



**Auckland Regional  
Holdings**

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## **Media Response to Ports merger issue**

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### **Merger proposal “unworkable” and “unfair” to ARH**

The merger talks between Ports of Auckland Limited (POAL) and the Port of Tauranga (POT) formally ended in July of this year. Judith Bassett, the Chair of Auckland Regional Holdings (ARH), acknowledges that there was considerable disappointment from POT at that outcome but that the proposal that was being discussed was not in the interests of the Auckland region.

Professional advisors, Cameron Partners, advised ARH that the POT proposal “is unworkable in its current form and is unfair to ARH”. That proposal in effect gave one-third ownership of the merged entity to Quayside Holdings (majority shareholder of POT); one-third to individual shareholders (predominantly from POT); and only one-third to ARH (for the benefit of the Auckland Region).

Judith Bassett said, clearly, this was not in the best interests of people in the Auckland region.

“It’s commonly assumed by most analysts that some form of business combination between the two port companies would have had strong merit,” she said. “Cameron Partners concurred with that view. The difficulty lay in obtaining the synergy benefits of a merger in a way that preserved the interests of both parties and the long-term interests of the Auckland region.”

ARH, the owner of POAL, said in July this year that the proposed merger doesn’t align with ARH’s long-term strategic investment approach for both this equity investment, and ARH’s total \$1.4 billion investment portfolio.

**ENDS**

### **Note to editors**

Auckland Regional Holdings (ARH) is a statutory investment management entity. ARH’s objective is to act in long-term interests and for the benefit of the Auckland region, and to manage its assets prudently. ARH has approximately \$1.45 billion in assets, which includes 100% ownership of Ports of Auckland, investment property in the Wynyard Precinct, and a large treasury portfolio. ARH’s investment returns are used by the Auckland Regional Council to fund transport and stormwater programmes in the Auckland region.

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