

Analysis of Financial Returns from Replanting of Whakatikei Block : 79.8 ha

Year	Cash Flows - Base case	Cash Flows - 10% Revenue Growth	Cash Flows - 10% Revenue Reduction	Debt Level (8.5% interest)	Desc.
0	-15,960	-15,960	-15,960	-15,960	Land Preparation
1	-42,606	-42,606	-42,606	-59,923	Planting
2	-23,670	-23,670	-23,670	-88,686	Fertilising
3	0	0	0	-96,224	
4	0	0	0	-104,403	
5	0	0	0	-113,277	
6	0	0	0	-122,906	
7	0	0	0	-133,353	
8	-39,102	-39,102	-39,102	-183,790	Low Prune/thin to 500spha
9	0	0	0	-199,412	
10	-44,209	-44,209	-44,209	-260,571	Thin to 350spha/med prune
11	0	0	0	-282,720	
12	-39,102	-39,102	-39,102	-345,853	High Prune
13	0	0	0	-375,251	
14	0	0	0	-407,147	
15	0	0	0	-441,755	
16	0	0	0	-479,304	
17	0	0	0	-520,045	
18	0	0	0	-564,249	
19	0	0	0	-612,210	
20	0	0	0	-664,248	
21	0	0	0	-720,709	
22	0	0	0	-781,969	
23	0	0	0	-848,436	
24	0	0	0	-920,553	
25	0	0	0	-998,800	
26	0	0	0	-	
				1,083,698	
27	0	0	0	-	
				1,175,812	
28	0	0	0	-	
				1,275,756	
29	0	0	0	-	
				1,384,195	
30	3,601,181	4,739,465	2,462,898		Harvest
NPV	8.00%	208,372	313,112	103,632	
NPV	9.00%	132,343	211,053	53,633	
NPV	10.00%	76,708	136,011	17,405	
IRR		12.27%	13.46%	10.63%	

Assumptions

Discount rates (8%, 9% and 10%)

Debt interest rate 8.50%

Includes full

Harvesting

Gross Return 5,691,416

Log and Load 1,011,

silviculture		305
No dividend paid	Carta	526,26
	ge	3
Marginal costs only	Comms	313,14
	.	6
No pest control included	Roads/tracks	239,52
No cost of land rental		0
	Net Return	3,601,181
	Tonne	53,227
	s	