



CHRISTCHURCH CITY HOLDINGS LIMITED

MEDIA RELEASE

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CHRISTCHURCH CITY HOLDINGS INCREASES DIVIDEND FORECASTS

The CEO of Christchurch City Holdings Limited, Bob Lineham, announced today that CCHL has completed the annual review of its Statement of Intent and forwarded a draft for the next three year period to Christchurch City Council for consideration.

The key change to the Statement of Intent is an increase in the level of dividends forecast.

“CCHL recognises the important role that it plays in helping the Council keep city rates levels lower than most other cities in New Zealand and has adjusted its forecasts to the maximum extent possible to further assist the Council as it considers its own annual plan in the next few weeks” said Mr Lineham.

CCHL is forecasting dividends of \$38 million for the year commencing on 1 July 2008. This is \$4 million higher than the expected dividend for the current year, and a \$3.5 million increase over the forecast for 2008/09 in last year’s Statement of Intent. Increases of \$1.5 million and \$1 million are also forecast for the following two years.

The \$38 million dividend forecast for 2008/09 enables the City Council rates to be 16% lower than they otherwise would have been,” Mr Lineham said.

Over the past 12 years CCHL has distributed \$743 million of capital and dividends to the Council.

-Ends-

For further comment contact:

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Christchurch City Holdings Limited is the 100% owned infrastructure investment arm of Christchurch City Council. It is the majority shareholder of Orion Group, Christchurch International Airport Limited, Lyttelton Port Company Limited, Christchurch City Networks Limited, Red Bus Limited and City Care limited. It also monitors on behalf of the Council the Council’s investments in the Vbase group of companies.