

30 July 2010

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 30 June 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 July 2010:

"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](http://www.nzx.com)

The Company's Annual Report for the year ended 31 March 2010 was released on 25 June 2010.

On 30 March 2010, Standard & Poor's raised Geneva Finance Limited's and Quest Insurance Group Limited's credit rating to 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. In addition to the interest payments, the 2.5% principal repayment due to Debenture Holders on 30 September 2010 was repaid early on 29 June 2010. At the same time the facility from BOS International (Australia) Limited ('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 2009

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

- at the Companies Office of the Ministry of Economic ( [www.companies.govt.nz](http://www.companies.govt.nz));
- the New Zealand Stock Exchange website ([www.nzx.com](http://www.nzx.com)) under the Company's information; and
- the Company's website ([www.genevafinance.co.nz](http://www.genevafinance.co.nz)).

Copies of the audited financial statements will be made available to investors on request, free of charge. Requests may be made by calling 0800 800 133 or writing to:

The Investment Manager  
Geneva Finance Limited  
Private Bag 14923  
Panmure  
Auckland, 1741

### Milestones identified in the IBRP

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

Debenture Holders		%
Conversion to shares	15.0	
Principal cash payments before IBRP		
Up to 30-Sep-09	50.0	
Forecast principal repayments in the IBRP		
31-Mar-10	5.0	<b>Paid</b>
30-Sep-10	2.5	<b>Paid*</b>
31-Mar-11	2.5	
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	

Sub Note Holders		%
Conversion to shares	55.000	
Forecast principal repayments in the IBRP		
31-Oct-13	5.625	
30-Apr-14	5.625	
31-Oct-14	5.625	
30-Apr-15	28.125	
Total	100.000	

\* 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 from \$30.0m to \$27.5m.

### 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