

Christchurch City Holdings Ltd to explain Lyttelton port proposal

Christchurch City Holdings Ltd (CCHL) today responds to requests for more information about its proposal to introduce Hutchison Port Holdings Ltd as its partner in the Lyttelton Port Company Ltd (LPC).

The city council investment arm is mailing to LPC shareholders its takeover offer of \$2.10 per share for the shares it does not already own in the port company.

“After that happens, we are then able to widely distribute the takeover offer which includes full details of the proposal,” says CCHL chief executive Bob Lineham.

“On Tuesday (14 March), copies of the offer document will be available at city council offices, public libraries, on CCHL’s website at www.ccc.govt.nz/ChristchurchCityHoldings and by mail to anyone requesting it,” he says.

Mr Lineham says he and CCHL chair Paddy Austin will also meet representatives of the local 2021 group as soon as possible to explain the detailed proposal to them.

“Christchurch City Council has a long-standing policy commitment to keep the city in control of Lyttelton Port Company and its port, and we are intent on carrying out that instruction,” says Mr Lineham. “Some people have mistakenly thought that Hutchison Port Holding’s (HPH) majority holding in the port operating company is putting the city’s control of the port at risk.

“That new operating company’s only purpose is to operate the Port of Lyttelton,” he says. “It does not and cannot control the Lyttelton Port Company. With HPH as a port partner, the Port of Lyttelton would be controlled, as it is today, by the people of Christchurch through CCHL and the Christchurch City Council,” says Mr Lineham.

All the employment agreements at the port will stay in place, along with the senior management team.

“At the risk of being seen to talk about a divorce before even the engagement is announced, in the remote possibility that CCHL and HPH had a fundamental disagreement over operating the port, CCHL could require HPH to sell its shares in both companies back to CCHL,” says Mr Lineham. “However, we are confident that issue is unlikely to arise.”