8 June 2016

Rangatira Investments reports strong full year performance; continues to seek new investment opportunities

Rangatira Investments today announced a full year profit after tax of $50.2 million, compared with $13.7 million last year. The full year profit includes a $36.3 million gain associated with the revaluation of Hellers on becoming a subsidiary.

Operating earnings were $11.5 million, up 23% on last year's $9.2 million, driven by improved performance across Rangatira Investments' portfolio. Also included in the full year profit is a $1 million impairment charge against the New Zealand Pastures investment, reflecting current farmland valuations.

	12 months to March 2016 ($M)	**12 months to March 2015 ($M)**
Operating Earnings	11.5	9.2
Gains from sale of investments	3.4	4.5
Impairment loss on investment	(1.0)	-
One-off revaluation gains	36.3	-
Profit after tax	**50.2**	**13.7**

Rangatira Investments declared a final, fully imputed dividend of 31 cents, making the total dividend for the year 51 cents (compared to 47 cents last year). The dividend will be paid on 27 June 2016 and the share register will close for dividend purposes on 17 June 2016. Directors have assessed the net asset value per share at $12.43 ($220.1 million group net asset value) at 31 March 2016, up from $11.32 ($200.5 million) last year.

Rangatira Investments' Chair David Pilkington said, "We are pleased to report a Total Shareholder Return of 14.0% for the full year, including dividends and capital growth. Our return was driven by improved performance in a number of our portfolio companies, the additional purchase of a further 12.5% shareholding in Hellers taking our share to 62.5%, and a rebalancing of our New Zealand public portfolio."

With the controlling stake in Hellers, Rangatira Investments is now required to consolidate the accounts, which has led to significant changes to our group financial statements. Total assets increased to $348 million from $166 million, and our book value of equity increased to $194 million from $155 million.

Chief Executive Phil Veal said, "We've had a productive year, particularly in those companies where we have co-invested with founders. For example, our new investment in Bio-Strategy has returned nearly $1 million post-tax to Rangatira Investments in the first nine months. In addition to the further investment in Hellers, and the investment in Bio-Strategy, we also put more capital to work at Partners Life, where we're pleased to report that U.S. private equity manager Blackstone has announced their intention to co-invest.

"We've made good progress on improving cash flows, and we continue to focus on finding good investment opportunities, including in business sectors we know and invest in already, like food and tourism. We're also looking for opportunities where we can co-invest with existing owners in any sector," said Phil Veal.

For middle market and family businesses that have strong growth prospects, Rangatira Investments has a unique competitive advantage over other private equity investors because it invests its own permanent capital, and can therefore leverage a longer investment timeframe. Rangatira Investments is prepared to adopt a flexible investment strategy tailored to the needs of existing business owners and management, and this underpins Rangatira Investments' ability to help grow businesses and improve returns for all shareholders.

David Pilkington said, "Rangatira Investments retains a strong balance sheet and remains ready to take advantage of new opportunities, particularly leveraging our track record of successfully co-investing in family businesses with revenues of $10 million and up."

Rangatira Investments' majority shareholder is the J.R. McKenzie Trust (51%), with other community and charitable organisations holding another 15%, and private investors making up the balance. Annual dividend payments enable Rangatira's non-profit shareholders to continue to deliver meaningful social impact.

ENDS

For further information, please contact:
Eden Green, 021 964 783