

CDL Investments New Zealand Limited and its Subsidiary

Consolidated Interim Statement of Comprehensive Income

For the half year ended 30 June 2014

In thousands of dollars	Note	Unaudited 6 Months to 30/06/14	Unaudited 6 Months to 30/06/13
Revenue		24,879	15,327
Cost of sales		(12,465)	(6,571)
Gross profit		12,414	8,756
Other income		30	23
Administrative expenses		(110)	(108)
Property expenses		(175)	(243)
Selling expenses		(925)	(633)
Other expenses		(402)	(299)
Results from operating activities		10,832	7,496
Finance income		580	466
Net finance income		580	466
Profit before income tax		11,412	7,962
Income tax expense		(3,195)	(2,229)
Profit for the period		8,217	5,733
Total comprehensive income for the period		8,217	5,733
Profit attributable to:			
Equity holders of the Parent		8,217	5,733
Total comprehensive income for the period		8,217	5,733
Earnings per share			
Basic earnings per share (cents)	3	2.99c	2.10c
Diluted earnings per share (cents)	3	2.99c	2.10c

The accompanying notes form part of, and should be read in conjunction with these financial statements.

CDL Investments New Zealand Limited and its Subsidiary

Consolidated Interim Statement of Changes in Equity

For the half year ended 30 June 2014

In thousands of dollars	Note	Share Capital	Retained Earnings	Total Equity
Balance at 1 January 2013		48,941	57,527	106,468
Total comprehensive income for the period				
Profit for the period		-	5,733	5,733
Total comprehensive income for the period		-	5,733	5,733
Shares issued under dividend reinvestment plan	2	3,558	-	3,558
Dividend to shareholders		-	(4,566)	(4,566)
Supplementary dividend		-	(113)	(113)
Foreign investment tax credits		-	113	113
Balance at 30 June 2013		52,499	58,694	111,193
Balance at 1 January 2014		52,499	66,366	118,865
Total comprehensive income for the period				
Profit for the period		-	8,217	8,217
Total comprehensive income for the period		-	8,217	8,217
Shares issued under dividend reinvestment plan	2	408	-	408
Dividend to shareholders		-	(5,494)	(5,494)
Supplementary dividend		-	(145)	(145)
Foreign investment tax credits		-	145	145
Balance at 30 June 2014		52,907	69,089	121,996

The accompanying notes form part of, and should be read in conjunction with these financial statements.

CDL Investments New Zealand Limited and its Subsidiary

Consolidated Interim Statement of Financial Position

As at 30 June 2014

	Unaudited as at 30/06/14	Audited as at 31/12/13	Unaudited as at 30/06/13
In thousands of dollars			
SHAREHOLDERS' EQUITY			
Issued capital	52,907	52,499	52,499
Retained earnings	69,089	66,366	58,694
Total Equity	121,996	118,865	111,193
<i>Represented by:</i>			
NON CURRENT ASSETS			
Property, plant and equipment	4	4	6
Development property	75,391	53,455	65,353
Investment in associate	2	2	2
Total Non Current Assets	75,397	53,461	65,361
CURRENT ASSETS			
Cash and cash equivalents	31,303	33,159	26,381
Trade and other receivables	1,039	537	1,039
Development property	15,558	33,178	18,882
Total Current Assets	47,900	66,874	46,302
Total Assets	123,297	120,335	111,663
NON CURRENT LIABILITIES			
Deferred tax liabilities	132	132	220
Total Non Current Liabilities	132	132	220
CURRENT LIABILITIES			
Trade and other payables	153	204	114
Employee entitlements	21	14	20
Income tax payable	995	1,120	116
Total Current Liabilities	1,169	1,338	250
Total Liabilities	1,301	1,470	470
Net Assets	121,996	118,865	111,193

The accompanying notes form part of, and should be read in conjunction with these financial statements.

CDL Investments New Zealand Limited and its Subsidiary

Consolidated Interim Statement of Cash Flows

For the half year ended 30 June 2014

	Unaudited 6 Months to	Unaudited 6 Months to
In thousands of dollars	30/06/14	30/06/13
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash was provided from:		
Receipts from customers	24,396	15,360
Interest received	591	279
Cash was applied to:		
Payments to suppliers	(13,751)	(8,812)
Payments to employees	(164)	(156)
Purchase of development land	(4,522)	-
Income tax paid	(3,175)	(3,067)
Net Cash Inflow from Operating Activities	3,375	3,604
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash was applied to:		
Purchase of plant and equipment	-	(1)
Net Cash Outflow From Investing Activities	-	(1)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash was applied to:		
Dividend paid	(5,086)	(1,008)
Supplementary dividend paid	(145)	(113)
Net Cash Outflow from Financing Activities	(5,231)	(1,121)
Net Increase/(Decrease) in Cash and Cash Equivalents	(1,856)	2,482
Add Opening Cash and Cash Equivalents	33,159	23,899
Closing Cash and Cash Equivalents	31,303	26,381

CDL Investments New Zealand Limited and its Subsidiary

Consolidated Interim Statement of Cash Flows - continued

For the half year ended 30 June 2014

	Unaudited 6 Months to	Unaudited 6 Months to
In thousands of dollars	30/06/14	30/06/13
RECONCILIATION OF PROFIT FOR THE PERIOD TO CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit after taxation	8,217	5,733
Adjusted for non cash items:		
Depreciation	-	1
Income tax expense	3,195	2,229
Adjustments for movements in working capital:		
Increase in receivables	(502)	(177)
Increase in development properties	(4,316)	(974)
Decrease in payables	(44)	(141)
Cash generated from Operating Activities	6,550	6,671
Income tax paid	(3,175)	(3,067)
Cash Inflow from Operating Activities	3,375	3,604

The accompanying notes form part of, and should be read in conjunction with these financial statements.

CDL Investments New Zealand Limited and its Subsidiary

Notes to the Consolidated Interim Financial Statements

For the half year ended 30 June 2014 (unaudited)

1. Significant Accounting Policies

Reporting Entity

CDL Investments New Zealand Limited (the "Company") is a company domiciled in New Zealand, registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange. The Company is an issuer in terms of the Financial Reporting Act 1993.

The consolidated interim financial statements of CDL Investments New Zealand Limited as at and for the half year ended 30 June 2014 comprise the Company and its subsidiary (together referred to as the "Group").

The principal activity of the Group is the development and sale of residential land properties.

(a) Statement of compliance

The consolidated interim financial statements have been prepared in accordance with the requirements of the Companies Act 1993, Financial Reporting Act 1993 and New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with NZ IAS 34 - Interim Financial Reporting.

The consolidated interim financial statements do not include all of the information required for full annual financial statements.

The accounting policies applied by the Group in these consolidated financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2013.

The consolidated interim financial statements were authorised for issuance on 31 July 2014.

2. Share Capital

Under the Company's Dividend Reinvestment Plan, an additional 793,321 shares were issued on 16 May 2014 (2013: 6,078,721) at a strike price of \$0.5145 (2012: \$0.5854).

At 30 June 2014, the authorised share capital consisted of 275,468,365 fully paid ordinary shares (2013: 274,675,044).

3. Earnings Per Share

The calculation of basic and diluted earnings per share at 30 June 2014 of 2.99 cents (30 June 2013: 2.10 cents) was based on the profit attributable to ordinary shareholders of \$8,217,000 (30 June 2013: Profit \$5,733,000); and weighted average number of shares of 274,876,661 (30 June 2013: 272,648,804) on issue in the period.

4. Segment Reporting

Operating segments

The single operating segment of the Group consists of property operations, comprising the development and sale of residential land sections.

The Group has determined that its chief operating decision maker is the Board of Directors on the basis that it is this group which determines the allocation of resources to segments and assesses their performance.

Geographical segments

Segment revenue is based on the geographical location of the segment assets. All segment revenues are derived in New Zealand.

Segment assets are based on the geographical location of the development property. All segment assets are located in New Zealand. The Group has no major customer representing greater than 10% of the Group's total revenues.

5. Material Events Subsequent to the end of the Interim Period

There were no material events subsequent to the end of the six month period ended 30 June 2014 (30 June 2013: Nil) that would require disclosure.

6. Changes in Contingent Liabilities and Contingent Assets since last Annual Balance Sheet Date

There were no changes in contingent liabilities and contingent assets that would require disclosure for the six month period ended 30 June 2014 (30 June 2013: Nil). There were no contingent liabilities or contingent assets as at 30 June 2014 (30 June 2013: Nil).

7. Related Party Transactions

CDL Investments New Zealand Limited is a subsidiary of Millennium & Copthorne Hotels New Zealand Limited by virtue of Millennium & Copthorne Hotels New Zealand Limited owning 67.06% (30 June 2013: 67.25%) of the Company and having three out of five of the Directors on the Board. Millennium & Copthorne Hotels New Zealand Limited is 70.22% owned by CDL Hotels Holdings New Zealand Limited, which is a wholly owned subsidiary of Millennium & Copthorne Hotels plc in the United Kingdom. The ultimate holding company is Hong Leong Investment Holdings Pte Ltd in Singapore.

During the six month period ending 30 June 2014 CDL Investments New Zealand Limited has reimbursed its parent, Millennium & Copthorne Hotels New Zealand Limited, \$102,000 (30 June 2013: \$101,000) for expenses incurred by the parent on behalf of the Group.

Subsidiary	Principal Activity	% Holding by CDL Investments New Zealand Limited	Balance Date
CDL Land New Zealand Limited	Property Investment and Development	100.00	31 December

Associate	Principal Activity	% Holding by CDL Land New Zealand Limited	Balance Date
Prestons Road Limited	Service Provider	33.33	31 March

CHAIRMAN'S REVIEW

Financial Performance:

The Directors of CDL Investments New Zealand Limited ("CDLI") advise that the Company has made an unaudited operating profit after tax of \$8.217 million for the six month period ending 30 June 2014 (30 June 2013: \$5.733 million). Operating profit before tax was \$11.412 million (30 June 2013: \$7.962 million). This is an increase of 43.33%.

Property sales and other income for the period increased by 62.27% to \$24.909 million (30 June 2013: \$15.350 million). Net Asset Backing (at cost) as at 30 June 2014 was 44.3 cents per share (30 June 2013: 40.5 cents per share).

Portfolio update:

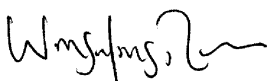
Sales made to 30 June 2014 have come from the Company's developments in Auckland (Harrowglen), Hamilton (Magellan) and Rolleston (Stonebrook). The Company sold a total of 133 sections in the year to date (2013: 68).

Additional stages were completed at the Company's subdivisions at Hamilton and Rolleston. Earthworks are well advanced at the Company's Prestons Road (Christchurch) with civil works starting this month.

The Company acquired a further 4.1 hectares of land in Auckland during the period.

Commentary and Outlook:

The Board is satisfied with the level of sales made in the first half of 2014 as well as the profit result for the period but has noted that the market shows signs of softening. The Company is, however, targeting a forecast profit on a comparable level with its 2013 results given the level of unconditional sales it has on hand.



Wong Hong Ren
Chairman
31 July 2014

31 July 2014

CDL INVESTMENTS INCREASES 2014 HALF-YEAR PROFIT BY 43%

Property development and investment company CDL Investments New Zealand Limited (NZX:CDI) today released its (unaudited) results for the six months to 30 June 2014 and announced an operating profit of \$8.217 million (30 June 2013: \$5.733 million) on revenue of \$24.909 million (30 June 2013: \$15.350 million).

Managing Director Mr. B K Chiu said that CDI had sold a total of 133 sections in the first half of 2014 and these had been sourced from the Company's developments at Auckland, Hamilton and Rolleston (Canterbury). Additional stages had been completed at CDI's Stonebrook (Rolleston) and Magellan heights (Hamilton) developments. CDI also acquired a further 4.1 hectares of land in Auckland in the period.

"We are pleased with the level of sales we have made so far and that we have been able to increase our half year profit once again".

"We do expect sales to be slightly softer in the second half of the year than in the first. Forecast increases in mortgage interest rates and property availability generally will impact the property markets", Mr. Chiu said.

Despite this, Mr. Chiu said that the Company was forecasting a 2014 profit on a comparable level with its 2013 results given the number of unconditional sales it had on hand.

ENDS

Issued by CDL Investments New Zealand Ltd

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