

Introducing Ports of Auckland

leading port company and plays a vital role in servicing New Zealand's supply chain links with the rest of the world. Handling more than \$20 billion worth of exports and imports each year, the Port of Auckland is the country's major gateway for international trade and indirectly supports many thousands of jobs around the upper half of the North Island.

Located near the heart of downtown Auckland, the port occupies some 55 hectares of mainly reclaimed land on the shores of the Waitemata Harbour on the • North Island's east coast.

Ports of Auckland Limited is New Zealand's The port company also owns:

- The regional Port of Onehunga, which serves mainly coastal ships using the Manukau Harbour on the west coast of the Auckland isthmus.
- Two inland ports, at East Tamaki and Wiri, in South Auckland, which serve importers and exporters from much of the upper North Island.
- New Zealand's leading container terminal operator, Axis Intermodal.
- Towage services on both the Waitemata and Manukau Harbours and pilot services on the Waitemata.
- 19.9% of Northland Port Corporation (NZ) Ltd, which operates the Port of Point deepwater port.
- 50% of North Tugz Ltd, which provides towage and pilotage services on the Whangarei Harbour and at Marsden Point.
- 27.5% of United Containers Ltd, New Zealand's largest container depot operator.

History

While the Company was formed in 1988, its predecessor, the Auckland Harbour Board, was established in 1871 to provide and run port facilities for sailing ships serving Auckland and its fast-growing settlements. As well as building wharves, the board undertook major land reclamations, progressively over decades extending Auckland's original foreshore from what is now Fort Street across a wide area stretching from Parnell to Freeman's Bay.

In 1988 the harbour board, which was elected by the public of Auckland and Waikato, was corporatised, becoming Ports of Auckland Limited, with ownership retained by Whangarei and part-owns the Marsden regional bodies in Auckland and Waikato. Subsequently, the Waikato Regional Council floated its 20% shareholding, and the company was listed on the New Zealand Stock Exchange. The other 80% was retained by Auckland regional bodies which later became Auckland Regional Holdings, the investment arm of the Auckland Regional Council. In July 2005 Auckland Regional Holdings Limited moved to full ownership, buying out private minority shareholders and the Company was de-listed from the stock exchange.

Mission

Ports of Auckland's mission is to ensure the most efficient and cost-effective supply chain is created for cargo between export and import customers and shipping line services for the benefit of our many stakeholders throughout the upper North Island and New Zealand. The Company is committed to:

- · Being the leading port in Australasia.
- Delivering the most competitive services and innovative supply chain solutions for shipping lines, exporters and importers.
- Embracing the principles of sustainable business development and of responsible environmental management.
- Providing New Zealand with economic and other benefits from having a healthy, efficient port.
- Being an excellent employer and a good corporate citizen.
- Delivering quality, long-term returns to its shareholder, for the benefit of the Auckland region and New Zealand overall.

Economic benefits

Ports of Auckland is a vital contributor to the regional and national economy, handling more than \$20 billion of New Zealand's international trade - twice as much as any other port. It also generates some \$11 billion a year from the flow-on benefits of port operations and trade-related businesses. This activity supports a third of the regional economy and 155,000 jobs.

In addition, Ports of Auckland provides significant funding for the Auckland region to undertake major public infrastructure improvements, via dividends to its regional shareholder. In the year ended 30 June 2006, dividends totalled \$152 million.

Auckland's port is the most important for the nation's economy, handling 45% of New

New Zealand's tourism industry also benefits from cruise ship visits, with each visit generating an average economic benefit of \$1 million.



Operations

Axis Intermodal is Ports of Auckland's specialist container terminal and inland port operator. It provides world-class container services to meet customer needs in the new era of larger, faster containerships. It provides streamlined intermodal transfers of containers for efficient hubbing of export and import cargoes, and handles 85% of Ports of Auckland's total container volumes.

Axis Fergusson is New Zealand's largest container terminal, handling some 340,000 TEU a year. By January 2007 it will have five ship-to-shore, post-panamax cranes in permanent twin-lift mode. The terminal has a berth length of 610 metres and has 31 hectares of wharf and land for container handling. The first stage [five hectares] of the reclamation extension of the terminal will increase its container handling capacity by an additional 100,000 TEU a year.

Axis Bledisloe container terminal has 14.5 hectares of wharf and land, handling 185,000 TEU a year. The terminal has two berths totalling 430 metres and 550 refrigerated container power outlets. It currently has four gantry cranes, including one post-panamax. It is gaining two post-panamax cranes by early 2007.

Axis Engineering maintains port plant and equipment and provides 24-hour breakdown and refuelling services, as well as civil maintenance and utility services.

Axis Pack provides cargo consolidation and container packing service for exporters. It has 11,500 square metres of on-wharf storage, including 8,000 square metres of dry storage areas.

Axis Rail operates the largest and most sophisticated inter-modal rail exchange in New Zealand. It has four parallel rail lines, each 500 metres long, and can accommodate 128 rail wagons at any one time. Occupying four hectares, the rail exchange currently handles an annual volume of 70,000 TEU, but has the capacity for 250,000 p.a.

Axis Shuttle serves customers using Auckland as a transshipment hub. It provides an inter-wharf cartage service using a fleet of internal movement vehicles.

Axis Inland Ports operates two inland ports, one at East Tamaki and the other at Wiri. The East Tamaki inland port opened in 2002 and serves exporters and importers in this area of South Auckland. It handles up to 25,000 TEU a year. The Wiri inland port opened a first stage in September 2005, serving exporters and importers from many parts of the upper North Island. It occupies 10 hectares which, when fully developed, will have capacity for handling 200,000 TEU a year.

General Wharves manages six conventional wharves providing a total of 3,000 metres of berthage. It handles almost 4.6 million tonnes of bulk, breakbulk and liquid cargoes, 114,000 TEU, and 185,000 new and used imported vehicles each year. It has specialist berths for bulk liquid products and cement, and liaises with all general wharf users, including four independent stevedoring firms employing some 400 to 500 waterside workers.

Marine Services provides pilotage, towage, navigational aids and line-handling services for ships visiting the Ports of Auckland and Onehunga. It operates a harbour fleet including five tugs and two pilot boats, operates port control centres for both the Waitemata and Manukau Harbours and conducts hydrographic survey work. Marine Services also manages the Overseas Passenger Terminal at Princes Wharf.

Logistics, Sales and Marketing leads the Company's drive to optimise total supply chain efficiencies and economies for all customers within New Zealand's export and import trade.

Port Infrastructure provides and maintains all port infrastructure including land, wharves, buildings, pavements, navigation and berthage infrastructure and services. It plans any expansion of facilities, undertaking reclamations, dredging and construction projects, and manages operational port property holdings. It also manages Ports of Auckland's non-operational property holdings, and liaises with regulatory authorities on property and project planning needs.



PortFolio 2006

This report is one of a PortFolio of publications produced by Ports of Auckland Limited for its diverse stakeholders in December 2006.

The PortFolio includes: Annual Review; Financial Statements; Operational Report; Community Report; Environment and Sustainability Report; Port Profile; and Staff, Health and Safety Report.

Any of the reports can be downloaded in PDF format from the Company's website, or can be obtained on request from:

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