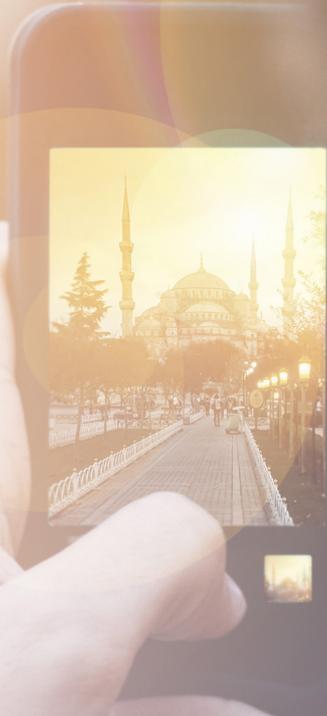


Final Terms Sheet



Spark Finance Limited

**Final Terms Sheet dated
4 December 2015**

**\$100,000,000 Fixed Rate
Bonds due 10 March 2023 ("Bonds")**

The product disclosure statement for the Bonds ("PDS") is available at investors.sparknz.co.nz or can be obtained from a Joint Lead Manager or the Co-Manager



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Issuer	Spark Finance Limited ("SFL")							
Guarantors	Spark New Zealand Limited ("Spark NZ") and the other Guaranteeing Group Members from time to time (as defined in the trust deed dated 25 October 1988 as modified and supplemented from time to time ("Trust Deed"))							
Guarantee	The principal amounts of, and interest due on, the Bonds are jointly and severally guaranteed by the Guaranteeing Group Members on an unsecured basis in accordance with the Trust Deed							
Status	The principal amounts of, and interest due on, the Bonds will be direct, unsecured, unsubordinated obligations of the Issuer and rank pari passu and without any preference among themselves and pari passu with all other unsecured and unsubordinated obligations of the Issuer, except indebtedness preferred by law							
Arranger and Organising Participant	ANZ Bank New Zealand Limited ("ANZ")							
Joint Lead Managers	ANZ Commonwealth Bank of Australia							
Co-Manager	Deutsche Craigs Limited							
Instrument	Fixed Rate Bonds							
Purpose	General corporate purposes							
Credit Ratings	<table border="1"> <thead> <tr> <th></th> <th>Spark NZ Credit Rating</th> <th>Bond Credit Rating</th> </tr> </thead> <tbody> <tr> <td>Standard & Poor's</td> <td>A-/Stable</td> <td>A-</td> </tr> </tbody> </table> <p>A rating is not a recommendation by any rating organisation to buy, sell or hold Bonds and may be subject to suspension, revision or withdrawal at any time by the assigning rating organisation</p>			Spark NZ Credit Rating	Bond Credit Rating	Standard & Poor's	A-/Stable	A-
	Spark NZ Credit Rating	Bond Credit Rating						
Standard & Poor's	A-/Stable	A-						
Issue Amount	\$100,000,000							
Opening Date	Monday 30 November 2015							
Closing Date	2.00pm, Friday 4 December 2015							
Rate Set Date	Friday 4 December 2015							
Issue Date	Thursday 10 December 2015							

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Expected Date of initial quotation on NZX Debt Market	Friday 11 December 2015
Maturity Date	Friday 10 March 2023
Interest Rate	4.51 percent per annum, being the sum of the Base Rate plus the Issue Margin
Base Rate	The mid market swap rate for an interest rate swap from the Issue Date to the Maturity Date as calculated by the Joint Lead Managers on the Rate Set Date in accordance with market convention with reference to Reuters page ICAPKIWISWAP1 and expressed on a quarterly basis, rounded to 2 decimal places if necessary, with 0.005 being rounded up
Issue Margin	1.15 per cent per annum
Issue Yield	Equal to the Interest Rate
Issue Price	Par (\$1.00)
Interest Payments	Quarterly in arrear in four equal payments Interest paid on the Bonds will be paid to the registered holder on the relevant Record Date
Interest Payment Dates	10 June, 10 September, 10 December, and 10 March each year up to and including the Maturity Date, commencing on 10 March 2016
Business Day Convention	Following Business Day (unadjusted)
Day Count Convention	Actual/Actual
Settlement Price Formula	Reserve Bank of New Zealand ("RBNZ") pricing formula
ISIN	NZSPFD0323L9
NZClear Code:	TCFL/TRA023
Listing	Application has been made to NZX for permission to quote the Bonds on the NZX Debt Market and all the requirements of NZX relating thereto that can be complied with on or before the distribution of this Terms Sheet have been duly complied with. However, NZX accepts no responsibility for any statement in this Terms Sheet. NZX is a licensed market operator and the NZX Debt Market is a licensed market under the Financial Markets Conduct Act 2013
NZX Code	SPF560

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Record Date	10 days before the Interest Payment Date or, if not a Business Day, the immediately preceding Business Day
Business Days	Auckland, Wellington
Denominations	Minimum denomination of \$5,000 with multiples of \$1,000 thereafter
Registrar and Paying Agent	Link Market Services Limited The Bonds will be accepted for settlement within the NZClear system
Supervisor	The New Zealand Guardian Trust Company Limited
Documentation	This Terms Sheet Product Disclosure Statement dated 20 November 2015 Trust Deed Supplemental Trust Deed
Repo Eligibility	The Issuer intends to apply to the RBNZ for the Bonds to be included as eligible securities for domestic market operations
Governing Law	New Zealand
Selling Restrictions	<p>The Bonds may only be offered for sale or sold in New Zealand in conformity with all applicable laws and regulations in New Zealand. No Bonds may be offered for sale or sold in any other country or jurisdiction except with the prior consent of the Issuer and in conformity with all applicable laws and regulations of that country or jurisdiction. This Terms Sheet may not be published, delivered or distributed in or from any country or jurisdiction except under circumstances which will result in compliance with all applicable laws and regulations in that country or jurisdiction and the selling restrictions contained in this Terms Sheet</p> <p>Set out below are specific selling restrictions that apply to an offer of the Bonds in the European Economic Area, the United Kingdom, Australia, Hong Kong, Japan, Singapore and Taiwan. These selling restrictions do not apply to an offer of the Bonds in New Zealand</p> <p>The selling restrictions in this Terms Sheet may be modified by SFL and the Joint Lead Managers, including following a change in a relevant law, regulation or directive. Persons into whose hands this PDS comes are, and each Bondholder is, required by SFL and the Joint Lead Managers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Bonds or have in their possession or distribute such offering material, in all cases at their own expense. References in these Selling Restrictions to the Joint Lead Managers includes the Co-Manager.</p> <p>By subscribing for Bonds, each investor agrees to indemnify SFL, the Supervisor, the Arranger, the Joint Lead Managers, the Co-Manager and their respective directors, officers, employees and agents in respect of any loss, cost, liability or expense sustained or incurred as a result of the investor breaching the selling restrictions contained in this Terms Sheet.</p>

Selling Restrictions - European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each Joint Lead Manager has agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date"), it has not made and will not make an offer of Bonds which are the subject of the offering contemplated by the PDS to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Bonds to the public in that Relevant Member State:

- a. at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- b. at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Joint Lead Manager; or
- c. at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Bonds referred to in (a) to (c) above shall require SFL or any Joint Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive

For the purposes of this provision, the expression an "offer of Bonds to the public" in relation to any Bonds in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds so as to enable an investor to decide to purchase or subscribe for the Bonds, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive), and includes any relevant implementing measure in the Relevant Member State, and the expression "2010 PD Amending Directive" means Directive 2010/73/EU

Selling Restrictions - United Kingdom

Each Joint Lead Manager has agreed that:

- a. Financial promotion: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, the "FSMA") received by it in connection with the issue or sale of any Bonds in circumstances in which section 21(1) of the FSMA does not apply to SFL; and
- b. General compliance: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Bonds in, from or otherwise involving the United Kingdom

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Selling Restrictions - Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001) in relation to the Bonds (including the PDS) has been or will be lodged with or registered by the Australian Securities and Investments Commission ("ASIC") or the Australian Securities Exchange Limited. Each Joint Lead Manager has represented and agreed that it:

- a. has not (directly or indirectly) offered, and will not offer for issue or sale and has not invited, and will not invite, applications for issue, or offers to purchase, the Bonds in, to or from Australia (including an offer or invitation which is received by a person in Australia); and
- b. has not distributed or published, and will not distribute or publish, any draft, preliminary or final form offering memorandum, advertisement or other offering material relating to the Bonds in Australia,

unless:

- i. the minimum aggregate consideration payable by each offeree or invitee is at least A\$500,000 (or its equivalent in an alternate currency) (disregarding money lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 and Chapter 7 of the Corporations Act 2001 and does not constitute an offer to a "retail client" as defined for the purposes of section 761G of the Corporations Act 2001; and
- ii. such action complies with all applicable laws, directives and regulations and does not require any document to be lodged with, or registered by, ASIC

Selling Restrictions - Hong Kong

Each Joint Lead Manager has represented and agreed that:

- a. no Bonds have been, and no Bonds will be, offered or sold in the Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong"), by means of any document, (except for Bonds which are a "structured product" as defined in the Securities and Futures Ordinance (Cap.571) of Hong Kong (the "SFO"), other than:
 - i. to "professional investors" as defined in the SFO and any rules made under the SFO; or
 - ii. in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32) of Hong Kong (the "Companies Ordinance") or which do not constitute an offer to the public within the meaning of the Companies Ordinance; and
- b. it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO

Selling Restrictions - Japan

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "FIEA") and each Joint Lead Manager has represented and agreed that it will not offer or sell, directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any resident of Japan as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)

Selling Restrictions - Singapore

The PDS has not been registered as a prospectus with the Monetary Authority of Singapore, and the Bonds will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Accordingly, the PDS and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds may not be circulated or distributed, nor may the Bonds be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA, and in accordance with the applicable conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Bonds are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a. a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- b. a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Bonds pursuant to an offer made under Section 275 of the SFA except:
 - i. to an institutional investor (under Section 274 of the SFA) or to a relevant person as defined in Section 275(2) of the SFA, or any person pursuant to an offer in accordance with the conditions referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
 - ii. where no consideration is or will be given for the transfer;
 - iii. where the transfer is by operation of law;
 - iv. as specified in Section 276(7) of the SFA; or
 - v. as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Selling Restrictions - Taiwan

The Bonds may be made available outside Taiwan for purchase by Taiwan resident investors either directly or through a duly licensed Taiwan intermediary but may not be sold or offered within Taiwan. Any subscriptions of Bonds shall only become effective upon acceptance by SFL outside Taiwan and shall be deemed a contract entered into in the jurisdiction of incorporation of SFL or the relevant Joint Lead Manager, as the case may be.