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| <b>Decision</b>         | Consent granted<br>Section 12(a) Overseas Investment Act 2005  |
| <b>Decision Date</b>    | 22 January 2009  |
| <b>Investment</b>       | An overseas investment in sensitive land, being the Applicant's acquisition of a freehold interest in 159.1421 hectares of land at Upper Sefton Road and Lower Sefton Road in Canterbury.  |
| <b>Consideration</b>    | To be advised  |
| <b>Applicant</b>        | <b>ITOCHU Corporation and Daiken Corporation</b><br>Japan (80.9996%), Various (19.0004%)   |
| <b>Vendor</b>           | <b>Carter Holt Harvey Limited</b><br>New Zealand (100.0%)  |
| <b>Background</b>       | <p>The Applicant is the successful bidder in the sale process conducted by the Vendor in respect of the Vendor's New Zealand medium density fibreboard (MDF) manufacturing plant at Rangiora (Business).</p> <p>The Applicant owns similar businesses in the wood products industry and considers that an investment in the Business would provide attractive integration opportunities at both a production and distribution level. In addition the export market for MDF has shown good price and volume growth in recent years and, subject to no significant burst of new capacity coming on stream, it is expected to maintain or improve this growth.</p> <p>The overseas investment transaction has satisfied the criteria in section 16 of the Overseas Investment Act 2005. The 'substantial and identifiable benefit to New Zealand' criteria were satisfied by particular reference to the following factors:</p> <ul style="list-style-type: none"><li>• Overseas Investment Act 2005<ul style="list-style-type: none"><li>– 17(2)(a)(i) – Creation/Retention of jobs</li><li>– 17(2)(a)(ii) – New technology or business skills</li><li>– 17(2)(a)(iii) – Increased export receipts</li><li>– 17(2)(a)(iv) – Added market competition/Productivity</li><li>– 17(2)(a)(v) – Additional investment for development purposes</li></ul></li><li>• Overseas Investment Regulations 2005<ul style="list-style-type: none"><li>– 28(a) – Consequential Benefits</li><li>– 28(e) – Previous investments</li></ul></li></ul> |
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