



Decision Summary

Case: 200820036

Decision Consent granted

Section 12(b) Overseas Investment Act 2005

Decision Date 9 February 2009

Investment An overseas investment in sensitive land, being the Applicant's acquisition of rights or interests in 46.2% of the shares of Lauriston Dairies Limited which owns or controls a freehold interest in 377.4447 hectares of land at 1375 Line Road, Lauriston, Ashburton.

Consideration

CONFIDENTIAL

Applicant **BNZ AgriCapital Limited**

Australia (100.0%)

BNZ AgriCapital Limited (BNZAC) is 100 percent owned by Bank of New Zealand, a New Zealand registered bank, which in turn is 100 percent owned by National Australia Bank Limited an Australian registered bank. BNZAC's primary business is the provision of capital solutions, being debt and equity, to assist with large-scale change of land use, intensification and conversion activities across the rural sector.

Vendor **Elliott (Craig Robert and Helen Theresa) and Robertson (Graham Bruce)**

New Zealand (100.0%)

Background

Beith Farm Limited (BFL) has entered into a conditional Agreement for Sale and Purchase of Real Estate to acquire the relevant land. As part of a financing arrangement offered by Bank of New Zealand and BNZ AgriCapital Limited (BNZAC) it is proposed that a special purpose vehicle, Lauriston Dairies Limited (Lauriston Dairies) will be established to acquire the relevant land. BNZAC will initially hold 24.99 percent of the shares in Lauriston Dairies, with the remaining 74.01 percent held by BFL.

Lauriston Dairies will acquire the relevant land which is currently used for sheep and beef finishing and cropping and undertake a conversion to dairy farming.

BNZAC proposes to increase its shareholding in Lauriston Dairies Limited from 24.99 percent to 46.15 percent.

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:

- Overseas Investment Act 2005
 - 17(2)(a)(i) – Creation/Retention of jobs
 - 17(2)(a)(iv) – Added market competition/Productivity
 - 17(2)(a)(v) – Additional investment for development purposes
 - 17(2)(a)(vi) – Increased processing of primary products

- Overseas Investment Regulations 2005
 - 28(c) – Affect image, trade or international relations
 - 28(e) – Previous investments

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