



Multiple Objective Companies

Crown Research Institutes

Background

Crown research institutes (CRIs) were established under the Crown Research Institutes Act 1992.

The 2010 CRI Taskforce report confirmed the critical role that CRIs play in addressing New Zealand's most pressing issues: economic growth; improving the sustainability of natural resources; and managing exposure to risks that could otherwise destabilise society, the environment and the economy. CRIs provide research and a range of related scientific and advisory services.

In February 2011 the Ministry of Science and Innovation (MSI) was formally launched. This saw CRI policy, investment and ownership functions brought into one agency. MSI has established a CRI Ownership and Performance Unit. The unit provides advice on ownership matters, reports on performance and works with CRIs to maximise performance. The CRI Ownership and Performance Unit works closely with COMU. COMU provides monitoring advice to MSI as required and provides the Board director appointment processes for CRIs.

As the primary purpose of CRIs is not commercial they are only covered in aggregate in this report. The financial information shown here is the result of consolidation of the accounts of all eight CRIs.

Financial performance measures

	2007	2008	2009	2010	2011
Returns					
Total shareholder return	(5.0%)	38.2%	6.3%	0.9%	1.8%
Dividend yield	0.1%	0.1%	1.8%	0.4%	0.2%
Dividend payout	(12.8%)	1.7%	19.0%	5.1%	3.6%
Adjusted ROE	5.9%	7.0%	3.6%	(2.4%)	2.9%
Efficiency					
ROCE	8.7%	8.3%	4.7%	7.9%	3.8%
Operating margin	9.9%	11.4%	10.8%	13.0%	11.4%
Leverage					
Net gearing	6.6%	0.8%	0.0%	0.0%	0.0%
Interest cover	17.40	17.95	23.36	61.51	42.27
Current ratio	1.14	1.25	1.13	1.16	1.18
Other					
				Five-year average	
Dividend growth					28.5%
Revenue growth					3.5%

Income statement

\$m	2007	2008	2009	2010	2011
Revenue	595	641	674	687	681
EBITDAF	59	73	73	89	78
NPAT	17	20	10	(12)	20

Balance sheet

\$m	2007	2008	2009	2010	2011
Total assets	516	669	696	716	739
Total liabilities	176	185	199	232	234
Commercial value*	341	471	493	495	503

Cash flow statement

\$m	2007	2008	2009	2010	2011
Operating activities (net)	37	64	91	85	73
Purchase of fixed assets	73	58	69	72	58
Dividends	0	0	9	2	1
Net cash flow	(9)	9	10	14	10

Note:

* Valuation from the CRIs' Statements of Intent (SOI)

Crown Research Institute Taskforce

During 2010/11, CRIs faced a year of change following the release of the CRI Taskforce Report (the Report) in February 2010. The Government endorsed the findings of the Taskforce, initiating significant reforms for CRIs and the wider science and innovation sector. CRIs also faced uncertainty owing to the economic downturn impacting most of their major customers.

Over the year, 19 of the 27 Taskforce recommendations were implemented. The Government agreed to a Statement of Core Purpose for each CRI outlining the purpose, outcome and areas of focus for each institution. The Government also agreed to devolve \$215 million to the CRI Boards from Vote Research Science and Technology (previously administered by the Foundation for Research, Science and Technology). All CRIs produced a new SCI with a sector outcome focus developing a range of non-financial and financial indicators to measure performance. These were developed in partnership with end-users.

Science and innovation performance

CRIs are now focusing on measuring and reporting the impact of science and innovation with their sectors. This gives insight into the value of the basic and applied science that CRIs are delivering. This is a trend that we expect to continue. Science quality is being maintained and we are seeing an increase in the number of peer-reviewed articles. There is a slight downward trend in the technology and knowledge transfer indicators reported. However, we believe this is mainly owing to the way they are being reported rather than any reduction in technology transfer as positive feedback has been received from end-users.

Financial performance

It was a difficult year financially for most CRIs as revenues reduced from \$687 million in 2009/10 to \$681 million in 2010/11 (4.6% below budgeted revenue of \$715 million) as a result of the continued economic downturn. CRIs responded by reducing costs, resulting in NPAT of \$20 million, \$5 million below budget. This equates to an adjusted return on equity in 2010/11 of 2.9%. CRIs have extensive capital investments planned over the next two to three years. In the main this is fit-for-purpose technology and infrastructure to assist their sectors. This is to be paid for by using existing net cash balances, which have accumulated to \$36 million in 2010/11.

CRIs have had a strong focus on value for money and this is best shown by the average revenue per employee increasing by \$20,000 from \$151,000 in 2007/08, to \$171,000 in 2010/11.

Core purpose

AgResearch Ltd – To enhance the value, productivity and profitability of New Zealand's pastoral, agri-food and agri-technology sector value chains.

Institute of Environmental Science and Research Ltd – To deliver enhanced scientific and research services to the public health, food safety, security and justice systems and the environmental sector.

Institute of Geological and Nuclear Sciences Ltd – To provide research on geological-based energy and minerals industries; industrial and environmental applications of nuclear science; and increased resilience to natural hazards.

Industrial Research Ltd – To increase the contribution of the industrial manufacturing and associated sectors by empowering industry to drive innovation in manufacturing and services.

Landcare Research New Zealand Ltd – To drive innovation in management of terrestrial biodiversity and land resources in order to both protect and enhance the terrestrial environment and grow New Zealand's economy.

National Institute of Water and Atmospheric Research Ltd – To enhance the economic value and sustainable management of New Zealand's aquatic resources and environments, to provide understanding of climate and the atmosphere and increase resilience to weather and climate hazards.

The New Zealand Institute for Plant and Food Research Ltd – To enhance the value and productivity of New Zealand's horticultural, arable, seafood and food and beverage industries.

New Zealand Forest Research Institute Ltd – To drive innovation and growth from New Zealand's forestry, wood product and wood-derived materials and other biomaterial sectors.

New Zealand Venture Investment Fund Limited

CHAIR » Sir John Anderson KBE

**BOARD » Brian Mayo-Smith,
Anne Blackburn, Roger Bridge,
Calvin Smith**

**CHIEF EXECUTIVE »
Franceska Banga**

Activities

NZVIF is a Crown entity responsible for accelerating the development of the New Zealand venture capital market. NZVIF achieves this by jointly investing, with private participants, into both venture capital funds as well as directly into seed or start-up businesses. In effect, NZVIF operates as both a fund-of-funds and a direct co-investor.

NZVIF manages two main funds:

NZVIF Venture Capital Fund – an equity investment vehicle with \$160 million available to invest alongside private co-investors into a series of privately-managed venture capital investment funds. These funds are fixed duration, private equity investment vehicles, typically operating for 10 years, investing in a portfolio of New Zealand – originated high-growth potential-companies.

Seed Co-investment Fund – an investment programme aimed at providing direct equity funding for early stage businesses with strong potential for growth. The Fund has \$40 million of funding available for co-investment alongside selected private investors.

Financial performance measures

Income statement

\$m	2007	2008	2009	2010	2011
Revenue	2	2	3	2	2
EBITDAF	(2)	(2)	(2)	(2)	(2)
NPAT	(3)	(2)	3	(4)	0

Balance sheet

\$m	2007	2008	2009	2010	2011
Total assets	36	48	69	69	79
Total liabilities	1	1	1	0	0
Commercial value*	-	-	-	-	-

Cash flow statement

\$m	2007	2008	2009	2010	2011
Operating activities (net)	(2)	(2)	(1)	(1)	(1)
Purchase of fixed assets	0	0	0	0	0
Dividends	-	-	-	-	-
Net cash flow	3	(1)	1	(0)	2

NZVIF investment funds – selected key data (cumulative)

NZ Venture Capital Fund (VCF)	2007	2008	2009	2010	2011
Number of funds invested in	7	7	6	6	6
Number of companies invested in	25	31	48	50	46
Total amount invested (Crown and private sector)	135.5	175	220	235	242
Crown funds invested \$m	34	45.2	58.0	60.0	64.1
Crown's value of VCF \$m	30.3	41.3	56.9	53.8	59.5
Seed Co-investment Fund (SCIF)					
Number of Seed Co-investment partners	4	8	9	11	12
Number of companies invested in	4	18	27	41	61
Total amount invested (Crown and private sector)	N/A	N/A	30.4	57.0	87
Crown funds invested \$m	0.9	3.4	6.7	10.0	14.7
Crown's value of SCIF \$m	0.9	3.3	6.4	9.4	13.3
Total Crown investment in NZVIF					
Total Crown funds drawn down \$m	45.0	59.6	76.7	81.2	91.9
Total value \$m*	35.7	47.9	68.0	68.2	78.9

Note:

* The difference between amount invested and the amount drawn down relates to cash held by NZVIF for future investments as well as management fees which are drawn but are not invested. These are expensed.



Operations

NZVIF has been operating in a challenging environment where New Zealand venture capital markets have experienced a funding drought over the past four years, with no new venture capital funds being formed. Co-investing into new funds is NZVIF's key lever for impacting on venture capital market development in New Zealand.

Venture capital investment is inherently risky, and we expect and accept that in a negative economic

cycle NZVIF may find it difficult to find new co-investors (for both the Venture Capital Fund and the Seed Co-Investment Fund).

During the year, NZVIF invested \$10.7 million into 54 companies through the Venture Capital and Seed Co-investment Funds. Combined with private investors, a total of \$56.2 million was invested into these companies. Data show that they are predominantly export-focused companies. NZVIF still has considerable capital yet to be invested into young New Zealand companies, and their contributions to New Zealand venture capital markets will be ongoing for a number of years.

Financial performance

It is difficult to judge the investment performance of NZVIF's venture capital fund investments until all the portfolio company investments have been exited and investment proceeds have been returned to investors. A few key points relating to NZVIF's portfolios to date are:

- One hundred and seven companies have received investment.
- Across the portfolio, nine companies have been sold for an overall profit.
- Across the portfolio, seven companies have been written off or liquidated.
- Two companies in the portfolio now earn over \$50 million and seven companies earn between \$10 million and \$20 million.
- NZVIF has not achieved a positive return to the Crown based on current valuations of their portfolio.

As NZVIF's various venture capital funds approach maturity we should observe value crystallisation in their investments. At that point we will be in a better position to assess NZVIF's performance.

Major investments

NZVIF made significant progress towards establishing a co-investment partnership with the National Development Fund of Taiwan. This partnership should increase the amount of capital available to young New Zealand companies, as well as increase venture capital networks and expertise, and enhance access to the Taiwanese and Chinese markets.

There was significant investment activity throughout 2010/11 with 43 companies receiving \$5 million of investment through the Seed Co-investment Fund during the year. This takes the total number of companies invested in through the Fund to 63.

Non-financial performance

NZVIF supported and contributed towards the publishing of notable research during the year. This included the Young Company Finance index (bi-annual), the NZVIF Early Stage Company Valuation Report and a report of New Zealand Private Equity Returns 1994–2010 to profile the progress and returns achieved to date by the wider industry.

Corporate social responsibility

NZVIF is committed to providing a flexible working environment which supports individual professional development, positive work-life balance and job satisfaction.

Annexes

Abbreviations

APR – Annual Portfolio Report

CFIs – Crown financial institutions

COMU – Crown Ownership Monitoring Unit

CRIs – Crown research institutes

CSR – Corporate social responsibility

DBP – Defined Benefit Plan

DCF – Discounted Cash Flow

DSO – Digital switchover

EBIT – Earnings before interest and taxation (see Financial Definitions)

EBITDA – Earnings before interest and taxation, depreciation and amortisation (see Financial Definitions)

EBITDAF – Earnings before interest, tax, depreciation, amortisation and fair-value adjustments (see Financial Definitions)

EP – Economic profit

EY – Ernst & Young

FUM – Funds under management

GDP – Gross domestic product

GFC – Global financial crisis

GWh – Gigawatt hour

MRP – Minimum Risk Portfolio

MWh – Megawatt hour

NOPAT – Net Operating Profit After Tax

NPAT – Net Profit After Tax (see Financial Definitions)

NZX – NZX Limited

OCL – Outstanding claims liability

OECD – Organisation for Economic Co-operation and Development

RMA – Resource Management Act

ROCE – Return on capital employed (see Financial Definitions)

ROE – Return on equity (see Financial Definitions)

ROIC – Return on invested capital

SCI – Statement of Corporate Intent

SOE – State-owned enterprise

TSR – Total shareholder return (see Financial Definitions)

UFB – Ultra-Fast Broadband

WACC – Weighted Average Cost of Capital

Entity Abbreviations

ACC – Accident Compensation Corporation
ACP – Animal Control Products Limited
Air NZ – Air New Zealand Limited
CFH – Crown Fibre Holdings Limited
DTZ – DTZ New Zealand Limited
EQC – Earthquake Commission
ESR – Institute of Environmental Science and Research Limited
FRST – Foundation for Research, Science and Technology
GSF – Government Superannuation Fund
HTS – Hybrid Television Services (ANZ) Pty Limited
IRL – Industrial Research Limited
KRG – New Zealand Railways Corporation (trading as KiwiRail Group)
MAF – Ministry of Agriculture and Forestry
MSI – Ministry of Science and Innovation
NDF – Natural Disaster Fund
NPF – National Provident Fund
NZ Post – New Zealand Post Limited
NZSF – New Zealand Superannuation Fund
NZTA – New Zealand Transport Agency
NZVIF – New Zealand Venture Investment Fund Limited
QV – Quotable Value Limited
REANNZ – Research and Education Advanced Network New Zealand Limited
SCIF – Seed Co-investment Fund
TVNZ – Television New Zealand Limited

Financial Definitions

Term	Definition
Capital employed	Interest-bearing debt plus share capital plus retained earnings. Equity should be adjusted for IFRS fair-value movements but not adjusted for revaluations.
Capital expenditure	Payments for the purchase of property, plant and equipment items taken from the cash flow statement.
Commercial value	This is the Board's estimate of the current commercial value of the Crown's investment in the Group as per the company's Statement of Corporate Intent.
Depreciation expense	Depreciation expense per the profit and loss account.
Dividend growth	Change in dividends between FY2007 and FY2011. Negative if 2011 amount less than 2007 amount. Calculated as $(2011\text{dividend} / 2007\text{dividend})^{(1/4)} - 1$.
Dividends paid	Dividends paid to the shareholder during the financial year per the cash flow statement.
EBIT	Earnings before interest and taxation.
EBITDA	Earnings before interest and taxation, depreciation and amortisation.
EBITDAF	Earnings before interest and taxation, depreciation, amortisation and fair-value adjustments.
Equity	Total shareholders' equity taken from the balance sheet, adjusted for IFRS fair-value movements but not adjusted for revaluations.
Fair value adjustments	Includes unrealised fair-value gains/losses on derivatives or all fair-value gains/losses on derivatives where the entity does not separately identify unrealised items. Also includes changes in the fair value of biological assets and investment properties.
Interest paid	Interest paid for the financial year on interest-bearing debt per the company's cash flow statement. Interest paid is net of interest received but not net of capitalised interest.
Net cash flow from operating activities	Taken directly from the cash flow statement – this is cash flows from operating activities less cash flows to operating activities. Ensure that interest paid is included in operating activities.
Net debt	Interest-bearing debt such as loans, bonds and commercial paper plus interest-bearing finance leases less cash.
NPAT	Net profit after tax.
Retained earnings	Profits retained in the business (ie, after dividends to the shareholder).
Revaluation reserve	When an asset is revalued to fair market value for accounting purposes the increase in the value of the asset is reflected in a revaluation reserve within equity.
Revenue	Revenue from the operations of the business. Interest revenue should be excluded. For the electricity generators, this should be net revenue.
Revenue growth	Change in revenue between FY2007 and FY2011. Negative if 2011 amount less than 2007 amount. Calculated as $(2011\text{revenue} / 2007\text{revenue})^{(1/4)} - 1$.
Share capital	The amount of capital originally invested by the shareholder and any subsequent equity injections.
Tax on fair-value adjustments	This is the tax effect relating to the changes in the fair values of financial instruments.

Measure	Description	Calculation
Shareholder returns		
Dividend payout	Proportion of an SOE's net operating cash flows paid out as a dividend to the shareholder after allowance is made for capital maintenance.	Dividends paid/Net cash flow from operating activities less depreciation expense.
Dividend yield	The cash returned to the shareholder as a proportion of the value of the company.	Dividends paid/Average commercial value. Calculated on dividends from cash flow statement (ie, dividends paid during the year, not dividends declared for the year).
Return on equity	How much profit a company generates with the funds the shareholder has invested in the company.	Net profit after tax/Average equity.
Return on equity adjusted for IFRS fair-value movements and asset revaluations	Return on equity after removing the impact of IFRS fair-value movements and asset revaluations.	Net profit after tax adjusted for IFRS fair-value movements (net of tax)/Average of share capital plus retained earnings.
Total shareholder return (TSR)	Performance from an investor perspective – TSR measures the combined return from dividends and growth in the value of the company.	$(\text{Commercial value}_{\text{end}} \text{ less Commercial value}_{\text{beg}} \text{ plus dividends paid less equity injected}) / \text{Commercial value}_{\text{beg}}$
Profitability/Efficiency		
Generator efficiency ¹⁶	The efficiency and profitability of the company's electricity generation.	EBITDAF/MWh.
Operating margin	The profitability of the company per dollar of revenue.	EBITDAF/Revenue.
Return on capital employed	The efficiency and profitability of a company's capital from both debt and equity sources.	EBIT adjusted for IFRS fair-value movements/Average capital employed.
Leverage/Solvency		
Gearing ratio (net)	Measure of financial leverage. The ratio of debt (liabilities on which a company is required to pay interest) less cash, to debt plus equity.	Net debt/Debt plus equity.
Interest cover	The number of times that earnings can cover interest.	EBITDAF/Interest paid.
Solvency	Ability of the company to pay its debts as they fall due.	Current assets/Current liabilities.

¹⁶ This measure is only applicable for Genesis, Meridian and Mighty River Power.

Summary Financial Tables

	30 June 2011 Board Est of Comm Value	Financial Year to 30 June 2011					30 June 2010 Board Est of Comm Value	Financial Year to 30 June 2010				
		Net Cash Flows from Operating Activities	ROE	Dividend Yield*	TSR*	Net Gearing		Net Cash Flows from Operating Activities	ROE	Dividend Yield*	TSR*	Net Gearing
Air NZ**	904.3	344.8	5.2%	5.8%	10.6%	14.3%	864.0	250.5	5.1%	6.2%	26.9%	0.3%
Airways	117.6	24.9	10.5%	5.1%	5.3%	29.8%	117.4	17.9	(1.9%)	4.5%	14.5%	37.5%
Animal Control Products	6.2	1.9	28.8%	16.6%	11.5%	0.0%	6.5	1.3	13.1%	14.9%	7.4%	0.0%
AsureQuality	94.8	12.1	22.5%	5.7%	17.0%	13.5%	85.4	8.2	16.3%	5.3%	5.3%	20.6%
Crown Fibre Holdings	0.0	(16.3)	(111.2%)	N/A	N/A	0.0%	0.0	(3.2)	(43.2%)	N/A	N/A	0.0%
Genesis	2,120.0	194.2	(1.1%)	0.0%	30.5%	40.8%	1,624.0	190.0	4.9%	2.6%	15.6%	26.4%
KiwiRail	(484.0)	47.6	0.3%	0.0%	N/A	3.5%	12,419.0	134.1	1.6%	0.0%	N/A	3.5%
Kordia	112.0	39.7	(16.6%)	0.0%	(43.7%)	45.9%	199.0	39.8	(1.0%)	0.0%	19.2%	47.1%
Landcorp	1,400.0	51.8	8.9%	1.3%	10.3%	10.4%	1,270.0	18.1	(0.4%)	0.7%	(12.4%)	11.4%
Learning Media	16.5	(2.4)	9.7%	0.7%	58.1%	0.0%	10.5	1.5	32.4%	0.0%	90.9%	0.0%
Meridian	6,500.0	368.7	6.1%	10.4%	7.2%	19.0%	6,700.0	451.8	3.9%	5.8%	28.2%	23.3%
MetService	49.3	4.7	23.1%	3.2%	15.7%	48.1%	43.9	5.1	20.3%	2.8%	28.6%	40.9%
Mighty River Power	3,719.0	294.4	4.5%	2.7%	11.4%	24.6%	3,425.0	199.5	3.2%	8.3%	7.5%	26.5%
NZ Post	1,024.0	(607.5)	(4.4%)	0.2%	(12.8%)	89.4%	1,177.0	34.8	0.2%	0.5%	2.5%	90.1%
Public Trust	36.0	(0.8)	2.8%	0.0%	4.3%	N/A	34.5	(3.3)	311.2%	0.0%	N/A	N/A
Quotable Value	33.0	0.0	(9.9%)	0.0%	(3.9%)	0.0%	34.4	2.4	2.7%	4.0%	19.6%	0.0%
Solid Energy	2,773.0	128.9	18.1%	0.7%	(14.7%)	29.6%	3,275.6	86.1	15.5%	1.9%	37.3%	34.4%
Transpower	1,600.0	285.4	5.3%	0.0%	0.0%	54.1%	1,600.0	312.8	4.6%	0.0%	28.0%	52.7%
TVNZ	306.3	44.7	1.3%	1.6%	7.0%	3.4%	290.9	34.8	(15.2%)	0.6%	59.8%	18.4%
All Commercial Priority	20,328.0	1,216.8	2.7%	4.3%	4.5%	37.8%	33,177.1	1,782.2	2.6%	4.2%	19.3%	38.7%
Crown Research Institutions												
AgResearch	195.1	16.9	3.3%	0.0%	0.1%	0.0%	194.9	20.0	(4.5%)	0.0%	(0.1%)	1.7%
ESR	35.5	7.3	9.5%	0.0%	9.9%	0.0%	32.3	8.2	(1.6%)	0.3%	(0.9%)	0.0%
GNS	23.4	9.3	8.1%	0.4%	7.3%	2.7%	21.9	7.9	5.0%	1.1%	8.7%	16.3%
Industrial Research	39.2	5.6	6.1%	0.0%	2.4%	0.0%	38.3	10.1	0.5%	0.0%	14.4%	0.0%
Landcare Research	27.0	6.2	8.6%	2.6%	(3.3%)	0.0%	28.6	4.8	(7.6%)	1.7%	6.1%	0.0%
NIWA	89.0	12.1	1.4%	0.0%	4.7%	12.7%	85.0	23.9	5.2%	0.0%	1.2%	3.7%
Plant and Food Research	68.2	12.3	1.3%	0.0%	1.2%	0.0%	67.5	6.9	(8.2%)	0.0%	(7.9%)	0.0%
Scion	25.9	3.2	7.3%	0.0%	(3.3%)	0.0%	26.8	3.4	(3.9%)	4.2%	6.6%	0.0%
CRIs subtotal	503.4	72.8	4.0%	0.2%	1.8%	0.0%	495.3	85.3	(2.5%)	0.4%	0.9%	0.0%
Health Benefits	0.0	2.1	150.5%	N/A	N/A	0.0%	0.0	0.0	N/A	N/A	N/A	N/A
NZ Lotteries Commission	0.0	203.6	515.8%	N/A	N/A	0.0%	0.0	165.4	406.0%	N/A	N/A	0.0%
NZVIF	0.0	(1.2)	0.1%	N/A	N/A	0.0%	0.0	(1.4)	(6.3%)	N/A	N/A	0.0%
REANNZ	0.0	(9.3)	(15.2%)	N/A	N/A	0.0%	0.0	(3.9)	(38.0%)	N/A	N/A	0.0%
Radio NZ	0.0	3.5	(0.5%)	N/A	N/A	0.0%	0.0	3.3	(1.0%)	N/A	N/A	0.0%
Christchurch Airport**	174.0	9.4	3.7%	1.2%	(1.9%)	28.9%	179.5	8.8	(0.0%)	1.4%	(1.5%)	22.0%
Dunedin Airport**	13.9	1.3	2.6%	1.0%	2.6%	1.0%	13.6	1.2	(0.2%)	0.0%	N/A	42.0%
Hawke's Bay Airport**	7.5	0.5	7.1%	0.0%	7.3%	0.0%	7.0	0.4	1.9%	0.0%	N/A	0.0%
Invercargill Airport**	3.1	0.1	6.7%	0.0%	7.0%	50.7%	2.9	0.4	(10.2%)	0.0%	(9.7%)	51.6%
Other subtotal	198.5	210.1	53.5%	N/A	N/A	0.0%	203.0	174.2	N/A	N/A	N/A	0.0%
All Companies (excl CFIs)***	21,029.8	1,499.7	3.3%	5.0%	5.2%	36.9%	33,875.4	2,041.7	3.0%	5.0%	19.6%	37.8%

* Excludes KiwiRail

** Numbers are expressed in proportion to the Crown's ownership interest in the company

*** Incomplete information for some metrics

	Financial Position				Financial Performance				Cash Flows			
	Total Assets	Total Liabilities	Interest Bearing Obligations	Total Equity	Total Revenue	EBITDAF	NPAT	Net Cash Flows from Operating Activities	Purchase of Fixed Assets	Dividends Paid	Net Increase/Decrease in Cash	
Air NZ**	3,628.2	2,515.7	928.3	1,112.5	3,212.0	400.3	59.5	344.8	589.8	51.1	(153.6)	
Airways	137.4	93.0	30.0	44.4	152.5	23.1	4.7	24.9	13.4	6.0	2.4	
Animal Control Products	7.6	1.9	0.2	5.7	7.1	2.4	1.6	1.9	0.1	1.1	0.6	
AsureQuality	67.8	32.6	6.3	35.2	116.9	14.5	7.6	12.1	3.0	5.1	0.6	
Crown Fibre Holdings	15.9	3.5	0.0	12.4	0.7	(18.4)	(18.5)	(16.3)	0.2	0.0	(6.6)	
Genesis	3,676.8	1,964.8	1,217.7	1,712.0	1,834.5	292.7	(16.6)	194.2	864.8	0.0	(4.4)	
KiwiRail	13,570.2	931.9	536.9	12,638.3	1,012.0	445.0	34.1	47.6	653.2	0.0	49.1	
Kordia	238.6	157.0	79.4	81.6	294.5	52.0	(14.7)	39.7	15.1	0.0	1.6	
Landcorp	1,663.0	311.3	157.2	1,351.6	229.7	76.4	114.6	51.8	57.8	18.0	(0.3)	
Learning Media	15.1	9.1	0.0	6.0	23.5	1.2	0.6	(2.4)	0.2	0.1	(2.5)	
Meridian	8,460.0	3,528.7	1,609.1	4,931.3	2,053.0	659.9	303.1	368.7	248.1	683.6	313.8	
MetService	37.3	22.9	15.0	14.3	39.2	9.9	3.1	4.7	7.7	1.5	1.1	
Mighty River Power	5,376.6	2,470.0	985.5	2,906.5	1,163.9	443.1	127.1	294.4	174.1	95.0	20.8	
NZ Post	14,682.0	13,887.6	11,177.3	794.4	1,295.9	38.1	(35.6)	(607.5)	36.8	2.5	40.8	
Public Trust	907.7	886.0	863.9	21.7	61.5	(3.4)	0.6	(0.8)	3.5	0.0	(0.8)	
Quotable Value	28.1	8.0	0.5	20.1	46.0	0.7	(2.1)	0.0	0.2	0.0	(1.2)	
Solid Energy	1,131.5	612.1	231.8	519.4	831.3	199.7	87.2	128.9	115.4	20.0	39.2	
Transpower	4,170.6	2,637.1	1,810.0	1,533.5	731.4	452.2	78.5	285.4	663.7	0.0	(21.4)	
TVNZ	228.7	74.4	10.0	154.3	377.8	53.6	2.1	44.7	8.8	4.9	3.3	
All Commercial Priority	58,042.9	30,147.7	19,659.2	27,895.2	13,483.2	3,142.7	736.6	1,216.8	3,455.8	888.9	282.8	
Crown Research Institutions												
AgResearch	257.6	62.5	10.0	195.1	157.7	19.0	6.2	16.9	4.8	0.0	2.8	
ESR	53.5	18.0	0.1	35.5	51.5	8.2	3.2	7.3	3.5	0.0	0.6	
GNS	47.8	24.4	3.9	23.4	72.1	7.6	1.8	9.3	5.5	0.1	2.5	
Industrial Research	52.2	13.0	0.0	39.2	62.6	5.0	2.3	5.6	5.5	0.0	0.6	
Landcare Research	50.9	23.9	4.1	27.0	63.4	7.2	2.3	6.2	4.1	0.7	1.1	
NIWA	139.8	49.6	14.8	90.2	117.8	16.7	1.3	12.1	22.0	0.0	(0.9)	
Plant and Food Research	99.0	30.8	0.3	68.2	113.2	9.2	0.9	12.3	10.0	0.0	3.4	
Scion	37.7	11.8	0.0	25.9	43.1	5.1	1.8	3.2	2.7	0.0	0.2	
CRIs subtotal	738.5	234.0	33.2	504.6	681.3	78.0	19.8	72.8	58.2	0.8	10.2	
Health Benefits	2.6	1.4	0.0	1.2	5.7	0.9	0.9	2.1	0.0	0.0	0.0	
NZ Lotteries Commission	157.5	122.6	0.0	34.9	885.1	190.2	183.3	203.6	3.6	174.2	24.6	
NZVIF	79.3	0.4	0.0	78.9	2.3	(1.7)	0.0	(1.2)	0.0	0.0	1.6	
REANNZ	31.7	5.4	0.0	26.3	8.9	2.2	(3.0)	(9.3)	2.6	0.0	(4.3)	
Radio NZ	59.5	10.3	0.0	49.2	38.2	3.2	(0.3)	3.5	1.4	0.0	0.1	
Christchurch Airport**	241.1	90.9	61.5	150.3	24.3	14.2	5.4	9.4	27.6	2.1	0.1	
Dunedin Airport**	28.2	14.4	0.2	13.9	4.3	2.1	0.4	1.3	0.4	0.1	(0.0)	
Hawke's Bay Airport**	8.9	1.3	0.0	7.5	1.3	0.7	0.5	0.5	2.4	0.0	0.5	
Invercargill Airport**	6.8	3.8	3.2	3.1	1.3	0.3	0.2	0.1	0.2	0.0	(0.2)	
Other subtotal	615.6	250.4	64.9	365.3	971.4	211.9	187.5	210.1	38.2	176.5	22.3	
All Companies (excl CFIs)*	59,397.1	30,632.1	19,757.2	28,765.0	15,135.9	3,432.6	943.9	1,499.7	3,552.2	1,066.2	315.3	

* Incomplete information for some metrics

** Numbers are expressed in proportion to the Crown's ownership interest in the company

	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	Total Revenue	Total Revenue	EBITDAF	EBITDAF	NPAT	NPAT	Adjusted ROE	Adjusted ROE	Dividend for the Financial Year (not cash flow)*	Dividend for the Financial Year (not cash flow)	Total FTEs	Total FTEs
Air NZ**	3,212.0	3,034.7	400.3	328.9	59.5	61.1	5.0%	5.2%	55.5	48.8	8,037	7,874
Airways	152.5	145.2	23.1	22.4	4.7	(0.9)	10.4%	(1.9%)	6.0	5.0	732	713
Animal Control Products	7.1	6.2	2.4	1.7	1.6	0.7	40.9%	18.7%	1.1	1.0	11	12
AsureQuality	116.9	138.3	14.5	13.1	7.6	5.1	28.4%	20.6%	6.1	3.5	1,597	1,317
Crown Fibre Holdings	0.7	0.4	(18.4)	(4.5)	(18.5)	(4.5)	(111.2%)	(43.2%)	0.0	0.0	14	7
Genesis	1,834.5	1,895.3	292.7	248.8	(16.6)	69.3	(0.7%)	7.1%	0.0	28.7	976	961
KiwiRail	1,012.0	1,105.4	445.0	532.9	34.1	194.5	1.9%	13.6%	0.0	0.0	4,190	4,075
Kordia	294.5	258.4	52.0	53.4	(14.7)	(1.0)	(16.3%)	(1.0%)	0.0	0.0	905	806
Landcorp	229.7	171.7	76.4	35.8	114.6	(5.8)	26.3%	3.9%	0.0	0.0	599	584
Learning Media	23.5	24.2	1.2	2.4	0.6	1.5	9.7%	32.4%	0.0	0.0	126	109
Meridian	2,053.0	2,061.9	659.9	641.7	303.1	184.0	25.7%	15.9%	684.6	158.1	800	804
MetService	39.2	38.0	9.9	9.3	3.1	2.4	23.1%	20.5%	1.5	1.1	216	217
Mighty River Power	1,163.9	1,104.6	443.1	327.8	127.1	84.6	16.1%	8.0%	110.4	86.5	784	727
NZ Post	1,295.9	1,204.2	38.1	110.4	(35.6)	1.3	(4.9%)	(3.4%)	10.6	6.4	8,059	8,710
Public Trust	61.5	62.6	(3.4)	(3.1)	0.6	4.8	N/A	N/A	0.0	0.0	450	470
Quotable Value	46.0	45.6	0.7	1.2	(2.1)	0.6	(10.0%)	2.7%	0.0	0.6	352	346
Solid Energy	831.3	693.4	199.7	167.6	87.2	67.8	18.8%	16.0%	50.0	30.0	1,428	1,223
Transpower	731.4	730.3	452.2	465.7	78.5	65.0	8.5%	10.0%	0.0	0.0	689	657
TVNZ	377.8	355.1	53.6	3.6	2.1	(26.0)	2.3%	(14.3%)	4.9	0.0	941	980
All Commercial Priority	13,483.2	13,075.4	3,142.7	2,958.9	736.6	704.7	8.4%	8.8%	930.6	369.6	30,906	30,592
Crown Research Institutions												
AgResearch	157.7	155.5	19.0	16.6	6.2	(8.6)	5.5%	(9.0%)	0.0	0.0	780	824
ESR	51.5	53.5	8.2	9.1	3.2	(0.5)	9.5%	(1.6%)	0.0	0.0	325	349
GNS	72.1	65.1	7.6	7.1	1.8	1.0	8.2%	5.0%	0.2	0.0	370	369
Industrial Research	62.6	63.0	5.0	7.0	2.3	0.2	6.1%	0.5%	0.0	0.0	330	324
Landcare Research	63.4	61.6	7.2	6.4	2.3	(2.0)	9.7%	(7.7%)	0.7	0.5	415	417
NIWA	117.8	127.7	16.7	24.8	1.3	4.5	1.4%	5.2%	0.0	0.0	643	700
Plant and Food Research	113.2	117.5	9.2	13.1	0.9	(5.8)	1.3%	(8.3%)	0.0	0.0	810	820
Scion	43.1	43.2	5.1	5.3	1.8	(1.0)	6.2%	(4.2%)	0.0	1.1	313	321
CRIs subtotal	681.3	687.2	78.0	89.4	19.8	(12.2)	4.7%	(3.2%)	1.0	1.6	3,986	4,124
Health Benefits	5.7	N/A	0.9	N/A	0.9	N/A	180.3%	N/A	0.0	N/A	14	N/A
NZ Lotteries Commission	885.1	750.4	190.2	163.8	183.3	159.0	530.5%	423.4%	0.0	0.0	115	115
NZVIF	2.3	2.3	(1.7)	(1.9)	0.0	(4.3)	(0.5%)	(1.0%)	0.0	0.0	7	7
REANNZ	8.9	6.4	2.2	(1.6)	(3.0)	(6.3)	(15.2%)	(38.0%)	0.0	0.0	14	12
Radio NZ	38.2	38.2	3.2	3.4	(0.3)	(0.5)	(1.2%)	(2.3%)	0.0	0.0	269	277
Christchurch Airport**	24.3	23.9	14.2	15.7	5.4	(0.1)	8.3%	(0.1%)	2.1	2.6	48	45
Dunedin Airport**	4.3	4.1	2.1	1.9	0.4	(0.0)	3.5%	(0.2%)	0.1	0.0	11	12
Hawke's Bay Airport**	1.3	1.2	0.7	0.5	0.5	0.1	7.1%	2.3%	0.0	0.0	1	1
Invercargill Airport**	1.3	1.3	0.3	0.2	0.2	(0.3)	4.4%	(6.6%)	0.0	0.0	3	3
Other subtotal	971.4	828.0	211.9	182.0	187.5	147.7	79.4%	66.4%	2.3	2.6	482	470
All Companies (excl CFIs)***	15,135.9	14,590.5	3,432.6	3,230.4	943.9	840.2	9.8%	9.6%	933.9	373.8	35,374	35,186

* Includes Meridian one-off special dividend of \$521 million due to sale of Tekapo A and B Stations

** Numbers are expressed in proportion to the Crown's ownership interest in the company

*** Incomplete information for some metrics

The financial data in the 2011 APR are sourced from COMU's new financial database which collects financial information directly from COMU-monitored entities. There are some differences for individual entities' data between the 2011 APR and 2010 APR (which relied upon a different data-set). These differences arise primarily from definitional changes to line items agreed with individual entities, along with minor historical errors identified when migrating the data to the new database.

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