

On track for growth? South Island Index

A review of the performance of South Island
listed companies during the June 2009 quarter



Compilation of the Deloitte South Island Index

The Deloitte South Island Index ('the Index') is compiled from information provided by the NZX, and Unlisted on the market capitalisation of each South-Island based listed company. Broadly, a company is included in the Index where its registered office is in the South Island and/or a substantial portion of its operations are focused in the South Island. The information on South Island listed companies is extracted and totalled to provide a cumulative market capitalisation for all South Island listed companies.

The base period of the Deloitte South Island Index is 31 December 2006 and for the purposes of the Index this data is given a notional value of one. All subsequent quarterly cumulative market capitalisation totals are divided by the totals for the December 2006 quarter to obtain a relative movement. Market capitalisation will move as a result of capital injections, payments of dividends and capital returns. If a new South Island based company lists on the NZX or Unlisted they will be reflected in the Index as though they were present in the base period. Accordingly, the Index will only reflect changes in market capitalisation subsequent to listing. If a company is suspended or delisted during a quarter, no data will be included for that quarter and all subsequent periods until the company is re-listed or the suspension lifted. Historical information regarding the company will continue to be included in the calculation of the index.

For the purposes of the industry analysis some industry segments have been grouped to provide a more meaningful analysis.

About Deloitte – New Zealand

Deloitte brings together over 900 specialists providing New Zealand's widest range of high quality professional services. We focus on audit, tax, technology and systems, risk management, corporate finance and business advice for growing organisations. Our people are based in Auckland, Hamilton, Wellington, Christchurch and Dunedin, serving clients that range from New Zealand's largest companies to smaller businesses with ambition to grow.

Deloitte's local experts draw on best practice and innovative methodologies from around the world as part of Deloitte Touche Tohmatsu, whose 150,000 people globally serve over 80 percent of the world's largest companies. A long track record and a wealth of international research into the needs of growing organisations has made Deloitte the world's leading advisor to emerging businesses. For more information about Deloitte in New Zealand, look to our website www.deloitte.co.nz.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu, a Swiss Verein, its member firms, and their respective subsidiaries and affiliates. As a Swiss Verein (association), neither Deloitte Touche Tohmatsu nor any of its member firms has any liability for each other's acts or omissions. Each of the member firms is a separate and independent legal entity operating under the names "Deloitte," "Deloitte & Touche," "Deloitte Touche Tohmatsu," or other related names. Services are provided by the member firms or their subsidiaries or affiliates and not by the Deloitte Touche Tohmatsu Verein.

Disclaimer of liability

These materials and the information contained herein are provided by Deloitte and are intended to provide general information on a particular subject or subjects and are not an exhaustive treatment of such subject(s).

Accordingly, the information in these materials is not intended to constitute accounting, tax, legal, investment, consulting, or other professional advice or services. The information is not intended to be relied upon as the sole basis for any decision which may affect you or your business. Before making any decision or taking any action that might affect your personal finances or business, you should consult a qualified professional adviser.

These materials and the information contained herein are provided as is, and Deloitte makes no express or implied representations or warranties regarding these materials or the information contained therein. Without limiting the foregoing, Deloitte does not warrant that the materials or information contained therein will be error-free or will meet any particular criteria of performance or quality. Deloitte expressly disclaims all implied warranties, including, without limitation, warranties of merchantability, title, fitness for a particular purpose, noninfringement, compatibility, security, and accuracy.

Your use of these materials and information contained herein is at your own risk, and you assume full responsibility and risk of loss resulting from the use. Deloitte will not be liable for any special, indirect, incidental, consequential, or punitive damages or any other damages whatsoever, whether in an action of contract, statute, tort (including, without limitation, negligence), or otherwise, relating to the use of these materials or the information contained therein.

If any of the foregoing is not fully enforceable for any reason, the remainder shall nonetheless continue to apply.

Introduction

Welcome to the sixth edition of the Deloitte South Island Index. In this edition we reflect on the performance of South Island listed companies during the quarter to 30 June 2009

All in all it was a successful quarter with the Deloitte South Island Index gaining \$299 million or 10.5% compared to the 31 March position. The majority of the gains were made during the month of May when the rally in overseas markets resulted in improved confidence and strong performances in the New Zealand market.

Movements in June

The Deloitte South Island Index decreased by \$130 million or 4.0% during the month of June 2009. Over the same period, the NZX 50 increased by 1.2%, meanwhile the ASX All Ordinaries increased by 3.5% and the Dow Jones declined by 0.6%.

Quarterly movements – Q2 2009

The Deloitte South Island Index increased by \$299 million or 10.5% during the second quarter of 2009, with the largest decreases in market capitalisation coming from Pike River Coal and Ryman Healthcare. By comparison, the NZX 50 increased by 7.9% during the quarter.

Six monthly movements

The Deloitte South Island Index increased by \$135 million or 4.5% during the six months to 30 June 2009, compared to the NZX 50 which increased by 3.0%, the ASX All Ordinaries which increased by 7.9% and the Dow Jones which decreased by 3.8% over the same six monthly period.



Executive Summary

As recently as last winter many economic commentators were focused on rising commodity prices, their impact on inflation and questioning when the Reserve Bank would drop the official cash rate below 8.0%. So much has changed since then.

The market capitalisation of all South Island listed companies included in the South Island Index increased by nearly \$300 million (10.5%) over the quarter, to \$3,141 million as at 30 June 2009. The South Island Index picked up from where it left off in March and at the end of May had recorded its third consecutive month of positive growth, as share market indices around the world continued their recovery. Fortunes changed, however, and for the month of June, the

Despite the overall growth in the quarter to June, 13 of the 32 companies included in the Index experienced downward movement in market capitalisation. Hardest hit was NZ Farming Systems Uruguay who lost \$70.8 million (39.2%) during the quarter as a result of a declining share price. Their share price has declined by 74% over the past year as uncertainty continues over prices for internationally traded dairy products, and as a result of reduced economic growth globally.

The economic downturn has made consumers even more price and value conscious than before. Companies are now focused on market share, managing their finances and positioning themselves to emerge stronger from the downturn. Achieving growth was relatively easy when markets were growing rapidly. This new environment is testing companies and those with the right strategies for the long-term will be the ones who surface stronger than ever before.

The retail sector was the surprise performer – leading the way with the largest gain in percentage terms during the quarter to June 2009.

South Island Index experienced a 4.0% decline. Whilst it is positive to see growth in the Index over the current quarter, there is still significant ground to be made to restore the \$4,379 million market capitalisation that existed at the end of June 2008.

The larger companies in the Index contributed the majority of the \$300 million gain in market capitalisation in dollar terms. Pike River Coal, Ryman Healthcare, PGG Wrightson and EBOS Group led the way with double digit growth in market capitalisation over the course of the June quarter.

The retail sector was the surprise performer – leading the way with the largest gain in percentage terms during the quarter to June 2009. Albeit that their shares are relatively thinly traded, both Smiths City Group Limited and Postie Plus Group Limited experienced growth in market capitalisation in the quarter of 15.2% and 32.3% respectively. In comparison, the Port and Technology sectors are the only two industry sectors to lose ground this quarter, declining by 4.6% and 9.8% respectively.

The current economic environment offers opportunities for companies to reflect on how they are run today and what needs to be different to be prepared for the future. Many companies have experienced substantial input cost rises during the previous year, yet are not able to implement corresponding price increases to match this rise in input costs. To survive and thrive in a downturn, companies should capitalise on all cost levers at their disposal. For many, that means focussing a higher level of attention on strategic, structural improvements such as streamlining their infrastructure, adjusting their service delivery model, and redesigning their business model. Such improvements will deliver cost savings that are both larger and more sustainable than incremental cost cutting. Structural cost improvements position a company to prosper during a downturn by helping it protect its margins, capitalise on opportunities and capture market share.

Clearly cash is king, and now more than ever the time value of money is an important lesson. Everyone is looking at cash flow forecasting and areas where working capital gains can be made in the long term, such as inventory optimisation efforts. The next 12-18 months will be characterised by industry consolidation as those businesses with strong balance sheets and good cash reserves seize opportunities to acquire attractively priced assets that are a good strategic fit for their businesses. Decisions businesses take over the next couple of years will be pivotal in shaping their destinies over the next decade.



The quarter to 30 June 2009

Growth in Market Capitalisation

Pike River Coal (PRC) was the standout Company this quarter, gaining \$150 million (58.0%) in market capitalisation. Part of this gain is attributable to PRC's renounceable rights issue to existing shareholders which resulted in an additional 58.6 million shares being issued to raise approximately \$41 million. The funds were required to provide additional working capital due to the delay in cash flow from coal production and to meet mine rectification costs, both as a result of an unexpected rock fall in a ventilation shaft at PRC's Pike River mine. PRC's share price has also contributed to the growth in market capitalisation and as shown in the graph on the right, has rallied over the quarter to June.

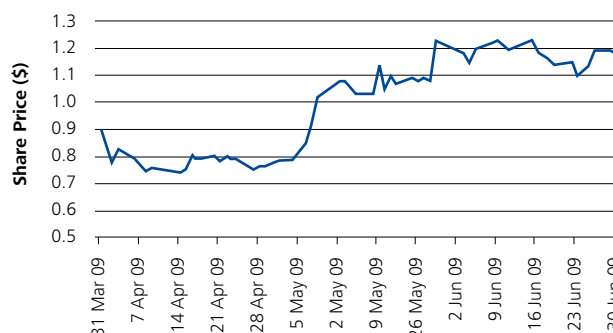
Ryman Healthcare had a strong quarter gaining \$95 million (13.5%) in market capitalisation as a result of an improving in share price. Ryman's shares closed the quarter at \$1.60, which is similar to the price they were trading at a year ago. This, however, is still a long way off the \$2.67 mark that was achieved for sales of Ryman shares in May 2007.

PGG Wrightson gained \$55 million (18.5%) in market capitalisation during the quarter, however, the gains in share price during April were trampled in June on the back of a downward revision of PGGW net operating profit after tax forecasts for the year to 30 June. The downturn in the dairy farming sector has been a contributing factor in the profit downgrade, and confidence levels of farmers and their desire to spend has diminished following Fonterra's lower dairy payout. EBOS Group Limited continued on its impressive growth path this quarter and achieved its seventh consecutive gain in closing monthly share price. EBOS is now placed 4th on the South Island Index, up from 8th position this time last year.

Decline in Market Capitalisation

In dollar terms the largest decline in market capitalisation during the quarter was that experienced by NZ Farming Systems Uruguay, who lost \$70.8 million (39.2%) as a result of a declining share price.

Pike River Coal - Share Price



The value of Christchurch-based Syft Technologies shares have declined over the quarter and as a result its market capitalisation has declined by \$4.0 million (30.0%) in the quarter to 30 June. Syft has recently raised \$700,000 by way of a Convertible Note issue, following on from a Rights Issue to existing shareholders late last year. The proceeds raised will be used fund the Company's sales and marketing programme.

Another Company suffering a double digit percentage decline in market capitalisation during the quarter is NZAX-listed Plus SMS Holdings (PLS). The Company's market capitalisation has declined by 27.4% over the quarter and in mid June its shares were suspended by the regulatory arm of NZX. PLS was placed in suspension due to concerns about its corporate governance structures, following a series of announcements relating to directors resignations.

EBOS Group Limited continued on its impressive growth path this quarter and achieved its seventh consecutive gain in closing monthly share price.

Company Spotlight

EBOS Group



EBOS Group Limited is one of the leading independent companies in the healthcare supplies market place, supplying medical, surgical, retail and scientific products throughout Australia, New Zealand and the Pacific Islands. EBOS Group is one of the top 50 listed companies on the New Zealand Stock Exchange, and is the fourth largest Company in the Deloitte South Island Index.

While the NZX 50 gross index has grown by a mere 3 percent over the six months to June 2009, EBOS market capitalisation has grown by more than 25 percent, primarily as a result of an increasing share price. In February of this year, EBOS reported strong first half profits for the six months to 31 December 2008 and shareholders have been rewarded as the EBOS Group share price has gained just over \$1.00 since the start of the year. With its annual results due out in late August, analysts are eager to see if the Group will surpass its record earnings achieved in the 2008 financial year.

EBOS Group Limited - Share Price
1 January to 30 June 2009



In this edition we talk to Mark Waller, Chief Executive Officer and Managing Director of EBOS Group on the EBOS growth story, and how EBOS is positioning itself to emerge even stronger from the current economic downturn.

The past year has been a volatile trading environment with numerous challenges for many. Despite this, EBOS seems to have gone from strength to strength and since the start of 2009 EBOS share price has been on an upward incline. What has been your secret?

Firstly there is no one "secret" but more a lot of hard work in multiple areas. A few key factors are:

- The Peer review concept that Bruce Irvine introduced has been very helpful in creating a top executive team that all share information across their businesses. They can form and disband in groups as required to problem solve with high autonomy and "ownership" of their business.
- We benchmark the "best of" from one business to another. This includes logistics, sales/marketing, business processes, finance, IT. Flowing from this, we are trying to create "centres of excellence" in each of the functional areas so that each manager is not expected to be a "jack of all trades". The benefits are a more consistent approach and this leaves more time for executives to focus on the customer end of their business.
- We try to treat people well over the long term and reward performance. There is a flip side, of course, where we cannot condone ongoing poor performance if we have done everything possible to assist.
- At a strategic level we have tried to reduce our reliance on any one supplier. This decision has led us down the wholesale/logistics part of the health supply spectrum, and in turn taught us a lot about cash flow management, working capital management etc.
- Also at the strategic level we continually target acquisitions that add value to our existing businesses, customers or suppliers. This can be by way of geographic expansion, improved channel access or new product segments.



With regard to the share price, we never focus on this, other than for interest and when talking to analysts, brokers and shareholders. We take the view that we are about delivering consistently good returns despite economic changes at the macro level, and that over the long term the market will respond if we keep delivering the results. We also keep challenging every aspect of our business and never believe that we “have got it right”.

The EBOS story has been one of growth by acquisition over the past decade or so. Do you see the current environment as the right time to continue this growth strategy, or is this a time for consolidation?

We have done most of our consolidation prior to the current economic crisis, which is really one of a credit and confidence crisis. Every time we do an acquisition we try to put a lot of effort into the “soft” or people side of the deal, both pre and post acquisition. We take the view that if we are buying successful businesses, it is our first duty to do no harm. We also try to learn from every deal.

Our structure as such is that we have a tiny head office or corporate office team so we need great people as much as good businesses.

From this approach and platform we are continually looking and evaluating new deals. The only change in the current climate is our attitude to debt levels with more conservatism, which is driven by the market rather than EBOS. We have plenty of headroom for deals and hope to see more realistic valuation from vendors without an overheated private equity sector.

In what areas do you see EBOS as having a competitive advantage?

In terms of competitive advantage, we have them on several levels:

- We have a long term strategic plan which has been followed since 1992, and we are patient in rolling it out, given that our goal is to build a great long term sustainable business.
- We have achieved strong market share in our selected distribution channels, which in turn gives us influence.
- Being a public company gives us the ability to raise capital.

- We have an excellent breadth of talent, spread geographically and by competency.
- We operate in excellent sectors which will sustain demand.
- Our major competition is from world class multi-nationals, therefore we have to be innovative to succeed.
- We have trans-tasman leverage.
- Our Christchurch HQ provides a lower cost base and also forces us to “look outside” at the total market.

What business risks, challenges or opportunities keep you awake at night?

It is areas beyond our control or influence that cause the greatest worry. For example, the current banking crisis, volatility of exchange rate movements, loss of a major supplier brought about by them being acquired and changes in government policy (NZ or Australia). At the micro level, for a trading company like ours, the old joke is that we should worry about “staff and stock”!

Which economic indicators/business KPIs do you focus on and why are they important?

We run what we call a digital dashboard for all managers that measures service delivery KPI’s to customers. We consider it very important to know what service levels we have, and staff members are rewarded accordingly. The digital dashboard also records all financial, margin, inventory and working capital for each business segment.

We have KPI’s around inventory, stock levels, grading systems, obsolescence, stock turn, back orders. In addition, we have KPI’s in place for working capital, debtors, creditors, as well as KPI’s for Forex, and of course the full suite of sales and marketing data where this is available for business segments. Financially we manage gross margins very carefully and have P&L’s down to every business segment.

Philosophically we follow the theory of Jack Welch (ex CEO of General Electric) who recommends measuring everything that is relevant to current, and improving future performance, then reward people based on these deliverables.



Mark Waller, Chief Executive Officer and Managing Director of EBOS Group

Industry Movements

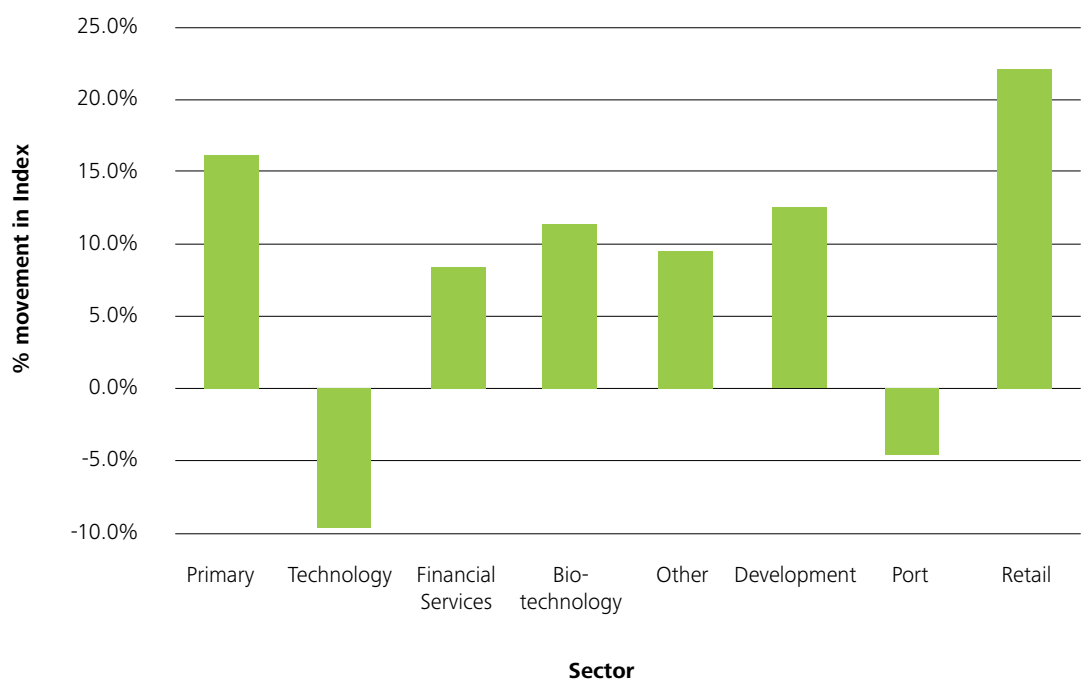
The Port and Technology sectors are the only two industry sectors to lose ground this quarter, losing 4.6% and 9.8% respectively.

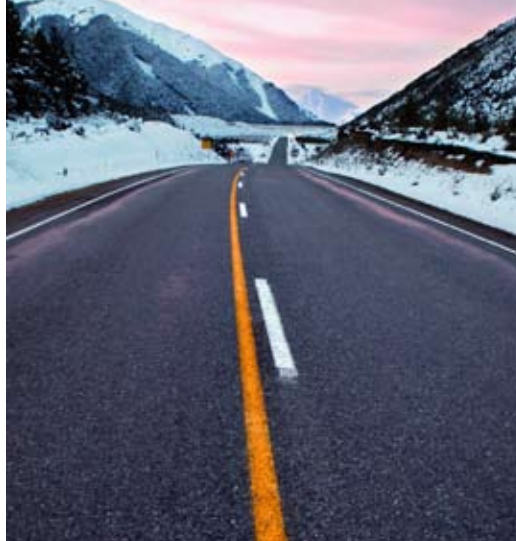
In what was a relatively successful quarter for the South, six of the eight industry sectors experienced percentage gains in market capitalisation that exceeded the 7.9% gain achieved by the NZX 50.

Surprisingly it was the Retail sector that was leading the way with the largest gain in percentage terms during the quarter to June 2009. Albeit that their shares are relatively thinly traded, both Smiths City Group Limited and Postie Plus Group Limited experienced an increase in market capitalisation in the quarter. This is despite retailer Smiths City reporting a 71.5% decline in annual profit for the 12 months to 30 April, and a decreased final dividend, in comparison to last year.

The Port and Technology sectors are the only two industry sectors to lose ground this quarter, losing 4.6% and 9.8% respectively.

Movement in Sector Indices – quarter to June 2009





Since the base period of the South Island Index (31 December 2006) only two sectors, Other and Port, are still ahead of the starting line. In what may be considered a sign of the times, the Technology sector has lost the most ground since December 2006, and the nearly 10% decline in the current quarter is the seventh consecutive quarterly decline for this sector.

In the current quarter, the primary sector has regained the title of the largest contributor to the overall Deloitte South Island Index from the Development sector, albeit by the slimmest of margins. This is largely thanks to the \$150 million (58.0%) growth in market capitalisation of Pike River Coal during the quarter, which came about on the back of a climbing share price in the month of May. The growth of the Development sector in the quarter to June 2009 was positive at 12.6% and led by the largest company in the South Island Index and NZX 10 participant, Ryman Healthcare, all four companies in this sector experienced growth in market capitalisation in the quarter.

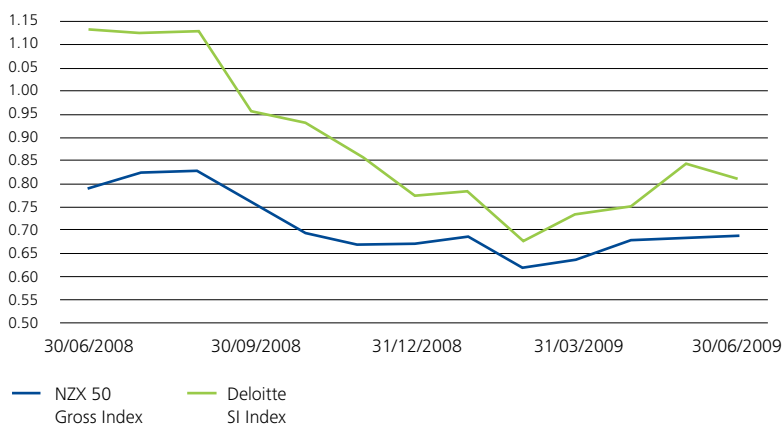
In the current quarter, the primary sector has regained the title of the largest contributor to the overall Deloitte South Island Index from the Development sector, albeit by the slimmest of margins.

The table below sets out market capitalisation by industry as at 30 June 2009 and provides a comparison against the position at the end of the March 2009 quarter.

Industry	Number of Companies	June 09 \$ million	March 09 \$ million	Mvmt in Qtr \$ million	% of Index	% change in Index during Quarter
Biotechnology	5	33.3	29.9	3.4	1%	11.5%
Development	4	937.6	832.4	105.2	30%	12.6%
Financial Services	3	239.7	221.2	18.5	8%	8.3%
Other	3	604.2	551.2	53.0	19%	9.6%
Port	2	289.0	302.9	(13.9)	9%	(4.6%)
Primary	8	943.4	811.4	132.0	30%	16.3%
Retail	2	36.5	29.9	6.6	1%	22.3%
Technology	5	57.5	63.7	(6.2)	2%	(9.8%)
TOTAL	32	3,141.2	2,842.6	298.6	100%	10.5%

Benchmarking

Comparison of Performance of Deloitte SI Index against NZX 50



Comparison of Deloitte South Island Index and the NZX 50

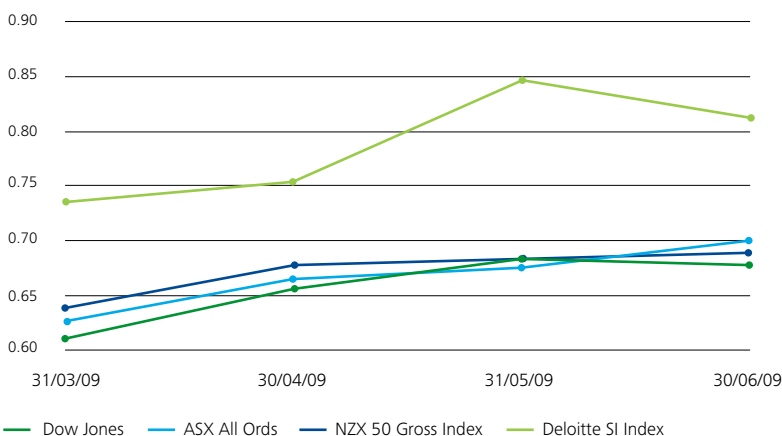
For the three months to 30 June 2009, although both indices gained ground, the South Island Index outperformed the NZX 50 with an increase of 10.5%, compared to the NZX 50's gain of 7.9%.

The primary sector is the largest contributor to the overall Deloitte South Island Index and, as a result of the gains by Pike River Coal during the quarter, the South Island Index has performed better.

As the graph on the left illustrates, the South Island Index and the NZX 50 have tracked similar movements in the year to June 2009. The gap between the two was the narrowest at the end of February 2009, however, over the course of the quarter to June the South Island Index has outperformed the NZX 50.

Of the 32 companies listed on the Deloitte South Island Index, 13 (41%) decreased in market capitalisation during the quarter, while 19 exhibited constant or increasing market capitalisation.

Comparison of Deloitte SI Index with other Indices



Comparison of Deloitte South Island Index and Other Indices

The graph on the left highlights the movement in the Deloitte South Island Index against movements in the NZX 50, the ASX All Ordinaries and the Dow Jones Industrial Average over the quarter to 30 June 2009. The South Island Index made significant gains in the month of May, but come June some of the gains were eroded. Meanwhile, the ASX All Ordinaries continued on a steady upward climb during the quarter.

All four indices experienced a net overall upward movement in quarter to 30 June 2009. The ASX All Ordinaries was the strongest performer, gaining 11.8 % during the quarter, closely followed by the Dow Jones gain of 11.0% , the South Island Index's gain of 10.5% and the NZX 50's gain of 7.9%.

The ASX All Ordinaries' gains in April were on the back of large gains made in the beverages sector. Lion Nathan Limited's market capitalisation increased significantly following Kirin Japan's takeover offer for the group. The Dow Jones slide in June was as a result of a share slide in global stocks following weak factory activity data in the United States, as well as news of job losses in European markets. In combination, this had the effect of raising concerns about the world economy.

Ryman Healthcare Celebrates 10th Anniversary on NZX

Since listing ten years ago in June 1999, Ryman Healthcare has increased its profits and dividends nine-fold without any injections of new capital from shareholders. Without a doubt, Ryman has been a New Zealand Stock Exchange success story – growing from a market capitalisation of \$135 million at listing date, to be worth \$800 million in June 2009. Over the previous ten years, Ryman has been reported by the NZX to be New Zealand’s top performing listed company.

Demand for the Ryman product continues to grow, with sales of retirement village units up 3% on 2008 with resthome and hospital occupancy at all time highs. This growth in demand reflects the aging population in New Zealand and underlines the growing need for the company’s services, irrespective of wider economic conditions.

Ryman’s move up the ranks of New Zealand’s top listed companies has been steady. Ryman broke into the NZX 50 Index in October 2003, and then entered the NZX 15 in June 2006. In January 2009 Ryman joined the ranks of the NZX 10 Index, replacing Fisher & Paykel Appliances Holdings Limited.

Without a doubt, Ryman has been a New Zealand Stock Exchange success story – growing from a market capitalisation of \$135 million at listing date, to be worth \$800 million in June 2009



Companies included in the Deloitte South Island Index

as at 30 June 2009

NZSX and NZAX		
Company Name	Sector	Brief description of activities
Apple Fields Limited	Development	Residential property development
BLIS Technologies Limited	Biotechnology	Biotechnology specialist company involved in the development and sales of health care products
Botry-Zen Limited	Biotechnology	Bio-technology company specialising in wine-grape technology (NZAX)
Canterbury Building Society	Financial Services	NZAX listed Building Society. Note from 1 February 2008 CBS merged with Loan and Building society, with CBS Canterbury being the continuing trading entity
Cavotec MSL Holdings Limited	Other	Automated mooring systems for commercial and military shipping and ports
Connexionz Limited	Technology	Communications technology. Real-time information provider (NZAX)
EBOS Group Limited	Other	Distributor and marketer of healthcare products
Lyttelton Port Company Limited	Port	Cargo handling and related services
NZ Farming Systems Uruguay Limited	Primary	Farm investor and developer with a portfolio of farms and farmland across Uruguay
New Zealand Wool Services International Limited	Primary	Marketing, processing and selling of New Zealand wool (NZAX)
NZ Windfarms Limited	Development	Development of wind farms, and the sale of the electricity produced
Pacific Edge Biotechnology Limited	Biotechnology	Dunedin based biomedical company developing & commercialising technology for cancer detection & management
PGG Wrightson Limited	Primary	Stock and station agents, and related services
Plus SMS Holdings Limited	Technology	Licensed mobile operator providing full range of content, connectivity and network services (NZAX)
Pike River Coal Limited	Primary	Owns, and is developing, the Pike River coal mine located north of Greymouth, on the West Coast of the South Island
Postie Plus Group Limited	Retail	Retailer of clothing, manchester, fashion and baby nursery retail
Propertyfinance Group Limited	Financial Services	Property related finance company (NZAX)
Pyne Gould Corporation Limited	Financial Services	Rural and financial services
Ryman Healthcare Limited	Development	Development, construction and operation of retirement villages
Scott Technology Limited	Technology	Design and manufacture of large scale automation systems
Smiths City Group Limited	Retail	Retail home appliances provider, finance for retailing activities, property
South Port New Zealand Limited	Port	Port and allied services
The National Property Trust	Development	Unit trust with a portfolio of retail, commercial and industrial properties
The New Zealand Wine Company Limited	Primary	Wine production and sales (NZAX)
Widespread Portfolios Limited	Primary	Invests primarily in overseas-based mining and mineral exploration companies
Widespread Energy Limited	Primary	Energy sector investor with specific focus on pre-IPO corporate investment opportunities in the oil and gas sector (NZAX)
Windflow Technology Limited	Technology	Development, construction and operation of wind turbines (NZAX)
Wool Equities Limited	Biotechnology	Investment company specialising in pastoral sector research and technology (NZAX)

The table below sets out the companies included in the Index as at 30 June 2009 that are listed on the Unlisted share trading facility.

Unlisted		
Company Name	Sector	Brief description of activities
Blue Sky Meats (NZ) Limited – Invercargill	Primary	Meat processor and distributor
Pharmazen Limited – Dunedin	Biotechnology	Manufacturer and marketer of health products
Skyline Enterprises Limited – Queenstown	Other	Tourism
Syft Technologies Limited – Christchurch	Technology	Research, development and commercialisation of equipment for the detection and analysis of organic compounds



Deloitte South Island Index

June 2009

The full South Island Index for the quarter ended 30 June 2009, ranked by market capitalisation, is set out below.

June 2009 rank	March 2009 rank	Ticker	Company	Mcap June 2009 (\$m)	Mcap March 2009 (\$m)	Change in Mcap (\$m) in Qtr	Change in Mcap (%) in Qtr	\$ Last Price
1	1	RYM	Ryman Healthcare	800.0	705.0	95.0	13.5%	\$1.60
2	3	PRC	Pike River Coal	409.6	259.3	150.3	58.0%	\$0.90
3	2	PGW	PGG Wrightson	356.8	301.2	55.6	18.5%	\$1.13
4	5	EBO	EBOS Group	264.5	221.6	42.9	19.3%	\$5.40
5	4	LPC	Lyttelton Port	235.2	246.4	(11.2)	(4.6%)	\$2.30
6	8	PGC	Pyne Gould Corporation	200.2	177.5	22.7	12.8%	\$2.03
7	6	CCC	Cavotec MSL Holdings	196.0	190.9	5.1	2.7%	\$3.08
8	9	SKYLINE	Skyline Enterprises	143.8	138.7	5.1	3.7%	\$4.25
9	7	NZS	NZ Farming Systems Uruguay	109.9	180.7	(70.8)	(39.2%)	\$0.45
10	10	NAP	The National Property Trust	71.5	70.7	0.8	1.1%	\$0.37
11	12	NWF	NZ Windfarms	62.8	53.4	9.4	17.6%	\$0.80
12	11	SPN	South Port New Zealand	53.8	56.4	(2.6)	(4.7%)	\$2.05
13	13	CBS	Canterbury Building Society	37.9	42.1	(4.2)	(10.0%)	\$3.15
14	14	WSI	NZ Wool Services International	24.3	29.2	(4.9)	(16.7%)	\$0.35
15	17	SCT	Scott Technology	23.0	20.9	2.1	10.2%	\$0.81
16	16	BLUESKY	Blue Sky Meats	21.9	21.9	-	-	\$1.90
17	15	WTL	Windflow Technology	20.4	22.8	(2.4)	(10.5%)	\$1.70
18	18	SCY	Smiths City Group	20.1	17.5	2.6	15.2%	\$0.38
19	21	PPG	Postie Plus Group	16.4	12.4	4.0	32.3%	\$0.41
20	22	PEB	Pacific Edge Biotechnology	15.7	11.2	4.5	39.8%	\$0.13
21	19	NWC	NZ Wine Company	15.0	15.0	-	-	\$1.73
22	20	SYFT	Syft Technologies	9.2	13.2	(4.0)	(30.0%)	\$0.042
23	23	BLT	BLIS Technologies	6.0	7.2	(1.2)	(16.0%)	\$0.042
24	25	BOZ	Botry-Zen	5.2	4.6	0.6	13.6%	\$0.025
25	24	PAZ	Pharmazen	4.5	4.8	(0.3)	(6.7%)	\$0.028
26	29	WID	Widespread Portfolios	4.3	2.3	2.0	83.4%	\$0.20
27	28	APF	Apple Fields	3.2	3.2	-	-	\$0.04
28	26	CNX	Connexionz	2.4	3.5	(1.1)	(31.7%)	\$0.10
29	27	PLS	Plus SMS Holdings	2.3	3.2	(0.9)	(27.4%)	\$0.005
30	30	WEL	Wool Equities	2.0	2.2	(0.2)	(7.8%)	\$0.083
31	32	PFG	Propertyfinance Group	1.6	1.6	-	-	\$0.10
32	31	WEN	Widespread Energy	1.5	1.7	(0.2)	(10.0%)	\$0.09
32	32		TOTAL	3,141.2	2,842.6	298.6	10.5%	

Deloitte Corporate Finance

Deloitte Corporate Finance is the firm's specialist corporate finance practice. Our strategy of investing substantial resources in people, teamwork and high quality service are fuelling the growth of our business. We consider providing independent pre-eminent quality advisory, transaction support, business modelling and valuation services as the key. We consistently exceed client expectations by committing the required resources in a seamless and cost effective manner to assist clients in the execution of successful transactions.

The South Island Corporate Finance team provides a full range of corporate finance services to a diverse portfolio of clients. The experience of our team is drawn from a multitude of backgrounds, including banking, legal, consulting, government and accountancy. It is our multidisciplinary experience, our global network and our comprehensive market, industry and technical expertise that ensures we deliver value to our clients when creating and executing transactions.

Valuation services

- shares and businesses valuations
- Independent Expert Reports (IERS)
- derivatives
- intangible assets
- accounting valuations (NZ-IFRS impairment testing)

Transaction services

- transaction analysis, valuation and evaluation
- due diligence – financial, economic, commercial and tax
- Initial Public Offers (IPOs)
- financial modelling
- transaction structuring
- post-transaction assistance

Mergers and acquisitions

- deal creation through to execution
- mergers, acquisitions and takeovers
- capital raisings (debt and equity)
- divestments

Litigation support

- assessment of economic loss
- expert witness testimony
- dispute resolution



Information

For information regarding the Deloitte South Island Index or any of the Financial Advisory services that we offer please contact any of our Corporate Finance Team:



Paul Munro
Partner
Direct: +64 (0) 3 363 3856
pmunro@deloitte.co.nz



Brett Chambers
Partner
Direct: +64 (0) 3 363 3810
bchambers@deloitte.co.nz



Rob McDonald
Associate Director
Direct: +64 (0) 3 363 3836
robmcdonald@deloitte.co.nz



Tim Burnside
Associate Director
Direct: +64 (0) 3 363 3758
tburnside@deloitte.co.nz



Scott McClay
Manager
Direct: +64 (0) 3 363 3834
smclay@deloitte.co.nz



Steven Paul
Senior Analyst
Direct: +64 (0) 3 363 3818
stevenpaul@deloitte.co.nz



Penny Thomson
Manager
Direct: +64 (0) 3 363 3861
pethomson@deloitte.co.nz



Rachel Hansen
Manager
Direct: +64 (0) 3 363 3726
rachhansen@deloitte.co.nz



Ann Martin
Manager
Direct: +64 (0) 3 363 3748
anmartin@deloitte.co.nz



Brent Smith
Manager
Direct: +64 (0) 3 363 3875
brentsmith@deloitte.co.nz

Christchurch

32 Oxford Terrace
Christchurch 8011
PO Box 248
Christchurch 8140
New Zealand
Tel: +64 (0) 3 379 7010
Fax: +64 (0) 3 366 6539
www.deloitte.co.nz

Deloitte New Zealand brings together more than 900 specialists providing audit, tax, technology and systems, strategy and performance improvement, risk management, corporate finance, business recovery, forensic and accounting services. Our people are based in Auckland, Hamilton, Wellington, Christchurch and Dunedin, serving clients that range from New Zealand's largest companies and public sector organisations to smaller businesses with ambition to grow.

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in 140 countries, Deloitte brings world-class capabilities and deep local expertise to help clients succeed wherever they operate. Deloitte's 165,000 professionals are committed to becoming the standard of excellence.

Deloitte's professionals are unified by a collaborative culture that fosters integrity, outstanding value to markets and clients, commitment to each other, and strength from cultural diversity. They enjoy an environment of continuous learning, challenging experiences, and enriching career opportunities. Deloitte's professionals are dedicated to strengthening corporate responsibility, building public trust, and making a positive impact in their communities.

This publication contains general information only, and none of Deloitte Touche Tohmatsu, its member firms, or its and their affiliates are, by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your finances or your business. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

None of Deloitte Touche Tohmatsu, its member firms, or its and their respective affiliates shall be responsible for any loss whatsoever sustained by any person who relies on this publication.

Deloitte refers to one or more of Deloitte Touche Tohmatsu, a Swiss Verein, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/nz/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu and its Member Firms.