



CHRISTCHURCH CITY HOLDINGS LIMITED

1 August 2014

COMPANY ANNOUNCEMENT

CHRISTCHURCH CITY HOLDINGS LIMITED ENTERS LOCK-UP AGREEMENT AHEAD OF TAKEOVER OFFER FOR LYTTTELTON PORT COMPANY LIMITED

Christchurch City Holdings Limited (*CCHL*) today announced it has entered into a lock-up agreement with Port Otago Limited (*Port Otago*), a 15.48% shareholder in Lyttelton Port Company Limited (*LPC*). Port Otago has agreed to accept, in respect of its LPC ordinary shares, a takeover offer CCHL intends to make for all the ordinary shares in LPC it does not already hold. CCHL currently owns 79.7% of the ordinary shares in LPC.

CCHL advises that it intends to make a full takeover offer for 100% of LPC equity securities under rule 8 of the Takeovers Code, under which CCHL will offer LPC shareholders a cash consideration of \$3.95 per ordinary share.

In addition, CCHL will be seeking payment by LPC of a special dividend of 20 cents per LPC share to existing shareholders, to be fully imputed to the extent imputation credits are available.

It is expected that a formal takeover notice will be issued early next week.

Once the takeover offer process is complete, if there remain shareholders who have not accepted the offer, it is CCHL's intention to exercise its rights under the compulsory acquisition provisions in the Takeovers Code to achieve 100% ownership of LPC and to delist LPC.

"This acquisition will enable CCHL to have greater flexibility in its relationship with LPC" said Bob Lineham, CEO of CCHL.

-Ends-

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About CCHL

Christchurch City Holdings Limited is the 100% owned infrastructure investment arm of Christchurch City Council. It is the majority shareholder of Orion New Zealand Limited, Christchurch International Airport Limited, Lyttelton Port Company Limited, Enable Services Limited, City Care Limited, Red Bus Limited, and EcoCentral Limited.