



CDL  
INVESTMENTS  
NEW ZEALAND  
LIMITED



*I n t e r i m   R e p o r t*  
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## **Chairman's Review**

### ● *FINANCIAL INFORMATION*

The Directors of CDL Investments New Zealand Limited announce an unaudited operating profit after tax for the six months ended 30 June 2002 of \$2,587,000, up 90% from the corresponding period in the previous year. Total revenue increased 7.6% to \$12,114,000. The previous years revenue included revenue from the now disposed of business unit, Knight Frank New Zealand Ltd. A total of 104 section sales were made during the period under review, as compared to 111 during the same period last year.

The increase in net profit after tax was due to section sales being in the mid value range from Highfields and Waimanu Bay, whereas last year section sales predominately came from the low value groups.

Shareholders' funds as at 30 June 2002 were \$41.8 million (31 December 2001: \$39.2 million) and total assets stood at \$53.8 million (31 December 2001: \$51.5 million). The net tangible asset value was 22.3 cents per ordinary share (31 December 2001: 20.9 cents).

### ● *MARKET OVERVIEW*

The residential property market was buoyant for the first half of the year. Consumer and business confidence in the local economy was evident. This was supported by comparatively low interest rates, better wages, increasing employment and general economic growth.

However, towards the end of the period under review, sales activity in the market began to soften as interest rates started to trend up.

### ● *REGIONAL BREAKDOWN*

For the first half of 2002, the Auckland market traded well in the mid to upper end price bracket. As an example, 36 sales were achieved at Waimanu Bay for a total sale value of \$6,171,556. This compares to 13 sales for the same period last year. Highfields also traded well with 38 sales. Flagstaff and Ashmore in Hamilton began the year slowly, but the general level of inquiry increased as the year progressed and we are now achieving a reasonable level of sales from both developments. Though Tauranga remains slow, the inquiry level has increased in May and June. We anticipate sales to lift in both Oteki and Village Park during the second half of the year.

### ● *ACQUISITIONS*

In April this year, CDL Land New Zealand Limited acquired a further 4 hectares of residential land adjoining its East Coast Bays land holding in Auckland. This acquisition brings the total land portfolio to 244 hectares. CDL Land New Zealand Limited will continue to actively and selectively seek land investment and development opportunities in key growth areas to enhance future earnings.

## ● FUTURE OUTLOOK

The outlook for the residential property sector is dependent on the path taken by the Reserve Bank in setting its monetary policy. In addition, it will depend on the fiscal policy adopted by the new Government. However, given current conditions we expect residential sales growth to continue, albeit at a slower pace than the first half.

CDL Land New Zealand Limited has a good range of sections available in most price brackets. A further 60 sections are shortly to be released in Auckland and Hamilton. As such, the strong balance sheet of the Company will enable it to take advantage of any opportunities that may arise.

The Board remains confident of the ongoing profitability of CDL Investments New Zealand Limited.

**J Wilson**

Chairman

8 August 2002

## **Corporate Directory**

### **Board of Directors**

J Wilson, Chairman

JM Tsang, Managing Director

HR Wong

VWE Yeo

DJ Lindsay, Executive Director

J Henderson

### **Registered Head Office**

Level 13, 280 Queen Street

PO Box 3248, Auckland 1

Telephone 09 913 8012

Facsimile 09 913 8098

### **Share Registrar**

Computershare Registry Managers (New Zealand) Limited

### **Auditors**

KPMG, Auckland

### **Bankers**

ANZ Banking Group (New Zealand) Limited

## Consolidated Statement of Financial Performance

For the Half Year Ended 30 June 2002

	Unaudited 6 months to 30/6/02 \$NZ'000	Unaudited 6 months to 30/6/01 \$NZ'000
<b>OPERATING REVENUE</b>		
Sales Revenue	11,935	11,016
Other Revenue	179	237
<b>Total Operating Revenue</b>	<b>12,114</b>	<b>11,253</b>
Operating Profit Before Other Items and Tax	3,843	2,028
Less tax on Operating Profit	1,256	669
<b>Operating Profit After Tax Attributable to Shareholders</b>	<b>2,587</b>	<b>1,359</b>
<b>DETAILS OF SPECIFIC RECEIPTS /OUTLAYS, REVENUES/EXPENSES</b>		
Interest Revenue	105	119
Interest Expense	-	(16)
Interest Costs capitalised into Assets	(249)	(361)
Depreciation	(5)	(138)
<b>Earnings (in Cents) per Ordinary Share</b>	<b>1.38</b>	<b>0.73</b>
<b>Net Asset Backing Before Distributions (Cents per Share)</b>	<b>22.30</b>	<b>21.80</b>

### ISSUED AND QUOTED SECURITIES

As at 30 June 2002

187,144,244 Ordinary Shares

## Consolidated Statement of Financial Position

As at 30 June 2002

	Unaudited 6 months 30/06/02 \$NZ'000	Audited Year 31/12/01 \$NZ'000	Unaudited 6 months 30/6/01 \$NZ'000
<b>CURRENT ASSETS</b>			
Cash	4,384	-	338
Accounts Receivables and Prepayments	12,731	10,457	15,096
Property for Developments & Resale Within Current Year	7,330	8,067	7,865
Prepaid Tax	8	705	334
<b>Total Current Assets</b>	<b>24,453</b>	<b>19,229</b>	<b>23,633</b>
<b>NON-CURRENT ASSETS</b>			
Property for Developments & Resale After Current Year	29,318	32,268	30,610
Fixed Assets	27	19	668
Intangibles	-	-	153
<b>Total Non-Current Assets</b>	<b>29,345</b>	<b>32,287</b>	<b>31,431</b>
<b>Total Assets</b>	<b>53,798</b>	<b>51,516</b>	<b>55,064</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable and Accruals	1,641	1,010	1,426
Bank Overdraft	-	1,042	-
<b>Total Current Liabilities</b>	<b>1,641</b>	<b>2,052</b>	<b>1,426</b>
<b>NON-CURRENT LIABILITIES</b>			
Term Loans	10,000	9,894	11,900
Deferred Taxation	392	392	938
<b>Total Non-Current Liabilities</b>	<b>10,392</b>	<b>10,286</b>	<b>12,838</b>
<b>Total Liabilities</b>	<b>12,033</b>	<b>12,338</b>	<b>14,264</b>
<b>Net Assets</b>	<b>41,765</b>	<b>39,178</b>	<b>40,800</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share Capital	21,649	21,649	21,649
Capital Reserves	83,020	83,020	85,991
Accumulated Losses	(62,904)	(65,491)	(66,840)
<b>Total Shareholders' Equity</b>	<b>41,765</b>	<b>39,178</b>	<b>40,800</b>

## Consolidated Statement of Cash Flows

For the Half Year Ended 30 June 2002

	Unaudited 6 months to 30/6/02 \$NZ'000	Unaudited 6 months to 30/6/01 \$NZ'000
<b>CASH FLOWS RELATING TO OPERATING ACTIVITIES</b>		
<i>Cash Was Provided From:</i>		
Receipts From Customers	15,109	11,185
Interest Received	105	119
	<b>15,214</b>	<b>11,304</b>
<i>Cash Was Applied To:</i>		
Payments to Suppliers and Employees	(9,526)	(8,644)
Interest Paid (Including Capitalised Interest)	(249)	(377)
Income Taxes Paid	-	(203)
	<b>(9,775)</b>	<b>(9,224)</b>
<b>Net Operating Cash Flows</b>	<b>5,439</b>	<b>2,080</b>
<b>CASH FLOWS RELATING TO INVESTING ACTIVITIES</b>		
<i>Cash Was Applied To:</i>		
Cash Paid For the Purchase of Fixed Assets	(13)	(99)
	<b>(13)</b>	<b>(99)</b>
<b>Net Investing Cash Flows</b>	<b>(13)</b>	<b>(99)</b>
<b>CASH FLOWS RELATING TO FINANCING ACTIVITIES</b>		
<i>Cash Was Provided From:</i>		
Borrowings	-	2,900
	<b>-</b>	<b>2,900</b>
<i>Cash Was Applied To:</i>		
Dividends Paid	-	(3,084)
	<b>-</b>	<b>(3,084)</b>
<b>Net Financing Cash Flows</b>	<b>-</b>	<b>(184)</b>
<b>Net Increase in Cash Held</b>	<b>5,426</b>	<b>1,797</b>
Cash At Beginning of Half Year	(1,042)	(1,459)
<b>Cash At End of Half Year</b>	<b>4,384</b>	<b>338</b>

## Reports for Industry and Geographic Segments

Segment Information for the six months ended 30 June 2002

The Company only operates in New Zealand and is primarily involved in property development.