



For immediate release:

Media Statement:

2 November 2010

SFO responds to Natural Dairy (NZ) Holdings Ltd announcement

On 21 October, the Serious Fraud Office (SFO) announced that it was investigating land transactions involving Natural Dairy (NZ) Holdings Ltd (“Natural Dairy”).

The SFO has since seen a copy of an announcement purporting to be from Natural Dairy which states it:

“...is pleased to announce that its legal advisor in New Zealand has been informed by the director of Serious Fraud Office (“SFO”) that the investigation mentioned in the Announcement does not relate to Natural Dairy.”

The SFO does not consider this statement fully and accurately reflects the true state of SFO’s investigation.

The SFO will typically focus on the conduct of individuals and not the corporate entities they may be representing, when considering whether to investigate or prosecute a matter.

Accordingly, while the SFO investigations are not directed at Natural Dairy itself its investigations may include individuals within Natural Dairy or transactions involving Natural Dairy.

Ends.

For further information:

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Background

Role of SFO

The Serious Fraud Office (SFO) was established in 1990 under the Serious Fraud Act in response to the collapse of financial markets in New Zealand at that time.

The SFO operates under two sets of investigative powers.

Part 1 of the SFO Act provides that it may act where the Director “*has reason to suspect that an investigation into the affairs of any person may disclose serious or complex fraud.*”

Part 2 of the SFO Act provides the SFO with more extensive powers where: “*..the Director has reasonable grounds to believe that an offence involving serious or complex fraud may have been committed...*”

The SFO’s Statement of Intent 2010-2012 sets out the SFO’s three year strategic goals and performance standards. It is available online at: <http://www.sfo.govt.nz>