

Set out below is information in respect of Hellaby Holdings Limited, the Consolidated Group and the Borrowing Group. When reviewing this information, investors should bear in mind that for the purposes of the Securities Regulations, Hellaby Holdings Limited is the issuer, and the Guaranteeing Subsidiaries guarantee, on an unsecured and subordinated basis, the Note Obligations (for further detail see the section entitled "Summary of Trust Deed"). Accordingly, the information below in respect of the Consolidated Group is provided for information only.

As at the date of this Offer Document, the Borrowing Group consists of Hellaby Holdings Limited and its Guaranteeing Subsidiaries, and the Consolidated Group consists of the Borrowing Group and R Hannah & Co Limited, Diesel Distributors Australia Pty Limited, Bombay Petfoods Limited, Energy Intellect Limited and New Zealand Wool Services International Limited.

Hellaby Holdings Limited

Hellaby Holdings Limited is an NZSX listed company with a diversified range of strategic interests in a number of New Zealand and Australian automotive, industrial, retail, manufacturing and distribution businesses.

Hellaby Holdings Limited listed on the NZSX in 1994 and, as at 1 May 2006, had a market capitalisation of approximately \$223 million (based on the closing trading price of the Ordinary Shares on the NZSX at that date). The shareholders' equity excluding minority interest of the Consolidated Group as at 31 December 2005 was approximately \$102 million (as prepared under NZ IFRS).

Hellaby Holdings Limited and its subsidiaries employ approximately 1,900 people in New Zealand and Australia throughout approximately 250 branches. Hellaby Holdings Limited's corporate office is based in Auckland, New Zealand.

Investment Philosophy

Hellaby Holdings Limited makes selective investments in businesses that it believes will have the capacity to deliver superior returns to shareholders.

Hellaby Holdings Limited's primary operating and investment objective is to increase shareholder value over time, through growth in earnings per share and by optimising dividend payout.

The investment and acquisition philosophy of Hellaby Holdings Limited comprises four main elements:

- Hellaby Holdings Limited will work with the chief executives of its subsidiaries and associated companies to optimise the profitability, cashflows and strategic positioning of existing businesses;
- Hellaby Holdings Limited will acquire businesses which it believes it can profitably grow over the medium to long-term period, and which will produce superior returns;
- Acquisitions will either complement existing investments or will be selected for future strategic leverage. Hellaby Holdings Limited will seek to achieve synergies between businesses it owns, by forming 'sector clusters' where appropriate. This may include acquiring new products or agencies which can be channelled through existing distribution networks; and

- Hellaby Holdings Limited generally views itself as a long-term owner of the businesses it acquires. Hellaby Holdings Limited will divest businesses where future growth opportunities are limited under continued ownership, or where Hellaby Holdings Limited can sell at a premium that maximises value for its shareholders.

In line with its investment philosophy, Hellaby Holdings Limited will continue to pursue attractive opportunities for acquisition and investment.

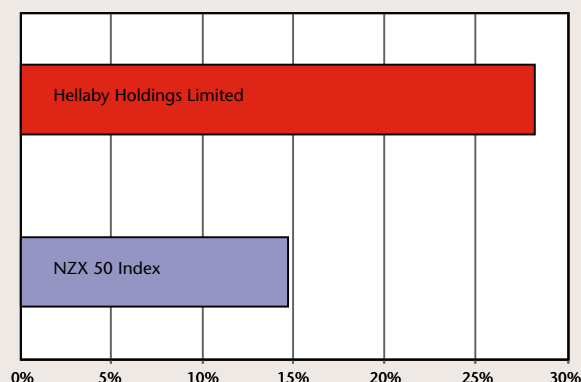
Historic Investment and Financial Performance

Since 1994, Hellaby Holdings Limited has successfully developed an investment portfolio containing a diversified group of businesses.

The businesses in Hellaby Holdings Limited's investment portfolio exhibit a sound balance between cash generation and growth potential. This balance has enabled Hellaby Holdings Limited to record solid earnings and equity growth. Over the five years to 30 June 2005, the Operating Surplus after Taxation of the Consolidated Group has increased by 61% to approximately \$21.6 million (as prepared under NZ FRIS).

A further indicator of Hellaby Holdings Limited's success is that it has generated a total shareholder return¹ of 28.2% per annum in the five years to 31 March 2006, while the NZX 50 Index returned 14.7% per annum in the same period (as shown in the graph below):

Total Shareholder Return Comparison



Source: Bloomberg

Capital Structure

Hellaby Holdings Limited seeks to efficiently and prudently manage its capital structure in a manner that supports its optimal dividend policy whilst maintaining a degree of financial flexibility to pursue attractive investment opportunities.

The proceeds of this Capital Notes issue will initially be used to reduce bank indebtedness and provide Hellaby Holdings Limited with an increased ability to fund future acquisitions and other growth opportunities.

¹ Total shareholder return is the total financial return provided to shareholders from both share price appreciation and dividend reinvestment. The dividend figure used is the net dividend after tax.