expenses		15,082	15,802	30,950
Profit before provision for credit impairment and income tax		32,259	27,850	58,476
Provision for credit impairment	4	(892)	1,799	6,031
Profit before income tax		33,151	26,051	52,445
Income tax expense		9,308	7,331	14,495
Profit after income tax		23,843	18,720	37,950

Statement of Changes in Equity

\$ thousands	Share capital	Retained earnings	Total equity
As at 1 October 2011	20,752	258,192	278,944
Profit after income tax	-	18,720	18,720
Total comprehensive income for the period	-	18,720	18,720
As at 31 March 2012 (Audited)	20,752	276,912	297,664
As at 1 October 2011	20,752	258,192	278,944
Profit after income tax	-	37,950	37,950
Total comprehensive income for the period	-	37,950	37,950
Ordinary dividend paid	-	(20,000)	(20,000)
As at 30 September 2012 (Audited)	20,752	276,142	296,894
Profit after income tax	-	23,843	23,843
Total comprehensive income for the period	-	23,843	23,843
As at 31 March 2013 (Unaudited)	20,752	299,985	320,737

The notes to the interim financial statements form part of and should be read in conjunction with these interim financial statements.



UDC Finance Limited Balance Sheet

\$ thousands	Note	Unaudited 31/03/2013	Audited 31/03/2012	Audited 30/09/2012
Assets				
Short-term deposits		77,072	86,609	88,139
Loans and advances	2	2,044,351	2,016,164	2,014,473
Other assets		3,255	1,276	702
Deferred tax assets		8,943	10,837	9,879
Intangible assets		625	1,250	938
Total assets		2,134,246	2,116,136	2,114,131
Liabilities				
Borrowings	5	1,756,856	1,770,810	1,765,662
Current tax liabilities		22,217	16,599	13,844
Payables and other liabilities		33,704	30,187	36,739
Provisions		732	876	992
Total liabilities		1,813,509	1,818,472	1,817,237
Net assets		320,737	297,664	296,894
Equity				
Ordinary share capital		20,752	20,752	20,752
Retained profits		299,985	276,912	276,142
Total equity		320,737	297,664	296,894

For and on behalf of the Board of Directors


_____ Director


_____ Director

30 May 2013
_____ Date of issue

UDC Finance Limited
Condensed Cash Flow Statement

	Unaudited	Audited	Audited
	6 months to	6 months to	Year to
	31/03/2013	31/03/2012	30/09/2012
<p>\$ thousands</p> <p>Cash flows from operating activities</p>			
Interest received	91,233	86,985	177,195
Interest paid	(40,990)	(49,124)	(89,874)
Other cash inflows provided by operating activities	521	289	739
Other cash outflows used in operating activities	(15,826)	(16,266)	(39,775)
Cash flows from operating profits before changes in operating assets and liabilities	34,938	21,884	48,285
Net changes in operating assets and liabilities	(46,005)	(107,807)	(87,678)
Net cash flows used in operating activities	(11,067)	(85,923)	(39,393)
<p>Cash flows from financing activities</p>			
Cash inflows provided by financing activities	85,000	115,000	115,000
Cash outflows used in financing activities	(85,000)	-	(45,000)
Net cash flows used in financing activities	-	115,000	70,000
Net increase / (decrease) in cash and cash equivalents	(11,067)	29,077	30,607
Cash and cash equivalents at beginning of the period	88,139	57,532	57,532
Cash and cash equivalents at end of the period	77,072	86,609	88,139

The notes to the interim financial statements form part of and should be read in conjunction with these interim financial statements.



Notes to the Interim Financial Statements

1. Significant Accounting Policies

(i) Reporting entity and statement of compliance

These interim financial statements are for UDC Finance Limited (the "Company") for the six months ended 31 March 2013. The Company is a wholly owned subsidiary of ANZ Bank New Zealand Limited ("ANZ Bank NZ"). The interim financial statements have been prepared in accordance with the requirements of NZ IAS 34 *Interim Financial Reporting* and should be read in conjunction with the previous full year financial statements for the year ended 30 September 2012, prepared in accordance with New Zealand Generally Accepted Accounting Practice as appropriate for profit oriented entities.

(ii) Basis of measurement

The financial statements have been prepared on a going concern basis in accordance with historical cost concepts.

(iii) Changes in accounting policies

The accounting policies adopted by the Company are consistent with those adopted and disclosed in the previous full year financial statements.

(iv) Presentation currency

The Company's financial statements are presented in New Zealand dollars, which is the Company's functional and presentation currency.

(v) Rounding and comparatives

The amounts contained in the financial statements have been rounded to the nearest thousand dollars, unless otherwise stated. Certain comparatives have been amended to match current period presentation. This includes reclassifying, in the Cash Flow Statement, \$32,412 thousand of cash outflows for the six months to 31 March 2012 from financing activities to operating activities.

2. Loans and Advances

\$ thousands	Note	Unaudited 31/03/2013	Audited 31/03/2012	Audited 30/09/2012
Current accounts		207,195	200,283	200,592
Term loans		1,328,728	1,334,157	1,309,735
Hire purchase contracts		667,850	586,694	632,323
Finance leases		148,720	200,439	174,104
Gross loans and advances		2,352,493	2,321,573	2,316,754
Provision for credit impairment	4	(35,378)	(40,918)	(38,481)
Unearned income		(266,335)	(259,042)	(258,044)
Deferred fee revenue and expenses		(6,429)	(5,449)	(5,756)
Total net loans and advances		2,044,351	2,016,164	2,014,473

3. Individually Impaired Loans and Advances

\$ thousands	Unaudited 31/03/2013	Audited 31/03/2012	Audited 30/09/2012
Individually impaired loans and advances			
Balance at beginning of the period	55,403	63,107	63,107
Transfers from productive	15,285	4,508	15,118
Transfers to productive	(344)	(738)	(1,292)
Assets realised or loans repaid	(22,140)	(3,282)	(11,366)
Write offs	(5,114)	(3,141)	(10,164)
Balance at end of the period	43,090	60,454	55,403
Loans that are at least 90 days past due but not impaired	6,788	16,745	7,520

4. Provision for Credit Impairment on Loans and Advances

\$ thousands	Unaudited 31/03/2013	Audited 31/03/2012	Audited 30/09/2012
Collective provision	20,307	22,828	20,751
Individual provision	15,071	18,090	17,730
Total provision for credit impairment	35,378	40,918	38,481

Notes to the Interim Financial Statements

\$ thousands	6 months to 31/03/2013	6 months to 31/03/2012	Year to 30/09/2012
Provision movement analysis			
New and increased provisions	1,881	5,451	13,466
Write-backs	(1,277)	(2,106)	(2,637)
Recoveries of amounts written off previously	(1,052)	(765)	(1,940)
Individual provision charge / (credit)	(448)	2,580	8,889
Collective provision credit	(444)	(781)	(2,858)
Total charge to Statement of Comprehensive Income	(892)	1,799	6,031

5. Borrowings

\$ thousands	Unaudited 31/03/2013	Audited 31/03/2012	Audited 30/09/2012
Secured debenture stock	1,466,856	1,455,810	1,475,662
Committed credit facility utilised	290,000	315,000	290,000
Total borrowings	1,756,856	1,770,810	1,765,662

The Company has a committed credit facility available on demand with ANZ Bank NZ of \$800 million (31 March 2012: \$800 million; 30 September 2012: \$800 million), of which \$290 million was utilised as at 31 March 2013 (31 March 2012: \$315 million; 30 September 2012: \$290 million). The current credit facility expires on 30 September 2014. The Company can extend the term of the credit facility subject to agreement with ANZ Bank NZ.

ANZ Bank NZ committed credit facility and secured debentures would rank equally in the event of priority claims over the assets of the Company.

6. Minimum Capital Requirements

The Company is required to comply with certain minimum capital requirements under Deposit Takers (Credit Ratings, Capital Ratios and Related Party Exposures) Regulations 2010 as introduced by the Reserve Bank of New Zealand ("RBNZ"). At 31 March 2013 the Company's capital ratio was 16.3% (31 March 2012: 15.0%; 30 September 2012: 15.3%).

The RBNZ requires the Company's capital ratio to be at least 8% at all times.

7. Contingent Liabilities and Credit Related Commitments

The contractual values of contingent liabilities and commitments to extend credit are as follows:

\$ thousands	Unaudited 31/03/2013	Audited 31/03/2012	Audited 30/09/2012
Contingent liabilities			
Standby letters of credit	760	1,524	1,468
Commitments to extend credit			
Undrawn facilities available to customers	195,616	223,484	227,293
Conditional commitments to fund at future dates	77,811	91,433	73,837
Total contingent liabilities and commitments to extend credit	274,187	316,441	302,598



Auditor's review report

To the shareholder of UDC Finance Limited

We have completed a review of the interim financial statements on pages 2 to 6 in accordance with the Review Engagement Standard RS-1 issued by the External Reporting Board and Review Engagement Guideline RG-1 issued by the New Zealand Institute of Chartered Accountants. The financial statements provide information about the past financial performance of UDC Finance Limited (the "Company") and its financial position as at 31 March 2013.

Directors' responsibilities

The Directors of UDC Finance Limited are responsible for the preparation of interim financial statements which give a true and fair view of the financial position of the Company as at 31 March 2013 and the results of its operations for the 6 month period ended on that date.

Reviewers' responsibilities

It is our responsibility to express an independent opinion on the interim financial statements presented by the Directors and report our opinion to you.

Basis of opinion

A review is limited primarily to enquiries of company personnel and analytical review procedures applied to the financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Partners and employees of our firm may deal with the company on normal terms within the ordinary course of trading activities of the business of the company. These matters have not impaired our independence as auditors of the company. The firm has no other relationship with, or interest in, the company.

Review opinion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements on pages 2 to 6 do not give a true and fair view of the financial position of the company as at 31 March 2013 and the results of its operations and cash flows for the 6 month period ended on that date in accordance with NZ IAS 34 *Interim Financial Reporting*.

Our review was completed on 30 May 2013 and our opinion is expressed as at that date.


Auckland