

Investor Day

13 November 2018



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The information contained in this presentation should be considered in conjunction with the Company's latest audited financial statements which are available in the investor section of our website.



Welcome

David Pilkington



**Overview of
Investor Day**

Mark Cairns



POTL Senior Management

L to R:

Steve Gray, Chief Financial Officer

Leonard Sampson, Commercial Manager

Sara Lunam, Corporate Services Manager

Dan Kneebone, Property & Infrastructure Manager



Associate Executives



Scott Brownlee



Phil Melhopt
PrimePort



John Bromley
*Timaru Container
Terminal*



Jon Moore
Northport



Shayne Jenkins
Quality Marshalling

Agenda

10.00-10.15 am	Morning tea		
10.15 am	Welcome		David Pilkington, Chair
10.20 am	Overview of the day	<ul style="list-style-type: none"> Introduction of SMT & CEs of Associate Companies 	Mark Cairns, CE
10.30 am	Commercial update	<ul style="list-style-type: none"> Shipping services Trade outlook Capacity planning TCT, MP & Mount wharves 	Leonard Sampson, CM
11.15 am	Property update	<ul style="list-style-type: none"> Property & Infrastructure Environment 	Dan Kneebone, PIM
11.45 am	Corporate Services	<ul style="list-style-type: none"> Industrial relations Health & Safety 	Sara Lunam, CSM
12.15 pm	Financial update	<ul style="list-style-type: none"> Capex / balance sheet Container mix 	Steve Gray, CFO
12.30-1.00 pm	Lunch		
1.00 pm	Coda Group LP		Scott Brownlee, CE
1.30 pm	PrimePort Timaru Ltd		Phil Melhopt, CE
1.50 pm	Timaru Container Terminal Ltd		John Bromley, GM
2.10 pm	Northport Ltd		Jon Moore, CE
2.35 pm	Quality Marshalling Ltd		Shayne Jenkins, GM
3.00-4.30 pm	Wellington / Auckland attendees: port tour / tugs / cranes		
4.30 pm	Refreshments (for those that are departing on later flights)		



Shipping Service Changes

Tasman Star



Northern Star



Tasman Star and Northern Star services removed from New Zealand Trade - June / July 2018



Shipping Service Changes

OC1 / Trident

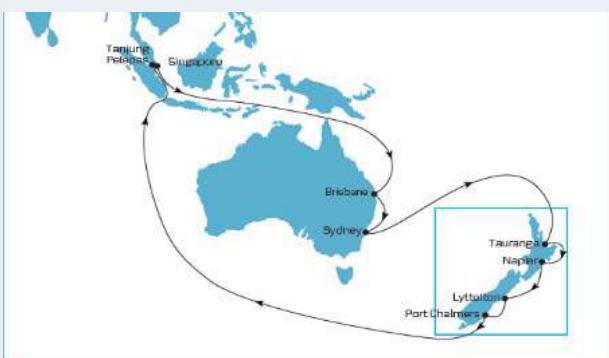


- OC1 – addition of Timaru call (July 2018) to cover coastal feeder option to Tauranga
- Nelson – coastal feeder covered by domestic operator Pacifica
- Southbound import call moved to Tauranga – initial period(October – December)



Shipping Service Changes

Southern Star



Southern Star – Addition of Sydney and Napier call to cover Tasman and Northern Star service reductions December 2018. Increase from 4,600 TEUs to Rio Class 5,900 TEU vessels



Proven Large Vessel Capable



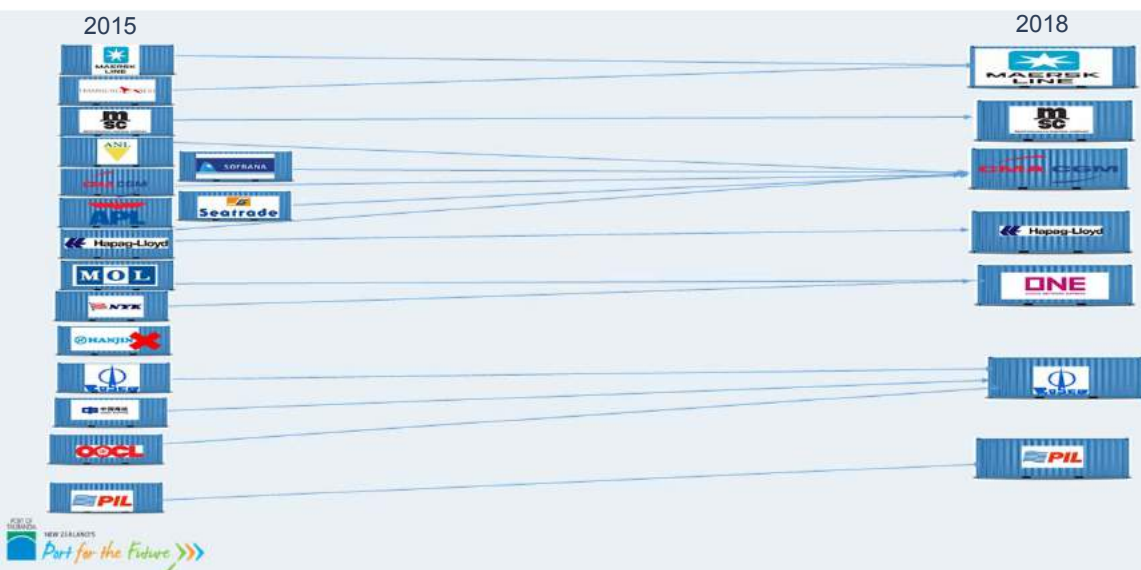
Hamburg Sud S Class Vessels
7,000 – 8,000 TEUs



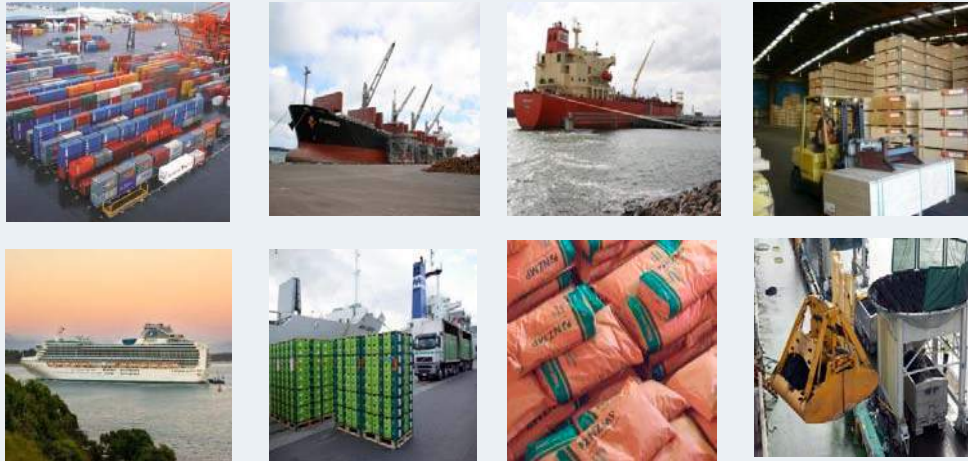
Maersk Antares – 11,294 TEUs



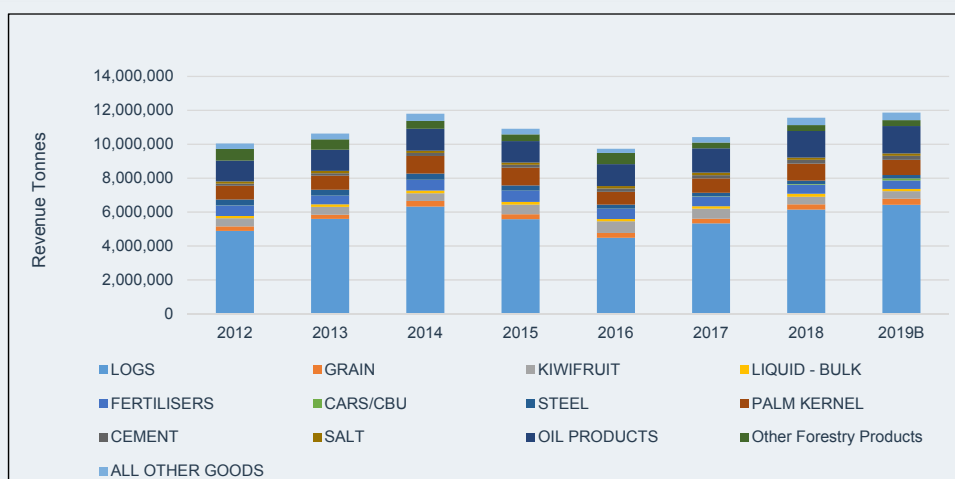
Container Carrier Consolidation



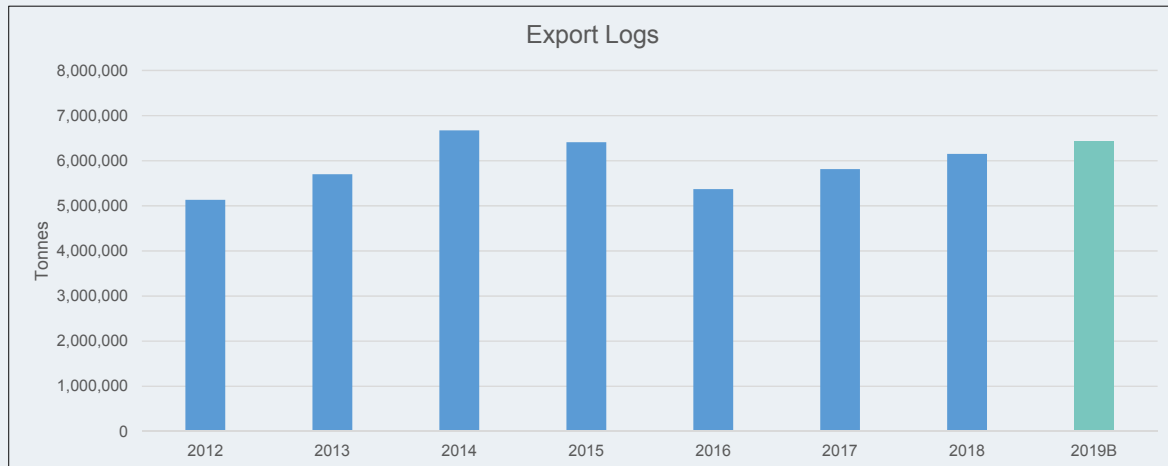
Trade Outlook



Bulk Cargo Volumes Mount Wharves

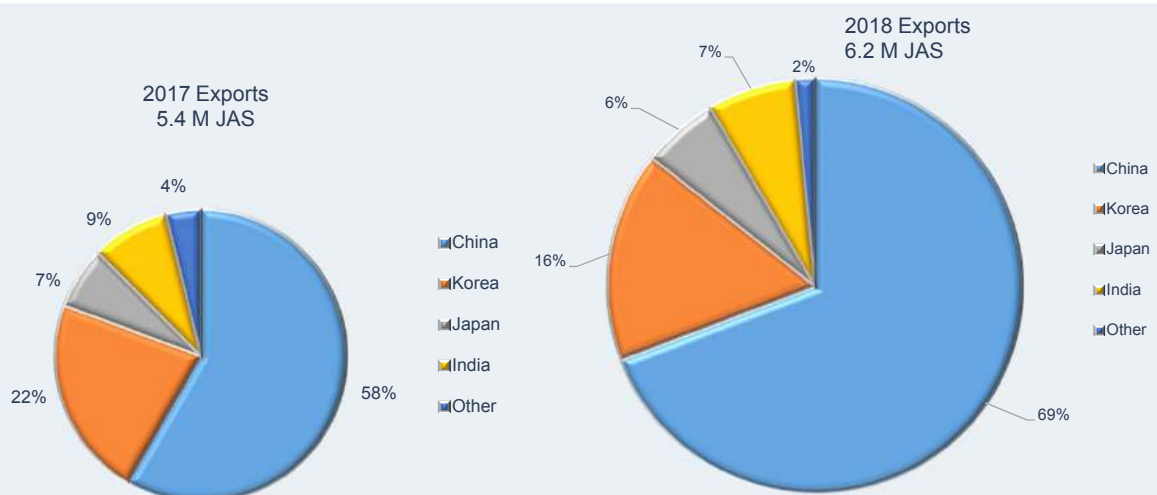


Forestry

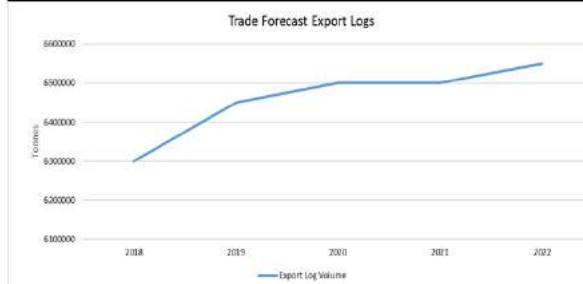
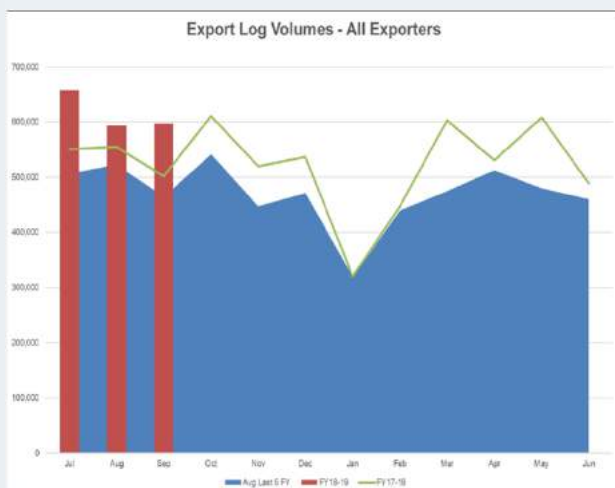


Log Exports by Country

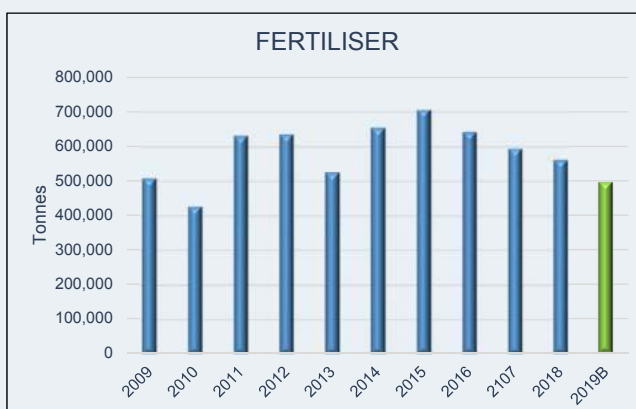
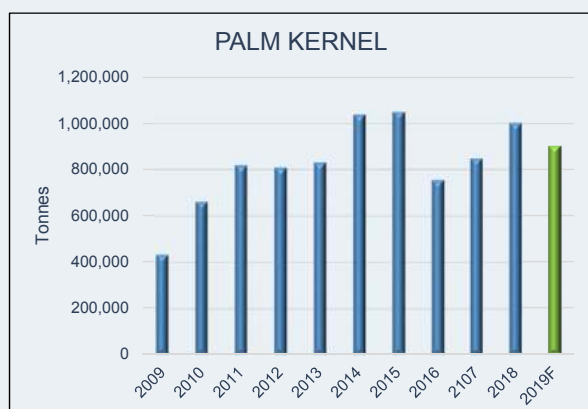
Logs up 14.3% on 2017



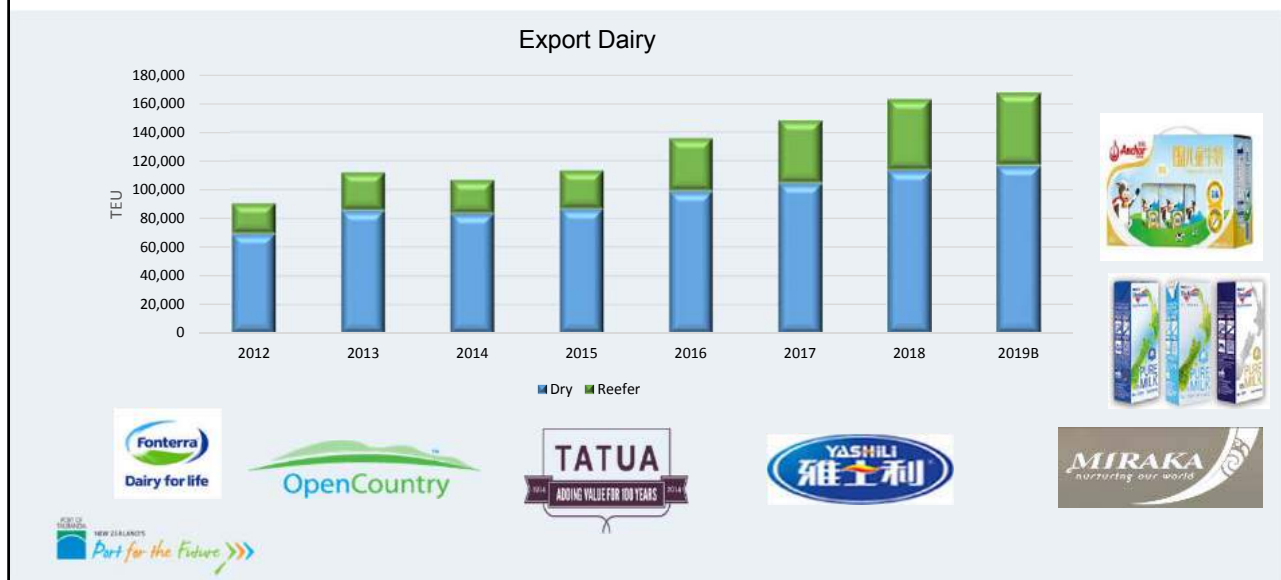
Forestry Outlook



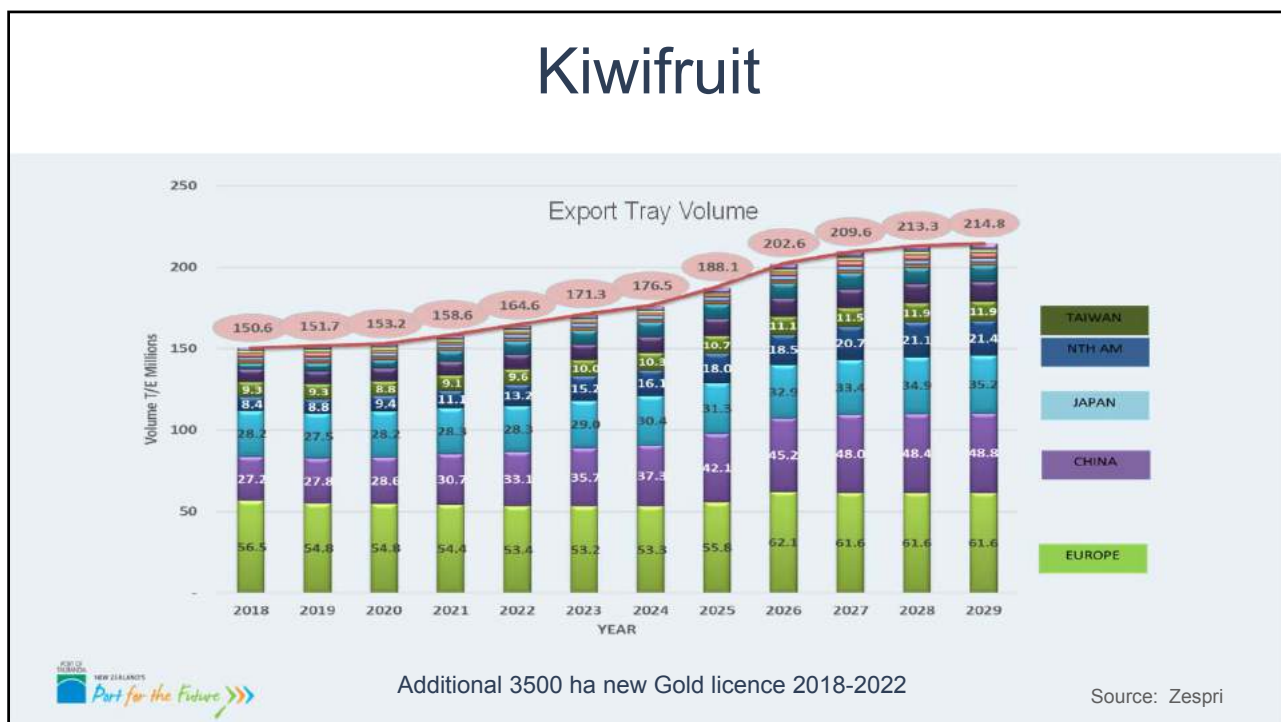
Palm Kernel / Fertiliser



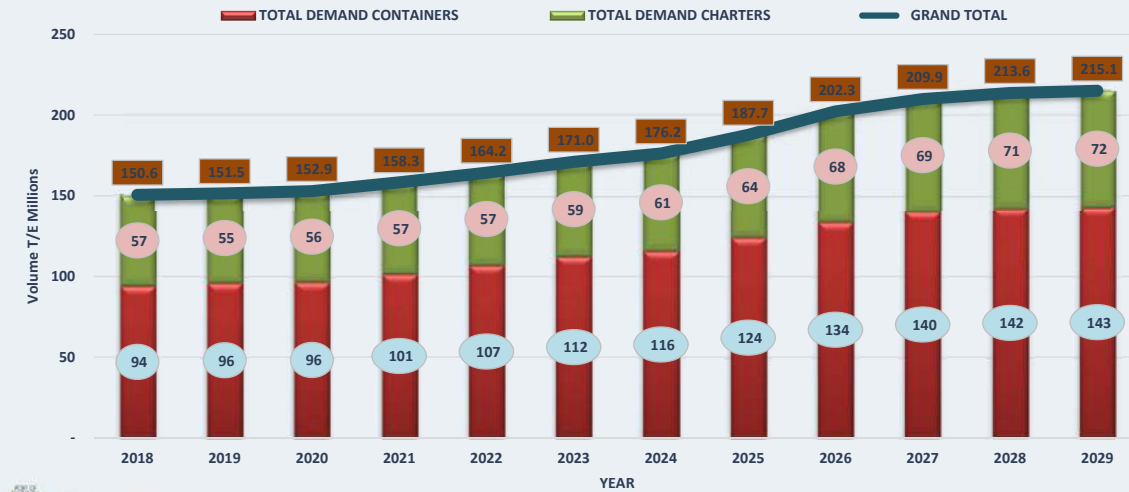
Dairy Growth



Kiwifruit

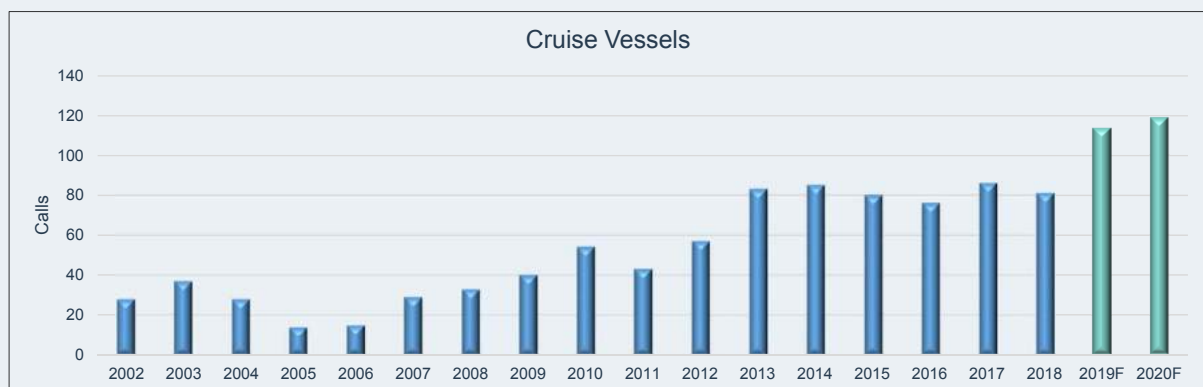


Kiwifruit




Source: Zespri

Cruise Growth




Import Vehicles


- Five berths capable of accommodating Ro-Ro / PCC vessels
- Up to six hectares of on port future storage / discharge area 
- Excellent road access with main arterial road connections at boundary
- Vehicle processing / storage options

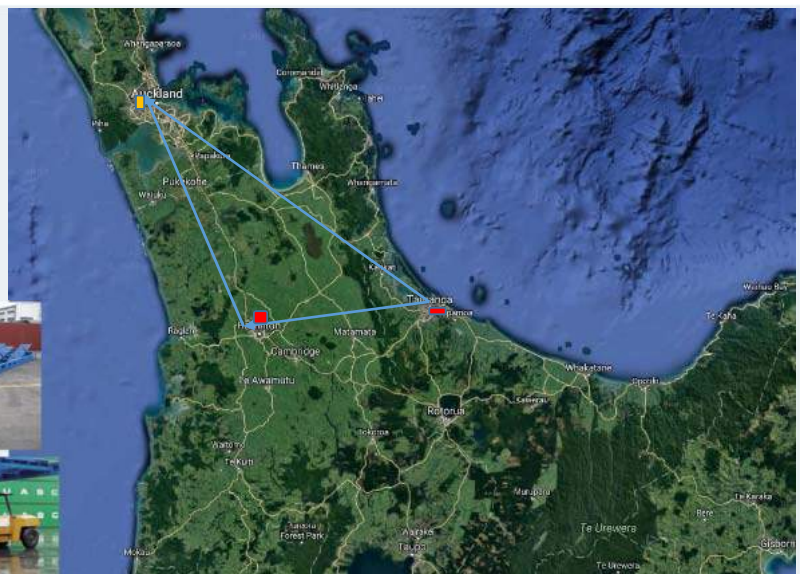


Future Vehicle Supply Chain

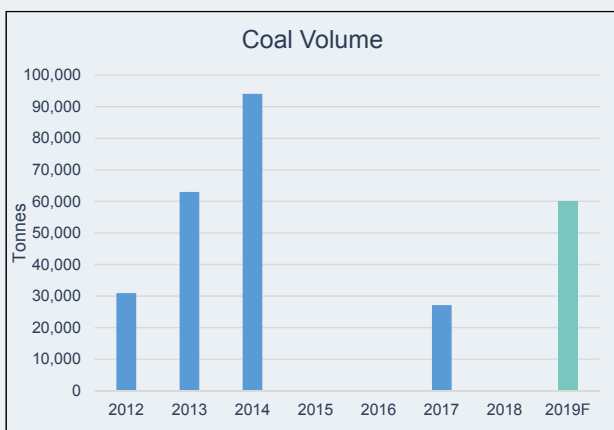
- Road and Rail connections to storage / hub locations
- Waikato 110 km
- Auckland 136 km

 Existing distribution and storage locations

 Future distribution hubs / storage locations



Coal



Eastern Bay Growth



Creswell NZ Ltd / Otakiri Springs

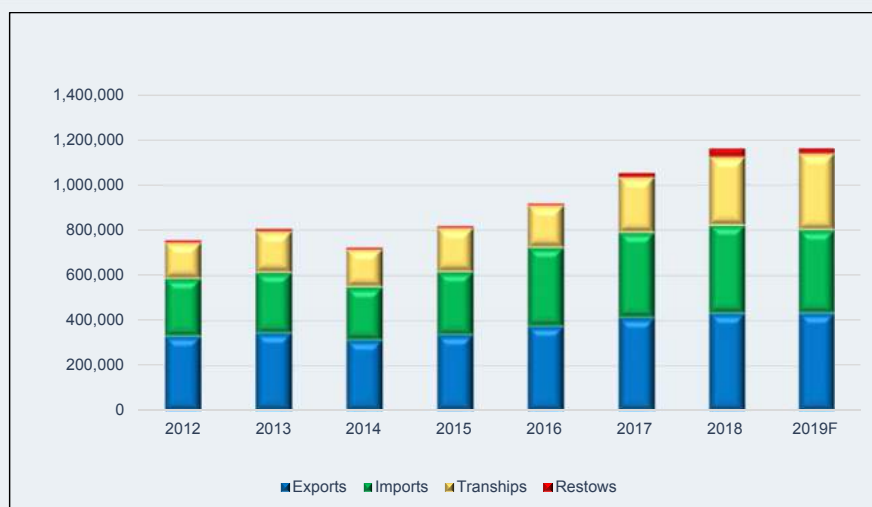
- Plant construction expected commencement late 2019
- Export operations could commence in late 2020
- Export capacity of 1.1 billion litres or 65,000 TEUs per annum (130,000 TEUs with empties)
- Would support partial intensification of fourth berth



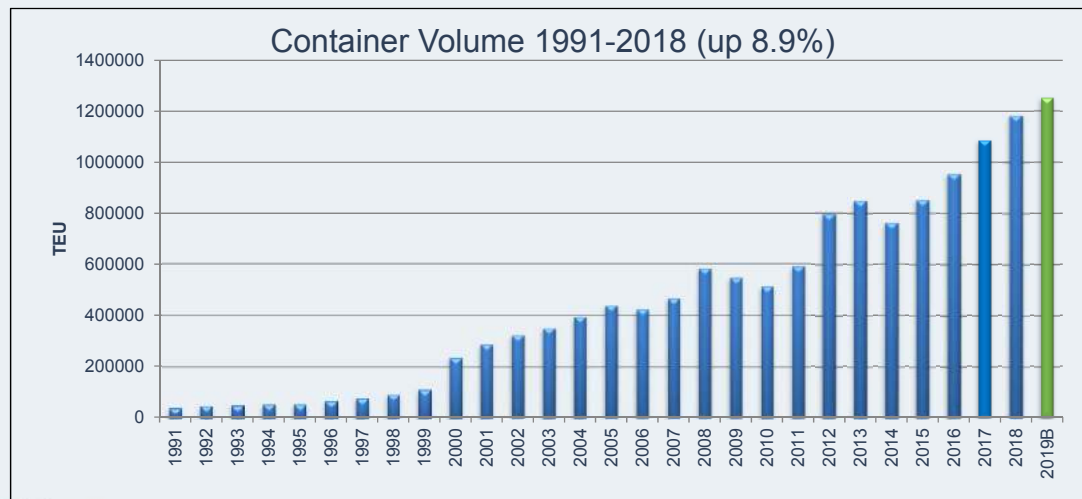
Tauranga Container Terminal



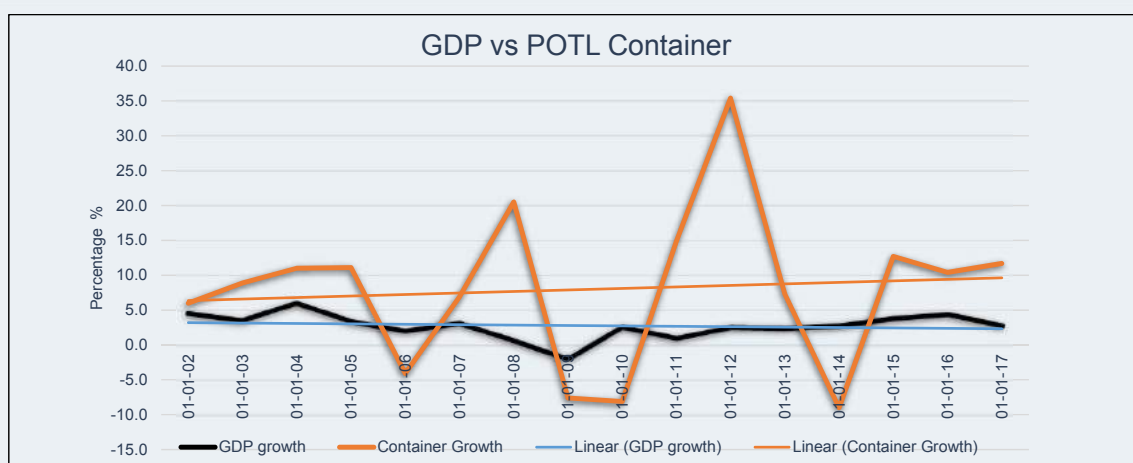
Container Growth TEUs



Container Volumes – Total TEUs



Container vs GDP



Average - Container 2002 – 2017: 8% GDP 2002 -2017: 2.8%



Sulphur Point Container Terminal

Future Growth Scenarios
(FY18 1,180,000 TEUs)

1,180,000	YEARS					
	3	5	10	15	20	25
3%	1,289,418	1,367,943	1,585,821	1,838,402	2,131,211	2,470,658
5%	1,365,998	1,506,012	1,922,096	2,453,135	3,130,891	3,995,899
7%	1,445,551	1,655,011	2,321,239	3,255,657	4,566,228	6,404,371
10%	1,570,580	1,900,402	3,060,616	4,929,153	7,938,450	12,784,953



TCT Future Terminal Capacity

The future capacity of the terminal is a function of either;

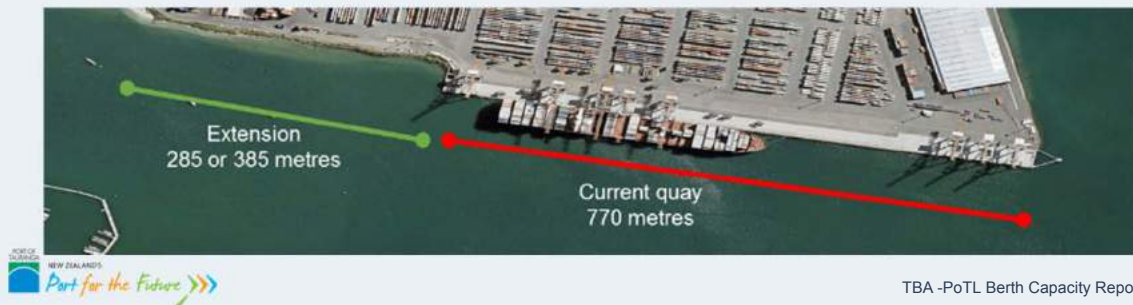
- Total berth capacity being, the maximum number of vessels you can accommodate on the available berth length or ;
- The maximum number of containers that can be stored on the available container terminal footprint

We engaged TBA – global terminal consultants to model some capacity options

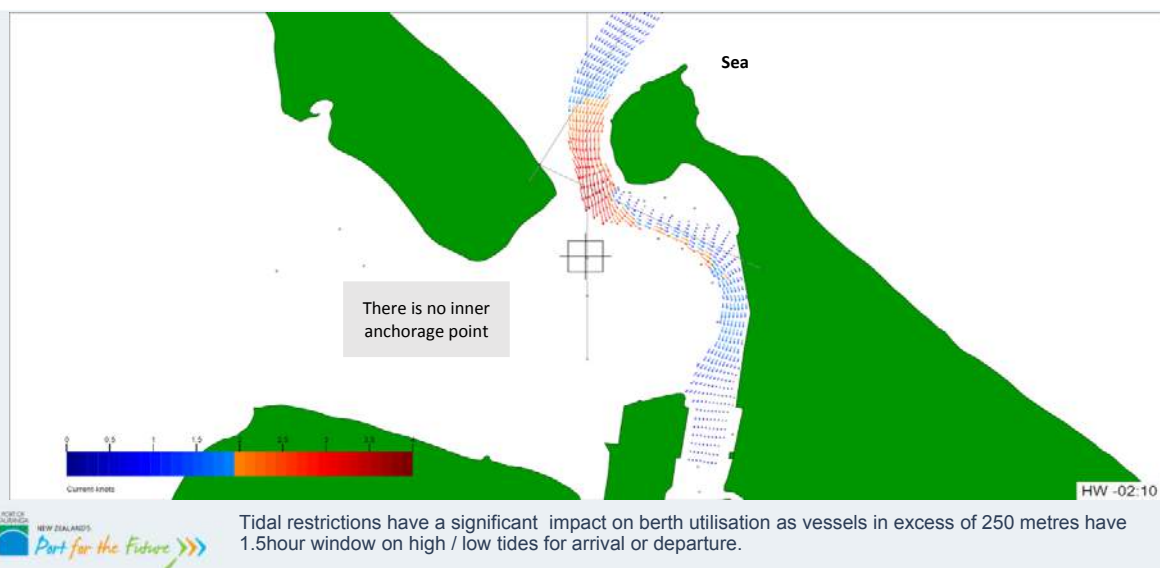


Berth Length

- The total length of the quay is currently 770 metres and is equipped with eight STS cranes.
- For the future there are plans to increase the berth to the south. There are two scenarios :
 - 1) 285 metres, resulting in a total length of 1,055 metres
 - 2) 385 metres, resulting in a total length of 1,155 metres
- The maximum draught allowed for the berth is currently 14.5 metres.
- The mooring margin is assumed to be 10 - 15 metres on each side of the vessel, which results in 20 - 30 metres separation between vessels.



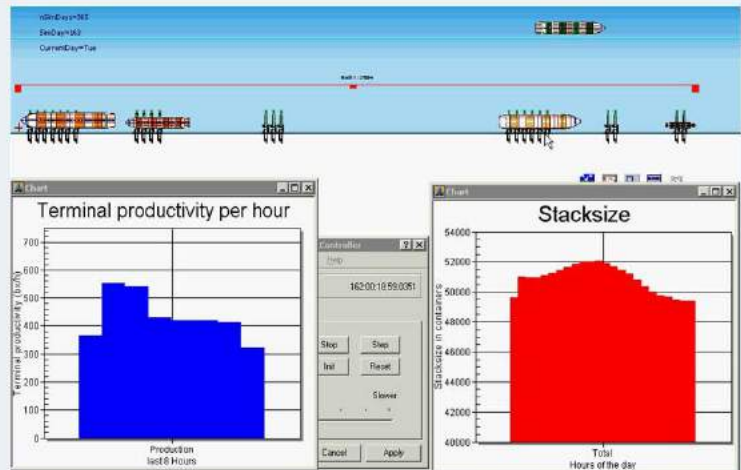
Tidal Restrictions



Berth Simulation

✓ How the simulation model works

- Based on anticipated weekly vessel arrival pattern and using target gross QC productivities
- Model allocates berths and cranes to arriving vessel
- Priority of vessels, maximum crane allocations, service requirements berth, draft and other restrictions are considered
- Weekly arrival pattern with ETA deviation of vsl & service requirement is operated for 1-2 years
- Model measures KPIs during the operation which are used to assess maximum capacity



PoTL Berth Capacity Report v2.0



Berth Simulation Results

Quay wall (m)	Quay cranes	Productivity	Volume (TEU)	Berth occupancy (%)	QC working hours	Vessel waiting at anchor point % (>8 hours)
770 meter	8 QCs	30 gmph	1.0 M TEU	39%	2,709	5%
			1.2 M TEU	46%	3,178	9%
1055 meter	11/12 QCs	30 gmph	1.8 M TEU	43%	3,246	3%
			2.0 M TEU	47%	3,944/3,615	7%
			2.2 M TEU	52%	3,976	9%
		34 gmph	2.0 M TEU	44%	3,193	6%
			2.2 M TEU	48%	3,832/3,513	6%
			2.4 M TEU	52%	3,802	8%
1155 meter	12 QCs	30 gmph	2.2 M TEU	47%	3,973	6%
			2.4 M TEU	52%	4,307	7%
			2.6 M TEU	56%	4,669	10%
	12/13 QCs	34 gmph	2.4 M TEU	48/47%	3,805/3513	5%
			2.6 M TEU	51%	4,127/3807	7% 6%
			2.8 M TEU	55%	4,445/4104	9%



TBA -PoTL Berth Capacity Report v2.0

Future Terminal Capacity Yard Options

POTL Yard capacity v1.0

Based on the characteristics of the terminal the following two main layouts have been investigated for this terminal:

- 1a) SC full buildout (1 over 2)
- 1b) SC full buildout (1 over 3)
- 2a) SC (1 over 2) + ARMG (10 wide)
- 2b) SC (1 over 2) + ARMG (9 wide)



Layout options

POTL Yard capacity v1.0

1) SC full buildout

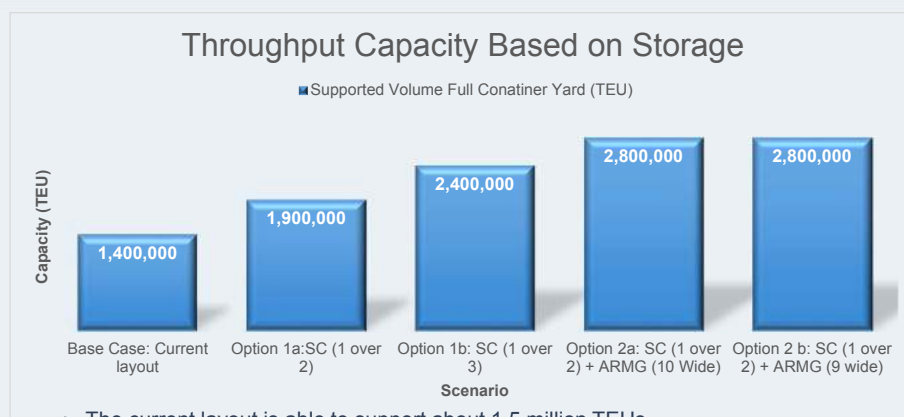


Layout options

2b) SC + ARMG (9 wide)



Yard Capacity Preliminary Result



- The current layout is able to support about 1.5 million TEUs
- To be able to match the berth capacity, the yard need to be extended
- With the full SC yard (1 over 3) the yard capacity is able to support a maximum is also 2.4M TEUs
- With SC (1 over 2) + Stacking cranes provides capacity to 2.8M TEUs however can be extended to provide future growth

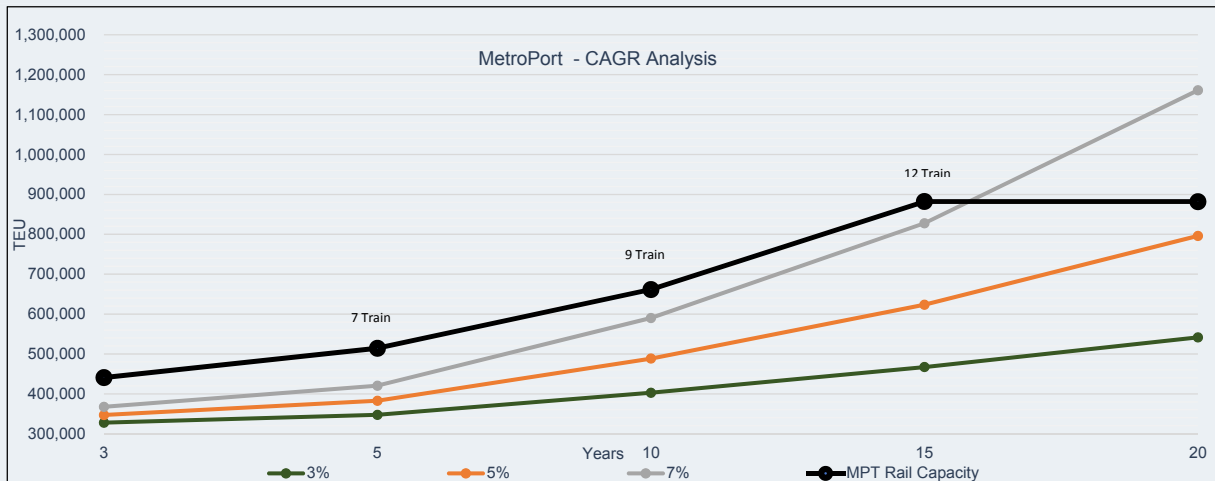


Tauranga Container Terminal Critical Path

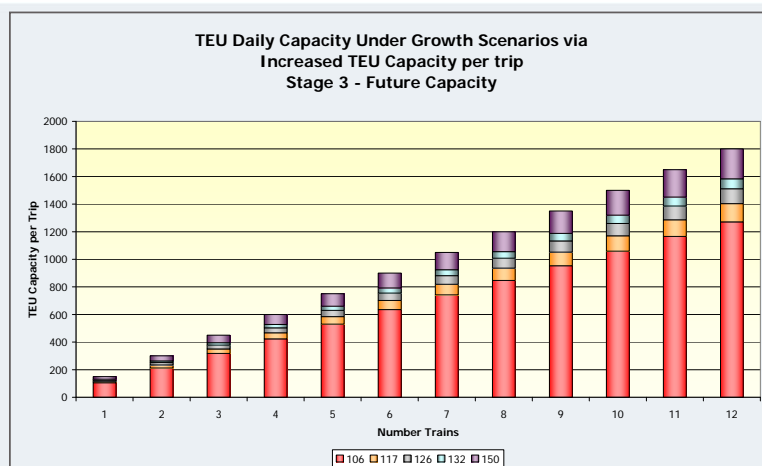
- Southern berth extension
 - Planning and consenting - 24 months
 - Construction - 18 months
- Terminal Equipment
 - Stacking Cranes 12 - 18 months
 - Ship to Shore Cranes 18 - 24 months



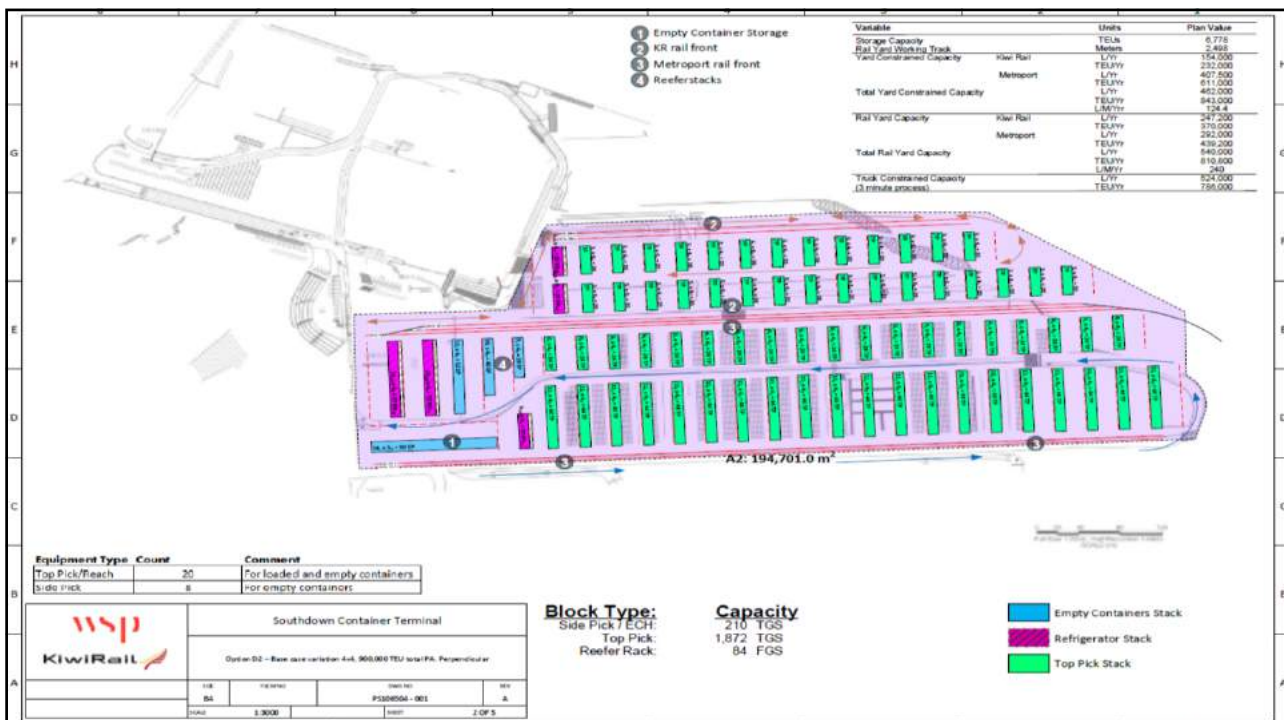
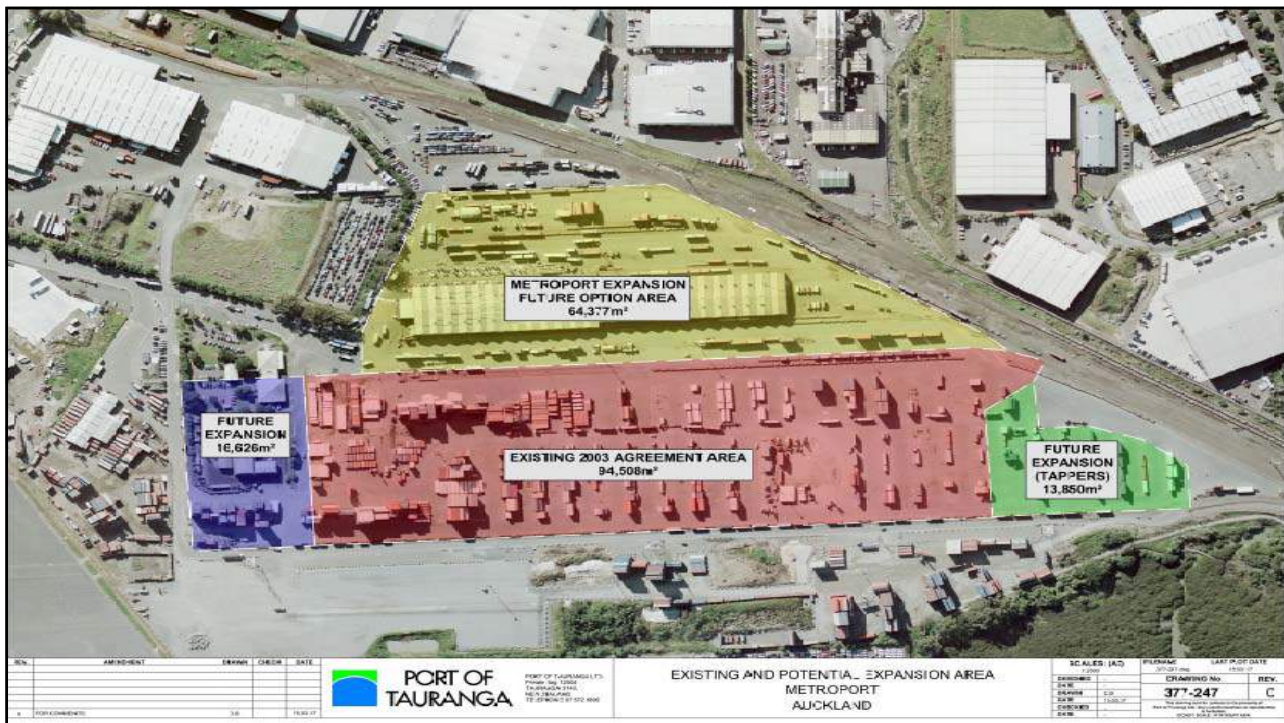
MetroPort Future Growth



Train Programme Capacity



- Route capacity to run 12 return trains per day Tauranga – Auckland providing 2,540 TEUs per day
- Weekly rail capacity 17,800 TEUs
- Annual rail capacity 890,000 TEUs



Golden Triangle Supply Chain

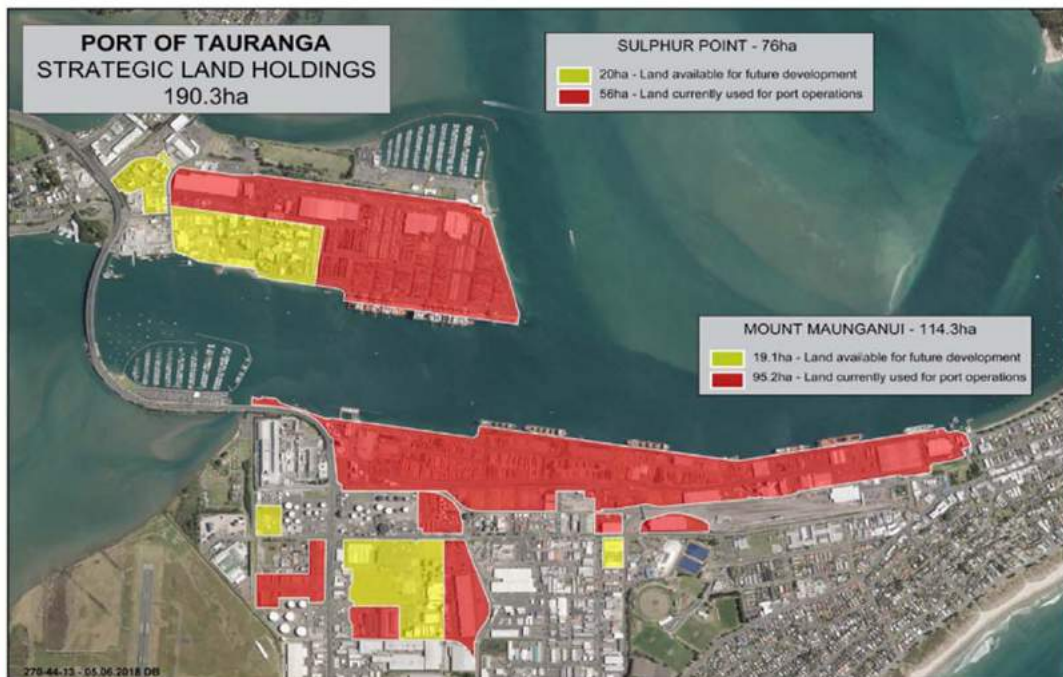
POAL Northgate



Tainui Ruakura

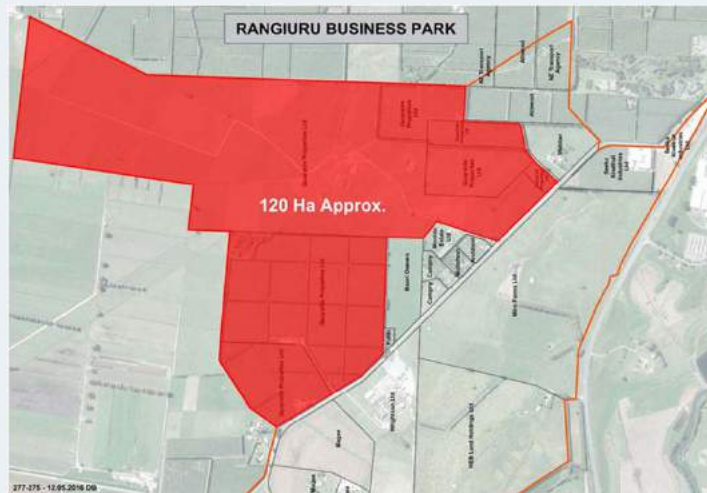


Property & Infrastructure



Strategic Land Holdings - Rangiuru

120 Ha owned by Quayside Securities (BOPRC)



Strategic Land Holdings

Onehunga 32.8 Hectares



Strategic Land Holdings Rolleston 15 Hectares



Asset Revaluation



Shed 16



Shed 1



Waimarie Street



MetroPort Christchurch



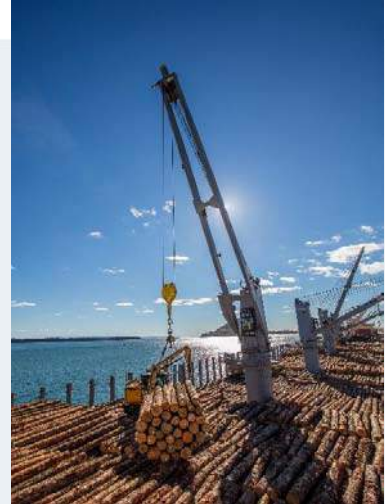
New Ship to Shore Crane



New Straddle Carriers



Mount Maunganui Wharves



Mount Maunganui Infrastructure Investment



Environmental Compliance



Community Involvement



Air Quality



Before



After

Methyl Bromide Recapture



Methyl Bromide Recapture – 60%



Debarking



Stormwater Management

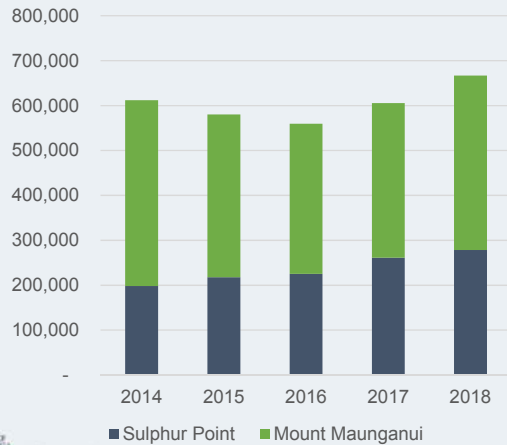


Traffic

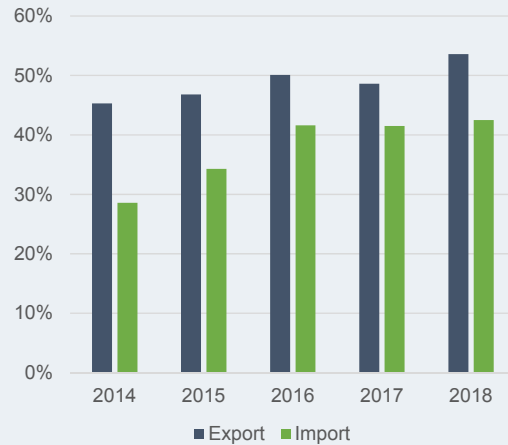


Land Transport – the Growth of Rail

Truck Movements

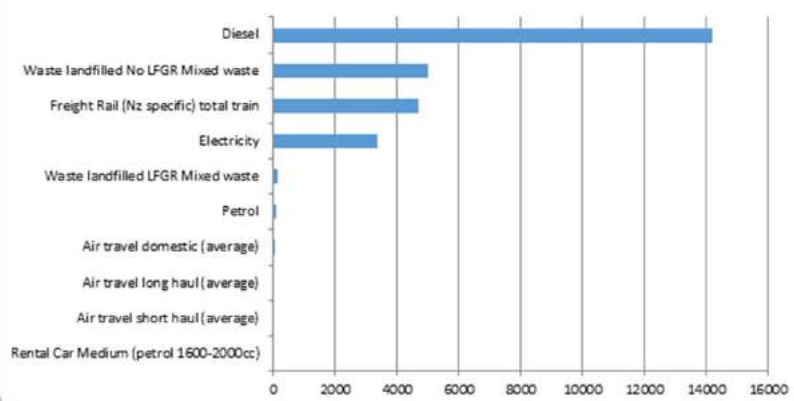


Rail Movements (containers)



Emission Management

GHG operational emissions by source - top 10

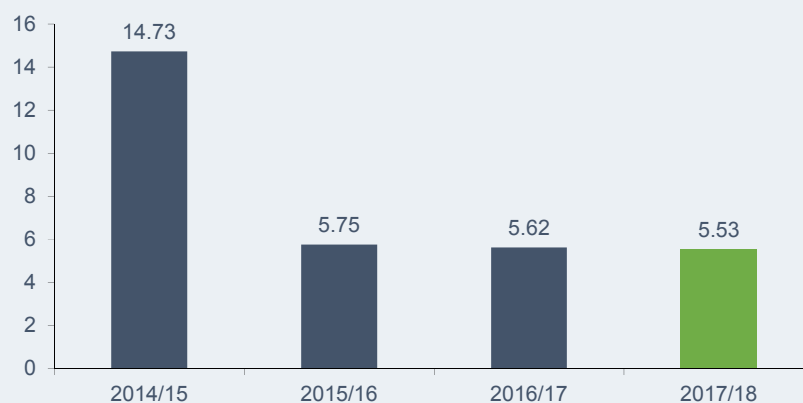


Greenhouse gas emission sources top 10 for Port of Tauranga for 2017-2018 reporting year

Health & Safety

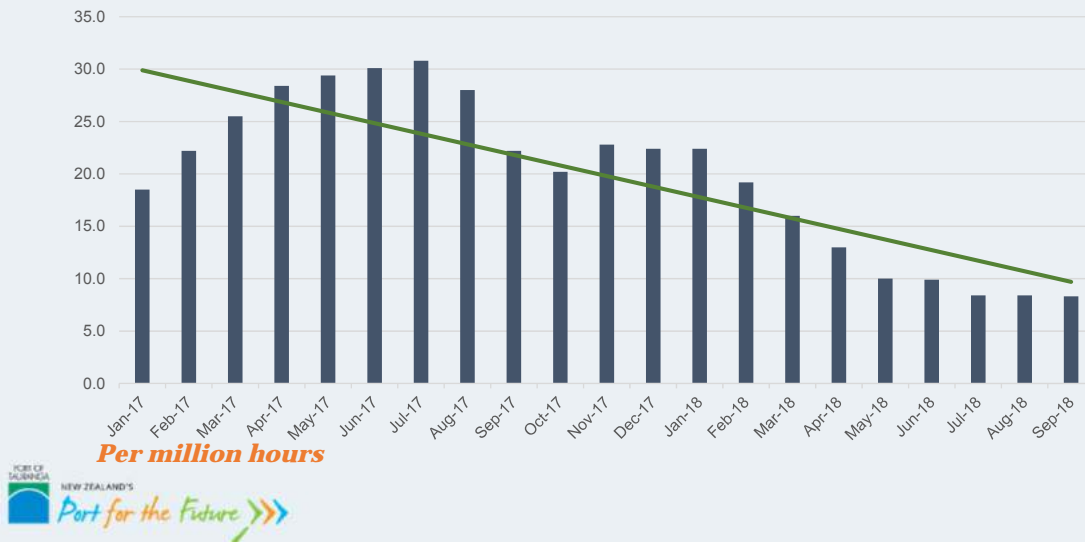


Total Recordable Injury Frequency Rate



Per million hours

Contractors' Total Recordable Injury Frequency Rate



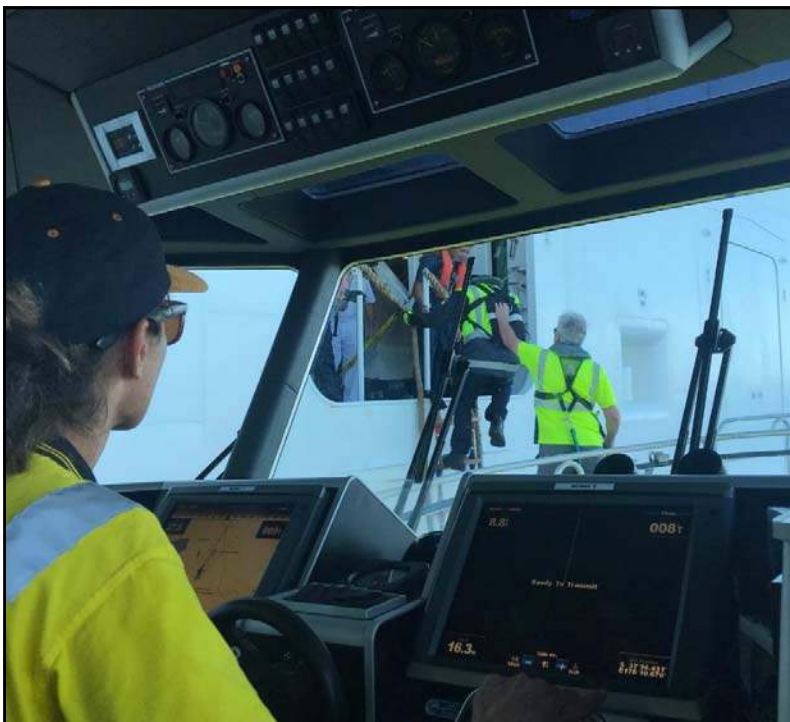
Integrated Risk Management

- Safety
 - Operations & critical risk management
 - Multi-PCBU approach, working as a Community
- Environmental
 - Licence to Operate protection
 - Ensuring integrity of our environment
- Business Continuity
 - Crisis & Emergency Planning
 - Cyber Risk Management
- Community Responsibility
 - Partnering to deliver better community outcomes

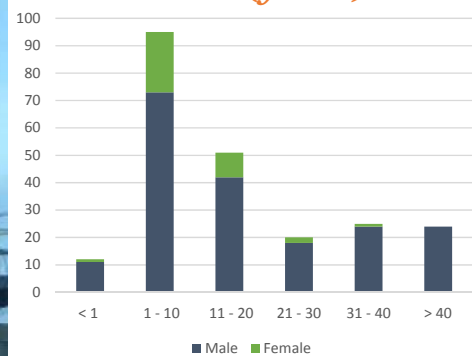


Port People

- 70% are satisfied or very satisfied with their jobs
- Longevity of service & low staff turnover remain features of our workforce
- Internal promotions fill 60% of our vacancies
- No pay equity disparity
- More than 95% of staff are shareholders

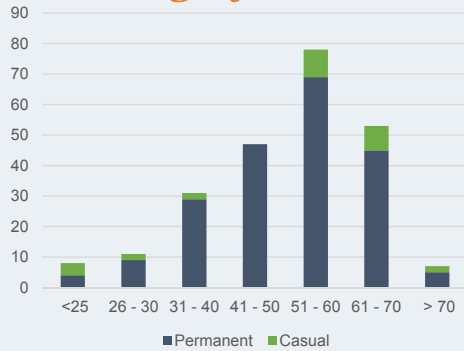


Port People *Service (years)*



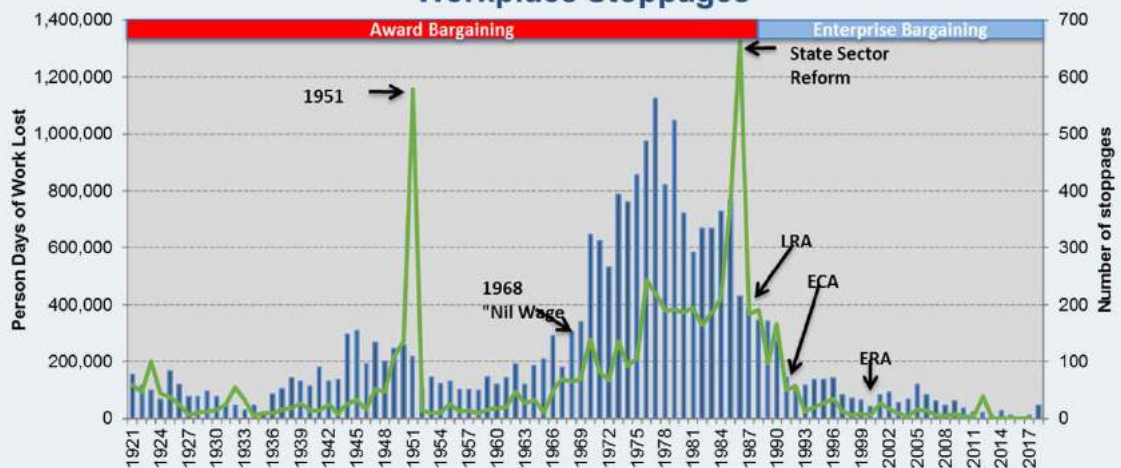
Port People

Age (years)



A New Industrial Relations Era

Workplace Stoppages



Strong Balance Sheet

	2016A	2017A	2018A	2019F
Net debt to Net debt+equity	25.8%	28.7%	26.2%	29.5%
FFO/Debt	29.9%	26.3%	27.7%	25.7%
Capex \$m	63.3	60.2	16.8	60.0
Dividends Paid	72.1	108.9	115.1	122.5
Net Debt \$m	308	374	399	460



Terminal Container Mix

	2016	2017	2018
MetroPort	164,000	185,000	189,000
Direct Import/Export	152,000	161,000	166,000
Reefer	51,000	56,000	56,000
Empty	114,000	113,000	118,000
Tranship/Restow	139,000	187,000	233,000
Total	620,000	702,000	762,000
EBITA Margin	53.0%	54.0%	54.4%



Terminal Capacity / Capex

		Capacity TEU Millions	Cost \$million
Current		1.3	0
Stage 1	New Gantry Crane		
	New ground slots/Remove Shed 11	1.5	20
Stage 2	Southern Berth Ext. 285M		
	New Gantry Crane		
	2 Rail mounted Gantries & plant	1.8	130
Stage 3	New Gantry Crane		
	2 Rail mounted Gantries & plant	2.2	70
Stage 4	New Gantry Crane	2.4	20
Stage 5	New Gantry Crane		
	2 Rail mounted Gantries & plant	2.8	70





Logistics and freight management

Import | Export | Domestic



3PL Transport and Warehousing

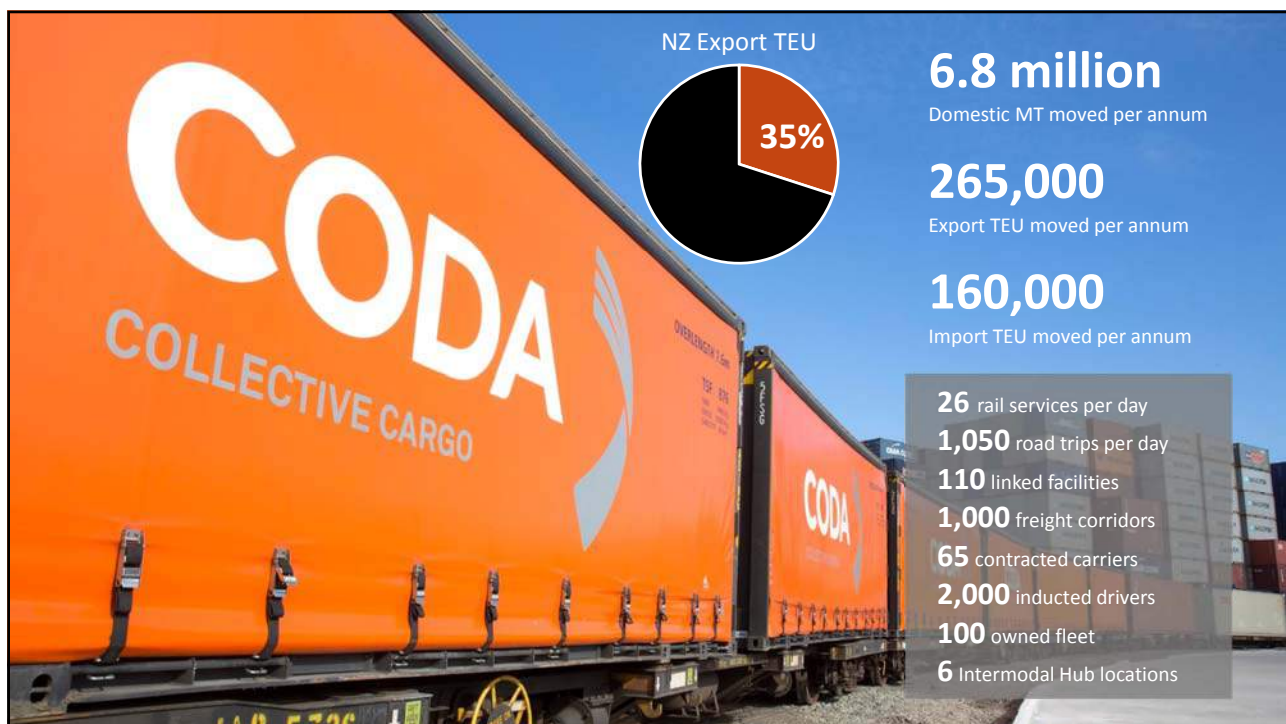
Intermodal Freight Hubs

4PL Freight Management







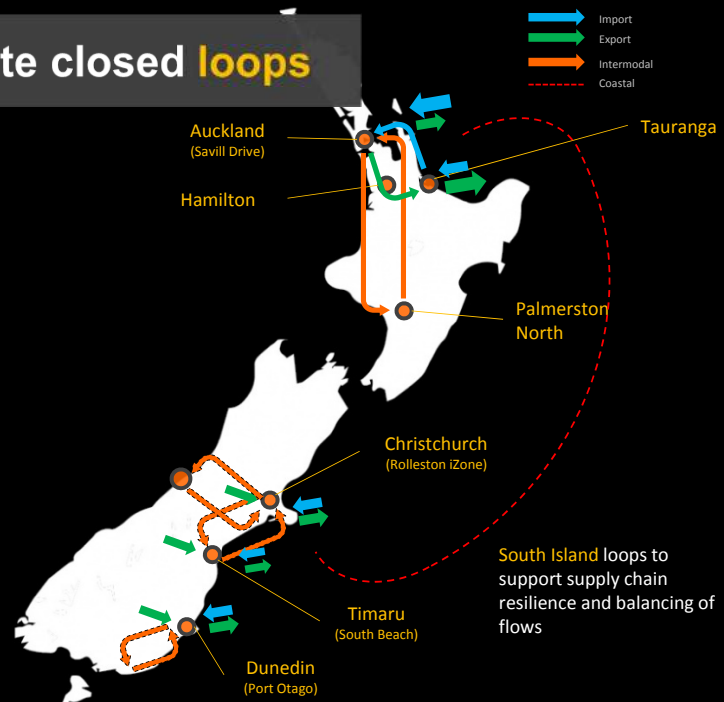
Infrastructure to create closed loops

Principles to define locations

- Rail served with direct rail link to ports
- Co-located with empty container supply
- Proximity to importers
- Rail connectivity with major exporters
- Proximity to reverse cargo (e.g. FMCG)
- Minimising road legs
- Creating logical 'loops' between hubs

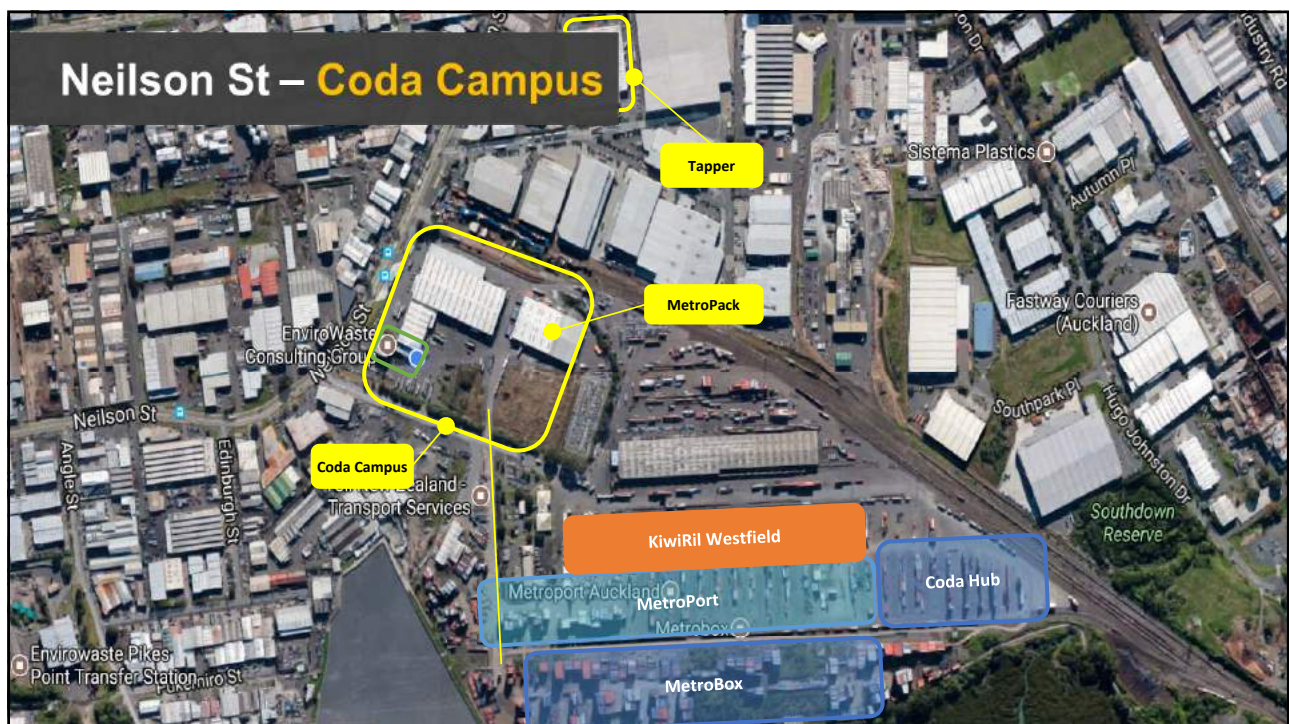
An **Auckland** and **Palmerston North** hub loop to maximise the reduction of waste in the North Island rail network.

A "Golden Triangle" loop to connect importers and exporters to big-ship ports and minimise empty container movements and dwell time

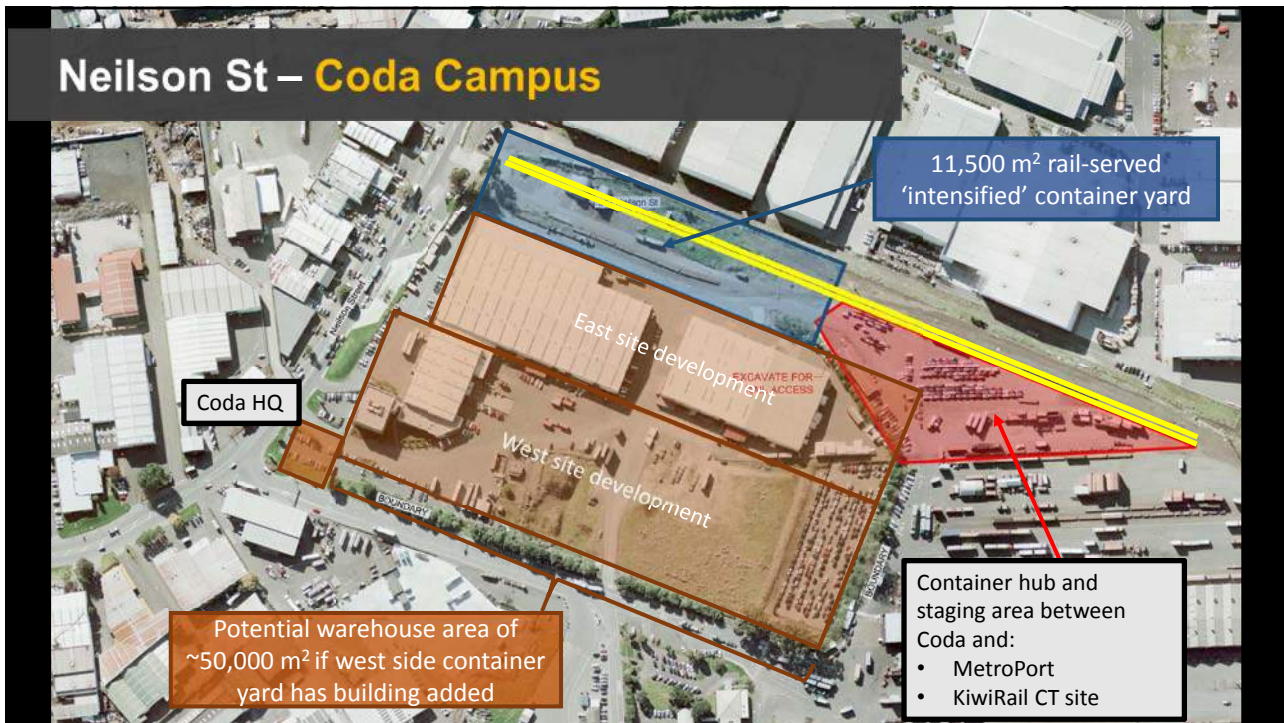


Savill Drive **intermodal** freight hub





Neilson St – Coda Campus



Neilson St – Coda Campus

Phase 1:

D1 warehouse 6,500 m² and approx. 15,000 m² Container yard.

Revenue = \$1.4m

Phase 2:

D2 warehouse 14,000 m².
(minus 4000m² yard and building A)

Revenue = \$1.6m

Phase 3:

D3 warehouse 18,000 m²
Develop 347 Neilson container yard.

Evaluate condition of existing buildings to determine viability





3PL challenges and strategy



Challenges

- On-port capacity (POAL)
- Auckland Congestion
- Network back-log
- Price + cost pressures
- Labour shortages

Strategies

- Hubs
- Rail usage
- Owner driver model
- Asset review
- Get closer to customers
- Remove supply chain waste

Unlocking **digital** logistics for operational excellence



Maximise Collaboration

- Coda delivers a secure integration suite ,
- Improving workflows and offering advanced insights.



Process Automation

- Process automation to ensure service levels are met,
- Proactive alerts and notification of exceptions (e.g.



Customer Experience

- Partnering with Coda has never been easier
- Multiple portlets options both web based and mobile ready to book,
- Track (GPS, and event based), report and gain ultimate visibility



Ultimate Optimisation

- As innovation leaders, Coda's optimisation capabilities are world class
- Optimising operations, safety and sustainability.



Advanced Analytics

- Leveraging intelligence to deliver customer detailed reports,
- KPI's, analytical insights and intelligence.

TNX – Freight marketplace

Trucking spend per year

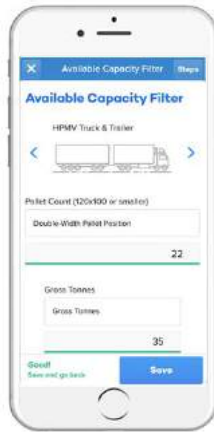
>\$6bn

Hauliers in NZ

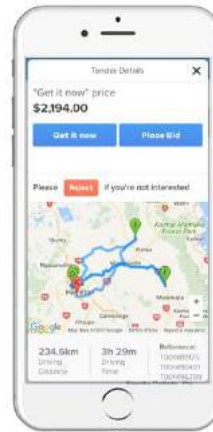
5,000

Empty Kilometres

40%



Describe available trucks



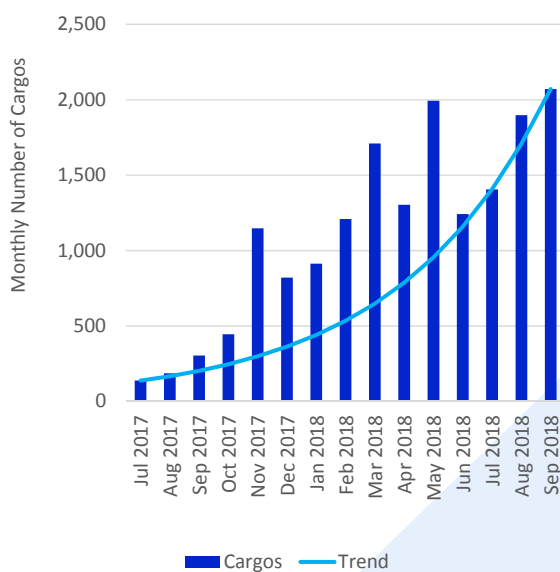
Select from multi-stop offers



Confirm and get paid



TNX – Strong cargo growth



Average monthly growth rate of 21% during the last year with seasonal volatility

Transaction count is the principle metric

Consistent average transaction price of ca. \$500





Thank You

Port of Tauranga Investor Day

13 November 2018



Agenda

- Key Trades Overview
- Trades Five Year Trend
- Normal Operating Profit
- Infrastructure Focus
- Future Plans



Key Trades Overview



Timaru Container Terminal 2018 – 89,000 TEU



Logs 2018 – 491,000 tonnes



PKE / Stock Feeds 2018 – 317,000 tonnes



Fertiliser 2018 – 258,000 tonnes



Fuel 2018 – 253,000 tonnes



Timaru Oil Services Ltd



Cement

2018 – 216,000 tonnes



Other

(Fish, Bulk Chemicals, Edible Oils)

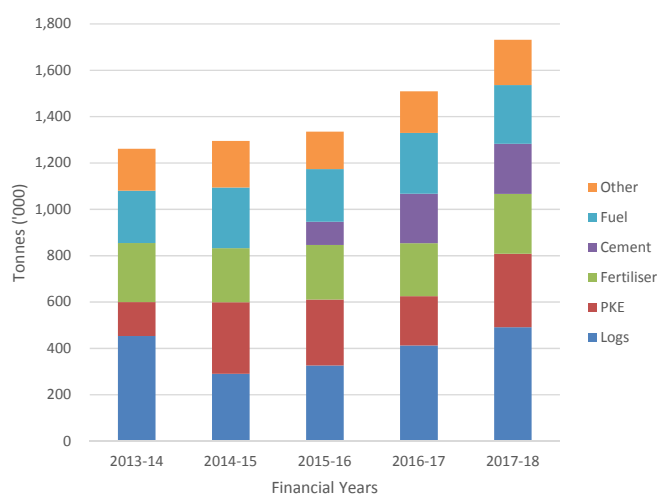
2018 – 195,000 tonnes



Cruise



Trades Five Year Trend



Trades Five Year Trend

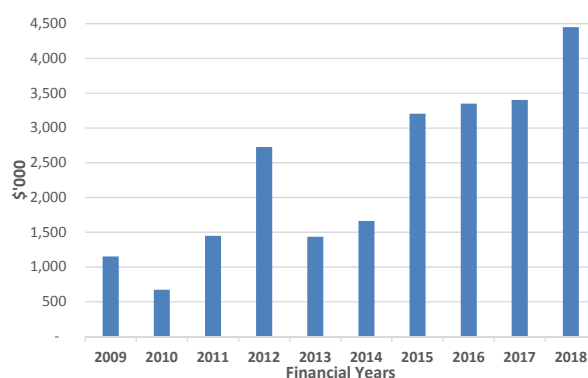


	2013-14	2014-15	2015-16	2016-17	2017-18
	000	000	000	000	000
Logs	453	290	326	413	491
PKE	146	309	284	213	317
Fertiliser	256	234	236	229	258
Cement	0	0	100	213	216
Fuel	226	262	227	263	253
Other	181	201	162	179	195
Total	1,262	1,295	1,335	1,509	1,732

Normal Operating Profit



Normal Port Operating After Tax Profits



Infrastructure Focus

Wharf Strengthening



North Mole Container Wharf

Pile Replacements



No. 1 Wharf

Deck Renewals



No. 1 Extension Wharf

Channel Widening



Breakwater reduction for larger vessels



Floating Plant Renewals Pilot Launch *Kiwa*

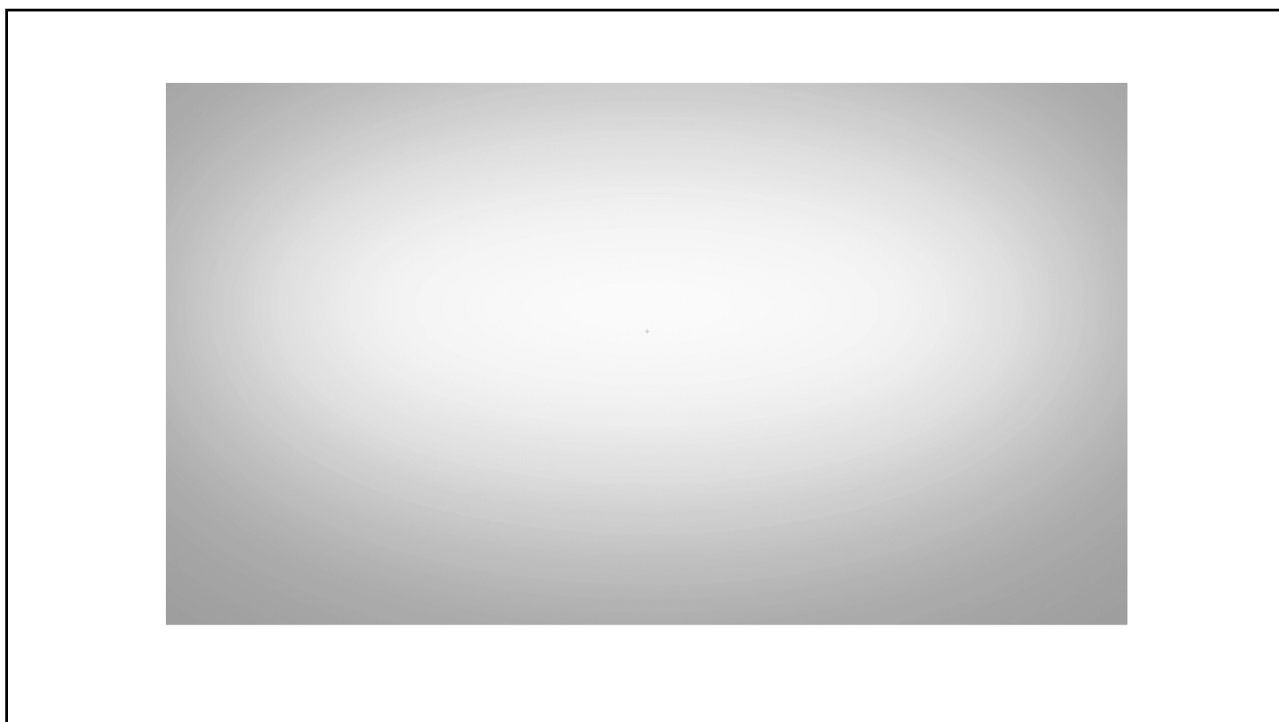


Floating Plant Renewals Tug *Hinewai*



Future Plans Log Yard Upgrade







Timaru Container Terminal Ltd



Board of Directors



50.1%



KOTAHI

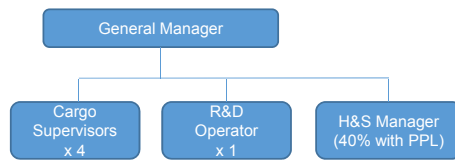
49.9%



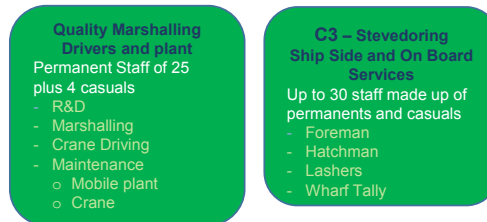
John Cooper



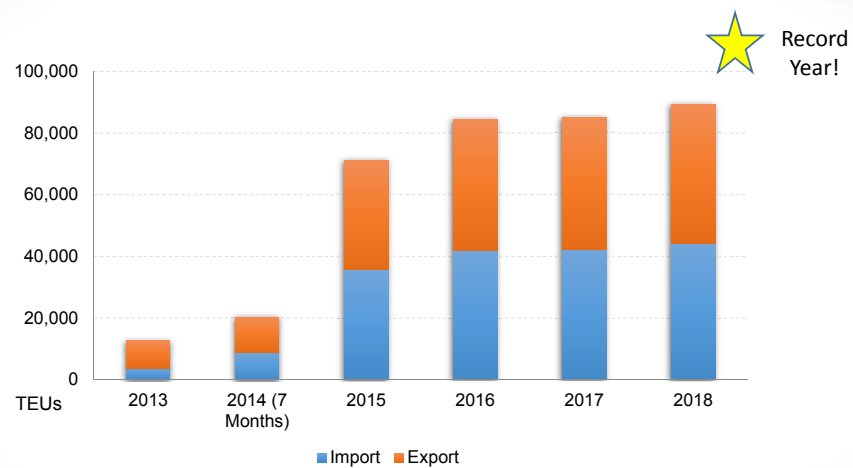
Terminal Structure



Key Service Providers:



2018: Record 89,184 TEU Handled (+5%)

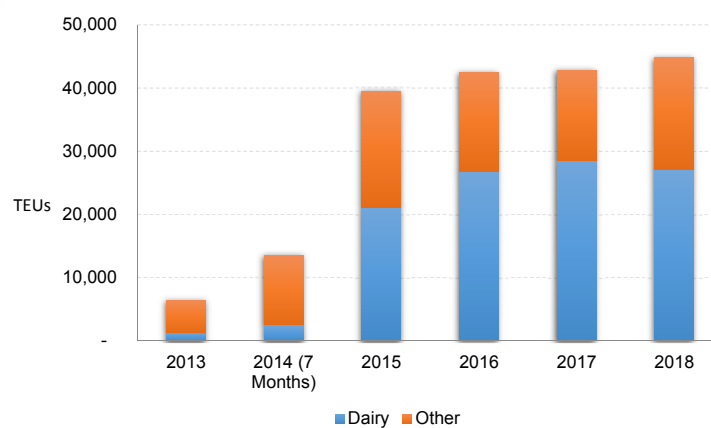


Container growth through Timaru Container Terminal

TEUs	2018	2017	2016	2015	2014	2013
Lyttelton Port	424,560	401,711	354,922	372,019	376,567	351,217
Port Otago	204,700	178,200	172,400	172,800	181,000	195,000
South Port	39,000	39,300	35,100	35,800	32,700	34,800
Port Nelson	121,483	108,106	96,497	90,422	87,462	83,380
Sub - Total	789,743	727,317	658,919	671,041	677,729	664,397
TCTL	89,184	84,946	84,402	71,089	20283	22072
South Island	878,927	812,263	743,321	742,130	698,012	686,469



Strongest Growth Outside Dairy



Current Services

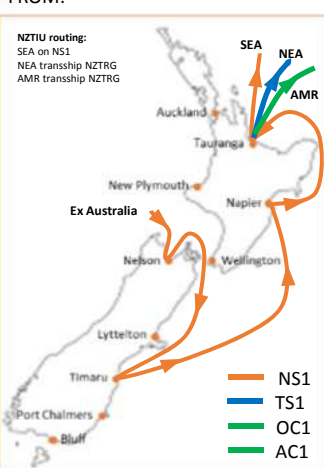
 SWIRE SHIPPING

 MAERSK LINE

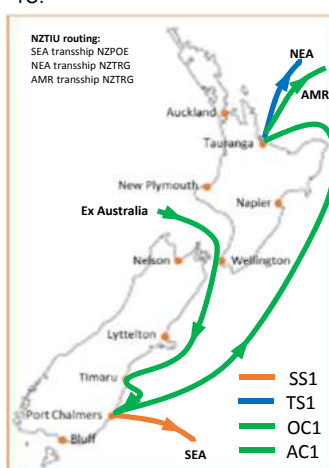
 HAMBURG SÜD


OC1: Good Connectivity to Key Destinations

FROM:



TO:



Transit time impacts:

POD or T/S	Old TT	New TT
Tianjin	29	27
Singapore	19	17
Hong Kong	19	23
Shanghai	23	23

Vessels:

Carrier	Service	Vessels
Maersk	OC1	11

FEATURES AND BENEFITS

Fast

Weekly

Wide coverage

Increased Capacity



Continual Upgrade of Infrastructure



Crane 23 Refurbishment

Upgrade started in 2015 with major refurbishment of the outer structural components of the crane. This included:

- Gib section
- Undercarriage
- Main body

2018 has seen major updates made to the internal mechanical components. Key areas included:

- New Mercedes engine
- New pumps
- Winch motors
- Slew drive units and breaks
- Upgraded Panel work to stainless steel
- Cable reel upgrade from electric to hydraulic drives
- Total spend in excess of \$1m

Crane 05 has also had stage one completed with further internal component upgrades scheduled for 2022.



Our Year in Summary....

- Quickly provided an alternate port during LPC industrial issues
- Designated South Island Port for steel imports via Swire
- 4th consecutive year for new record container volumes through the terminal, 89184 TEUs
- New OC1 service provides great connectivity to other Maersk / Hamburg Sud services to key export destinations
- Completion of a major refurbishment project of Crane 23 to future proof operations
- Continue to have a Lost Time Injury Rate (LTIR) of 0



Opportunities

- Further container hubbing opportunities through to Maersk's Southern Star service
- Reintroduction of a coastal service linking Tauranga with Timaru
- Increased reefer volume through the new Mozzarella plant at Clondeboyne
- Servicing Melbourne cargo from the OC1 service through to MetroPort in Christchurch
- Increase container unpacking services utilising the terminals MPI and NZ Customs accreditations
- Maximising empty container storage





Thank You



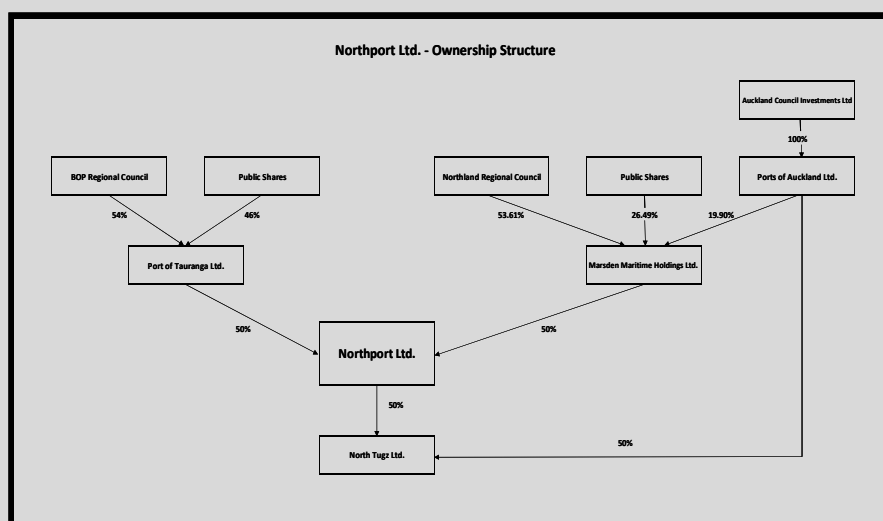
Q&A

Northport Ltd - 2018



Northport Ltd – 2018

Ownership Structure



Northport Ltd – 2018

Trade Statistics – Yearend June 2018



- Trade statistics as at 30 June 2018 :

- 3.563 million total revenue tonnes
- 2.786 million jasm³ of logs exported
- 7,975 TEU containers handled
- 144,827 single truck movements
- 292 ship calls to the port
- 67.84% berth occupancy

Northport Ltd – 2018

Facility Statistics



- 49 hectare site : (33.6 hectare harbour reclamation)
- 34.1 hectare paved : (32.0 asphalt paved + 2.1 concrete woodchip pad)
- 570 linear metres of berth face
- 390 linear metres: depth of 13.0 metres at chart datum: max draft 12.5m
- 180 linear metres: depth of 14.5 metres at chart datum: max draft 14.0m
- Up to 11.8m draft at any state of tide : maximum draft 14.5m
- DUKC (Dynamic Under-Keel Clearance) System for deeper draft vessels
- 270m berth extension consented
- 2.3 ha additional reclamation consented
- 8.9 ha additional storage area under construction and to be completed

Northport Ltd – 2018

Environmental Management



Only port in New Zealand built 100% under Resource Management Act; requiring comprehensive environmental management and reporting:

- Stormwater Management:
 - 1.3kms Canals + 6.0ha Stormwater Pond
 - Electronic Monitoring of water quality, suspended solids, discharge volumes etc.
 - Comprehensive reporting to NRC: annual and on discharge
 - Strictly managed contaminant removal and disposal
- Dust Monitoring & Management – sweeping plus dust suppression
- Noise Monitoring & Management – strict port user procedures
- Light Pollution Monitoring & Management
- Annual Hydrographic Surveys with Beach Profiling
- Discharge to air: procedures for monitoring ship funnel emissions
- Lost Logs: reporting, recovery, navigation warnings etc.

Northport Ltd – 2018

Improving Northland's Supply Chain Options



- Delivery of Gottwald HMK4406 Harbour Mobile Crane: late 2015
- Capable of loading 32 tonnes at a max 13 rows from shipside
- Twin-lift 20ft and/or single-lift 40ft auto container spreader
- Paving of 1.3ha empty container storage area
- Provision for 900 TEU : 3 high and 1500 TEU : 5 high
- Provision for 200 refer points with 60 installed
- Second crane approved with provision for others as demand requires



Northport Ltd – 2018

Improving Northland's Supply Chain Options

- SSNZ (Swire Shipping) / Pacifica joint Trans-Tasman and NZ Coastal Service
- 17 day scheduled service
- Northport-Lyttelton-Northport-Tauranga
- GBC (Golden Bay Cement) ISO Pods of bulk cement powder underwriting cargo
- Significant number of truck movements off the road between Marsden Point and Auckland: circa 10,000
- Additional Northland businesses now able to explore S.I. supply chain options
- Capability for Northland business to connect with main international container services ex POTL



Northport Ltd – 2018

Improving Northland's Supply Chain Options

- MSC (Mediterranean Shipping Company) commence direct international call at Northport
- Northport- Brisbane - Singapore
- 14 day scheduled service
- Kiwifruit Reefer Containers first to utilise this service : forestry quick to realise supply chain advantages
- Potential for significant number of truck movements off the road between Marsden Point and Auckland
- Additional Northland businesses now able to explore direct worldwide connections through Singapore



Northport Ltd – 2018

SW Development : Car Storage



South Western Development: 10ha under construction: 3.5ha sealed and chip sealed ready for import motor vehicles : storage on-site currently for up to 3,500 cars!

Northport Ltd – 2018

Recent Cruise Announcement



Oceania Cruises / Norwegian Cruise Line announce Whangarei Port Calls
 Wednesday 2 December 2020 : Norwegian Jewel : 294m LOA : 2376 passengers : 1,100 crew
 Sunday 17 January 2021 : MS Regatta : 181m LOA : 694 passengers : 386 crew

Northport Ltd – 2018

Strategic State Highway Connections



- **State Highway 15:**
 - Connecting Northport to State Highway 1
 - Designated 4 lane limited access highway
 - Northland Inland Freight Route (118kms : Marsden Point to Okaihau)
- **State Highway 1:**
 - Previously Designated 'Road of National Significance'
 - Connecting Northport south to Auckland
 - Connecting Northport north to Whangarei and the Far North
 - Puhoi to Warkworth motorway under construction
 - Warkworth to Te Hana – safety upgrades underway with future route protected
 - Te Hana to Whangarei – plans to improve safety & resilience released
- **Media Release October 2018:** future routes protected providing for the ability to construct in these designations when the timing is right; at least 10 years away!

Northport Ltd – 2018

Rail Connections



- **North Auckland Line:** Freight link from Swanson to Whangarei (Fonterra Kauri Plant)
 - 13 tunnels require work
 - 20kms rail medium weight require replacement
 - Radio coverage requires upgrade
 - 2,400m of bridge structures require upgrade
 - Estimated cost \$320 million + \$190 million to upgrade Whangarei to Kauri
- **Marsden Point Connection:** Marsden Point to Oakleigh designated corridor
 - Distance approximately 20kms
 - Estimated cost to build \$200 million (plus land acquisition and rolling stock)
- **North Auckland Line/Marsden Point Rail Link:** business case under review
- **Swanson to South Auckland :** a major infrastructure project
 - Currently relies on access windows 1400-1600hrs and 2200-0600hrs

Northport Ltd – 2018

Critical Supply Chain Routes



- Road will continue to be the critical supply chain route to Auckland for the foreseeable future;
- Coastal Shipping has started to provide alternative routes for Northland business, avoiding Auckland congestion and expensive storage/packing costs;
- Rail has an important place in the supply chain, but will require extensive upgrades to be viable;
- As Northland's economy grows to support Auckland the various freight routes and intermodal transport options will become even more strategic for Northland business;
- What could help improve the Northland – Auckland supply chain link immediately:
 - Incentivise freight on the State Highway at night
 - A distribution centre (not inland port) in the vicinity of Orewa/Silverdale
 - Provision for backloads / fast turn-around / 3 to 4 return trips by night v 1 return trip by day
 - Short-haul direct distribution throughout Auckland

Northport Ltd – 2018

Ports of Auckland claim: (Nonsense)



Auckland Unitary Plan: *"Northport would be required to expand the port across sensitive beach, residential, and marine areas"*



Figure 7: Potential Northport expansion required to replace the Port of Auckland's current and consented container terminal berthage

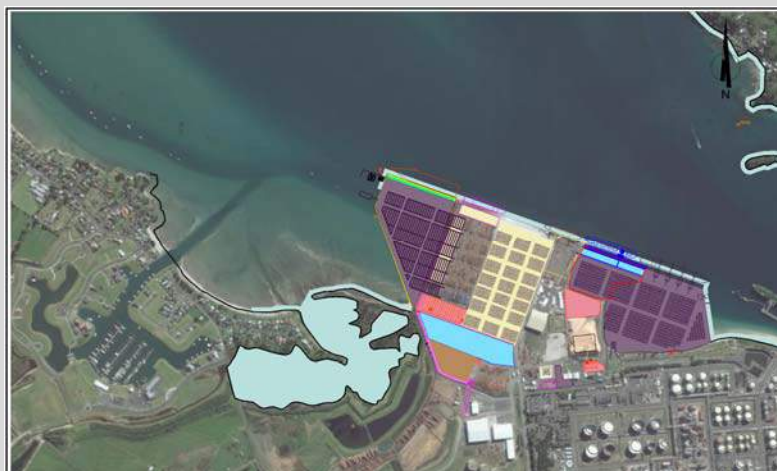
Northport Ltd – 2018

Ports of Auckland claim: (Nonsense)



Northport Ltd – 2018

In reality

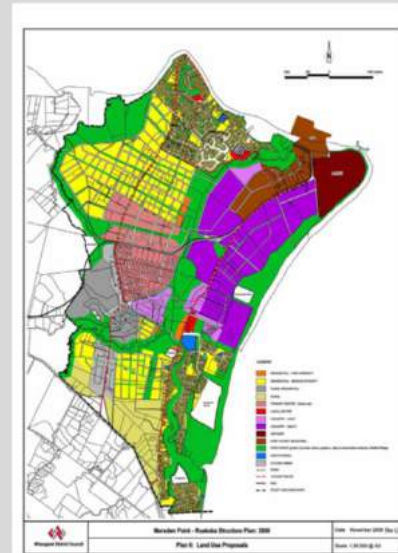


Northport Ltd – 2018

WDC Marsden Point Ruakaka Structure Plan

The Marsden Point/Ruakaka structure Plan identifies the outcomes for living, working, playing and protecting the area based on the growth of work opportunities. The key elements of the Structure Plan are based on:

- Port Marsden & the hinterland: providing sufficient land for port and port-related business (c.700 hectares);
- Population Projections;
- Residential Development;
- Open Space Networks;
- Retail Centres;
- Community & Civic Services & Facilities;
- Future Urban;
- Transport & Services – Road & Rail.



Northport Ltd – 2018

Vision for Growth



Northport Ltd – 2018

Northport – taken this week



Northport Ltd – 2018

Thank you





OVERVIEW OF QUALITY MARSHALLING



INNOVATIVE
CARGO
HANDLING
LOGISTICS

Strategy of Diversification

- May 2016 exited Forestry Business
- Continued growth as Port Logistics provider
- Continue growth adding two additional revenue streams during 2017 – 2018 financial year
- Contract extension with Holcim (Timaru) for another three years
- Continual focus on niche opportunities

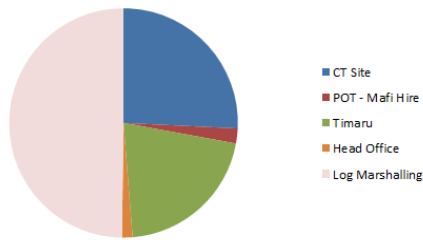
OVERVIEW OF QUALITY MARSHALLING



INNOVATIVE
CARGO
HANDLING
LOGISTICS

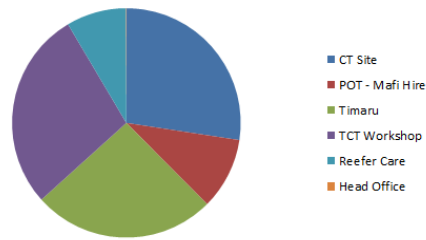
Strategy of Diversification

Revenue FY16 \$16.2m



EBIT FY 2016 2.2m

Revenue FY19 (Budget) \$17.2m



EBIT FY 2019 (Budget) 3.5m

OVERVIEW OF QUALITY MARSHALLING



INNOVATIVE
CARGO
HANDLING
LOGISTICS

Business Units

1. Container Transfer Site (Tauranga Container Terminal Rail Exchange)
 - Mafi Truck Exchange
2. Prime Port – Timaru Container Terminal
 - Prime Port – Holcim Cement
3. Sulphur Point Workshop
4. Reefer Care Operation Port of Tauranga

CT SITE

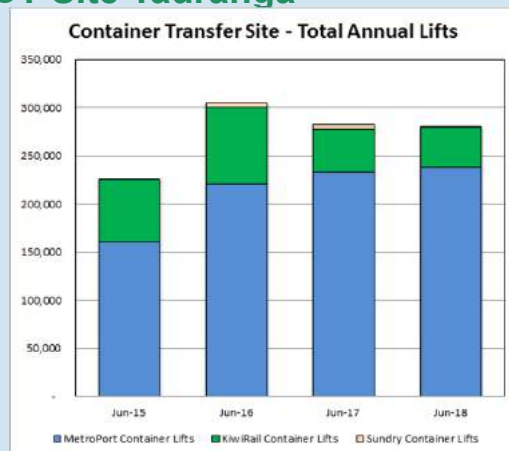


Tauranga



INNOVATIVE
CARGO
HANDLING
LOGISTICS

CT Site Tauranga



- Metro Box Increase
- Kiwi Rail decrease due to Triangular Rail Service
- Expect Continue Growth

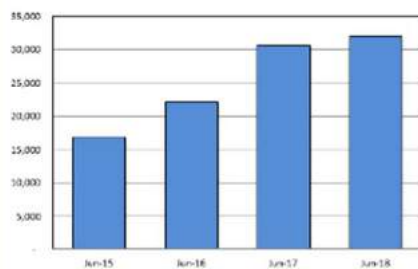
Tauranga



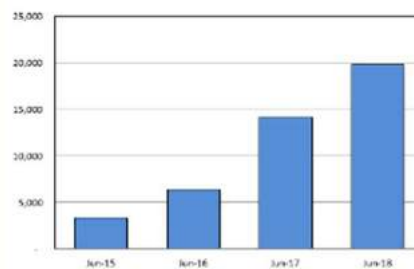
INNOVATIVE
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HANDLING
LOGISTICS

CT Site Tauranga

Container Transfer Site - Tractor Driver Hours



Container Transfer Site - Tractor Hours



OVERVIEW OF QUALITY MARSHALLING



INNOVATIVE
CARGO
HANDLING
LOGISTICS

Timaru



Timaru



INNOVATIVE
CARGO
HANDLING
LOGISTICS

Timaru

- Eleven dedicated container handlers
- Operate and maintain three mobile harbour container cranes
- 24/7 Operation Terminal Operations and Cargo shed
- 25 FTE
- Discharge of cement for Holcim

OVERVIEW OF QUALITY MARSHALLING

Workshop

- 15 FTE
- 24/7 Coverage
- Straddle and QM Servicing



OVERVIEW OF QUALITY MARSHALLING



INNOVATIVE
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HANDLING
LOGISTICS

Reefer Care Operation

- 14 FTE
- 24/7 Coverage
- High Kiwi Fruit Volume
- Full Terminal Service



Opportunities



INNOVATIVE
CARGO
HANDLING
LOGISTICS

Current Focus

- New Cargo trades through POT
- Efficiencies through IT and process improvement
- Add-ons to current operations
- Targeting of niche operations
- Good asset management

THANK YOU



INNOVATIVE
CARGO
HANDLING
LOGISTICS

QUESTIONS?



THANK YOU

