

5 August 2011



FIRST FLOOR  
120 KARAMU ROAD NORTH  
PO BOX 783, HASTINGS  
NEW ZEALAND  
TELEPHONE 0-6-870 4672  
FACSIMILE 0-6-870 4673  
enquiries@ruralequities.co.nz

## **UPDATE AND SHARE BUYBACK**

### Financial performance

Rural Equities Limited (*REL*) advises that its rural property portfolio has recently been revalued for inclusion in the Group's financial statements as at 30 June 2011. The revaluation has resulted in no material change to the carrying value of the portfolio.

The draft unaudited financial statements of the REL Group for the year ended 30 June 2011 record a net profit after taxation of approximately \$2,800,000 and a net asset value per share of \$3.94. The audit of the Group financial statements will be completed shortly and at this stage Directors anticipate releasing the Group's 30 June 2011 result to the market by 31 August 2011.

### Share buyback

The Company has entered into an agreement to buy back the shares held by a major overseas investor. The parcel of 2,036,108 shares, which represents 4.8% of the REL shares on issue, will be repurchased at \$3.15 per share. Once repurchased, the shares will be cancelled.

In accordance with Section 61 of the Companies Act a notice with respect to the proposed buyback will be sent to all shareholders shortly.

*Issued by : James Wright, Chief Operating Officer – Phone 06 – 870 4672*