



**Northland Port  
Corporation (NZ) Ltd**

**INTERIM REPORT**

For the Six Months Ended 31 December 2013

## Executive Review

For the six month period to 31 December 2013, the Group recorded a Net Surplus of \$3.806m (9.22 cents/share) as compared with \$3.672m for the corresponding period last year, representing an increase of 3.7%.

The overall result was impacted by a non-cash, fair value adjustment of \$0.170m in respect of the Group's shareholding in Fonterra with the quoted price for shares in the cooperative having reduced by around \$1.50 per share during the six month period.

Strong underlying earnings saw the Trading Surplus for the interim period lift by 8.8% to almost \$4.0m with all operational areas of the Group contributing to the improved result.

### Dividend

A fully imputed interim dividend of 5 cents per share (2012/13 – 4.5 cents/share) has been declared with payment to be made on 21 March 2014.

### Northport Ltd

Log volumes for the six month period lifted by 7.8% to 1.226 million tonnes (2012 – 1.137 million tonnes) whilst overall cargo throughput at 1.659 million tonnes (2012 – 1.542 million tonnes) reflected a similar level of growth over the comparative prior period.

A number of initiatives undertaken during the past 18 months to increase storage capacity within the port terminal are already realising operational efficiencies. Ongoing development will be required if the facility is to accommodate anticipated future growth in cargo volumes. It seems likely that this growth will ultimately necessitate the construction of a fourth berth and consequently, initial design considerations for this project are now being reviewed.



SIR JOHN GOULTER



GRAHAM WALLACE

### North Port Coolstores (1989) Ltd

This business recorded an improved trading result due to comparatively stronger demand for cool storage space during the period reflecting generally favourable climatic conditions for dairy production.

On 7 February 2014, the Company reached unconditional agreement to sell its 50% shareholding to its partner in this business with the sale being treated as effective as from 1 February 2014.

The decision to divest was reached after careful consideration of the Group's future strategic direction and having been able to negotiate an acceptable price for its shareholding. Your Board believes that the Company's longer term interests will be best served by focusing its business activities within the Greater Marsden Point area and that the sale represents a positive outcome in this regard.

The total sale price of approximately \$1.8m will see the Group realise a gain of approximately \$0.8m. As the sale was concluded after our interim balance date of 31 December 2013, this will be accounted for in the second half of the current financial year ended 30 June 2014.

### Northland Stevedoring Services UJV

This entity experienced a higher level of business activity and achieved a modest improvement in trading profitability as compared to the corresponding period last year.

## Property

The Eastland log debarking facility is taking shape with plant assembly well underway. As a tenant of the Company, Eastland will be leasing a paved site of approximately 1.2ha. The facility is expected to be operational in early April.

During the period under review, significant earthworks were substantially completed which has seen an additional area of some 3 hectares readied for further development. This area is in close proximity to the port boundary making it an especially attractive location for current or prospective port users.

The Company's new office building has attracted positive comment and is helping to lift the overall profile of the organisation in the area. Meanwhile, various other initiatives are being investigated as we seek to improve returns from the Company's extensive property portfolio.

## Land Separation

At the Company's 2013 Annual Meeting, an assertion was made that shareholders would be better off if the Company were split into two separate entities (property/port). It was claimed that the sum of the two parts would then be greater than the status quo, resulting in an increase in shareholder value.

The Chairman spoke to this matter at the Annual Meeting noting that: the Board had given this possibility previous consideration; had taken professional advice on the matter from Investment Bankers, Cameron Partners, and concluded that a split was unlikely to be in the best interests of shareholders.

Following the discussion on this point at the Annual Meeting, the Board revisited the issue and sought further advice from Cameron Partners. After again considering the issue and the additional advice received, the Board has reconfirmed its view.

The Board noted that while it can be debated whether the share price of NPC reflects the true underlying value of the business, to the extent that there is any undervaluation, it is more likely to be due to a lack of institutional interest and liquidity in the stock, rather than any misunderstanding by the market of the values of the constituent parts of NPC. The Board concluded that the division of the Company into two smaller listed companies with separate management and governance is not only most unlikely to improve this market reality, it may in fact exacerbate it, especially with the additional layer of costs which would follow a restructuring on a one-off and continuing basis.

## Outlook

Current indications suggest that export log volumes through Northport will continue at around existing levels for the foreseeable future with annual cargo throughput for all trades expected to exceed 3.2 million tonnes in the current financial year (2012/13 – 3.095 million tonnes). A lift in the underlying earnings of the Group is thus anticipated presuming these volume forecasts are attained.



Sir John Goulter KNZM, JP  
CHAIRMAN



Graham Wallace  
CHIEF EXECUTIVE

**Consolidated Statement of Comprehensive Income**

For the Six Months Ended 31 December 2013

YEAR ENDED		SIX MONTHS ENDED	
30-Jun-13 (Audited) \$000		31-Dec-13 (Unaudited) \$000	31-Dec-12 (Unaudited) \$000
	Note		
<b>Revenue</b>			
271	Farming Revenue	233	151
664	Share of Joint Venture Revenues	410	377
835	Rents & Leases	453	403
30	Interest Income	14	5
50	Dividends	18	20
7,846	Share of Associate Companies' Net Surplus	4,120	3,928
24	Other	20	36
<u>9,720</u>	<b>Total Revenue</b>	<u>5,268</u>	<u>4,920</u>
<b>Expenditure</b>			
812	Operational Expenses	444	389
487	Land Rates & Lease Expenses	218	253
1,080	Administrative Expenses	578	556
13	Finance Costs	3	12
74	Depreciation Expense	30	37
<u>2,466</u>	<b>Total Expenditure</b>	<u>1,273</u>	<u>1,247</u>
<u>7,254</u>	<b>Trading Surplus</b>	<u>3,995</u>	<u>3,673</u>
–	Gain/(Loss) on Sale of Property, Plant & Equipment	(2)	–
(197)	Revaluation of Investment Property	–	–
314	Fair Value Movements in Other Investments	(170)	–
<u>7,371</u>	<b>Operating Surplus Before Taxation</b>	<u>3,823</u>	<u>3,673</u>
636	Taxation Expense	17	1
<u>6,735</u>	<b>NET SURPLUS</b>	<u>3,806</u>	<u>3,672</u>
<b>Other Comprehensive Income</b>			
<i>Items that will be recycled through profit and loss</i>			
263	Net Hedging Movement (Associate)	244	107
<i>Items that will not be recycled through profit and loss</i>			
(759)	Revaluation of Land Holdings (held as Property, Plant & Equipment)	–	–
<u>(496)</u>	<b>Other Comprehensive Income for Year</b>	<u>244</u>	<u>107</u>
<u>6,239</u>	<b>TOTAL COMPREHENSIVE INCOME</b>	<u>4,050</u>	<u>3,779</u>
<b>Earnings Per Share</b>			
16.31	Basic & Diluted Earnings Per Share (cents)	9.22	8.89

**Consolidated Statement of Changes in Equity**

For the Six Months Ended 31 December 2013

## SIX MONTHS ENDED 31 DECEMBER 2013 (Unaudited)

	Share Capital \$000	Retained Earnings \$000	Asset Revaluation Reserve \$000	Hedging Reserve (Associate) \$000	TOTAL \$000
<b>Opening Equity 1 July 2013</b>	<b>14,688</b>	<b>36,718</b>	<b>76,855</b>	<b>(235)</b>	<b>128,026</b>
Net Surplus	—	3,806	—	—	3,806
Other Comprehensive Income	—	—	—	244	244
<b>Total Comprehensive Income</b>	<b>—</b>	<b>3,806</b>	<b>—</b>	<b>244</b>	<b>4,050</b>
<b>Transactions with owners in their capacity as owners:</b>					
Dividends Paid	—	(2,272)	—	—	(2,272)
<b>Closing Equity 31 December 2013</b>	<b>14,688</b>	<b>38,252</b>	<b>76,855</b>	<b>9</b>	<b>129,804</b>

## SIX MONTHS ENDED 31 DECEMBER 2012 (Unaudited)

	Share Capital \$000	Retained Earnings \$000	Asset Revaluation Reserve \$000	Hedging Reserve (Associate) \$000	TOTAL \$000
<b>Opening Equity 1 July 2012</b>	<b>14,688</b>	<b>33,907</b>	<b>77,614</b>	<b>(499)</b>	<b>125,710</b>
Net Surplus	—	3,672	—	—	3,672
Other Comprehensive Income	—	—	—	107	107
<b>Total Comprehensive Income</b>	<b>—</b>	<b>3,672</b>	<b>—</b>	<b>107</b>	<b>3,779</b>
<b>Transactions with owners in their capacity as owners:</b>					
Dividends Paid	—	(2,065)	—	—	(2,065)
<b>Closing Equity 31 December 2012</b>	<b>14,688</b>	<b>35,514</b>	<b>77,614</b>	<b>(392)</b>	<b>127,424</b>

## YEAR ENDED 30 JUNE 2013 (Audited)

	Share Capital \$000	Retained Earnings \$000	Asset Revaluation Reserve \$000	Hedging Reserve (Associate) \$000	TOTAL \$000
<b>Opening Equity 1 July 2012</b>	<b>14,688</b>	<b>33,907</b>	<b>77,614</b>	<b>(499)</b>	<b>125,710</b>
Net Surplus	—	6,735	—	—	6,735
Other Comprehensive Income	—	—	(759)	264	(495)
<b>Total Comprehensive Income</b>	<b>—</b>	<b>6,735</b>	<b>(759)</b>	<b>264</b>	<b>6,240</b>
<b>Transactions with owners in their capacity as owners:</b>					
Dividends Paid	—	(3,924)	—	—	(3,924)
<b>Closing Equity 30 June 2013</b>	<b>14,688</b>	<b>36,718</b>	<b>76,855</b>	<b>(235)</b>	<b>128,026</b>

Northland Port Corporation (NZ) Ltd  
**Consolidated Balance Sheet**  
As at 31 December 2013

AS AT		AS AT	
30-Jun-13 (Audited) \$000		31-Dec-13 (Unaudited) \$000	31-Dec-12 (Unaudited) \$000
		Note	
<b>Equity</b>			
14,688	Share Capital	14,688	14,688
36,718	Retained Earnings	38,252	35,514
76,855	Asset Revaluation Reserve	76,855	77,614
(235)	Hedging Reserve - Associate	9	(392)
<u>128,026</u>		<u>129,804</u>	<u>127,424</u>
<b>Current Liabilities</b>			
—	Bank Overdrafts	780	—
718	Payables	444	372
2	Provisions	4	4
<u>720</u>		<u>1,228</u>	<u>376</u>
<u>128,746</u>	<b>Total Liabilities and Equity</b>	<u>131,032</u>	<u>127,800</u>
<b>Current Assets</b>			
1,066	Cash & Deposits	130	504
355	Receivables & Prepayments	370	299
57	Taxation Refundable	44	67
<u>1,478</u>		<u>544</u>	<u>870</u>
—	Assets classified as held for sale	6 930	—
<u>1,478</u>		<u>1,474</u>	<u>870</u>
<b>Non-Current Assets</b>			
33,612	Property, Plant & Equipment	34,765	35,140
46,000	Investment Property	48,177	45,813
46,795	Investments in Associate Companies	6 45,925	44,762
828	Other Investments	657	528
33	Deferred Tax Asset	34	687
<u>127,268</u>		<u>129,558</u>	<u>126,930</u>
<u>128,746</u>	<b>Total Assets</b>	<u>131,032</u>	<u>127,800</u>

**Consolidated Cash Flow Statement**

For the Six Months Ended 31 December 2013

## YEAR ENDED

30-Jun-13  
(Audited)  
\$000

## SIX MONTHS ENDED

31-Dec-13  
(Unaudited)  
\$00031-Dec-12  
(Unaudited)  
\$000

YEAR ENDED		SIX MONTHS ENDED	SIX MONTHS ENDED
30-Jun-13 (Audited) \$000		31-Dec-13 (Unaudited) \$000	31-Dec-12 (Unaudited) \$000
<b>Cash Flows from Operating Activities</b>			
<i>Cash was provided from:</i>			
2,002	Cash from Customers	1,005	1,071
6,751	Dividends Received	4,323	3,326
29	Interest Received	14	5
19	Income Tax Refunded	–	–
<u>8,801</u>		<u>5,342</u>	<u>4,402</u>
<i>Cash was applied to:</i>			
(2,245)	Cash paid to Suppliers & Employees	(1,208)	(954)
(13)	Interest Paid	(3)	(12)
–	Income Tax Paid	(4)	(9)
<u>(2,258)</u>		<u>(1,215)</u>	<u>(975)</u>
<u>6,543</u>	<b>Net Cash Inflow (Outflow) from Operating Activities</b>	<u>4,127</u>	<u>3,427</u>
<b>Cash Flows from Investing Activities</b>			
<i>Cash was provided from:</i>			
9	Sale of Shares - Ballance Agri-Nutrients	9	–
<u>9</u>		<u>9</u>	<u>–</u>
<i>Cash was applied to:</i>			
(358)	Purchase of Property, Plant & Equipment	(1,340)	(14)
(668)	Purchase of Investment Property Improvements	(2,240)	(308)
<u>(1,026)</u>		<u>(3,580)</u>	<u>(322)</u>
<u>(1,017)</u>	<b>Net Cash Inflow (Outflow) from Investing Activities</b>	<u>(3,571)</u>	<u>(322)</u>
<b>Cash Flows from Financing Activities</b>			
<i>Cash was applied to:</i>			
(502)	ASB Bank Facility	–	(502)
(3,924)	Dividends Paid	(2,272)	(2,065)
<u>(4,426)</u>		<u>(2,272)</u>	<u>(2,567)</u>
<u>(4,426)</u>	<b>Net Cash Inflow (Outflow) from Financing Activities</b>	<u>(2,272)</u>	<u>(2,567)</u>
1,100	<b>Net Increase (Decrease) in Cash Held</b>	<b>(1,716)</b>	538
(34)	Add Opening Cash Balance	1,066	(34)
<u>1,066</u>	<b>Closing Cash Balance</b>	<u>(650)</u>	<u>504</u>

**Operating Cash Flow Reconciliation**

For the Six Months Ended 31 December 2013

YEAR ENDED		SIX MONTHS ENDED	
30-Jun-13 (Audited) \$000		31-Dec-13 (Unaudited) \$000	31-Dec-12 (Unaudited) \$000
6,735	<b>Net Surplus</b>	<b>3,806</b>	3,672
	<b>Add (Subtract) Non-Cash Items:</b>		
74	Depreciation	30	37
(12)	Non-Cash Dividends Received	—	—
640	Deferred Taxation	(1)	(13)
—	Gain/(Loss) on Sale of Property, Plant & Equipment	2	—
197	Revaluation of Investment Property	—	—
(314)	Fair Value Movements in Other Investments	170	—
(1,134)	Share of Associate Companies' Retained Surplus	185	(622)
(549)		<b>386</b>	(598)
	<b>Add (Subtract) Working Capital Items:</b>		
305	Movement in Receivables & Prepayments	(16)	361
15	Movement in Taxation Refundable	13	5
316	Movement in Payables	(274)	(31)
1	Movement in Provisions	2	3
637		<b>(275)</b>	338
(280)	<b>Non-Operating Items included in Working Capital Movements above</b>	<b>210</b>	15
<u>6,543</u>	<b>Net Cash Flow from Operating Activities</b>	<u><b>4,127</b></u>	<u>3,427</u>



## Notes to the Consolidated Financial Statements

For the Six Months Ended 31 December 2013

### Note 1 - Basis of Preparation

This general purpose financial report for the six months ended 31 December 2013 has been prepared in accordance with NZ IAS 34 Interim Financial Reporting.

### Note 2 - Accounting Policies

These consolidated interim financial statements have been prepared using the same accounting policies and methods of computation as those published in the annual financial report for the year ended 30 June 2013. It is recommended that these interim financial statements be read in conjunction with the 2013 Annual Report.

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate distribution in its present condition. Actions required to complete the distribution should indicate that it is unlikely that significant changes to the distribution will be made or that the distribution will be withdrawn. Management must be committed to the distribution expected within one year from the date of the classification. Similar considerations apply to assets or a disposal group held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

### Note 3 - Fair Value of Investments in Other Investments

The Group recognised a fair value movement of (\$170,015) being the movement in the total disclosed fair value of shares held in Fonterra Co-operative Group Ltd. The movement is derived from the movement per share from \$7.29 to \$5.79 over the six month period to 31 December 2013 multiplied by the numbers of shares held.

### Note 4 - Share of Associate Companies' Net Surplus

YEAR ENDED		SIX MONTHS ENDED	
30-Jun-13 (Audited) \$000		31-Dec-13 (Unaudited) \$000	31-Dec-12 (Unaudited) \$000
<b>North Port Coolstores (1989) Ltd (50% interest)</b>			
279	Net Surplus before Taxation	381	288
(78)	Less Taxation	(107)	(80)
<u>201</u>		<u>274</u>	<u>208</u>
<b>Northport Ltd (50% interest)</b>			
10,192	Net Surplus before Taxation	5,130	4,967
(2,637)	Less Taxation	(1,329)	(1,292)
<u>7,555</u>		<u>3,801</u>	<u>3,675</u>
90	Current period write back re: Previous Inter-Entity Asset Sales	45	45
<u>7,645</u>		<u>3,846</u>	<u>3,720</u>
<u>7,846</u>		<u>4,120</u>	<u>3,928</u>

**Notes to the Consolidated Financial Statements**

For the Six Months Ended 31 December 2013

**Note 5 - Segmental Reporting**

SIX MONTHS ENDED 31 DECEMBER 2013 (Unaudited)

	Port Related Operations \$000	Property Holdings \$000	Other/ Unallocated \$000	TOTAL \$000
<b>Revenue</b>				
Farming Revenue	—	233	—	233
Share of Joint Venture Revenues	410	—	—	410
Rents & Leases	—	453	—	453
Interest Income	—	—	14	14
Dividends	—	18	—	18
Share of Associate Companies' Net Surplus	3,846	—	274	4,120
Other	—	—	20	20
<b>Gross Revenue</b>	<b>4,256</b>	<b>704</b>	<b>308</b>	<b>5,268</b>
Inter-Segment Transactions	255	(255)	—	—
<b>Net Segmental Revenue</b>	<b>4,511</b>	<b>449</b>	<b>308</b>	<b>5,268</b>
<b>Expenditure</b>				
Operational Expenses	312	123	9	444
Land Rates & Lease Expenses	13	194	11	218
Administrative Expenses	25	22	531	578
Finance Costs	—	—	3	3
Depreciation Expense	6	16	8	30
	<b>356</b>	<b>355</b>	<b>562</b>	<b>1,273</b>
<b>Trading Surplus</b>	<b>4,155</b>	<b>94</b>	<b>(254)</b>	<b>3,995</b>
Gain/(Loss) on Sale of Property, Plant & Equipment	—	—	(2)	(2)
Fair Value Movements in Other Investments	—	(170)	—	(170)
<b>Operating Surplus (Deficit) Before Taxation</b>	<b>4,155</b>	<b>(76)</b>	<b>(256)</b>	<b>3,823</b>
Taxation Expense	17	—	—	17
<b>NET SURPLUS</b>	<b>4,138</b>	<b>(76)</b>	<b>(256)</b>	<b>3,806</b>
<b>Other Comprehensive Income</b>				
<i>Items that will be recycled through profit and loss</i>				
Net Hedging Movement (Associate)	244	—	—	244
<i>Items that will not be recycled through profit and loss</i>				
Revaluation of Land Holdings (held as Property, Plant & Equipment)	—	—	—	—
<b>Other Comprehensive Income for Year</b>	<b>244</b>	<b>—</b>	<b>—</b>	<b>244</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>4,382</b>	<b>(76)</b>	<b>(256)</b>	<b>4,050</b>
(per Consolidated Statement of Comprehensive Income)				

**Notes to the Consolidated Financial Statements**

For the Six Months Ended 31 December 2013

**Note 5 - Segmental Reporting (continued)**

	SIX MONTHS ENDED 31 DECEMBER 2012 (Unaudited)			
	Port Related Operations \$000	Property Holdings \$000	Other/ Unallocated \$000	TOTAL \$000
<b>Revenue</b>				
Farming Revenue	—	151	—	151
Share of Joint Venture Revenues	377	—	—	377
Rents & Leases	—	403	—	403
Interest Income	1	—	4	5
Dividends	—	20	—	20
Share of Associate Companies' Net Surplus	3,720	—	208	3,928
Other	—	—	36	36
<b>Gross Revenue</b>	<b>4,098</b>	<b>574</b>	<b>248</b>	<b>4,920</b>
Inter-Segment Transactions	100	(100)	—	—
<b>Net Segmental Revenue</b>	<b>4,198</b>	<b>474</b>	<b>248</b>	<b>4,920</b>
<b>Expenditure</b>				
Operational Expenses	288	101	—	389
Land Rates & Lease Expenses	13	221	19	253
Administrative Expenses	27	45	484	556
Finance Costs	—	—	12	12
Depreciation Expense	9	23	5	37
	<b>337</b>	<b>390</b>	<b>520</b>	<b>1,247</b>
<b>Trading Surplus</b>	<b>3,861</b>	<b>84</b>	<b>(272)</b>	<b>3,673</b>
Gain/(Loss) on Sale of Property, Plant & Equipment	—	—	—	—
Fair Value Movements in Other Investments	—	—	—	—
<b>Operating Surplus (Deficit) Before Taxation</b>	<b>3,861</b>	<b>84</b>	<b>(272)</b>	<b>3,673</b>
Taxation Expense	1	—	—	1
<b>NET SURPLUS</b>	<b>3,860</b>	<b>84</b>	<b>(272)</b>	<b>3,672</b>
<b>Other Comprehensive Income</b>				
<i>Items that will be recycled through profit and loss</i>				
Net Hedging Movement (Associate)	107	—	—	107
<i>Items that will not be recycled through profit and loss</i>				
Revaluation of Land Holdings (held as Property, Plant & Equipment)	—	—	—	—
<b>Other Comprehensive Income for Year</b>	<b>107</b>	<b>—</b>	<b>—</b>	<b>107</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>3,967</b>	<b>84</b>	<b>(272)</b>	<b>3,779</b>

(per Consolidated Statement of Comprehensive Income)

**Notes to the Consolidated Financial Statements**

For the Six Months Ended 31 December 2013

**Note 5 - Segmental Reporting** (continued)

AS AT 31 DECEMBER 2013 (Unaudited)

	Port Related Operations \$000	Property Holdings \$000	Other/ Unallocated \$000	TOTAL \$000
<b>Current Assets</b>				
Cash & Deposits	130	—	—	130
Receivables & Prepayments	106	139	125	370
Taxation Refundable	46	—	(2)	44
	282	139	123	544
Assets classified as held for sale	—	—	930	930
	<b>282</b>	<b>139</b>	<b>1,053</b>	<b>1,474</b>
<b>Non-Current Assets</b>				
Property, Plant & Equipment	39	33,435	1,291	34,765
Investment Property	—	48,177	—	48,177
Investment in Associate Companies	45,925	—	—	45,925
Other Investments	—	657	—	657
Deferred Tax Asset	34	—	—	34
	<b>45,998</b>	<b>82,269</b>	<b>1,291</b>	<b>129,558</b>
<b>Total Segmental Assets</b>	<b>46,280</b>	<b>82,408</b>	<b>2,344</b>	<b>131,032</b>
Total Assets as reported in Consolidated Balance Sheet				131,032
<b>Current Liabilities</b>				
Bank Overdrafts	—	—	780	780
Payables	97	252	95	444
Provisions	4	—	—	4
	<b>101</b>	<b>252</b>	<b>875</b>	<b>1,228</b>
<b>Total Segmental Liabilities</b>	<b>101</b>	<b>252</b>	<b>875</b>	<b>1,228</b>
Current Liabilities as reported in Consolidated Balance Sheet				1,228
<b>Net Segmental Assets</b>	<b>46,179</b>	<b>82,156</b>	<b>1,469</b>	<b>129,804</b>
<b>Non-Current Asset Additions</b>				
Property, Plant & Equipment	—	537	648	1,185
Investment Property	—	2,177	—	2,177

The principal operating segments of the Group comprise:

- (i) Port Related Operations (encompassing the Group's stakeholdings in Northport Ltd and Northland Stevedoring Services UJV).
- (ii) Property Holdings (comprising the Group's industrial land holdings and other farmland at Marsden Point).
- (iii) Other Activities/Unallocated (largely comprising the Group's stakeholding in North Port Coolstores (1989) Ltd together with unallocated corporate overhead).

All Operations are undertaken in New Zealand. Any Inter-Segment Transactions are conducted at arms length at market prices.

**Notes to the Consolidated Financial Statements**

For the Six Months Ended 31 December 2013

**Note 5 - Segmental Reporting (continued)**

	AS AT 31 DECEMBER 2012 (Unaudited)			
	Port Related Operations \$000	Property Holdings \$000	Other/ Unallocated \$000	TOTAL \$000
<b>Current Assets</b>				
Cash & Deposits	183	—	321	504
Receivables & Prepayments	111	83	105	299
Taxation Refundable	38	—	29	67
	<b>332</b>	<b>83</b>	<b>455</b>	<b>870</b>
<b>Non-Current Assets</b>				
Property, Plant & Equipment	52	35,075	13	35,140
Investment Property	—	45,813	—	45,813
Investment in Associate Companies	43,942	—	820	44,762
Other Investments	—	528	—	528
Deferred Tax Asset	46	—	641	687
	<b>44,040</b>	<b>81,416</b>	<b>1,474</b>	<b>126,930</b>
<b>Total Segmental Assets</b>	<b>44,372</b>	<b>81,499</b>	<b>1,929</b>	<b>127,800</b>
Total Assets as reported in Consolidated Balance Sheet				127,800
<b>Current Liabilities</b>				
Bank Overdraft	—	—	—	—
Payables	92	200	80	372
Provisions	4	—	—	4
	<b>96</b>	<b>200</b>	<b>80</b>	<b>376</b>
<b>Total Segmental Liabilities</b>	<b>96</b>	<b>200</b>	<b>80</b>	<b>376</b>
Current Liabilities as reported in Consolidated Balance Sheet				376
<b>Net Segmental Assets</b>	<b>44,276</b>	<b>81,299</b>	<b>1,849</b>	<b>127,424</b>
<b>Non-Current Asset Additions:</b>				
Property, Plant & Equipment	—	9	—	9
Investment Property	—	299	—	299

**Notes to the Consolidated Financial Statements**

For the Six Months Ended 31 December 2013

**Note 6 - Investments in Associate Companies**

YEAR ENDED		SIX MONTHS ENDED	
30-Jun-13 (Audited) \$000		31-Dec-13 (Unaudited) \$000	31-Dec-12 (Unaudited) \$000
<b>North Port Coolstores (1989) Ltd (50% interest)</b>			
250	Shares Subscribed for	250	250
406	Share of Accumulated Surplus	680	570
<u>656</u>	Carrying Value	<u>930</u>	<u>820</u>
<b>Northport Ltd (50% interest)</b>			
20,000	Shares Subscribed for	20,000	20,000
11,787	Share of Accumulated Surplus	11,284	11,158
(235)	Share of Hedging Reserve	9	(392)
16,291	Land Revaluation	16,291	14,925
(1,704)	Elimination re: Inter-Entity Asset Sales	(1,659)	(1,749)
<u>46,139</u>	Carrying Value	<u>45,925</u>	<u>43,942</u>
<b>Northland Stevedoring Services Ltd (50% interest)</b>			
–	Shares Subscribed for	–	–
–	Share of Accumulated Surplus	–	–
<u>–</u>	Carrying Value	<u>–</u>	<u>–</u>
<u>46,795</u>	<b>Total Investment in Associate Companies</b>	<u>46,855</u>	<u>44,762</u>
–	Current Portion (held for sale)	930	–
46,795	Non-Current Portion	45,925	44,762
<u>46,795</u>		<u>46,855</u>	<u>44,762</u>

**Note 7 - Subsequent Events****Dividend Received**

On 25 February the Company received a fully imputed dividend amounting to \$3,700,000 from its associate Northport Ltd.

**Dividend Declared**

On 28 February 2014 a fully imputed ordinary dividend of 5.00 cents per share was declared by the Board with payment to be made 21 March 2014.

**Sale of Associate Company**

On 7 February 2014 the Company reached unconditional agreement to sell its 50% shareholding in North Port Coolstores (1989) Ltd to its existing partner in that business, with the sale being treated as effective 1 February 2014. The total sale price of approximately \$1.8 million will see the Group realise a gain of approximately \$0.8 million. As the sale was concluded after interim balance date, this will be accounted for in the second half of the current financial year ended 30 June 2014.

## Directory

### Registered Office

Northland Port Corporation (NZ) Ltd  
8 Marsden Bay Drive  
Marsden Point  
P O Box 196  
Ruakaka 0151  
New Zealand  
Telephone 09 432 7452  
[www.northlandportcorp.co.nz](http://www.northlandportcorp.co.nz)

### Auditors

Simon Brotherton on behalf  
of the Auditor General

### Bankers

ASB Bank  
BNZ Bank

### Solicitors

Jones Young  
Webb Ross McNab Kilpatrick

### Share Registrar

Computershare Investor  
Services Limited  
Private Bag 92119  
Auckland 1142  
159 Hurstmere Road  
Takapuna, North Shore City 0622  
New Zealand

### Subsidiary Company

NPC Corporate Services Ltd  
P O Box 196  
Ruakaka 0151  
New Zealand  
Telephone 09 432 7452

### Directors

Sir John Goulter KNZM, JP (Chairman)  
Ross Blackmore  
Peter Griffiths  
Susan Huria  
David Keys  
Colin Mitten  
Elena Trout

### Management

Graham Wallace  
Chief Executive  
Telephone 09 432 7378 (Direct)  
Gavin Carroll  
Financial Controller  
Telephone 09 432 7140 (Direct)

### Associate Companies

Northland Stevedoring Services Ltd  
P O Box 225  
Ruakaka 0151  
New Zealand  
Telephone 09 433 0420  
Facsimile 09 459 1830

North Port Coolstores (1989) Ltd  
P O Box 10131  
Te Mai  
Whangarei 0143  
New Zealand  
Telephone 09 438 2683  
Facsimile 09 438 6812

Northport Ltd  
P O Box 44  
Ruakaka 0151  
New Zealand  
Telephone 09 432 5010  
Facsimile 09 432 8749  
[www.northport.co.nz](http://www.northport.co.nz)

## **Northland Port Corporation (NZ) Ltd**

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