

GNZS CHOOSES INTERNAL MANAGEMENT FOR NZ CASH AND CREDIT MANDATES

Auckland (20 July 2009) – The Guardians of New Zealand Superannuation today announced their decision to manage passive NZ cash and credit mandates internally rather than to use an external manager.

The decision means that the Guardians' relationship with ING (NZ) Ltd has ended.

ING (NZ) Ltd was appointed in October 2003 to manage passive mandates for NZ cash and NZ credit.

The decision to manage the two mandates internally has been made in order to have greater flexibility, utilize the internal management capabilities the Guardians have developed and to reduce costs. The Guardians have had a professional and productive relationship with ING.

The decision does not affect the allocation of the New Zealand Superannuation Fund to NZ cash or NZ credit.

The Guardians work with investment managers around the world to execute the Fund's investment strategy. A list of the Guardians' external investment managers can be found on the Fund's website www.nzsuperfund.co.nz.

ENDS

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Notes to Editors:

About the New Zealand Superannuation Fund:

The New Zealand Superannuation Fund, which commenced investing at the end of September 2003, is designed to partially provide for the future cost of New Zealand superannuation. An ageing population means the cost of providing New Zealand superannuation is expected to double over the next 50 years. To prepare for this, the Government has made contributions to the Fund while the cost of superannuation is relatively low. The Fund will invest the money on a prudent but commercial basis and the Government will begin to make withdrawals from 2031, when the cost of superannuation has increased. As at 31 May 2009 the value of the Fund was NZ\$13.1 billion. For more information visit www.nzsuperfund.co.nz