

18 May 2012

Dear Shareholder

DISTRIBUTION NOTICE

You may be aware that we have recently sold one of our portfolio company investments – GoBus Holdings Ltd. As a result of this sale and other portfolio company dividends received the Pohutukawa Board is pleased to advise that a distribution has been approved for **31.75 cents per share (cps) for payment on 18 May 2012**. This return is a milestone for Pohutukawa as now you have received in cash returns more than the \$1 per share originally committed.

This sale means that for the 16.42 cps capital invested in GoBus and Hamilton City Bus Depot your capital return equates to 30.5 cents per Pohutukawa share. We are delighted with this outcome.

The net distribution comprises:

Distribution Source	Total Distributed	Cents per share
<i>Capital</i>		
Capital returns from portfolio companies*	\$ 16,194,635	30.56 cents
<i>Dividends</i>		
GoBus Holdings Ltd**	\$ 252,747	0.48 cents
Other portfolio companies ***	\$ 382,634	0.72 cents
TOTAL	\$ 16,830,016	31.75 cents

(* relates to GoBus, Hamilton City Bus Depot and Innovair investment returns)

(** includes imputation credits)

(***includes dividends for BioPacificVentures; NZ King Salmon and Fishpond with imputation credits)

The record date for this distribution was 7 May 2012. Please note that where required resident withholding tax will be deducted and paid to the Inland Revenue Department from the distribution of 31.75 cps.

Including tax credits attached to dividends distributed to date, Pohutukawa has now distributed a total of \$1.08 per \$1.00 share. The estimated net asset backing of the remaining assets following this distribution is 49 cps.

Full details of the distribution are provided in the distribution summary issued by the Registry that accompanies this notice.

A reminder the Pohutukawa Annual Shareholders Meeting is to be held on 22 May 2012, 2.30 pm, at Craigs Investment Partners, Level 32, Vero Centre, 48 Shortland Street, Auckland and we look forward to seeing you there.

Yours sincerely

POHUTUKAWA PRIVATE EQUITY LIMITED



JOHN MCDONALD
Chairman