

The Commissioner of Inland Revenue made this Press Release on 23 January 1991 -

Industrial Equity Pacific Ltd shares subject to Foreign Investment Fund Regime

Inland Revenue has announced that shareholders in Industrial Equity (Pacific) Ltd ("IEP") of Hong Kong may be liable for New Zealand income tax on any increase in the value of their shares, and losses may also be deductible.

Commissioner of Inland Revenue David Henry said today New Zealand residents who held shares in IEP on or after 1 April 1988 are liable for tax under the Foreign Investment Fund ("FIF") Regime on the increase in the value of their shares since that time. A loss in value can also be deducted for tax purposes under certain conditions.

IEP is incorporated in Hong Kong and is quoted on the New Zealand, Australian and Hong Kong stock exchanges.

Mr Henry said Inland Revenue had produced an information package for IEP shareholders. The package details what shareholders are required to do and where they can go to find help. Inland Revenue is advertising the package in newspapers at the end of this week. The information package will be available at any Inland Revenue office. A freephone service will also operate for enquiries.

"Shareholders who file the required forms by 31 March 1991 will not be charged late payment penalty for the 1989 and 1990 income years", said Mr Henry. "I regret the delay in telling IEP shareholders about the tax status of their shares. IEP would not supply us with the information we needed."

IEP SHAREHOLDERS PAST AND PRESENT

IMPORTANT ANNOUNCEMENT FROM INLAND REVENUE

The Commissioner of Inland Revenue has determined that Industrial Equity (Pacific) Ltd ("IEP") is a Foreign Investment Fund for tax purposes.

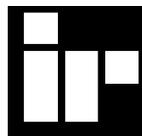
Gains on IEP shares may be taxable and losses may be deductible. This means that you are now required to file a special return for any IEP shares you have held at any time since 1 April 1988 — even if you no longer own them.

Because of the circumstances, Inland Revenue will waive any late tax payment penalties that may apply, providing we receive your special return by 31 March.

Ask at your local Inland Revenue office for the IEP Shareholders' Information Package. Alternatively, use our Freephone, or send the coupon. Act now and beat the 31 March deadline.

Freephone 0800 808-010

8.30 am — 4.30 pm
23 January — 28 February



**INLAND
REVENUE**

**TE TARI TAAKE
It's our job to be fair.**

SEND TO:

IEP Shareholders' Information
Inland Revenue Special Box
P.O. Box 9233
Te Aro
Wellington

Please send me the IEP
Shareholders' Information Package;

Name _____

Address _____
