



RANGATIRA

RANGATIRA LIMITED, LEVEL 10, SOLNET HOUSE, 70 THE TERRACE, PO BOX 804, WELLINGTON 6140, NEW ZEALAND
TEL: +64 4 472 0251, FAX: +64 4 473 2685
www.rangatira.co.nz

23 March 2010

Dear Shareholder

Guidance on Results for the Year Ended 31 March 2010

In the covering letter with Rangatira's half-year results I indicated that Directors expected full year Operating Earnings to be similar to the previous year, and possibly a little better.

I am pleased to advise that our latest projections indicate Operating Earnings are likely to be around 30% above last year (between \$8m and \$9m, compared with \$6.6m last year). This improvement reflects particularly good trading by some of our private equity investments, although others continue to face difficult market conditions.

By excluding abnormal and non-recurring items, Operating Earnings provides the best measure of Rangatira's underlying profitability and is the main factor influencing the Board's dividend decisions. The other important performance guide for shareholders is assessed Net Asset Value per share.

Our half year letter commented on the non-operating items that needed to be added to (or subtracted from) Operating Earnings to arrive at the reported Net Loss. These included a \$3.4m Impairment of Financial Assets – accounting rules require us to write down private equity investments considered to be worth less than book value, but do not allow us to write up others that have increased in value. The Impairment of Financial Assets item is likely to increase further for the full year, while other non-operating items are expected to be similar to the half year figures.

The year-end assessment of the value of our private equity investments has yet to be undertaken, but a preliminary review indicates that this, together with our full year profit result (including the further impairment write down), and changes to the value of listed equities, is likely to result in assessed Net Asset Value per share at 31 March 2010 being similar to, and possibly a little higher than, the \$7.56 assessed at 30 September 2009.

We plan to have results for the year to 31 March 2010 finalised by the end of May.

Yours sincerely

R M Gough
Chairman