



# KA PIRI TAHI, KUA KOKE

KEEPING TOGETHER IS PROGRESS



AOTEAROA  
*fisheries limited*

2013 INTERIM REPORT



# NO TĀTŌU TE

# TE PŪRONGO A NGA TUMU

# DIRECTORS' REPORT

Ka tāpaengia iho e ngā Tumu te pūrongo weherua tau hei tuaritanga mā te te Kamupene ki ō tātou kaupupurihea mō ngā marama e ono taea noatia te 31 o Poutū te Rangi, 2013.

#### Whanonga pūtea

Ko te huanga o te Rōpū mō ngā marama e ono taea noatia te 31 o Poutū te Rangi, 2013, ko te \$7.2 miriona, ka whakaritea ki te \$17.3 miriona i tēnei wāhanga o tērā tau.

Hei tā te Rōpū, he whakatukaru kē tēnei huanga weherua tau, ā, he tohu o tā Aotearoa Fisheries hea e 50% o ā Sealord Group nama mō taua wā. E puta haere ana a Sealord i tana mahinga ika i Argentina, ā, i roto i taua mahi kua hua he nama moni whakangao e \$7.0 miriona te nui (tā Aotearoa Fisheries hea 50%) mō ngā marama e ono taea noatia te 31 o Poutū te Rangi, 2013, e whakaritea ana ki temoni whakangao o Argentina. Waihoki, he nui kē i tā mātou i pōhēhē ai ngā nama mahinga i Argentina.

He whakakoakoa te whanonga o ō Aotearoa Fisheries ake wāhanga umanga, ā, 7% te pikinga mō taua wā i tērā tau. E whaihua ana ki te huanga onaiānei ngā panonitanga i pā ki tō Moana Pacific umanga i tērā tau.

He koanga ngākau te pūrongo ake i te hekenga o ngā utu pūtea mō taua wā ki te \$2.0 miriona, e \$0.7 miriona iti iho i taua wāhanga o tērā tau, he tohu o te hekenga o ngā auau huamoni.

The Directors of Aotearoa Fisheries present the interim report for the Company to our shareholders for the six months to 31 March 2013.

#### Financial Performance

For the six months ended 31 March 2013, the Group's profit is \$7.2 million, compared to \$17.3 million for the same period last year.

From a Group perspective this interim profit is very disappointing, and reflects Aotearoa Fisheries 50% share of Sealord Group's loss for the period. Sealord are in the process of exiting their Argentinian fishing operation, and included in the Group profit of \$7.2 million is an investment impairment charge of \$7.0 million in relation to the Argentinian business.

The performance from Aotearoa Fisheries own business units was very pleasing and is up 7% from the same period last year. The changes to the Moana Pacific business that were implemented last year are now starting to have a positive effect on profit.

Pleasing to report is the reduction in finance expenses for the period to \$2.0 million, \$0.7 million lower than last year's comparative period, reflecting a reduction in interest rates.

# E IWI MĀORI

OWNED BY ALL MAORI

## Ā Mātou Mahi Our Operations

### Ika mākūkū

He rawe kē te hāwhe tuatahi o te tau ki a Moana Pacific Fisheries me OPC Fish and Lobster. He rawe ngā ritenga hao i te waru mō ngā momo nunui katoa. He whakamanawa ngā utu ika e pakari haere nei.

Nā te whakahounga hanga o tō Moana Pacific Fisheries umanga i tērā tau te hua pūtea o te moni whakangao i tēnei umanga i tautoko. Kua huri ngā pātaka i te Ika Tapu a Maui hei taupuni, ā, kua māia ake te whakahaerenga take rauemi me te pīkaunga roroa.

### Koura

He pai te whanonga o ngā mahinga koura, ā, e pakari tonu ana ngā utu tuku rawa o te koura, ahakoa te iti iho o te utu taurite i tā taua wāhanga o tērā tau. He whakamanawa kē tēnei otinga i te taumaha o te wā; ngā utu nui o te HIT (Haonga Ika ā Tau) i te whakataetae kaha me te mauritau o te ohanga Hainamana.

### Pāua

E ngoikore ana ngā mākete o Singapore, Hong Kong me Haina i te kainamutanga o te Tau Hou Hainamana. He huhua ngā take i iti iho ai te hiahoko i Singapore tēnā i tō ngā tau kua hipa, ā, e ngoikore ana te hiahoko puta i Haina, he tohu o te auhekenga whānui i te ratonga kai. He hua tēnei hanga o ngā tohutohu a te Kāwanatanga kia heke te hokonga okawa o ngā koha me te whakangahau.

### Kete kai & Tāhere Ō

Kua whakapakaritia e te tāpiringa o te rārangī whānui o ngā kōwhiringa kai te rārangī o ngā whakaputanga-hua tāmau, rite-kia-kainga ki ngā kaihoko. Kei tua o tā mātou i pōhēhē ai ngā hokonga i konei. E kaha tonu ana te hiahoko ki ngā tāhere ō taua e takangia ana, e hokona ana hoki i te ūmanga mahinga tahi i te Papaioea, i Prepack Limited.

### Tio

E haere tonu ana ngā pānga kino o te huaketo tio, o te OsHV-1 (Ostried - herpesvirus - variant 1), ā, ko te otinga ia ko te onge o te tio o Aotearoa. Nā te onge nei i pakari haere ai ngā utu i ngā mākete katoa, engari nā te huaketo i kūtia ai te nui.

E mārō ana te haere a te rautaki whakatupu hou a Pacific Marine Farm, arā ko te korekore o te tahuri ki te pūhou mohoa mōrearea, me te pikinga o te nui o ngā tio e whānau ana i te paopaonga i Whakatū.

### Sealord Group Limited

E haere tonu ana ngā wero ki te rāngai mahi noho-kōpua, ā, kua taumaha kē wēnei marama e ono mō Sealord Group Limited.

Ahakoa ngā whakahararanga i roto o Sealord Group, kua pēhia te whanonga o te Rōpū e ngā hēhē kikino i tō Sealord mahinga i Argentina. Nā runga i te āhuaranga ohanga i ngā mahinga ika o Argentina, kua whakatau a Sealord ki te puta i Argentina, me te mea nei ka aukatia katoatia te pākihi mō te mutunga o te tau pūtea. E hokona haeretia ana ngā rawa a Sealord i Argentina, ā, ka katia katoatia te pākihi a te mutunga o te tau pūtea. Ko te hua o te putanga i Argentina ko te whakahēkenga uara a Sealord i te moni whakangao e ū ai ngā rawa i Argentina ki ngā uara e taea ai. Ko te otinga atu ko te wāhi ki Aotearoa Fisheries o te huanga a Sealord mō ngā marama e ono taea noatia te 31 o Poutū te Rangī ko te nama mō taua wā.

### Wetfish

Moana Pacific Fisheries and OPC Fish and Lobster had an encouraging first half of the year. The good weather over the summer months provided excellent harvesting conditions across all major species. Fish prices have been encouraging with prices getting stronger.

The restructuring of the Moana Pacific Fisheries business that occurred last year has helped improve the return on investment of this business. The North Island depots have been converted into transitional facilities with improved efficiency of logistics management and long haul transportation.

### Lobster

The lobster fisheries have performed well and lobster export market prices have remained strong, although the average price is lower than for the same period last year. This result is pleasing given challenging conditions; high ACE prices as a result of strong competition and the cooling of the Chinese economy.

### Abalone

Singapore, Hong Kong and China markets leading up to Chinese New Year were weaker this year. Demand from Singapore was lower than prior years for a variety of reasons and demand across China was soft reflecting an overall downturn in food service in response to Government directives to reduce official spending on gifts and entertainment.

### Pouch Meals & Ration Packs

The addition of a wider variety of menu options has enhanced the shelf-stable ready-to-eat product offering to customers. Sales in this area have exceeded expectations. Demand has remained steady for defence force ration packs which are assembled and sold through the Palmerston North based joint-venture, Prepack Limited.

### Oysters

The continuing effects of the OsHV-1 (Ostried – herpesvirus – variant 1) oyster virus have meant there continues to be a shortage of New Zealand Pacific oysters. This shortage has resulted in a strengthening of prices in all markets, however due to the virus, quantities are still constrained.

Pacific Marine Farm's new growing strategy of reduced reliance on vulnerable wild caught spat, and an increased number of oysters spawned in the Nelson hatchery is proceeding positively.

### Sealord Group Limited

The deep-water fishing sector continues to face on-going challenges, and the first six-months have proven to be exceptionally so for Sealord Group Limited.

While there are bright spots within Sealord Group, unfortunately heavy losses from Sealord's Argentinean operations have dragged down the performance of the Group. In light of the economic situation of the Argentinian fishing, Sealord has taken the decision to exit from Argentina with the intention to completely close down the Argentinian business by the end of the financial year. As a consequence of exiting Argentina, Sealord has made an investment write-down to bring the Argentinean assets in line with their realisable values, and this has resulted in Aotearoa Fisheries share of Sealord profit for the six months ending 31 March 2013 being a loss for the period.

E rite ana ngā tāpekenga rōrahi haonga mō NZ Fishing ki tā te mahere i tohu ai, heoi anō ka pai noa atu te huanga mō NZ Fishing ki te kore ngā utu ika i ngā māketē nunui o Sealord i te Tuakoi ki te Raki e hekeheke, ki te kore hoki te tāra o Aotearoa e pakari haere. Me mihi ka tika ki ā Sealord pākihi ahu moana i Ahitereiria i te pai o ngā huanga. He pai tonu wēnei marama e ono mō Sealord Caistor i Peretānia. E eke ana te wāhanga hua kiritaki ki te taumata i tohua ai, ā, i pukumahi taua wāhanga i te koata tuarua ki te whakarite i te tari Kiritaki o Ahitereiria hei hoko atu ki te kiritaki tonu, kua mā roto i te Kailis Bros Alliance.

E mārō ana te haere, e pai ana te whanonga o te ūmanga mahinga tahi kuku me Sanford Limited i te Ika Tapu a Maui, me ngā ritenga koretake mō te whakatupu kuku i te hāpori mahi. I puta he hua i te hokonga o ngā pāmu kuku i te Tai Pounamu i ngā marama e ono taea noatia te 31 o Poutū te Rangi, 2013, he ritenga tēnei i tā Sealord rautaki ki te puta i ngā pāmu kuku i reira.

He autāia tonu te whanonga o tō Sealord whakangaonga e 50% i Westfleet Fishing, kei te Tai Pounamu, i eke panuku, i eke Tangaroa. He whakahirahira tonu ki a Sealord ko te haumarutanga, ā, e haere tonu ana te ritenga o ngā tau kua pahure i wēnei marama e ono, arā e pai haere ana. E 3 te auau taotū mahue wā mahi i te tau taea noatia te 31 o Poutū te Rangi, he hekenga i te 5 i te tau o mua atu.

## Matapae

E matapaetia ana ka rite ngā āhuaranga pākihi o te hāwhe tuarua o te tau ki ō te hāwhe tuatahi. He wero tonu te whakapakaritanga o te tāra o Aotearoa ki te pākihi, ā, kāore he hua o te hoko i wētehi māketē o te ao.

Ka kaha werohia a Sealord i te hāwhe tuarua o te tau. Tērā pea ka hēhē tonu te āhua i te hokonga rawa me te katinga pākihi taea noatia te tukunga, ā pau noa, o te whakangaonga ki te haonga i Argentina.

Overall catch volumes for NZ Fishing are on plan, however softening fish prices in Sealord's major Northern Hemisphere markets and the continuing strengthening of the New Zealand dollar have taken the shine off what would otherwise have been a strong result for NZ Fishing. Sealord's Australian aquaculture businesses have delivered commendable results. Sealord Caistor in the United Kingdom has had a very strong first six months. The consumer products division is performing to expectations and the division was busy in the second quarter setting up an Australian Consumer office to sell directly to customers rather than through the Kailis Bros Alliance.

The North Island mussel joint venture with Sanford Limited has bedded down and is performing well, given the relatively poor growing conditions in the industry. In accordance with Sealord's strategy to exit the South Island mussel farms, gains on the sale of the remaining South Island mussel farms were recorded during the six month period to 31 March 2013.

Sealord's 50% investment in South Island based Westfleet Fishing has had a strong first six months with performance exceeding expectations.

Safety continues to be a foremost priority for Sealord, and the past years improved trend has continued through for the first six months of this year. The lost time injury frequency rate for the rolling 12 months to 31 March 2013 is 3, down from 5 for the corresponding rolling 12 months last year.

## Outlook

Business conditions in the second half of the year are expected to remain similar to the first half. The ever increasing strength of the New Zealand dollar continues to be challenging for the business and results in certain international markets being unprofitable to sell to.

The second six months will continue to be particularly challenging for Sealord. Until the investment in their Argentinian fishery is completely disposed of there is the chance of further losses from the eventual sale of assets and closing of the business.

FISH PRICES  
HAVE BEEN  
ENCOURAGING  
WITH PRICES  
GETTING  
STRONGER



## HUGE POTENTIAL IN A MARKET OF 23 MILLION PEOPLE

### MĀKETE AHITEREIRIANA – NGĀ KŌRERO, NGĀ WHIKA

Tokorahi: 23 miriona

Kaimoana hokona i te toa: 60%

Kaimoana ka pau i te tangata: 18kg i te tau (whakaritea ki te 38kg manu i te tau me te 36.7kg mīti kau i te tau)

Kiritaki hoko nui katoa: Woolworths (15 miriona kiritaki)

### AUSTRALIAN MARKET – FACTS AND FIGURES

Population: 23 million

Seafood bought in supermarkets: 60%

Seafood per capita consumption: 18kg per year (vs 38kg per year poultry and 36.7kg per year beef)

Largest retail customer: Woolworths (15 million customers)

# KUPU AUSTRALIAN WHAKAMIRA STRATEGY KA HUA TE TAKES SHAPE RAUTAKI I FOR SEALORD AHITEREIRIA

Ko tētehi o ngā kaupapa rautaki nui a Sealord ko te tū hei kamupene whakaihū waka o te kaimoana i Ahitereiria me Aotearoa. He whakahirahira te kanohi kitea, kanohi rangatira i te māketē o Ahitereiria e tutuki ai tēnei manako.

E ea ai tērā, e tupu tonu ai hoki tō Sealord māketē nui katoa, kua whakatūria he tīma hou, pātata tonu ki te Māketē Ika o Poihākena. Kua hūnuku a Jason Plato, tētehi o ngā pākeke o te kamupene, ki Poihākena, ā, hei tāna he nui tonu te pitomata i te māketē e 23 miriona tāngata te nui - he tokorahi tonu e kaingākau ana ki te kaimoana.

Nā ōna mahinga i Ahitereiria i āhei ai a Sealord ki te tāpae i te rārangi auatāia tonu ki ngā kiritaki. Ko Petuna Ocean Trout and Salmon nō Tasmania tērā; ko Barramundi nō King Reef i North Queensland tērā; me ō tātou momo haoa i Aotearoa hoki, mai i te tuna moana tae atu ki te ūturi.

One of Sealord's strategic priorities is to become the leading seafood company in Australia and New Zealand. To do this, a credible and consistent presence in the Australian market is essential.

With this in mind, and to continue growing Sealord's largest market, a new team has been established at offices close to the Sydney Fish Market. One of the company's senior leaders, Jason Plato, has relocated to Sydney and sees huge potential in a market of 23 million people – many of whom are already seafood lovers.

Sealord's interests in Australia provide a unique opportunity to offer customers an impressive portfolio. This includes Petuna Ocean Trout and Salmon from Tasmania; Barramundi from King Reef in Northern Queensland as well as our New Zealand caught species ranging from albacore tuna to hoki.



## KUA TATA OTI TE WHARE HOU O PREPARED FOODS

E kōkiri ana te hanganga o te whēketere hou o Prepared Foods i te Papaioea e ai ki te mahere, ā, hei te mutunga o te tau pūtea kua nuku kē ngā kaimahi ki te whare hou. Mā te whēketere hou te pākihi e wātea ai ki te whai i ngā taumahi tupu.

## PREPARED FOODS NEW FACILITY NEARING COMPLETION

Construction of the new Prepared Foods factory in Palmerston North is progressing to plan, and by the end of the financial year staff will have moved into the new facility. The new factory provides the business with capacity to pursue growth projects.

# KUA HAINATIA TE KIRIMANA A AGREEMENT SIGNED

## Kua Kōhatu te Hononga o Aquaculture Division ki te Cawthron Institute

I hainatia tētehi kirimana e Aotearoa Fisheries me te Cawthron Institute e pā ana ki tō rātou whānautanga tio, tupuranga tio pūhouhou hoki i Glenduan, i te raki o Whakatū i te Hui Tanguru 2013. I raro i te kirimana, ka waiho mā Aotearoa Fisheries ngā mahinga whakatupu Nursery and Spat o te tio. Tokotoru ngā kaimahi o te Cawthron Institute i mahi i te tupuranga me ngā mahinga whakatupu kua noho i Aotearoa Fisheries. Ka whakawhānau tonu, whakaputa tonu te Cawthron Institute i te pūhou tio i taua wāhi.

Ka kōhatu i te kirimana me te Cawthron Institute te hononga ukauka, ā, e rua ngā take i tika ai tēnei hanga.

Tuatahi iho, i takea mai ā mātou mahere tupuranga o te pākahi tio i te tāpaetanga ki ō mātou kiritaki o ngā tio tuawhiti rawa. Ka puta ki waho ngā tio i ngā kātua mohoa o kōwhiria nā ngā āhuatanga ō rāua e wana ai te “karanga ki te kono” me te hiahoko ki ā mātou tio. Inā rā hoki te mahi a ō Aotearoa rāngai ahuhenua, ahuone hoki i roto i ā rāua hōtaka rangahau mai anō, mai anō. Mā te kirimana nei tātou e āhei ai ki te whakatutuki i te tupuranga hiahoko e matapaetia nei, ā, e toitoi ai te manawa ki te whakangao kia whakawhānuitia te rōrahi i te wāhi i Whakatū. Kua timata kē te whakangaoonga pūtea ki te wāhi i Whakatū.

Tuarua iho, kua kitea te mōrearea o te whirinaki ki te haonga māori mohoa noa iho nā ngā raruraru o te ūmanga tio mai anō i te tau 2010, i te putanga o te huaketo tio OSHV-1. Ka noho ki ō tātou ringa tonu te mana nā te whakamahinga o te pūtaiao tōtika me te rangahau, me te pīngore o ngā mahinga mātaitai hoki.

E kōkiri ana te hōtaka rangahau o naianei ki te whakawhanake kāwai whakaheke e mātātoa ana ki te huaketo, ahakoa he roa tonu te huarahi.

## Aquaculture Division Cements Relationship with the Cawthron Institute

Aotearoa Fisheries signed an agreement with the Cawthron Institute in respect to their Pacific oyster hatchery and oyster nursery based at Glenduan, north of Nelson in February 2013. Under the agreement Aotearoa Fisheries takes over the Pacific oyster Nursery and Spat growing operations. Three of Cawthron Institute’s staff involved in the Nursery and growing operations are now seconded to Aotearoa Fisheries. The Cawthron Institute will continue to spawn and produce Pacific oyster larvae at the site.

The deal with the Cawthron Institute cements a long term relationship and makes sense from two perspectives.

First and foremost, our oyster business’ growth plans have been based on making available to our customers, Pacific oysters of the highest quality. The oysters are bred from wild parents who have been selected for traits that enhance the “plate appeal” and demand for our oysters, much as New Zealand’s agricultural and horticultural sectors have been doing for many years in their research programmes. The agreement will enable us to meet expected growth in demand, and provides the incentive to invest in expanding capacity at the Nelson site. New capital investment at the site has already begun.

Secondly, the problems being faced by the Pacific oyster industry since 2010, in the wake of the OSHV-1 oyster virus have illustrated how vulnerable it is to be totally reliant on a natural wild catch. By applying sound science and research, coupled with flexible marine farming husbandry we get the opportunity to manage our destiny.

The current research programme into developing virus resilient family lines is progressing, although it is still very much work in progress.





### **Ka tuku a Fish Shack i tō Sealord tāwara ki te kiritaki**

Ko te pātaritari ki te tohu; ko te akiaki tangata ki te whakamātau i te tuawhiti o ā Sealord Ika Pātio; ko te whakaaro ki ngā tununga huhua o te tuna moana; katoa wēnei kei te rārangi mai i Sealord Fish Shack.

Ka kawea e te waka kua whakahoutia nei te kōrero “We Live for the Sea” ki te kiritaki tonu, ā, i te roa o te raumati nuku atu i te 7,000 ngā tauira kua tukuna e ia i tātahi me ngā takahanga waewae nunui i roto o Tāmaki, i ōna kaokao hoki.

Nā tō Sealord whakaurunga me Ana Schwarz - Tuarua i Masterchef 2012, kaingākau ki te kaimoana, whaea hoki - i puta ai a Ana ki ngā mahinga o Sealord Fish Shack, i tītōhutia ai ngā hua i roto i āna whakaaturanga tao kai. He rawa pānui nunui te Shack e kitea ana puta i Aotearoa i te kawenga tonutanga o te tohu me ngā hua hoki ki ngā kiritaki ki hea ki hea.

### **Fish Shack gives consumers a Sealord taste experience**

Building brand awareness; encouraging people to taste the quality of Sealord Frozen Fish and think about different ways to enjoy tuna are all on the menu at the Sealord Fish Shack.

This revamped caravan brings the ‘We Live for the Sea’ message directly to consumers and over summer has provided more than 7,000 samples at beaches and high traffic locations in and around Auckland.

Sealord’s partnership with Masterchef 2012 Runner Up, seafood fanatic and mum Ana Schwarz has seen Ana starring at Sealord Fish Shack events where her cooking demonstrations showcase the products.

The Shack is a key marketing asset that will be seen around New Zealand as we continue to bring the brand, and the products to more and more consumers.



### **KAIPUKE KIRIMANA RĀWĀHI**

Kei roto i te tukanga ture ngā ture hou e tika ai te whakahaerenga o ngā Kaipuke Kirimana Rāwāhi, ā, ka noho te Komiti Whāiti ki te wherawhera i te take o te whakahou i ngā kara o aua waka, me wētehi atu take. Ka kaha tonu a Sealord ki te mahi tahi me te kāwanatanga e haumaruru ai, e toitū-oranga ai te mahi, e pai ai te whakahaerenga o ngā waka katoa e mahi ana i Aotearoa.

### **FOREIGN CHARTER VESSELS**

New regulations to ensure Foreign Charter Vessels are well managed are going through the legislative process with Select Committee hearings took place in April on proposed reflagging of these vessels and other requirements. Sealord will continue to work closely with government to ensure all vessels operating in New Zealand are safe, operate sustainably and are well managed.

# RANGAHAU & WHANAKETANGA RESEARCH & DEVELOPMENT

## Precision Seafood Harvest

E kōkiri tonu ana te taumahi mahinga tahi, e ono tau te roa, i waenga i a Sealord, Sanford, te kāwanatanga me Aotearoa Fisheries. Mā te hōtaka nei e pai ai te tuawhiti (otirā te uara nui kē) o te ika, e iti ai te haonga tē hiahiatia ai. I roto i wēnei marama e ono kua hipa, kua whakahaeretia e Precision Seafood Harvesting tētehi rārangi haerenga whakamātautau whāiti, ā, kua angitū i te haonga o ngā rōrahi papaku o te kaimoana tuawhiti tonu.

E haere ana inaianei tētehi rārangi whakamātautau whānui, ā, e hangaia ana inaianei te wāhanga tuatahi o tētehi whakahoahoanga kaupuke tō-kupenga tauhokohoko mō ngā whakamātautau i te pūioio i runga i ngā waka o te kamupene.

## Trident

E pai ana te kōkiri a te whakamahinga o tā Trident System hōtaka rangahau, whanaketanga hoki, ā, katoa ngā wāhanga-mahi e toru e haere ana. E tairanga ai te kohinga raraunga māia, e tipako ana ngā KIR (Kaiwhiwhi Ika kua Raihanatia) e whai wāhi ana - ko Moana Pacific me OPC Fish and Lobster wētehi - i te SNA 1, SNA 8, TRE 1 me te TRE 7. Ko tā te taumahi nei he whakarite i ngā hiahia ki ngā kōrero whāiti e hāngai ana ki te whanaketanga o ngā punaha tipako pai kē.

Ka whati te tai, ka pao a Trident ki te whakamātau i tētehi hangarau whitiata mātakitaki. He putanga nui te whakarewanga o Fisheries of New Zealand - he whakaaturanga ataata e whakamahi ana i ngā raraunga e whakaturengia ana i kohia mai anō i te whakatūranga o te Pūnaha Whakahaere Roherohenga. Ko tā te putanga nei he whakaatu i te pai e āhei ana ki te puta i ngā raraunga haonga ika e tū kē ana. Kāore e roa ka taea ngā raraunga i tā Trident pae tukutuku i [www.tridentsystems.co.nz](http://www.tridentsystems.co.nz)

## Precision Seafood Harvest

Progress continues steadily with this six year joint project between Sealord, Sanford, the government and Aotearoa Fisheries. The programme will ensure better quality (and therefore higher value) fish and a reduction in by-catch. During the past six months Precision Seafood Harvesting has conducted a series of small scale testing trips and successfully landed sample quantities of high quality seafood.

A further and expanded range of testing is now underway and the first stage of a commercial trawl design is now being built for durability testing on company vessels.

## Trident

Implementation of Trident System's research and development programme is making good progress, with all three work-streams underway. In promoting efficient data collection, participating Licensed Fish Receivers – including Moana Pacific and OPC Fish and Lobster – are undertaking sampling of SNA 1, SNA 8, TRE 1 and TRE 7. That project addresses specific information needs in line with the development of improved sampling systems.

Trident also seized an opportunity to undertake a trial of video observation technology. The release of Fisheries of New Zealand – a graphical characterisation utilising the statutory data collected since the establishment of the Quota Management System is a key output, demonstrating the better value that can be obtained from existing fisheries data. This will soon be available via Trident's website at [www.tridentsystems.co.nz](http://www.tridentsystems.co.nz).

## Fisheries Inshore New Zealand

Inangeto nei a Fisheries Inshore New Zealand i whakatūria ai hei kōkiri i te wāhi ki ngā kaupupuri roherohenga o ngā haonga ika whai tira o uta, ika aumoana, tuna moana hoki. He rōpū ā motu tēnei, ā, nuku atu i te 120 ōna mema: he kaupupuri roherohenga, he kaupupuri HIT, he kaihi ika tauhokohoko, ā, koia hei māngai mō rātou i te wāhi ki a rātou o ngā rāngai ika e 240, nuku atu rānei.

Ko tō rātou whāinga matua ko te 'haonga ika ora, toitū-ora hoki e mārōrō ana, e whai hua ana, e mōhiotia ana puta i te ao hei takenga pai noa mō te ika mohao ki te kiritaki'.

He nui ngā wero ki tō tātou ūmanga me tōna whakaaetanga ki te mahi tonu. Hei tā mātou, he huara kē tō Fisheries Inshore New Zealand hei taki i aua wero, ā, he pāwawe tā mātou tautoko ki te whakatū i te rōpū nei. Ko Carl Carrington, Tumu Whakarae o AFL, te Tiamana o te poari o Fisheries Inshore New Zealand.

## Fisheries Inshore New Zealand

Fisheries Inshore New Zealand has recently been established to advance the interest of quota owners in inshore finfish, pelagic and tuna fisheries. It is a nationwide organisation and has more than 120 members made up of quota owners, ACE holders and commercial fishers, representing their interests in more than 240 fishstocks.

Their vision is 'a healthy and sustainable fishery that is internationally competitive, profitable and recognised as the preferred source for consumers of wild caught fish worldwide'.

Our industry is facing significant challenges to its on-going permission to operate. We see Fisheries Inshore New Zealand as one way to address these challenges and have been quick to support the set-up of this organisation. AFL CEO, Carl Carrington is the Chairman of Fisheries Inshore New Zealand.

**TAUKI MŌNI WHIWHI  
INCOME STATEMENT**  
FOR THE SIX MONTHS ENDED 31 MARCH 2013

\$000	Note	6 months ended 31 March 2013 Unaudited	6 months ended 31 March 2012 Unaudited	12 months ended 30 September 2012 Audited
Sale of goods		82,875	86,205	147,671
Other revenue		536	367	6,390
Total revenue		83,411	86,572	154,061
Cost of sales		(59,570)	(61,462)	(113,914)
<b>Gross profit</b>		<b>23,841</b>	<b>25,110</b>	<b>40,147</b>
Other income / (expenses)	3	823	(81)	245
Distribution expenses		(2,554)	(2,451)	(4,532)
Administrative expenses		(8,119)	(9,559)	(18,518)
Finance expenses		(2,014)	(2,701)	(5,438)
Share of Sealord (loss) / profit		(5,290)	6,691	4,625
Share of profit of associates & joint ventures		511	336	540
Profit before income tax		7,198	17,345	17,069
Income tax expense		-	-	-
<b>Profit for the period</b>		<b>7,198</b>	<b>17,345</b>	<b>17,069</b>

The Income Statement above should be read in conjunction with the accompanying notes.

**TAUKI WHANUI MŌNI WHIWHI  
STATEMENT OF COMPREHENSIVE INCOME**  
FOR THE SIX MONTHS ENDED 31 MARCH 2013

\$000	6 months ended 31 March 2013 Unaudited	6 months ended 31 March 2012 Unaudited	12 months ended 30 September 2012 Audited
<b>Profit for the period</b>	<b>7,198</b>	<b>17,345</b>	<b>17,069</b>
<b>Other comprehensive income</b>			
Gains / (losses) from:			
Cash flow hedges	71	1,733	3,225
Share of associates other comprehensive income	1,945	(833)	(2,709)
Income tax relating to components of comprehensive income	(12)	(338)	(564)
Other comprehensive income for the period, net of tax	2,004	562	(48)
<b>Total comprehensive income for the period, net of tax, attributable to the shareholders</b>	<b>9,202</b>	<b>17,907</b>	<b>17,021</b>

The Statement of Comprehensive Income above should be read in conjunction with the accompanying notes.

**RIPANGE KAUTE**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2013**

\$000	Note	As at 31 March 2013 Unaudited	As at 31 March 2012 Unaudited	As at 30 September 2012 Audited
<b>Assets</b>				
<b>Current assets</b>				
Cash & bank balances		1,634	1,467	2,937
Trade & other receivables		16,872	13,082	17,521
Inventories		8,793	4,159	5,103
Biological assets		2,228	1,300	1,355
Derivative financial instruments		793	830	1,310
<b>Total current assets</b>		<b>30,320</b>	<b>20,838</b>	<b>28,226</b>
<b>Non-current assets</b>				
Property, plant & equipment		19,461	16,969	17,396
Investment in Sealord Group Limited		186,048	194,634	190,693
Investments in subsidiaries, associates & joint ventures		3,261	2,631	2,774
Quota shares		240,830	240,830	240,830
Goodwill		9,598	9,598	9,598
Intangibles		5,207	4,966	5,196
Financial assets		2,704	92	2,684
Deferred tax asset		1,650	1,650	1,650
Derivative financial instruments		-	-	-
<b>Total non-current assets</b>		<b>468,759</b>	<b>471,370</b>	<b>470,821</b>
<b>Total assets</b>		<b>499,079</b>	<b>492,208</b>	<b>499,047</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade & other payables		9,100	9,664	13,392
Provisions	4	4,893	8,926	8,940
Redeemable preference shares		20,000	20,000	20,000
Derivative financial instruments		36	72	487
<b>Total current liabilities</b>		<b>34,029</b>	<b>38,662</b>	<b>42,819</b>
<b>Non-current liabilities</b>				
Borrowings		53,346	46,000	50,746
Derivative financial instruments		1,255	2,642	1,355
<b>Total non-current liabilities</b>		<b>54,601</b>	<b>48,642</b>	<b>52,101</b>
<b>Total liabilities</b>		<b>88,630</b>	<b>87,304</b>	<b>94,920</b>
<b>Net assets</b>		<b>410,449</b>	<b>404,904</b>	<b>404,127</b>
<b>Equity</b>				
<b>Shareholders' equity</b>				
Capital contributed	5	286,979	286,979	286,979
Cash flow hedging reserve		(634)	(1,959)	(693)
Associates' derivative financial instruments & other reserves		(15,693)	(15,762)	(17,638)
Redeemable preference shares		4,125	4,125	4,125
Retained earnings		135,672	131,521	131,354
<b>Total shareholders' equity</b>		<b>410,449</b>	<b>404,904</b>	<b>404,127</b>

The Statement of Financial Position above should be read in conjunction with the accompanying notes.

**TAUKI AURERE PUTEA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 31 MARCH 2013**

\$000	Note	6 months ended 31 March 2013 Unaudited	6 months ended 31 March 2012 Unaudited	12 months ended 30 September 2012 Audited
<b>Cash flows from operating activities</b>				
Cash was provided from:				
Receipts from customers		87,120	103,962	148,886
Interest received		49	45	332
		87,169	104,007	149,218
Cash was disbursed to:				
Payments to suppliers & employees		80,434	85,878	129,699
Interest paid		2,014	2,354	5,091
		82,448	88,232	134,790
<b>Net cash flows from operating activities</b>	6	<b>4,721</b>	<b>15,775</b>	<b>14,428</b>
<b>Cash flows from investing activities</b>				
Cash was provided from:				
Dividends received		1,300	8,000	8,001
Sale of investment		-	4,340	4,340
Sale of property, plant & equipment		30	19	680
		1,330	12,359	13,021
Cash was disbursed to:				
Purchase of property, plant & equipment		3,115	2,328	4,386
Acquisition of intangibles		22	-	249
Advances to related parties		-	-	284
		3,137	2,328	4,919
<b>Net cash flows from investing activities</b>		<b>(1,807)</b>	<b>10,031</b>	<b>8,102</b>
<b>Cash flows from financing activities</b>				
Cash was provided from:				
Proceeds of borrowings		3,171	-	-
		3,171	-	-
Cash was disbursed to:				
Repayment of borrowings		568	17,000	12,000
Payment for debt issue		-	-	254
Dividends paid to shareholders		6,820	9,102	9,102
		7,388	26,102	21,356
<b>Net cash flows from financing activities</b>		<b>(4,217)</b>	<b>(26,102)</b>	<b>(21,356)</b>
Net (decrease) / increase in cash held		(1,303)	(296)	1,174
Cash at the beginning of the period		2,937	1,763	1,763
<b>Cash at the end of the period</b>		<b>1,634</b>	<b>1,467</b>	<b>2,937</b>

The Statement of Cash Flows above should be read in conjunction with the accompanying notes.

**TAUKI TUTANGA REREKETANGA**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 31 MARCH 2013**

	Capital contributed Unaudited	Redeemable preference shares Unaudited	Cash flow hedging reserve Unaudited	Associates' derivative financial instruments & other reserves Unaudited	Retained earnings Unaudited	Total equity Unaudited
<b>\$000</b>						
<b>Balance at 1 October 2012</b>	<b>286,979</b>	<b>4,125</b>	<b>(693)</b>	<b>(17,638)</b>	<b>131,354</b>	<b>404,127</b>
Profit for the period	-	-	-	-	7,198	7,198
Other comprehensive income for the period, net of tax	-	-	59	1,945	-	2,004
Dividend provision	-	-	-	-	(2,880)	(2,880)
<b>Balance at 31 March 2013</b>	<b>286,979</b>	<b>4,125</b>	<b>(634)</b>	<b>(15,693)</b>	<b>135,672</b>	<b>410,449</b>
<b>Balance at 1 October 2011</b>	<b>286,979</b>	<b>4,125</b>	<b>(3,354)</b>	<b>(14,929)</b>	<b>121,113</b>	<b>393,934</b>
Profit for the period	-	-	-	-	17,345	17,345
Other comprehensive income for the period, net of tax	-	-	1,395	(833)	-	562
Dividend provision	-	-	-	-	(6,937)	(6,937)
<b>Balance at 31 March 2012</b>	<b>286,979</b>	<b>4,125</b>	<b>(1,959)</b>	<b>(15,762)</b>	<b>131,521</b>	<b>404,904</b>

The Statement of Changes in Equity above should be read in conjunction with the accompanying notes.

# PITOPITO KORERO MO NGA TAUKI PUTEA

## NOTES TO FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 MARCH 2013

### 1. Corporate Information

Aotearoa Fisheries Limited was incorporated on 26 November 2004 in New Zealand. These condensed consolidated financial statements are for Aotearoa Fisheries Limited, its subsidiaries, associates and joint ventures.

On 29 November 2004, Aotearoa Fisheries Limited was the recipient of assets and liabilities transferred under the Māori Fisheries Act 2004. The transfer was accounted for as a purchase transaction and the net fair value of the assets received by the Company was treated as capital contributed by its shareholders.

The Company supplies sustainably produced seafood to consumers in domestic and major international markets.

### 2. Summary of Significant Accounting Policies

These condensed consolidated interim financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting practice applicable to interim financial statements.

These interim financial statements have not been audited, or reviewed.

These condensed consolidated financial statements comply with NZ IAS 34 Interim Financial Reporting. As the condensed consolidated interim financial statements do not include all of the information required for full financial statements they should be read in conjunction with the consolidated financial statements and related notes in the Annual Report for the year ended 30 September 2012.

The accounting policies set out in the 2012 Annual Report have been consistently applied.

### 3. Other Income / (Expenses)

\$000	6 months ended	6 months ended	12 months ended
	31 March 2013	31 March 2012	30 September 2012
	Unaudited	Unaudited	Audited
Foreign currency exchange gains (losses) realised	668	(110)	(18)
Foreign currency exchange gains on hedged sales	138	-	149
Gain / (loss) on disposal of assets (net)	17	29	114
	<b>823</b>	<b>(81)</b>	<b>245</b>

### 4. Provisions

The obligation to pay a dividend pursuant to Section 76(2) of The Māori Fisheries Act 2004, of \$2.880m has been recognised based on the profit for the six months ended 31 March 2013.

**PITOPITO KORERO MO NGA TAUKI PUTEA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 31 MARCH 2013**

**5. Shareholders' Equity**

On 28 November 2012, the Directors approved a taxable bonus share issue to shareholders. The Company issued a total of \$141m new shares to shareholders in proportion to their existing shareholding.

**6. Reconciliation of the Profit for the Period with Net Cash Flows from Operating Activities**

	6 months ended 31 March 2013	6 months ended 31 March 2012	12 months ended 30 September 2012
\$000	Unaudited	Unaudited	Audited
Reported profit for the period	7,198	17,345	17,069
<b>Add (less) non-cash items and non-operating items</b>			
Depreciation & amortisation	1,032	1,110	2,292
Fair value revaluation of biological assets	-	-	(190)
Share of profit of associates & joint ventures	4,779	(7,027)	(5,165)
(Gain) / loss on sale of property, plant & equipment	(2)	(27)	(114)
Investment in subsidiaries, associates & joint ventures	-	-	59
Interest on redeemable preference shares	-	347	347
Bad debts	16	-	74
Other	(13)	115	2
<b>Movement in working capital</b>			
Decrease / (increase) in receivables & prepayments	649	4,429	104
Decrease / (increase) in inventory & biological assets	(4,563)	995	(3)
Increase / (decrease) in payables & accruals	(4,292)	(1,039)	2,689
Increase / (decrease) in employee entitlements	(106)	(280)	(156)
Increase / (decrease) in other assets / liabilities	-	-	(2,400)
Increase / (decrease) in hedging reserve	23	(193)	(180)
<b>Net cash flows from operating activities</b>	<b>4,721</b>	<b>15,775</b>	<b>14,428</b>



## A

advance – utu pāwawe  
 amortisation – tāmatenga (Latin mort - to die)  
 asset – hua  
 audit – tātari kaute  
 Australian Defence Force – Ope Taua O Ahitereiria

## B

balance sheet – ripanga kaute  
 barramundi (humpback groper) – hāpukurāwaho (hāpuku = groper + rāwaho = outsider)  
 Bluenose – matiri

## C

capital – haupū rawa  
 cash flow – aurere pūtea  
 comprehensive – whakawhānuitanga atu  
 conditions – ritenga  
 consolidated profit – huanga a te kāhui/rōpū  
 corporate – rangatōpū  
 current asset – hua wātea  
 customer – kiritaki

## D

deep water fish – noho kōpua  
 deferred tax asset – rawa tāke e hikina ana  
 demand – hiahoko  
 depot – pātaka  
 depreciation – whakahekenga uara  
 derivative financial instrument – maitai pūtea uara kē  
 director – tumu  
 dividend payments – utunga moni hua  
 domestic – tara-ā-whare

## E

earnings – moni utunga  
 equity – tūtanga

established – pūmau  
 exchange rate – wai whakawhiti moni  
 Exclusive Economic Zone – Āpure Ohanga Rāhui  
 expectation – matapae  
 export – tuku rawa

## F

farm (v) – ahu  
 farm (n) – pāmu  
 finance (n) – pūtea  
 finance (v) – whakapūtea  
 financial performance – whanonga pūtea  
 financial results – hua tahua pūtea  
 financial statements – tauki tahua pūtea  
 financing – whakapūtea  
 financing cost – utu whakapūtea

## G

Generally accepted accounting practice (GAAP) – tikanga e whakaetia whanuitia ana (TWWA)  
 goodwill (business) – whakaaro pai

## H

hedge/hedging – rauhipūtea (rauhi – care, protect + pūtea – finance)  
 hemisphere – tuakoi  
 hoki (fish) – ūturi

## I

income – moni whiwhi  
 income shares – hea whai pūtea  
 industry – hāpori mahi / ūmanga  
 intangibles – rawa tē rokohanga  
 interest – moniutunga = (moni - money + utunga = pay); huamoni  
 inventory – rārangi rawa

invest – whakangao  
 investment – moni whakangao

## J

joint venture – ūmanga mahinga tahi

## L

liability – nama  
 lobster – koura  
 lost time injuries – taotū mahue wā mahi

## M

market – māketē

## N

Net bank borrowings – haonga nama pēke  
 New Zealand Exclusive Economic Zone – Wā Ohanga Motuhake o Aotearoa  
 notes to financial statements – pitopito kōrero mō ngā tauki pūtea

## O

operation – mahi/ nekeneke  
 orange roughy – patohe karaka  
 overdraft – moni tuhene (Ngata)

## P

performanc – whanonga  
 processing – ahunga mahi ika  
 product – whakaputanga-hua  
 profit – huanga  
 provisions – pūtea utu nama tārewa

## Q

quota – roherohenga

## R

reconciliation – whakatauranga  
 redeemable preference shares – hea mana hoko kē  
 reserve – tāpui/tāpuitanga (set aside, reserve – Wiremu)  
 restructure – waihanga hou  
 results – huanga  
 retort – whakahoromata (pure, undefiled)  
 retort pouch meals – kete kai whakahoromata  
 return – hua pūtea  
 return on equity – tūtanga whai hua

## S

sales – hokohoko  
 shareholder – kaipupurihea  
 shelf stable – tūmau  
 statement – tauki  
 success – angitū  
 supplier – kaiwhakarato  
 supply – whakarato  
 sustainable – toitū-ōranga

## T

third party processing agreement – whakaetanga mahi rōpū rāwaho  
 total – tapekenga  
 trade – hohoko  
 transitional facility – taupuni (temporary encampment)

## U

update – kōrero hou

## V

value – uara  
 virus – huaketo

## W

wetfish – ikamākūkū  
 whitefish – ika-kiko-mā

**KUPU AKOAKO  
NOTES**

# PUKATAKI RANGATŌPŪ CORPORATE DIRECTORY



## Tari Rēhita / Registered Office

Moana Pacific House  
Level 3, 138 Halsey Street  
AUCKLAND 1010

## Tau Pōti / Postal Address

PO Box 445, Auckland 1140  
Telephone: +64 9 302 1520  
Facsimile: +64 9 302 0872  
[www.afl.maori.nz](http://www.afl.maori.nz)

## Kaitātari Kaute / Auditor

Deloitte

## Hunga Whare Moni / Bankers

Westpac New Zealand Limited

## Mana Whakahaere / Board of Directors

Whaimutu Dewes - Chairman

*Ngāti Porou, Ngāti Rangitīhi*

Fred Cookson

*Ngāti Uenukukopako, Ngāti Kahungunu*

Wayne Peters

*Ngāti Wai*

Hinerangi Raumati

*Ngāti Mutunga, Waikato*

Jamie Tuuta

*Ngāti Mutunga, Taranaki Iwi, Ngāti Maru*

## Tumuaki / Chief Executive Officer

Carl Carrington

## Kaiwhakamāori / Translator

Te Awanuiārangi Black

*Ngāti Pukenga, Turanga Moana*

Maika Te Amo

*Tapuika*



## Moana Pacific Fisheries

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Telephone: +64 9 302 1520  
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[www.moanapacific.co.nz](http://www.moanapacific.co.nz)



## OPC Fish & Lobster

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WHITIANGA 3510  
Telephone: +64 7 866 0547



## Prepared Foods

Address:  
117-119 Ruahine Street  
PALMERSTON NORTH 4414  
Telephone: +64 6 357 1009  
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## Kia Ora Seafoods

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AUCKLAND 2104  
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## Pacific Marine Farms

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## Sealord Group Limited

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