



4 July 2018

RAKON LIMITED (NZX: RAK)

Change in reporting method of Thinextra investment

Rakon Limited ("Rakon") today announces that the reporting of its investment in Thinextra Limited ("Thinextra") will change from an equity accounted associate to a fair value accounted investment in the half year ending 30 September 2018 ("Half Year").

The Directors will determine the fair value on the basis of receiving an independent valuation report. Based on the last sale price for the shares as a current indicator of fair value available to the Directors today, it is expected that a gain of \$7.5 million will be reported as profit in the Statement of Comprehensive Income for the Half Year. This projection is subject to the Directors receiving a final independent valuation report and the performance of Thinextra over the Half Year.

Brent Robinson

Chief Executive Officer & Managing Director

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About Rakon

Rakon is a global high technology company and a world leader in its field. The company designs and manufactures advanced frequency control and timing solutions for telecommunications, global positioning and space and defence applications. Rakon products are found at the forefront of communications where speed and reliability are paramount. The company's products create extremely accurate electric signals which are used to generate radio waves and synchronise time in the most demanding communication applications. Rakon has five manufacturing plants including one joint venture plant and has five research and development centres. Customer support centres are located in ten offices worldwide.

Rakon is proud of its New Zealand heritage; it was founded in Auckland in 1967. It is a public company listed on the New Zealand stock exchange, NZSX, ticker code RAK.

www.rakon.com