



Panui No. 9

MANGATU SHAREHOLDERS UPDATE

Ko Maungahaumi te maunga

Ko Mangatu te awa

Ka tere ki tewai o Paoa

Ka Kopututea te putanga ki te Moananui a Kiwa

Tihei mauriora

Nga Rangatira, Nga Kaitiaki o nga whenua o Mangatu. Tena koutou katoa.

1. Mangatu Shareholders' Claim to Part of Mangatu Forest

The Tribunal's decision came out on 23 December 2013, just before Christmas. The Mangatu Claim was dismissed along with those of Ngariki Kaiputahi and Te Whanau A Kai. Te Aitanga A Mahaki & Affiliates' (TAMA) claim was left open pending settlement discussions with the Crown.

The Committee of Management is naturally very disappointed in the outcome for Mangatu.

However, we continue to remain patient since this journey commenced in 1992 and are now considering our options going forward.

2. Mangatu Blocks Incorporation Annual General Meeting

The AGM was held at the Mangatu office in Gisborne on 14 February 2014 and was once again well attended. Several key areas that were covered at the AGM included:

Committee of Management Elections

There were two positions available on the Committee of Management and these were filled by the two nominations received thus there was no election required.

The positions on the Committee went to Tama Brown, a current Committee Member, and Jacob Haronga.

Jacob, like Michelle Hippolite whom he replaces, reflects the next generation of talented whanau.

Jacob is a senior policy advisor with Federated Farmers and brings advocacy, knowledge and skills in areas that have considerable impact on Mangatu's businesses.



Mangatu Group Finances

The Mangatu Group and its various businesses continue to provide strong, sustainable profits and cash flows as its businesses continue to grow, invest and build for the future. Some key financials details are as follows:

| | \$ millions | 2013 | 2012 |
|--------------------------------|-------------|----------------|---------|
| Group Net Profit Before Tax | | \$8.708 | \$5.434 |
| Group Net Operating Cash Flows | | \$2.803 | \$4.146 |
| Group Net Equity | | \$156.5 | \$149.7 |

Integrated Foods

Integrated Foods Limited has expanded its lamb farming business to Manitoba, Canada in partnership with one of the leading sheep operations in that country. The intention is to expand the domestic lamb business in conjunction with importing our New Zealand products into the North American markets so we can supply the market year round.

Integrated Foods launched its retail direct brand “Lamb Club” at the Auckland Food Fair in November.

We hope to improve returns by gradually moving our lamb product from the current 100% wholesale markets to a modest percentage of direct to consumer over time. We are looking to launch the brand in Canada later this year.



Forestry

Mangatu’s exotic pine forests of approximately 5,000 ha will, from this year onward, be harvested all year round on a sustainable basis. This side of the business will start to grow returns providing log prices remain buoyant in the foreseeable future.

Kiwisaver

The Committee are aware that very few Maori, compared to the general population, have a Kiwisaver account. At the AGM in February 2014 shareholders approved a resolution that the Committee of Management proceed with the introduction of a gifting program for eligible owners, their children, grand children and other descendants who do not have a Kiwisaver account to encourage them to sign up for one.

As such the Committee would like to provide a modest contribution by way of a gift of \$100 each to encourage eligible owners and their descendants to enrol in a Kiwisaver account and access the government’s \$1,000 contribution while it lasts.

From the budget approved of \$20,000 only the first 200 eligible applications will be considered. If eligible applications exceed 200 a list will be compiled to approve at the following year’s AGM.

Further details on the scheme will be forthcoming.



Whanau Trust access to Kaumatua and Tangi Grants

In response to a request from last year's AGM, the Committee agreed that kaumatua and tangi grants would be made available providing the Trust has more than the minimum shares and applicants are able to show whakapapa connection to such shares.

3. Shareholders Farm and Forestry Tour

A tour of some of the Mangatu farms and forestry operations is being arranged for **Friday 9 May 2014**. The aim is to meet at the Mangatu office in Gisborne for a 9 am departure by bus to various areas of Mangatu land.

Shareholders who wish to attend the tour are asked to register their interest no later than **25 April 2014** so that transport and meal arrangements can be confirmed.

To register for the tour please contact the Gisborne office;

email: admin@mangatu.co.nz

Telephone: (06) 869 0952

All those who register will be provided with an information pack prior to the date of the tour. Further details on the tour will be available on the Mangatu website in early April.

www.mangatu.co.nz

Te Whakamutunga

Ahakoia i roto nga piki me nga heke kei te pai te haere o nga mahi a Mangatu. He maha nga ngaru o te moana kei mua ia tatou, no reira, kia kaha tatou ki te hapai, ki te hoe i tenei o nga waka a te iwi kia u ai tatou ki uta, ara, kia whai oranga mo te iwi whai paanga ki tenei o nga whenua, a Mangatu.

Tenei te mihi atu ki era o nga whanaunga kua mene atu ki te po. Ko ratou te hunga kua huri atu ki tua o Te Arai, moe mai, moe mai.

He mihi ano tenei ki nga kaimahi me etahi atu ropu e awhi ana, e tautoko ana i nga mahi a Mangatu, e whai ake ana i nga kaupapa whakahaere kia noho pumau a Mangatu.

He mihi kau tenei kia koutou, te urupa o ratou e iri nei i runga i nga pakiwaitara o tenei to tatou whare tipuna. Kia tau iho nga manaakitanga o Te Runga Rawa ki runga kia koutou me a koutou whanau.

Na tenei ta koutou mokai

Alan Haronga
Chairman

On Behalf of the Mangatu Blocks Incorporation Committee of Management
17 March 2014