

RANGATIRA LIMITED

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26 November 2002

Dear Shareholder

The Board has pleasure in reporting a net surplus before tax of \$5.680m for the six months ended 30 September 2002. This gives a net surplus after tax for Rangatira shareholders of \$5.563m, which is \$2.895m ahead of last year's result of \$2.668m. This strong result was foreshadowed in my address to Shareholders at our Annual Meeting earlier this year, and is heavily influenced by the sale of most of our shares in Tru-Test.

The Board has declared an interim dividend of 15 cents per share, payable on 6 December 2002, (last year 11 cents per share). The dividend is imputed to the extent of 5.5cents per share. Rangatira shares will trade ex dividend from 29 November 2002.

Whilst the economic outlook in New Zealand continues to be positive, global sharemarkets remain uncertain and we are cautious about the future performance of our listed portfolios. Our listed equities have performed better than the markets generally but have still fallen by 12% in the 6 months to September 2002, as disclosed in the revaluation reserve of the Statement of Financial Position. This compares favourably with global sharemarkets, which have suffered significant declines including the US market, down 27%, and the UK market, down 29%, in the same period. Rangatira's overall performance has been much better than that of most managed investment funds. We remain holders of listed equities in New Zealand and Australia and have continued to resist investment elsewhere. This has served us well in recent years.

The results of our unlisted portfolio have generally been robust and in some cases well ahead of expectations at the time of acquisition. For example, our most recent investment, Vita NZ has had a very good six months, and is well placed for the balance of the year. Conversely there are some exceptions where future earnings cannot be confidently predicted, and your directors have felt it prudent to write down two investments in our unlisted portfolio to the extent of \$2.1 million. The reported result is after making full allowance for this.

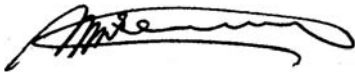
Our unlisted investments provide something of an earnings hedge, with diverse sector representation, and involvement in some of the faster growing areas of the New Zealand economy. Overall they now comprise a large proportion of our annual earnings before abnormals, and are a counterbalance to the current uncertainty in listed equity markets. Rangatira adds value to these investments via ongoing management and Board input, with strategic and governance assistance, and funding support where necessary.

In most cases the management of these subsidiaries and associates are co-investors with Rangatira, which means our interests and objectives are usually well aligned both in terms of profitability and strategy. Also, as set out in my Chairman's Review in the last Annual Report, the underlying value of these assets is significantly in excess of book value.

The unusual boost in earnings in the half year to 30 September will not be repeated in the second half, but providing trading and investment conditions do not deteriorate unduly, your directors are confident of producing a final after tax result for the year of around \$8 million. Whilst this is short of last year's exceptional performance, it would compare most favourably with earlier years, and allow us to not only maintain a strong dividend, but also to continue to seek new unlisted investments, and/or value opportunities in listed stocks.

Our Chief Executive, Rick Christie, retires at the end of the financial year to pursue a career as a company director. Rick has contributed fully to the improved results in recent years. We are currently engaged in an executive search for his replacement.

The Board and Management join me in wishing all shareholders a relaxing and enjoyable festive season and a prosperous 2003.

A handwritten signature in black ink, appearing to read 'N M T Geary', with a stylized flourish at the end.

N M T Geary
Chairman

RANGATIRA LIMITED & SUBSIDIARIES
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2002
(Unaudited results)

	6 Months September 2002 \$000	6 Months September 2001 \$000	12 Months March 2002 \$000
Net Surplus Before Tax	5,680	3,286	11,256
Tax expense	(685)	(652)	(1,671)
Net Surplus After Tax	4,995	2,634	9,585
Share of retained surplus of associate companies	598	44	283
Net surplus after tax attributable to minority shareholders in subsidiary companies	(30)	(10)	(240)
Net Surplus for the period attributable to Shareholders of Rangatira Limited	5,563	2,668	9,628
Dividends paid	(4,250)	-	(1,948)
Retained Earnings 31 March	65,314	57,634	57,634
Retained Earnings at the end of the period	66,627	60,302	65,314