

Report 99.119
12 March 1999
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Report to the Policy and Finance Committee
from Greg Schollum, Chief Financial Officer

Port Wellington Ltd – Half Year Report

1. Purpose

To receive the half year report from Port Wellington Ltd (see **Attachment 1**).

2. Background

Councillors have received a copy of the Port Company's half year report and the results are already in the public arena.

The Chairman and Chief Executive of Port Wellington will be providing a briefing to the Directors of Port Investments Ltd and the Councillors on 26 March 1999.

3. Comment

The Port Company has recorded a very good first half year's result (unaudited) with a net profit after tax of \$2.94 million compared with \$1.76 million for the same period last year.

Given the difficulties experience by the Port Company in 1997/98 this is an encouraging result and indicates the company is competing well in a very competitive industry.

The Directors are proposing an interim dividend of \$1,500,000 be paid to shareholders (WRC's share = \$1,153,846 which would be paid to Port Investments Ltd).

The Port Company balance sheet at 31 December 1998 looks strong with a debt:equity ratio of 37:63.

4. Recommendation

That the report be received and the contents noted.

GREG SCHOLLUM
Chief Financial Officer

Attachment 1: Port Wellington – Half Year Report