

Annual General Meeting

10.00 am Friday 26th October 2012
Hungahungatoroa Sports Club,
Hungahungatoroa Road, Matapihi, Tauranga

| | |
|--------------------------|---|
| Trustees | Ratahi Cross (Chairperson) Riri Ellis Anaru Timutimu Mere Lambert Neil Te Kani Ngawa Hall Carlo Ellis |
| General Manager | Colin Jenkins |
| Financial Adviser | James Stewart (Bennett Gibson Group) |
| Secretary | Reina Dickson |

Registration commences at 9.00am

CONTENTS

| | |
|---|----|
| AGM Agenda | 2 |
| 2011 AGM Minutes | 3 |
| Chairman's Report..... | 8 |
| General Managers Report..... | 9 |
| Financial Summary | 11 |
| Financial Projections 2013 | 16 |
| Annual Plan Summary and Owners Resolutions 2012 | 17 |
| Strategic Plan Overview 2012 - 2015 | 18 |
| Investment Committee Report | 19 |
| Education & Cultural Committee Report | 20 |
| Grant Recipients..... | 21 |
| Shareholder Database Report..... | 23 |
| Shareholder Database Update Details Form..... | 24 |
| Trustee Nomination Form..... | 25 |
| Proxy Form | 26 |

AGM Agenda

1. Karakia
2. Mihi
3. Introduction of Trustees
4. Apologies & Proxies
5. Annual General Meeting Minutes 2011
6. Matters Arising from Annual General Meeting Minutes 2011
7. Chairpersons Report 2012
8. General Managers Report 2012
9. Summary of Financial Annual Result 2012
10. Financial Projections 2013
11. Annual Plan Summary
12. Resolutions for Owners Approval 2012
13. Strategic Overview 2012 - 2015
14. Investment Committee Report 2011
15. Education and Cultural Committee Report 2012
16. Shareholder Database Report 2012
17. Election of Trustees
 - a. Mere Lambert and Carlo Ellis retire by rotation and being eligible, both offer themselves for re-election.
 - b. All nominations must be made on the Ngai Tukairangi Trust Nomination Form and include a CV. Forms should be received by the Secretary at PO Box 10032, Bayfair, Mount Maunganui no later than 4.00pm, Friday 19th October 2012.
18. General Business

Lunch commences at 12.30pm

2011 AGM Minutes

AGM commenced at **10.20am**

Present:

| | |
|-----------------------|---------------------------------|
| Ratahi Cross | Chairperson /Trustee |
| Riri Ellis | Trustee |
| Anaru Timutimu | Trustee |
| Neil Te Kani | Trustee |
| Ngawa Hall | Trustee |
| Carlo Ellis | Trustee |
| Colin Jenkins | General Manager |
| James Stewart | Bennett Gibson Ltd (Accountant) |
| Reina Dickson | Trust Secretary |

And assembled registered shareholders – as filed

Karakia: Kihi Ngatai

- 1. Mihi:** Ratahi Cross
Ratahi introduced the assembled trustees, management, secretary and advisers

2. Apologies

Email/Phone/Fax/Post: Hinera- Tawhiorangi Trust), Tiana Bennett, Summer Bennett, Esther Joy Douglas, Ruth Hemi Reti, Kaekae Makere Hemi Reti- Baker, Sandy Bonny Hemi Reti, Inuwakamana Hemi Reti – Corkery

From assembled shareholders:

Maru Tamariki, Herby Hetaraka, Hararu Hetaraka, Violet Mahana, Hariru Heta, Chris Brown, Andrew Brown, Placid Briggs, Hiruke Ellis, Korau Te Kani, Lloyd Te Kani, George Te Kani, Lyn Te Kani, Mei Te Kani, Mere Cook, Rawiri Dickson, Amokeiha Smith, Mere Lambert, Hinga Dickson, Tata Poihipi, Tuikairangi Poihipi , Patariki Poihipi, Wiremu Hiamoe, Kuka Dickson, Tama Dickson, Christina Ellis Williams, Rona Smith, Hikareia Ellis, Waikaukau Hoko, Mahaki Ellis, Lincoln Smith, Tania Smith, Naomi Smith, Wiremu Smith, Marama Smith, Atamatea Hoko, Rere Walker, Rangi Dickson, Mereraiha Hoko, Rawiri Dickson, Kiriwaitai Dickson, Vaughan Hoko, Maru Tamariki, Rangihurhia Oliver, Mark Marshall, Poihaere Walker, Rere Walker, Rangi Dickson, Mereraiha Hoko, Patricia Jacobs, Placid Briggs, Denis Wetini, Rangitoia Wetini and Wetini whanau

MOTION: That the apologies are accepted

MOVED: Helen Te Kani

SECONDED: Kaumoana Gear

CARRIED

3. Proxies

Christine Ellis- Williams appoints Hinemarie Rangimarie Burton
Patricia D Burton appoints Mere Lambert
Tracy Moana Boyd appoints Mahaki Ellis
Matini Taikato appoints Parewhati Taikato
Hinerongo Walker appoints Marama Clarke
Fred Tapa Poihipi appoints Ratahi Cross
Wiremu Hiamoe appoints Nigel Hiamoe

MOTION: That the proxies are accepted

MOVED: Helen Te Kani

SECONDED: Kaumoana Gear

CARRIED

4. Annual General Meeting Minutes dated 29 October 2012

Taken as read

5. Matters Arising from 2010 Annual General Meeting Minutes dated 29 October 2012

5.1. The proposed orchard visit for shareholders was postponed due to Psa

MOTION: That the Minutes from the 2010 Annual General Meeting date 29 October are accepted

MOVED: Pauline Harawira

SECONDED: Pani Poihipi

CARRIED

6. Chairman's Report

As read from the 2011 AGM booklet

MOTION: That the Chairman's report be accepted

MOVED: Ratahi Cross

SECONDED: Waikaukau Poihipi

CARRIED

7. General Managers Report – Colin Jenkins

As read from the 2011 AGM booklet

We have the financial reserves available to survive Psa, the trust has cash in the bank and no mortgage.

7.1. Matters Arising

7.1.1. Hayden Henry: How are other countries combating the Psa disease?

Gold variety kiwifruit is virtually wiped out in Italy. The NZ climate is more favourable to Psa and is spreading more rapidly than Italy. Italy is not as organised and coordinated as NZ

7.1.2. Helen Te Kani: What are the effects of the spray on the community of Matapihi?

Spraying around housing areas are applied when weather conditions are favourable. The coppers & disinfectants used are non toxic. There is a notification process, and road signage is put in place. There is no spraying in blocks close to the school during school hours. A spray supervisor has been employed to manage the spraying operation.

7.1.3. Eddie Henry: Can chemical datasheets be made available?

Yes, they are available from the office

7.1.4. Mayanne Singh: There are more chemicals in cigarettes than chemicals used on the vines.

Supportive of Colin

7.1.5. Ratahi Cross: All precautions are taken to ensure the safety of the community

7.1.6. Hayden Henry: Where does the water go from the wash down station?

The water goes into a large offal hole

MOTION: That the General Managers Report be accepted

MOVED: Ratahi Cross

SECONDED: Mahaki Te Kani

CARRIED

8. Ngairoimata Cavill

Ratahi Cross acknowledged Ngairoimata Cavill, a shareholder in the Trust who passed away earlier this year.

9. Summary of Annual Results - James Stewart

Summary of Annual results for the 11 months ended 28 February 2011 as read by James Stewart

Net Operating Profit \$2,660,398

This year, the balance date was changed to 28th February, to better align with the kiwifruit season.

MOTION: That the Summary of Annual Results be accepted

MOVED: Matetu Waetford

SECONDED: Waikaukau Poihipi

CARRIED

10. Annual Plan Summary – Riri Ellis

As read from the 2011 AGM booklet

11. Owners Resolutions

11.1. Resolution 1: That the trust order is amended to allow the AGM to be held within 9 months of the end of the financial year.

MOVED: Ratahi Cross

SECONDED: Puna Faulkner

CARRIED

11.2. Resolution 2: That Bennett Gibson are appointed as auditor for the year ending 29/2/2012

MOVED: Pauline Harawira

SECONDED: Helen Te Kani

CARRIED

11.3. Resolution 3: That owners approve a dividend of \$600,000

MOVED: Ratahi Cross

SECONDED: All in Favour

CARRIED

12. Investment Committee Report - Anaru Timutimu

Te Puke property purchase:

The property at No 3 Road, Te Puke includes the orchard, cottage, and pack-house. Guaranteed income to 2014

Owens Place property purchase:

Tenants include WINZ & Downer Edi. Currently has a return of approximately 7%

Tukairangi Investments Ltd:

New subsidiary company formed, focused on expanding Ngai Tukairangi's business assets

12.1. Matters Arising

12.1.1. Hayden Henry: What is the future development plans for the Te Puke property?

Anaru: It is dependent on zoning

12.1.2. Mayanne: Do you see a pathway to gain from the fall of other orchards; is there an opportunity for this trust?

Ratahi Cross: It is possible we could expand our influence in other areas.

13. Education, Sports & Cultural Committee Report – Carlo Ellis

13.1. \$50,000 distributed for education grants

13.2. \$2,850 distributed for sports & cultural grants

13.3. \$5,900 distributed for community grants

13.4. 2011 Hinerau Huia Te Kani Excellence scholarship was awarded to Kiamaiia Ellis. Kiamaiia Ellis was in attendance and provided an introduction and report to the shareholders.

14. Shareholder Database Report

As read by Ratahi Cross

As at 27 October 2011

- 838 shareholders have 50 shares or less
- 582 shareholders have greater than 50 shares
- \$585,669.89 in unpaid dividends (owed to 782 shareholders)

Shareholders to ensure they notify of any changes to their address and bank account details

15. Trustee Elections

Trustees Ratahi Cross and Riri Ellis retire by rotation and offer themselves for re-election. There being no other nominations, Ratahi Cross and Riri Ellis are re-elected.

16. General Business

16.1. Upcoming General Elections

Whanau member Louis Te Kani is a candidate in this year's election

16.2. RENA Update

Update provided by Riri Ellis

Volunteers are still required to help with the RENA cleanup. Contact our Iwi Coordinators, Tania Smith, Hinenui Cooper, Ngawiki Dickson – Motiti, Donna Poka/Nessie Kuka – Matakana, Jason Ake – Tuhua, Brendon Taingahue, Wiremu Smith, BJ Williams, Porikapa Williams, Hamiora, Faulkner, Jack Thatcher
Ngawa Hall - ICC response centre

Ngai Tukairangi Trust has made a grant of \$5,000 to the response effort.

16.3. Grants

16.3.1. Pani Poihipi advised that a sports grant submitted had not been acknowledged.

Ratahi apologised, this application was not received

16.3.2. Rhys Kerapa, a tertiary grant recipient provided a report to shareholders

16.3.3. Mayanne Singh asked whether tertiary grants are available for part time courses.

Carlo advised that fulltime courses are the priority, however applications for part-time courses can be considered.

16.3.4. Hayden Henry thanks the trust for a community grant to the Matapihi Natives rangatahi sports team.

Karakia: Neil Te Kani

Meeting closed at 12.26pm

2011 AGM Attendance List

| | |
|----------------------------|------------------------------|
| Amaru Taikato | Mayanne Wiki-Singh |
| Angela Bryce | Michael Faulkner |
| Arahi Kanohi | Neil Te Kani |
| Bella Smith | Ngahuia Smith |
| Catherine Faulkner | Ngahuia Tuanau |
| Charlie Tai | Nigel Hiamoe |
| Charlott Harata Reti | Pani Poihipi Awatere |
| Christine James | Pare Kuka |
| Cyril Hakopa Te Teira Gear | Parewhati Taikato |
| Eruera Te Mete Henry | Pauline Harawira |
| Esther Placid | Penetaka Dickson |
| Gladys Richardson | Perry Tai |
| Hayden Henry | Pirihira Pettifer |
| Helen Te Kani | Poia Hoko |
| Hemi James Rolleston | Puawai Rameka |
| Hinemarie Burton | Puna Faulkner |
| Hinemoa Watene | Raewyn Taite |
| Irina Reti (Waimihi) | Rangi Oliver |
| Jennifer Poihipi | Ranginui Ngatai |
| Jessie Ross | Ratahi Cross |
| Jock Ellis | Ruiha Williams |
| Joe Briggs | Sue Smith |
| John Wikaire | Taku Paki |
| K Ngatai | Tamati Wiringi |
| Kararaina Walker | Te Huatahi Sydney |
| Kaumoana Gear | Te Ngaro Turiri Farrell |
| Kim Miriama Dickson | Te Rangi Tautahanga Rikihana |
| Korinthia Te Kani | Tui Yeager |
| M Te Kani | Vicky Smith |
| M Wiedraaijer | Waikaukau Poihipi |
| Mahaki Te Kani | Walter Dickson |
| Marama Clarke | William Warbrick |
| Marian Dickson | Wira Waters |
| Matenga Brown | |
| Matetu Waetford | |

Chairman's Report

E nga rangatira, E nga koroua me nga kuia
E nga whanau maha
Nau mai haere mai ki te hui a tau o te poari ahu whenua o Ngai Tukairangi
Tena koutou katoa

There is no other way to describe what is happening in our Industry than to say it's pretty scary. PsaV has become endemic throughout the eastern regions of the North Island with current feedback that Te Puke may become a "no-grow" zone for Kiwifruit in any variety at all.

The Trust has put in place many safe-guards to try to limit the spread of the disease through Matapihi and the greater Tauranga Moana area.

Colin will report in more detail about the changes we have made and the new variety we have gone into to lessen our risk to the disease and keep us continually developing our business.

The operations have run exceptionally well under the circumstances and we have had a good year of returns for our orchard for the period of 2011 to 2012. Colin and his team have once again proved their worth by these fantastic results. Our orchards stability can be put down to good management practices.

I would like to take this opportunity on behalf of you, our owners and the trustees to once again thank Colin and his team for the care and effort they have invested into our orchard.

We have been extremely vigilant in our operations and management of the Orchards and businesses in our portfolios.

We are not out of the fire yet but we believe that we can assure our owners that we are in a better position than most. We ask that you trust us to continue to manage your business.

As I said last year "Our Trust is feeling very positive about our future outlook even with this disease hanging over us. It is here now and we will deal with it as well as we can".

We will strive to maintain our leading edge in the Kiwifruit Industry, and we will strive to achieve the best dividends for our fruit so that we can share the rewards with our owners.

Last year, I informed you all that the chances of a dividend payout this year was most likely not going to happen but the orchard has surprised us once again with its great yields and we are in a position to offer the same dividend as last year.

The Trust has recommended a dividend payment of \$600,000 for this year.

Congratulations to our grant recipients who are aspiring to achieve higher levels of learning, the Trust on behalf of our owners wish you all the best for success in your chosen fields.

The Board would like to take this opportunity to wish you all a Merry Christmas and a prosperous New Year.

Ratahi Cross
Chairperson

General Managers Report

2012 Harvest

All our Green and a large volume of Gold were harvested early attracting good Kiwistart premiums. Fruit size and dry matter (taste) were also excellent. Right from the start of the season we had to deal with Psa and a poor bud break (from a mild winter), but with good decision making we have maximised the value of the fruit we had.

Yields are down but Orchard Gate Revenue per hectare is not.

| | | | | |
|-------|-----------------|-----------------|--------|------------------------|
| Green | 9,250 trays/ha | (\$50,000 OGR) | verses | 11,050 trays/ha (2011) |
| Gold | 13,260 trays/ha | (\$138,000 OGR) | verses | 16,240 trays/ha (2011) |

In addition we harvested nearly 50,000 trays of new variety fruit.

| | |
|-----|------------------------------|
| G3 | - 25,060 trays (Gold) |
| G9 | - 7,220 trays (Gold) |
| G14 | - 15,890 trays (Sweet Green) |

New Varieties

The decision was made back in May to cut out all our 16A Gold (and G9 Gold) as there was a high probability that we could not carry another crop on these vines because of their high susceptibility to Psa. We had already cut out nearly 4 hectares due to Psa infection. Zespri was offering a direct swap out of 16A Gold licence for G3 or G14 licence.

If we had tried to carry another 16A crop we would have compromised the stumps and made the establishment of new varieties more difficult.

So this winter we undertook our largest grafting exercise ever with 18 ha cut off and grafted to G3 and G14. Ngai Tukairangi Trust now has 44% of its 54ha in Green, 40% in G3 and 16% in G14. This gives us a good diversity of varieties.

Budbreak

With a colder winter and good winter chilling we have a very good bud break this spring on all our varieties. The challenge is to carry this crop through to harvest in a very difficult Psa environment. Gold fruit in particular will be worth a lot of money this season.

Development

The advent of Psa has curtailed most of our development, including the upgrading of our irrigation and frost protection on our main orchard. We however have erected some more artificial shelter in the Henry block and have purchased a new tractor.

Avocados

Export returns for last season were very disappointing, causing outrage in the industry. However our production last season was very good so our overall return was good.

We have just recently harvested this year's crop which is well down, which is usually the case following a high production year (the whole industry is well down). Export prices may also be affected by a large Australian crop.

Psa

Psa has certainly made kiwifruit growing very difficult, changing all our management practices. Instead of a production focus we are very concerned with survival.

There is no cure for Psa (it is a bacterial disease) and our best hope long term is more tolerant varieties that will come from plant breeding. In the meantime we have to spray extensively using protectant sprays like copper.

Good orchard hygiene, monitoring and removal of infection will also play a very important role. Probably the biggest factor will be the weather, especially if we get extended wet, cold and windy conditions.

Grey St

Considerable progress is being made towards bringing this building up to earthquake standard (it does not meet the minimum 33% of the building code). Plans have been drawn up to bring the building up to 66% of the code. We are currently negotiating with the tenants as they will need to move out for at least 3 months starting February while the redevelopment work is undertaken.

Final Comments (same comments as last year)

These are very difficult times but we are trying to remain optimistic and make wise decisions that will allow us to survive and bounce back strongly in the future.

Colin Jenkins

General Manager

Financial Summary

Ngai Tukairangi Group
Consolidated Statement of Financial Performance (Extract)
For the year Ended 29 February 2012
(Ngai Tukairangi Trust and Subsidiary)



| | Group 2012 \$ | Parent 2012 \$ | Parent 2011 \$ |
|--------------------------------------|---------------------|----------------------|----------------------|
| Fruit Revenue | 3,524,863 | 3,524,863 | 5,016,562 |
| Rental Revenue | 247,379 | 247,379 | 94,507 |
| Total Operating Revenue | 3,772,242 | 3,772,242 | 5,111,068 |
| Other Revenue | 79,143 | 79,143 | 42,209 |
| Total Revenue | 3,851,385 | 3,851,385 | 5,153,277 |
| Labour | 988,888 | 988,888 | 901,953 |
| Production Costs | 320,837 | 320,837 | 268,003 |
| Harvesting | 220,176 | 220,176 | 248,787 |
| Lease | 91,190 | 91,190 | 310,304 |
| Total Direct Costs | 1,621,090 | 1,621,090 | 1,729,048 |
| Gross Profit | 2,230,295 | 2,230,295 | 3,424,230 |
| Orchard Working Expenses | 123,195 | 123,195 | 151,420 |
| Orchard Overheads | 268,310 | 268,310 | 259,887 |
| Repairs & Maintenance | 77,666 | 77,666 | 130,915 |
| Vehicle Expenses | 72,425 | 72,425 | 38,235 |
| Administration Expenses | 404,560 | 403,250 | 233,231 |
| Standing Charges | 1,316 | 1,316 | 571 |
| Total Cash Expenses | 947,471 | 946,161 | 814,258 |
| Depreciation | 266,074 | 242,904 | 162,410 |
| Loss on Sale & Discard | 3,220 | 3,220 | 1,260 |
| Depreciation Recovered | (693) | (693) | (4,799) |
| Total Non-Cash Adjustments | 268,601 | 245,431 | 158,871 |
| Total Expenses | 1,216,072 | 1,191,592 | 973,129 |
| Operating Surplus | 1,014,223 | 1,038,703 | 2,451,101 |
| Add Other Realised Gains | | | |
| TECT | 2,330 | 2,330 | 2,317 |
| | 1,016,552 | 1,041,032 | 2,453,418 |
| Less Other Realised Losses | | | |
| Capital Loss on Sale of Fixed Assets | - | - | 86,726 |

Ngai Tukairangi Group
Consolidated Statement of Financial Performance (Extract)
For the year Ended 29 February 2012
(Ngai Tukairangi Trust and Subsidiary)

| | Group 2012 \$ | Parent 2012 \$ | Parent 2011 \$ |
|------------------------------------|---------------------|----------------------|----------------------|
| Dividends Received | 52,507 | 52,507 | 128,366 |
| Interest Received | 236,239 | 460,029 | 493,268 |
| Net Rental Profit | 466,330 | 187,708 | 177,583 |
| Net Surplus Before Taxation | <u>1,771,628</u> | <u>1,741,276</u> | 3,165,908 |
| Less | | | |
| Taxation Overprovided | (195,000) | (195,000) | - |
| Provision For Tax | 456,184 | 454,421 | 589,918 |
| Taxation | <u>261,184</u> | <u>259,421</u> | 589,918 |
| Net Surplus After Taxation | <u>1,510,444</u> | <u>1,481,855</u> | 2,575,989 |
| Less | | | |
| Owner Divided Payments | 600,000 | 600,000 | 840,000 |
| Net Surplus Retained | <u>910,444</u> | <u>881,855</u> | 1,735,989 |

Ngai Tukairangi Group
Consolidated Statement of Movements in Equity (Extract)
For the Year Ended 29 February 2012
(Ngai Tukairangi Trust and Subsidiary)

| | Group 2012 \$ | Parent 2012 \$ | Parent 2011 \$ |
|--|---------------------|----------------------|----------------------|
| Opening Equity | 31,413,933 | 31,413,933 | 33,177,194 |
| Add Recognised Revenue & Expenses: | | | |
| Net Trustee Income | 910,444 | 881,855 | 1,735,989 |
| Unclaimed Dividends Written Back | (2,331) | (2,331) | 3,671 |
| Property Revaluation | (5,594,368) | (5,662,538) | (2,434,521) |
| Unrealised Gains/Losses on Investments | 59,387 | 59,387 | (1,065,750) |
| | <u>(4,626,868)</u> | <u>(4,723,627)</u> | <u>(1,760,611)</u> |
| | 26,787,065 | 26,690,306 | 31,416,583 |
| Less Distributions to Owners | | | |
| Grants Education | (50,000) | (50,000) | 2,500 |
| Grants - Other | (15,150) | (15,150) | (5,150) |
| | <u>(65,150)</u> | <u>(65,150)</u> | <u>(2,650)</u> |
| Closing Equity | <u>26,721,915</u> | <u>26,625,156</u> | <u>31,413,933</u> |

Ngai Tukairangi Group
Consolidated Statement of Financial Position (Extract)
As at 29 February 2012
(Ngai Tukairangi Trust and Subsidiary)

| | Group 2012 \$ | Parent 2012 \$ | Parent 2011 \$ |
|--------------------------------|---------------------|----------------------|----------------------|
| Current Assets | | | |
| Bank | 4,329,737 | 4,186,749 | 9,602,084 |
| Income Equalisation Account | 1,000,000 | 1,000,000 | - |
| Accounts Receivable | 676,358 | 676,358 | 578,298 |
| Payments Received in Advance | 3,253 | - | - |
| Interest Accruals | 23,763 | 40,195 | 56,768 |
| | 6,033,111 | 5,903,303 | 10,237,150 |
| Related Party Current Accounts | - | 13,263 | - |
| Non Current Assets | | | |
| Investments - Property | 5,525,000 | 1,400,000 | 4,206,951 |
| Investments - Loans | - | 4,150,000 | - |
| Investments - Shares | 1,922,453 | 1,922,553 | 1,861,951 |
| | 7,447,453 | 7,472,553 | 4,206,951 |
| Fixed Assets | 14,298,349 | 14,298,349 | 18,351,728 |
| Intangible Assets | 12,670 | - | - |
| Total Assets | 27,791,583 | 27,687,468 | 32,795,829 |
| GST Payable | 102,329 | 94,611 | 12,923 |
| Accounts Payable | 179,982 | 179,877 | 433,564 |
| Receipts in Advance | 6,750 | 6,750 | - |
| Unclaimed Dividends (Net) | 629,426 | 629,426 | 653,685 |
| Taxation Payable | 151,181 | 151,647 | 281,724 |
| | 1,069,668 | 1,062,312 | 1,381,896 |
| Total Liabilities | 1,069,668 | 1,062,312 | 1,381,896 |
| Net Assets | 26,721,915 | 26,625,156 | 31,413,933 |

Financial Projections 2013

NGAI TUKAIRANGI TRUST



PRODUCTION

| YR OF HARVEST | GREEN VARIETIES | | | GOLD VARIETIES | | | AVOCADO | | |
|---------------|-----------------|---------|--------|----------------|---------|--------|-----------|---------|--------|
| | AREA (HA) | TRAYS | PER HA | AREA (HA) | TRAYS | PER HA | AREA (HA) | KG | PER HA |
| 2000 | 28.1 | 228,814 | 8,157 | 10.5 | 156,114 | 14,812 | 4.5 | 58,115 | 12,914 |
| 2001 | 21.6 | 214,756 | 9,942 | 13.7 | 130,604 | 9,533 | 4.5 | 108,223 | 24,050 |
| 2002 | 21.6 | 208,859 | 9,669 | 20.6 | 211,339 | 10,259 | 10.9 | 68,854 | 6,317 |
| 2003 | 25.8 | 171,064 | 6,630 | 20.6 | 229,818 | 11,156 | 10.9 | 85,020 | 7,800 |
| 2004 | 25.8 | 291,168 | 11,286 | 20.6 | 323,686 | 15,713 | 10.9 | 81,129 | 7,443 |
| 2005 | 25.8 | 268,132 | 10,393 | 20.6 | 264,178 | 12,824 | 10.9 | 232,124 | 21,296 |
| 2006 | 25.8 | 269,523 | 10,447 | 20.6 | 325,493 | 15,801 | 10.9 | 181,217 | 16,625 |
| 2007 | 27.5 | 295,467 | 10,744 | 21.4 | 307,959 | 14,391 | 10.9 | 139,000 | 12,752 |
| 2008 | 27.9 | 305,036 | 10,933 | 21.5 | 427,477 | 19,883 | 10 | 165,385 | 16,539 |
| 2009 | 27.9 | 333,346 | 11,948 | 21.5 | 328,307 | 15,270 | 10.0 | 156,265 | 15,627 |
| 2010 | 27.4 | 317,213 | 11,581 | 21.9 | 312,741 | 14,261 | 8.3 | 146,211 | 17,552 |
| 2011 | 23.2 | 259,913 | 11,208 | 18.5 | 307,728 | 16,643 | 6.2 | 87,819 | 14,164 |
| 2012 | 22.6 | 175,856 | 7,785 | 18.8 | 224,586 | 11,946 | 2.6 | 68,550 | 26,365 |

FINANCIAL PROJECTION FOR THE YEAR ENDING 28TH FEBRUARY 2013

| INCOME | CANOPY HA | TRAYS | | \$ | PER HA | OGR |
|--------------------------|-----------|---------|-------|-----------|------------|----------|
| | | | | | | PER TRAY |
| GREEN GROSS PROFIT | 22.59 | 175,856 | TRAYS | 188,199 | \$ 8,331 | \$ 1.07 |
| GOLD GROSS PROFIT | 18.80 | 224,586 | TRAYS | 1,906,748 | \$ 101,422 | \$ 8.49 |
| AVOCADO GROSS PROFIT | 2.60 | 68,550 | KG | 16,310 | \$ 6,273 | |
| GREY STREET GROSS PROFIT | | | | 141,036 | | |
| RENTALS | | | | 266,340 | | |
| INTEREST | | | | 471,237 | | |
| DIVIDENDS | | | | 54,300 | | |
| SUNDRY INCOME | | | | 2,000 | | |

TOTAL 3,046,170

EXPENDITURE

| | |
|-------------------------------|------------------|
| MANAGEMENT & GENERAL LABOUR | 332,600 |
| ORCHARD OVERHEADS | 43,200 |
| REPAIRS & MAINTENANCE | 99,600 |
| VEHICLE EXPENSES | 68,000 |
| ADMINISTRATION & OVERHEADS*** | 266,190 |
| FINANCIAL EXPENSES | 1,200 |
| DEPRECIATION | 220,000 |
| TAXATION | 490,466 |
| GRANTS/DONATIONS | 65,012 |
| TOTAL | <u>1,586,268</u> |

NET PROFIT AFTER TAX

1,459,902

*** INCLUDING:

| | |
|----------------------|----------------|
| ACCOUNTANCY/AUDIT | 21,350 |
| ADVERTISING | 1,800 |
| DIVIDEND PROCESSING | 9,600 |
| FEASIBILITY STUDIES | 4,000 |
| FINANCIAL CONTROL | 3,000 |
| INSURANCE | 20,000 |
| LEGAL | 16,000 |
| MEETING EXPENSES | 13,000 |
| FOMA EXPENSES | 5,000 |
| RATES | 56,000 |
| SECRETARIAL | 42,240 |
| SUBSCRIPTIONS | 600 |
| TRUSTEE EXPENSES | 60,000 |
| OFFICE/TELEPHONE ETC | 13,600 |
| TOTAL | <u>266,190</u> |

STATEMENT OF FINANCIAL POSITION AS AT MARKET VALUES

| AS AT 28th February..... | ACTUAL 2012 | ESTIMATE 2013 |
|--|-----------------------|--------------------|
| ASSETS | | |
| 55.8 HA NGAI TUKAIRANGI ORCHARD, MATAPIHI, TAURANGA(80%) | 7,488,000 MV | 8,500,000 MV |
| 14.56 HA INVESTMENT ORCHARDS (6 TITLES), MATAPIHI | 4,430,000 MV | 5,000,000 MV |
| 36-42 GREY STREET, TAURANGA | 1,400,000 MV | 1,400,000 MV |
| NO. 3 ROAD TE PUKE | 1,875,000 MV | 1,875,000 MV |
| LOANS - TUKAIRANGI INVESTMENTS LIMITED | 4,150,000 MV | 4,150,000 MV |
| PLANT & VEHICLES | 505,349 BV | 500,000 BV |
| TE AWANUI HUKA PAK CO-OPERATIVE LTD SHARES 26% | 1,432,343 MV | 1,500,000 MV |
| OTHER SHARE INVESTMENTS | 490,210 MV / PAR | 550,000 MV / PAR |
| CURRENT ASSETS | 5,916,563 BV | 6,500,000 BV |
| TOTAL ASSETS | <u>27,687,465</u> | <u>29,975,000</u> |
| LIABILITIES | | |
| UNCLAIMED DIVIDENDS | 629,426 | 600,000 |
| CURRENT LIABILITIES | 432,884 | 400,000 |
| | 4% <u>1,062,310</u> | <u>1,000,000</u> |
| NET ASSETS | 96% <u>26,625,155</u> | <u>28,975,000</u> |
| 1,161,162 SHARES | \$ 22.93 PER SHARE | \$ 24.95 PER SHARE |

Annual Plan Summary and Owners Resolutions 2012

Long Term Goal

The Trust long term goal is to “expand the net assets of the Trust to \$40 million with a strategy to decrease its income reliance on kiwifruit to less than 50% and increase the sustainable tax-paid profit to \$2 M per annum by 2015”.

Growth Strategy

Growth

The Trust’s net assets have recently decreased slightly to \$26.7million. The long term strategy is to reduce reliance on kiwifruit income to 50% of the total. It is estimated that the asset base will need to increase to \$40 million to achieve this. This means that a major portion of profits will continue to be retained for growth diversification. A strong focus in the past has been on maximising profitability from the kiwifruit operations and looking towards investment in non-kiwifruit investments. This year a core focus will be to survive through to a post-PSA kiwifruit environment. We are not out of danger yet.

Investment Strategy

The current investment strategy is one of survival and diversification; therefore any decisions being made are careful and considered. We are yet to appreciate what a PSA kiwifruit environment means for our long term survival in this industry. We will report more substantially on our next set of strategies in the following year.

Annual Plan Activities

The key activities for the 2012-2013 year involve the maintenance of our core orchard operations; and the advancement of further opportunities in non-horticultural activities such as property. No major changes have occurred in this core direction for our business operations. The charitable functions of the Trust will continue to operate through the Education and Cultural Committee.

Resolutions for Owners Approval

Resolution 1: That a dividend payment of \$600,000.00 is approved.

Resolution 2: That the Audited Accounts 2011-2012 and the Financial Projections for 2013 are approved.

Resolution 3: That \$65,000 is set aside for tertiary scholarships; community, cultural and sporting grants.

Resolution 4: That Bennett and Gibson is appointed as the Auditor for the Year Ended 28 February 2013.

Strategic Plan Overview 2012 - 2015

Vision

Manaakitia nga taonga tuku iho. Whaia nga wawata. Kia tu rangatira nga tangata.
Strong culture – strong business – strong people

Mission Statement

To be a leading Maori business, to protect the land and maximize returns to shareholders

Values and Guiding Principles

| | |
|---|--|
| <p>Manaakitia nga taonga Matapihi First Ngai Tukairangi, Ngaiterangi, Tauranga Moana Rangatiratanga Dignity, respect and humility</p> | <p>Whanaungatanga Entrepreneurial spirit Sharing our wealth Full accountability Kotahitanga and Partnerships</p> |
|---|--|

Current Position 2012

- Assets valued at \$26.7m
- Net profit of \$1.5m for 2011-12
- 53.5% of assets in orchard operations and land.
- 46.5% of assets in cash, commercial property and equities
- Industry leader in kiwifruit
- Regional leader for Tauranga Moana Trusts.
- Single entity owning multiple assets.
- Maori owned ahu whenua Trust.

Future Position 2015

- Assets valued at \$40m
- Sustainable net profit of \$2.5m 2015 beyond
- Industry leader in kiwifruit
- 50% of assets in orchard operations and land
- 50% of assets in non-orchard operations
- Strong Trust structure aligned with business activities

Nga Taonga Tuku Iho

To preserve, maintain, protect and enrich Ngai Tukairangi taonga, whenua and whanau.

Nga Wawata

To establish an economic platform that creates business opportunities and financial wellbeing

Kia tu rangatira nga tangatira

To establish a support platform for our people to be successful.

- As prioritised by the trustees

Strategic Priorities

- As prioritised by the investment committee (regarding non-horticultural activities)
- As prioritised by the operations committee (regarding horticultural activities)

- As prioritised by the community and education committee

Investment Committee Report

Tena koutou katoa

This years report mirrors many of the issues raised last year particularly in regards to the need to take a careful and considered approach to investments with our core business area continuing to be impacted by PSA. As a result, activity was limited as we were unsure whether all of the reserves in place would be needed to rebuild the orchard. The core activities of the investment committee and subsequently the investment company have been to maintain growth in the existing asset base and to explore opportunities that arise.

Commercial Property

The Trust has two commercial properties – one is owned by the investment company and the other by the main Trust. The Trust owned property is undertaking major restructuring work in order to address the earthquake strengthening requirements (as reported by our General Manager) and the WINZ building on Owens place continues to operate well. The new valuation of the property has helped increase the value of the investment company this year which is a positive trend forward. We continue to look into property; particularly if that property is in our own area. However, as these types of ventures require significant resourcing for the investment; decisions are not automatic - every decision requires careful consideration and thought.

Future Opportunities

We have not been able to implement previous strategies identified by the Trust; including the acquisition of more kiwifruit property; nor the expansion outside of our current land holdings. We have reviewed some options around becoming more involved in tourism, property and shares and equities. Whilst all of these are good options; they have not been rigorously interrogated given the status of our core business.

Future Activities

Caution in the industry has led the trustees to re-think the approach to business so much so that clear differentiation between our horticultural business and other business now needs to be separated completely. The trustees will be working to make that happen this forthcoming year. Owners can be rest assured that our Trust is focused on ensuring that our business survives and flourishes and that ground work is being done to consolidate our operations moving into the future.

Lastly, we wish to acknowledge our Uncle Mahaki who passed away shortly after our AGM last year. He was not only a man of the marae; he was a leader of our business and a leader of our hapu and iwi. We miss his challenging mind, his sharp intellect, his dogmatic fortitude and his absolute commitment to being great at what he did....he even had time to walk up Mauao nearly every day. *Moe mai ra Uncle.*

Riri Ellis, Anaru Timutimu and Neil Te Kani

Investment Committee

Education & Cultural Committee Report

Kia ora shareholders;

The Community and Education Sub-committee is made up of Carlo Ellis, Ngawa Hall and Ratahi Cross. We have been pleased to see many applications made for support from our shareholders and their whanau this year and the summaries of grants made are attached to this report. In particular we see the range of activities expanding every year as our beneficiaries get involved in many different activities and we are pleased to lend support as often as possible.

This year saw over 50 applications for education grants and we were pleased to have the services of Professor Patricia Johnston of Te Whare Wananga o Awanuiarangi as an independent assessor to guide our funding decisions. We had to negotiate our way around some overseas commitments she had before we could complete the assessment process but we don't anticipate any delays for future processes.

The grants themselves saw us supporting a wide range of tertiary study; from entry level study by some of our school leavers to others in the throes of long term courses such as Medicine. Please take the time to look over the recipients and keep an eye out for their achievements in the years to come.

The Community Grants included assistance for Rena recovery, the Cultural Grants featured 12 students of Matapihi School being supported to make a cultural exchange to Rarotonga and the Sports Grants helped beneficiaries represent at various levels for touch rugby, swimming, waka ama, basketball, karate, softball and netball. All of these grants will assist our people to be better off whether it is through protecting their environment or widening their horizons and experiences.

Finally, with approval from the full trust, three marae grants were made to Hungahungatoroa Marae, Whareroa Marae and Waikari Marae. These grants were long overdue and represented the delivery of the vision of many trustees before the current group. The purpose was to provide a significant contribution to the upkeep of these marae who have supported the development of the trust over the last thirty years. Those of you involved with these three marae will have seen the improvements made over the last year and we have been pleased to contribute to the good work made by each of their respective marae committees.

As always, we look forward to seeing the development of all the people we invest in and we hope they will find a way to contribute back to the Trust in due course. Their progress and achievements are our greatest reward.

Carlo Ellis, Ratahi Cross, Ngawa Hall
Community and Education Sub Committee

Grant Recipients

Grants awarded since last the AGM

Education Grants: \$45,400

| | |
|-----------------------|---|
| Alice MCLEOD | Certificate in University Preparation and Bachelor of Business Management |
| Brody RIKIHANA | Certificate in Audio Engineering |
| Carol HODGE | Diploma of Nursing |
| Cheryl CAMP | Bachelor of Nursing |
| Chynna GLEESON | Bachelor of Medicine and Bachelor of Surgery |
| Cynthia CLAY | Bachelor of Nursing |
| Denise TAIKATO | Bachelor of Nursing |
| Douglas PATERSON | Diploma in Applied Sport & Exercise Leadership (Level 5) |
| Edward HAKOPA | Poutuarongo Toko Mana, Bachelor of Administration |
| Emma BROWN | Bachelor of Engineering |
| Fallon FAULKNER | Bachelor of Nursing |
| Graeme CASHMORE | Bachelor of Physiotherapy |
| Hayden HENRY | Bachelor of Social Studies |
| Hayden JACOBS | Bachelor Environmental Management |
| Hemi MCLEOD | Certificate in Carpentry Levels 3 & 4 |
| Hikitapua NGATA | Bachelor of Engineering |
| Hinekaha ENOKA | Bachelor of Maturanga Maori |
| Hineteora DICKSON | Bachelor of Teaching (Primary) |
| Ibrahim SOLOMAN | Bachelor of Medicine & Surgery |
| Jamie FLINT-ROLLESTON | Bachelor of Arts - Te Reo Maori |
| Janet FARRELL | Bachelor of Education |
| Joe-anne WALTERS | Graduate Diploma in Teaching |
| John PELASIO | Bachelor of Communications |
| Julia BORASTON | Bachelor of Law |
| Kane RUDOLPH | Bachelor of Sport and Leisure Studies |
| Katerina WAIARI | Certificate in Technology Level 4 |
| Kayla HEMANA SMITH | National Certificated in Salon Support Level 3 |
| Kenyon SHANKIE | Bachelor of Music and Bachelor of Commerce |
| Lorraine HAKOPA | Bicultural Practice Social Work |
| Maraea TIMUTIMU | Graduate Diploma in Teaching |
| Merie TAYLOR | Bachelor of Teaching |
| Monique RANGI | Bachelor of Teaching and Bachelor of Maori Performing Arts |
| Nigel MORUNGA | Bachelor of Teaching |
| Parewhati TAIKATO | Toi Paemataua Raranga Level 4 |
| Patrick POIHIPI | Bachelor of Teaching |
| Ross FLINT | Certificate in Sports Leadership(Applied) Level 4 |
| Ruby FAULKNER | Health Science Pre-Medicine |
| Samuel PATERSON | Bachelor of Dental Surgery |
| Sarah ROBERTS | Bachelor of Health Science (Midwifery) |
| Shaina RIRINUI | Certificate in Hairdressing Level 4 |
| Takutai WATTS | Diploma in Raranga |
| Tania SMITH | Bachelor of Nursing |
| Te Ruapeka TAIKATO | Bachelor of Hapu Development |
| Tirikawa DICKSON | Bachelor of Applied Management |
| Tyla FARRELL | Diploma in Sport & Fitness Education |
| Tyler RUDOLPH | Bachelor of Medicine and Bachelor of Surgery |
| Violet MAHANGA | Post Graduate Maori Management & Diploma in Te Reo Maori |
| Wiremu SMITH | Te Ahu Taiao |
| Zachary NEVISON | Bachelor of Commerce and Administration |

Sports Grants:

| | |
|------------------|--|
| Harmony Dinsdale | BOP U19 Mixed Touch Rugby Nationals Palmerston North \$250 |
| Danielle Waiari | NZ Age Group Swimming Championships Wellington \$350 |
| Anaru Tarawhiti | 2012 International Va'a Sprint Championships Canada \$500 |
| Tara Reed | NZ U16 National Junior Basketball Australia \$500 |
| Jackson Ellis | NZ Youth Men's Under 17 Volleyball Melbourne \$500 |
| Trinity Miller | Australian Karate National Championships \$350 |
| Caitlin Miller | Australian Karate National Championships \$350 |
| Liam Oleary | Australian U19 Softball to Argentina \$500 |
| Kieran Oleary | Australian U19 Softball to Argentina \$500 |
| Mihi-Keita Ngata | North Island Secondary Schools Netball Auckland \$350 |

Cultural Grants

| | |
|----------------------------------|---|
| Khyla Rosana Rupapera | 2011 World Hip Hop Championships Sydney \$500 |
| Te Kura o Matapihi – 12 Students | Cook Island Cultural Exchange \$2,400 |
| Ruatahapari Sadlier-Morunga | Kapahaka Group Tour to China \$500 |
| Aria Henry | 2012 World Hip Hop Championships Netherlands \$500 |
| Ria Hall | Production of Bilingual album "Rules of Engagement" \$500 |

Community Grants

| | |
|------------------------------|--|
| Te Runanga o Ngaiterangi Iwi | RENA Iwi recovery assistance \$5,000 |
| Hungahungatoroa 1B2B2 Trust | Landscaping & beach access \$500 |
| Tutara Kauika Kapahaka | Mataatua Kapahaka Regionals, Omaio \$500 |
| Te Toka Tu Kapahaka | Mataatua Kapahaka Regionals, Omaio \$500 |
| Matapihi Sports | To host Pa Wars 2012 |

Marae Grants

| | |
|-----------------------|----------|
| Hungahungatoroa Marae | \$50,000 |
| Waikari Marae | \$50,000 |
| Whareroa Marae | \$50,000 |

Application forms for any of the grants listed above are available on our website www.ngaitukairangitrust.co.nz or by phoning the Secretary on (07) 578 6683

Shareholder Database Report

Shareholder Database Report

2 October 2012



The Ngai Tukairangi No 2 Trust shareholder and dividend distribution database is administered by Te Awanui Huka Pak Ltd, based at Totara Street, Mount Maunganui.

Ngai Tukairangi Trust currently has 1,449 shareholders with total shares of 1,161,162.1963.

We have contact mailing addresses for 1084 shareholders. The remaining 365 shareholders we require contact information for. A list of all shareholders will be provided at the AGM for you to check your contact details, or to advise any whanau contacts. A 'Shareholder Database Details Form' is included in this booklet for you to complete if you wish to notify us of any changes to your address or bank account information. This can also be completed on Ngai Tukairangi No 2 Trust's website www.ngaitukairangitrust.co.nz.

There are still a number of shareholders with unpaid dividends against their shareholding. A total of \$598,550.04 is unclaimed. Below is a summary of amounts owed by shareholders:

| <i>Amount</i> | <i>No. of Owners</i> | <i>No. Deceased</i> |
|---|----------------------|---------------------|
| Under \$20 <i>(Minimum payment policy is \$20)</i> | 441 | 25 |
| \$20-\$1,000 | 339 | 128 |
| \$1,000-\$5,000 | 71 | 38 |
| Over \$5,000 | 18 | 15 |

[A list of shareholders with unpaid dividend amounts will be also available at the AGM]

In order to receive any unpaid dividends you will need to be the listed owner of the shares. If you are a whanau of a listed owner who is deceased your whanau will need to apply for succession to these shares through the Maori Land Court. Unfortunately we are unable to process any succession or transfer of shares unless we receive a copy of the Final Court Order from the Maori Land Court. It is up to you, as the shareholder, to provide us with a copy of any documentation from the Maori Land Court to keep your records up to date on the Ngai Tukairangi No 2 Trust shareholder database. We encourage shareholders who wish to succeed to interests to form whanau trusts to prevent the "watering down" of shares. Your local Maori Land Court office will be able to provide details on this process.

Please do not hesitate to contact our database administrator, Kelly Morgan on (07) 572 5955 or via email kelly@teawanui.co.nz for any further information on your shareholding.



Shareholder Database Update Details Form

Shareholder / Owner Details

First Name(s): _____ Surname: _____

Also Known as: _____

Date of Birth: ____/____/____

Or if shares are owned by a Whanau Trust, please complete below

Whanau Trust Name: _____
(Please attach a copy of your Whanau Trust Deed)

Contact Trustee: _____ Trust Formation Date: ____/____/____

Postal Address: _____ Postcode: _____

Home Phone: _____ Mobile: _____

E:mail: _____

IRD Number: _____ - _____ - _____

Bank Account Details:

Please attach a copy of your bank account deposit form or a bank generated form showing your account name and account number in full. Payments will not be made to an account name that does not match the shareholder name. If you are supplying overseas bank account details, please also provide your bank branch name, branch address and the international bank swift code.

Bank Name: _____ Branch: _____

Bank Account No: ____ - ____ - ____ - ____

The Trust has a minimum payment policy of \$20.00. If your dividend is below this amount, your dividends will accumulate until the minimum payment amount is reached.

Signature: _____ Date: _____

Return Form to: Te Awanui Huka Pak Co-Operative Ltd
PO Box 4626, Mt Maunganui South 3149
Phone: 07 572 5955 Fax: 07 575 9573
Email: kelly@teawanui.co.nz

Trustee Nomination Form

The following person is nominated as a Responsible Trustee for the Ngaï Tukairangi Trust to be elected at the 2012 Annual General Meeting of Shareholders to be held on Friday 26 October 2012

Full Name of Nominee (Please print clearly)

Postal Address

Occupation

Shareholder Number(s)

The Nominee gives his/her consent to act as a Responsible Trustee for the Ngaï Tukairangi Trust

Signature

Date

A brief CV is required

This nomination is made by:

Full Name of Nominator (Please print clearly)

Postal Address

Signature

Shareholder Number(s)

And seconded by

Full Name of Seconder (Please print clearly)

Postal Address

Signature

Shareholder Number(s)

Nominations close at 4pm, Friday 19th October 2012

Please return to: Ngaï Tukairangi Trust, PO Box 10032, Bayfair, Mt Maunganui, 3152
Fax: (07) 578 6684

Proxy Form

Proxy form to be used at the Ngai Tukairangi Trust 2012 Annual General Meeting of assembled shareholders

I _____

Of _____

(Full Postal Address)

Being a shareholder of the Ngai Tukairangi Trust **DO HEREBY APPOINT**

As my Proxy

_____ My Share holder Number(s) is/are (If known)

Signature of Shareholder/Trustee/Executor

Date

This proxy form is witnessed by:

The persons following are qualified to act as witness: Kuia / Koroua, Solicitor of the High Court, Justice of the Peace, Postmaster, Licenced Interpreter of the Maori Language, Registered Medical Practitioner, Officiating Minister, Registered Nurse, School Teacher, Officer of the Department for Courts, Chartered or Registered Accountant.

Full Name of Witness (Please print clearly)

Full Postal Address

Signature

Position

Date

**Proxies must be received by the Secretary by 10am, Thursday 25th October 2012
or handed in at the meeting.**

Please return to: Ngai Tukairangi Trust, PO Box 10032, Bayfair, Mt Maunganui 3152, Fax: (07) 578 6684