



## + CONTENTS

DIRECTORS CERTIFICATE	IFC
CORPORATE PROFILE	IFC
TREND STATEMENT	2
HIGHLIGHTS	3
CHAIRMAN'S REVIEW	4
CDL LAND REVIEW	8
GROUP CORPORATE STRUCTURE	10
BOARD OF DIRECTORS	11
CORPORATE GOVERNANCE STATEMENT	12

# ANNUAL REPORT

## + CORPORATE PROFILE

CDL Investments New Zealand Limited has been listed on the New Zealand Stock Exchange since 1984. The market capitalisation was \$41.2 million as at 31 December 2002. Its core activity is property investment, development and management.

CDL Land New Zealand Limited, a wholly owned subsidiary, is a property investment and development arm of the company, it specialises in residential subdivision with most of its land holding in the key growth areas of New Zealand.

The Company has approximately 4,749 shareholders of which 97.10% are domiciled in New Zealand. The majority shareholder is CDL Hotels New Zealand Limited.

## + FINANCIAL CALENDAR

ANNUAL REPORT MAILED	08 APRIL 2003
DIVIDEND PAYMENT	31 MARCH 2003
HALF YEAR END	30 JUNE 2003
INTERIM RESULT ANNOUNCEMENT	AUGUST 2003
INTERIM REPORT MAILED	SEPTEMBER 2003
FINANCIAL YEAR END	31 DECEMBER 2003
ANNUAL RESULT ANNOUNCEMENT	FEBRUARY 2004
ANNUAL REPORT MAILED	MARCH 2004



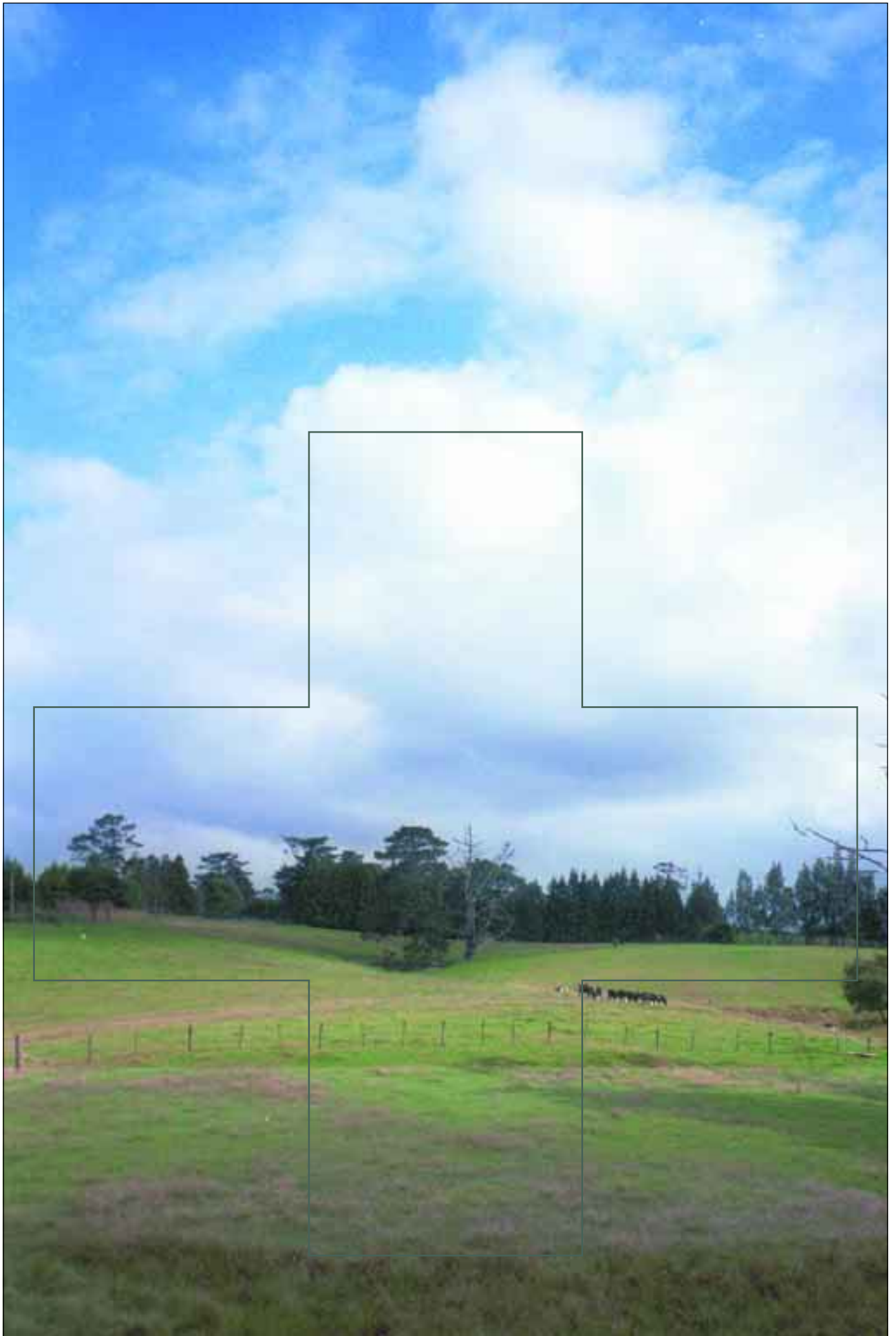
## CDL INVESTMENTS NEW ZEALAND LIMITED

The Directors are pleased to present the Annual Report of CDL Investments New Zealand Limited for the year ended 31 December 2002.

Signed for and on behalf of the Board of Directors.

J Wilson  
Chairman  
5 March 2003

JM Tsang  
Managing Director  
5 March 2003

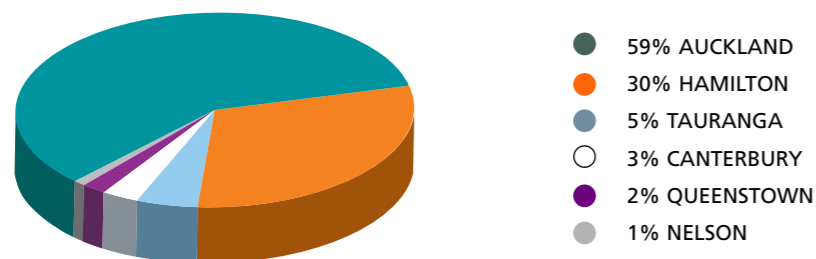


FINANCIAL SUMMARY

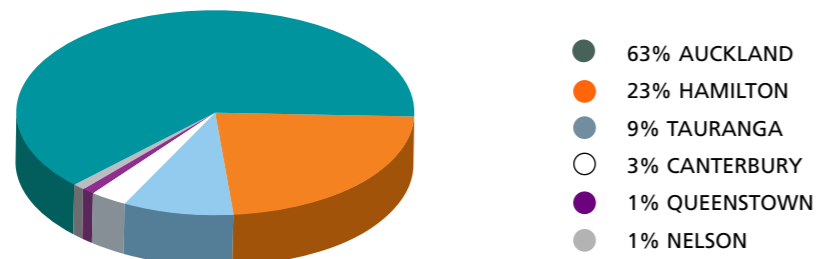
FOR THE YEAR ENDED 31 DECEMBER 2002 CDL INVESTMENTS NEW ZEALAND LIMITED & SUBSIDIARIES

DOLLARS IN THOUSANDS	2002	2001
Total Revenue	23,879	20,269
Profit (Before Taxation)	9,512	-278
Group Net Profit (After Taxation)	5,985	-264
Earnings Per Share	3.20	-0.14
Dividends Per Share	1.6c	0
Asset Backing Per Share (Before Distributions)	24.1c	20.9c
Number of Issued Shares (000's)	187,144	187,144
Total Liabilities: Total Assets Ratio	12.74%	23.95%
Total Assets	51,758	51,516
Group Equity	45,163	39,178

LAND PORTFOLIO MARKET VALUE BY REGION AS AT 31 DECEMBER 2002



PORTFOLIO BOOK VALUE BY REGION AS AT 31 DECEMBER 2002



- a strong lift in sales as well as solid improvement in gross margin, driven by high demand for properties at the top end of the market.
- sales of sections increased by 35.5% over the previous year
- gross margin improved by 32.6%
- a low interest rate environment throughout 2002 has provided a solid platform for demand and price growth in the domestic property market.

## FINANCIAL PERFORMANCE

CDL Investments New Zealand Limited ("CDLI"), a 60.12% owned subsidiary of CDL Hotels New Zealand Limited, reported a net profit after tax of \$5,985,000 for the year ended 31 December 2002, compared with an after tax loss of \$264,000 for the 2001 year.

The total revenue of \$23,879,000 was up 18% from that of the previous year. This reflects both an increased number of sales as well as a shift towards properties at the higher end of the market. The turnaround in profit performance also reaffirms the decision to dispose of the loss making property services subsidiary, Knight Frank New Zealand Limited. The sale of this asset was settled on 28 March 2002.

## FINANCIAL INFORMATION

Shareholders' funds as at 31 December 2002 totalled \$45,163,000, with total assets at \$51,758,000. Net asset backing (before distributions) as at 31 December 2002, was 24.1 cents per share compared to 20.9 cents per share in the previous year. Earnings per share, was 3.20 cents compared to (0.14) cents in the previous year.



252 new sections  
being developed this year



## OPERATIONS

Market conditions throughout 2002 were particularly favourable for the New Zealand property market. Strong demand was built on a platform of continued low interest rates, a competitive exchange rate as well as good migration inflows.

CDL Land New Zealand Limited recorded annual sales of 221 sections during the year as compared with 163 in 2001. The gross margin also increased by 32.6% on the previous year.

In line with the demand for residential properties, the company sold all but six of its available sites at Waimanu Bay (Auckland). Elsewhere, all available sections at Highfields (Waitakere City), Ranfurly Rise (Manukau) and Brookhaven (Christchurch) were sold, plus strong sales in the Hamilton developments were recorded.

The strength of the property market has carried through into 2003 which has given the Board confidence to develop a further 252 new sections from its land holdings in Auckland and Hamilton.

The company will continue to actively and selectively seek land investments and development opportunities in key growth areas to enhance future earnings. The company's strong balance sheet will enable it to take advantage of any opportunities that may arise.

During the year under review, a further 10 hectares of land was acquired in Albany. This helped to replenish CDLI's land bank that totalled 252 hectares at 31 December 2002, which has a current market value of \$59.185 million.

## DIVIDENDS

In view of the level of profitability achieved and the amount of imputation credits available, the Board recommended the payment of a fully imputed dividend of 1.6 cents per share. The Dividend Reinvestment Plan established in 1998 will apply to this dividend, enabling shareholders to choose either a fully imputed cash dividend or ordinary shares in lieu.



The Company will continue to actively and selectively seek land investments and development opportunities in key growth areas to enhance future earnings.



## OUTLOOK

The year 2003 started on an encouraging note with good initial trading results being recorded. However, there are signs that the market may ease in light of world wide political uncertainty. CDLI is on a sound footing and is well poised to take advantage of opportunities as they arise.

Barring unforeseen circumstances, the Board expects 2003 to be another profitable year.

John Wilson  
Chairman  
5 March 2003

## OVERVIEW

The company's land-based operations achieved a pleasing performance in the 2002 financial year as it capitalised on what were very favourable market conditions for the property sector.

Population growth, along with the continued low interest rate environment and strong consumer spending provided New Zealand with plenty of insulation during a year of global uncertainty. Off the back of this CDL Land New Zealand Limited "CDLL" was able to report a strong lift in sales as well as solid improvement in gross margin, driven by high demand for properties at the top end of the market.

Overall market conditions in 2002 were as good as the company had experienced for some time. Against that backdrop, section sales increased by 35.5% over the previous year and, more importantly, the company's gross margin improved by 32.6%, boosted by demand for higher priced properties such as Waimanu Bay (Auckland).

## OPERATING ENVIRONMENT

Economic conditions play a major part in determining demand for property. To that end the continuation of a low interest rate environment throughout 2002 has provided a solid platform for demand and price growth in the domestic property market.

As well, the country had a competitive exchange rate for much of the 2002 year, and this has benefited the rural community and exporters. In turn, this has helped spur income growth and consumption.

A particular feature of the 2002-year was continued strong population growth (driven largely by net migration). This has been a key determinant in driving demand for residential property.

The migration inflow, particularly of high net worth individuals, has fuelled demand for residential properties at the top end of the market. In turn this had a knock on effect through the rest of the market.

A slow pick up in the supply of new houses for much of the previous year, accentuated the demand side pressures, and in turn has led to significant lift in confidence in the "spec" building market in 2002.

As always there were challenges, particularly in maintaining a competitive property land bank during a period when sales and prices were escalating. To this end the company has been able to maintain its land bank to similar levels as for the previous year, and it remains well positioned in the sector.

During the year a further 10 hectares of land was acquired at Albany, which helped to replenish the company's Auckland land bank. The purchase brought the total land area as at 31 December 2002 to 252 hectares.

## RISK MANAGEMENT

The property development market, like many other sectors of the economy, is inherently cyclical. In today's changing economic climate, managing risk is vital for the long-term profitability of the company. CDLL manages its exposure to the business cycle in a number of different ways:

### • STRUCTURALLY

- The company achieves a high level of financial flexibility by minimising commitments to long-term contracts, enabling it to take advantage of changes in the market at short notice.
- Additional resources in the form of locally based professional consultants, contractors and agents are subcontracted on a project-by-project basis. In this way localised knowledge is utilised and company overheads are kept to a minimum.

### • FINANCIALLY

- By maintaining a sustainable gearing ratio, the company's long-term debt is nearly covered by deferred property settlements, which are secured by underlying property assets.
- Having a robust balance sheet that enables the company to adjust its property flows to demand considerations and take a longer-term view when required.

### • OPERATIONALLY

- The company has an extremely selective investment policy.
- The company strives to maintain a diversified portfolio of properties in key growth areas, thereby ensuring that all



target market segments are catered for. In this way the management team controls the company's exposure to a down-turn in any one demographic or geographic market segment. At the same time the company is well positioned to take advantage of market spikes.

In essence, CDLL is well positioned to manage its exposure to the business cycle, and take advantage of opportunities as and when they arise.

## CURRENT PORTFOLIO

At the end of the reporting period the land bank totalled 252 hectares – two thirds of which are located in the upper North Island principally Auckland, Hamilton and Tauranga.

The net realisable value of the land bank determined by DTZ New Zealand Ltd is \$59,185,000 (2001: \$60,013,000)

This value is made up of fully developed property, property under development and 219 hectares of undeveloped land.

While the portfolio is weighted in the upper North Island, a watchful eye was still kept on other major towns and cities. During the year under review, the company investigated a number of potential investments in both Wellington and Christchurch, however, for varying reasons they did not progress.

Since the 31 December 2002 balance date a further 6.8 hectares has been purchased in Henderson

## ENVIRONMENT

CDLL has been operating in property development for around eight years. It has always taken considerable effort to be mindful of the importance of environmental protection in

maintaining a high quality of life for all New Zealanders.

The company is committed to the spirit of the Resource Management Act and carries out extensive planning and consultation to ensure developments are carried out responsibly and with minimum impact on the environment and the community. Developments are seen as an opportunity to meet the community's housing requirements with environmentally acceptable standards.

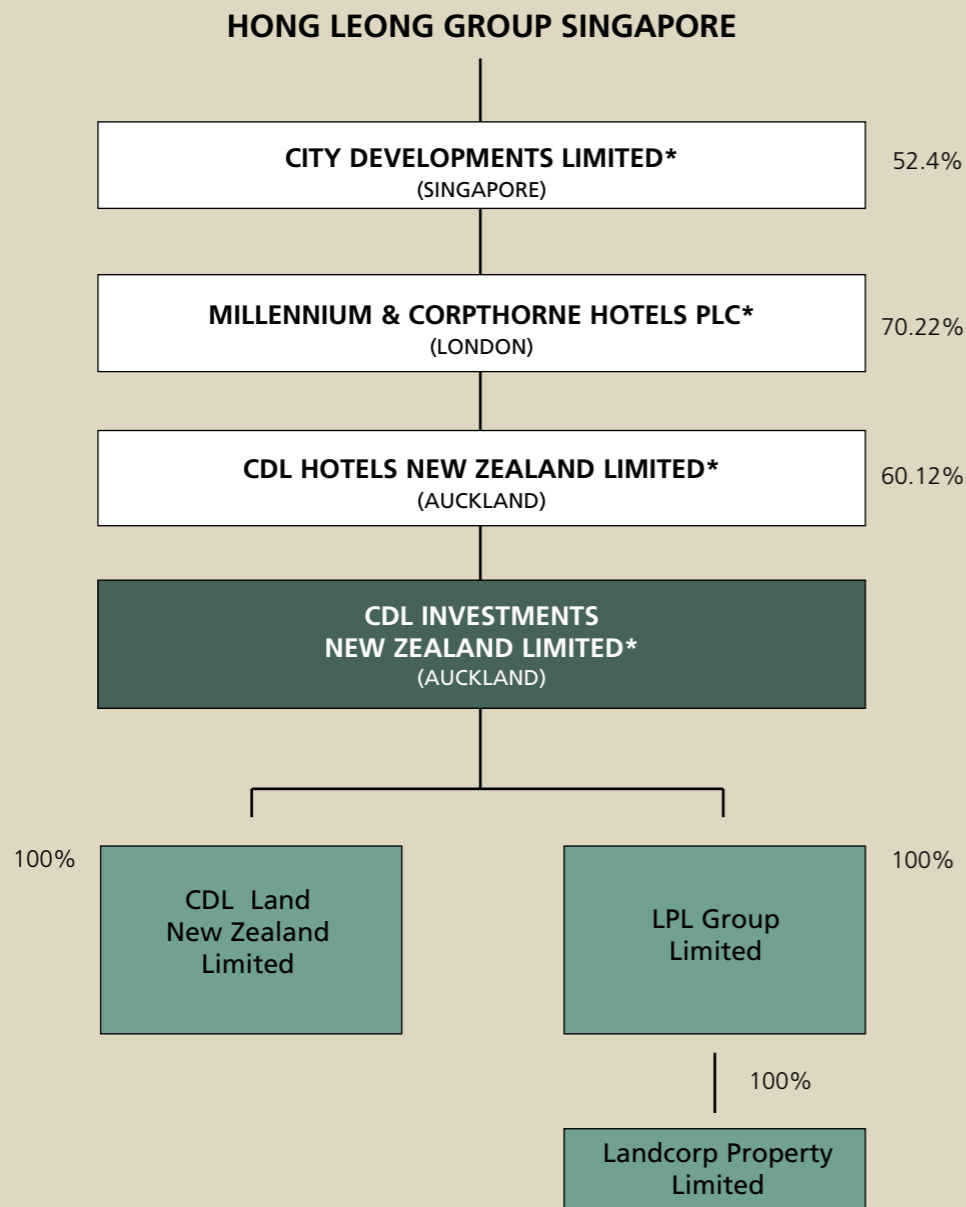
## OUTLOOK

2002 was certainly a very strong year. Though 2003 has started well, there are signs that the market may be overheated. The rising dollar is eating into the returns of the rural community. This will inevitably have a trickle down effect on the provinces. Coupled with this, increased restrictions on immigration is likely to have an impact on property demand, as will any rise in interest rates, which some commentators are picking to occur later in the year. Global uncertainty is another issue. So certainly there are challenges ahead.

Notwithstanding this we remain reasonably confident about the year before us. Certainly there is still considerable momentum in the market. To this end, to meet market demand we are developing a further 137 new sections from the land holding at Auckland and 115 new lots at Hamilton.

With a sound balance sheet and a substantial land bank across all market sectors, we are well positioned to take advantage of any opportunities in the market while they exist, and to ride out the more difficult times when these occur.

Barring any unforeseen circumstances, we remain confident of producing a satisfactory result in the current year.



\* Public listed companies

**JOHN WILSON**

61, non executive Chairman of the Company, appointed in August 1999, is also the Chief Executive Officer of Millennium & Copthorne Hotels Plc ("M&C"). He held various posts during the 25 years he was with the Ladbroke Group and Hilton International. His last position before joining M&C was the Chief Operating Officer and Senior Executive Vice President of Hilton International where he was responsible for the operation of 167 hotels in 48 countries. In August 2000, he was conferred a honorary Doctorate of Business Administration from the Robert Gordon University of Aberdeen in recognition of his contribution to the International Hotel industry. In January 2002, Mr Wilson was elected as Chairman of the British Hospitality Association.

**TSANG JAT MENG**

70, Managing Director, was first appointed non executive Director of the Company in August 1991. In July 2000, he was appointed Managing Director. He is also the Managing Director of CDL Hotels New Zealand Limited and a Director of Kingsgate International Corporation Limited. Prior to his appointment to the board, Mr Tsang was a senior partner and shareholder of a stockbroking company, Tsang & Ong of Singapore. In 1983 Mr Tsang was appointed Deputy Chairman of the Singapore Stock Exchange for a 5-year term.

**WONG HONG REN**

51, non-executive Director of the Company, was appointed in May 1992. He is also an executive Director of M&C and non-executive Director of CDL Hotels New Zealand Limited and Kingsgate International Corporation Limited. Mr Wong is the Group Investment Manager for the Hong Leong Group in Singapore.

**VINCENT YEO**

34, non-executive Director of the Company, was first appointed General Manager of the Company in April 1993 and was later appointed Director in June 1994. In April 1993, he was appointed non executive Director of CDL Hotels New Zealand Limited and later became the Managing Director of the Australian and New Zealand operations of the Company. During that time he was responsible for developing and integrating the hotels into the largest hotel chain in New Zealand. In February 1998 he took up the position of Executive Director of M&C with special responsibilities in sales and marketing, based in London. In June 2001 he returned to Asia to assume the role of Chief Executive Officer of City e-Solutions Limited, a listed subsidiary of City Developments Limited. In October 2001, he also assumed the role of Chief Operating Officer for Millennium & Copthorne Hotels Asia Pacific Region.

**JOHN LINDSAY**

60, Executive Director was appointed to the board in July 1997. He was previously the General Manager of CDL Land and has been responsible for the Company's growth during its formative years.

**JOHN HENDERSON**

56, non-executive Director, was appointed to the Board in October 2000. He also sits on the Board of CDL Hotels New Zealand Limited and Kingsgate International Corporation Limited. He has held various positions during his 28 years with the Starwood Hotels and Resorts Group. His last position before returning to New Zealand was Regional Vice President, (Operations) for Asia Pacific Division where he had direct responsibility for 29 Sheraton and Westin Hotels in China, Japan, Korea, Taiwan and Guam. John was also a director for Starwood Joint Ventures in Tokyo, Hong Kong and Beijing and Chairman of the China Hotel Development Company. Between May 1986 and May 1990, Mr Henderson was the Chief Executive of the Sheraton Group in New Zealand and Area Manager of the South Pacific region.

## BOARD RESPONSIBILITY

The Board of Directors of CDL Investments New Zealand Limited is responsible for the corporate governance of the Company. This responsibility includes setting the direction of the Company's business enterprise, being accountable to shareholders for its business performance and overseeing compliance with relevant legal obligations and standards of performance and conduct.

This responsibility includes such areas of stewardship as to the identification and control of the Group's business risks, the integrity of management systems and reporting to shareholders.

## COMPANY OBJECTIVES

The principal objective of the Company and its subsidiaries (the Group) is to operate as a successful business and to be:

- as profitable and efficient as comparable businesses;
- a good employer i.e. an employer operating personnel policies which contain provisions generally accepted as necessary for the fair and equitable treatment of employees in all aspects of their employment; and
- a leader in the property investments, development of property consultancy services.

The Board establishes the Group's principal objectives, determines major strategies for achieving those objectives, and provides the policy framework within which the Group operates and monitors management's performance within that framework.

## DELEGATION

Day-to-day management of the Company is delegated to the Managing Director who in turn uses the property expertise of the Executive Director.

The Board is satisfied that there are sufficient written procedures, policies, guidelines and organisational structures in place to ensure there is an appropriate division of responsibility, as well as a programme to identify areas of significant risk and to effectively manage these risks.

Each year management submits to the Board a proposed annual budget for approval prior to the commencement of each financial year.

Major policies, which are subject to the Board's approval and review, include acquisitions and disposal of land, major contracts, treasury policy, guidelines for the appointment of senior staff and delegated authority limits.

The Board also compares actual business results to forecasts and to budget at Board meetings.

## BOARD COMMITTEES

The Group does not have a formally constituted audit committee. However, the parent company, CDL Hotels New Zealand Limited does have such a committee and matters pertaining to the Group as a whole eg audits (both internal and external) and certain risk management strategies are discussed at that committee.

## BOARD COMPOSITION

The Board consists of a non-executive Chairman, Managing Director, 1 Executive Director, 2 non-executive Directors and 1 independent Directors. Further details about each of the Directors are set out on page 11 of this report.

The Company's constitution requires that Directors stand for re-election to the Board at the Annual Meeting of Shareholders once every three years.

## LEGAL COMPLIANCE

The Group utilises both internal resources and external consultants to ensure compliance with relevant legislation governing its activities in land acquisitions, land development, real estate and other property services, resource management and human resources.

**+ CONTENTS**

AUDITORS' REPORT	2
FINANCIAL STATEMENTS	3
SHAREHOLDER INFORMATION	12
STATUTORY INFORMATION	15
NOTICE OF ANNUAL MEETING	17
PROXY FORM	19
CORPORATE DIRECTORY	IBC

**FINANCIAL**  
REPORT


**To the Shareholders of CDL Investments New Zealand Limited.**

We have audited the financial statements on pages 3 to 11. The financial statements provide information about the past financial performance and financial position of the company and group as at 31 December 2002. This information is stated in accordance with the accounting policies set out on pages 6 and 7.

**DIRECTORS' RESPONSIBILITIES**

The Directors are responsible for the preparation of financial statements which give a true and fair view of the financial position of the company and group as at 31 December 2002 and of the results of their operations and cash flows for the year ended on that date.

**AUDITORS' RESPONSIBILITIES**

It is our responsibility to express an independent opinion on the financial statements presented by the Directors and report our opinion to you.

**BASIS OF OPINION**

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Directors in the preparation of the financial statements; and
- whether the accounting policies are appropriate to the company and group's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards issued by the Institute of Chartered Accountants of New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Our firm has also provided other services to the Company and certain subsidiaries in relation to taxation and general accounting services. Partners and employees of our firm may also deal with the Company and Group on normal terms within the ordinary course of trading activities of the business of the Company and Group. These matters have not impaired our independence as auditors of the Company and Group. The firm has no other relationships with, or interest in, the Company or any of its subsidiaries.

**UNQUALIFIED OPINION**

We have obtained all the information and explanations we have required.

In our opinion:

- proper accounting records have been kept by the company and group as far as appears from our examination of those records; and
- the financial statements on pages 3 to 11:
- comply with New Zealand generally accepted accounting practice;
- give a true and fair view of the financial position of the company and group as at 31 December 2002 and the results of its operations and cash flows for the year ended on that date.

Our audit was completed on 5 March 2003 and our unqualified opinion is expressed as at that date.

Chartered Accountants  
Auckland

**STATEMENTS OF FINANCIAL PERFORMANCE**

CDL INVESTMENTS NEW ZEALAND LIMITED AND SUBSIDIARY COMPANIES

FOR THE YEAR ENDED 31 DECEMBER 2002

DOLLARS IN THOUSANDS	NOTE	GROUP		PARENT	
		2002	2001	2002	2001
<b>REVENUE</b>					
Property Sales		23,641	13,315	-	-
Property Services and Consultancy		-	6,265	-	-
Other Revenue		238	689	13	2,240
<b>Total Revenue</b>		<b>23,879</b>	<b>20,269</b>	<b>13</b>	<b>2,240</b>
<b>EXPENSES</b>					
Operating		14,367	20,547	2,492	415
<b>Total Expenses</b>		<b>14,367</b>	<b>20,547</b>	<b>2,492</b>	<b>415</b>
Profit / (Loss) Before Taxation	2	9,512	(278)	(2,479)	1,825
Taxation Charge / (Benefit)	3	3,527	(14)	1	(1)
<b>Net Profit / (Loss) After Taxation</b>		<b>5,985</b>	<b>(264)</b>	<b>(2,480)</b>	<b>1,826</b>

**EARNINGS PER SHARE (CENTS)**

- Primary	3.20	-0.14
- Fully Diluted	3.20	-0.14

Primary and Fully Diluted earnings per share is based on the net profit after taxation attributable to ordinary shareholders and the weighted average number of ordinary shares on issue during the year.

**STATEMENTS OF MOVEMENTS IN EQUITY**

CDL INVESTMENTS NEW ZEALAND LIMITED AND SUBSIDIARY COMPANIES

FOR THE YEAR ENDED 31 DECEMBER 2002

DOLLARS IN THOUSANDS	NOTE	GROUP		PARENT	
		2002	2001	2002	2001
Equity at Start of Year		39,178	42,140	16,416	17,288
Net Profit/(Loss) After Taxation		5,985	(264)	(2,480)	1,826
<b>Total Recognised Revenues and Expenses for the Year</b>		<b>5,985</b>	<b>(264)</b>	<b>(2,480)</b>	<b>1,826</b>
Dividends	7	-	(2,972)	-	(2,972)
Shares Issued under Dividend Reinvestment Plan	5	-	274	-	274
<b>Equity at End of Year</b>		<b>45,163</b>	<b>39,178</b>	<b>13,936</b>	<b>16,416</b>

The attached notes on pages 6 to 11 form part of, and are to be read in conjunction with these Financial Statements.

## STATEMENTS OF FINANCIAL POSITION

CDL INVESTMENTS NEW ZEALAND LIMITED AND SUBSIDIARY COMPANIES

AS AT 31 DECEMBER 2002		GROUP		PARENT	
DOLLARS IN THOUSANDS	NOTE	2002	2001	2002	2001
<b>EQUITY</b>					
Share Capital	5	21,649	21,649	21,649	21,649
Reserves	6	23,514	17,529	(7,713)	(5,233)
<b>Total Equity</b>		<b>45,163</b>	<b>39,178</b>	<b>13,936</b>	<b>16,416</b>
<b>NON CURRENT LIABILITIES</b>					
Loan	8	-	9,894	-	-
Deferred Tax Liability/(Benefit)	3	928	392	(5)	(6)
<b>Total Non Current Liabilities /(Assets)</b>		<b>928</b>	<b>10,286</b>	<b>(5)</b>	<b>(6)</b>
<b>CURRENT LIABILITIES</b>					
Bank Overdraft		-	1,042	-	-
Current Portion of Loan	8	5,000	-	-	-
Accounts Payable and Accruals		638	971	53	3
Employee Entitlements		29	39	1	30
<b>Total Current Liabilities</b>		<b>5,667</b>	<b>2,052</b>	<b>54</b>	<b>33</b>
<b>Total Equity and Liabilities</b>		<b>51,758</b>	<b>51,516</b>	<b>13,985</b>	<b>16,443</b>
<b>NON CURRENT ASSETS</b>					
Fixed Assets	9	53	19	29	22
Property Held for Development and Sale	10	20,971	32,268	-	-
Intercompany Receivable		-	-	292	218
Investments in Subsidiaries	12	-	-	13,144	15,144
<b>Total Non Current Assets</b>		<b>21,024</b>	<b>32,287</b>	<b>13,465</b>	<b>15,384</b>
<b>CURRENT ASSETS</b>					
Bank and Short Term Deposits		2,339	-	80	617
Accounts Receivable and Prepayments		15,094	10,457	18	20
Property Held for Development and Sale	10	12,733	8,067	-	-
Prepaid Taxation		568	705	422	422
<b>Total Current Assets</b>		<b>30,734</b>	<b>19,229</b>	<b>520</b>	<b>1,059</b>
<b>Total Assets</b>		<b>51,758</b>	<b>51,516</b>	<b>13,985</b>	<b>16,443</b>

The attached notes on pages 6 to 11 form part of, and are to be read in conjunction with these Financial Statements.

For, and on behalf of, the Board



J Wilson  
Chairman  
5 March 2003



JM Tsang  
Managing Director  
5 March 2003

## STATEMENTS OF CASH FLOWS

CDL INVESTMENTS NEW ZEALAND LIMITED AND SUBSIDIARY COMPANIES

FOR THE YEAR ENDED 31 DECEMBER 2002		GROUP		PARENT	
DOLLARS IN THOUSANDS	NOTE	2002	2001	2002	2001
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
<b>Cash was provided from:</b>					
Receipts from Customers		19,101	24,043	2	915
Interest Received		138	189	13	37
Dividends Received		-	-	-	2,203
		<b>19,239</b>	<b>24,232</b>	<b>15</b>	<b>3,155</b>
<b>Cash was applied to:</b>					
Payments to Suppliers and Employees		(7,602)	(19,690)	(534)	(464)
Taxation Paid		(2,860)	(437)	-	-
Interest Paid		(2)	(60)	-	(5)
Interest Capitalised		(473)	(813)	-	-
		<b>(10,937)</b>	<b>(21,000)</b>	<b>(534)</b>	<b>(469)</b>
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>	<b>13</b>	<b>8,302</b>	<b>3,232</b>	<b>(519)</b>	<b>2,686</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
<b>Cash was provided from:</b>					
Sale of Fixed Assets		8	-	-	-
		<b>8</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash was applied to:</b>					
Purchase of Fixed Assets		(35)	(625)	(18)	-
<b>Net Cash Outflow from Investing Activities</b>		<b>(27)</b>	<b>(625)</b>	<b>(18)</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
<b>Cash was provided from:</b>					
Proceeds from Borrowings		-	894	-	-
<b>Cash was applied to:</b>					
Dividend Paid		-	(2,698)	-	(2,698)
Supplementary Dividend Paid		-	(386)	-	(386)
Repayment of Borrowings		(4,894)	-	-	-
		<b>(4,894)</b>	<b>(3,084)</b>	<b>-</b>	<b>(3,084)</b>
<b>Net Cash Outflow from Financing Activities</b>		<b>(4,894)</b>	<b>(2,190)</b>	<b>-</b>	<b>(3,084)</b>
<b>Net Increase/(Decrease) in Cash</b>		<b>3,381</b>	<b>417</b>	<b>(537)</b>	<b>(398)</b>
Opening Cash/(Overdraft) Brought Forward		(1,042)	(1,459)	617	1,015
Closing Cash/(Overdraft) Carried Forward		<b>2,339</b>	<b>(1,042)</b>	<b>80</b>	<b>617</b>
<b>Comprising:</b>					
Bank and Short Term Deposits		2,339	-	80	617
Bank Overdraft		-	(1,042)	-	-
		<b>2,339</b>	<b>(1,042)</b>	<b>80</b>	<b>617</b>

The attached notes on pages 6 to 11 form part of, and are to be read in conjunction with these Financial Statements.

FOR THE YEAR ENDED 31 DECEMBER 2002

**1 STATEMENT OF ACCOUNTING POLICIES****REPORTING ENTITY**

CDL Investments New Zealand Limited is a public company registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange.

The Group consists of CDL Investments New Zealand Limited and its subsidiaries. CDL Investments New Zealand Limited is an issuer for the purposes of the Financial Reporting Act 1993.

**STATUTORY BASE**

These financial statements have been prepared in accordance with the Companies Act 1993 and the Financial Reporting Act 1993.

**MEASUREMENT SYSTEM**

The measurement base adopted is that of historical cost.

**SPECIFIC ACCOUNTING POLICIES**

The following specific accounting policies, which materially affect the measurement of financial performance and the financial position, have been applied:

**a) Basis of Consolidation – Purchase Method**

The consolidated financial statements include the holding company and its subsidiaries, and are accounted for using the purchase method of consolidation. All significant inter-company transactions are eliminated on consolidation. Goodwill arising on the acquisition of subsidiaries has been written off on a straight-line basis to the Statement of Financial Performance over a period considered appropriate by the Directors.

**b) Property Held for Development and Sale**

Property held for future development is stated at the lower of cost or net realisable value. All holding costs are written off through the Statement of Financial Performance in the year incurred with the exception of interest holding costs which are capitalised during the period when active development is taking place.

**c) Accounts Receivable**

Accounts receivable are stated at estimated realisable value after providing against debts where collection is doubtful.

**d) Fixed Assets**

Fixed assets are recorded at cost less accumulated depreciation.

**e) Depreciation of Fixed Assets**

Depreciation is provided on a straight-line basis to write off the cost of depreciable assets over their expected useful lives, which are:

Office Furniture and Equipment	3 – 7 years
Plant and Equipment	10 years

**f) Taxation**

The taxation charge for the year is the estimated total liability in respect of the profit after allowance for permanent differences.

The Group follows the comprehensive liability method of accounting for deferred taxation. Future tax benefits, to the extent they exceed related deferred taxation liabilities, are not recognised unless realisation of the asset is virtually certain.

**1 STATEMENT OF ACCOUNTING POLICIES (CONT)****g) Investments**

Investments in subsidiaries are stated at cost less any provision for permanent diminution in value.

**h) Revenue Recognition**

Revenue and profit is not recognised on property sales until the point of formal unconditional contract for sale.

**CHANGES IN ACCOUNTING POLICY**

There have been no changes in the accounting policies during the period and all policies have been applied on a consistent basis with the previous year.

**2 PROFIT BEFORE TAXATION**

FOR THE YEAR ENDED 31 DECEMBER 2002	GROUP		PARENT	
	2002	2001	2002	2001
DOLLARS IN THOUSANDS				
<b>Profit before taxation is arrived at after (crediting) / charging:</b>				
Auditors' Remuneration				
– Audit Fees	35	49	17	15
– Other Services	31	26	31	26
Depreciation	19	289	11	9
Loss/(Gain) on Sale of Fixed Assets and Business	(3)	1,510	-	-
Directors' Remuneration				
– Directors' Fees	10	10	10	10
– Other Payments to Directors	155	120	-	120
Leasing and Rental Costs	62	809	11	11
Legal Fees	145	457	45	19
Interest Expense	2	60	-	5
Bad Debts				
– Bad Debts Written Off	6	16	-	-
– Movement in Provision for Bad Debts	6	(91)	-	-
Writedown of Investment in Subsidiary	-	-	2,000	-
Interest from Other Investments	(138)	(189)	(13)	(37)
Dividends Received	-	-	-	(2,203)

**NOTES TO THE FINANCIAL STATEMENTS (CONT)**

CDL INVESTMENTS NEW ZEALAND LIMITED AND SUBSIDIARY COMPANIES

FOR THE YEAR ENDED 31 DECEMBER 2002

DOLLARS IN THOUSANDS	GROUP		PARENT	
	2002	2001	2002	2001
<b>3 TAXATION</b>				
Profit/(Loss) Before Taxation	9,512	(278)	2,479	1,825
Prima Facie Taxation at 33%	3,139	(92)	818	603
<b>Adjustment for the Tax Effect of:</b>				
Permanent Differences	(115)	78	(674)	(604)
Taxation Losses Not Recognised	-	-	(143)	-
Under Provision of Prior Year Taxation	503	-	-	-
Total Taxation Expense / (Benefit)	3,527	(14)	1	(1)
<b>Income Taxation Expense Consists of:</b>				
Current Taxation	2,991	540	-	-
Deferred Taxation/(Benefit)	536	(554)	1	(1)
Total Taxation Expense/(Benefit)	3,527	(14)	1	(1)
<b>Deferred Taxation Liability/(Benefit)</b>				
Opening Balance	392	946	(6)	(5)
Deferred Taxation Expense/(Benefit)	536	(554)	1	(1)
Closing Balance	928	392	(5)	(6)

**4 IMPUTATION CREDIT ACCOUNT**

Opening Balance	6,263	6,933	103	96
Taxation Paid	2,860	408	-	-
Credits Attached to Dividends Received	-	-	-	1,085
Credits Attached to Dividends Paid	-	(1,078)	-	(1,078)
Closing Balance	9,123	6,263	103	103

**5 SHARE CAPITAL**

(a) Share Capital Comprises:	Shares in Thousands		\$ 000	
Opening Balance	187,144	185,757	21,649	21,375
Shares Issued Under Dividend Reinvestment Plan	-	1,387	-	274
Closing Balance	187,144	187,144	21,649	21,649

All shares are fully paid and carry equal rights and rank pari passu with regard to residual assets of the Company.

**(b) Dividend Reinvestment Plan**

In 1998, the Company adopted a Dividend Reinvestment Plan pursuant to which shareholders may elect to receive ordinary dividends in the form of either cash or additional shares in the Company. The additional shares are issued at the market price on the dividend payment date.

FOR THE YEAR ENDED 31 DECEMBER 2002

DOLLARS IN THOUSANDS	GROUP		PARENT	
	2002	2001	2002	2001
<b>6 RESERVES</b>				
Capital Reserves	83,020	83,020	83,005	83,005
Accumulated Deficit	(59,506)	(65,491)	(90,718)	(88,238)
Total Reserves	23,514	17,529	(7,713)	(5,233)
<b>7 DIVIDENDS</b>				
Dividend of nil cents per share (2001: 1.6 cents)	-	2,972	-	2,972
Supplementary Dividend	-	386	-	386
Total Dividends Declared	-	3,358	-	3,358
Foreign Investor Tax Credit	-	(386)	-	(386)
Total Dividends	-	2,972	-	2,972
<b>8 LOAN</b>				
Secured Over All Fixed Assets and Property Held for Development and Sale	5,000	9,894	-	-
Less Amount Classified as Current Liability	(5,000)	-	-	-
Total Term Loan	-	9,894	-	-
All loans are repayable in full on maturity, which is 18 October 2003. The average prevailing interest rate as at 31 December 2002 was 6.36% (2001: 7.12%).				
<b>9 FIXED ASSETS</b>				
Plant and Equipment (at cost)	31	-	-	-
Accumulated Depreciation	(8)	-	-	-
	23	-	-	-
Office Furniture and Equipment (at cost)	119	97	110	91
Accumulated Depreciation	(89)	(78)	(81)	(69)
	30	19	29	22
Net Book Value	53	19	29	22
<b>10 PROPERTY HELD FOR DEVELOPMENT AND SALE</b>				
Property Intended for Development and Sale:				
- Within One Year	12,733	8,067	-	-
- Later than One Year	20,971	32,268	-	-
	33,704	40,335	-	-
<b>Valuation</b>				
Property held for development and sale is carried at the lower of cost or net realisable value. Interest of \$473,000 (2001: \$813,000) has been capitalised during the year. The net realisable value of properties held at 31 December 2002 was determined by E.B. Smithies FNZPI of DTZ New Zealand Limited, an independent registered valuer. Mr Smithies is a member of the New Zealand Institute of Valuers. The total of these valuations are \$59,185,000 (2001: \$60,013,000).				

**11 RELATED PARTY**

CDL Investments New Zealand Limited is a subsidiary of CDL Hotels New Zealand Limited by virtue of CDL Hotels New Zealand Limited owning 60.12% (2001: 60.12%) of the Company and having 5 out of 6 of the Directors on the Board. CDL 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. The ultimate holding company is Hong Leong Investment Holdings Pte Limited in Singapore.

During the year CDL Investments Limited has reimbursed its parent, CDL Hotels New Zealand Limited, for \$130,320 (2001: \$70,005) in expenses incurred by the parent on behalf of the Group.

During the year CDL Investments New Zealand Limited entered into the following transactions with subsidiaries:  
– Nil management fees were received from subsidiaries (2001: \$87,000).

No related party debts have been written off or forgiven during the year.

**12 SUBSIDIARY COMPANIES**

SUBSIDIARY	PRINCIPAL ACTIVITY
CDL Land New Zealand Limited	Property Investment and Development
LPL Group Limited	Holding Company
Landcorp Property Limited	Non trading
Knight Frank (NZ) Limited	In liquidation

The subsidiaries are wholly owned direct subsidiaries of CDL Investments New Zealand Limited and all have balance dates of 31 December 2002.

FOR THE YEAR ENDED 31 DECEMBER 2002	GROUP		PARENT	
DOLLARS IN THOUSANDS	2002	2001	2002	2001

**13 RECONCILIATION OF NET PROFIT AFTER TAX WITH NET CASH FLOW FROM OPERATING ACTIVITIES**

FOR THE YEAR ENDED 31 DECEMBER 2002	GROUP		PARENT	
DOLLARS IN THOUSANDS	2002	2001	2002	2001
Net Profit/(Loss) after Taxation	5,985	(264)	(2,480)	1,826
<b>Adjusted for Non-Cash Items:</b>				
Depreciation	19	289	11	9
Deferred Tax Expense/(Benefit)	536	(554)	1	(1)
Writedown of Investment in Subsidiary	-	-	2,000	-
	555	(265)	2,012	8
<b>Adjusted for Movements in Working Capital:</b>				
Decrease in Payables and Accruals	(343)	(1,291)	(53)	(63)
(Increase)/Decrease in Accounts Receivable	(4,637)	3,963	2	915
Decrease in Taxation Refund	137	103	-	-
(Increase)/Decrease in Development Property	6,608	(524)	-	-
	1,765	2,251	(51)	852
<b>Add Items Classified as Investing Activities:</b>				
Loss/(Gain) on Sale of Fixed Assets and Business	(3)	1,510	-	-
	(3)	1,510	-	-
Net Cash Inflow/(Outflow) from Operating Activities	8,302	3,232	(519)	2,686

FOR THE YEAR ENDED 31 DECEMBER 2002

**14 NATURE OF BUSINESS AND GROUP SEGMENT ACCOUNTING**

The Group operates in real estate and related activities, including property development, in New Zealand.

FOR THE YEAR ENDED 31 DECEMBER 2002	GROUP		PARENT	
DOLLARS IN THOUSANDS	2002	2001	2002	2001
<b>15 COMMITMENTS</b>				
<b>Capital Commitments</b>				
Contracts for Development Expenditure	157	317	-	-
<b>Lease Commitments</b>				
Unexpired Operating Leases Due:				
– Within One Year	8	283	-	-
Total Lease Commitments	8	283	-	-

**16 FINANCIAL INSTRUMENTS**

Exposure interest and credit risk arises in the normal course of the Group's business.

**Credit Risk**

No collateral is required in respect of financial assets. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. Reputable financial institutions are used for investing and cash handling purposes. At balance date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset in the Statement of Financial Position.

Maximum Credit Exposure as at 31 December is as follows:

FOR THE YEAR ENDED 31 DECEMBER 2002	GROUP		PARENT	
DOLLARS IN THOUSANDS	2002	2001	2002	2001
Bank and Short Term Deposits	2,339	-	80	617
Accounts Receivable	15,094	10,457	18	20

Included in Accounts Receivable are deferred property settlements of \$14,432,910 (2001: \$9,983,810) which are secured by the underlying property assets.

**Interest Rate Risk**

The current interest rate on the Company's bank overdraft facility is 6.96% (2001: 5.89%). This is a floating rate set monthly by the bank. The Company has entered into a series of rolling commercial bills.

**Fair Values**

The carrying amount is considered to approximate the fair value for all financial instruments.

**TOP TWENTY SHAREHOLDERS**

as at 28 February 2003

NAME OF SHAREHOLDER	NUMBER OF SHARES	%
1. CDL Hotels New Zealand Limited	112,505,104	60.12
2. Adrian Ho	10,388,834	5.55
3. UOB Kay Hian Nominees PTE Limited	2,500,000	1.33
4. Christina Seet	2,369,065	1.26
5. Yong Khee Ong	2,323,951	1.24
6. Teck Kim Chua	930,000	0.49
7. Geok Loo Goh	900,000	0.48
8. CitiBank Nominees (New Zealand)	865,526	0.46
9. Roger Parker	836,032	0.44
10. HSBC Nominees (NA) Limited	700,000	0.37
11. ABN Amro Nominees New Zealand Limited	657,868	0.35
12. Gee Sue Law	533,919	0.28
13. Graham Kenneth Gaskin & Donald Eric Forsyth	490,000	0.26
14. Darshan Singh Kler	445,000	0.23
15. Raymond Alfred Capel	400,000	0.21
16. Portfolio Custodian Limited	380,000	0.20
17. Allan Leslie Goldsack & Lois Dulcie Goldsack	356,200	0.19
18. Katherine Ho Siew Hong	332,000	0.17
19. Raymond John Randolph French & Alys Gay Christabel French	323,046	0.17
20. Ross Stewart Grant	302,000	0.16
<b>Total</b>	<b>138,538,545</b>	<b>73.96</b>

**DISTRIBUTION OF SECURITY HOLDERS AND SECURITY HOLDINGS**

as at 28 February 2003

	SECURITY HOLDERS		SECURITIES	
	NUMBER	%	NUMBER	%
1 - 1,999	791	16.65	1,011,084	0.54
2,000 - 9,999	2,824	59.46	11,715,283	6.26
10,000 - 49,999	919	19.35	17,304,545	9.25
50,000 and over	215	4.54	157,113,332	83.95
	<b>4,749</b>	<b>100.00</b>	<b>187,144,244</b>	<b>100.00</b>

**DOMICILE OF SECURITY HOLDERS**

as at 28 February 2003

	SECURITY HOLDERS		SECURITIES	
	NUMBER	%	NUMBER	%
New Zealand	4,611	97.10	164,975,806	88.15
Australia	72	1.51	725,504	0.40
Others	66	1.39	21,422,934	11.45
	<b>4,749</b>	<b>100.00</b>	<b>187,124,244</b>	<b>100.00</b>

**DIRECTORS' SHAREHOLDINGS**

AS AT 28 FEBRUARY 2003 (DIRECT AND INDEIRECT HOLDINGS)	EQUITY SECURITIES HELD	
	2002	2001
J Wilson	NIL	NIL
HR Wong	NIL	NIL
JM Tsang	NIL	NIL
J Henderson	NIL	NIL
J Lindsay	NIL	NIL
VWE Yeo	NIL	NIL

**SUBSTANTIAL SECURITY HOLDERS**

AS AT 28 FEBRUARY 2003

The following persons are deemed to be substantial security holders in accordance with section 26 of the Securities Amendment Act 1988.

	NUMBER OF VOTING SECURITIES	
CDL Hotels New Zealand Limited	112,505,104	60.12
Adrian Ho	10,388,834	5.55

The total number of issued voting securities as at 28 February 2003 of CDL Investments New Zealand Limited was 187,144,244

**INTERESTS REGISTER RECORD**

There were no items recorded in the interest register of the Company and its subsidiaries during the period.

**DIRECTOR'S REMUNERATION**

The total remuneration and other benefits received by each Director or former Directors during the year are:

	DIRECTORS FEES (\$000)	OTHER BENEFITS (\$000)
J Wilson	NIL	NIL
HR Wong	NIL	NIL
JM Tsang	NIL	NIL
VWE Yeo	NIL	NIL
J Henderson	10	NIL
J Lindsay	NIL	155

**INDEMNITY AND INSURANCE**

The Company has insured all its Directors and Officers of its subsidiaries against Liabilities to other parties (except the Company or a related party of the Company) That may arise from their positions as Directors and Officers. The insurance does not cover liabilities arising from criminal actions.

**SHARE DEALINGS**

There was no record of any transactions in the shares of the Company by any Directors during the accounting period.

**BOARD OF DIRECTORS OF SUBSIDIARY COMPANIES**

The names of persons holding office as Directors of the Company and its subsidiaries as at 31 December 2002 and the names of any persons who ceased to hold office as Directors of the Company during this accounting period are as follows:

NAME	OWNERSHIP	ACTIVITY
<b>CDL Land New Zealand Limited</b>	100%	Property Investment and Development
HR Wong		
JM Tsang		
J Lindsay		
S Harrison (appointed 29/1/03)		
K Arasaratnam (resigned 29/1/03)		
<b>LPL Group Limited</b>	100%	Holding Company
HR Wong		
JM Tsang		
K Arasaratnam		
<b>Landcorp Property Limited</b>	100%	Lessee Company
HR Wong		
JM Tsang		
K Arasaratnam		

The Directors of these subsidiary companies did not receive, in their capacity as Directors, any fees or other benefits from the subsidiaries.

**INFORMATION USED BY DIRECTORS**

During the year the Board received no notice from any Directors of the Company requesting the use of company information which they would have received in their capacity as directors which would not otherwise have been available to them.

**EMPLOYEE REMUNERATION**

There was one employee who received remuneration between \$150,001 to \$160,000. No other employees, or former employees, received any remuneration and any other benefits in their capacity as employees exceeding \$100,000 per annum during the accounting period.

**DONATIONS**

The Company and subsidiaries made donations totalling \$100.00 during the year.

**AUDIT FEES**

During the year the following amounts were payable to the auditors of the Company.

DOLLARS IN THOUSANDS	2002	2001
KPMG Audit	\$35.0	\$49.4
KPMG Other Services	\$31.0	\$25.6

NOTICE IS HEREBY GIVEN that the NINETEENTH ANNUAL MEETING of the shareholders of the Company will be held at Quality Hotel Logan Park, Totara Room, 187 Campbell Road, Greenlane, Auckland on Tuesday, 13 May 2003 at 3.00 pm.

**AGENDA**

**1. ANNUAL REPORT**

To receive the annual report for the year ended 31 December 2002;

**2. DIRECTORS**

To consider the election of Directors:

Mr J Wilson and Mr HR Wong retire in accordance with Clause 28.6 of the Company's Constitution and being eligible offer themselves for re-election; and

**3. AUDITORS**

To record the re-appointment of KPMG as Auditors of the Company and to authorise the Board of Directors to fix the Auditors' remuneration for the ensuing year;

**4. AMENDMENT TO THE CLAUSE 27.2 OF THE COMPANY'S CONSTITUTION**

In line with the recent changes made to the New Zealand Stock Exchange Listing Rules, to consider, and if thought fit, to pass the following special resolution:

*That the constitution of the Company be amended by the addition in clause 27.2 of the words "or a related series of transactions" after the words "a transaction".*

**5. GENERAL**

To deal with any other business that may properly be brought before the meeting.

By Order of the Board

BOON PUA

Company Secretary

8 April 2003

**EXPLANATORY NOTES TO NOTICE OF ANNUAL MEETING**

- The first three items on the Agenda are self-explanatory. These Explanatory Notes are intended to explain the effect of the special resolution proposed in item 4 of the Agenda.
- The effect of the resolution is to amend clause 27.2 of the Company's Constitution. Set out below are clauses 27.1 and 27.2 of the Constitution with the addition in clause 27.2 underlined:

**27. Transactions with Related Parties**

**27.1 Restriction**

*The Company shall not enter into a Material Transaction if a Related Party is, or is likely to become:*

- a direct or indirect party to the Material Transaction, or to at least one of a related series of transactions of which the Material Transaction forms part; or*
- in the case of a guarantee or other transaction of the nature referred to in paragraph (c) of clause 27.2, a direct or indirect beneficiary of such guarantee or other transaction,*

*unless that Material Transaction is approved by an Ordinary Resolution.*

**EXPLANATORY NOTES TO NOTICE OF ANNUAL MEETING (CONT)**

**27.2 Definition of Material Transaction**

For the purposes of clause 27.1, "Material Transaction" means a transaction or a related series of transactions whereby the Company:

- (a) purchases or otherwise acquires, gains, leases (as lessor or lessee) or sells or otherwise disposes of, assets having an Aggregate Gross Value in excess of 5% of the lesser of Shareholders' Funds or the Average Market Capitalisation of the Company;
- (b) borrows, lends, pays or receives, money, or incurs an obligation, of an amount in excess of 5% of the lesser of Shareholders' Funds or the Average Market Capitalisation of the Company;
- (c) enters into any guarantee, indemnity, or similar obligation, or gives any security, for or of obligations which could expose the Company to liability in excess of 5% of the lesser of Shareholders' Funds or the Average Market Capitalisation of the Company;
- (d) provides or obtains any services (including without limitation the underwriting of Securities or services as an employee) in respect of which the actual gross cost to the Company in any financial year (ignoring any returns or benefits in connection with such services) is likely to exceed an amount equal to 0.5% of the lesser of Shareholders' Funds or the Average Market Capitalisation of the Company; or
- (e) amalgamates, except for amalgamations of a wholly owned Subsidiary of the Company with another wholly owned Subsidiary of the Company or with the Company.

3. The effect of this amendment is to make it clear that the restriction in clauses 27.1 and 27.2 extends not only to a single transaction but also to a series of related transactions. This change has been required by the New Zealand Stock Exchange as a result of recent amendments to the Listing Rules.

**Notes:**

1. All shareholders are entitled to attend the meeting.
2. A shareholder entitled to vote at the Annual Meeting may appoint a proxy to attend and vote on behalf of the shareholder.
3. A proxy/representative need not be a shareholder of the Company. A proxy/representative form is enclosed. Instructions for completing and mailing the form are set out thereon.
4. If the proxy form is signed under a Power of Attorney, this must be produced for noting by the Company, if not already noted. A declaration of non-revocation of the Power of Attorney must be attached.
5. In the case of a shareholder that is a company or body corporate, a representative can be appointed to attend the meeting.
6. Completed proxies must be lodged at Computershare Registry Services Limited, Private Bag 92119, Auckland not later than 3.00 pm on 11 May 2003.

For use at the Annual Meeting of the Company to be held on Tuesday, 13 May 2003 and at any adjournment thereof.

I / We \_\_\_\_\_  
(Full Name)

of \_\_\_\_\_  
(Address)

Shareholder No \_\_\_\_\_

Being a shareholder (s) of CDL INVESTMENTS NEW ZEALAND LIMITED hereby appoint

\_\_\_\_\_ of \_\_\_\_\_  
(Full Name of Proxy / Representative) (Address of Proxy / Representative)

Or failing him / her \_\_\_\_\_ of \_\_\_\_\_

as my / our proxy / representative to vote for me / us on my / our behalf at the Annual Meeting of the Company to be held on Tuesday, 13 May 2003 at 3.00 pm and at any adjournment thereof.

Unless otherwise directed below my / our proxy / representative may vote as he / she thinks fit or abstain from voting.

**RESOLUTIONS**

(Please indicate with a tick in the appropriate box)

	FOR	AGAINST
<b>Ordinary Resolutions</b>		
1. To elect Directors		
J Wilson	<input type="checkbox"/>	<input type="checkbox"/>
HR Wong	<input type="checkbox"/>	<input type="checkbox"/>
2. To record the re-appointment of KPMG Auckland as auditors and to authorise the Directors to fix their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
<b>Special Resolution</b>		
3. To change the constitution of the Company by the addition in clause 27.2 of the words "or a related Transaction" after the words "a transaction".	<input type="checkbox"/>	<input type="checkbox"/>

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2003

Usual signature/s of Shareholder (s) \_\_\_\_\_

**NOTES:**

1. If you wish you may appoint, as your proxy, the chairperson of the meeting.
2. If the form is returned without direction as to how the proxy/representative shall vote on any particular resolution, the proxy/representative will exercise its discretion as to whether to vote and, if so, how.
3. This form must be signed by the appointor or his/her/their attorney duly authorised in writing or if the appointor is a corporation, under the hand of a signatory/s or attorney duly authorised. Joint holders of shares must each sign this form. In the case of a company, the form must be signed by a duly authorised officer of that company or an attorney duly authorised by that company.
4. In the case of a shareholder that is a company or body corporate, a representative can be appointed to attend the meeting.
5. This form, the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of the power of authority and a certificate of non-revocation of the power of attorney must be lodged at Computershare Registry Services Limited, Private Bag 92119, Auckland not later than 3.00pm on 11 May 2003.

**Mailing Instructions**

PLEASE DETACH AND PUT IN A STAMPED ADDRESSED ENVELOPE TO:  
Computershare Registry Services  
Private Bag 92119  
Auckland 1020

**BOARD OF DIRECTORS**

J Wilson, Chairman  
JM Tsang, Managing Director  
HR Wong, Director  
J Henderson, Director  
VWE Yeo, Director  
J Lindsay, Executive Director

**COMPANY SECRETARY**

Boon Pua

**REGISTERED OFFICE**

280 Centre,  
Level 13  
280 Queen Street  
PO Box 3248, Auckland 1  
New Zealand  
Telephone (09) 913 8077  
Facsimile (09) 913 8098

**AUDITORS**

KPMG

**BANKERS**

ANZ Banking Group (New Zealand) Limited, Auckland

**SHARE REGISTRY**

Computershare Registry Services  
Level 2  
159 Hurtsmere Road  
Takapuna  
Private Bag 92119, Auckland 1020, New Zealand  
Telephone (09) 488 8700  
Facsimile (09) 488 8787

**STOCK EXCHANGE LISTING**

New Zealand Stock Exchange



CDL INVESTMENTS NEW ZEALAND LIMITED