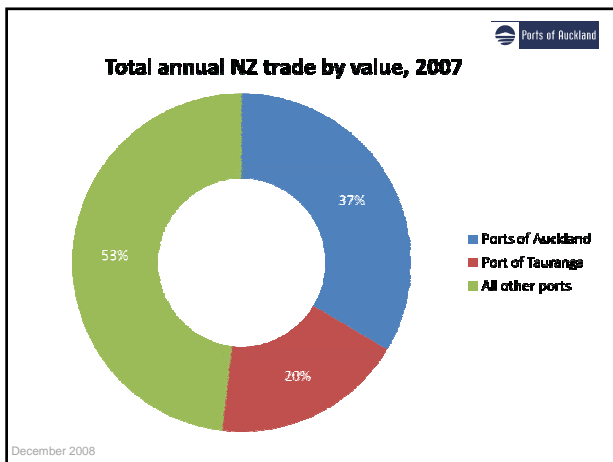


About Us

- Part of Auckland City since 1841
- Connect NZ businesses with 164 international ports in 67 countries
 - Two container terminals
 - General Wharves
 - Port of Onehunga
 - Wiri Inland Port
 - Marine Services
 - Cruise passenger processing
- 625 staff (550 FTEs)
- Operate as a commercial company
 - Port Companies Act 1988
 - Directors' responsibilities
 - Statement of Corporate Intent



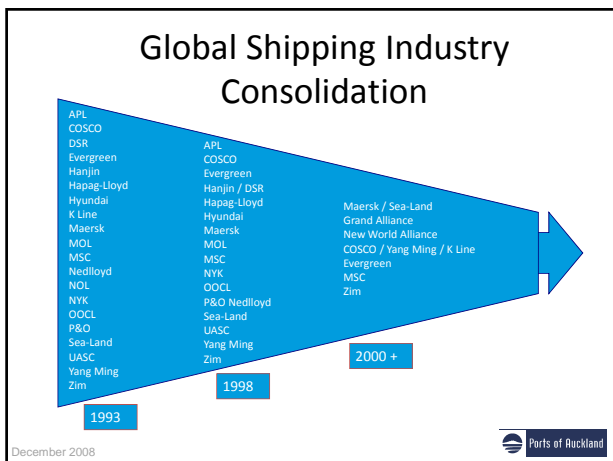
December 2008



The last decade at a glance

1997/98 financial year		2007/08 financial year	
TEU	499,285	TEU	840,993
Breakbulk cargo (tonnes)	3.4m	Breakbulk cargo (tonnes)	3.6m
Cars	89,400	Cars	173,373
Ship calls	2,188	Ship calls	1,738
Total revenue	\$167.5m	Total revenue	\$169.4m
Net surplus after tax	\$40.3m	Net surplus after tax	\$21.1m

December 2008



Sector trends & risks

- Hubbing
- Volume/price trade-off
- Duplicated investment
- Irrational supply chain moves
- Need for significant further capital investment
- Sector not achieving its cost of capital
- Australia investing heavily

→ **need to work smarter**



December 2008

Why have a port in Auckland?

- Key role as a facilitator of trade – 13% national GDP
- Our customers need to be close to market
- Routing Auckland's imports / exports through other ports would add cost and length to the supply chain
 - Create poor environmental outcomes
 - Make Auckland a less attractive place to do business
- Port an integral part of city history, fabric and character



December 2008



December 2008

Since 1996, we have released nearly half our land



December 2008

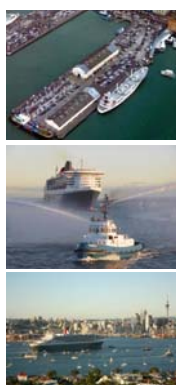
2008 Port Development Plan



December 2008

Queens Wharf

- Want to see Queens Wharf freed up
- Could do so within 3 years
- Three options:
 - Sale
 - Mixed model
 - Use as is
- Cruise business has compelling economic benefits for Auckland
 - Strong growth in recent years
 - Seeing cancellations 09/10



December 2008

Why we require compensation

- Port is required to act commercially under the Port Companies and Company Acts
 - Need to ensure ongoing port sustainability
 - Need funds to invest in replacement facilities:
 - To cater for cargo currently being handled on finger wharves
 - To cater for future growth
- Directors must ensure an appropriate value is received for Queens Wharf




December 2008

Ports of Auckland

Captain Cook and Marsden

- As set out in 2008 Port Development Plan:
 - Could release Captain Cook within perhaps 10 years
 - Marsden required indefinitely as a buffer between port and public areas



December 2008

Ports of Auckland

Environment

- Leadership role in sector/wide supply chain
- 2007 carbon inventory – independent audit a sector first
- Diesel-electric straddles
- Lighting
- Recycling

Energy and water use indicator	FY06	FY07	FY08
Electricity use (kWh)	23,916,123	26,255,982	27,369,446
Electricity use per TEU (kWh)	34.86	33.95	32.54
Diesel (litres)	3,519,950	3,608,034	3,413,842
Diesel per TEU (litres)	5.13	4.66	4.06
Water (cu m)	115,700	87,950	89,440
Water per TEU (cu m)	0.17	0.11	0.11

December 2008

Ports of Auckland

Greening the supply chain

- Wiri rail exchange
- Goal to lift % of cargo carried by rail to 30%
- Vehicle Booking System
- Best-Available-Use
 - Currently only 20%-30% of trucks have a full load in and out of the port
- Traffic study (new in 2009)



December 2008

Ports of Auckland

Community involvement

- Year-round free boat tours
- Heritage walks
- SeePort Week
- Sponsorship portfolio
 - Heritage Festival
 - Anniversary Weekend Regatta
 - Atamira (Maori in the City)
- Public walkway (new in 2008)
- Community newsletter (new in 2008)
- Community reference group (new for 2009)
- Complaints process review (new for 2009)



December 2008

