



Decision Summary

Case: 200910008

Decision	Consent granted Section 12(b) Overseas Investment Act 2005 Section 13(1)(a) Overseas Investment Act 2005
Decision Date	11 March 2009
Investment	<p>An overseas investment in sensitive land, being the Applicant's acquisition of rights or interests in 100.0% of the Shares of Contact Energy Limited which owns or controls:</p> <ul style="list-style-type: none">– a freehold interest in 35.7651 hectares of land at Ohaaki Rd, Broadlands, Reporoa; and– a leasehold interest in 387.7900 hectares of land at Ohaaki Rd, Broadlands, Reporoa; and– a freehold interest in 1135.4380 hectares of land at Sharpe Road & Otiriti Road, Pukekawa and Onewhero Road, Onewhero, South Auckland; and– a freehold interest in 36.0000 hectares of land at 68A, 68C, 68D Bairds Road, Otara, Auckland; and– a freehold interest in 13.4748 hectares of land at Poihipi Rd; and– a freehold interest in 929.6286 hectares of land at State HWY 1 Wairakei, Link Rd, Rakanui Rd/Centennial Dr, Tauhara, Taupo; and– a leasehold interest in 686.7147 hectares of land at State HWY 1 Wairakei, Link Rd, Rakanui Rd/Centennial Dr, Tauhara, Taupo; and– a freehold interest in 65.3571 hectares of land at East Road, Stratford; and– a freehold interest in 40.1775 hectares of land at Lake Hawea; and– a freehold interest in 4462.4034 hectares of land at East Ferry St, Stonewall St, Rongahere Rd, Millers Flat, Eastbridge St, SH 8, Raes Junc Tuapeka; and– a freehold interest in 2467.7180 hectares of land at Clutha River, Lake Dunstan, SH 8 Cromwell Gorge, Springvale Rd Clyde, Alexandra, Manuherikia Rd SH 85; and– a freehold interest in 63.5043 hectares of land at Clutha River, Within the Roxburgh Power Station Site; and– a freehold interest in 1553.4946 hectares of land at Queensbury and Luggate; and– a freehold interest in 19.3490 hectares of land at Breakwater Road, New Plymouth. <p>An overseas investment in significant business assets, being the Applicant's acquisition of rights or interests in 100.0% of the Shares of Contact Energy Limited, the value of the assets of Contact Energy Limited and its 25% or more subsidiaries being greater than \$100m.</p>
Asset Value	\$5,203,200,000
Applicant	Origin Energy Limited Various (45.2%), Australia (43.64%), United States of America (6.71%), United

Kingdom (except Isle of Man and the Channel Islands) (4.24%), New Zealand (0.21%)

Vendor

Existing Shareholders in Contact Energy Other than Origin Energy Limited

New Zealand (85.05%), United States of America (6.64%), Various (3.06%), United Kingdom (except Isle of Man and the Channel Islands) (2.75%), Australia (2.5%)

Background

Contact has developed a form of dividend reinvestment plan ("Plan"), in the form of a profit distribution plan. The Plan offers the opportunity to reduce Contact's exposure to debt markets by increasing equity participation by existing shareholders as a substitute for ordinary cash dividends.

As a Contact shareholder, Origin (through its subsidiaries) wishes to participate in the Plan. Full participation by Origin in the Plan is expected to result in an increase in Origin's existing shareholding in Contact.

The overseas investment transaction has satisfied the criteria in sections 16 and 18 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)(v) – Additional investment for development purposes
- Overseas Investment Regulations 2005
 - 28(a) – Consequential Benefits
 - 28(b) – Key person in a key industry
 - 28(c) – Affect image, trade or international relations
 - 28(d) – Owner to undertake other significant investment
 - 28(e) – Previous investments
 - 28(f) – Advance significant government policy or strategy
 - 28(g) – Enhance the viability of other investments

More information

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