



## Your Children's Future

...help secure it with Sustainable Teak Hardwood Forestry Investment



**"Real prices for timber have steadily risen for more than 100 years - better performance than any other commodity . . ."**

In today's changing world it is important to explore "fresh" types of investment opportunities that meet your needs and help you spread the load. "Forestry was the best-performing asset class of 2007, delivering returns of 31.6%", according to the [IPD's index](http://www.ipd.com) (Investment Property Databank) [www.ipd.com](http://www.ipd.com).

### Why invest in **HARDWOOD**?

Hardwood Investments are an ethical asset that you can be proud of. A low risk high return asset that will literally grow with your family. For example, a £10,000 investment would give you 300 Teak Trees that would return approximately £193,000 spread over an 18 year period.

Having children is a rewarding and enriching experience but how do you pay for their future and make sure they have the best chance in life? In today's society there are more financial pressures than ever before. With school fees, university fees, weddings and deposits for houses it is easy to appreciate the mounting financial responsibility.

- University (the average student debt at university is £13,501)
- The average wedding costs £15,000
- A deposit on your child's first home is likely to cost around £15,000

### Teak Tree Investments

Many investment funds already invest in Forestry and Timber because for decades it has been one of the top performing assets (**5 times higher than equities and bonds according to the FT**) with higher than average returns. Now, private investors can invest in Forestry directly with the plantation company!

- Teak contract prices risen 300% in last 4 years, ITTO (International Tropical Timber Organization)
- Harvard University has invested 12% of its total endowment funds in timber.
- Low risk tangible "hard asset" with high return
- High and increasing demand from worldwide hardwood timber markets

With individual units of trees available, everyone can afford to plan for the future of their children (or even grandchildren). Private buyers can now be involved by buying plots of forest, which will be leased to them for the time it takes the trees to mature. When the trees are harvested, clients take their profit.

**Thus you can quite literally watch your money grow!** This proven forestry method has the potential to produce outstanding financial gains for clients in harmony with nature.

- UK Plc Company to handle administration and customer support
- Backed by the Sri Lankan Board of Investment
- Invest £10,000 in Agarwood Tree plantations over 6 years for return of £47,880\*
- Invest £10,000 in Teak Tree plantations with returns of £193,000 between 4-18 yrs
- Recently featured in the FT and Bloombergs
- Inheritance Tax and Capital Gains Tax advantage
- SIPP Acceptable
- ECO friendly ethical investment that is good for the planet

Of the many species of tropical rainforest hardwoods that are growing on the tree farms, Teak is the only species for which sufficient historical data exists to allow us to make reasonably detailed projections of potential harvests and yields.

The following projections will help illustrate the likely harvest schedule and yields from growing teak trees on the tree farms. The tables below therefore reflect the actual results from our first thinnings and the original historically-based data for the subsequent thinnings and final harvests. As you can see, the investor begins to receive a return on their tree investment after just 4 years and the "Cumulative Returns" are shown in the end column. This illustration is based on a £10,000 (300 Teak Trees). The harvest dates are for projections only, the actual dates will be up to you, the tree owner.

**Teak Tree Projections – 300 Trees (£10,000 Invested)**

Tree Age	Number of Trees Harvested	Tree Diameter – Inches	Value Per Tree	Harvest and Processing	Net Harvest proceeds	Management Fee & Profit Share	Net proceeds	Cumulative Returns
4	126	6	£56	£706	£6,350	£704	£5,646	£5,646
7	60	11	£223	£1,338	£12,042	£1,338	£10,704	£16,350
10	36	15	£613	£2,204	£19,862	£2,204	£17,658	£34,008
13	30	19	£1,174	£3,522	£31,698	£3,522	£28,196	£62,204
16	24	23	£2,461	£5,906	£53,156	£5,906	£47,250	£109,454
18	24	26	£4,402	£10,566	£95,082	£10,566	£84,516	£193,970

The projections above are based upon a conservative lumber price of £0.72 per board foot for the first thinning increasing at an annual rate of 6% for the subsequent thinnings and the final harvest. It is important to note that at final harvest stage the Teak has become weather resistant, which gives teak its very high value on the international market, hence we have chosen to use a conservative figure.

This is a "retail opportunity" and not part of any fund. Tree owners have full control over their trees and can harvest at any time. The forestry management company will grow and maintain your trees and an annual audit report will be provided, which is overseen by BDO Stoy Hayward, Colombo.

The following excerpts from two articles by recognized investment professionals in Smart Money Magazine and the Bloomberg Wealth Manager underscore the benefits of investing in trees for harvest.

"... timber is a near perfect asset"

"... real prices for timber have steadily risen for more than 100 years - better performance than any other commodity ..."

"clients inclined toward socially responsible investing will find even more to like in timber ..."

"Timber's qualifications as a solid alternative investment are too impressive to dismiss."

To request more information or discuss this opportunity further please call 0845 050 5371. Alternatively, visit [www.forestryinvestment.org](http://www.forestryinvestment.org)

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