

24 June 2014

For immediate release

## **AMP announces final payout of \$19.1m to MBBL investors**

AMP is pleased to announce that it has made the final remaining payment of \$19.1 million, plus an additional \$2.37 million in interest, to bond holders invested in the 'frozen' fund Mortgage Backed Bonds Limited (MBBL).

MBBL is a 100% wholly owned subsidiary of AMP that was established in July 2004 to enable bond holders to gain exposure to the property sector. The subsidiary was acquired by AMP as part of the AMP – AXA Merger in 2011.

MBBL invested in property loans throughout New Zealand, predominately in the commercial office and retail sectors. As a result of the GFC, the fund was closed and placed into wind up (in moratorium) in July 2009 with the intention of returning principal to bond holders on a pro-rata basis as funds permitted.

James Georgeson, Director of Strategy and Chief Risk Officer, at AMP says: "There have been very few instances throughout the GFC where mortgage based funds have delivered a full return of principal as well as an interest payment. In fact, for many it led to significant financial losses and hardship.

"However, AMP has worked diligently to protect MBBL investors' funds and we're happy to pay the remaining 11% (\$19.1 million) to bond holders plus an interest payment of \$2.37 million. We have dedicated significant internal and external resource to ensure the funds were realised for the benefit of investors," continues Georgeson.

"The inaccessibility of a frozen fund can often be a challenging period for investors, however, as we have successfully delivered to the objectives set out in the moratorium I'm sure that MBBL bond holders will be pleased by this final return," he concludes.

The payments will have now appeared in bond holder accounts and AMP has mailed bond holders a letter to confirm payment.

**ENDS**

*For further information, please contact, Dee Crooks, Head of PR and Communications at AMP on 09 337 7281 or 027 886 2119.*

## Notes to Editors

The following table shows the repayments made to bond holders and the dates they were made:

Date of repayment	% repayment	\$ repayment
11 August 2009	5%	8,692,793
5 October 2009	5%	8,683,095
17 December 2009	5%	8,683,095
13 April 2010	5%	8,681,393
8 July 2010	5%	8,681,083
12 October 2010	5%	8,681,819
14 December 2010	10%	17,363,638
20 April 2011	5%	8,681,679
23 June 2011	7.5%	13,022,519
27 September 2011	7.5%	13,022,519
22 March 2012	4%	6,945,343
22 August 2012	11%	19,099,694
21 November 2012	14%	24,308,702
17 June 2014	11%	19,100,253
<b>Total repayments made</b>	<b>100%</b>	<b>173,647,625</b>

## About AMP

- AMP is a leading wealth management and insurance provider in the New Zealand marketplace and has been supporting the financial welfare of customers for 160 years
- Our customers hold more than 870,000 investment, savings and insurance products
- AMP has one of the largest networks of advisers in New Zealand
- AMP is the only default KiwiSaver provider with both a 'silver' rating from Morningstar and a 5 Star Canstar Award
- AMP has more than 258,000 KiwiSaver Scheme members and more than \$3 billion funds under management, equating to around 16% market share
- We've awarded more than \$1.8 million in the last 16 years through our AMP Foundation
- In 2013 we:
  - helped more than 1,800 kiwis buy their first home through KiwiSaver
  - paid out \$46.75 million in general insurance claims
  - supported approximately 73,000 New Zealanders who were unable to work because of an injury or illness by paying out nearly \$9 million in income protection insurance
  - wrote \$644 million in new mortgages, and
  - provided advice over the phone to more than 150,000 New Zealanders – more than 400 people per day.