

Stock Exchange release from Cynotech Holdings Ltd**12th March 2006**

The Directors of Cynotech Holdings Ltd announce an audited net surplus of \$1,508,221 for the year ended 31st December 2006. This result is a 108% increase on the previous years net profit of \$724,370.

Total assets have increased to \$20,126,748 from \$8,405,898 and shareholders funds are now \$7,242,335 compared to the 2005 figure of \$4,435,094.

All of the figures are reported on the NZIFRS accounting basis.

Chairman Allan Hawkins says that the Directors regard this as an excellent result particularly given the ongoing profits available from the material increase in earning assets. Finance receivables increased by 367% to a level of \$11,995,757.

Manufacturing operations had a difficult year but this was more than offset by the results of the Cynotech Finance Group which includes Budget Loans Ltd and also the current value of recoverable loans from the National Finance acquisition.

The Company has announced a dividend at the rate of .5 cents per share (1/2 cent per share) and there will be a dividend reinvestment scheme so that shareholders can elect to take new shares in lieu of the cash dividend.

The Cynotech Group is still operating on a conservative financing structure with equity funds being at 36% of total assets.

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