



NZX and Media Release

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SOUTH PORT TO REPLACE CONTAINER CRANE

South Port New Zealand Limited has entered into a NZD 6.0 million contract with European based Liebherr for the delivery of a replacement mobile harbour crane which will operate at its Bluff port.

South Port Chairman, Mr John Harrington, stated "Following the re-establishment of a global container shipping link by MSC in May 2008 the Company has achieved consistent growth in containerised cargo activity at the Port of Bluff. MSC is now a significant business partner for South Port and this capital investment decision demonstrates confidence in the joint ability of the two companies to handle future Southern container volumes.

The new model LHM 400 crane replaces the smaller Liebherr LHM 320 plant previously operated by South Port. In addition to the new container crane, the Company will also be acquiring a further heavy lift container forklift at an estimated cost of NZD 750,000. This will take the Port's container forklift fleet to a total of 5 heavy lift units.

Mark O'Connor, the Chief Executive, said "This is the single largest capital expenditure decision since the Company was established in 1989 and will ensure that South Port has an ongoing role to play in servicing the large amount of containerised product generated in the lower part of the South Island. The MSC Capricorn weekly service has been well supported by the region's exporters and importers, offering a competitive option to distribute goods to offshore markets."

Mr O'Connor added "While it is acknowledged that the shipping and port sector is subject to constant change, the presence of key export industries in Southland should ensure there is an ongoing need to deliver an efficient container handling capability at the regional port. This function may ultimately take the form of a container feeder model (coastal distribution) but nonetheless will be vital for providing transport/distribution cost savings for our customers."

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