



Perpetual Trust

11 April 2008

The Investors

LOMBARD FINANCE & INVESTMENTS LIMITED (in receivership) ('Lombard')

As you may be aware, Lombard has been placed into receivership by Perpetual Trust. We are writing to advise you of the background to the receivership and to let you know the process in the short term.

Background

Last week Lombard suspended repayments of principal and interest to debenture holders and advised us that they would be proposing a moratorium in respect of its repayment obligations.

After receiving details of the proposed moratorium and after a thorough review of the company's position, we concluded there was no compelling reason for a moratorium to proceed and that the interests of the investors will be better served by appointing receivers to independently address the issues the company has.

We have appointed John Fisk and John Waller of PricewaterhouseCoopers as receivers on behalf of all debenture holders. PricewaterhouseCoopers have extensive experience in dealing with finance companies and in administering receiverships.

Next Steps

PricewaterhouseCoopers will be writing to you shortly to confirm the amount you have invested with Lombard and, once they are able, will give you an indication of the likely recovery, and when that recovery might be achievable.

In the interim they have established a website for investors. To access the website, go to www.pwc.com/nz/lombard. A dedicated phone line at PricewaterhouseCoopers has also been established for investors, the number is 04 462 7557.

This website will continue to be updated with information for investors as the receivership proceeds, including detail on the process.

Conclusion

We hope this letter has assisted in providing an explanation of the process going forward. If there is any aspect that you would like to discuss, please feel free to phone or write to me at the contact details below.

Yours sincerely

Louise Edwards
Chief Executive

DDI: (03) 363 6431

Email: louise.edwards@perpetual.co.nz

Perpetual Trust Limited