

**QUAYSIDE HOLDINGS LIMITED
AND SUBSIDIARY COMPANIES**

HALF YEAR REPORT

For

31 DECEMBER 2015

QUAYSIDE HOLDINGS LIMITED AND SUBSIDIARY COMPANIES FOR THE SIX MONTHS ENDED 31 DECEMBER 2015

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DIRECTORS' REPORT TO SHAREHOLDERS

Unaudited Results for the Six Months to 31 December 2015

Group Net Profit after Tax (NPAT) for the six months was \$42.9m (2014: \$47.8m), a decrease of 10.3%.

Port Segment Performance

New Zealand's largest freight gateway, the Port of Tauranga, produced a net profit of \$38.6m for the six months to 31 December 2015 (2014: \$42.6m). The Port's interim 2014 result included a non-recurring gain from the sale of an associate. Underlying profit for the six months was in line with the prior year, with greater container volumes offset by declining log volumes.

Markets continue to strongly price the Port of Tauranga shares, reflecting its on-going financial performance, future potential, and its status as a quality infrastructure asset. The Port of Tauranga share price at 31 December 2015 was \$18.70, against \$17.30 at 30 June 2015 and \$16.85 at 31 December 2014. Quayside held 54.14% of the Port of Tauranga shares as at 31 December 2015 with a market value of \$1,378m (2014: \$1,242m).

Investment Segment Performance

The Quayside Group delivered a profit of \$4.3m (2014: \$5.2m) after tax for the first half of the year. The Quayside equity portfolio delivered a gross return of 5.3% for the six months (2014: 8.80%) benefiting from favourable domestic equity markets and a revaluation of kiwifruit vines, while offshore equity markets proved less fruitful in the period. Net finance costs have reduced in line with falling interest rates.


The Quayside Group paid dividends to Perpetual Preference Shareholders during the period of \$4.2m in accordance with its prospectus. Dividends paid during the period to the Bay of Plenty Regional Council total \$10.2m (2014: \$10.9m) matching its current Statement of Intent.

Statement of Intent

Quayside Holdings Limited is a "Council Controlled Organisation", owned by the Bay of Plenty Regional Council. The provisions of the Local Government Act 2002 require "Council Controlled Organisations" to have a "Statement of Intent" in respect of each financial year. The draft Statement of Intent for the coming year, setting out performance criteria and forward dividend guidance, is provided to the Bay of Plenty Regional Council at the end of February each year. Quayside Holdings Limited must provide a final Statement of Intent by 30 June. Quayside is currently operating under a Statement of Intent provided to Council for the period 1 July 2015 to 30 June 2016.

Appointment, Rotation and Retirement of Directors and Officers

The shareholder's policy is that directors retire, but are eligible for reappointment, on a rolling three yearly basis. During the period Jane Nees retired and was reappointed. The Group appointed a new independent director, Dr Warren Parker, bringing the Board to seven.



Director



Director

QUAYSIDE HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
CONSOLIDATED INCOME STATEMENT
For the six months ended 31 December 2015

	Note	Unaudited Six months Dec 2015 \$'000	Unaudited Six months Dec 2014 \$'000	Audited Full year June 2015 \$'000
Trading revenue		122,169	136,502	270,421
Other income		10,186	8,734	26,631
Operating income		132,355	145,236	297,052
Employee benefit expenses		(16,572)	(22,636)	(43,076)
Trading and other expenses		(46,108)	(51,751)	(102,745)
Operating expenses		(62,680)	(74,387)	(145,821)
Results from operating activities		69,675	70,849	151,231
Depreciation and amortisation		(11,791)	(11,835)	(23,241)
Operating profit before finance costs and taxation		57,884	59,014	127,990
Finance income		678	1,562	2,971
Finance expenses	7	(10,132)	(9,756)	(19,935)
Net finance costs		(9,454)	(8,194)	(16,964)
Fair value gain recognised on loss of control of subsidiary		-	4,731	-
Net gain on disposal of investments		-	-	8,609
Impairment of goodwill		-	-	(6,221)
Share of profit from Equity Accounted Investees		7,043	4,872	10,298
PROFIT BEFORE INCOME TAX		55,473	60,423	123,712
Income tax expense		(12,619)	(12,642)	(26,243)
PROFIT FOR THE PERIOD		42,854	47,781	97,469
Attributable to:				
Equity holders of the parent		25,167	28,600	61,807
Non-controlling interest		17,687	19,181	35,662
PROFIT FOR THE PERIOD	6	42,854	47,781	97,469

QUAYSIDE HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 31 December 2015

	Note	Unaudited Six months Dec 2015 \$'000	Unaudited Six months Dec 2014 \$'000	Audited Full year June 2015 \$'000
Net profit after tax		42,854	47,781	97,469
Other comprehensive income				
Cash flow hedge - changes in fair value		399	(3,354)	(4,584)
Cash flow hedge -reclassified to profit or loss		(962)	828	1,624
Changes in cash flow hedges transferred to property, plant and equipment, net of tax		(357)	247	461
Share of net change in cash flow hedge reserves of Equity Accounted Investees		(77)	(118)	(269)
		(997)	(2,397)	(2,768)
<i>Items that will never be reclassified to profit or loss:</i>				
Asset revaluation, net of tax		-	-	67,587
Kiwifruit licence revaluation		249	-	165
Share of net change in revaluation reserves of equity accounted investees		-	-	(328)
Total comprehensive income for the period		(748)	(2,397)	64,656
Total comprehensive income for the period		42,106	45,384	162,125
Attributable to:				
Equity holders of the parent		24,868	27,283	97,404
Non-controlling interest		17,238	18,101	64,721
		42,106	45,384	162,125

QUAYSIDE HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENT OF MOVEMENTS IN EQUITY
For the six months ended 31 December 2015

	Share capital	Hedging Reserve	Revaluation Reserve	Retained Earnings	Non- controlling interest	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2014	200,011	(1,951)	329,146	(20,675)	366,061	872,592
Profit after tax	-	-	-	28,600	19,181	47,781
Net effective portion of changes in fair value of cash flow hedges, net of tax	-	(1,843)	-	-	(1,511)	(3,354)
Net change in fair value of cash flow hedges transferred to the income statement, net of tax	-	455	-	-	373	828
Net changes in cash flow hedges transferred to property, plant and equipment, net of tax	-	136	-	-	111	247
Net change in share of Equity Accounted Investees' cash flow hedge reserves	-	(65)	-	-	(53)	(118)
Total comprehensive income	-	(1,317)	-	28,600	18,101	45,384
Non-controlling interest adjustments	-	-	-	-	2	2
Movement in share based payment reserve	-	-	-	-	504	504
Movement in subsidiary's employee share scheme	-	-	-	(62)	(75)	(137)
Dividends paid to shareholders	-	-	-	(15,177)	(18,105)	(33,282)
Total transactions with owners	-	-	-	(15,239)	(17,674)	(32,913)
Balance at 31 December 2014	200,011	(3,268)	329,146	(7,314)	366,488	885,063
Profit after tax	-	-	-	33,207	16,481	49,688
Net effective portion of changes in fair value of cash flow hedges, net of tax	-	(676)	-	-	(554)	(1,230)
Net change in fair value of cash flow hedges transferred to the income statement, net of tax	-	437	-	-	359	796
Net changes in cash flow hedges transferred to property, plant and equipment, net of tax	-	117	-	-	97	214
Net change in share of Equity Accounted Investees' cash flow hedge reserves	-	(83)	-	-	(68)	(151)
Net change in share of Equity Accounted Investees' revaluation reserve	-	-	(180)	-	(148)	(328)
Kiwifruit licence revaluation	-	-	165	-	-	165
Reclassification of prior year retained earnings	-	-	603	(603)	-	-
Asset revaluation net of tax	-	-	37,134	-	30,453	67,587
Total comprehensive income	-	(205)	37,722	32,604	46,620	116,741
Non-controlling interest adjustments	-	-	-	23	(23)	-
Movement in subsidiary's employee share scheme	-	-	-	(9)	16	7
Equity settled share-based payment accrual	-	-	-	-	537	537
Dividends paid to shareholders	-	-	-	(9,101)	(13,734)	(22,835)
Total transactions with owners	-	-	-	(9,087)	(13,204)	(22,291)
Balance at 30 June 2015	200,011	(3,473)	366,868	16,203	399,904	979,513
Profit after tax	-	-	-	25,167	17,687	42,854
Net effective portion of changes in fair value of cash flow hedges, net of tax	-	219	-	-	180	399
Net change in fair value of cash flow hedges transferred to the income statement, net of tax	-	(529)	-	-	(433)	(962)
Net changes in cash flow hedges transferred to property, plant and equipment, net of tax	-	(196)	-	-	(161)	(357)
Share of net change in cash flow hedge reserves of equity accounted investees	-	(42)	-	-	(35)	(77)
Kiwifruit licence revaluation	-	-	249	-	-	249
Reclassification of prior year retained earnings	-	-	768	(768)	-	-
Total comprehensive income	-	(548)	1,017	24,399	17,238	42,106
Non-controlling interest adjustments	-	-	-	-	(2)	(2)
Increase in share capital	-	-	-	170	140	310
Equity settled share based payment reserve	-	-	-	-	647	647
Dividends paid to shareholders	-	-	-	(14,434)	(18,729)	(33,163)
Total transactions with owners	-	-	-	(14,264)	(17,944)	(32,208)
Balance at 31 December 2015	200,011	(4,021)	367,885	26,338	399,198	989,411

QUAYSIDE HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2015

	Note	Unaudited Six months Dec 2015 \$'000	Unaudited Six months Dec 2014 \$'000	Audited Full year June 2015 \$'000
ASSETS				
Current assets				
Cash & cash equivalents		22,722	25,762	32,477
Trade and other receivables		44,149	42,520	41,224
Inventories		363	969	699
Derivative financial instruments		-	-	1,066
Other financial assets		170	12	-
Total current assets		67,404	69,263	75,466
Non-current assets				
Intangible assets		22,738	44,101	22,183
Biological assets		7,358	4,215	6,049
Advances and receivables		-	-	-
Property, plant and equipment		1,100,834	1,012,353	1,097,424
Investments in equity accounted investees		122,912	77,787	119,032
Other financial assets	5	120,116	96,568	113,089
Investment property		11,207	9,932	10,735
Derivative financial instruments		-	-	280
Total non-current assets		1,385,165	1,244,956	1,368,792
Total assets		1,452,569	1,314,219	1,444,258
LIABILITIES				
Current liabilities				
Trade and other payables		20,799	21,278	20,987
Loans and borrowings		187,000	195,315	180,297
Provisions		1,524	1,311	2,120
Derivative financial instruments	5	542	732	977
Deferred consideration		500	-	500
Provision for tax		3,917	3,739	9,919
Total current liabilities		214,282	222,375	214,800
Non-current liabilities				
Trade and other payables		13	32	32
Loans and borrowings		179,630	151,744	179,565
Provisions		1,596	1,430	1,607
Deferred consideration		-	500	-
Derivative financial instruments	5	8,901	6,473	8,384
Deferred tax liability		58,736	46,602	60,357
Total non-current liabilities		248,876	206,781	249,945
Total liabilities		463,158	429,156	464,745
NET ASSETS		989,411	885,063	979,513

QUAYSIDE HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2015

	Note	Unaudited Six months Dec 2015 \$'000	Unaudited Six months Dec 2014 \$'000	Audited Full year June 2015 \$'000
EQUITY				
Paid up capital		200,011	200,011	200,011
Reserves		363,864	325,878	363,395
Retained Earnings		26,338	(7,314)	16,203
Total equity attributable to equity holders of the Parent		590,213	518,575	579,609
Non controlling interest		399,198	366,488	399,904
TOTAL EQUITY		989,411	885,063	979,513

QUAYSIDE HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
CONDENSED STATEMENT OF CASHFLOWS
For the six months ended 31 December 2015

	Note	Unaudited Six months Dec 2015 \$'000	Unaudited Six months Dec 2014 \$'000	Audited Full year June 2015 \$'000
Cash flows from operating activities				
Cash inflows		126,128	139,685	278,463
Cash outflows		(93,454)	(102,550)	(186,264)
Net cash flows from operating activities		32,674	37,135	92,199
Cash flows from investing activities				
Cash inflows		19,809	21,784	31,525
Cash outflows		(36,173)	(57,738)	(108,436)
Net cash flows from investing activities		(16,364)	(35,954)	(76,911)
Cash flows from financing activities				
Cash inflows		8,252	35,835	95,180
Cash outflows		(34,317)	(38,782)	(106,865)
Net cash flows from financing activities		(26,065)	(2,947)	(11,685)
Effects of exchange rate changes on cash and cash equivalents		-	-	1,346
Net increase/(decrease) in cash and cash equivalents		(9,755)	(1,766)	4,949
Cash and cash equivalents at the beginning of the period		32,477	27,528	27,528
Cash and cash equivalents at the end of the period		22,722	25,762	32,477
RECONCILIATION OF PROFIT FOR THE PERIOD TO CASHFLOWS FROM OPERATING ACTIVITIES				
Profit for the period		42,765	47,781	97,469
Add/(subtract) non-cash and non-operating items		(13)	(3,003)	(7,180)
Add/(subtract) movements in working capital		(10,078)	(7,643)	1,910
Net cash flows from operating activities		32,674	37,135	92,199

1 REPORTING ENTITY

Quayside Holdings Limited is a company incorporated and domiciled in New Zealand, registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange (NZX).

It is a Financial Markets Conduct (FMC) reporting entity for the purposes of the Financial Markets Conduct Act 2013. The parent company, which is designated as profit-orientated for financial reporting purposes, is an issuer in terms of the Financial Reporting Act 2013.

The unaudited and condensed consolidated interim financial statements as at and for the six months ended 31 December 2015 comprise the Company, its subsidiaries and the Group's interests in equity accounted investees (together referred to as the 'Group').

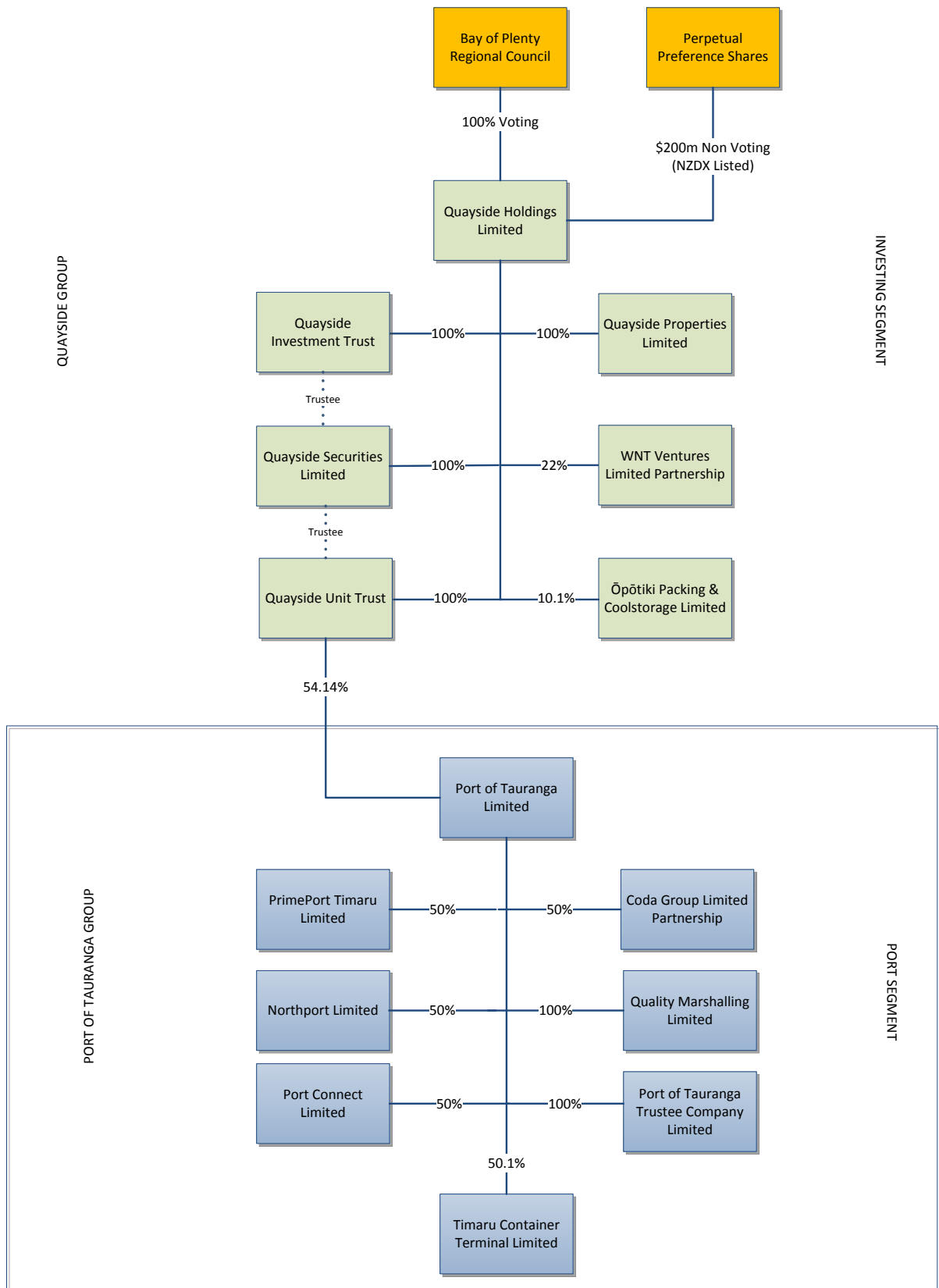
There are two subsets of the Group: Quayside Group and Port of Tauranga Group (refer diagram on following page).

In the prior period the Port of Tauranga Group sold its investment in its subsidiary Tapper Transport Limited and its investment in MetroBox Limited into a newly formed entity, Coda Group Limited Partnership (Coda). Coda is treated as an Equity Accounted Investee within the Port of Tauranga Group. This has impacted on the reported revenues and operating expenses in the current period as all profits from Coda flow through as a "share of profit from Equity Accounted Investees" in a separate line in the consolidated income statement.

The ultimate controlling entity of Quayside Holdings Ltd is the Bay of Plenty Regional Council.

These financial statements are prepared in New Zealand dollars.

QUAYSIDE HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
 NOTES TO THE FINANCIAL STATEMENTS (unaudited)
 for the six months ended 31 December 2015



2 BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and New Zealand International Accounting Standard (NZ IAS) 34 *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements and related notes included in the Quayside Holdings Limited's Annual Report for the year ended 30 June 2015.

These condensed consolidated financial statements were approved by the Board of Directors on 25 February 2016.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 June 2015.

The following new standard was applied during the period:

NZ IFRS 15 Revenue From Contracts With Customers

This standard was issued by the International Accounting Standards Board ("IASB") on 28 May 2014. The standard replaces NZ IAS 11 *Construction Contracts*, NZ IAS 18 *Revenue*, IFRS Interpretations Committee ("IFRIC") 13 *Customer Loyalty Programmes*, IFRIC 15 *Agreements for the Construction of Real Estate*, IFRIC 18 *Transfer of Assets from Customers* and Standards Interpretations Committee ("SIC") 31 *Revenue – Barter Transactions Involving Advertising Services*. The change has had no significant impact on the measurement of the Group's revenue.

The following new standard is for future adoption:

New Zealand International Financial Reporting Standards ("NZ IFRS") 9 Financial Instruments

This standard was issued on 24 July 2014 and affects the classification and measurement of financial assets and also widens the scope on impairment judgements. The standard will be effective for annual periods beginning on or after 1 January 2018, and will be applied retrospectively with some exemptions. Early adoption is permitted.

This standard becomes mandatory for the Group's 2019 consolidated financial statements and could change the classification and measurement of financial assets. Management is currently in the process of evaluating the potential effect of the adoption of NZ IFRS 9.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with NZ IAS 34 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty, were the same as those applied to the Group's consolidated financial statements for the year ended 30 June 2015.

5 FINANCIAL INSTRUMENTS

Financial Instruments Carried at Fair Value

(a) Fair Value Hierarchy

The following table analyses financial instruments classified as either designated at fair value or held for trading through the income statements, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices), or indirectly (ie as derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable outputs).

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Assets per the statement of financial position				
Other financial assets	120,116	-	-	120,116
Total assets	120,116	-	-	120,116
Liabilities per the statement of financial position				
Derivative financial instruments	-	(9,443)	-	(9,443)
Total liabilities	-	(9,443)	-	(9,443)

There have been no transfers between levels during the period.

5. FINANCIAL INSTRUMENTS (CONTINUED)

The fair value of financial instruments traded in active markets is based upon quoted market prices at the reporting date.

The fair value of financial instruments that are not traded in active markets (for example over-the-counter derivatives) are determined by using market-accepted valuation techniques incorporating observable market data about conditions existing at reporting date.

The fair value of interest rate derivatives is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using quoted forward exchange rates at the reporting date.

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and counterparty where appropriate.

(b) Fair Values

The carrying value of all financial assets and liabilities represent a reasonable approximation of their fair value.

6 SEGMENT INFORMATION

At 31 December 2015 the Group comprises two main business segments: The first being the business of facilitating export and import activities (Port), and the second being the business of investment (Investing). Both business segments operate in one geographic segment, being New Zealand.

Although the Port of Tauranga Group reports three main reportable segments, at the Quayside Group level, information provided by the Port of Tauranga Group is presented to the Chief Operating Decision Maker as one business segment.

The unaudited segment results for the six months ended 31 December 2015 are as follows:

	Port \$'000	Investing \$'000	Total \$'000
31 December 2015			
Revenue (from external customers)	121,927	242	122,169
Other income	999	31,293	32,292
Inter-segment revenue	-	(22,106)	(22,106)
	122,926	9,429	132,355
Share of profit of Equity Accounted Investees	7,043	-	7,043
Finance income	374	304	678
Finance costs	(8,916)	(1,216)	(10,132)
Depreciation & amortisation	(11,791)	-	(11,791)
Other expenditure	(58,453)	(4,227)	(62,680)
Income tax expense	(12,619)	-	(12,619)
Profit after income tax	38,564	4,290	42,854
31 December 2014			
Revenue (from external customers)	136,269	233	136,502
Other income	73	30,030	30,103
Inter-segment revenue	-	(21,369)	(21,369)
	136,342	8,894	145,236
Fair value gain recognised on loss of control of subsidiary	4,731	-	4,731
Share of profit of Equity Accounted Investees	4,872	-	4,872
Finance income	1,157	405	1,562
Finance costs	(8,273)	(1,483)	(9,756)
Depreciation & amortisation	(11,835)	-	(11,835)
Other expenditure	(71,781)	(2,606)	(74,387)
Income tax expense	(12,642)	-	(12,642)
Profit after income tax	42,571	5,210	47,781

7 FINANCE EXPENSES

	Six Months Ended 31 Dec 2015 \$000	Six Months Ended 31 Dec 2014 \$000
Interest expense on borrowings	(10,246)	(9,739)
Less: interest capitalised to property, plant and equipment	263	71
	(9,983)	(9,668)
Interest on finance leases	-	(63)
Interest on deferred consideration	(25)	(25)
Ineffective portion of changes in fair value of cash flow hedges	(124)	-
Total finance expenses	(10,132)	(9,756)

8 DIVIDENDS

The following net dividends were paid by the Quayside Holdings Limited. All dividends paid were fully imputed.

	Six Months Ended 31 Dec 2015 \$000	Six Months Ended 31 Dec 2014 \$000
Ordinary Shares		
Interim dividend (paid 12/11/15) of \$1,020.00 per share (2014: \$1,094.33 per share)	10,200	10,943
Perpetual Preference Shares		
Quarterly dividend (paid 14/9/15) 0.10584 cents per share (2014: 0.10584 cents per share)	2,117	2,117
Quarterly dividend (paid 12/12/15) 0.10584 cents per share (2014: 0.10584 cents per share)	2,117	2,117
	4,234	4,234
Total Dividends Paid	14,434	15,177

The dividend cents per share, for the Perpetual Preference Shares, includes resident withholding tax of 5% paid by the Quayside Group on behalf of shareholders. The next dividend reset date will be as at 12 March 2017 and announced to the NZX on Monday 13th March 2017.

9 INVESTMENTS IN EQUITY ACCOUNTED INVESTEEES

(a) WNT Ventures Management Limited

Quayside Holdings Limited is a 22% shareholder in WNT Ventures Management Limited, a Tauranga based Technology Incubator. The investment has been carried at a value of \$240,000 in the 31 December 2015 financial statements.

Quayside Holdings Limited has a future commitment to investment in WNT Ventures Management Limited of \$360,000 (2014: \$540,000).

(b) Opotiki Packing and Coolstorage Limited (OPAC)

Quayside Holdings Limited acquired a 10.1% shareholding in OPAC on 17 December 2015. Quayside Holdings appointed a director to the board of OPAC on 3 February 2016. The appointment entitles Quayside Holdings to participate in financial and operating policy decisions of OPAC.

(c) Port of Tauranga Group

The following entities are Equity Accounted Investees of the Port of Tauranga Group: Prime Port Timaru Limited, Northport Limited, Port Connect Limited, Timaru Container Terminal Limited and Coda Group Limited Partnership.

10 PROPERTY, PLANT AND EQUIPMENT

Acquisitions and Disposals

During the six months ended 31 December 2015, the Port of Tauranga Group acquired assets with a cost of \$16,627,000 (2014: \$25,640,000).

During the six months ended 31 December 2015, the Port of Tauranga Group disposed of assets with a carrying value of \$2,410,000 (2014: \$117,000).

During the six months ended 31 December 2015, Quayside Holdings Limited acquired assets with a cost of \$2,000 (2014: \$13,000).

11 RELATED PARTY TRANSACTIONS

The parent entity in the Group is Quayside Holdings Limited, which is 100% owned by the Bay of Plenty Regional Council. Other related parties include subsidiaries and equity accounted investees – refer Note 1. During the six months ended 31 December 2015, the related party transactions and balances with subsidiaries and equity accounted investees were as follows:

	Six Months Ended 31 Dec 2015 \$000	Six Months Ended 31 Dec 2014 \$000
QUAYSIDE GROUP		
Transactions with Related Parties		
Bay of Plenty Regional Council		
Dividends paid by Quayside Holdings Limited	10,200	10,943
Services provided to Quayside Holdings Limited	31	37
Accounts payable by Quayside Holdings Limited	5	-
Services provided to Quayside Properties Limited	2	1

PORT OF TAURANGA GROUP

The following table shows the Port of Tauranga Group's change in shareholdings relevant to 31 December 2015:

Related Party	31 December 2015 % Ownership	31 December 2014 % Ownership
<i>MetroBox Limited (previously MetroBox Auckland Limited)</i>	-	37.50
<i>Coda Group Limited Partnership</i>	50.00	-

No related party debts have been written off or forgiven during the period.

During the six months ended 31 December 2015, the Group entered into transactions with companies in which Group Directors held directorships. These directorships have not resulted in the Group having significant influence over the operations, policies or key decisions of these companies.

Transactions with Key Management Personnel

The Group does not provide any non-cash benefits to Directors and executive officers in addition to their Directors' fees or salaries.

	Six Months Ended 31 Dec 2015 \$000	Six Months Ended 31 Dec 2014 \$000
Short term employee benefits		
Directors fees	442	423
Executive salaries	2,207	1,667

12 COMMITMENTS

Capital commitments at 31 December 2015 relate to the purchase of two container cranes, three straddles and the harbour dredging programme. Capital commitments at 31 December 2014 relate to the Port of Tauranga Group's purchase of two tugs, a container crane, two straddles and a container handler. Quayside Holdings Limited has a future commitment to investment in WNT Ventures Management Limited of \$360,000 (2014: 540,000).

	Six Months Ended 31 Dec 2015 \$000	Six Months Ended 31 Dec 2014 \$000
Capital commitments		
Estimated capital commitments for the Group, contracted for at balance date but not provided for:	46,346	21,199

13 SUBSEQUENT EVENTS

There have been no subsequent events.

**QUAYSIDE HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
DIRECTORY
as at 31 December 2015**

Directors holding office at 31 December 2015 were:

Quayside Group

M J Smith (Chair)

J M Green ^{QSM}

M MacLeod

J M Nees

W Parker

R B Tait

P J Thompson

Port of Tauranga Group

D A Pilkington (Chair)

A W Baylis

K R Ellis

J C Hoare

A R Lawrence

D Leeder

M J Smith

Loans

There were no loans made by Group companies or any of its subsidiaries to Directors.

Indemnification and insurance of directors and officers

The Group has arranged policies of Directors' and Officers' Liability Insurance and separate Directors' and Officers' defence costs insurance.

Chief Executive

A S Hamilton

Solicitor

Cooney Lees Morgan

PO Box 143

Tauranga 3110

Registered Office

Level 2

Regional House

1 Elizabeth Street

Tauranga 3110

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