

# NGĀI TAHU HOLDINGS

## QUARTERLY BOARD REPORT

Quarter Ending 30 June 2017



## Maraakitanga

Respecting and caring for others and ourselves

- Health & Safety continues to be a priority with significant focus and activity across the Group
- NTF launched **GoodYarn** a mental health initiative to ensure kaimahi and their whānau stay healthy, recognise stress and respond effectively
- NTF has nurse at Te Whenua Hou each week for free consultations with kaimahi and whānau
- NTF kaimahi volunteered and cooked meal for Ronald McDonald house
- NTF has introduced a Virtual Chef with kaimahi able to purchase precooked slow cooker meals at Kōkōmuka Lodge



## Tikanga

Upholding our customs, cultural practices and doing what is right

- Living wage has been supported by Te Rūnanga as something Te Rūnanga Group will adopt
- NTS commissioned Te Taoanga Mauri Cultural Trust for a feature at Bluff Plant
- Three new NTH kaimahi onboard to support the Values mahi across Holdings: Sharon Karipa, Rocky Roberts and Kahu Te Whaiti
- NTT tikanga training course launched with support from CVO and attended by Christchurch staff



## Rangatiratanga

Upholding the mana of people in all we do, empowering ourselves and those around us and leading by example

- Each subsidiary implementing their Values in Action plans
- NTT CE attended dinner event with TNZ Board
- NTT hosted Iain Cossar from MBIE at Rotorua businesses
- NTS sponsored and attended the annual Bluff Oyster Festival and Maori Seafood Conference

# MANAWA Kāi Tahu



Progressing our cultural, social, environmental and economic performance through living our values



## Whanaungatanga

Maintaining and nurturing positive relationships

- NTP's first kaimahi Pōwhiri and Pounamu gifting occurred in June at Tuahiwi Marae supported by manawhenua and kaumātua
- NTS continue to enhance relationships with fishers through improved engagement and communication
- NTT University of Canterbury partnership event held at Te Whare of Te Waipounamu
- NTT: Rūnanga reps involved in experience design workshops for Earth & Sky development
- NTT CE met with Tuwharetoa regarding tourism aspirations
- NTS currently supporting the Southland **waterspace** investigation
- NTP relationship with QLDC very positive and Wakatipu school progressing well. Engaging with local rūnanga with support from NTHC
- NTP pursuing potential development opportunities in North Island and South Island



## Tohungatanga

Supporting and growing our whānau to enable them to be their best

- NTP hosted its first Ngā Tohu Whawhati Kō Awards which celebrated successes across the quadruple bottom line
- NTS is continuing to support fishing scholarships to help fund young Ngāi Tahu fishers to get their tickets



## Kaitiakitanga

Protecting and enhancing our natural world and our resources

- NTC transitioned equities to responsible investment fund with Pathfinder Asset Management, removing casinos, cluster munitions and tobacco.
- Finalising carbon reporting for Te Rūnanga Group with EnviroMark Solutions audit scheduled for August
- NTF planted 30,000 kanuka and manuka plants at Te Whenua Hou and have first fruit trees for orchard
- NTS continual improvement programme on value chain handling procedures for lobster. System digitisation project at Christchurch progressing
- NTT Queenstown Hot Pools project back on track with QLDC
- NTP official opening of KEB planned for 10 August
- NTP has 103 tenants, 100% occupancy rate and weighted average lease term of 9.08 years (industry norm is 7.45)
- NTP construction underway for Tower Junction expansion project and leasing progressing well with four tenants confirmed with leases in place
- NTP Te Haumi Whakamana has provided a cash return of 6.8% and a total return of 58.0% for the 13 Rūnanga investors. Interim distribution paid in Jan 2017 with the balance to be paid in August 2017

# Financial Highlights – Full Year Net Operating Surplus \$78m – up \$9m (11%) on budget

**NOTE: It is important to note that all figures quoted are subject to year-end adjustments, the year end audit process, review and approval by the Subsidiary and Holdings Audit & Risk Committees & Boards**

Net Operating Surplus (provisional) has ended the year \$9m ahead of budget due to an exceptional final quarter where Net Operating Surplus was ahead of budget by \$8m. Residential property sales accounted for \$5m of the increase with results from the new Tourism businesses and a strong finish for Farming also contributing.

All the subs are ahead of budget (original) for the year with the exception of Capital where we are still waiting on the June results from our JVs and interest costs are under budget by \$3m due to lower rates and debt levels.

Net Surplus (provisional) is also well ahead of budget due to accelerated carbon credit sales and reversal of Agria impairment due to increase in PGW share price.

Year ended 30 June \$000	FY17	Variance to Budget	FY16
Net Operating Surplus	77,898	8,883	103,960
Net Surplus	148,017	24,398	210,545
Net Operating Cashflow (excluding pty development)	45,516	4,735	39,976
Net Operating Cashflow (including pty development)	75,541	74,506	124,371
Equity	1,268,740	17,872	1,183,675
Net Capital Expenditure/Investment	121,712	2,310	67,786

# Financial Highlights – FY17 earnings normalising after abnormal year in FY16 from residential property profits

