



MEDIA RELEASE

10 February 2010

SBS Bank brings back PIE Term Deposit

New Zealand's only customer-owned bank, SBS Bank, has today (*NB: 10 February*) introduced its second SBS PIE term investment account.

The Lifestages Deposit Portfolio, available through SBS Bank, offers the chance to invest in call or term cash PIE funds that have a top tax rate payable of only 30 percent, meaning a great saving for many investors.

The investment fund is administered by SBS Bank's managed funds subsidiary, Funds Administration New Zealand Limited (FANZ).

FANZ executive director Graham Duston said being able to offer a new PIE term deposit made perfect sense following the success of the first term investment launch in November 2009.

The PIE term deposit complemented the existing cash PIE call account and both accounts invested in securities issued by SBS Bank.

"The great news about our SBS Lifestages Deposit Portfolio is that the funds are just as easy to set up as term and call deposits. The portfolio also boasts no management fees.

"The most notable difference about our SBS Lifestages Deposit Portfolio is the potential for better return because tax is capped at 30 percent, even for those who would normally pay tax at 33 percent or 38 percent on their saving or investment earnings," Mr Duston said.

"The PIE term investment SBS Bank offers 5.00 percent p.a. interest at maturity on terms invested over the coming month, with a minimum deposit of \$10,000. Including tax benefits, the equivalent gross return for 33 percent tax payers is 5.22 percent p.a. and for 38 percent tax payers it is 5.64 percent p.a. – depending on your situation - so it makes perfect sense for anyone in a higher tax bracket to explore their options with our SBS Lifestages Deposit Portfolio."

Interest is to be paid at maturity on 28 February 2011.

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