

MEDIA RELEASE

CCHL's revenue, assets show increase

4 November 2008

Total revenue earned by Christchurch City Holdings Limited's group of six trading subsidiaries in the year to 30 June 2008 increased by 8.2% to \$541.8 million over the previous year.

Christchurch City Holdings (CCHL) is the investment and commercial arm of the Christchurch City Council, and the total value of the assets held by the company on behalf of the council increased by 2.9% to \$2.22 billion in the 2008 year.

The group's after-tax profit fell by 7.4% to \$91.4 million because the 2007 figure included one-off gains and there was increased depreciation in 2008.

Together with other income and the effect of finance costs and the cost of operating CCHL, the company itself produced a profit for the year of \$51.5 million a 9.5% increase on the previous year's \$47.0 million.

The dividends paid by CCHL to its owner the City Council increased from \$29.5 million to \$32.6 million - a 10.6% increase.

CCHL's subsidiaries are Orion Group Ltd 89.3% owned valued at \$719 million in CCHL's balance sheet, Christchurch International Airport Ltd 75% \$499 million, Lyttelton Port Company Ltd 75.1% \$171 million, Christchurch City Networks Ltd 100% \$9 million, Red Bus Ltd 100% \$13 million and City Care Limited 100% \$23 million.

In addition, CCHL monitors VBase Ltd which manages AMI Stadium, the Christchurch Convention Centre, the Christchurch Town Hall, and Westpac

Arena. CCHL also monitors Jet Engine Facility Ltd at Christchurch International Airport.

“The trading companies control key infrastructure assets of the city including power delivery, the airport, the port and public transport,” said the Chief Executive Bob Lineham.

“These are critical to the regional economy.

“Since 1993, CCHL has made a total of \$770 million in capital and dividend payments to the city council, enabling it to make further major investments in community assets such as the Art Gallery without a significant impact on rates.

“The income stream from the CCHL group companies enables CCHL to pay dividends that diversify the council’s income sources and helps reduce rates by more than 15% a year,” said Mr Lineham.

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For further information contact acting CEO Richard Simmonds, tel 03 941 8475.