RUBICON

2013

ANNUAL REVIEW

There are statements in this Review that are "forward looking statements." As these forward-looking statements are predictive in nature, they are subject to a number of risks and uncertainties relating to Rubicon, and our Tenon and ArborGen investments, some of which are beyond our control. As a result of the foregoing, actual results and conditions may differ materially from those expressed or implied by such statements. Tenon's risks and uncertainties include - that its operations and results are significantly influenced by the level of activity in the various sectors of the economies in which it competes, particularly in North America. Fluctuations in industrial output, foreign exchange changes, commercial and residential construction activity, capital availability, housing turnover and pricing, levels of repair and remodelling and additions to existing homes, new housing starts, relative exchange rates, interest rates, and profitability of customers, can have a substantial impact on Tenon's results of operations and financial condition. ArborGen's risks and uncertainties include (in addition to those of Tenon) - the global markets and geographies in which it operates, intellectual property protection, regulatory approvals, public and customer acceptance of genetically engineered products, customer adoption of advanced seedling products, the success of ArborGen's research and development activities, weather conditions and biological matters. As a result of the foregoing, actual results and conditions may differ materially from those expressed or implied by such statements.

This document is the Annual Review of operations for Rubicon's 2013 fiscal year (i.e. for the 12 months ended 30 June 2013). It addresses in summary the operational and financial highlights for the period in each of the Company's major business activities – i.e. ArborGen and Tenon.

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Fiscal 2013 – Highlights

Rubicon has two core investments – ArborGen and Tenon.
The Summary Highlights of each for the fiscal 2013 year are outlined below.

All $ numbers reference US$.

- Recovery in the US housing market, which lifted forest harvesting and replanting;
- 273 million ArborGen seedlings sold in the US and Australasia – up 9.5% on 2012;
- Revenue increased 14% year-on-year (y-o-y), to $30 million;
- Sales of advanced loblolly pine volumes in the US increased by more than 80%;
- 29 million MCP and varietal loblolly pine seedlings sold in the US, representing 13.6% of ArborGen's US loblolly pine volumes (2012: 16 million and 8.4% respectively);
- Commercial operations reported profit before tax of $8 million;
- Resourcing of US commercial sales and product development team increased to be able to deliver on expanded sales targets;
- CellFor assets and technology fully integrated into existing ArborGen programmes;
- Science / R&D review completed – new focus on the application of advanced genomic selection to fast-track the development of new (non-GE) higher genetic-value products;
- US bank facility extended out to 31 August 2015;
- Brazil Eucalyptus strategy operationalised, with the production and commercial sales of Eucalyptus in Brazil targeted to begin in 2014;
- Brazil pine strategy planned to follow the successful Eucalyptus introduction;
- New European biomass 'step-out' opportunity being comprehensively reviewed;
- Aggressive 2014 commercialisation targets set, including –
  - increasing sales of US advanced pine genetic seedlings by 50% y-o-y
  - establishing production and sales operations in Brazil
  - selling 5 million Eucalyptus varietals in the first year of Brazil operation

Fiscal 2013 – Highlights

- Tenon share price more than doubled across the fiscal year;
- Recovery in the US housing market now evident –
  - Housing starts up 25% in 2013 y-o-y
  - New home sales up 26% y-o-y
  - Existing home sales up 15% y-o-y
  - Existing home prices up 12% y-o-y;
- Revenue of $364 million, was up 9% on the previous year;
- Revenue from pro-dealer (i.e. primarily new house builder) customers up 25% y-o-y;
- Earnings result was in line with previous market guidance given;
- Net Earnings is projected to turn positive in 2014, 2013 was a loss of $3 million (2012:$9 million loss);
- EBITDA[(1)] increased to a profit of $5 million in fiscal 2013 from a loss of $3 million (including restructuring costs) in 2012, and was achieved despite –
  - A higher NZ$:US$ cross rate negatively impacting earnings by $1 million
  - Business re-engineering costs incurred of $1 million;
- 80% of fiscal 2013 operating earnings were contributed in the second half of the year, indicating on-going momentum in the US market recovery;
- Tenon is leveraged both to new housing (45%) and DIY / retail (55%), and will be a beneficiary of the broader recovery in the US housing market as it occurs;
- Tenon is targeting fiscal 2014 EBITDA to be double that reported in 2013.

(1) EBITDA (please refer Note 1 Non-GAAP Measures, page 26) is a Non-GAAP earnings measure that equity analysts tend to focus on for comparable company performance analysis, because that number removes distortions caused by the differences in asset ages, depreciation policies, and debt : equity structures. Tenon's EBITDA is calculated as Net Earnings of $(3) million (2012:$(9) million), less income tax benefit of nil (2012:$2 million), plus finance expense of $4 million (2012:$3 million), plus depreciation and amortisations of $4 million (2012:$5 million).

In our December Interim Report to shareholders we wrote that the US housing market – Tenon's largest market exposure – had entered the early stages of a full recovery. This statement held true for the balance of fiscal 2013, as can be seen from a quick review of the US industry data for the fiscal 2013 year, which showed –

- US housing starts were up more than 25% on fiscal 2012;
- Permits issued for new house construction, at 918,000 (seasonally adjusted annual rate) in June, up 17% y-o-y;
- New homes sold up 26% y-o-y;
- New home inventory (measured in months of supply) at year-end was 4.3 months;
- New home average price up 11% y-o-y;
- Home builder confidence ending the year at the highest level recorded since 2006;
- Existing home sales up 15% y-o-y, to 5.1 million units;
- Existing home inventory down 20% to 5.1 months of supply, compared with 6.4 months a year ago;
- The pending home sales index (a forward looking indicator of existing home sales) at its second highest level since December 2006, and 11% higher than the prior year; and
- Existing home prices (as measured by the Case-Shiller index) up 12% y-o-y.

Each of these, individually, represents a very positive data point, but when taken in the aggregate they are reflective of a much broader housing recovery that is now underway in the US. It is pleasing to report that although we are only in the initial phase of this recovery, Tenon has already begun to benefit from these improved market conditions. A few highlights from Tenon's fiscal 2013 reported financial results show this point -

- **At $364 million, Revenue was up $30 million, or 9%, on the previous year.** Notably, revenue recorded in the second half of the fiscal year was $190 million – up on the $174 million recorded in the first half of the year, reflecting the acceleration in activity that occurred as the fiscal year progressed.

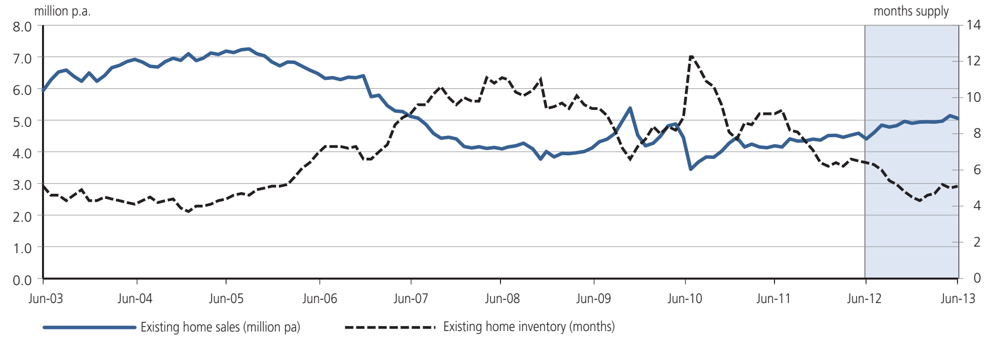
  This growth in top line revenue came primarily from a 25%+ increase in sales to Tenon's pro-dealer customers (who now represent approximately 45% of its total North American revenues), who in turn supply the new home construction market. Tenon has seen a strong recovery in the pro-dealer regional markets it services, and it is now beginning to benefit from the growth in market share that has been achieved in this segment over the past five years.

  Whilst to date the recovery in remodelling activity (as represented by sales into the large national home improvement centres) has lagged new home construction activity, this was as expected, and Tenon's large retail distribution operation that supplies this channel (i.e. Empire) began to show comparable store sales growth in the latter part of fiscal 2013.

  In addition, sales revenue in the period also benefited from geographic expansion and favourable product mix changes undertaken late in the year. In particular, Tenon's Taupo manufacturing operation rebalanced its product portfolio across lumber, clear board and solid lineal mouldings products to optimise customer sales and margin opportunities.

New Homes

Existing Housing



Moulding and Better Lumber Pricing

US$ mbf

NZ$:US$ Exchange Rate

NZ$:US$ exchange rates shown are effective (i.e. hedged)

- **Gross earnings of $83 million were recorded.** Importantly, in terms of on going future market recovery, gross profit recorded in the second half of fiscal 2013 was 8% higher than in the first half of the year.

  The "thinness" of the industry supply-chain in a recovering US housing market saw manufacturers (including Tenon's own Taupo operation) place customers (i.e. distributors into the US, such as Empire) on product supply allocations during the period. Accordingly, Tenon's Cost of sales increased in the period, as third-party suppliers were able to push through product price increases in this very tight supply environment, and also as its absolute volume of purchases increased to match market demand. Although gross margin compressed slightly in the period by just over 1%, Tenon believes this can be recovered as it continues to take costs out of the business (see below) and as the housing recovery cycle matures.

- **Operating earnings before financing expense [1] of $1 million compared favourably with the loss of $8 million recorded in the prior year** (including $3 million of restructuring costs). This much improved result was assisted by Tenon's on going efforts to re-engineer activities in order to improve efficiency and take costs out, which resulted in Distribution and Administration Expenses falling by $3 million y-o-y, despite sales volumes increasing over the period. These business re-engineering initiatives included -

  - Completion of the consolidation of Ornamental's manufacturing activities onto one US site in North Carolina;
  - Relocation of Southwest's Dallas pro-dealer operation to a larger, special purpose warehousing facility;
  - Implementation of IT enhancements (e.g. electronic order confirmation, delivery and invoicing) across the Tenon Group which will assist in both improving working capital management and lowering back-office administration costs;
  - Cost-out and efficiency improvement initiatives at the Taupo manufacturing facility, including the renegotiation of more favourable shipping contracts, and the achievement of improved sawmill conversion and clear-wood recovery rates resulting in significant cost savings; and
  - Cost reduction initiatives in Tenon's North American distribution operations, including the restructuring of field services and product delivery activities, resulting in improved (i.e. more efficient) store service management, and reduced transportation and labour costs.

- After financing costs of $4 million, **Tenon recorded a Net Earnings loss of $3 million (a $6 million improvement on fiscal 2012), however Tenon is projecting to be earnings positive in 2014.**

- **EBITDA[1] improved from a loss of $3 million last year (including restructuring costs) to a profit of $5 million in fiscal 2013.**

  This result was in line with the $4 - $5 million EBITDA market guidance announcement Tenon made in May this year, and included business re-engineering costs of $1 million which were fully expensed in the period. This result was also achieved despite the headwind of a strengthening NZ dollar, which saw the average NZ$:US$ cross rate rise to average 82 cents across the year, and which resulted in a $1 million negative impact on EBITDA in fiscal 2013.

  Of further note was the significant improvement in EBITDA achieved in the second half of fiscal 2013 compared with the first half – i.e. $4 million compared with $1 million. This is consistent with the guidance we gave in last year's Annual Review, when we said that any short-term lift in Tenon's earnings as a result of market recovery would unlikely to be felt until the second half of fiscal 2013.

(1) Operating earnings before financing expense and EBITDA are Non-GAAP measures (refer to note 1 Non-GAAP measures).

- **Total Debt** increased from $39 million at 30 June 2012 to $49 million at balance date. This increase is a direct result of the higher inventory Tenon now needs to carry as the market enters its recovery phase, in order to ensure it does not have stock-outs with its delivery-sensitive customers as sales grow. Tenon does not see this level materially declining in the short term.

In order to continue to grow and expand product categories, to meet existing customers' needs, and to provide greater day-to-day operational flexibility, Tenon has set itself an objective of putting in place a bank facility that will allow it to advance through the cyclical recovery in the US housing market on a much stronger financial footing. Negotiations to this end are well advanced, and Tenon has stated that it believes it will be in a position to make a positive announcement to the market on this in the very near future.

Tenon supplied the internal finishing clearwood, from its Taupo operation in New Zealand, for the Waka inspired headquarters of Emirates Team New Zealand, at the 2013 America's Cup in San Francisco.

The Big Picture

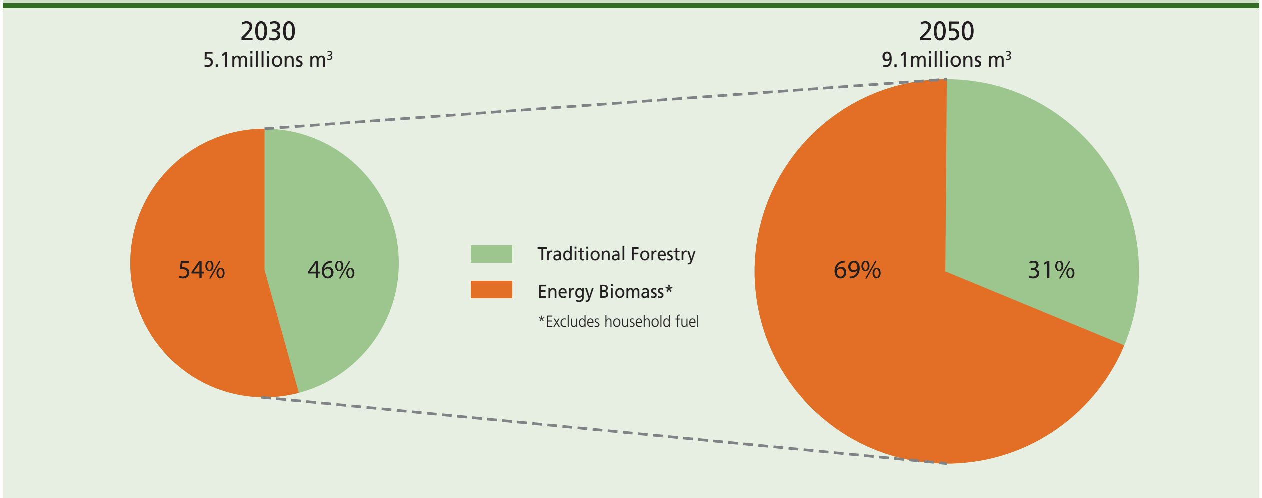
Previous Annual Reviews have outlined the role we believe ArborGen will play in the world's growing forestry and biomass (for energy) markets. The "big picture" story is clear.

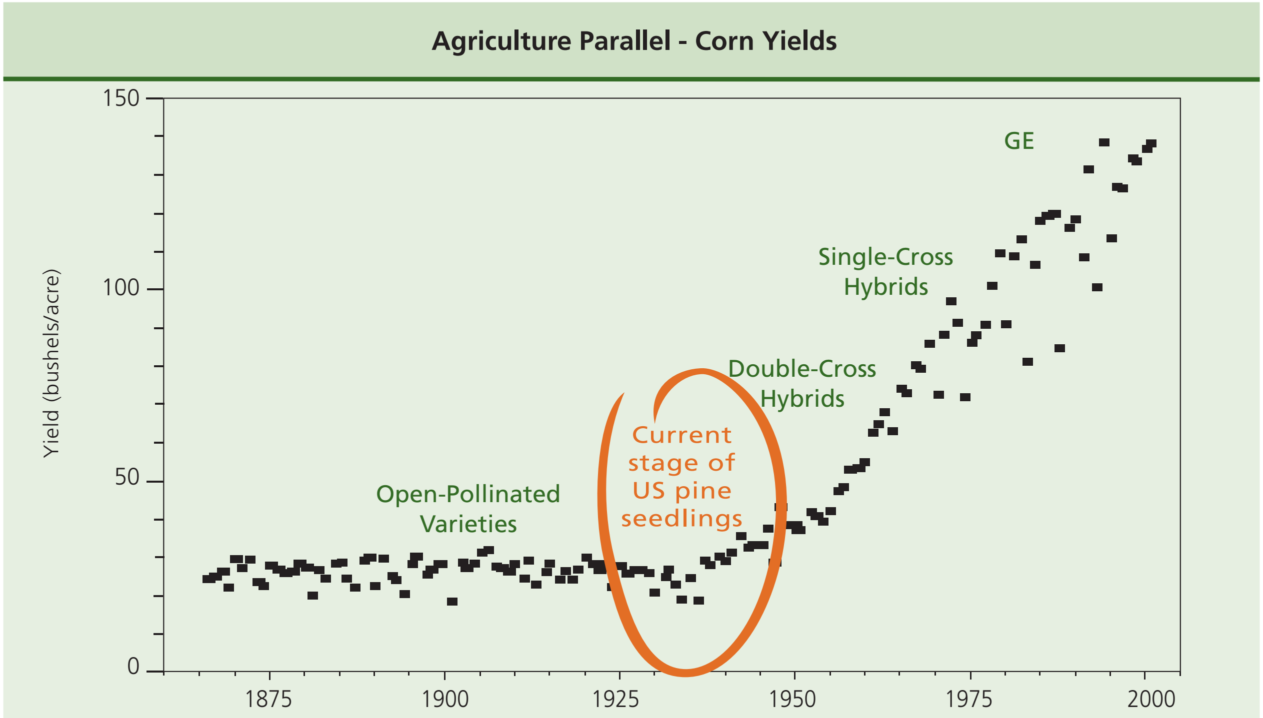
A quickly growing global population expected to increase by 33% over the next 35 years, reaching more than 9.5 billion people by 2050, will place huge demands on global wood supply for traditional forestry uses. The Food and Agriculture Organisation of the United Nations predicts that global consumption of wood is forecast to increase by more than 50% over the next 20 years. At the same time, new uses for wood are emerging – particularly biomass for energy, which will in future dwarf traditional end-uses for wood. This next chart, which is compiled from data from WWF's Living Forest Report (2012), shows both of these points graphically.

This increased demand for wood is occurring at the very same time that the supply from natural old-growth forests is declining dramatically – either from forests that have been denuded by clear-cutting under non-sustainable silvicultural practices, for competitive land use, or from a desire to maintain natural forests for a host of environmental reasons. The end effect is that over the past 20 years 335 million acres of land have been deforested. And all of this is happening within the bounds of an increasingly constrained critical resource – land.

The clear answer for forestry, as has been the case in the agriculture sector, is to massively increase productivity, so that much more wood can be produced on the land dedicated to this purpose – i.e. high yielding plantation forests.

Projected Traditional Forestry and Energy Wood Demand as a %





There is little argument that massive advances in productivity have generated yield gains in agriculture that would not otherwise have been thought possible. This chart above shows what has happened to corn yields with the introduction of double and single cross hybrids and genetically engineered (GE) products. The productivity gains have been five-fold.

As can be seen from the circled (orange) section of this chart, forestry productivity improvement (in this case in loblolly pine in the US) is only in its relative infancy, which is a positive in that it means that the potential from genetic advancement in the future is huge … and ArborGen is at the forefront of the commercialisation of higher value forestry genetics.

ArborGen's Positioning Today

Today, ArborGen summarises its investment proposition succinctly as follows –

- First mover and leader in advanced pine and select hardwood forestry genetics;
- Customer channels in place, with leading market shares;
- Largest global commercial producer of seedlings today;
- No global integrated competitor;
- Technology is advanced, proprietary, and protected;
- Business platform can create extraordinary value;
- A full pipeline of high-value products;
- Large global market opportunities;
- Revenues and margins which will grow significantly;
- Leverage across multiple products, end-uses, and geographies;
- Low risk business model applied.

Recent Measurable Progress – Advancing the Business

ArborGen's focus over the past 12 months has been on lifting the financial performance of the core business (i.e. pine seedlings with increasingly advanced genetics in the US South), while continuing to develop opportunities for ArborGen to enter new markets and new geographies (particularly Brazil) in order to grow its business to a much wider revenue base. **Progress against these objectives has been summarised into the six broad discussion groupings shown below.**

- *Increased Adoption / Sales of Higher-value Genetics*
  In the year under review, ArborGen sold 273 million softwood and hardwood seedlings in US, Australia and New Zealand, up 9.5% on the 249 million in the previous year. At $30 million, revenue increased 14% y-o-y, and ArborGen's profit before tax from these commercial sales (i.e. excluding R&D, and corporate) increased to $8 million.

  Revenue increased at a greater rate than seedling volume, because ArborGen continued to increase the proportion of its sales in advanced genetics – moving up from 8.4% of all loblolly pine volume sold in the US in 2012 to 13.6% in fiscal 2013. MCP (i.e. Mass Control Pollinated) and varietals combined, which totalled 16 million in 2012, increased over 80% to 29 million in fiscal 2013. In terms of total pine sales (i.e. including sales in Australia and New Zealand), approximately 20% of volumes sold were in the form of advanced pine products in 2013, with this percentage being higher than the US-alone figure above, due to the already high rate of advanced product adoption (75-80%) in the NZ market. ArborGen has set itself an aggressive target of increasing US advanced genetics sales volume by 50% y-o-y in 2014.

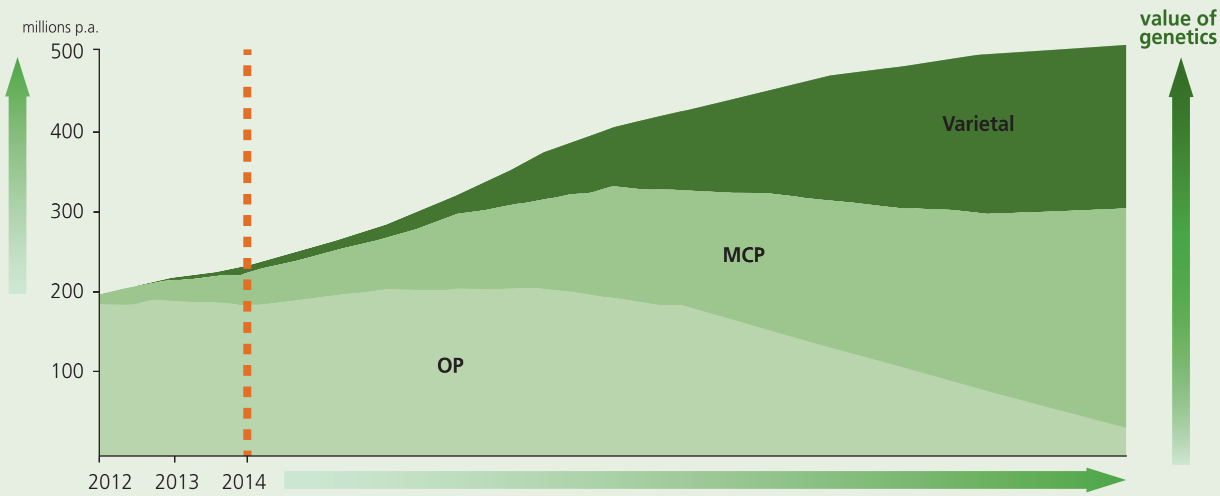
  It is these summary statistics that give the reader an understanding of how ArborGen is progressing, particularly with its core business – loblolly pine in the US. The chart on the next page shows ArborGen is tracking well to plan, and that achieving the future path outlined will materially change ArborGen's financial performance and value moving forward.

- *US Seedling Market Conditions Improve*
  The most important driver of the overall demand for forest seedlings in any year is the level of harvesting in the previous year or two. Replanting follows harvesting and usually with improved genetics. The second most important driver is the current timber price, which affects both replanting and new planting. Current timber prices have an immediate impact on replanting in terms of the cash flow available to the landowner.

  The US South has seen a recovery in timber harvests beginning in 2011. There has also been a recovery in timber prices though more gradual as standing timber inventory is run down and sawmilling capacity ramps up. The up-tick in both drivers has now begun to flow through into an increase in seedling planting. The continuing recovery occurring in US house building and the economy overall (as discussed in TENON above) is expected to continue to push up harvesting and timber prices, and with them the demand for seedlings both for replanting and new planting.

  An additional consideration in into the replanting equation not previously present is that timber from the Pacific Northwest and British Columbia that would normally feed into the US housing market is now being pulled into China, to satisfy its current insatiable appetite for wood fibre. The effect of this is to expand the share of the US market's timber requirement that will be met

ArborGen (non-GE) US Loblolly Pine Sales*



* Directional representation only, time not drawn to scale

from the US South, where ArborGen already has an established (approx) 33% market share.

ArborGen believes that planting rates (both softwoods and hardwoods) will also pick up further as the US South responds to increased demand from bioenergy plants for wood biomass. In this regard, the announcements of new wood pellet plants in the US South, particularly targeting the European market, continue to be made. As an indicator of progress, wood pellet exports from North America were up over 50% in the first quarter of 2013 over the same quarter in the previous year, with the United Kingdom being the major export destination (see *Geographic step-outs* below).

ArborGen is actively engaged with all of the potential bioenergy producers in the US South who are looking to use hardwoods as a biomass supply, but particularly Eucalyptus. As the financing of these projects firms up, ArborGen expects to be announcing to the market the establishment of seedling supply agreements.

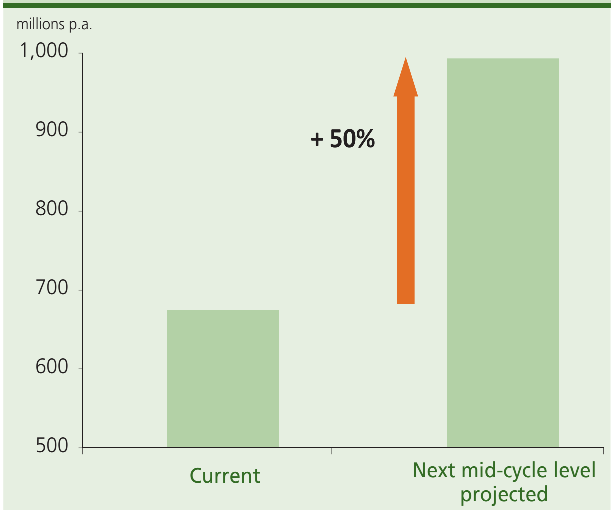
- *Company-wide R&D Review Re-focuses Resources for Near-Term Success*

ArborGen has now completed the most in-depth company-wide review that has been undertaken since the Company was formed. This was underway last year, and the initial outputs were discussed in last year's Review released in August 2012, however, the process was only finally completed in detail in the year under review. The R&D review has resulted in a material restructuring of the business, which has now refocused the organisation's resources - physical, people and financial - onto ArborGen's re-defined core base business operation. The acquisition of CellFor's technology and customers was integral to this review, as CellFor has significantly changed ArborGen's product commercialisation path (both market and production costs), not just for pine varietals but for MCP also, and not just in the US but in Brazil too. As we have highlighted previously, it is this new base business, and the opportunities that its established market channels and pipeline of fully developed (non-GE) products (both softwoods and hardwoods) now offer, which has the potential to generate a step-change in ArborGen's near-term financial results.

While this restructuring has meant that some of the longer-term R&D discovery projects have been scaled back, for the most part the drive has been to come up with smarter ways of lifting the productivity of ArborGen's offerings to its customers, and to get those products to market earlier than is the case under current breeding techniques. To illustrate, in ArborGen's R&D Review (below) we report on the findings of the US Pine R&D review, and how this new direction, which involves integrating genomic selection into ArborGen's conventional breeding programmes, will significantly accelerate genetic improvement.

This restructuring and new science direction will also result in a reduction in pure science spend and an increase in spend supporting near-term operational and commercial activities – including in the critical marketing, product development and sales supports functions. The restructuring is expected to contribute to significantly improved sales and EBITDA in future periods.

US South-East Loblolly Pine Seedlings Planted



- *Resourcing to Support the New Direction – People*
  Consistent with the above restructuring, *Richard Eisenstadt* joined ArborGen in January 2013 as chief financial officer (CFO), bringing an extensive track record of finance and business experience and a broad understanding of funding growth companies. Richard is responsible for the company's finance, treasury and investor relations functions and serves as an executive business partner to *Andrew Baum* (CEO).

  Richard has over thirty years of finance leadership experience in the life sciences and emerging technology industries. For the previous nine years, he served as the CFO of Tranzyme Pharma (NASDAQ: TZYM), where he raised over $150 million in equity and debt, including the completion of the company's Initial Public Offering (IPO). Prior to joining Tranzyme Pharma, he served as the Director of Finance for Cogent Neuroscience, Inc. He spent over eleven years with Nimbus CD International where he served as Director of Strategic Planning and Development and Treasury Manager, where he was involved in an IPO and a $260 million sale and merger of the company.

  John Pait came on board as VP Marketing, Sales & Product Development from CellFor at the start of the financial year (as discussed in last year's Review), bringing to ArborGen a strong career in forest sector management covering technical roles, product development, sales and marketing. John has now put in place the plan necessary to grow ArborGen's US pine sales programme with its goal of migrating the market from OP seedlings to MCP seedlings and then to varietals. In this respect, every aspect of the sales effort has been revisited and rebuilt, from the way product development produces and organises data to support the sales efforts, through to the preparation of the technical product performance material and value analysis required to educate the market.

  John has brought in four new executives in forest planning and finance, sales, and product development, in order to support the marketing of ArborGen's high value seedlings. These additional competencies complement ArborGen's existing talented team of nursery professionals and skilled scientists.

- *Resourcing to Support the New Direction – Financial*

  ArborGen has two bank facilities – one with a US bank covering its US commercial operations and one with a NZ bank to meet the needs of its Australian and New Zealand activities. These facilities, together with on going partner funding, should provide the financial resources needed to develop ArborGen through to self-funding.

  The US$26 million facility, which funds the US operations, is an annually reviewed loan, and was to have expired this month. However, this facility has just successfully been renegotiated and extended out to 31 August 2015, under a two-year agreement for the first time. ArborGen's NZ loan facility of NZ$4.5 million does not expire until 30 November 2015.

  Absent any major capital expenditure requirements (e.g. geographic step-outs, capacity expansion) which will be addressed on a case-by-case basis, the equity funding requirement for next year should materially decline from the US$5-$6 million partner funding level that has applied for the past five years or so, as ArborGen approaches EBITDA positive (targeted by ArborGen to be in its next fiscal year, assuming all R&D is fully expensed).

- *Geographic Step-outs – Brazil, China, and Europe*

  Brazil

  As we have discussed previously, ArborGen has targeted Brazil as a step-out market for both its pine and hardwood (Eucalyptus) products. Brazil is a large established forestry market that has a history of investing in advanced genetics. Over the past 12 months ArborGen has stepped up its Brazil operational strategy in Eucalyptus and loblolly.

  Eucalyptus - This past year ArborGen began to implement a new operational business strategy targeting the large segment of non-integrated growers who currently can only access the less advanced commodity genetics. A first production nursery in Brazil has been secured, and ArborGen's intention is to be supplying superior non-GE seedlings in the 2014 fiscal year. The target is to be producing 5-10 million Eucalyptus varietals within the next 24 months, and then to expand vigorously after this initial position is proven.

  At the same time ArborGen has continued to advance its GE product development programme with the leading Brazilian pulp and paper companies, focusing on improving the efficiencies of their pulping processes by altering the chemical properties of the Eucalyptus fibres and by increasing the yields per hectare of their forests. These products are still some years away, and will follow the full adoption of ArborGen's varietal products.

  Pine - ArborGen is also planning to take its leading US pine position into Brazil. To date, it has been unable to enter the Brazil market with loblolly pine products, as it has not had the requisite breadth of customer trials in place to move to commercial sales. The CellFor acquisition has now changed this because CellFor already had extensive varietal trials in place on customers' land that have proven to be superior to existing products offered in the market. This year ArborGen has also established MCP trials on customers' land, matching its elite US genetics to similar growing conditions in Brazil. ArborGen's intention is to confirm its operational pine strategy in Brazil by the end of the current fiscal year.

  China

  As discussed in last year's Review, China represents a very large market opportunity for ArborGen driven by favourable industry dynamics. China's 12th Five Year Plan targets an increase in the country's forest stock by 600 million cubic metres and its area of forest cover by 12.5 million hectares by 2015. This is in line with China's 2020 goal to increase forest cover by 40 million hectares, equating to approximately 3 billion seedlings needing to be planted each year. China has established a number of policy initiatives aimed at expanding the country's forest cover to help achieve this.

  During the year relationships were being built with the state and provincial China government forest entities in Beijing, Guangxi, Guangdong, Yunnan, and Fujian provinces. ArborGen also visited research organisations, pine seed orchards, pine and eucalyptus plantation forests, tree stock nurseries and tissue culture production facilities associated with a range of public and private forest entities.

An important step was achieved with ArborGen agreeing to take over the management of loblolly pine trials and collaborations that had been established by MeadWestvaco in 2006 in Guangxi and Fujian provinces. These trials are at the stage where they have proven the superior performance of MCP families versus local alternatives and they provide ArborGen an important first leg of a successful China strategy.

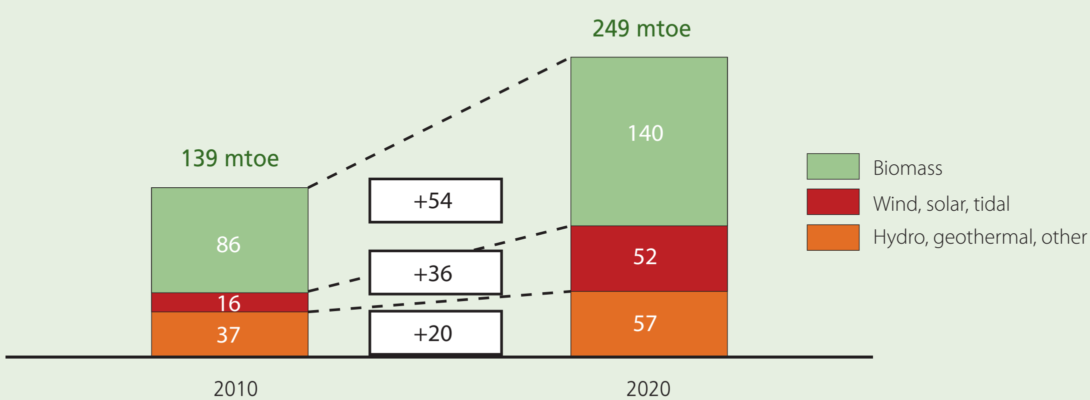
While ArborGen believes China will be an important part of its long-term business, it is approaching this geography more conservatively, with the primary initial geographic step-out focus being on Brazil (as discussed above).

Europe

Europe has the potential to be a major step-out opportunity for ArborGen. A growing demand for biomass there is being driven by Europe's Renewable Energy Directive, which requires that 20% of gross final energy consumption is met from Renewable Energy Sources (RES) in 2020. Wind, solar and biomass are the three RES sources that can be expanded significantly. All three sources need to be deployed in order to increase renewable power generation. Growth has been fastest to date for wind and solar power, but both have the limitation of intermittent and unpredictable generation. Biopower has the important advantage of providing base-load generation that is dispatchable on demand. For renewable energy for heating, biomass is often the low cost option.

As noted earlier, woody biomass is currently being supplied into Europe in wood pellet form from North America, a large percentage of which comes from the US South, and significant further growth in wood pellet imports is projected. However, the size of the biomass gap in Europe is such that growth is also expected in a range of domestic biomass sources, including (in addition to agricultural crops, and wood and agricultural waste residues) in high-yielding, short-rotation woody crops such as poplar, willow and eucalyptus, grown specifically for energy uses. To put this into context, were (say) 15% of the forecast additional 2020 biomass demand to be met through new plantings of energy trees in Europe (net of pellet imports), an additional 1 billion energy trees would need to have been established by 2017.

Projected Increase in EU27 Gross (Final) Renewable Energy Consumption
million tonnes of oil equivalents (Mtoe)



Source: L. W. M. Beurskens and others. 2011. Renewable Energy Projections as published in the National Renewable Energy Action Plans of the EU Member States; Poyry. 2011. Biomass Imports to Europe and Global Availability; AEBIOM, 2012. European Bioenergy Outlook.

ArborGen's US Pine R&D Review

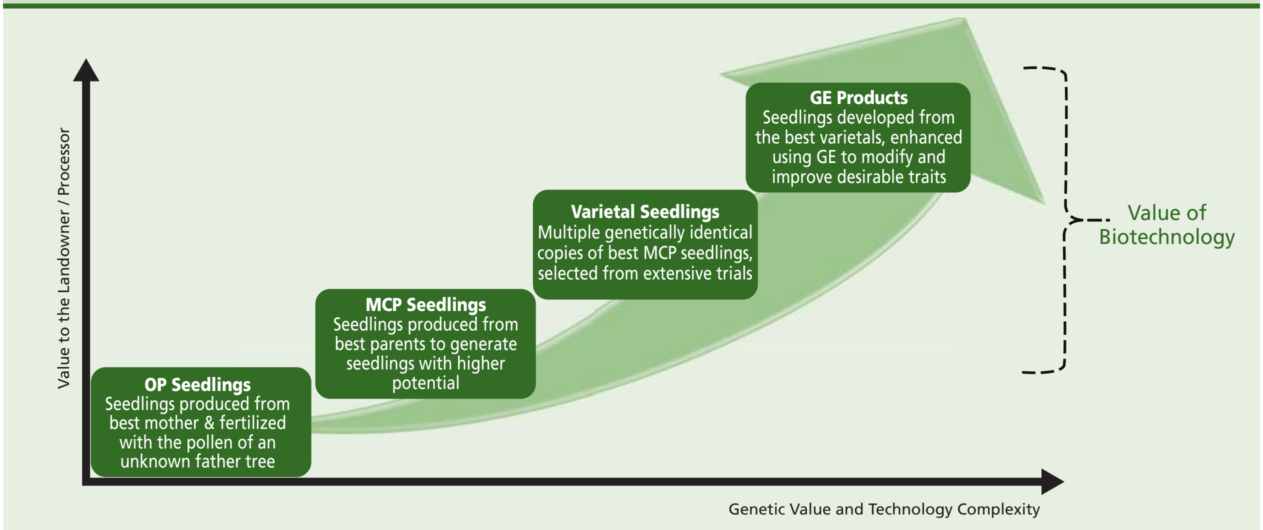
The application of advanced genomics to loblolly pine

As we have explained before, ArborGen is following four breeding / technology approaches to the development of new pine products, with each differing according to the complexity of the breeding and propagation technologies employed and in turn the value of the traits that they can deliver to growers and wood processors. **Advanced biotechnology techniques are used by ArborGen in each of these categories other than traditional OP breeding.**

From a science perspective ArborGen is relatively indifferent as to which technology it uses. In practise, it applies a pragmatic "horses for courses" approach. This pragmatism means that GE product development is limited to those products which cannot be delivered via another technology (e.g. where negatively correlated traits are desired), and this is because GE products are costly to develop and require regulatory approval which is time and resource consuming.

Over the next five years, ArborGen's base business product commercialisation plan in loblolly pine is based on the introduction of high-value genetics produced under MCP and varietal technologies and which have already been fully developed and tested. The focus of the recent in-depth R&D review was on how ArborGen could advance the genetic quality and breeding time of next-generation MCP and varietal products in order to bring these higher-value products to the market sooner.

ArborGen Operates Across the Entire Technology Spectrum



Genomic Selection to Accelerate Breeding Cycles

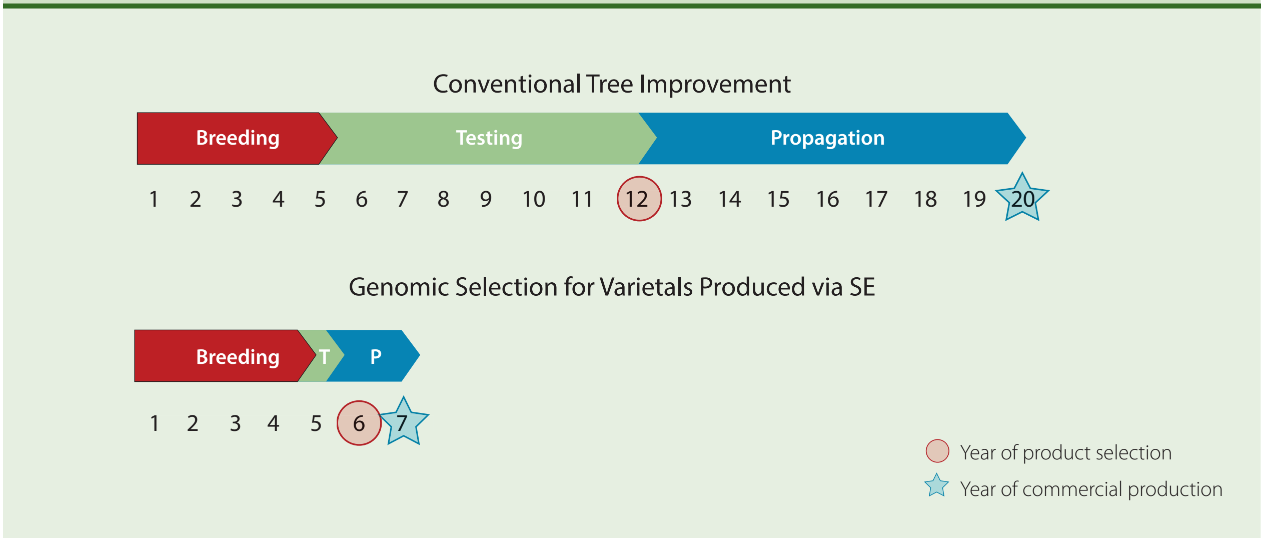
ArborGen has for some time been investigating the ability to integrate modern genetic and genomic techniques with conventional breeding programmes to accelerate genetic improvement.

Marker-assisted selection (MAS) was initially seen as the best approach to accelerate tree domestication based on quantitative trait loci (QTL) analysis. However, weak linkage disequilibrium among families and the narrow range captured in QTL studies have limited the application of MAS. Many of the limitations of the QTL approach are being overcome by Association Genetics, however very large populations are required to achieve statistical power to detect all relevant marker-trait associations.

More recently genomic selection (GS) has been adopted as a viable alternative to MAS for crop breeding and animal breeding. GS is used to predict optimal mate pairs for broad environmental adaptability and higher productivity and it is now viewed as the best approach to significantly accelerate the rate of genetic improvement and domestication using non-GE approaches. It is fundamentally different from MAS in that all available genetic markers are fitted simultaneously to develop a prediction model utilising phenotypic and genotypic data. One of the key reasons as to why this approach is now being considered is the significant reduction that has occurred in the costs of genotyping and data processing.

GS is particularly well suited for species with long generation times, for characteristics that display low heritability, for traits that are expensive to measure, and for the selection of traits expressed

Genomic Selection Can Reduce Cycle Times Compared With Conventional Tree Improvement



late in the life cycle. These are all traits of commercial value in forestry, for example volume gain, resistance to disease, density, and so forth.

For traits that are not easily identified under field conditions – complex traits such as nutrient uptake and nutrient use efficiency, and traits which simply do not exist currently in trees e.g. herbicide tolerance or cold tolerance – these are best developed through GE technology.

It is anticipated that the impact of GS in forestry will be much greater than in agronomic crops where breeding, testing and selection is achieved within months. Early selection in forestry using GS should enable the costs and time to market to be significantly reduced (see the chart on the following page). In loblolly pine for example, eliminating field-testing will reduce the cycle of genetic improvement dramatically. By way of explanation, a typical single cycle of genetic improvement in the US South loblolly pine programme, includes three stages of breeding (B), field testing (T) and propagation (P). A traditional breeding programme requires 20 plus years for completion. Incorporation of early identification using GS prediction models may not entirely eliminate the field-testing phase, but it will significantly improve its efficiency by reducing the cycle of genetic improvement – from mating to propagation of seeds for commercial plantation – to approximately 7 years for varietals produced via ArborGen's current somatic embryogenesis technology. Each new generation will overlap with field results of the previous generation, which will provide additional confirmation that GS is predicting genomic breeding values correctly. The integration of GS into ArborGen's existing varietal biotechnology programme has the potential to develop almost three successive generations of genetics in the same period that traditional breeding programmes would develop only one generation.

FINANCIAL

As Rubicon's functional currency is the US dollar, our financial statements generally refer to US dollars unless otherwise stated. All numbers are rounded to the nearest million. As Rubicon has majority ownership (59%) of Tenon, NZ International Reporting Standards (IFRS) require Tenon's Income, Cash Flows and Balance Sheet financial statements to be consolidated into Rubicon's statements. This is the basis upon which our financial statements are presented in this Review.

On 5 July 2012 we concluded a capital raise by way of a 1:3 rights offering, raising the full NZ$21 million (US$15 million, net of fees) we sought. All of Rubicon's Directors and officers took up their rights in full, and the fact that not one share of the offer needed to be allocated to outside investors, was an indication of the extremely strong support the offer received from the Company's existing shareholder base - support for which we are very grateful. As a result of this capital raise, Rubicon's consolidated debt (net of cash balances) as at balance date was $61 million, comprising $49 million in Tenon and $12 million in Rubicon. As Rubicon owns only 31.67% of ArborGen, ArborGen is treated as an associate and its debt is not consolidated into Rubicon's balance sheet. Both ArborGen's and Tenon's debt is non-recourse to Rubicon Limited.

At the Net Earnings line a loss of $6 million was recorded, however this is considerably better than the $12 million loss posted in 2012, and if Tenon meets the Earnings guidance it has provided for next year, Rubicon should be close to Net Earnings profitability in fiscal 2014 (including ArborGen's research costs expensed).

Rubicon's EBITDA improved significantly from a loss of $5 million in 2012 to a gain of $3 million in 2013. This result was after $5 million of research costs were expensed at ArborGen (Rubicon share $2 million), and represents a positive turnaround in profitability. This $8 million EBITDA y-o-y improvement was primarily due to Tenon's improved operating performance (net of restructuring costs) in the year as the US housing cycle picked up, offset by a $2 million (100%) write-off of patents in ArborGen arising out of the in-depth R&D review undertaken (refer ARBORGEN section above).

GOVERNANCE

Our ASM was held in Wellington (NZ) on 14 December 2012. Over 86% of the Company's issued shares were voted at the meeting. This is the highest voting statistic the Company has ever had, and it is a reflection of the high level of interest our investors have in the Company, and of our consolidated share register. All resolutions were passed with a significant majority. This is an indication of shareholder alignment with Board and management views as to the potential we see for Rubicon moving forward. Our next ASM will be held in Auckland (NZ) in December 2013. We will notify shareholders of the time and venue later in the year.

As discussed above, US housing market indicators have been very positive showing healthy y-o-y gains, and indicating that the US market is now clearly in a recovery-mode. All of this news, coupled with Tenon's earnings guidance announcement in May, has been positive for Tenon's share price performance, which, at the time of writing, had increased 85% since its ASM, and which has more than doubled off last year's low. This is well above the 15% recorded by the NZX50 over the same period (since our ASM). While this is good news, we still believe Tenon's traded share price is well below "fair value" as at this point in the cycle. This view is supported by an equity analyst report released by the Edison Group early this calendar year which made the comment that upwards share price moves by Tenon's US peer group comparators *"suggests [Tenon] upside above NZ$2.00."*

Although, at the time of writing, the Rubicon share price has recovered to be 50% above the rights offering low price , and this is well above the NZX50 return over this same period (i.e. since the offer closing), the share price is still well below our view of the Company's value potential. The reality is that Rubicon's share price is being affected by two non-Rubicon factors – a lack of liquidity, where small on-market share volumes can affect the price greatly up or down on any given day; and the performance of US clean-tech stocks, which has been so poor over the past 24 months. Whilst the first of these is beyond our control, we do continue to address the ArborGen clean-tech parallel. Unlike ArborGen, which is the recognised global leader in its space, already has a commercial business, and is the largest supplier of products in its markets and to its customers, many of the companies included in the clean-tech performance index do not have economically viable commercial products or customers at all today. Unlike ArborGen, the risk profile of most of them is high. This comment also applies to their capital expenditure requirements and to the level of market competition each faces. The defensibility of their business models is typically not as strong as ArborGen's position is either. For these reasons, we feel any comparison to this index performance is harsh and not supportable, and we are actively engaged in dispelling such beliefs through further investor education.

The publication of an equity analyst report on Rubicon by the Edison Group in June this year (i.e. only two months ago) is instructive as to value benchmarks. Edison valued ArborGen at US$650 million, and went on to say *"Rubicon's investments in Tenon and ArborGen offer strong growth profiles and leading positions in their respective markets. Both will benefit from the US housing upturn in the near term. We see upside for Rubicon to NZ$0.84 per share."* NZ$0.84 per Rubicon share is equivalent to NZ$1.05 per share in pre-rights offering share numbers.

2014 OUTLOOK AND OBJECTIVES

Tenon

Tenon has significant market exposure to US housing through its activities in both the new home construction and remodelling markets (now representing approximately 45% and 55% of Tenon's total North American revenues, respectively), and the continued recovery in each of these markets will support its future earnings performance. While the future month-to-month US housing data is likely to be bumpy (with the lower July new house sales data being such an example), an overall upward trend is expected to continue. However, access to mortgage credit, and the potential for rising mortgage rates resulting from a tighter US Federal Reserve monetary stance, must be considered as very real potential risks to a smooth recovery – each being a factor outside of Tenon's control.

However, on the basis that the US housing recovery proceeds as Tenon predicts and the NZ$:US$ cross rate does not strengthen further from recent levels, then **Tenon's immediate earnings objectives are to more than double its fiscal 2013 EBITDA result in the current fiscal 2014 year, and to materially improve that result again in the calendar 2014 year. If it can achieve these outcomes, then the Tenon share price should appreciate accordingly, continuing the price gains that have been made over the past 6-9 months.**

While this first phase of cyclical recovery in the US housing market is very encouraging, the forecast 2014 activity levels will still be a long way away from projected industry mid-cycle levels. At our ASM last December, we outlined what Tenon's earnings potential might look like under future mid-cycle conditions – conditions where Tenon sees EBITDA of $35-40 million being achievable (assuming a mid-cycle NZ$:US$ cross rate of 70 cents, and historic margin levels). This potential mid-cycle earnings level is not only a result of the positive broader macro-industry factors that are forecast, but also the extensive organic growth and profit improvement initiatives that Tenon has put in place throughout the down-cycle.

Acquisitions also remain on the Tenon agenda, and these opportunities will be focused on the large North American market, where it already has scale and where it has the ability to quickly integrate and leverage new activities into its existing business model.

ArborGen

ArborGen's objectives for 2014 are to grow its Base Business, by –

- Participating in increased industry sales that will occur with recovery in the US housing cycle;
- Moving customers up the genetic value ladder to MCP and varietal pine offerings by increasing US advanced genetics sales by 50%; and
- Building on new business opportunities - e.g. bioenergy in the US

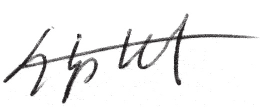
with the target being to see ArborGen turn EBITDA positive, inclusive of all research expenditure being fully expensed, in its next fiscal year.

In addition, ArborGen will -

- Invest in geographic growth – e.g. Brazil, where it is targeting commercial production in this new year; and
- Investigate completely new step-out opportunities – e.g. Biomass in Europe.

The overall objective is to lift further the underlying value of the business in a subsequent IPO – an event that is still our core focus for value release to shareholders. Selling a higher proportion of US seedling production in MCP and varietal form, beginning commercial production and sales in Brazil, realising seedling sales in to the bioenergy markets, and turning EBITDA positive, are each important value milestones to higher value realisation. In that respect, ArborGen's fiscal 2014 will be a critical year to report on. As we have discussed before, an IPO timing involves a delicate trade-off between value realised and dilution today, versus value tomorrow. While we believe the business is "ready" today, we are determined to choose the optimal equity market conditions to execute an IPO of the company. Shareholders can be assured that this decision remains at the very top of our agenda.

Finally, we would like to thank all of our shareholders, employees, and customers for your continued support throughout this past year. As always, it is very much appreciated.



Steve Kasnet
Chairman

29 August 2013

Luke Moriarty
Chief Executive Officer

Rubicon Limited and Subsidiaries

Consolidated Income Statement

For the year ended 30 June 2013

	RUBICON GROUP	
	Year ended June 2013 US$m	**Year ended June 2012 US$m**
Revenue	364	334
Cost of sales	(281)	(254)
Gross earnings	**83**	**80**
Distribution expense	(69)	(71)
Administration expense	(15)	(16)
Restructuring costs	–	(3)
Operating earnings before financing expense	**(1)**	**(10)**
Financial expense	(5)	(4)
Earnings before taxation	**(6)**	**(14)**
Income tax expense	–	2
Net Earnings	**(6)**	**(12)**
Attributable to:		
Rubicon shareholders	(5)	(8)
Minority shareholders	(1)	(4)
Net Earnings	**(6)**	**(12)**

Basic/diluted earnings per share information (cents per share):	(1.3)	(2.8)
Weighted average number of shares outstanding (millions of shares)	378	285

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2013

	RUBICON GROUP	
	Year ended June 2013 US$m	**Year ended June 2012 US$m**
Net Earnings	**(6)**	**(12)**
Movement in currency translation reserve	–	(1)
Movement in hedge reserve	(1)	–
Other comprehensive income (net of tax)	**(1)**	**(1)**
Total comprehensive income	**(7)**	**(13)**
Total comprehensive income attributable to:		
Rubicon shareholders	(6)	(8)
Minority shareholders	(1)	(5)
Total comprehensive income	**(7)**	**(13)**

Rubicon Limited and Subsidiaries

Statement of Changes in Equity

For the year ended 30 June 2013

	RUBICON GROUP	
	Year ended June 2013 US$m	**Year ended June 2012 US$m**
Total comprehensive income	**(7)**	**(13)**
Movement in Rubicon shareholders' equity:		
Issue of shares	15	–
Increase resulting from Tenon share buy back	–	1
Movement in minority shareholders' equity:		
Decrease resulting from Tenon share buy back	–	(1)
Total movement in shareholder equity attributable to:		
Rubicon shareholders' equity	9	(7)
Minority shareholders' equity	(1)	(6)
Opening equity attributable to:		
Rubicon shareholders	141	148
Minority shareholders	50	56
Opening total Group equity	191	204
Closing equity attributable to:		
Rubicon shareholders	150	141
Minority shareholders	49	50
Closing Total Group Equity	**199**	**191**

Rubicon Limited and Subsidiaries

Consolidated Statement of Cash Flows

For the year ended 30 June 2013

	RUBICON GROUP	
	Year ended June 2013 US$m	**Year ended June 2012 US$m**
Cash was provided from operating activities		
Receipts from customers	360	327
Cash provided from operating activities	360	327
Payments to suppliers, employees and other	(370)	(333)
Cash (used in) operating activities	(370)	(333)
Net cash from operating activities	**(10)**	**(6)**
Sale of fixed assets	3	–
Investment in fixed assets	(2)	(2)
Investment in associate	(4)	(9)
Net cash from (used in) investing activities	**(3)**	**(11)**
Debt drawdowns	22	19
Debt repayment	(21)	(1)
Interest paid	(4)	(3)
Issue of shares	15	–
Capital return by way of share buy back		
To Tenon minority shareholders	–	(1)
Net cash from (used in) financing activities	**12**	**14**
Net movement in cash	**(1)**	**(3)**
Opening cash, liquid deposits and overdrafts	(1)	2
Closing Cash, Liquid Deposits and Overdrafts	**(2)**	**(1)**
Net earnings	(6)	(12)
Adjustment for:		
Financial expense	5	4
Depreciation	4	5
Taxation	–	(2)
Other	(2)	2
Cash flow from operations before net working capital movement	1	(3)
Trade and other receivables	(4)	(7)
Inventory	(19)	(1)
Trade and other payables	12	5
Net working capital movement	(11)	(3)
Net cash from operating activities	**(10)**	**(6)**

Rubicon Limited and Subsidiaries

Consolidated Balance Sheet

As at 30 June 2013

	RUBICON GROUP	
	June 2013 US$m	June 2012 US$m
Current assets		
Trade and other receivables	34	31
Inventory	72	53
Assets held for sale	–	3
Total current assets	**106**	**87**
Non current assets		
Fixed assets	23	25
Forest assets	4	3
Investment in associate	76	72
Goodwill	85	85
Deferred taxation asset	11	11
Total non current assets	**199**	**196**
Total assets	**305**	**283**
Current liabilities		
Bank overdraft	(2)	(1)
Trade, other payables and provisions	(44)	(33)
Derivatives	(1)	–
Current debt	(1)	(1)
Total current liabilities	**(48)**	**(35)**
Term liabilities		
Term debt	(58)	(57)
Total term liabilities	**(58)**	**(57)**
Total liabilities	**(106)**	**(92)**
Net Assets	**199**	**191**
Equity		
Share capital	178	163
Reserves	(28)	(22)
Equity attributable to Rubicon shareholders	**150**	**141**
Equity attributable to minority shareholders	49	50
Total Group Equity	**199**	**191**
Net Asset Backing (1)	US 40 cps	US 50 cps

Stephen Kasnet
Chairman
29 August 2013

Luke Moriarty
Chief Executive Officer

Mark Taylor
Chief Financial Officer

Each of the above signatories certifies that these financial statements comply with generally accepted accounting standards and present a true and fair view of the financial affairs of the Rubicon Group.

(1) On 5 July 2012 Rubicon issued 94,931,820 new shares as a result of the 1 for 3 pro-rata share offer, raising $15 million in cash. Restating the June 2012 comparative for the cash raised and new shares issued would give a June 2012 net asset backing of US 41 cps.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2013

BASIS OF PRESENTATION

The summary financial statements presented are for the year to 30 June 2013 (with the comparative period being the year ended 30 June 2012) and are those of Rubicon Limited and its subsidiaries (the Rubicon Group). They have been prepared in accordance with New Zealand Financial Reporting Standard No 43 (Summary Financial Statements). They have been extracted from the full financial statements that have been prepared in accordance with New Zealand Standards, which ensures compliance with International Financial Reporting Standards. The full financial statements, signed on 29 August 2013, have been audited by KPMG and given an unqualified opinion. The Group is a profit-orientated entity. For a complete understanding of the affairs of the Group, the full financial statements can be found at www.rubicon-nz.com.

The consolidated financial statements are expressed in Rubicon's functional currency, US$.

1 NON-GAAP MEASURES

Rubicon uses EBITDA when discussing financial performance. This is a non-GAAP financial measure and is not recognised within IFRS. As it is not uniformly defined or utilised this measure may not be comparable with similarly titled measures used by other companies. Non-GAAP financial measures should not be viewed in isolation nor considered as a substitute for measures reported in accordance with GAAP. Management believes that EBITDA provides useful information, as it is used internally to evaluate performance, and it is also a measure that equity analysts focus on for comparative company performance purposes, as the measure removes distortions caused by differences in asset age, depreciation policies, and debt:equity structures. The following tables reconcile Net Earnings to operating earnings before financing expense and to EBITDA for Tenon and the total Rubicon Group.

	Year ended June 2013 US$m	Year ended June 2012 US$m
Tenon		
Net Earnings (1)	(3)	(9)
plus Income tax expense	–	(2)
plus Financial expense	4	3
Operating earnings before financing expense (1)	1	(8)
plus Depreciation and amortisations	4	5
EBITDA (1)	5	(3)

Total Rubicon Group		
Net Earnings (1)	(6)	(12)
plus Income tax expense	–	(2)
plus Financial expense	5	4
Operating earnings before financing expense (1)	(1)	(10)
plus Depreciation and amortisations	4	5
EBITDA (1)	3	(5)

(1) Includes pre-tax business re-engineering and restructuring costs of $1 million (2012: $5 million).

2 SUBSEQUENT EVENTS

On 27 August 2013, Rubicon announced that ArborGen Inc, had amended its existing US banking facility. The existing bank financing agreement was for a term of one year, and was to have expired on 31 August 2013. However, Rubicon announced that ArborGen had signed an amendment to this agreement, which extends the facility term out another two years, to 31 August 2015 (refer note 5.1 (c) liquidity risk of Rubicon's Statutory Report 2013).

SUBSTANTIAL SECURITY HOLDERS

According to notices given to the Company under the Securities Markets Act 1988, as at 11 September 2013 the following were substantial security holders in the Company. In terms of the Act, the number of shares and percentages shown below are as last advised to Rubicon by the substantial security holder and may not be their current holding.

Substantial security holder	Number of voting securities	% of issued Rubicon securities	Date of notice
David Knott (b)	107,488,210	28.307	23 July 2012 (1)
Third Avenue Management LLC	46,988,986	18.839	21 September 2006 (3)
JPMorgan Clearing Corp (a)	45,585,975	12.005	28 June 2013 (1)
Perry Corporation/Richard Perry (c)	31,260,698	10.978	14 December 2010 (2)
Sandell Asset Management Corp. (d)	41,098,869	10.823	10 July 2012 (1)
Sophrosyne Capital, LLC (e)	32,744,131	8.623	28 November 2012 (1)

(a) In their substantial security notice JPMorgan Clearing Corp. stated that the nature of their relevant interest was as a "Prime broker with a conditional power to acquire or dispose of shares under the terms of a Prime Brokerage Agreement".

The following substantial security holder notices have been received (which are included in the substantial security holder notices disclosed above) relating to securities to which;

(b) Mr Knott has disclosed he holds a relevant interest in Rubicon shares held by:

Dorset Management Corporation	97,502,420	25.677	23 July 2012 (1)
Knott Partners, L.P. (i)	69,687,235	18.352	17 September 2012 (1)
Shoshone Partners L.P. (i)	19,067,980	5.022	27 September 2012 (1)

(i) Dorset Management Corporation has entered into an investment management agreement with Knott Partners, L.P. and Shoshone Partners L.P. pursuant to which Dorset Management Corporation has discretion over the acquisition, disposition and voting of the securities held by Knott Partners, L.P. and Shoshone Partners L.P. David Knott is the sole shareholder, Director and President of Dorset Management Corporation.

(c) Mr Perry has disclosed he holds a relevant interest in Rubicon shares held by:

Perry Partners International Inc and Perry Partners International Master Inc.	15,149,855	5.320	14 December 2010 (2)

(d) Castlerigg Master Investments Ltd has disclosed it has a benefical interest in the following shares for which Sandell Asset Management Corp. has the power to control the disposition of and voting for: 34,847,891 9.177 10 July 2012 (1)

(e) Sophrosyne Technology Fund, Ltd. has disclosed it has a beneficial interest in the following shares for which Sophrosyne Capital, LLC has the power to control the disposition of and voting for: 21,600,984 5.609 28 November 2012 (1)

The total number of issued voting securities at 11 September 2013 was 379,719,975.

(1) Shares on issue at date substantial security holder notice was received was 379,719,975
(2) Shares on issue at date substantial security holder notice was received was 284,788,155
(3) Shares on issue at date substantial security holder notice was received was 249,419,021

Board of Directors

Stephen Kasnet
Director and Chairman
BA University of Pennsylvania (Philadelphia)

He is CEO of Calypso Management LLC, Chairman of Directors of Columbia Labs, Inc, Trustee of Governors Academy, President of Ocean Manchester Corporation and a Director of Tenon Limited, First Ipswich Bank, Two Harbours Investment Corp and Silver Bay Realty Trust Corp.

He is a former President and CEO of Raymond Property Company and Dartmouth Street Capital, which are real estate companies engaged in the acquisition, development, renovation, ownership and management of residential and commercial real estate in the Boston area. Prior to this he was President and CEO of Harbor Global Company Limited, which maintained the largest real estate investment fund in Russia and owned and managed one of Russia's leading asset management and mutual fund complexes.

Hugh Fletcher
Director
MBA Stanford University; MCom (Hons), BSc University of Auckland

Hugh is Chairman of IAG (New Zealand) Holdings Limited and IAG (New Zealand) Limited, and a Director of Vector Limited and Insurance Australia Group Limited.

He is also a Trustee of The University of Auckland Foundation, the Dilworth Trust, the Fletcher Trust and The New Zealand Portrait Gallery, and a member of the Asia Pacific Committee of the Trilateral Commission and the Advisory Committee of the Knox Investment Partners Fund IV.

Hugh has broad pastoral farming interests. His executive experience includes six years as Managing Director and Chief Operating Officer of Fletcher Challenge Limited, before he became CEO from 1987–1997.

Bill Hasler
Director
MBA Harvard; BA Pomona College (California), CPA

Bill is former Vice Chairman and Board Director of KPMG Peat Marwick, a position he held from 1984–1991 after being responsible for KPMG's western US operations from 1984–1986, and subsequently heading their worldwide management consulting practice from 1986–1991.

Upon leaving KPMG, Bill became Dean and Departmental Chair of the Haas School of Business at the University of California in Berkeley. He held this position from 1991–1998, and continues today as Dean Emeritus.

In addition, Bill is a Director of Globalstar Inc, Inside Track Inc, Aviat Networks, BoardVantage and ETwater Inc and is a Trustee of Schwab Funds. He is also a consultant to, and investor in several private technology companies.

George Karaplis
Director
BEng and MBA, McGill University

George has over 35 years' experience building and growing shareholder value and has a proven track record in high growth companies.

He is currently Deputy Chairman of Netia, a Polish integrated telecom services and media solutions' company, a Director of Tenon Limited, and he has previously led France Telecom's Global One business in Greece as Managing Director. He also acted as Chief Financial Officer and General Manager of International Investments for the Hellenic Telecommunications Organisation.

Prior to that George held a number of management positions in Canada and Europe. He has relevant experience in the forestry and wood products industry including with Domtar, a Canadian Paper and Forest Product producer.

Board of Directors

David Knott
Director
BA University of Pennsylvania, MBA Wharton School of the University of Pennsylvania

David is the Chief Executive Officer, Chief Investment Manager and Managing Partner of Knott Partners who, with associated entities, is Rubicon's largest shareholder. He has served as Chief Investment Manager of Knott Partners from 1987, and prior to this he was a General Partner and analyst at Mandrakos Associates.

David currently serves on the board of Directors of Paramount Resources and Ligand Pharmaceuticals, Inc. He is also a Director of Boy's and Girl's Harbor and Say Yes to Education, and the Undergraduate Financial Aid at the University of Pennsylvania.

Luke Moriarty
Chief Executive Officer and Director
MS Stanford University; LLB (Hons) and BCA Victoria University

Luke has a strong background in business and commercial transactions, both in New Zealand and North America. His financial experience has included extensive international business valuation, acquisition, divestment and joint venture analysis and negotiation, and structuring and execution in multi-billion dollar transactions – ranging from minority buyouts to trade sales and IPOs.

He joined the Fletcher Challenge Executive Office in 1999, and in 2000 was instrumental in the structuring of the financial separation of the Fletcher Challenge Group, including the establishment of Tenon (then Fletcher Challenge Forests) and the formation of Rubicon in 2001.

Luke is a Director and the CEO of Rubicon, the Chairman of Tenon Limited, and a Director of ArborGen Inc. Luke is also a Monetary Policy Advisor to the Governor of the Reserve Bank of New Zealand.

Investor Enquiries/Registered Office

Level 1, 7-9 Fanshawe Street, Auckland

PO Box 68 249, Newton,
Auckland 1145, New Zealand
Telephone: 64 9 356 9800
Facsimile: 64 9 356 9801
Email: information@rubicon-nz.com
Website: www.rubicon-nz.com

Stock Exchange Listing

The Company's shares (RBC) are listed on the NZSX.

Shareholder Enquiries

Shareholders with enquiries about share transactions or changes of address should contact the Share Registrar:

Computershare Investor Services Limited

Level 2, 159 Hurstmere Road
Takapuna, Auckland
Private Bag 92 119,
Auckland 1142, New Zealand
Telephone: 64 9 488 8777
Facsimile: 64 9 488 8787
Email: enquiry@computershare.co.nz
Website: www.rubicon-nz.com

Electronic Communications

You can elect to receive your shareholder communications electronically.

To register, visit www.investorcentre.com/nz.

You will need your CSN or holder number and FIN to access this service. Select 'View Portfolio' and log in. Then select 'Update My Details' and 'Communication Options'.

Alternatively send your name, address and CSN or holder number to ecomms@computershare.co.nz advising you wish to receive your Rubicon shareholder communications by email.