Taku ika taku ika
I akuakuna, i akuakuna
I akoakona, i akoakona
Ka hapahāpai he toka ā nuku
Ka hapahāpai he toka ā rangi
Tau tika, tau tonu
Tau tonu koe ki te hāpairangi e!

Taku ika taku ika
Te ika weroti, te ika werota
Ka hī te moana
Ka hapahāpai he toka ā nuku
Ka hapahāpai he toka ā rangi
Tau tika, tau tonu
Tau tonu koe ki te hāpairangi e!

Ngā Kai o Roto - Contents

Aotearoa fisheries limited

Te Pūrongo Kaitumu

Whanonga Pūtea

I whakaputaina e Aotearoa Fisheries Limited he hua pai noa iho i ngā marama e ono i te timatanga o te tau. Katoa wō mātou wāhanga mahi, hāunga rā te Wāhanga Ahu Moana, i whakaputa i ngā hua pai ake i wā tērā tau, ahakoa te taumaha o te mākete tara-ā-whare i uaua ai ngā āhuatanga tauhokohoko mō ngā umanga ikamākūkū me ngā toa hokohoko.

Ko te huanga o te kāhui umanga mō ngā marama e ono nei ko te $23.1 miriona, ka whakaritea ki te $17.9 miriona i tēnei wāhi o tērā tau. $1.3 miriona i āpititia e ngā wāhanga mahi o Aotearoa Fisheries Limited ki te whakapikinga o te huanga, i piki te huanga o te kāhui Sealord mā te $2.1 miriona, ā, i heke te utu whakapūtea mā te $0.3 miriona, he tohu o te hekenga o ngā moni nama. I āpiti hoki te whakarawanga o te hokonga roherohenga i te $1.5 miriona ki te pikinga nei.

$13.1 miriona te aurere pūtea i wō Aotearoa Fisheries Limited mahinga, ka whakaritea ki te $6.0 miriona i tēnei wāhi o tērā tau. I heke ai te haonga nama ki te $61.6 miriona, ka whakaritea ki te $83.7 miriona i te mutunga o te Maehe 2010.

Mahinga

Ka aroha kē, kua wheroku haere tō tātou whanonga ārai hauata i te hāwhe tuatahi o te tau i te pikinga o te auau o ngā taotū mahue wā mahi i te miriona haora mahi ki te 41.3, i te takenga 12 marama matatira.

Ahakoa he pai ake te whanonga o te Wāhanga Ahu Moana i tā te mahere i tohu ai, kua pāngia kinotia e te huaketo nō tāwāhi e mate ai ngā tio pūhouhou. Kua hora tēnei mate i roto i wō Aotearoa Fisheries pāmu i te Ika Tapu a Maui, i wō kaiwhakatupu kē hoki, ā, ko te hua ko te pikinga utu pāmu me te hekenga whakaputanga hei hoko atu. Kahore e kore, ka pā kaha te huaketo nei ki ngā kaimahi pāmu tio, me Aotearoa Fisheries hoki, i te roanga o te wā haonga.

E taumaha ana te mākete tara-ā-whare o te ikamākūkū, he tohu o te pā ukauka o te auhekenga nui o te ao me te pā o ngā rū o Ōtautahi ki te mauri tau o ngā kaihoko puta noa i te motu. Ko Ahitereiria tonu tō tātou mākete matua mō ngā ika tuawhiti, heoi anō kua pakari te whakataetae a wētehi kaituku-rawa o Aotearoa i te nekehanga o te whakaputanga-hua i Ūropi me Amerika nā te ngahorotanga o ngā wai whakawhiti moni teitei i roto i aua mākete e puta ai he hua.

E ora ana te hiahoko koura toiora i Haina. Kua heke ngā utu koura i ngā tiketiketanga o te tau 2010, heoi anō kahore anō ngā matapae utu tātahi, utu roherohenga hoki kia whai i tēnei tauira, ka tāmia te whāinga hua i te ahunga atu ki te tau roherohenga hou.

Te Pūrongo Kaitumu

Ka hokona te nuinga o tō tātou haonga pāua ki roto ki ngā mākete o Singapore me Hong Kong, ā, ka poke atu ngā hokonga i ngā kōmaitanga o te Tau Hou Hainamana i taka i te Pepuere i tēnei tau. I tutuki wā mātou matapae e pā ana ki ngā rōrahi hoko ahakoa te hekenga o te pāua e wātea ana i muri i te whakawhāititanga haonga tūao i Wharekauri, he mea tautoko nā Aotearoa Fisheries me ngā hunga whai roherohenga katoa o runga i te moutere rā.

E angitū ana a Prepack Limited, tō tātou ūmanga mahinga tahi i te Papaioea, ā, e tutuki haere ana wana ratonga ki te tuku tāhere ō ki te Ope Kātua o Ahitereiria.

Hokonga Roherohenga

I te mutunga o te Maehe, i hoko a Aotearoa Fisheries Limited i tētehi roherohenga koura ki wētehi iwi e rua o te Ika Tapu a Maui, arā ki a Tuhoe me Ngāti Whare, ko te hoko atu - rīhi mai te tikanga, e piki ai te hokonga mā te $1.5 miriona.

Sealord Group Limited

E pakari ana te hiahoko ika-kiko-mā, kuku hoki, me wō rāua utu hoki, ā, kua kake ngā utu kia tata rā anō ki te tino tāpuhipuhitanga kua kitea. Hei hoa mā tēnei āhuatanga ko te haonga rawe o wētehi momo, ko te whakahaerenga pai o ngā nama hoki, ahakoa te pā o te kaha o te tāra o Aotearoa. Ko te hua ko te pikinga o te putanga a Sealord mō te wā ki te 31 o Maehe 2011.

Kua piki te hiahoko ika-kiko-mā nā te whakamāuitanga ohanga i Ūropi, i Amerika hoki, me te pikinga o ngā utu mākete hei hoa haere. Ka aruaru iho ko te pikinga o te haonga o wētehi momo matua, pēnei me te tīkati me te alfonsino, me ngā utu māmā iho i tā mātou i pōhēhē nei, pēnei me te hinu, ā, kua piki mārika ngā taitapa i ngā mahinga ika i Aotearoa, ahakoa te mōrunga o te tāra o Aotearoa.

Kua whai painga hoki ngā umanga a Sealord puta i te ao nā te pikinga o ngā utu i te ao whānui. Heoi anō kua noho te haonga koretake ukauka o te ūturi me te hubbsi i ngā mahinga ika o Āhenitīna hei kaiwhakararuraru i te aronui umanga nei na i tēnei tau.

He aupiki, he auheke wō te umanga Ahumoana o Ahitereiria. Ko te aupiki ko te whanonga pai a Petuna Aquaculture, te umanga tarauta moana, hāmana hoki nō Tahimānia, ā, nō Sealord te hāwhe o te umanga. E haumate haere nei a Kings Reef, te umanga hāpukurāwaho, i te pā o ngā waipuke o te Whenua Tapairu, o āwhā Yasi hoki.

Te Pūrongo Kaitumu

E pai tonu ana te haere a Sealord Caistor me Sealord NZ, ngā umanga kaihoko o Peretānia me Aotearoa. I oti i a Sealord NZ tana marama hokonga mōrunga katoa i te Maehe 2011.

Ko te haumarutanga tonu te kaupapa matua ki te kāhui o Sealord, ā, ko te painga atu kua heke te auau taotū mahue wā mahi ki raro i te 6.0 i te miriona haora mahi i roto i tēnei wā.

Umanga Mahinga Tahi Whakaurunga ā Iwi

Kua noho a Aotearoa Fisheries Limited me te Whakaurunga ā Iwi hei umanga mahinga tahi e kōpanitia ai tōna 1,950 tōne ikamākūkū o uta. E kāwanatia ana te umanga mahinga tahi nei e tōna ake poari, ā, ka pupuritia tonutia a Moana Pacific Fisheries hei whakahaere i wāna mahi. Ko te hāwhe o te umanga mahinga tahi kei te Whakaurunga ā Iwi, ko tērā hāwhe kei a Aotearoa Fisheries Limited, ā, he pērā rawa hoki te whakawehewehenga i te roherohenga ka tukuna me ngā huanga hoki.

Matapae

E matapae ana mātou ka toitū tonu ngā āhuatanga tauhokohoko i te hāwhe tuarua o te tau. Heoi anō ka whakatinatia te angitū e te pikinga utu hinu me wai whakawhiti moni mōrunga o te tāra Aotearoa. E matapae ana mātou ka kake ngā huanga mō te roanga ake o te tau ki kō paku atu i tō tērā tau, arā ki kō atu o te $18.7 miriona.

Directors' Report

Financial Performance

Aotearoa Fisheries Limited delivered a satisfactory result for the first six months of the year. All our operating divisions, with the exception of the Aquaculture Division, have delivered results ahead of last year despite a relatively subdued domestic market that has made for difficult trading conditions for our wet fish businesses and retail outlets.

Consolidated profit for the first six months was $23.1 million compared to $17.9 million for the same period last year. Aotearoa Fisheries Limited's operating divisions contributed $1.3 million to the improvement in earnings while consolidated earnings from Sealord increased by $2.1 million and financing costs reduced by $0.3 million reflecting lower borrowings. A gain on sale of quota also contributed $1.5 million to the increase.

Cash flow from Aotearoa Fisheries Limited's operations was $13.1 million compared to $6.0 million for the same period last year, and net borrowing reduced to $61.6 million compared to $83.7 million at the end of March 2010.

Operations

Unfortunately our safety performance has deteriorated over the first half of the year with an increase in lost time injury frequency per million hours worked to 41.3, on a rolling 12 month basis.

The performance of the Aquaculture Division, while better than plan, has been adversely impacted by an exotic virus that causes mortality of juvenile oysters. Aotearoa Fisheries' North Island oyster farms, along with other growers, have suffered mortalities as a result of the virus, resulting in higher farm costs and less product to sell. The full impact of the virus is likely to be felt by oyster farmers, including Aotearoa Fisheries, over the 2011 harvesting season.

The domestic market for wet fish has been relatively subdued reflecting the continued effects of the recession and the impact of the Christchurch earthquakes on consumer confidence across the country. Australia continues to be our primary market for top quality fish, however competition from other New Zealand exporters has intensified as product has moved out of Europe and the United States as high exchange rates eroded profitability in those markets.

Demand for live lobster from China has been satisfactory. Lobster pricing has retreated from the highs achieved in 2010, however beach and quota price expectations have yet to follow suit putting pressure on profitability leading into the new quota year.

The majority of our paua production is sold into the Singapore and Hong Kong markets with sales concentrated on Chinese New Year celebrations which fell in February this year. Sales volumes met our expectations despite a reduction in available paua following a voluntary catch reduction on the Chathams, supported by Aotearoa Fisheries and all other quota holders on the Island.

Directors' Report

Our Palmerston North based joint venture, Prepack Limited, is operating successfully and is meeting its commitments to supply full ration packs to the Australian Defence Force.

Sale of Quota

At the end of March, Aotearoa Fisheries Limited completed a sale of lobster quota to two North Island Iwi, Tuhoe and Ngati Whare on a sale and lease back basis, which generated a gain on sale of $1.5 million.

Sealord Group Limited

International demand and prices for whitefish and mussels have been strong with prices nearing record highs. This combined with good catch of some species and tight management of costs, albeit offset by a strong New Zealand dollar, has resulted in an improved result for Sealord for the period to 31 March 2011.

Demand for whitefish has improved as a result of economic recovery in Europe and North America with a corresponding improvement in market prices. This combined with an improved catch in key species such as hake and alfonsino and lower than expected costs, such as fuel, has seen a significant improvement in margins from New Zealand fishing operations, despite a continued high NZ dollar.

Sealord's International fishing businesses have also received the benefit from the increase in global prices. However continued poor catch in the Argentina fishery of hoki and hubbsi have combined to make this a difficult year for this business unit.

The Australian Aquaculture business has had mixed results with Petuna Aquaculture, the Tasmanian ocean trout and salmon business, half owned by Sealord performing well. King Reef, the barramundi business has suffered from the impacts of Queensland's floods and cyclone Yasi.

The United Kingdom and New Zealand consumer businesses of Sealord Caistor and Sealord NZ continued to do well, with Sealord NZ recording its highest ever sales month in March 2011.

Safety continues to be the priority for Sealord Group and pleasingly during this period their lost time injury frequency rate dropped below 6.0 injuries per million hours worked.

Directors' Report

Iwi Collective Partnership Joint Venture

Aotearoa Fisheries Limited and Iwi Collective Partnership have formed a joint venture covering approximately 1,950 tonnes of inshore wet fish. The joint venture is governed by its own board and retains Moana Pacific Fisheries to manage its activities. Ownership in the joint venture is held 50 / 50 by the Iwi Collective Partnership and Aotearoa Fisheries Limited with quota contributed and all profits shared on the same basis.

Outlook

We are expecting trading conditions in the second half of the year to remain largely unchanged, however rising fuel costs and the high NZ dollar exchange rate will restrain profitability. We expect the full year profit to be slightly better than last years $18.7 million.

Tauki Moni Whiwhi - Statement of Comprehensive Income

For the six months ended 31 March 2011

	Note	6 months ended 31 March 2011 Unaudited $000	6 months ended 31 March 2010 Unaudited $000	12 months ended 30 September 2010 Audited $000
Revenue				
Sale of goods		85,197	82,610	150,981
Other revenue		449	4,732	6,618
Total revenue		85,646	87,342	157,599
Cost of sales		(62,341)	(66,235)	(118,899)
Gross profit		23,305	21,107	38,700
Other income	3	2,513	1,371	1,668
Distribution expenses		(2,821)	(2,689)	(5,251)
Administrative expenses		(7,131)	(6,556)	(15,620)
Finance expenses		(3,695)	(4,041)	(7,873)
Share of profit of associates & joint ventures		10,885	8,747	7,246
Profit before income tax		23,056	17,939	18,870
Income tax expense		-	-	-
Profit for the period		**23,056**	**17,939**	**18,870**
Other comprehensive income				
Gains / (losses) from:				
Cashflow hedges		(917)	(1,497)	(2,403)
Associates' derivative financial instruments		9,268	1,268	(2,352)
Other comprehensive income for the year, net of tax		8,351	(299)	(4,755)
Total comprehensive income for the period, net of tax, attributable to the shareholders		**31,407**	**17,710**	**14,115**

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

Ripanga Kaute - Statement of Financial Position

As at 31 March 2011

	As at 31 March 2011 Unaudited $000	As at 31 March 2010 Unaudited $000	As at 30 September 2010 Audited $000
Current assets			
Cash and bank balances	16,450	1,066	1,377
Trade and other receivables	13,857	11,265	13,976
Inventories	5,810	7,223	6,762
Biological assets	1,240	1,920	1,369
Derivative financial instruments	432	418	591
Total current assets	**37,789**	**21,892**	**24,075**
Non-current assets			
Property, plant and equipment	16,696	16,681	16,168
Investment in Sealord Group Ltd	218,446	211,836	206,506
Investments in associates & joint ventures	1,885	2,921	1,674
Quota shares	240,830	240,900	242,344
Goodwill	9,598	9,598	9,598
Intangibles	5,050	6,329	5,107
Financial assets	5,355	5,467	5,269
Deferred tax asset	1,650	3,004	1,650
Derivative financial instruments	-	231	-
Total non-current assets	**499,510**	**496,967**	**488,316**
Total assets	**537,299**	**518,859**	**512,391**

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

Ripanga Kaute - Statement of Financial Position

As at 31 March 2011

	Note	As at 31 March 2011 Unaudited $000	As at 31 March 2010 Unaudited $000	As at 30 September 2010 Audited $000
Current liabilities				
Bank overdraft and borrowings	4	78,000	-	-
Trade and other payables		9,824	6,610	10,168
Provisions	5	11,302	1,867	9,667
Derivative financial instruments		1,836	1,169	1,277
Total current liabilities		**100,962**	**9,646**	**21,112**
Non-current liabilities				
Borrowings	4	-	84,800	78,000
Redeemable preference shares		18,987	17,692	18,322
Provision for taxation		-	(44)	-
Defferred tax liability		-	966	-
Derivative financial instruments		2,407	1,898	2,199
Total non-current liabilities		**21,394**	**105,312**	**98,521**
Total liabilities		**122,356**	**114,958**	**119,633**
Net assets		**414,943**	**403,901**	**392,758**
Shareholders' equity				
Capital contributed		286,979	286,979	286,979
Cash flow hedging		2,544	(1,281)	(5,807)
Redeemable preference shares		4,125	4,125	4,125
Retained earnings		121,295	114,078	107,461
Total shareholders' equity		**414, 943**	**403,901**	**392,758**

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

Tauki Aurere Pūtea - Statement of Cash Flows

For the six months ended 31 March 2011

	6 months ended 31 March 2011 Unaudited $000	6 months ended 31 March 2010 Unaudited $000	12 months ended 30 September 2010 Audited $000
Cash flows from operating activities			
Cash was provided from:			
Receipts from customers	86,454	84,958	149,570
Interest received	408	345	380
	86,862	85,303	149,950
Cash was disbursed to:			
Payments to suppliers and employees	70,758	75,861	129,476
Interest paid	3,030	3,432	6,633
	73,788	79,293	136,109
Net cash flows from operating activities	**13,074**	**6,010**	**13,841**

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

Tauki Aurere Pūtea - Statement of Cash Flows

For the six months ended 31 March 2011

	6 months ended 31 March 2011 Unaudited $000	6 months ended 31 March 2010 Unaudited $000	12 months ended 30 September 2010 Audited $000
Cash flows from investing activities			
Cash was provided from:			
Dividends received	8,000	8,000	8,000
Sale of quota	3,053	-	-
Sale of property, plant and equipment	14	84	126
	11,067	8,084	8,126
Cash was disbursed to:			
Purchase of property, plant and equipment	1,735	1,597	2,068
Acquisition of business	-	748	1,004
Advances to related parties	-	602	637
Dividends paid	7,548	-	-
	9,283	2,947	3,709
Net cash flows from investing activities	**1,784**	**5,137**	**4,417**
Cash flows from financing activities			
Cash was provided from:			
Advances from related parties	215	-	-
Cash was disbursed to:			
Repayment of borrowings	-	10,600	17,400
Net cash flows from financing activities	215	(10,600)	(17,400)
Net increase in cash held	15,073	547	858
Cash at the beginning of the period	1,377	519	519
Cash at the end of the period	**16,450**	**1,066**	**1,377**

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

Tauki Tūtanga Rerekētanga - Statement of Changes in Equity

For the six months ended 31 March 2011

	Capital contributed Unaudited $000	Redeemable preference shares Unaudited $000
Balance at 1 October 2010	286,979	4,125
Profit for the half year	-	-
Total comprehensive income for the half year	-	-
Dividend provision	-	-
Balance at 31 March 2011	**286,979**	**4,125**

Balance at 1 October 2009	286,979	4,125
Profit for the half year	-	-
Total comprehensive income for the half year	-	-
Balance at 31 March 2010	**286,979**	**4,125**

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

Tauki Tūtanga Rerekētanga - Statement of Changes in Equity

For the six months ended 31 March 2011

Cash flow reserve Unaudited $000	Associates derivative financial instruments and other reserves Unaudited $000	Retained earnings Unaudited $000	Total equity Unaudited $000
(2,893)	(2,914)	107,461	392,758
-	-	23,056	23,056
(917)	9,268	-	8,351
-	-	(9,222)	(9,222)
(3,810)	**6,354**	**121,295**	**414,943**

(490)	(562)	96,139	386,191
-	-	17,939	17,939
(1,497)	1,268	-	(229)
(1,987)	**706**	**114,078**	**403,901**

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

Pitopito Kōrero mō ngā Tauki Pūtea - Notes to Financial Statements

For the six months ended 31 March 2011

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 was treated as capital contributed by its shareholders.

2. Summary of Significant Accounting Practices

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.

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 2010.

The accounting policies set out in the 2010 Annual Report have been consistently applied.

Where necessary, comparative information has been reclassified to ensure consistent disclosure with the current period.

Pitopito Kōrero mō ngā Tauki Pūtea - Notes to Financial Statements

For the six months ended 31 March 2011

3. Other Income

	6 months ended 31 March 2011 Unaudited $000	6 months ended 31 March 2010 Unaudited $000	12 months ended 30 September 2010 Audited $000
Foreign currency exchange gains (losses) realised	933	1,392	1,664
Gain (loss) on disposal of assets (net)	1,580	(21)	4
	2,513	1,371	1,668

4. Bank Overdraft & Borrowings

The banking facility with Westpac Banking Corporation Limited expires on 30 November 2011. Aotearoa Fisheries Limited is in the process of renewing the facility with Westpac Banking Corporation Limited for a 3 year period. As of 31 March 2011 the term of debt is less than 12 months, and therefore is classified as current.

5. Provisions

The obligation to pay a dividend pursuant to Section 76(2) of The Māori Fisheries Act 2004, of $9.222m has been recognised for the profit for the six months ended 31 March 2011.

Pitopito Kōrero mō ngā Tauki Pūtea - Notes to Financial Statements

For the six months ended 31 March 2011

6. Reconciliation of Net Profit to Net Cash Flows from Operating Activities

	6 months ended 31 March 2011 Unaudited $000	6 months ended 31 March 2010 Unaudited $000	12 months ended 30 September 2010 Audited $000
Reported profit for the year	23,056	17,939	18,870
Add (less) non-cash items and non-operating items:			
Depreciation and amortisation	1,092	1,105	2,332
Fair value revaluation of biological assets	-	-	840
Share of profit of associates	(10,885)	(8,747)	(7,246)
Loss on sale of property, plant and equipment	(15)	21	-
Interest on redeemable preference shares	665	609	1,240
Bad debts	-	-	139
Other	(63)	-	(283)
	(9,206)	(7,012)	(2,978)
Movement in working capital:			
Decrease / (Increase) in receivables and prepayments	119	(2,792)	4,785
Decrease in inventory & biological assets	1,081	230	1,242
(Decrease)/Increase in payables & accruals	(348)	(2,464)	(225)
(Decrease) / Increase in employee entitlements	(39)	109	363
(Decrease) in other assets / liabilities	-	-	(1)
(Decrease) in hedging reserve	(8)	-	(215)
Add / (Deduct) items classified as investing activities	(1,581)	-	(8,000)
	(776)	(4,917)	(2,051)
Net cash flows from operating activities	**13,074**	**6,010**	**13,841**

Rārangi Kaimahi Rangatōpū - Corporate Directory

For the six months ended 31 March 2011

Mana Whakahaere - Board of Directors

Robin Hapi - Chairman	Ngāti Kahungunu
Matanuku Mahuika - Deputy Chairman	Ngāti Porou, Ngāti Raukawa
Fred Cookson	Ngāti Uenukukopako, Ngāti Kahungunu
Harry Mikaere	Ngāti Pukenga, Ngāti Maru, Ngāti Kahungunu
Craig Norgate	
Wayne Peters	Ngāti Wai
Keith Sutton	

Tumuaki - Chief Executive Officer

Jeremy Fleming

Tari Rēhita - Registered Office

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Moana Pacific House
138 Halsey street
Auckland 1010

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Kaiwhakamāori - Translator

Te Awanuiārangi Black
Ngāti Pukenga, Tauranga Moana

Kupu Akoako - Notes

Kupu Akoako - Notes