

Media Release

Friday 6 October 2006

Sale of National Finance Loan Book Completed

The receivers of National Finance 2000 Ltd, PricewaterhouseCoopers partners Colin McCloy and John Waller, have today advised that the National Finance loan book has been sold to a party associated with Cynotech Holdings Limited. The purchase price of \$7.7 million has been received in full.

Receiver Colin McCloy said his team were now in a position to make a partial repayment to some investors. "We plan to pay an initial dividend of 30% to secured debenture holders next week," he said.

The receivers were continuing to realise the remaining assets of National Finance. Colin McCloy said that once this process had been completed, secured debenture holders could recover a total of 40%-45% of their original investment.

"This is at the higher end of the 30-50% scale that we had estimated in June," he said. "Regretfully the position for subordinated investors has not changed from our position in June, and they will not recover anything from the assets in receivership."

The receivers are assisting various government authorities who are continuing their investigations.

A more detailed report on progress with the receivership will be released to investors shortly.

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NOTES FOR EDITORS

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2. About PricewaterhouseCoopers:

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