

TELECOM WELLINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

12 SHAREHOLDERS' EQUITY

SHARE PREMIUM RESERVE

	30 September		31 March
	1991	1990	1991
	\$000's	\$000's	\$000's
Balance at beginning and end of period	216,318	216,318	216,318

(consisting of a premium of \$9,999 on 21,634 redeemable preference shares)

Dividends declared apply to redeemable preference shares as if they were ordinary shares. On winding up of the company preference shareholders rank in priority to ordinary shareholders in respect of outstanding dividends and the issue price of the redeemable preference shares. The redeemable preference shares are subject to redemption, at the issue price five days after written notice from the holder.

RETAINED EARNINGS

	30 September		31 March
	1991	1990	1991
	\$000's	\$000's	\$000's
Balance at beginning of period	46,234	19,155	19,155
Net earnings	12,845	14,453	40,671
	59,079	33,608	59,826
Dividends	(14,640)	(4,086)	(13,592)
Balance at end of period	44,439	29,522	46,234

DIVIDENDS

Interim and final dividends declared from the retained earnings of the Company are as follows:

	Six months ended 30 September		Year ended 31 March
	1991	1990	1991
	\$000's	\$000's	\$000's
Interim dividends	14,640	4,086	13,592
Final dividend	-	-	-
	14,640	4,086	13,592