

File No: CFO 21/3/1  
21 June 2004

Nigel Gould  
Chairman  
Centreport Ltd  
PO Box 794  
Wellington

Dear Nigel

### **Centreport - 2004/05 Draft SCI**

On 17 June 2004 the Board of Port Investments Ltd (PIL) considered the 2004/05 ~~draft~~ SCI for Centreport.

While happy with many of the wording changes proposed by the CentrePort Board, the PIL Directors are not yet sufficiently comfortable on the following key matters to be able to provide assurance to the Council as ultimate shareholder:

- The implications of broadening the focus of the SCI from 'port operations' to 'transport logistics solutions'
- The concept of a fixed \$ amount of dividend and the appropriateness of the level of \$3.6 million chosen by Centreport
- The implications of Centreport not wishing to establish a separate property company.

The PIL Directors also noted the commitment of Centreport (per clause 11.2 of the ~~draft~~ SCI) to outline to shareholders the Port's strategic plan, and considered that the best way forward was for the Centreport Board and PIL Board to meet with key officers to discuss those matters further. You may also wish to involve Chris Lester from Horizons Regional Council.

From our point of view we wish to do this prior to 24 August 2004 to enable us to report to Council at this time and to enable feedback to be provided to CentrePort on the CentrePort SCI before the end of August 2004.

I therefore propose the following possible dates for a joint meeting of our two Boards:

13 August 2004

18 August 2004

LTR N GOULD RE 200445 DRAFT SCI

Could you please advise the availability of your Board for such a meeting. We accept that it may not be possible for all CentrePort Directors to attend.

I look forward to hearing from you.

Yours sincerely



**Margaret Shields**  
Chairperson, Port Investments Ltd

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