

29 October 2010

Dear Investor

Report to Investors of Geneva Finance Limited ("Company") pursuant to Section 54A of the Securities Act 1978 and Regulation 11 of the Securities (Moratorium) Regulations 2009

Reporting period: 6 months ending 30 September 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"). On 7 October 2010 the Company published the attached press release on the NZX website. On 20 October 2010 the Directors' of the Company made the following statement:

"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

NZAX Listing Rule 10.4.1 requires each NZAX Issuer to make an announcement pursuant to the NZAX Listing Rule 10.4.2 through the New Zealand Stock Exchange for public release, in the manner prescribed by the NZAX Listing Rule 10.3 as soon as the Material Information is available, and in any event:

- (a) before the release of each annual report, and not later than 75 days after the end of the financial year to which that report relates; and
- (b) before the release of each half year report and not later than 75 days after the end of the financial half year to which that report relates.

The half year audit of the Company and its subsidiaries ("Charging Group") will be carried out during the month of November. A preliminary announcement under NZAX Listing Rule 10.4.1 will be made to the NZAX on or about 14 December 2010 and will be published under the Company's information on the NZX website.

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, 5% of the original principal was to be repaid to Debenture Holders and the facility from BOS International (Australia) Limited (BOSIAL) was to be reduced by \$2.5 on 30 September 2010. In addition monthly interest at contractual rates was to be paid on all outstanding debenture and subordinate notes ("sub notes"). The 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. Monthly interest at contractual rates was paid as required.

Most recent audited annual financial statements: 31 March 2010

Most recent audited interim financial statements: 30 September 2009

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).

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

Disposal of Property

No property was disposed of during the reporting period.

Preferential Claims

There are no creditors with claims in preference to debenture holders.

Other amounts likely to be available at date of report for payment to creditors

There are no other amounts available at the date of the report for distribution to creditors.

Related Party Transaction

No related party transactions were entered into under the period of review outside of the charging group.

Prospective Financial Information about amounts to be received

No prospective financial information about amounts to be received was included in the Interest Bearing Repayment Plan for the period under review.

Trading Prospects

A preliminary announcement under NZAX Listing Rule 10.4.1 will be made to the NZAX on or about 14 December 2010 and will be published under the Company's information on the NZX website following the completion of the half year audit

Updated Forecasts

A preliminary announcement under NZAX Listing Rule 10.4.1 will be made to the NZAX on or about 14 December 2010 and will be published under the Company's information on the NZX website following the completion of the half year audit.

Milestones identified in the IBRP

The following milestones relating Debenture Holders and Sub Note Holders were identified 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 Paid*	31-Oct-14	5.625
30-Sep-10	2.5		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
- the reduction of the BOSAIL facility.

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

OCTOBER 2010

**GENEVA FINANCE LIMITED
EXCEEDS
\$100 MILLION
IN INVESTOR REPAYMENTS**

Following up on the early repayment in June this year of the “moratorium” principal instalment due in September 2010, Geneva Finance Limited is pleased to announce that as at 30th September, \$100.7m of investor principal and interest repayments have been made, since the company entered into Moratorium in November 2007 owing a net \$132.4m to investors. These repayments are inclusive of interest payments to investors (including the company’s bankers) of \$28.5m at an average interest rate of 10.75%, and principal repayments to public debenture holders totalling \$56.7m.

In addition, as reported at the company’s AGM held on 28th September, a number of significant operational milestones have also been achieved in the last twelve months, most notably, improvements in its new business model including the repositioning the target customer base to a higher affordability, lower risk profile, the rollout of the internet based, on line credit application and credit scoring systems to introducers and the development of improved, sustainable distribution channels for its products. The company’s continued focus on cost reduction has delivered operating cost savings of \$21.0m per annum compared to October 2007.

Effective 1 October 2010 the company’s operations are being internally restructured to segregate ongoing business performance from the discontinued activities thereby improving transparency for future reporting.