

NZF
29/04/2008

Market Information

NZF Group Limited (NZF) full year audited result announced

NZF Group Directors report a successful result despite an extremely challenging year. The company's operating profit is up 21 per cent to just over \$4 million (\$4.025 million) for the year ended March 31 2008. The operating profit for 2007 was \$3.320 million when excluding the one off profit (\$3.516 million) from the sale of NZF's investment in Mike Pero Mortgages.

A fully imputed final dividend of one cent per share has been declared.

Total assets are up 41.3 per cent from \$199.453 million to \$281.891million. Equity in the business has also grown, up 14.9 per cent from \$21.176 million to \$24.334million.

Highlights for the past 12 months include:

- **Increasing** total bank lines to \$263 million. \$200 million from Westpac, a \$60 million CBA line and \$3 million ASB line.
- **Increasing** total equity by 14.9 per cent.
- **Increasing** total assets by 41.3 per cent.
- **Increasing** loan book from \$172 million to \$245 million.
- **The purchase** of a 51 per cent interest in Finance Direct.

The Directors report that while one can not ignore the realities of the past 12 months for NZF Group it is business as usual. The company has always taken a conservative approach and has an experienced and stable financial management team.

Despite the challenging year the Directors are pleased to report that profit is up as a result of operating activities.

Last year the company reported no bad debt write offs. Five years ago the company wrote off \$22,123. This year the company reports one bad debt amounting to \$158,124.

The Directors add, they don't expect the next 12 months to be very much different to the current climate. However their view is that NZF is well-positioned to adapt to the changing economic environment.

Richard Waddel, Chairman, adds "We have always been a conservative finance company and taken the view we are here for a long time not a good time. We are probably the smallest finance company on the NZX and we have been selective and cautious about the areas we have invested in. As a result of our small size we are probably more nimble and able to respond to the changing environment finance companies are facing. The company has performed well in this difficult environment and we are confident that the decisions we have made will result in our continued success. "

Ends



Richard Waddel
Chairman

See the NZX release for more detail and
for further information please contact:

Richard Waddel, Chairman Tel (0274) 941 690

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