

25 February 2011

Dear Investor

Report to Investors of Geneva Finance Limited (“Company”) pursuant to Section 54A of the Securities Act 1978 and Regulation 12 of the Securities (Moratorium) Regulations 2009

Reporting period: 3 months ending 31 December 2010

State of Affairs

The Company is listed on the New Zealand Alternative Stock Exchange (NZAX).

NZAX Listing Rule 10.1 requires an NZAX Issuer once it becomes aware of any Material Information concerning it, to immediately release the Material Information to the New Zealand Stock Exchange (“NZX”). The Directors’ of the Company made the following statement on 20 January 2011:

“We refer to section 10.1.1 **Continuous Disclosure of Material Information** of the New Zealand Stock Exchange Listing Rules. The Directors are not aware of any information that should be disclosed under this section that has not already been disclosed.”

All disclosures made to the NZX can be found under the Company’s information on the NZX website: www.nzx.com

The company’s Interim Report for the six months ended 30 September 2010 was released on 15 February 2011.

On 9 August 2010 Standard & Poor’s affirmed Geneva Finance Limited’s and Quest Insurance Group Limited’s credit rating of CCC, outlook negative.

Conduct of Moratorium

In the period under review, monthly interest at contractual rates was to be paid on all outstanding debenture and subordinate notes (“sub notes”). This was achieved. The 2.5% repayment due on the 30 September 2010 was repaid early on 29 June 2010. At the same time the facility from BOSIAL was reduced by \$2.5m to \$27.5m.

Most recent audited annual financial statements: 31 March 2010

Most recent audited interim financial statements: 30 September 2010

The annual and interim financial statements are available for public inspection:

- at the Companies Office of the Ministry of Economic Development as addendums to the IBRP (including at www.companies.govt.nz);
- the New Zealand Stock Exchange website (www.nzx.com) under the Company’s information; and
- the Company’s website (www.genevafinance.co.nz).
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Copies on the audited financial statements will be made available to investors on request, free of charge. Requests should be made to:

Managing Director
Geneva Finance Limited
Private Bag 14923
Panmure
Auckland, 1741

Phone: 0800 800 133

Milestones identified in the IBRP

The following milestones relating Debenture Holders and Sub Note Holders were indentified in the IBRP:

Debenture Holders	%		Sub Note Holders	%
Conversion to shares	15.0		Conversion to shares	55.000
Principal cash payments before IBRP			Forecast principal repayments in the IBRP	
Up to 30-Sep-09	50.0		31-Oct-13	5.625
Forecast principal repayments in the IBRP			30-Apr-14	5.625
31-Mar-10	5.0	Paid	31-Oct-14	5.625
30-Sep-10	2.5	Paid*	30-Apr-15	28.125
31-Mar-11	2.5		Total	100.000
30-Sep-11	2.5			
31-Mar-12	2.5			
30-Sep-12	2.5			
31-Mar-13	2.5			
30-Sep-13	2.5			
31-Mar-14	2.5			
30-Sep-14	5.0			
31-Mar-15	5.0			
Total	100.0			

* The 2.5% principal repayment due on 30 September 2010 was repaid early on 29 June 2010.

In addition the following milestones were also achieved:

- monthly interest payments to debenture holders and sub note holders; and
- reduction of the BOSAIL facility from \$30.0m in March 10, to \$27.5m on 29th June 10 (scheduled reduction date 30 September 2010).

Matter previously disclosed

The risks documented in the Investment Statement to the IBRP dated 5 March 2010 under "What are my risks?" on page 23 remain the key risks to the achievement of the outcome forecast in the IBRP.

Yours faithfully



David O'Connell
Managing Director