



Report 04.365
Date 21 June 2004
File CFO/9/1/1

Committee Policy, Finance and Strategy
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WRC Holdings Ltd - Dividends

1. Purpose

To note and approve the intention of WRC Holdings Ltd to pay out in dividends 100% of its 2003/04 net profit after tax.

2. Background

On 17 June 2004 the Directors of WRC Holdings Ltd resolved:

“that the Directors of WRC Holdings Ltd approve, subject to satisfying the solvency test, a provision for dividend for the year ending 30 June 2004 equating to 100% of the net profit after tax (excluding revaluation gains and losses), and advise the Wellington Regional Council accordingly”.

The above resolution is a record of the obligation of Directors to make such a dividend payout once the 2003/04 annual report for WRC Holdings Group has been finalised. This obligation is consistent with the WRC Holdings Statement of Intent (SOI) for 2003/04, although the actual dollar level of dividend is expected to be below the targeted level of dividend in the SOI as a result of the lower than planned dividend from CentrePort.

I expect that the annual report of WRC Holdings Ltd will be finalised during September, with the dividend likely to be paid in October.

This report is the formal advice to the Council of the intention of Directors of WRC Holdings Ltd to pay the dividend.

3. Communications

No specific opportunities at this time.

4. Recommendations

That the Committee recommend that Council:

- (1) receive the report and note its contents.*
- (2) approve the intention of the Directors of WRC Holdings Ltd to pay a dividend to the shareholder equating to 100% of the company's 2003/04 net profit after tax (excluding revaluation gains and losses).*

Report prepared by:

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