Rights Issue Investor Presentation

Northern Crest Investments Limited

May 2011

NORTHERN CREST

Disclaimer

This presentation has been prepared in good faith and with due care. However, none of Northern Crest Investments Limited or its directors, employees or advisors warrant or represent the accuracy or completeness of the information contained in this presentation.

To the extent that the presentation contains any forecasts, projections or other forward looking statements, we note that there can be no guarantee that actual results, performance or achievements will be as stated. The reliance that the recipient of this presentation places on any statement, forecast, projection or assumption is a matter for their own judgment.

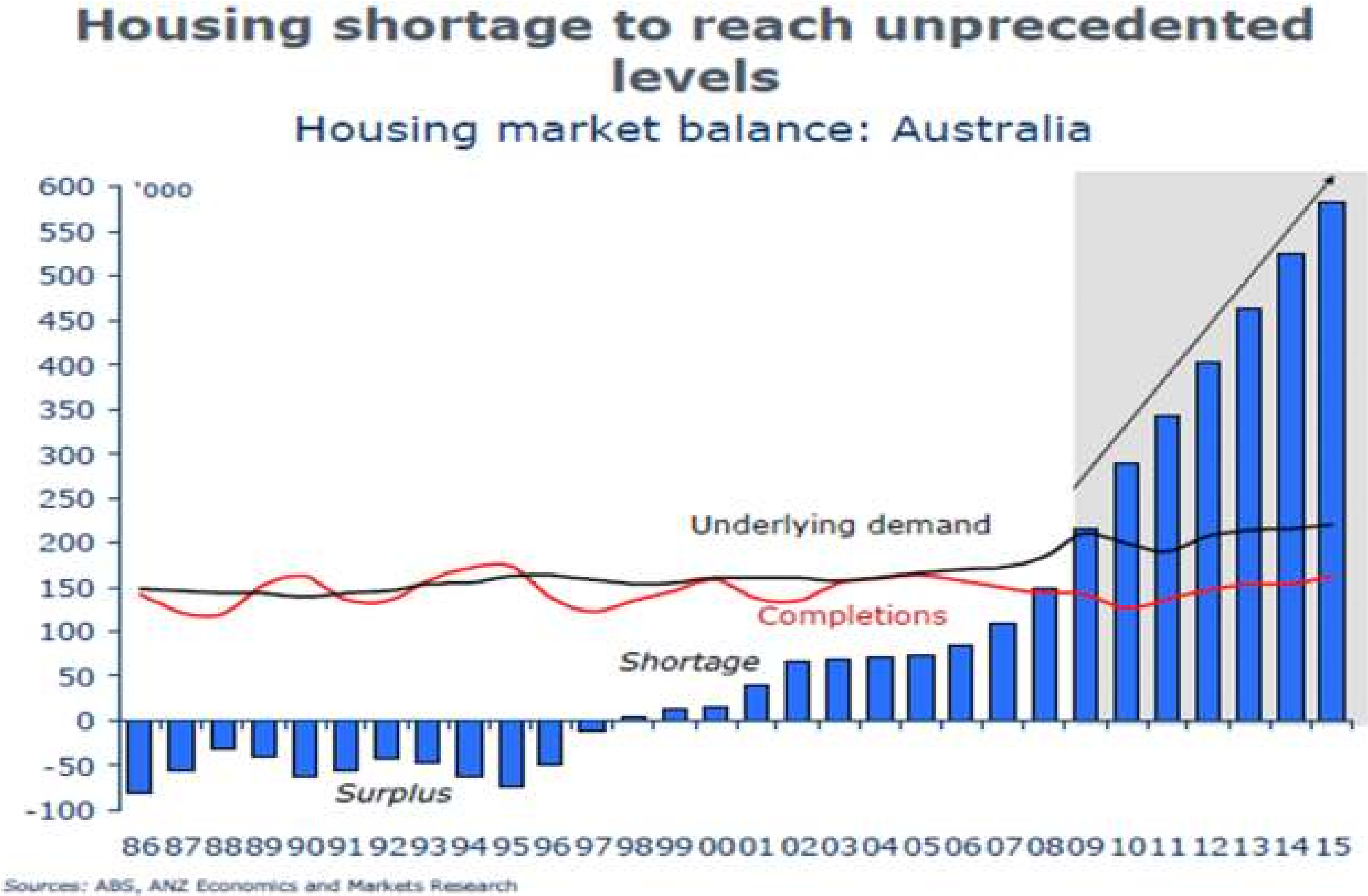
NOC is now a better business

- Original business concept validated
- Enhanced and simplified business structure
- Greater control and certainty from tied distribution
- Execution now the key

Historical Perspective

- New Zealand
  - NZ Franchisee collapse in early 2008 caused by loss of receivables from developers/lenders who failed as part of systemic collapse of NZ finance company sector and change of direction by new management appointed in early 2007
  - Operations closed and all actions cleared by NZ authorities
- Australia
  - Massive cost blowout with “over-corporatisation” by new management
  - Cost growth greatly ahead of revenue growth
  - Ineffective sales effort

Housing Supply Demand - National



Present Day

- Restructure now complete with all discontinued subsidiaries liquidated or wound down
- NZ authorities - publicly advised no actions pending
- All major NZ cases validated the original business model now being employed in improved form
- Final contingent obligation with Lombard Finance (in Rec) settled
- All client and office lease obligations settled in full

Present Day

- Balance Sheet simplified
- All historical asset receivables written down to zero
- Financial Comparison

	Calendar Year 2006	Calendar Year 2011
Current Liabilities	$50.0 m	$1.0 m
Long Term Liabilities	$ 2.0 m	$0.7 m
Overheads	$39.0 m	$0.75 m
EBT per Property	$18,363	$18,470
Income Recognition	On execution of Underwrite	On Settlement
Theoretical break even point p.a.	780 properties (actual)	75 properties

Original Business Concept Validated

- Refined product offering market tested
- Strong appetite from middle market investors in Australia
- Important new SMSF segment strengthening
- Permits for land sub-division and dwelling construction continue to perform below historical levels in key States
- Developers continue to have difficulty marketing
- Developers actively seeking exit strategies
- Underwrite margins on average exceeding historical performance

Enhanced and Simplified Business Structure

- Licencing model outsources risk
  - Property underwrite - zero NOC balance sheet risk
  - Distribution – cost control risk with owner/operator licensees
  - Client and reputation risk now indirect
- Virtual company – similar profit, vastly lower risk
  - Approximately A$20,000 per property settlement
  - Minor overheads with little need for growth
  - Profit outcome similar to historic with minimal risk
- Profit, tax and cash flow aligned with revenue recognition only on property settlement
- Cash flow and cash control far greater
  - Direct payment on settlement

Hypothetical Earnings Scenarios

Typical Earnings Scenarios Under New Model						Comparison
						Historic
			Calendar Year	Calendar Year	Calendar Year	Actual
			A	B	C	31/12/2006
		Assumptions	Property Sales	Property Sales	Property Sales	Property Sales
			250	500	953	953
Revenue						
Licence Fees		$20,000	$5,000,000	$10,000,000	$19,060,000	
Total Revenue			**$5,000,000**	**$10,000,000**	**$19,060,000**	**$244,504,000**
Direct Costs & HO overheads			$1,500,000	$1,500,000	$1,500,000	$227,004,000
EBT			**$3,500,000**	**$8,500,000**	**$17,560,000**	**$17,500,000**

Greater Control and Certainty from Tied Distribution

- New distribution channels
  - Sole practitioner accounting firms
  - Diversified financial service providers
- New sole practitioner accounting group formed
  - Several firms concluded, warm prospects engaged
  - NOC foundation shareholder opportunity
  - Exclusive distribution arrangement
- Sole practitioner a golden opportunity
  - Ignored, sizeable, easy access, captive clientele
- Accounting group investment by NOC
  - Control distribution
  - Attractive investment in own right

Capital Raising

- Approximately A$1.1m moved from liabilities to capital through share placement
- Seeking to raise further approximately A$10.0 m through combination of fresh convertible note and rights issue
- Funds raised will be used to
  - Address remaining liabilities
  - invest in new accounting aggregation group
  - provide working capital.
- Rights issue provides existing shareholders with opportunity to participate in the restoration of shareholder wealth under the enhanced business model

Key Events Timetable

- Finalise relisting arrangements with ASX
- Hold General Meeting of shareholders before 25 May 2011
- Complete capital raising by 30 May 2011
- Address liabilities by 30 June 2011
- Complete investment in accounting aggregation stage 1 prior to 30 June 2011

Summary

- A better business has emerged post GFC:
  - Tied distribution
  - Greater control
  - Certain & stable cash flows
  - Simplified balance sheet
  - Low overheads
  - Low risk

- Cash positive, profitable & sustainable business