

 **SOUTH PORT NEW ZEALAND LIMITED****NZX and Media Release**

3 July 2008

Record Annual Cargo Tonnage and Revised 2008 Profit Forecast

A record annual tonnage of 2.25 million tonnes has been achieved by Bluff port operator South Port NZ Ltd (South Port) in the 12 months ended 30 June 2008. The previous record of 2.16 million tonnes which was recorded in the prior year has been surpassed by approximately 90,000 tonnes.

In addition, the Directors of South Port having considered updated forecasts for the full year ending 30 June 2008 signalled an upgrade in forecast tax-paid profit. Shareholders were advised in the interim report that the 2008 year end profit was expected to be 5 – 10% lower than the prior year. However, the 2008 net profit after tax is now expected to be in the range of \$2.30 – \$2.35 million (2007 NPAT \$2.23 million). A final year end profit will be available on 21 August 2008 once the annual audit process is completed.

Included in the forecast 2008 profit figure are two one-off transactions which net-off to record an after-tax deduction against income of approximately \$90,000. These two transactions consist of the revaluation of a Dunedin investment property (which was sold subsequent to year end) and a one-off deferred tax charge arising from the recent change in corporate tax rate.

In addition, the sale of a back-up mobile harbour crane has been concluded this month (July 2008) and this transaction has generated an after-tax gain of approximately \$185,000 in the 2009 financial year.

South Port Chairman, John Harrington, said stronger than forecast activity in both bulk and containerised cargo activity occurred in the last two months of the financial year. This lift was due primarily to increased fertiliser, forestry and bulk cargo associated with the dairy sector plus the introduction of the MSC Capricorn weekly container shipping service.

This communication is provided under the NZX continuous disclosure obligations.

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