

Iwi Investment Report 2016

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Disclosure and disclaimer

TDB Advisory (TDB) has provided independent financial and investment advice to many iwi, including Ngāi Tahu, Waikato-Tainui, Tūhoe and Rangitāne o Wairau. This report, however, is based solely on publicly available information.

This report has been prepared by TDB with care and diligence. The analysis has been done at a high level based on public information. All the iwi reviewed in this report were given the opportunity to comment on a draft of the report, although they bear no responsibility for the final product. We would like to acknowledge the valuable contributions of all the iwi who provided comments on the draft report. Neither TDB nor the iwi that have been reviewed in this report warrant or guarantee the accuracy of the information in this document. This report has been produced on a pro bono basis. The research is objective and TDB does not seek to make or infer any normative judgements on the governance and investment strategy of any iwi. Not every iwi in NZ is reviewed in this report and the conclusions derived in this report are not to be taken as representative of any other iwi.

Caution should be taken about making inferences regarding the relative performance of iwi. The financial information in this report does not take into account investment risk. Furthermore, the dates of the settlements differ and some are quite recent so different time periods and short-term time horizons are often considered. In addition, the published financial information of the iwi does not take into account option values (e.g., rights of first refusal and deferred selection options), strategic priorities and non-financial objectives unique to each iwi.

Overview

This report reviews the corporate structures, investment strategies and investment performance of selected iwi across New Zealand. Overall, our analysis indicates a reasonably positive financial performance by the sector. Seven of the eight iwi covered in this report, including the two largest iwi in terms of assets (\$) - Ngāi Tahu and Waikato-Tainui - have generated consistently positive returns over a number of years. However, over the last four years, only two iwi - Ngāi Tahu and Ngāti Whātua Ōrākei - have recorded an average return on assets above the returns of our benchmark portfolio.

We estimate the total assets of the post-settlement entities are now valued at around \$6b. This report considers eight iwi - Ngāi Tahu, Ngāpuhi, Ngāti Porou, Ngāti Whātua Ōrākei, Port Nicholson Block, Rangitāne o Wairau, Tūhoe and Waikato-Tainui - with combined assets of around \$4.3b. These eight iwi were chosen on the basis of availability of public information, asset base, length of operations and population size. We estimate that the total assets of the iwi covered in this report equate to around 70% of all post-settlement iwi assets.

The eight iwi we have reviewed generally have similar corporate structures. While these structures are often complex, typically there is an overarching trust that makes decisions about distributions and the non-financial objectives of the group, while a separate commercial entity has been established to manage the group's commercial assets and to make investment decisions under a commercial mandate. A variety of investment approaches have been adopted by the eight iwi as summarised in Table 1 below.

Figure 1. Map of the eight iwi



Table 1. Summary of investment strategies

	No of asset classes	Largest asset class	Capital allocation	Management approach	Debt-to-capital
Ngāi Tahu	8	Property	41%	Largely active	9%
Ngāpuhi	8	Fisheries	60%	Largely passive	2%
Ngāti Porou	7	Equities	59%	Largely passive	8%
Ngāti Whātua Ōrākei	1	Property	100%	Active	18%
Port Nicholson Block	3	Property	89%	Largely passive	-
Rangitāne o Wairau	5	Commercial property	61%	Largely passive	-
Tūhoe	7	Managed Funds	52%	Largely passive	-
Waikato-Tainui	6	Property	51%	Largely active	22%

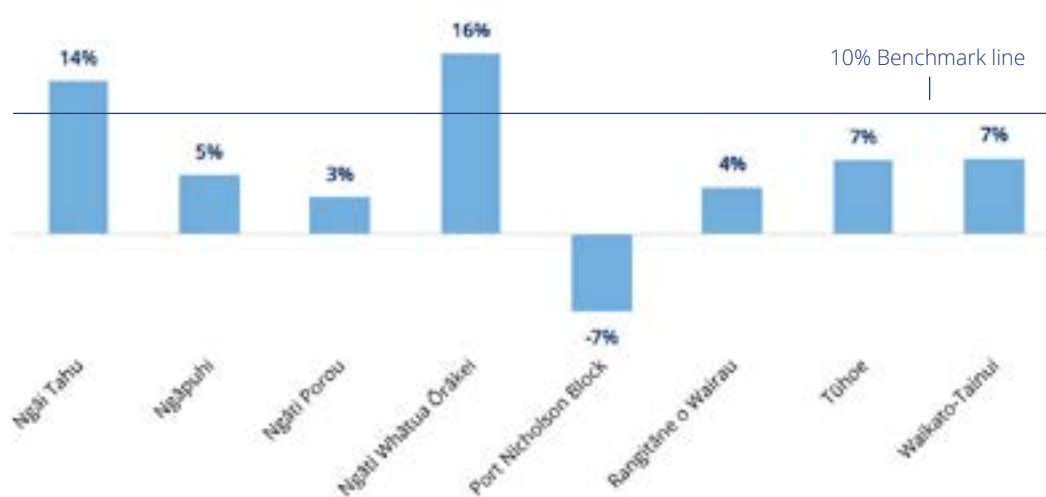
The investment strategies of the eight iwi can be broadly categorised into three groups. Five of the iwi - Ngāi Tahu, Ngāti Whātua Ōrākei, Port Nicholson Block, Rangitāne o Wairau, and Waikato-Tainui – have had a strong bias towards property investment. This reflects in part their initial settlements which tended to be dominated by properties in their rohe (traditional tribal areas). Two of the other iwi – Tūhoe and Ngāti Porou – have made a distinct effort to diversify their portfolios, in particular through investments in managed funds. The final group is solely Ngāpuhi, an iwi yet to settle with the Crown, other than through the Treaty of Waitangi fisheries settlement.

With the notable exceptions of Ngāti Porou and Tūhoe, the iwi have little or no investment in global equities and several of the iwi have few assets outside their rohe. Many of the iwi are therefore heavily exposed to a single asset class (i.e. property) in a narrowly defined geographic area. While there are often strong cultural and historical reasons for such a concentration in their portfolios, it is risky from a financial perspective. The interests of many iwi in the domestic fisheries industry, with their holdings of settlement quota and AFL shares, have also seen them exposed to volatility in this sector in recent times.

Investment performance

There have been considerable differences in the investment performances of the iwi over recent years. Figure 2 below compares the returns of each iwi over the period 2013 - 2016. The returns presented are for each iwi group as a whole and have been calculated after deducting the respective Trusts' operating expenditures. The returns for the commercial entities of the iwi will be somewhat higher than are presented below as they will include the distributions to the parent entity (the Trust). However, most iwi do not publish separate financial statements for their commercial arms. The returns to the iwi will also be understated to the extent that the iwi do not revalue upwards some assets - for example, Ngāi Tahu holds significant amounts of seafood quota but does not include upward revaluations of the quota in its reported returns.

Figure 2. Average RoA (% p.a), 2013-2016



As the diagram above illustrates, Ngāi Tahu and Ngāti Whātua Ōrākei have comfortably outperformed our benchmark return of 10% p.a., with reported average returns of 14% p.a. and 16% p.a. respectively, over the last four years. The remaining iwi have had considerably lower returns. These returns have been positive, except for Port Nicholson Block which for the first time reported a positive return in 2016. Ngāi Tahu has performed very well over a long period (refer Appendix 2 for a longer time series of returns). Ngāti Whātua Ōrākei's high returns in recent years reflect its concentration of assets in the Auckland property market.

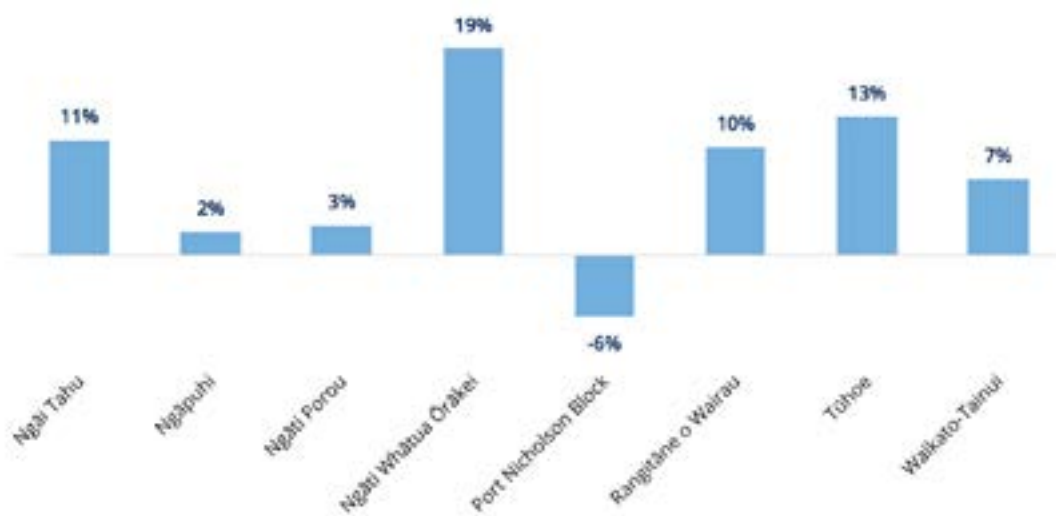
The return on assets (RoA) provides a basis for comparing the financial performance of the iwi, however it is important to note that our RoA calculations are not risk-adjusted. Further, the location of each iwi has played a role in the relative performance, with the returns of many iwi closely linked to the performance of their local property market. It is also important to note that the iwi that received earlier settlements have had a longer period to become experienced investors and develop well-structured organisations and investment policies, potentially leading to better returns today.

The returns presented in Figure 2 on the previous page are calculated after deducting the respective Trusts' administration and other overhead costs. Overheads (as a percentage of revenue) of smaller iwi, like Rangitāne o Wairau, will inevitably tend to be higher than is the case for the larger iwi. The disadvantages faced by the smaller iwi may be able to be offset by their working together to share services or by their contracting with an independent body to provide such services on an outsourced basis.

Net assets per member

Figure 3 below illustrates the average change in net assets per iwi member (% p.a.) between 2013 and 2016. Ngāti Whātua Ōrākei, at 19%, has shown the greatest increase in net assets per member over the period. Ngāi Tahu, Rangitāne, Tūhoe and Waikato-Tainui have experienced increases in the 7% to 13% p.a. range, while Ngāpuhi and Ngāti Porou have experienced lower increases. Port Nicholson has experienced decreasing net assets per member. It is important to note that new settlements have been excluded from the calculations to facilitate more meaningful comparisons across the iwi.

Figure 3. Average change in net assets per member (% p.a), 2013-2016



Iwi as investors

When comparing the returns of iwi with non-iwi investors, the relative advantages and disadvantages of iwi as investors should be noted. On the one hand, iwi typically have limited access to new capital and have constraints on their ability to sell certain assets. On the other hand, many iwi have negotiated first rights of refusal on certain Crown assets as part of their Treaty settlements and face the Maori authority tax rate of 17.5%. Iwi also tend to have long time horizons, are reluctant to report negative returns (and therefore can have a low tolerance for risk) and, as noted above, tend to have a strong home bias in their investment strategies. Finally, it should be noted that iwi Trusts (as opposed to their commercial arms) have objectives that go beyond maximising financial returns. In order to achieve these wider social and cultural objectives, it is important that the investments held by their commercial arms perform to their maximum potential.

Introduction

Since 1990, around 60 iwi in New Zealand have finalised Treaty settlements with the Crown. A Treaty settlement is an agreement between the Crown and a Maori claimant group, usually an iwi, to settle all that claimant group's historical claims against the Crown. The Treaty settlement is typically composed of historical accounts, an acknowledgment and apology, cultural redress and financial and commercial redress.

This report is based on the financial and commercial redress aspects of the Treaty settlement. In this report, we have focused on eight iwi. Seven iwi have been selected based on the year of Treaty settlement, the size of Treaty settlement, the number of iwi members and the availability and transparency of financial reports and information disclosures. Although it is yet to settle with the Crown, we have also included Ngāpuhi because of the size of its member base. Table 2 below illustrates the iwi covered in this report.

Table 2. The eight iwi

	Location	Year of Deed	Redress Amount	Population
Ngāi Tahu	South Island	1997	\$170m	55,500
Ngāpuhi	Northland	Still under negotiation	-	125,601
Ngāti Porou	East Cape	2010	\$90m	71,049
Ngāti Whātua Ōrākei	Ōrākei	2011	\$18m	14,784
Port Nicholson Block	Wellington	2008	\$25m	14,500
Rangitāne o Wairau	Northern South Island	2010	\$25m	5,784
Tūhoe	Te Urewera	2012	\$169m	34,890
Waikato-Tainui	Waikato	1995	\$170m	55,995

Even though we are reviewing only eight iwi, these eight iwi account for approximately 63% of the total Māori population in New Zealand (Census 2013) and manage approximately 70% of total assets in the sector.

Our review of iwi investments begins with a brief discussion of each iwi's corporate governance structure. Next, we discuss the investment strategy of the commercial entity within each iwi. The investment strategies are analysed based on the degree of diversification management approach and investment financing. Finally, we review each of the eight iwis' investment performance by reviewing its total assets base and net worth and calculating standard financial performance metric measures of return on assets, return on equity and net assets per member.

Scope and approach

This section outlines the way the report for each iwi is structured and discusses methodological issues relating to the different performance measures used in the report.

Organisational structures

The processes and mechanisms by which an iwi is directed and controlled have significant implications for its investment strategies and performance. This section of the report summarises the organisational structure of the eight iwi examined in this report and the functions and responsibilities of the key entities within each iwi group.

Investment strategy

This section of the report discusses the investment strategies of the eight iwi. We discuss each iwi's asset allocations and comment on the degree of diversification of its portfolio, its management approach and its investment financing practices. Diversification among asset classes works by spreading investments among various assets (e.g. New Zealand equities, international equities, bonds, cash, T-bills, real estate, etc.) with returns that are not perfectly correlated with each other. Diversification allows an investor to reduce risk in a portfolio because the values of different assets move at different times and at different rates. Having a diversified portfolio creates greater stability in overall returns and can improve overall portfolio performance.

Capital structure

The capital structure section looks at the debt financing of the iwi. The degree to which the iwi investments are financed by equity and debt can affect the riskiness of the strategy and the returns. A highly-leveraged (i.e. high debt) portfolio increases the riskiness of the investment and restricts the ability of the investor to invest in assets that do not yield regular cash flows. We measure financial leverage by using the debt-to-capital ratio.

Investment performance

This section of the report discusses the financial performance of each iwi. The analysis begins with a brief discussion of each iwi's total assets and net worth. To measure the investment performance of each iwi, we have used the standard accounting metrics of return on assets (RoA) and return on equity (RoE), with minor adjustments. The adjustments are necessary to reflect the differing structures of each iwi. Some iwi have received additional cash settlements from the Crown, typically in the form of relativity payments, that also affect the performance metrics. To permit more meaningful comparisons across the iwi, we have excluded additional settlements in the calculations of RoA and RoE.

RoA is an indicator of how efficiently the iwi has used its assets to generate earnings. RoA is calculated by dividing the iwi's total comprehensive income - net of any relativity payments, with interest expense and distributions made to the iwi beneficiaries added back in - by its average assets. The formula below has been used in the calculation of RoA. The formula used for calculating RoE takes into account the differing capital structures and distribution policies of each iwi.

$$\begin{aligned} \text{Return on assets} &= \frac{\text{(Total pre-tax comprehensive Income + Distributions + Interest expense - Relativity payments)}}{\text{Average assets}} \\ \text{RoA} &= \frac{\text{(Total pre-tax comprehensive Income + Distributions + Interest expense - Relativity payments)}}{\text{Average assets}} \\ \\ \text{Return on equity} &= \frac{\text{(Total comprehensive income + Distributions - Relativity payments)}}{\text{Average net worth}} \\ \text{RoE} &= \frac{\text{(Total comprehensive income + Distributions - Relativity payments)}}{\text{Average net worth}} \end{aligned}$$

The RoA and RoE calculations on the previous page allow us to remove the effects of additional settlements from the Crown on each iwi's net income and measure only the returns generated by the use of the iwi's capital in that particular period. In addition, we have added back any distributions made by the Trust to reflect the total return on capital to the beneficiaries.

The returns presented are for each iwi group as a whole are calculated after deducting the respective Trusts' operating expenditures. The returns for the commercial entities of the iwi will be somewhat higher as they will include the distributions to the parent entity (the Trust). However, most iwi do not publish separate financial statements for their commercial arms. The returns of the iwi will also be understated to the extent that they do not always revalue upwards some assets (e.g., some land or other assets that they intend to hold in perpetuity).

Average returns

Where average returns are calculated for an iwi over a period of several years, the average return is calculated as the geometric mean. The geometric mean provides a more accurate measure of returns over a longer period, as it takes into account the effect that compounding may have on returns. In contrast, a simple, or arithmetic average, is more useful in the short term where compounding of returns need not be considered.

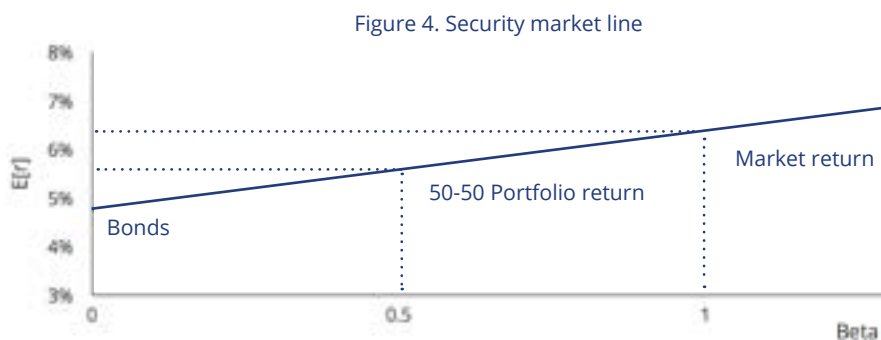
Net asset value

Net asset value (NAV) per share is a measure of the value per share in an investment fund. In the context of this report, NAV per member is used to gauge the level of net assets per iwi member. When making comparisons between NAV per member of each iwi, new settlements have been deducted. Iwi population numbers are generally based on Statistics NZ 2013 Census data.

$$\text{Net assets per member} = \frac{\text{Net worth}}{\text{Iwi population}}$$

Comparing against a benchmark return

We have constructed a simple reference portfolio to provide a benchmark for comparison of the iwis' investment performance. Our benchmark portfolio is made up of low-risk bonds (50%) and a diversified stake in New Zealand equities (50%). The benchmark provides a simple standardised estimate. While it would be ideal to have a customised benchmark for each iwi, that would require a detailed analysis of its circumstances, taking into account such factors as its risk appetite, time horizon, liquidity requirements and tax position. Much of this information is not publicly available. Appendix 3 illustrates the calculations behind this benchmark return.



Ngāi Tahu

Te Rūnanga o Ngāi Tahu is the largest iwi in New Zealand in terms of assets (\$), with the rohe of Te Rūnanga o Ngāi Tahu spanning the majority of the South Island. We refer to Te Rūnanga o Ngāi Tahu as Ngāi Tahu throughout this report.

Organisational structure

Ngāi Tahu's organisational structure (as it relates to commercial investments) is depicted below. Ngāi Tahu Holdings Corporation (NTHC) is an investment company of Ngāi Tahu Charitable Trust, of which Te Rūnanga o Ngāi Tahu is the sole trustee. NTHC, as a subsidiary, is tasked with efficient wealth creation using the Trust's existing assets, increasing shareholder equity for both the current and future generations and providing distributions to the Trust to facilitate social, cultural and environmental initiatives.

Ngāi Tahu Charitable Trust

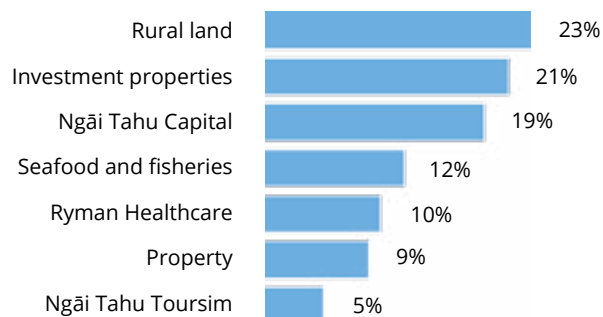
Ngāi Tahu Holdings Corporation

- Investment and financial strategy
- Capital allocation
- Investment performance

Investment strategy

As a part of its settlement package, Ngāi Tahu received \$170m in cash in 1997. Ngāi Tahu was also given the option of purchasing a range of Crown assets in order to generate income for social development and asset-preservation purposes.

Ngāi Tahu's total assets were valued at \$1,504m at June 30th, 2016. Ngāi Tahu's current asset allocation is depicted below.



Management Approach:
Largely active

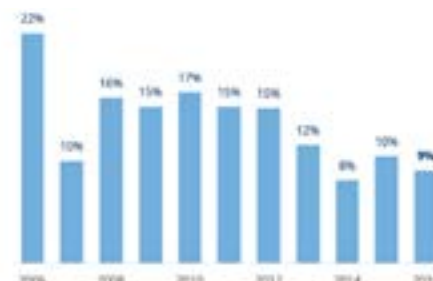
Ngāi Tahu's portfolio is relatively diverse and includes investment properties, seafood and fisheries assets, farming assets, tourism holdings, a majority ownership of Go Bus and shares in Ryman Healthcare. In 2016, Ngāi Tahu made the following investment decisions: it acquired a 50% ownership of honey producers Watson & Son Ltd Partnership and transport company Hilton Haulage; it decreased its holdings in Ryman Healthcare by 24%, with the intention of keeping this investment at around 10% of its overall portfolio; it acquired \$4.3 million of unlisted shares in Amuri Irrigation; and it sold all shares previously held in Summerset Group, to the value of \$5.3 million.

Ngāi Tahu

Capital structure

Ngāi Tahu's 2016 debt-to-capital ratio of 9% indicates a low level of leverage for the iwi. Ngāi Tahu currently hold \$123m of term debt, slightly down from \$133m in 2015. Since 2006, its debt-to-capital ratio has declined significantly. This decline has been driven largely by increases in Ngāi Tahu's equity rather than significant declines in the absolute value of its debt.

Debt-to-capital ratio



Investment performance

Asset base and net worth

Over the last 10 years, Ngāi Tahu has nearly tripled its asset base, from \$561m in 2006 to \$1,504m in 2016. With little debt, Ngāi Tahu's net worth has grown significantly over this period. 2016 was no exception, with the asset base increasing by 12% and net worth increasing by 11%. Ngāi Tahu has received numerous relativity payments from the Crown over the period, with payments in 2013, 2014 and 2015 of \$69m, \$13m and \$29m respectively.

Asset base



Return on assets

Ngāi Tahu's low RoA in 2009 was mainly driven by a write-down of assets in the seafood sector. The strong 2013 RoA was due to the rise in Ryman Healthcare's share price, increased property market values and higher demand for New Zealand seafood from China. 2015's low RoA of 6% was caused by a combination of a reduced capital gain on investment properties, a net capital loss on Ryman Healthcare shares and a net loss on cash flow hedges. The 2016 RoA of 11% marks a significant increase, reflecting in particular strong kōura (crayfish) sales in China and the sale of residential sections.

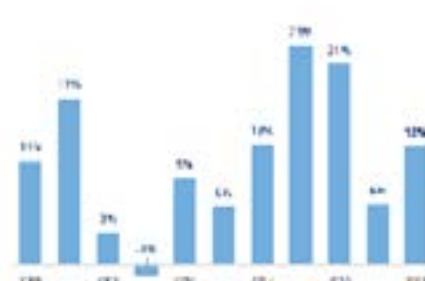
Return on assets



Return on equity

Ngāi Tahu achieved an RoE of 12% in 2016, just above the 10.5% average over the last 10 years. This is up from 2015's RoE of 6%, reflecting in particular increased asset turnover and revenue growth, which was up 14% from last year. Distributions to iwi beneficiaries have been steadily growing, from \$10m in 2006 to \$25m in 2016. It should be noted that the returns to the iwi are understated to the extent that Ngāi Tahu does not revalue upwards some assets, like its seafood quota.

Return on equity



Net asset value	2013	2014	2015	2016
Net assets per member (\$)	16,838	20,207	21,143	22,947

Ngāpuhi

Te Rūnanga Ā Iwi O Ngāpuhi is based in Northland and are the largest iwi in New Zealand in terms of population (Census 2013). Te Rūnanga A Iwi O Ngāpuhi is referred to as Ngāpuhi throughout this report.

Organisational structure

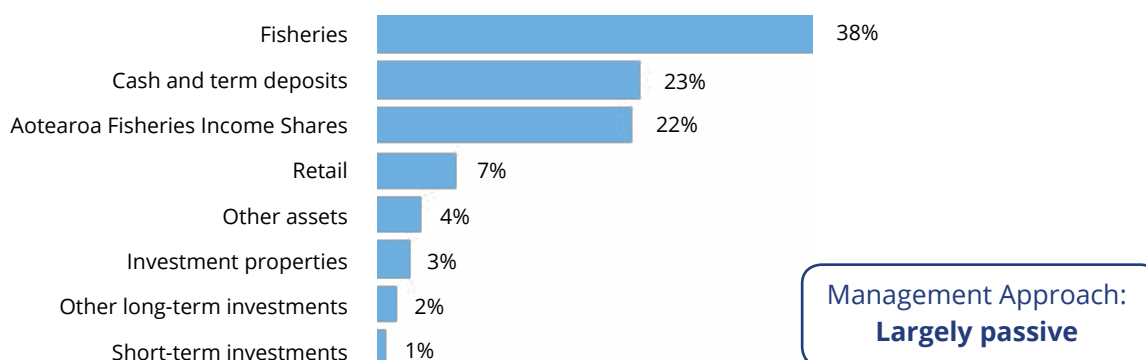
Te Rūnanga Ā Iwi O Ngāpuhi is the governing body of the iwi, with the following subsidiaries: Te Hau Ora O Ngāpuhi (THOON), Ngāpuhi Iwi Social Services (NISS), Te Rūnanga-Ā-Iwi O Ngāpuhi Operations, and Ngāpuhi Asset Holdings Company Ltd (NAHC). THOON was established in 2015 following the merger of Te Hau Ora O Kaikohe with the Rūnanga and leads the health strategy for Ngāpuhi, serving whānau, hapū and hāpori living within Te Whare Tapu O Ngāpuhi. NISS delivers a range of support for the iwi through whanau services and youth services, social work through schools and re-engaging students with education. NAHC oversees the investment strategy for the iwi, while also operating retail investments in Caltex Kaikohe, Paper Plus Kaikohe and Northland Deepwater Fishing Venture.

Te Rūnanga-Ā-Iwi O Ngāpuhi Board of Trustees

Te Hau Ora O Ngāpuhi (THOON) <ul style="list-style-type: none">• Health strategy	Ngāpuhi Iwi Social Services (NISS) <ul style="list-style-type: none">• Whanau services	Te Rūnanga-Ā-Iwi O Ngāpuhi Operations <ul style="list-style-type: none">• Operations	Ngāpuhi Asset Holdings Company Ltd (NAHC) <ul style="list-style-type: none">• Investment and financial strategy
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Investment strategy

Ngāpuhi's Treaty settlement with the Crown is still under negotiation. Ngāpuhi currently has 83% of its assets in a combination of cash and term deposits, fisheries settlement quota and Aotearoa Fisheries Income Shares – with a total of 60% of its assets related to the New Zealand fisheries industry.



A significant inshore fisheries investment was evaluated during 2016. Although it did not progress, the iwi considers inshore fisheries a valuable platform for NAHC in the near future. NAHC has \$6.5m of funds invested with the BNZ in term investments and a bond portfolio. Commercial properties continue to be leased on long-term agreements, are fully leased and contribute to diversification within the Ngāpuhi portfolio. NAHC currently has a 12.6% interest in AFL and this is set to increase to 15.8% when the AFL Income and Voting Shares (held in trust by Te Ohu Kaimoana) are released. Ngāpuhi's investment approach is largely passive, with most of its assets in minority holdings in the fisheries industry (including illiquid shares in AFL) and financial assets.

Ngāpuhi

Capital structure

Ngāpuhi has little debt on its balance sheet. Its debt-to-capital ratio declined from 2% in 2011 to 0.02% in 2016. 2013 was the last year in which bank loans were held.

Investment performance

Asset base and net worth

Ngāpuhi's asset base has grown from \$39m in 2011 to \$56m in 2016. Since 2013, however, assets have only increased by 6%. The 2016 increase in assets of 5% reflects an increase in cash, with bank balances increasing by \$4m. Given the dominance of fisheries assets in its portfolio, Ngāpuhi is heavily dependent on the performance of its fisheries investments.



Return on assets

The return on assets for Ngāpuhi has fluctuated over the past six years, with the 2012 and 2013 results of 15% and 14% respectively being driven by large net operating profits. 2012 also saw \$7.3m of value added from revaluations.



The large passive investments in AFL and bonds in a low interest rate environment have recently delivered low returns for the iwi. Nevertheless, NAHC considers the dividend received from AFL to be a significant component of Ngāpuhi's annual income. Reduced returns in the fisheries industry have seen RoA decline from the peaks in 2012 and 2013 to 3% in 2016. Ngāpuhi has averaged a 6% p.a. RoA over the last six years.

Return on equity

Ngāpuhi's RoE has also averaged 6% p.a. between 2011 and 2016. This reflects the strong returns in 2012 and 2013, (of 15% and 14% respectively) and low returns in other years. Ngā Puhi has decided that, in a low interest rate environment, its direct passive investment portfolio will not generate the necessary returns and has decided to transition to more active, diversified investment approach.



Net asset value	2013	2014	2015	2016
Net assets per member (\$)	398	400	410	425

Ngāti Porou

Te Rūnanganui o Ngāti Porou is the governing body of the Ngāti Porou iwi. Te Rūnanganui o Ngāti Porou is referred to as Ngāti Porou throughout this report. Ngāti Porou is located on the East Cape of the upper North Island.

Organisational structure

Ngāti Porou Holding Company (NPHC) is the commercial arm of Ngāti Porou. It is responsible for the management of the Trust's assets and the creation of financial returns, some of which are distributed to beneficiaries within the iwi. NPHC also manages Ngāti Porou Seafoods Group and Pakihiroa Farms. Toitu Ngāti Porou is responsible for the cultural management and wealth distribution to the iwi. Ngāti Porou Hauora provides health services to the iwi.

Te Rūnanganui o Ngāti Porou

Ngāti Porou Holding Company

- Wealth generation and property investment

Toitu Ngāti Porou

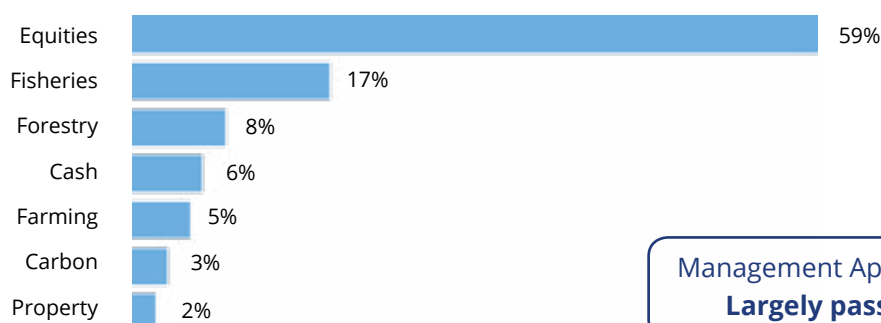
- Cultural and wealth distribution

Ngāti Porou Hauora

- Health services to whanau and hapu

Investment strategy

In 2012, Ngāti Porou received a financial settlement of \$110m, which included \$90m in financial and commercial redress and \$20m in cash as cultural redress. Prior to its settlement, Ngāti Porou was primarily invested in fisheries. In 2012, Ngāti Porou established NPHC as its commercial arm. NPHC has since developed and is implementing its investment strategy. NPHC's current asset allocation is shown below:



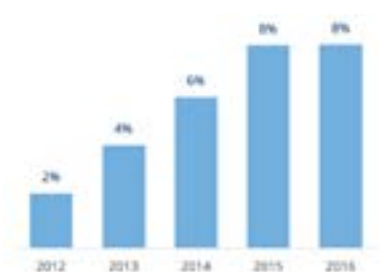
Investments in equities (including shares in listed and non-listed companies) dominate Ngāti Porou's portfolio, accounting for 59% of total capital. The Management of the equity investments is outsourced to fund managers, such as Milford Asset Management and BlackRock Investment Management, which hold a diverse range of assets, including investments in Trans-Tasman equities, developed market equities, emerging market equities, inflation-sensitive assets and deflation assets. 2016 saw the amount invested by Ngāti Porou in these growth assets increase by \$14m. Quota shares and Aotearoa Fisheries Limited shares make up 17% of Ngāti Porou's investments, while 6% of capital is held in cash. With the majority of its assets in managed funds and minority investments in the fishing industry, Ngāti Porou's management approach is largely passive.

Ngāti Porou

Capital structure

2016 saw Ngāti Porou convert \$4 million of current bank debt to term debt. This change had no effect on Ngāti Porou's debt to capital ratio, which remained at 8%.

Debt-to-capital ratio



Investment performance

Asset base and net worth

In 2006, Te Ohu Kai Moana Trustee Limited approved Ngāti Porou as a mandated iwi organisation. This resulted in an allocation of fish quota, Aotearoa Fisheries Limited (AFL) shares and other cash at a fair value of \$29m. The large increase in Ngāti Porou's assets and net worth in 2012 was due to the injection of its treaty settlement. Since settlement, assets have increased by 17%, to a value of \$223m in 2016. The value of total assets decreased from 2015 to 2016 by 0.2%.

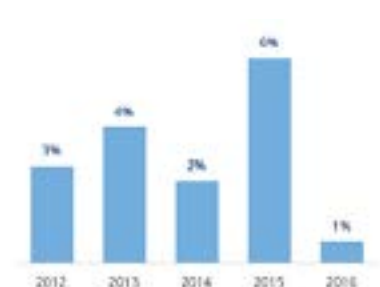
Asset base



Return on assets

Ngāti Porou's RoA has averaged 3% p.a. since 2012. The annual RoA has fluctuated over the last five years between 1% (in 2016) and 6% (in 2015). This volatility reflects, in part, Ngāti Porou having almost 60% of assets invested in equities. The volatility in Ngāti Porou's returns is reduced by the stability of its revenue from government contracts. The low returns in 2016 reflected, primarily, unrealised losses of \$2m from its investments in financial assets.

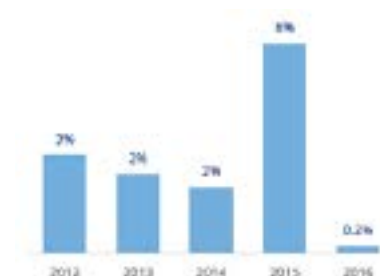
Return on assets



Return on equity

Given its low debt-to-capital ratio, Ngāti Porou's RoE has followed the same trend as its RoA. 2013 was an exception, with a RoE of 2% reflecting a taxation expense of \$2.6m. In 2016, the majority of Ngāti Porou's subsidiaries outside of NPHC saw their earnings increase. However, these increases were largely offset by the unrealised losses on its financial assets and Ngāti Porou's overall RoE was 0.2%. These losses on financial assets were caused in part by the volatility of Chinese markets and Brexit - the latter occurring a week prior to the June 30 2016 financial year. Ngāti Porou does not appear to have made any distributions. The iwi has averaged an RoE of 3% p.a. since 2012.

Return on equity



Net asset value	2013	2014	2015	2016
Net assets per member (\$)	2,615	2,654	2,827	2,833

Ngāti Whātua Ōrākei

The Ngāti Whātua Ōrākei Trust was established in 2012, following the Treaty of Waitangi settlement with the Ngāti Whātua Ōrākei Māori Trust Board. Ngāti Whātua Ōrākei is now the governing body of the Ngāti Whātua Ōrākei hapu, located in Ōrākei.

Organisational structure

The Trust operates at a strategic level with Whai Rawa Limited (WRL) and Whai Maia Limited (WML) as its subsidiaries. WRL is a property development and investment company which manages Ngāti Whātua Ōrākei's commercial assets to generate financial returns for the iwi and to support the tribal development goals of WML. WML is a charitable trust that is focused on tribal development in areas of employment and education, health and wellbeing, tourism, arts and culture and managing key relationships.

Ngāti Whātua Ōrākei Trust

Whai Rawa Limited (WRL)

- Property investment and development

Whai Maia Limited (WML)

- Tribal development

Investment strategy

i received financial redress to the value of \$18m (plus interest) in its settlement in 2012. Using a combination of its own funds and its settlement assets, Ngāti Whātua Ōrākei purchased properties in the North Shore and other parts of Auckland. Ngāti Whātua Ōrākei's current asset allocation is shown below:

Property  100%

Management Approach: **Active**

Properties is the only asset class Ngāti Whātua Ōrākei currently invests in. Its properties include:

- Quay Park, which has 29 ground leases including the Vector Arena, Countdown supermarket, apartment blocks, other apartments and commercial buildings;
- Eastcliffe on Ōrākei Retirement Resort at 217 Kupe Street, Ōrākei; and
- North Shore Development Lands. Ngāti Whātua Ōrākei purchased 28ha of North Shore land from the Crown as part of the WAI388 Claim.

In 2016, a joint venture was negotiated with Fletcher Residential Limited. The joint venture will see Whai Rawa participating in the first of the Auckland Crown Housing Programme projects at Moire Road, Massey, as well as responding to the first stage of the Tāmaki Regeneration development EOI process.

With 100% of its assets in property in the Auckland region, Ngāti Whātua Ōrākei's portfolio is undiversified. While its investment approach has yielded strong returns in recent years, it exposes Ngāti Whātua Ōrākei to fluctuations in the Auckland property market. The concentration on property development and investment is indicative of an active investment portfolio.

Ngāti Whātua Ōrākei

Capital structure

Ngāti Whātua Ōrākei's debt-to-capital ratio increased significantly in 2013 when it took on additional debt of \$77m. The increase in the ratio in 2015 to 22% was the result of bank loans increasing by \$68m. With its net worth increasing by 30% in 2016, Ngāti Whātua Ōrākei's debt-to-capital ratio decreased to 18%, despite debt increasing for property purchases.

Debt-to-capital ratio



Investment performance

Asset base and net worth

In 2012, Ngāti Whātua Ōrākei's assets were valued at \$401m, including a settlement of \$18m. 2013 saw the value of assets increase substantially to \$593m. The increase reflected the purchase of seven surplus land parcels on the North Shore and rising property values, combined with improvements in portfolio management. Further increases in 2015 and 2016 were driven by increases in the value of its investment properties. Ngāti Whātua Ōrākei's assets are currently valued at \$939m, with net worth at \$717m.

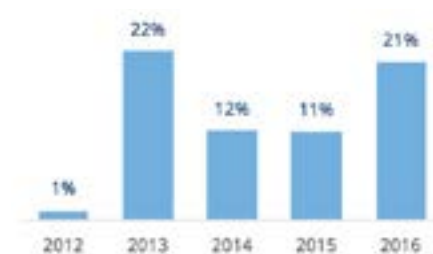
\$m Asset base



Return on assets

2013 saw Ngāti Whātua Ōrākei's highest RoA thus far of 22%. This was due to a substantial gain on its North Shore investment properties of \$99m. Total comprehensive income decreased to \$58m in 2014, resulting in a decrease in RoA to 11%. RoA decreased marginally in 2015 with the gains on property valuations in Auckland being offset by an increase in debt from \$84m to \$152m. A substantial increase in net profit to \$164m saw RoA lift back up to 21% in 2016. The increased return included gains from exercising right of first refusal and on-selling three properties. Ngāti Whātua Ōrākei has averaged a 13% p.a. RoA over the last five years.

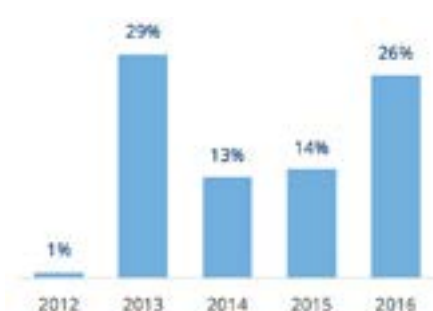
Return on assets



Return on equity

Ngāti Whātua Ōrākei's RoE has averaged 16% p.a. over the last five years. This higher RoE (relative to its RoA) reflects its capital structure. The fluctuations in RoE over time reflect the variations in returns from its investment properties. Ngāti Whātua Ōrākei has historically made distributions to its beneficiaries in the form of education grants, scholarships and programmes. In 2016, \$5.1m in cash was distributed alongside income spent for housing refurbishment.

Return on equity



Net asset value	2013	2014	2015	2016
Net assets per member (\$)	28,639	32,571	37,372	48,468

Port Nicholson Block

The Port Nicholson Block Settlement Trust was established in August 2008 to receive and manage the settlement package for Taranaki Whānui ki Te Upoko o Te Ika. The Port Nicholson Block Settlement Trust is located in Wellington and is referred to as Port Nicholson Block throughout this report.

Organisational structure

Port Nicholson Block Settlement Trust is responsible for the economic, social, cultural and environmental sustainability of the iwi. The Taranaki Whānui Commercial Board is the commercial arm of the Trust and is governed by four directors. The Commercial Board manages the Trust's investments and property portfolios under the Trust's ultimate direction.

The Port Nicholson Block Settlement Trust

Taranaki Whānui Commercial Board

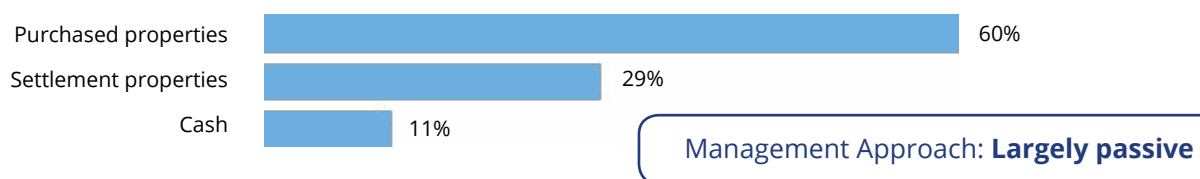
- Commercial Activities

Investment strategy

Port Nicholson Block signed a financial settlement of \$25m in 2008. In addition to the cash settlement, the iwi received:

- sale and lease back options, under which Port Nicholson Block was able to purchase certain Crown-owned properties and lease them back to the Crown;
- rights of first refusal, which resulted in the iwi having the right of first refusal to purchase certain Crown-owned properties at market value; and
- deferred selection rights, under which Port Nicholson Block had the option to purchase certain Crown-owned properties within two years of the settlement date.

Port Nicholson Block's current allocation of assets is presented below:



Port Nicholson Block's core business is property. With around 90% of its assets in property, Port Nicholson Block's portfolio is not well diversified. In particular, the three largest settlement properties are properties in Thorndon Quay, Wainuiomata College and Wainuiomata Intermediate. Port Nicholson Block also exercised its deferred selection option to purchase properties owned by the New Zealand Defence Force and the Department of Corrections in Shelly Bay - which in recent times has been proposed for sale. 2016 also saw property purchases of \$1.7m.

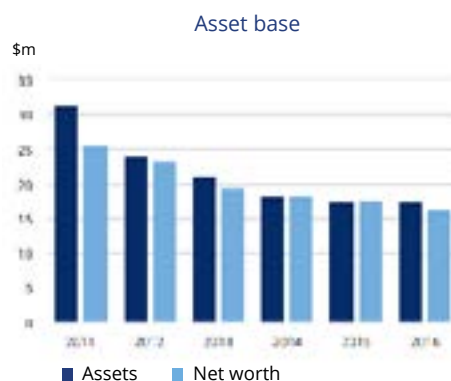
The adoption of PBE accounting standards in 2016 has resulted in a restatement of figures across the financial statements. Figures prior to 2014 have not been restated and discrepancies between these two periods are now apparent. Port Nicholson Block is highly exposed to the volatility of property values in the Wellington region. The property investments are mainly comprised of leases and are not management intensive. Port Nicholson Block plans to take a more active approach to managing its portfolio in the future. Port Nicholson Block does not have any term debt.

Port Nicholson Block

Investment performance

Asset base and net worth

Port Nicholson Block's reported asset base has declined steadily from 2011. Total assets have fallen from \$31m in 2011 to \$17m in 2016. Net worth has declined from \$26m in 2011 to \$16m in 2016. Port Nicholson Block has heritage assets that are not included in the financial statements. From 2011 to 2015, Port Nicholson Block reported net losses which saw its asset base and net worth deplete. In 2016, Port Nicholson reported a net gain of \$55,000. By identifying properties where Right of First Refusal (RFR) could be exercised and managing the on-sale of selected properties carefully, revenue of \$1.8m was generated.



Return on assets

The negative historical RoA for the Trust from 2011 to 2015 was due to the underperformance of its investments and relatively high administration costs. The large decline in RoA in 2013 was due to losses in the fair values of its investment properties in Shelly Bay and Petone College. Port Nicholson Block has substantially reduced its administrative expenses since 2013, contributing to a positive RoA of 0.5% in 2016. The iwi is continuing to look for investment opportunities, where these decisions are weighted toward residential property development.



Return on equity

Port Nicholson Block's RoE has been similar to its RoA, and was negative from 2011 to 2015. Like the 2016 RoA, RoE has become positive for the first time over this period, at 0.3%. The Trust has not paid out any distributions to its iwi beneficiaries over this period. The RoE for Port Nicholson Block since 2011 has averaged negative 9% p.a.



Net asset value	2013	2014	2015	2016
Net assets per member (\$)	1,342	1,244	1,205	1,120

Rangitāne o Wairau

Te Rūnanga a Rangitāne o Wairau is one of the many smaller iwi that signed its Treaty settlement in recent years. Te Rūnanga a Rangitāne o Wairau is based in the north of the South Island and is referred to as Rangitāne o Wairau throughout this report.

Organisational structure

Rangitāne o Wairau is the governing body of the iwi, with Rangitāne Holdings Ltd (RHL) and Rangitāne Investments Ltd (RIL) as its commercial arms. RHL and RIL share the same board and are tasked jointly with the financial management of Rangitāne o Wairau's assets. RHL and RIL share a single investment strategy and management team. RHL and RIL provide the Trust with income to carry out its strategic objectives.

Rangitāne o Wairau

Rangitāne Holdings Ltd (RHL)

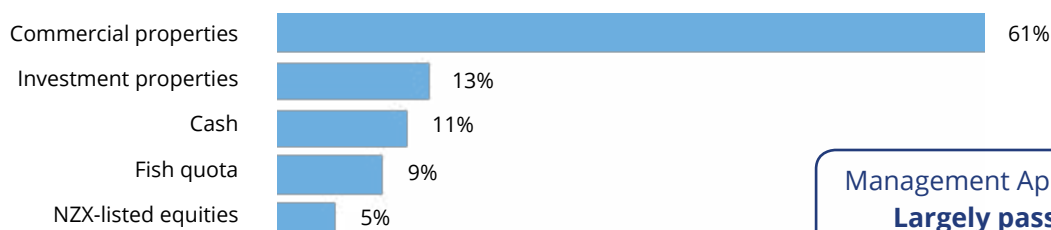
- Development of Rangitāne settlement assets

Rangitāne Investments Ltd (RIL)

- Management of investment properties

Investment strategy

Rangitāne o Wairau's settlement in 2010 comprised financial and commercial redress totalling \$25.4m. This included \$12.2m in lieu of licensed Crown forest land and accumulated rentals. Rangitāne has used its opportunity for deferred selections to purchase Crown-owned properties with Crown entities as tenants. Commercial and investment properties make up 74% of its investment portfolio. Rangitāne o Wairau's commercial properties largely comprise leasehold land for schools around the top of the South Island, including commercial land for Rangitāne House. Rangitāne o Wairau's current allocation of assets is presented below.



Management Approach:
Largely passive

Rangitāne o Wairau also holds minority interests in NZX-listed equities, including shares in Meridian Energy Ltd., Mighty River Power Ltd. and shares in unlisted Aotearoa Fisheries Ltd. 2016 also saw a \$3m non-listed investment in ANZ term deposits. As is typical for many early stage post-settlement iwi, Rangitāne o Wairau's portfolio is relatively undiversified. Despite the heavy weighting towards commercial properties, Rangitāne o Wairau's management approach is largely passive due to its large holdings of leasehold land and listed equity portfolios. Rangitāne o Wairau has no term debt on its balance sheet.

Rangitāne o Wairau

Investment performance

Asset base and net worth

The iwi received a \$22m cash settlement in 2013 which saw its total assets increase significantly. Rangitāne o Wairau also received additional settlements in 2014 and 2015 of \$1.2m and \$3.5m respectively. The additional settlements and net surpluses from 2013 onwards have seen its asset base grow steadily. Rangitāne o Wairau's assets and net worth are currently valued at \$44m. Additional small investments have also contributed to asset growth since 2013.



Return on assets

Rangitāne o Wairau reported a surplus in 2012 of \$0.35m. Its net income, however, included an Aquaculture Treaty Settlement. To fairly measure performance, the settlement of \$0.6m has been excluded from the surplus for the period. The increase in RoA in 2013 was driven by an increase in rental and dividend income, providing an RoA of 4%. The increase in RoA in 2015 was driven by an increase in rental income from its properties and a large gain in the fair value of its fish quotas. A decrease to 3% in 2016 reflects decreases in the fair value of shares and fair value of the fish quota of \$2.6m. Rangitāne o Wairau's RoA over the last five years has averaged 2% p.a.



Return on equity

Rangitāne o Wairau made distributions to its beneficiaries in 2014 and 2015 of \$27,000 and \$17,000 respectively, with no distributions in 2016. A capital gain on the disposal of Rahoia Marine Farms of \$0.58m was made in 2016. Rangitāne o Wairau's RoE has averaged 2% p.a. over the past five years. This relatively low RoE reflects, amongst other things, relatively high administration costs relative to income.



Net asset value	2013	2014	2015	2016
Net assets per member (\$)	1,934	2,116	2,370	2,581

Tūhoe

Tūhoe Te Uru Taumatua is the iwi organisation of the Tūhoe Tribals and is referred to as Tūhoe throughout this report. Tūhoe is located in Te Urewera.

Organisational structure

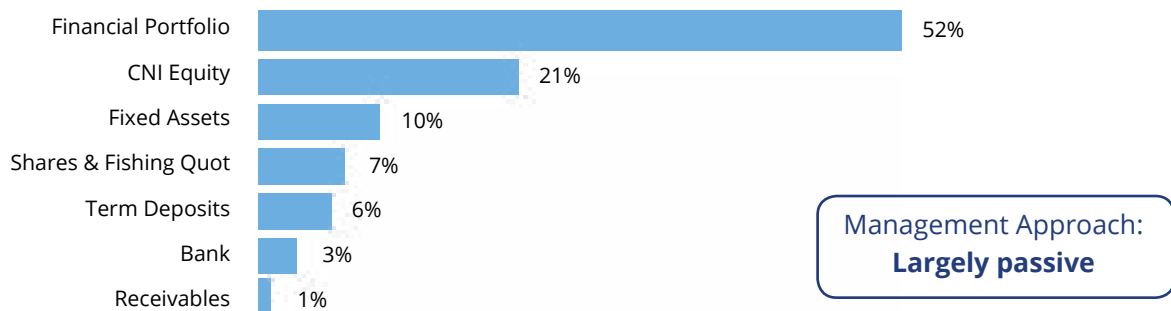
Tūhoe manages iwi-level strategy, policy and action. Tūhoe's Investment Committee is responsible for advising the Trust and managing its investment fund. Tūhoe also has Tūhoe Charitable Trust and Tūhoe Fisheries Quota Limited as subsidiaries. Tūhoe Charitable Trust is the distribution arm of Tūhoe. Its goal is to initiate and distribute benefits to Tūhoe. Tūhoe Fisheries Quota Limited manages Tūhoe fisheries settlement assets which include quota and income shares in Aotearoa Fisheries Ltd.

Tūhoe Te Uru Taumatua Trust

Investment Committee <ul style="list-style-type: none">• Tūhoe Trust Fund Management	Tūhoe Charitable Trust <ul style="list-style-type: none">• Wealth Distribution	Tūhoe Fisheries Quota Ltd. <ul style="list-style-type: none">• Fisheries settlement Asset Management
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Investment strategy

Tūhoe signed a financial settlement for approximately \$170m in 2014. In addition to a cash settlement, the iwi received sale and lease back options, under which Tūhoe has the opportunity to purchase five Crown-owned properties within a defined selection period. It also received exclusive rights of first refusal over Crown-owned properties located within a specified area for 172 years from the settlement date. Tūhoe's current asset allocation is provided below.



Tūhoe's financial portfolio, which accounts for 52% of assets, is largely made up of investments in global shares, term deposits, NZ bonds, global bonds and Australian shares. A push for further diversification in 2016 has seen \$55m moved to investments with ANZ and \$15m to the passive fund of New Zealand Assets Management (NZAM). Tūhoe has \$172m invested in its financial portfolio across four fund managers. Tūhoe also increased the value of its share in the Central North Island (CNI) Iwi Holdings Trust's net assets in 2016. CNI Iwi Holdings Trust is an asset holding company that holds land interests in Kaingaroa. Tūhoe's investments in Aotearoa Fisheries Ltd.'s shares and fishing quota are valued at \$10m and \$8m respectively.

Tūhoe has a well-diversified investment portfolio. Funds under the management of First NZ Capital are managed passively with investments primarily in portfolios that track the market indices. The investment approach of AMP Capital, Tūhoe's other main fund manager is unclear from Tūhoe's Annual Report. Tūhoe is entirely financed by equity capital and currently has no debt on its books.

Tūhoe

Investment performance

Asset base and net worth

Tūhoe's assets and net worth were valued at \$328m and \$325m respectively as at 30 June 2016. Tūhoe received settlements from the Crown in 2014 and 2015 of \$108m and \$26m respectively. The settlements have been the key contributor to rapid increases in assets and net worth. Tūhoe has also reported net surpluses in each of the past four years, which have also contributed to the growth in total assets and net worth.

Assets and net worth both increased in 2016 by 11% and 10% respectively. An increase in the value of term deposits and the purchase of the Matahi Forest (at a value of \$10m) have aided this increase in Tūhoe's asset base in 2016.

Return on assets

Tūhoe's RoA has steadily increased from 5% in 2013 to 9% in 2016. The increase in RoA in 2014 was due to a combination of increased interest income and a higher surplus from its CNI holdings. The increase in 2015 was primarily due to unrealised gains on its managed funds of \$12m, up \$9m from 2015. The increased RoA in 2016 was driven again by an increased surplus from its CNI holdings of \$12m. Tūhoe's RoA has averaged 7% p.a. over the past four years.

Return on equity

Tūhoe's RoE has been similar to its RoA historically due to an absence of term debt in its capital structure. The RoE for 2016 of 8% continues a steady positive upward trend. The value of the financial portfolio decreased by \$0.9m in 2016, while income from operations and the assessed valuations of the iwi's fishing quota both increased during the period. Tūhoe has not made any distributions to its iwi beneficiaries over the past four years. Tūhoe's RoE has averaged 6% p.a. over the past four years.



Net asset value	2013	2014	2015	2016
Net assets per member (\$)	3,811	4,112	4,661	5,490

Waikato-Tainui

Te Arataura o Waikato-Tainui, which is located in the Waikato, was one of the first iwi to reach a Treaty settlement with the Crown. Te Arataura o Waikato-Tainui is referred to as Waikato-Tainui throughout this report.

Organisational structure

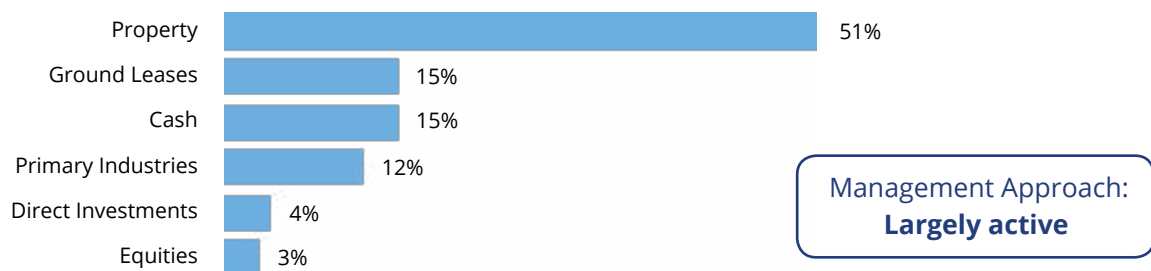
Within the Waikato-Tainui group, Waikato Raupatu Lands Trust manages tribal affairs as well as the group's development and distribution strategy. Tainui Group Holdings (TGH) is the organisation's commercial arm. TGH manages the Trust's assets by implementing an investment strategy and holding an investment portfolio aligned with the Trust's requirements and responsibilities. TGH also manages Waikato-Tainui Fisheries Ltd which owns and leases fishing quota and holds shares in Aotearoa Fisheries Ltd.

Waikato Raupatu Lands Trust



Investment strategy

Waikato-Tainui's financial and commercial redress in 1995 amounted to \$170m and included cash and land at market value. Waikato-Tainui is primarily invested in property, as has been the case over the last 15 years. Its assets include New Zealand's largest retail shopping centre: The Base. Waikato-Tainui also has investments in primary industries and a pool of direct equities, including investments in Waikato Milking System and Go Bus.



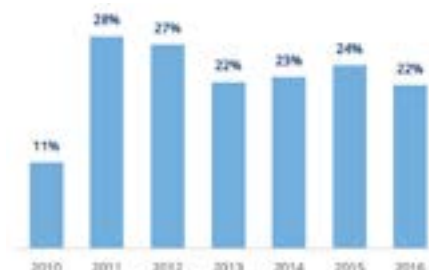
In recent years, Waikato-Tainui has been concentrating on diversifying its portfolio. 2016 saw significant steps in this direction, with the purchase of a dairy farm at Tauhei and the 50% sale of The Base. Waikato-Tainui also gained resource consents to operate an inland port at Ruakura. These steps mark a movement towards reducing concentration of risk in the property sector. Waikato-Tainui continues to follow a largely active management approach.

Waikato-Tainui

Capital structure

From 2011 to 2016, Waikato-Tainui's debt-to-capital ratio has averaged 24%, with approximately a quarter of investments financed by debt in 2015. This dropped to 22% in 2016 following the sale of 50% of The Base. This sale allowed for the release of \$193m of capital, part of which was used to pay off debt, with funds also being used for indirect investments in shares and some direct investments.

Debt-to-capital ratio



Investment performance

Asset base and net worth

Waikato-Tainui's 2016 net worth is \$940m, up 9% from 2015. Total assets are valued at \$1,225m, up 5% from 2015. As depicted, Waikato-Tainui's assets have increased by \$580m over the last six years. Waikato-Tainui received relativity payments from the Crown in 2013, 2014 and 2015 of \$70m, \$21m and \$70m respectively. These payments have contributed to the increase in Waikato-Tainui's asset base and net worth. Numerous revaluations of assets have also played a part.

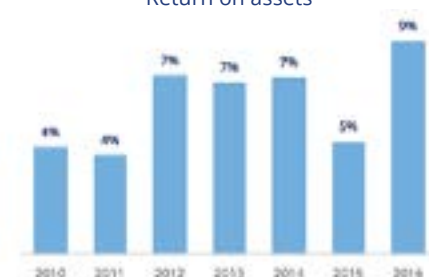
Asset base



Return on assets

Waikato-Tainui's RoA for 2016 of 9% is its highest level over the last seven years. This increase has been achieved through strong cash returns on property operations and revaluation gains on commercial property and land holdings. The high impact that changes within its property holdings has on its RoA is indicative of the large weighting of property within the Waikato-Tainui's portfolio. Waikato-Tainui has averaged an RoA of 5.9% p.a. over the past seven years.

Return on assets



Return on equity

Waikato-Tainui's RoE for the last seven years has averaged 6.1% p.a. 2016's strong RoE of 10% resulted from high cash returns from its hotel and residential property operations, gains in listed and unlisted shares and increased exports. An increased level of retained earnings will support further growth and potential future acquisitions, as Waikato-Tainui looks to expand its hotel and other commercial operations.

Return on equity



Net asset value	2013	2014	2015	2016
Net assets per member (\$)	11,335	12,372	12,514	13,913

Conclusions

This report has reviewed the corporate structures, investment strategies and investment performance of eight iwi over recent years.

Organisational structures

The organisational structures of the iwi, while often complex, are broadly similar. Typically, a distinct commercial entity has been delegated responsibility for investment strategy and asset management. The returns from the commercial entities have helped finance the Trusts' administration and distribution expenditures and have been reinvested to grow the asset base.

Investment strategies

The investments of most of the iwi reviewed in this report have focused on the property sector (property development, property investment and ground leases) and primary industries (forestry, fisheries and seafood). However, two iwi, Ngāti Porou and Tūhoe, have adopted different approaches, with the majority of their funds invested in financial assets through managed funds (either in equities or a combination of equities, bonds and other financial assets).

The iwi have adopted a range of management approaches to their investments, with three of the eight iwi taking an active or largely active approach and the other five taking a more passive approach, albeit often with some small active direct investments.

Debt-to-capital ratios are largely low (below 10%), with only Ngāti Whātua Ōrākei and Waikato-Tainui holding higher levels of total debt.

Investment performance

The investment performance of the iwi entities has varied significantly over the four years (2013-16) reviewed in this report. Two iwi, Ngāi Tahu and Ngāti Whātua Ōrākei, have consistently exceeded our indicative benchmark return of close to 10% p.a. Five iwi have reported average returns in the range of 3% to 7%, while one, Port Nicholson Block, has reported significant losses over much of the period.

The geographical locations of the iwi, their governance structures, the assets they selected at settlement and their subsequent investment decisions have all impacted on their realised rates of return. In addition, the level of diversification and management expertise have played important roles in determining the investment performance, especially when the management approach has been active.

Net assets per member have increased over the last four years for seven of the eight iwi examined in this report. This positive trend has allowed these iwi to better pursue the economic, social, cultural and environment goals for their iwi members. The only exception to increasing net asset growth was Port Nicholson Block, due to the declining value of its property portfolio. Ngāti Whātua Ōrākei, on the other hand, has had the highest growth rate in net assets per member. With a 100% property portfolio, this outcome was also a result of movements in the property market. This illustrates the risks (positive and negative) that a portfolio invested in a single asset class in a single geographical region can be exposed to.

Compared with our 2015 report, there has been some convergence in the financial performances of the iwi. Ngāi Tahu and Ngāti Whātua Ōrākei have continued to perform well above the average for the iwi, while three other iwi – Port Nicholson Block, Tūhoe and Waikato-Tainui have increased somewhat their return on assets relative to their earlier trend performance. Ngāti Porou, on the other hand, reported a weak financial performance in 2016, while Rangitāne o Wairau’s return on assets in 2016 was in line with its recent trend performance. Ngāpuhi, included in our report for the first time, reported a trend return slightly below the average for the eight iwi. Perhaps the most encouraging sign is Port Nicholson Block, which recorded in 2016 its first positive (albeit small) return in the last six years.

Appendix 1: Summary of settlements

Name	Year of deed	Redress amount
Rangitāne o Wairarapa and Rangitāne Tamaki nui-ā-Rua	2016	\$32.5m
Rangitāne o Manawatū	2015	\$13.5m
Ngāi Tai ki Tāmaki	2015	\$12.7m
Ngāti Kahungunu ki Heretaunga Tamatea	2015	\$100m
Taranaki iwi	2015	\$70m
Tauranga Moana Iwi Collective	2015	\$0.25m
Whanganui River	2014	\$80m
Te Ātiawa (Taranaki)	2014	\$87m
Ngāruahine	2014	\$67.5m
Raukawa	2014	\$50m
Ngāti Rārua	2013	\$11m
Ngāti Tama ki Te Tau Ihu	2013	\$12m
Ngāti Rangiteaorere	2013	\$1m
Maungaharuru Tangitu Hapū	2013	\$23m
Ngāti Kōata	2012	\$11m
Te Ātiawa a Māui	2012	\$11m
Ngāti Toa Rangitira	2012	\$70m
Ngāti Rangiwewehi	2012	\$6m
Tapuika	2012	\$6m
Ngāti Tuhoe	2012	\$169m
Tāmaki Makaurau Collective Settlement	2012	-
Waitaha	2011	\$8m
Ngāti Whātua o Kaipara	2011	\$22m
Ngāti Whātua Ōrakei	2011	\$18m
Ngāti Manuhiri	2011	\$9m
Ngāti Makino	2011	\$10m
Maraeroa A and B Blocks	2011	\$2m
Ngai Tāmanuhiri	2011	\$11m
Rongawhakaata	2011	\$22m
Ngāti Apa ki te Rā Tō	2010	\$28m
Ngāti Kuia	2010	\$24m
Rangitāne o Wairau	2010	\$25m
Ngā Wai o Maniapoto	2010	
Ngāti Porou	2010	\$90m
Ngāti Pahauwera	2010	\$20m
Ngāti Manawa	2009	\$12m
Ngāti Whare	2009	\$10m
Ngāti Apa (North Island)	2008	\$16m
Taranaki Whanui ki Te Upoko o Te Ika	2008	\$25m
Central North Island Forests Iwi Collective	2008	\$161m
Affiliate Te Arawa Iwi and Hapu	2006, revised 2008	\$39m

Name	Year of deed	Redress amount
Te Roroa	2005	\$10m
Ngāti Mutunga	2005	\$15m
Te Arawa (Lakes)	2004	\$11m
Ngaa Rauru Kiihahi	2003	\$31m
Tuwharetoa (Bay of Plenty)	2003	\$11m
Ngāti Awa	2003	\$42m
Ngāti Tama	2001	\$15m
Ngāti Ruanui	2001	\$41m
Te Uri o Hau	2000	\$16m
Pouakani	1999	\$3m
Ngāti Turangitukua	1998	\$5m
Ngāi Tahu	1997	\$170m
Te Maunga	1996	\$0.13m
Rotoma	1996	\$0.04m
Waimakuku	1995	\$1m
Waikato-Tainui raupatu	1995	\$170m
Ngati Whakaue	1994	\$5m
Hauai	1993	\$1m
Ngati Rangiteaorere	1993	\$1m
Commercial Fisheries	1992	\$170m
Waitomo	1990	\$1m

Source: "Claims Progress". Office of Treaty Settlements. Accessed December 5 2016.
<https://www.govt.nz/organisations/office-of-treaty-settlements/>

Appendix 2: Summary financials, \$m

Ngāi Tahu (y.e. June 30)

Asset Base	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Assets	561	567	645	657	715	730	809	1032	1,219	1,348	1,504
Net Worth	412	480	514	527	570	591	658	877	1,075	1,149	1,274
Total Debt	119	53	99	95	114	106	118	115	95	134	127
Current Liabilities	31	34	33	32	25	26	24	38	50	60	75
Settlement Received			35	29	6	1	-	69	13	29	0.04
Government Grant Income					16	0	1	5			

Financials	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenue	172	219	179	164	146	163	209	231	320	346	396
Distributions	10	8	13	10	12	11	15	17	17	21	25
Operating Exp. Trust	7	8	9	10	10	9	10	11	12	15	17
Finance Costs	8	6	5	6	5	8	8	10	7	8	8
Taxation Expense	0	0	0	0	1	1	0	0	0	0	1
Total Comprehensive Income	32	69	39	13	44	26	64	226	198	77	124

Ngāpuhi (y.e. June 30)

Asset Base	2011	2012	2013	2014	2015	2016
Assets	39	45	52	52	53	56
Net Worth	37	43	50	50	51	53
Total Debt	0.7	0.7	0.5	0	0.08	0.06
Current Liabilities	1	1	2	2	2	2
Settlement Received						
Government Grant Income	0.002	0.09	0.004	0.2	0.07	0

Financials	2011	2012	2013	2014	2015	2016
Revenue	13	15	19	16	16	18
Distributions	-	-	-	-	-	-
Operating Ex Trust	-	-	-	-	-	-
Finance Costs	0.1	0.1	0.1	0.01	0.01	0.01
Taxation Expense	-	-	-	-	-	-
Total Comprehensive Income	0.4	6	7	0.2	1	2

Ngāti Porou (y.e. June 30)

Asset Base	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Assets	39	40	41	44	44	45	191	197	206	224	223
Net Worth	38	39	39	39	40	41	183	186	189	201	201
Total Debt	0	1	1	4	3	3	4	8	12	17	18
Current Liabilities	1	1	1	3	2	1	5	5	8	12	5.6
Settlement Received	29						116	0		0	
Government Grant Income	-	-	-	-	-	-	-	-	-	-	-

Financials	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenue	5	5	8	10	11	11	146	31	29	40	31
Distributions	-	-	-	-	-	-	-	11	4	-	-
Operating Exp. Trust	-	-	-	-	-	-	-	-	-	-	-
Finance Costs	-	-	-	-	-	-	0	0	1	1	1
Taxation Expense	0	0	0	0	0	0	0	3	0	0	0
Total Comprehensive Income	29	1	0	0	1	1	5	5	4	12	0.4

Ngāti Whātua Ōrākei (y.e. June 30)

Asset Base	2012	2013	2014	2015	2016
Assets	422	593	631	767	939
Net Worth	317	424	482	553	717
Total Debt	38	107	86	153	161
Current Liabilities	-	56	60	59	58
Settlement Received	19	0	0	0	0
Government Grant Income	-	6	5	4	4

Financials	2012	2013	2014	2015	2016
Revenue	52	35	41	43	57
Distributions	0	0	1	1	1
Operating Exp. Trust	-	-	-	-	-
Finance Costs	2	4	7	7	7
Taxation Expense	0	1	6	0	4
Total Comprehensive Income	21	106	58	71	164

Port Nicholson Block (y.e. March 31)

Asset Base	2011	2012	2013	2014	2015	2016
Assets	31	24	21	18	17	17
Net Worth	26	23	19	18	17	16
Current Liabilities	5	1	2	1	1	1
Settlement Received	-	-	-	-	-	-
Government Grant Income	-	-	-	-	-	-
Financials	2011	2012	2013	2014	2015	2016
Revenue	1	1	1	1	0	0
Distributions	-	-	-	-	-	-
Operating Exp Trust	-	-	-	-	-	-
Total Distributions	-	-	-	-	-	-
Finance Costs	0	0	0	0	0	0
Taxation Expense	0	0	0	0	0	0
Total Comprehensive Income	-3	-2	-4	-1	-1	0

Rangitāne o Wairau (y.e. March 31)

Asset Base	2012	2013	2014	2015	2016
Assets	11	34	36	41	44
Net Worth	10	34	36	41	44
Total Debt	0	0	0	0	0
Current Liabilities	0	0	0	0	0.1
Settlement Received	1	22	1	4	2
Government Grant Income	-	-	-	-	-
Financials	2012	2013	2014	2015	2016
Revenue	1	2	3	5	3
Distributions	0	0	0.03	0.02	0
Operating Exp. Trust	-	-	-	-	-
Finance Costs	0.1	0	0	0.8	0.5
Taxation Expense	0	0	0	0	0
Total Comprehensive Income	0	23	2	5	3

Tūhoe (y.e. March 31)

Asset Base	2013	2014	2015	2016
Assets	134	254	296	328
Net Worth	133	252	296	325
Total Debt	-	-	-	-
Current Liabilities	1	2	0	1
Settlement Received	-	108	26	0
Government Grant Income	-	-	-	-

Financials	2013	2014	2015	2016
Revenue	5	8	9	9
Distributions	0	0	0	0
Operating Exp. Trust	-	-	-	-
Finance Costs	-	-	-	-
Taxation Expense	1	1	0	2
Total Comprehensive Income	6	119	45	25

Waikato-Tainui (y.e. March 31)

Asset Base	2010	2011	2012	2013	2014	2015	2016
Assets	644	775	802	925	1,040	1,164	1,225
Net Worth	538	559	596	705	784	862	940
Total Debt	69	218	220	199	230	276	259
Current Liabilities	34	94	45	50	38	33	241
Settlement Received	-	-	0	70	21	70	0
Government Grant Income	-	-	-	-	-	-	-

Financials	2010	2011	2012	2013	2014	2015	2016
Revenue	33	37	57	64	70	83	82
Distributions	4	4	7	7	6	22	9
Operating Exp. Trust	-	-	-	-	-	-	-
Finance Costs	5	8	13	14	14	17	15
Taxation Expense	0	0	0	0	-2	-3	0
Total Comprehensive Income	19	16	37	110	74	84	80

Appendix 3: Benchmark portfolio

Iwi	Period	Market return	Bond yield	Assumed management fees	Benchmark Return (50/50)	Average RoA of iwi
Ngāi Tahu	2006-2016	7%	5%	-1%	5%	14%
Ngāpuhi	2011-2016	14%	4%	-1%	8%	5%
Ngāti Porou	2012-2016	14%	4%	-1%	8%	3%
Ngāti Whātua Ōrākei	2012-2016	15%	4%	-1%	8%	16%
Port Nicholson Block	2011-2016	13%	4%	-1%	8%	-7%
Rangitāne o Wairau	2012-2016	15%	4%	-1%	8%	4%
Tūhoe	2013-2016	18%	4%	-1%	10%	7%
Waikato-Tainui	2010-2016	13%	4%	-1%	8%	7%

Nb: some iwi report at 31 March and others at 30 June.

Averaged over the minimum comparison period

	2013-2016	18%	4%	-1%	10%	
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