



PACIFIC
WEALTH CREATORS

RETURNS ANNOUNCEMENT

April 30, 2007

Pacific Wealth Creators announces investment return data

Leading New Zealand private client fund manager, Pacific Wealth Creators Ltd, today announced the average portfolio return for the year to 31 March 2007.

The average net client portfolio return for the previous year is 12.7% after fees. This means 4 year average annual return after fees is now 16.8%.

Pacific Wealth Creators' founder and chief research analyst, Mr James Clague said, "Although the latest return came in below the previous years 14.9% it is still pleasing considering we continue to hold reasonable amounts of cash in many portfolios. Also I continue to remind clients that investors must maintain reasonable expectations of returns and not all years will reflect strong growth, regardless of how well the companies that we invest in perform. This is because the share market at times creates a disconnect between company performance and share price performance, particularly during times of fluctuating investor sentiment across the broader market."

There are differing views on the levels of cash that one should maintain in a share portfolio. Some professionals feel that you should remain fully invested at all times as cash is 'idle' capital and if the purpose of a share portfolio is to invest in companies, why not invest fully?

"I don't subscribe to that view, says James Clague. Even though an investor may have a separate fixed interest portfolio with a cash component, the cash also forms a strategic function in an equity portfolio. It allows you to take advantage of share/market corrections. Any value investor should try to increase the cash portion of the portfolio after years of the general markets

having had such a good run. You just know its not going to last and if you have cash available then you're in a great position to pick up some bargains." Pacific Wealth Creators continues to offer wealthy investors an alternative to mainstream financial products offered by institutions. Investors find comfort in knowing that they are dealing with the person doing the research and making the all-important investment decisions.

About Pacific Wealth Creators Ltd

Established in 2000, Pacific Wealth Creators is a leading investment research house and manager of private client portfolios/funds based in Auckland, New Zealand. It is one of the only investment management companies with only performance-based annual fees. This sets it apart as an investment management operation whose interests are directly aligned to those of its clients – to grow client funds.

As a research house Pacific Wealth Creators conducts its own research of NZ and Australian listed companies and is one of the only investment companies with a true value-investing approach.

For further information visit www.pacificwealthcreators.co.nz

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