

PORT OF  
TAURANGA

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TAURANGA

NEW ZEALAND'S



Port for the Future >>>

INTERIM REPORT 2010

**FINANCIAL RESULTS**

Port of Tauranga is pleased to report an increased net profit after tax for the Group of \$28,398 million for the six months ended December 2010.

The net profit is 23% greater than for the last half of 2009 and follows an increase in trade volumes of 18% and was underpinned by strong performances across all business divisions and associate/subsidiary companies.

The performance of recently-acquired Tapper Transport was very positive and the Company was pleased to announce its new MetroPack initiative in February, with CHH as the foundation customer. Port of Tauranga, Tapper Transport and fellow associate C3 Limited will establish MetroPack, a container packing and unpacking business, adjacent to MetroPort further enhancing our South Auckland freight village.

Revenue from the Group's expanded property portfolio increased 11% on the previous period. The former Satara coolstore building on two hectares of land on Totara Street, Mount Maunganui, was acquired and has subsequently been leased to another kiwifruit post harvest operator, Seeka Kiwifruit Industries.

The Satara purchase formed part of approximately \$16 million of capital expenditure reinvested back into the business to provide for future growth. Other significant items included; the final payment on the new \$2 million pilot vessel, *Arataki*, additional surfacing of log storage areas, and the completion of a 70% expansion of the Sulphur Point on-wharf cold storage facility operated by Cold Storage Nelson.

Directors have increased the interim dividend payment by 11% to 10 cents per share, fully imputed and payable on 25 March 2011 to shareholders of record as at 11 March 2011.

**OPERATIONS**

Ship departures increased 12% compared to the prior corresponding period.

Imports increased by 29% in volume, and exports increased 13%. Notable cargo increases included fertiliser (up 150%), stock feed supplements (up 74%), and log exports (up 15%).

Container numbers increased 23% against the prior corresponding period. Overall, trans-shipment volumes increased 64% in the second half of 2010 due to several unscheduled ship diversions and also the further development of hubbing on Tauranga, with several international shipping lines and coastal shipping operator Pacifica Shipping, bringing containers from other New Zealand ports to Tauranga for export.

During the reporting period, railed container volumes increased 56%.

Management continues to focus strongly on containing costs and improving productivity. Average net crane rates remain an industry-leading 34.8 moves per hour (as measured by the Australian Productivity Commission). Projects aimed at further improving productivity are underway at the container terminal, including converting a second crane to be twin-lift capable and two new twin-lift straddle carriers will be purchased before the end of the financial year.

Directors have also given approval for berth, extensions at the Sulphur Point container terminal, estimated to cost \$30 million, adding 170 metres to the north end of the terminal and increasing the wharf length by 28%. The extension will cater for more frequent and longer container ships and the Company already has resource consent for the work.

**BUSINESS HIGHLIGHTS**

- Delivery and commissioning of the new pilot boat, *Arataki*, replacing the 25-year-old *Tauranga II*.
- Environment Court hearing to decide on resource consent for deepening and widening harbour channels will be held in early April 2011. Dredging will allow the Port to accommodate vessels of up to 7,000 TEUs (twenty foot equivalent containers).
- Announcement of the MetroPack development, a container packing and unpacking service by Port of Tauranga, Tapper Transport and C3 Limited at the MetroPort Auckland freight village.
- A report by the New Zealand Shippers' Council released in August 2010 recommended Port of Tauranga be the first North Island port to invest to become 7,000 TEU ship-capable and that it should be done within the next five years.
- Container terminal productivity records were broken, with three cranes achieving more than 100 moves per hour over 19 hours handling an unscheduled discharge by the *COSCO Fuzhou*. Twin-lifting on the newest crane is achieving peaks of over 50 moves per hour.
- Increased hubbing on Tauranga with a 64% increase in trans-shipment volumes.

**OUTLOOK**


The trading outlook is still somewhat uncertain and it remains difficult to accurately forecast the remaining half of this financial year, but at this stage we expect to post a full year result in the range of \$53 to \$56 million.

We expect improved confidence to remain in the dairy sector (positively impacting on fertiliser and stock feed supplement imports) and also in log exports, with log volumes being driven by strong demand from China, which is expected to continue. We expect the domestic economy to be slower to recover.

The Company's long-term diversification strategy will continue to provide a variety of earnings growth opportunities. This, coupled with the Company's strong balance sheet, should help protect the Company from the slow recovery and volatility in some trade areas and ensure Port of Tauranga remains New Zealand's Port for the Future.



John Parker  
CHAIRMAN



Mark Cairns  
CHIEF EXECUTIVE

## CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 31 DECEMBER 2010 : PORT OF TAURANGA LIMITED AND SUBSIDIARIES

	(Unaudited) Six Months Ended 31 December 2010 Group NZ\$000	(Unaudited) Six Months Ended 31 December 2009 Group NZ\$000	(Audited) Year Ended 30 June 2010 Group NZ\$000
Revenue	92,829	67,046	148,054
Other income	0	22	22
<b>Operating income</b>	<b>92,829</b>	<b>67,068</b>	<b>148,076</b>
Contracted services for port operations	(17,553)	(12,980)	(29,676)
Contracted services for transport operations	(3,939)	0	(1,239)
Employee expenses	(12,361)	(8,040)	(18,499)
Direct fuel and power expenses	(2,813)	(2,061)	(4,748)
Maintenance of property, plant and equipment	(3,571)	(2,302)	(5,068)
Other expenses	(5,229)	(3,589)	(7,829)
<b>Operating expenses</b>	<b>(45,466)</b>	<b>(28,972)</b>	<b>(67,059)</b>
<b>Results from operating activities</b>	<b>47,363</b>	<b>38,096</b>	<b>81,017</b>
Depreciation and amortisation	(8,423)	(7,014)	(14,231)
Impairment of property, plant and equipment	0	0	(2,352)
	(8,423)	(7,014)	(16,583)
<b>Operating profit before finance costs, share of profit from associates and taxation</b>	<b>38,940</b>	<b>31,082</b>	<b>64,434</b>
Finance income	1,986	2,243	4,423
Finance expenses	(7,138)	(5,957)	(12,392)
<b>Net finance costs</b>	<b>(5,152)</b>	<b>(3,714)</b>	<b>(7,969)</b>
Share of profit from associates	4,859	3,794	8,231
<b>Profit before income tax</b>	<b>38,647</b>	<b>31,162</b>	<b>64,696</b>
Income tax expense	(10,249)	(8,090)	(26,680)
<b>Profit for the period attributable to shareholders of the Parent Company</b>	<b>28,398</b>	<b>23,072</b>	<b>38,016</b>
Basic and diluted earnings per share (cents)	21.2	17.2	28.4

INTERIM REPORT 2010 CONSOLIDATED INCOME STATEMENT

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31 DECEMBER 2010 : PORT OF TAURANGA LIMITED AND SUBSIDIARIES

INTERIM REPORT 2010 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	(Unaudited) Six Months Ended 31 December 2010 Group NZ\$000	(Unaudited) Six Months Ended 31 December 2009 Group NZ\$000	(Audited) Year Ended 30 June 2010 Group NZ\$000
Profit after tax attributable to shareholders of the Parent Company	28,398	23,072	38,016
<b>Other comprehensive income</b>			
Net effective portion of changes in fair value of cash flow hedges	1,675	(11)	(5,562)
Net change in fair value of cash flow hedges transferred to the income statement	(1,271)	1,150	2,872
Net change in share of joint ventures' cash flow hedge reserves	66	301	217
Asset revaluation, net of tax	0	0	25,810
<b>Total comprehensive income</b>	<b>28,868</b>	<b>24,512</b>	<b>61,353</b>

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31 DECEMBER 2010 : PORT OF TAURANGA LIMITED AND SUBSIDIARIES

	Share Capital Group NZ\$000	Hedging Reserve Group NZ\$000	Revaluation Reserve Group NZ\$000	Retained Earnings Group NZ\$000	Total Group NZ\$000
<b>Balance at 30 June 2009</b>	<b>67,966</b>	<b>(5,407)</b>	<b>545,636</b>	<b>34,862</b>	<b>643,057</b>
Profit after tax attributable to shareholders of the Parent Company	0	0	0	23,072	23,072
Net effective portion of changes in fair value of cash flow hedges	0	(11)	0	0	(11)
Net change in fair value of cash flow hedges transferred to the income statement	0	1,150	0	0	1,150
Net change in share of associates' cash flow hedge reserves	0	301	0	0	301
Transfer to retained earnings on disposal	0	0	(280)	280	0
<b>Total comprehensive income</b>	<b>0</b>	<b>1,440</b>	<b>(280)</b>	<b>23,352</b>	<b>24,512</b>
Increase in share capital	246	0	0	0	246
Dividends paid during the year	0	0	0	(24,126)	(24,126)
<b>Total transactions with owners in their capacity as owners</b>	<b>246</b>	<b>0</b>	<b>0</b>	<b>(24,126)</b>	<b>(23,880)</b>
<b>Balance at 31 December 2009</b>	<b>68,212</b>	<b>(3,967)</b>	<b>545,356</b>	<b>34,088</b>	<b>643,689</b>
Profit after tax attributable to shareholders of the Parent Company	0	0	0	14,944	14,944
Net effective portion of changes in fair value of cash flow hedges	0	(5,551)	0	0	(5,551)
Net change in fair value of cash flow hedges transferred to the income statement	0	1,722	0	0	1,722
Net change in share of associates' cash flow hedge reserves	0	(84)	0	0	(84)
Asset revaluation, net of tax	0	0	25,810	0	25,810
<b>Total comprehensive income</b>	<b>0</b>	<b>(3,913)</b>	<b>25,810</b>	<b>14,944</b>	<b>36,841</b>
Increase in share capital	5	0	0	0	5
Dividends paid during the year	0	0	0	(12,067)	(12,067)
<b>Total transactions with owners in their capacity as owners</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>(12,067)</b>	<b>(12,062)</b>
<b>Balance at 30 June 2010</b>	<b>68,217</b>	<b>(7,880)</b>	<b>571,166</b>	<b>36,965</b>	<b>668,468</b>

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)

FOR THE SIX MONTHS ENDED 31 DECEMBER 2010 : PORT OF TAURANGA LIMITED AND SUBSIDIARIES

INTERIM REPORT 2010 CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share Capital Group NZ\$000	Hedging Reserve Group NZ\$000	Revaluation Reserve Group NZ\$000	Retained Earnings Group NZ\$000	Total Group NZ\$000
<b>Balance at 30 June 2010</b>	<b>68,217</b>	<b>(7,880)</b>	<b>571,166</b>	<b>36,965</b>	<b>668,468</b>
Profit after tax attributable to shareholders of the Parent Company	0	0	0	28,398	28,398
Net effective portion of changes in fair value of cash flow hedges	0	1,675	0	0	1,675
Net change in fair value of cash flow hedges transferred to the income statement	0	(1,271)	0	0	(1,271)
Net change in share of associates' cash flow hedge reserves	0	66	0	0	66
Transfer to retained earnings on disposal	0	0	(27)	27	0
<b>Total comprehensive income</b>	<b>0</b>	<b>470</b>	<b>(27)</b>	<b>28,425</b>	<b>28,868</b>
Increase in share capital	7	0	0	0	7
Dividends paid during the year	0	0	0	(26,816)	(26,816)
<b>Total transactions with owners in their capacity as owners</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>(26,816)</b>	<b>(26,809)</b>
<b>Balance at 31 December 2010</b>	<b>68,224</b>	<b>(7,410)</b>	<b>571,139</b>	<b>38,574</b>	<b>670,527</b>



## CONSOLIDATED BALANCE SHEETS

AS AT 31 DECEMBER 2010 : PORT OF TAURANGA LIMITED AND SUBSIDIARIES

	(Unaudited) 31 December 2010 Group NZ\$000	(Unaudited) 31 December 2009 Group NZ\$000	(Audited) 30 June 2010 Group NZ\$000
<b>Assets</b>			
Property, plant and equipment	852,806	814,643	844,825
Investment properties	0	70	0
Intangible assets	18,335	3,459	18,609
Advances and receivables	26,434	28,966	27,705
Investments in associates	41,357	37,306	39,746
<b>Total non current assets</b>	<b>938,932</b>	<b>884,444</b>	<b>930,885</b>
Cash and cash equivalents	2,416	684	1,413
Receivables and prepayments	24,176	18,127	23,716
Inventories	155	109	259
Derivative financial instruments	0	17	0
<b>Total current assets</b>	<b>26,747</b>	<b>18,937</b>	<b>25,388</b>
<b>Total assets</b>	<b>965,679</b>	<b>903,381</b>	<b>956,273</b>
<b>Equity</b>			
Share capital	68,224	68,212	68,217
Hedging reserve	(7,410)	(3,967)	(7,880)
Revaluation reserve	571,139	545,356	571,166
Retained earnings	38,574	34,088	36,965
<b>Total equity attributable to shareholders of the Parent Company</b>	<b>670,527</b>	<b>643,689</b>	<b>668,468</b>
<b>Liabilities</b>			
Loans and borrowings	208,950	39	199,118
Deferred consideration	3,000	0	3,000
Derivative financial instruments	9,142	4,649	9,111
Provisions	4,871	861	4,890
Deferred tax liabilities	48,530	34,502	49,294
<b>Total non current liabilities</b>	<b>274,493</b>	<b>40,051</b>	<b>265,413</b>
Loans and borrowings	2,065	207,000	823
Derivative financial instruments	532	352	1,095
Trade and other payables	11,310	9,572	12,477
Provisions	1,227	755	1,906
Provision for tax	5,525	1,962	6,091
<b>Total current liabilities</b>	<b>20,659</b>	<b>219,641</b>	<b>22,392</b>
<b>Total liabilities</b>	<b>295,152</b>	<b>259,692</b>	<b>287,805</b>
<b>Total equity and liabilities</b>	<b>965,679</b>	<b>903,381</b>	<b>956,273</b>

## CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2010 : PORT OF TAURANGA LIMITED AND SUBSIDIARIES

INTERIM REPORT 2010 CONSOLIDATED STATEMENTS OF CASH FLOWS

	(Unaudited) Six Months Ended 31 December 2010 Group NZ\$000	(Unaudited) Six Months Ended 31 December 2009 Group NZ\$000	(Audited) Year Ended 30 June 2010 Group NZ\$000
<b>Cash flows from operating activities</b>			
Cash inflows	94,326	71,074	150,018
Cash outflows	(67,078)	(46,008)	(93,963)
<b>Net cash from operating activities</b>	<b>27,248</b>	<b>25,066</b>	<b>56,055</b>
<b>Cash flows from investing activities</b>			
Cash inflows	5,465	5,630	10,722
Cash outflows	(15,927)	(5,686)	(20,807)
<b>Net cash (used in)/from investing activities</b>	<b>(10,462)</b>	<b>(56)</b>	<b>(10,085)</b>
<b>Cash flows from financing activities</b>			
Cash inflows	11,554	34	85
Cash outflows	(27,337)	(27,642)	(47,924)
<b>Net cash used in financing activities</b>	<b>(15,783)</b>	<b>(27,608)</b>	<b>(47,839)</b>
Net increase/(decrease) in cash and cash equivalents	1,003	(2,598)	(1,869)
Add opening cash brought forward	1,413	3,282	3,282
<b>Ending cash carried forward</b>	<b>2,416</b>	<b>684</b>	<b>1,413</b>
<b>RECONCILIATION OF PROFIT FOR THE PERIOD TO CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Profit for the period</b>	<b>28,398</b>	<b>23,072</b>	<b>38,016</b>
<b>Add non cash and non operating items</b>			
Finance lease interest	(1,059)	(1,198)	(2,267)
Depreciation and amortisation expense	8,423	7,014	14,231
(Decrease)/increase in deferred taxation expense	(910)	(624)	8,218
Share of surpluses retained by associates	(4,859)	(3,794)	(8,231)
Impairment of property, plant and equipment	0	0	2,352
Other	280	8	(321)
	<b>1,875</b>	<b>1,406</b>	<b>13,982</b>
(Less)/add movements in working capital	(3,025)	588	4,057
<b>Net cash flows from operating activities</b>	<b>27,248</b>	<b>25,066</b>	<b>56,055</b>



## 1 Reporting Entity

Port of Tauranga Limited (the "Parent Company") is a company domiciled in New Zealand, registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange (NZX). The Parent Company is an issuer in terms of the Financial Reporting Act 1993.

The unaudited interim financial statements (the "financial statements") for the Port of Tauranga Limited comprise the Port of Tauranga Limited and its subsidiaries and the Group's interest in associates (together referred to as the "Group").

## 2 Basis of Preparation

These financial statements have been prepared in accordance with NZ IAS 34 Interim Financial Reporting. They do not include all information required for full annual financial statements and should be read in conjunction with the annual financial statements and related notes included in Port of Tauranga Limited's Annual Report for the year ended 30 June 2010.

## 3 Significant Accounting Policies

Except for as described below, the accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 June 2010.

No new standards and amendments to standards have been adopted by the Group in the current period.

## 4 Accounting Estimates and Judgements

The preparation of the financial statements in conformity with NZ IAS 34 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty, were the same as those applied to the Group's consolidated financial statements for the year ended 30 June 2010.

## 5 Segment Information

The Group determines and presents operating segments based on the information that is internally provided to the Chief Executive, who is the Group's Chief Operating Decision Maker (CODM), as defined by NZ IFRS 8 Operating Segments.

The Group operates in three main reportable segments, being:

- Port Operations – consists of providing and managing port services, and cargo handling facilities through the Port of Tauranga. The Port's terminal and bulk operations have been aggregated together within the Port Operations segment, due to the similarities in economic characteristics, customers, nature of products and processes, and risks.
- Property Services – consists of managing and maintaining the Port's property assets.
- Transport Services – consists of the road transport and freight handling activities, of Tapper Transport Limited and Tapper SIP Limited.

The three main business segments are managed separately as they provide different services to customers and have their own operational and marketing requirements.

## 5 Segment Information (Continued)

The remaining activities of the Group are included in Other, and primarily relate to Port head office functions.

The Group operates in one geographical area, that being New Zealand.

Due to the significant shared cost base of the Port, operating costs, measures of profitability, assets and liabilities are aggregated and are not reported to the CODM at a segment level, but rather at a port level, as all business decisions are made at a "whole port level".

Performance of the Transport Services segment is assessed based on profit after taxation. The CODM does not review assets and liabilities in accessing the Transport Services segment's performance.

The unaudited segment results for the six months ended 31 December 2010 are as follows:

2010	Port Operations NZ\$000	Property Services NZ\$000	Other NZ\$000	Transport Services (1) NZ\$000	Unallocated (2) NZ\$000	Group NZ\$000
Total segment revenue (external)	72,445	8,558		11,826		92,829
<b>Other income and expenditure:</b>						
Share of profit from associates					4,859	4,859
Interest income			1,986			1,986
Interest expense				(55)	(7,061)	(7,116)
Depreciation and amortisation expense				(608)	(7,815)	(8,423)
Other unallocated expenditure				(9,592)	(35,896)	(45,488)
Income tax expense				(469)	(9,780)	(10,249)
Total other income and expenditure			1,986	(10,724)	(55,693)	(64,431)
<b>Total segment result</b>				<b>1,102</b>		<b>28,398</b>

(1) This segment commenced on 1 April 2010.

(2) Operating costs are not allocated to individual business segments within the Parent Company.

## 5 Segment Information (Continued)

The unaudited segment results for the six months ended 31 December 2009 are as follows:

2009	Port Operations NZ\$000	Property Services NZ\$000	Other NZ\$000	Unallocated (1) NZ\$000	Group NZ\$000
Total segment revenue (external)	59,348	7,698			67,046
<b>Other income and expenditure:</b>					
Share of profit from associates				3,794	3,794
Interest income			2,119		2,119
Other finance income			124		124
Other income		22			22
Interest expense				(5,903)	(5,903)
Depreciation and amortisation expense				(7,014)	(7,014)
Other unallocated expenditure				(29,026)	(29,026)
Income tax expense				(8,090)	(8,090)
Total other income and expenditure		22	2,243	(46,239)	(43,974)
<b>Total segment result</b>					<b>23,072</b>

(1) Operating costs are not allocated to individual business segments within the Parent Company.

## 6 Dividends

The following dividends were paid by the Group:

	Six Months Ended 31 December 2010 NZ\$000	Six Months Ended 31 December 2009 NZ\$000
Final dividend of 20.0 cents per share (2009: 18.0 cps)	26,816	24,126
	<b>26,816</b>	<b>24,126</b>

## 7 Property, Plant and Equipment

### *Acquisitions and Disposals*

During the six months ended 31 December 2010, the Group acquired assets with a cost of \$15.978 million (six months ended 31 December 2009: \$5.665 million) and disposed of assets with a carrying value of \$0.095 million (six months ended 31 December 2009: \$0.280 million).

## 8 Loans and Borrowings

On 30 June 2010 the Parent entered into a \$260 million (2009: \$250 million) financing arrangement with ANZ Banking Group (New Zealand) Limited, Bank of New Zealand Limited and Commonwealth Bank of Australia, New Zealand branch.

The standby revolving cash advance facility comprises two tranches; tranche 1, a \$130 million (2009: \$225 million) facility maturing 31 December 2013 (2009: 31 December 2010), and tranche 2, a \$130 million (2009: \$25 million) facility maturing 31 December 2015 (2009: 31 December 2010). These facilities are secured by way of a ship's mortgage over certain floating plant assets, mortgages over land and building assets and a general security arrangement over the assets of the port.

### (a) Standby Revolving Cash Advance Facility Agreement

The Parent Company has a \$260 million (2009: \$250 million) financing arrangement with ANZ Banking Group (New Zealand) Limited, Bank of New Zealand Limited and the Commonwealth Bank of Australia, New Zealand branch. The facility, which is secured (2009: unsecured), provides for both direct borrowings and support for issuance of Commercial Papers.

The standby revolving cash advance facility comprises of two tranches; tranche 1, a \$130 million (2009: \$225 million) facility maturing 31 December 2013 (2009: 31 December 2010), and tranche 2, a \$130 million (2009: \$25 million) facility maturing 31 December 2015 (2009: 31 December 2010). These facilities are secured by way of a ships' mortgage over certain floating plant assets, mortgages over the land and building assets and by a general security agreement over the assets of the port (2009: unsecured and lent against a negative pledge deed).

### (b) Overdraft Facility

Tapper Transport Limited has a \$0.900 million overdraft facility with the Bank of New Zealand Limited, which is primarily used for short term working capital requirements. This facility has no fixed duration and is secured via a general security agreement over all assets of the company.

### (c) Multi Option Facility Agreement

The Parent Company has a \$5 million (2009: \$10 million) multi option financing facility with the Bank of New Zealand Limited, which is primarily used for short term working capital requirements. This facility expires on 31 December 2011 (2009: 31 December 2010). The Parent Company has the option to roll-over this facility for the period of one year, by giving notice to the Bank of New Zealand prior to the expiry of the facility. This facility is secured by way of a ships' mortgage over certain floating plant assets and by a general security agreement over the land and building assets over the port (2009: unsecured and lent against a negative pledge deed).

## 9 Incorporation of Subsidiary

On 13 December 2010, MetroPack Limited was incorporated. MetroPack Limited which is not yet trading, will be involved in container packing operations and is situated alongside MetroPort in Auckland. MetroPack is a 100% subsidiary of Port of Tauranga Limited, however it is envisaged that Port of Tauranga Limited will have an equal one-third holding in MetroPack Limited alongside Tapper Transport Limited and C3 Limited.

10 Related Party Transactions

During the six months ended 31 December 2010 the Parent Company has had the following transactions with related parties:

*C3 Limited*

(Associate Company)

- Revenue	<b>\$1,618,878</b>	(2009: \$1,649,940)	Vessel charges, rentals, IT services, plant hire and interest.
- Expenses	<b>\$5,195,355</b>	(2009: \$4,985,365)	Plant repairs, labour supplied.

Receivables outstanding at 31 December 2010 was \$125,573 (2009: \$98,896). Expenditure unpaid at 31 December 2010 was \$1,000,896 (2009: \$803,972). Capital notes receivable by Port of Tauranga Limited at 31 December 2010 were \$16,599,000 (2009: \$16,599,000).

*Northport Limited*

(Associate Company)

- Revenue	<b>\$8,868</b>	(2009: \$7,948)	Security and management services.
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Receivables outstanding at 31 December 2010 was \$1,372 (2009: \$1,418).

*MetroBox Auckland Limited*

(Associate Company)

No transactions were undertaken during the period (2009: Nil). Advances owing to Port of Tauranga Limited at 31 December 2010 were \$1,785,219 (2009: \$1,785,219).

*Tapper Transport Limited*

(Subsidiary Company)

- Revenue	<b>\$10,810</b>	(2009: \$990)	Demurrage and storage.
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Receivables outstanding at 31 December 2010 was \$1,604 (2009: Nil). Advances owing to Port of Tauranga Limited at 31 December were \$3,300,000 (2009: Nil).

*Port of Tauranga Trustee Company Limited*

(Subsidiary Company)

No transactions were undertaken during the period (2009: Nil). Advances owing to Port of Tauranga Limited by Port of Tauranga Trustee Company Limited on behalf of employees in the share ownership plan at 31 December 2010 were \$205,690 (2009: \$306,714).

During the six months ended 31 December 2010 the Group entered into transactions with companies in which Group Directors hold directorships. These transactions have occurred on normal commercial terms.

No related party debts have been written off or forgiven during the period.

No interest is charged on advances to associates and joint ventures which are repayable on demand.

## 10 Related Party Transactions (Continued)

Advances to associates at period end are as follows:

	Six Months Ended 31 December 2010 NZ\$000	Six Months Ended 31 December 2009 NZ\$000
MetroBox Auckland Limited	1,785	1,785
	<b>1,785</b>	<b>1,785</b>

### Controlling Entity

Quayside Securities Limited owns 55.00% of the ordinary shares in Port of Tauranga Limited. Quayside Securities Limited is beneficially owned by Bay of Plenty Regional Council.

### Transactions with Key Management Personnel

The Group does not provide any non cash benefits to Directors and executive officers in addition to their Directors' fees or salaries.

	Six Months Ended 31 December 2010 NZ\$000	Six Months Ended 31 December 2009 NZ\$000
<b>Short term employee benefits</b>		
Directors' fees	200	190
Executive salaries	1,753*	1,269

\* Includes executive long term incentive payment.

## 11 Commitments

	Six Months Ended 31 December 2010 NZ\$000	Six Months Ended 31 December 2009 NZ\$000
<b>Capital commitments</b>		
Estimated capital commitments for the Group contracted for at balance date but not provided for	2,306	1,799



## DIRECTORY

PORT OF TAURANGA LIMITED AND SUBSIDIARIES

### DIRECTORS

J S Parker, *Chairman*  
A W Baylis  
J M Cronin  
D A Pilkington  
M J Smith  
Sir Dryden Spring  
K Tempest

### EXECUTIVE

M C Cairns, *Chief Executive*  
S G Gray, *Chief Financial Officer*  
S M Lunam, *Corporate Services Manager*  
G J Marshall, *Commercial Manager*  
A P Reynish, *Property Manager*

### REGISTERED OFFICE

Salisbury Avenue  
Mount Maunganui

Private Bag 12504  
Tauranga Mail Centre  
Tauranga 3143  
New Zealand

Telephone 07 572 8899  
Facsimile 07 572 8800  
Internet [www.port-tauranga.co.nz](http://www.port-tauranga.co.nz)  
Email [marketing@port-tauranga.co.nz](mailto:marketing@port-tauranga.co.nz)

### SHARE REGISTRY

For enquiries about share transactions, change of address or dividend payments, contact:

Link Market Services Limited  
PO Box 91976  
Victoria Street West  
Auckland 1142  
New Zealand

Telephone 09 375 5998  
Facsimile 09 375 5990  
Email [Lmsenquiries@linkmarketservices.com](mailto:Lmsenquiries@linkmarketservices.com)

Copies of the Annual and Interim Reports are available from our website.







NEW ZEALAND'S

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