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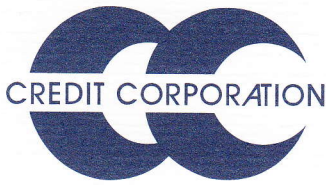
## **Credit Corporation (PNG) Limited**

### **On Market Share Buy Back**

The Chairman of Credit Corporation (PNG) Limited, Mr. Garth McIlwain today announced that the Board of Directors had resolved to extend the on market share buy-back of up to K2 million worth of its own shares by a further 12 months.

The buy-back has proved helpful to smaller shareholders and enabled them to trade their shares in an orderly manner. The original buy back fund of K2 million has not yet been expended. The Board resolved to extend the buy-back for a further 12 months or sooner should the buy back be completed earlier.

Robert Allport  
Company Secretary  
Credit Corporation (PNG) Limited



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## **CREDIT CORPORATION (PNG) LIMITED ANNOUNCES EXTENSION OF K2,000,000 ON MARKET SHARE BUY BACK**

### **Overview of the buy back**

Credit Corporation (PNG) Limited (**Credit Corp**) has resolved to extend the conduct of an on market buy back of some of its shares. Under the buy back, shareholders are invited to sell up to 5,000 of their shares to Credit Corp in the buy back. Set out below are the terms and conditions of the buy back and other information concerning the buy back.

#### **1.1 WHAT IS A BUY BACK?**

Under a buy back a company buys its own shares from its shareholders. Any shares bought back are cancelled, with the result that the number of shares on issue is reduced by the number of shares bought back.

#### **1.2 WHY IS CREDIT CORP BUYING BACK ITS SHARES?**

The buy back is being undertaken as part of Credit Corp's capital management strategy designed to achieve a balance between returning capital, retaining sufficient flexibility to invest capital, pursuing growth options and maintaining strong credit metrics.

#### **1.3 WHAT ARE THE ADVANTAGES AND DISADVANTAGES OF THE BUY BACK?**

The buy back is expected to marginally improve Earnings Per Share for shareholders who continue to hold Credit Corp shares.

The advantages for individual shareholders of participating in the buy back may include:

- Shareholders who choose to participate can tailor their participation to suit their own circumstances. In particular, you can choose:
  - I. Whether to sell your shares in to the buy back
  - II. Whether to sell a portion of your shares in to the buy back
- Shareholders with small holdings are able to sell all of their shares in to the buy back so as not to be left with a small parcel of shares.
- Shareholders **will not pay brokerage** to sell their shares into the buy back.

The disadvantages for individual shareholders participating in the buy back may include:

- You may be able to sell your shares at a higher price on the stock market at a later time.
- There is no assurance that the buy back will be successful.

#### **1.4 DO I HAVE TO PARTICIPATE IN THE BUY BACK?**

No, participation is optional. If you do not want to sell any of your shares, you do not need to take any action

If you do nothing, the number of shares you hold will not change as a result of the buy back, although your proportional shareholding in Credit Corp will increase slightly.

#### **1.5 HOW MANY SHARES WILL CREDIT CORP BUY BACK?**

Credit Corp intends to buy back up to K2 million worth of shares. Based on the last sale price of Credit Corp shares of K1.98, this represents approximately 0.3% of the issued capital of Credit Corp.

#### **1.6 HOW LONG WILL THE BUY BACK BE OPEN?**

The buy back will be extended from the 30th November 2011 for a period of 12 months. A report on the progress of the buy back will be released to the Port Moresby Stock Exchange on a weekly basis.

#### **1.7 HOW MANY SHARES CAN I SELL?**

Each registered shareholder can sell up to 5,000 shares into the buy back. Shareholders should seek advice from their financial advisor before they make a final decision to sell any of their shares in the buy back.

#### **1.8 HOW DO I SELL MY SHARES IF I ACCEPT THE BUY BACK?**

Shareholders need to contact either;

BSP Capital Ltd            Phone 321 4333   or  
Kina Securities Ltd        Phone 308 3825

Both BSP Capital and Kina Securities have been engaged by Credit Corp to buy shares in the buy back. Credit Corp has agreed with each of them to pay a fee to them on each purchase by Credit Corp pursuant to the buy back and they have each agreed with Credit Corp that they will not charge any brokerage to any shareholder who sells their shares into the buy back.

#### **1.9 WHEN DO I GET PAID?**

Credit Corp will pay your stockbroker for any shares bought back by Credit Corp on the date of sale. You should check with your stockbroker about the time it will require to transfer these funds to you. Stockbrokers usually settle with their clients within 7 days.

Shareholders should make sure that their current address and banking details are up to date with their broker.

**1.10 CAN I PARTICIPATE IF I RESIDE OUTSIDE OF PAPUA NEW GUINEA?**

Yes you may. The buy back is open to all shareholders registered as holders of Credit Corp shares.

**1.11 PARTICIPATION BY DIRECTORS AND SENIOR MANAGEMENT**

Credit Corporation's Directors and senior management involved in implementing the buy back will not participate in the buy back.

For further information contact Robert Allport (Chief Executive Officer) 321-7066.

Dated: 17<sup>th</sup> November 2011