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Miscellaneous

* Asterisks denote mandatory information

Name of Announcer *	CITY DEVELOPMENTS LIMITED
Company Registration No.	196300316Z
Announcement submitted on behalf of	CITY DEVELOPMENTS LIMITED
Announcement is submitted with respect to *	CITY DEVELOPMENTS LIMITED
Announcement is submitted by *	Enid Ling Peek Fong
Designation *	Company Secretary
Date & Time of Broadcast	19-Feb-2010 12:47:33
Announcement No.	00033

>> Announcement Details

The details of the announcement start here ...

Announcement Title *	Announcement by Subsidiary Company, CDL Investments New Zealand Limited on Full Year Results Ended 31 December 2009
Description	Please see attached the above announcement released by CDL Investments New Zealand Limited on 19 February 2010.
Attachments	CDLI_FY2009_Results.pdf Total size = **1991K** (2048K size limit recommended)

Close Window

Full and Half year Preliminary Announcements and Half Year Results

CDL INVESTMENTS NEW ZEALAND LIMITED

Results for announcement to the market

Reporting Period	12 months to 31 December 2009
Previous Reporting Period	12 months to 31 December 2008

	Amount (000s)	Percentage change
Revenue from ordinary activities	NZ$ 5,534	Up 8.79%
Profit (loss) from ordinary activities after tax attributable to security holders	NZ$ 1,264	Down (24.90%)
Net profit (loss) attributable to security holders	NZ$ 1,264	Down (24.90%)

Interim/Final Dividend	Amount per security	Imputed amount per security
Final Dividend	Ordinary dividend of 0.2 cents per share and a special dividend of 1.0 cents per share	Fully imputed

Record Date	30 April 2010
Dividend Payment Date	14 May 2010

Comments:	Please refer to the attached Directors' Review.

CDL Investments New Zealand Limited and its Subsidiary

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2009

		Group		Parent	
In thousands of dollars	Note	2009	2008	2009	2008
Revenue		5,150	4,322	-	-
Cost of sales		(1,932)	(1,089)	-	-
Gross Profit		3,218	3,233	-	-
Other income	2	156	144	1	1
Administrative expenses	3, 4	(156)	(172)	(81)	(97)
Property expenses		(530)	(417)	-	-
Selling expenses		(260)	(200)	-	-
Other expenses	3, 4	(839)	(860)	(569)	(651)
Results from operating activities		1,589	1,728	(649)	(747)
Finance income	5	228	621	439	1,048
Finance costs	5	(2)	-	-	-
Net finance income		226	621	439	1,048
Profit before income tax		1,815	2,349	(210)	301
Income tax expense	6	(551)	(666)	56	(79)
Profit for the period		1,264	1,683	(154)	222
Total comprehensive income for the period		1,264	1,683	(154)	222
Profit attributable to:					
Equity holders of the parent		1,264	1,683	(154)	222
Total comprehensive income for the period		1,264	1,683	(154)	222
Earnings per share					
Basic earnings per share (cents)	15	0.52	0.70		
Diluted earnings per share (cents)	15	0.52	0.70		

The accompanying notes form part of, and should be read in conjunction with these financial statements.

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CDL Investments New Zealand Limited and its Subsidiary

Consolidated Statement of Changes in Equity

For the year ended 31 December 2009

Group

In thousands of dollars	Note	Share Capital	Retained Earnings	Total Equity
Balance at 1 January 2008		35,946	53,489	89,435
Total comprehensive income for the period				
Profit for the period		-	1,683	1,683
Total comprehensive income for the period		-	**1,683**	**1,683**
Transactions with owners, recorded directly in Equity				
Shares issued under dividend reinvestment plan	14	4,988	-	4,988
Dividends to shareholders	14	-	(5,306)	(5,306)
Supplementary dividends		-	(717)	(717)
Foreign investment tax credits		-	717	717
Balance at 31 December 2008		**40,934**	**49,866**	**90,800**
Balance at 1 January 2009		40,934	49,866	90,800
Total comprehensive income for the period				
Profit for the period		-	1,264	1,264
Total comprehensive income for the period		-	**1,264**	**1,264**
Balance at 31 December 2009		**40,934**	**51,130**	**92,064**

Parent

In thousands of dollars	Note	Share Capital	Retained Earnings	Total Equity
Balance at 1 January 2008		35,946	(9,259)	26,687
Total comprehensive income for the period				
Profit for the period		-	222	222
Total comprehensive income for the period		-	**222**	**222**
Transactions with owners, recorded directly in Equity				
Shares issued under dividend reinvestment plan	14	4,988	-	4,988
Dividends to shareholders	14	-	(5,306)	(5,306)
Supplementary dividends		-	(717)	(717)
Foreign investment tax credits		-	717	717
Balance at 31 December 2008		**40,934**	**(14,343)**	**26,591**
Balance at 1 January 2009		40,934	(14,343)	26,591
Total comprehensive income for the period				
Profit for the period		-	(154)	(154)
Total comprehensive income for the period		-	**(154)**	**(154)**
Balance at 31 December 2009		**40,934**	**(14,497)**	**26,437**

The accompanying notes form part of, and should be read in conjunction with these financial statements.

CDL Investments New Zealand Limited and its Subsidiary

Consolidated Statement of Financial Position

As at 31 December 2009

In thousands of dollars	Note	Group 2009	Group 2008	Parent 2009	Parent 2008
SHAREHOLDERS' EQUITY					
Issued capital		40,934	40,934	40,934	40,934
Retained earnings		51,130	49,866	(14,497)	(14,343)
Total Equity		92,064	90,800	26,437	26,591
Represented by:					
NON CURRENT ASSETS					
Plant, furniture and equipment	9	10	12	5	5
Development property	10	78,467	83,016	-	-
Related party debtors	21, 22	-	-	7,511	8,560
Investments in subsidiary	21, 22	-	-	13,266	13,266
Investment in associate	17	2	1	-	-
Deferred tax assets	11	-	-	35	33
Total Non Current Assets		78,479	83,029	20,817	21,864
CURRENT ASSETS					
Cash and cash equivalents	13	5,478	5,165	5,399	5,012
Trade and other receivables	12	430	525	50	50
Income tax receivable	7	-	273	64	-
Development property	10	8,507	2,383	-	-
Related party debtors	21, 22	309	-	309	-
Total Current Assets		14,724	8,346	5,822	5,062
Total Assets		93,203	91,375	26,639	26,926
NON CURRENT LIABILITIES					
Deferred tax liabilities	11	336	351	-	-
Total Non Current liabilities		336	351	-	-
CURRENT LIABILITIES					
Trade and other payables	16	418	205	182	195
Employee entitlements		32	19	20	11
Income tax payable	7	353	-	-	129
Total Current Liabilities		803	224	202	335
Total Liabilities		1,139	575	202	335
Net Assets		92,064	90,800	26,437	26,591

For and on behalf of the Board

RL CHALLINOR, DIRECTOR, 19 February 2010

BK CHIU, MANAGING DIRECTOR, 19 February 2010

The accompanying notes form part of, and should be read in conjunction with these financial statements.

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CDL Investments New Zealand Limited and its Subsidiary

Consolidated Statement of Cash Flows

For the year ended 31 December 2009

In thousands of dollars	Note	Group 2009	Group 2008	Parent 2009	Parent 2008
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash was provided from:					
Receipts from customers		5,401	4,582	1	1
Intercompany receipts		-	-	740	-
Interest received		228	631	439	1,043
Income tax received	8	60	-	-	-
Cash was applied to:					
Payment to suppliers and employees		(4,746)	(8,337)	(653)	(681)
Purchase of development land		(316)	-	-	-
Intercompany payments		(309)	-	-	(2,075)
Interest paid		(2)	-	-	-
Income tax paid	8	-	(314)	(139)	(8)
Net Cash Inflow/(Outflow) from Operating Activities		**316**	**(3,438)**	**388**	**(1,720)**
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash was provided from:					
Advances from subsidiary		-	-	-	717
Cash was applied to:					
Advances to associate		(1)	(1)	-	-
Purchase of fixed assets		(2)	(3)	(1)	(3)
Net Cash Inflow/(Outflow) From Investing Activities		(3)	(4)	(1)	714
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash was applied to:					
Dividends paid		-	(318)	-	(318)
Supplementary dividend paid		-	(717)	-	(717)
Net Cash Inflow/(Outflow) from Financing Activities		-	(1,035)	-	(1,035)
Net Increase / (Decrease) in Cash and Cash Equivalents		313	(4,477)	387	(2,041)
Add Opening Cash and Cash Equivalents Brought Forward		5,165	9,642	5,012	7,053
Closing Cash and Cash Equivalents	13	5,478	5,165	5,399	5,012

The accompanying notes form part of, and should be read in conjunction with these financial statements.

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Consolidated Statement of Cash Flows - continued

For the year ended 31 December 2009

In thousands of dollars	Note	Group 2009	Group 2008	Parent 2009	Parent 2008
RECONCILIATION OF NET PROFIT TO CASHFLOWS FROM OPERATING ACTIVITIES					
Net Profit after Taxation		1,264	1,683	(154)	222
Adjusted for non cash items:					
Depreciation	9	4	5	1	2
Income Tax Expense		551	666	(56)	79
Adjustments for movements in working capital:					
(Increase)/Decrease in Receivables		95	126	-	(5)
(Increase)/Decrease in Development Properties		(1,575)	(5,234)	-	-
Increase/(Decrease) in Payables		226	(370)	(4)	65
(Increase)/Decrease in Related Parties		(309)	-	740	(2,075)
Cash generated from operating activities		256	(3,124)	527	(1,712)
Income Tax (Paid)/Received	8	60	(314)	(139)	(8)
Cash Inflows/(Outflow) from Operating Activities		316	(3,438)	388	(1,720)

The accompanying notes form part of, and should be read in conjunction with these financial statements.

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SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

CDL Investments New Zealand Limited (the "Company") is a company domiciled in New Zealand, registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange. The Company is an issuer in terms of the Financial Reporting Act 1993.

The consolidated financial statements of CDL Investments New Zealand Limited as at and for the year ended 31 December 2009 comprise the Company and its subsidiary (together referred to as the "Group").

The principal activity of the Group is the development and sale of residential land properties.

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with the requirements of the Companies Act 1993, Financial Reporting Act 1993 and New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities. The consolidated financial statements also comply with International Financial Reporting Standards ("IFRS").

The consolidated financial statements were authorised for issuance on 19 February 2010.

(b) Basis of preparation

The financial statements are presented in New Zealand Dollars ($), which is the Company's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest thousand.

The financial statements have been prepared on the historical cost basis.

The preparation of financial statements in conformity with NZ IFRS requires management to make judgements, estimates and assumptions that affect the application of company policies and reported amounts of assets and liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in Note 23 - Accounting Estimates and Judgements.

(c) Changes in accounting policies

(i) Determination and presentation of operating segments

As of 1 January 2009 the Group determines and presents operating segments based on the information that internally is provided to the Board of Directors, which is the Group's chief operating decision maker. This change in accounting policy is due to the adoption of IFRS 8 Operating Segments. The new accounting policy in respect of segment operating disclosures has no impact on the presentation and disclosure of the financial statements.

(ii) Presentation of financial statements

The Group applies revised IAS 1 Presentation of Financial Statements (2007), which became effective as of 1 January 2009. As a result, the Group presents in the consolidated statements of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income.

Comparative information has been re-presented in conformity with the revised standard. Since the change in accounting policy only relates to presentation aspects, there is no impact on earnings per share.

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(d) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Transactions eliminated on consolidation

Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing these consolidated financial statements.

(e) Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise, trade and other receivables, cash and cash equivalents, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through the income statement, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfer the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Accounting for finance income and expense is discussed in accounting policy m(ii).

(f) Plant, furniture and equipment

Items of plant, furniture and equipment are stated at cost less accumulated depreciation. The cost of purchased plant, furniture and equipment is the value of the consideration given to acquire the assets and the value of other directly attributable costs, which have been incurred in bringing the assets to the location and condition necessary for their intended service. Where parts of an item of plant, furniture and equipment have different useful lives, they are accounted for as separate items of plant, furniture and equipment.

Depreciation on assets is calculated using the straight-line method to allocate cost to their residual values over their estimated useful lives, as follows:

Plant, furniture and equipment	3 - 10 years

Gains or losses arising from the retirement or disposal of plant, furniture and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in the profit and loss account on the date of retirement or disposal.

(g) Development property

Property held for future development is stated at the lower of cost and net realisable value. The net realisable value is determined by independent valuers. Cost includes the cost of acquisition, development, and holding costs such as interest. Interest and other holding costs incurred after completion of development are expensed as incurred. All holding costs are written off through the income statement in the year incurred with the exception of interest holding costs which are capitalised during the period when active development is taking place. Revenue and profit are not recognised on development properties until the legal title passes to the buyer when the full settlement of the purchase consideration of the properties occurs.

(h) Trade and other receivables

Trade and other receivables are stated at their cost less impairment losses.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Significant accounting policies - continued

(j) **Impairment**

The carrying amounts of the Group's assets other than income tax receivable and deferred tax assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated (see accounting policy j(i)).

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

(i) **Calculation of recoverable amount**

The recoverable amount of assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. The recoverable amount of the Group's receivables with short duration is not discounted.

(ii) **Reversals of impairment**

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss in respect of other assets is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(k) **Employee long-term service benefits**

The Group's net obligation in respect of long-term service benefits, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using their expected remunerations as an assessment of likelihood the liability will arise.

(l) **Trade and other payables**

Trade and other payables are stated at cost.

(m) **Expenses**

(i) **Operating lease payments**

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

(ii) **Finance income and expense**

Finance income and expense comprise interest payable on borrowings calculated using the effective interest rate method, interest receivable on funds invested and dividend income that are recognised in the profit or loss.

Finance income is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in profit or loss on the date the entity's right to receive payments is established.

Interest attributable to funds used to finance the acquisition, development or construction of property held for sale is capitalised gross of tax relief and added to the cost of the property during the period when active development takes place.

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Significant accounting policies - continued

(n) Income tax

Income tax for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method of providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The temporary differences relating to investments in subsidiaries are not provided for to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(o) Revenue

Revenue represents amounts derived from:

- Land and property sales: recognised on the transfer of the related significant risk and rewards of ownership.

(p) Operating segment reporting

An operating segment is a distinguishable component of the Group:

- that is engaged in business activities from which it earns revenues and incurs expenses,
- whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions on resource allocation to the segment and assess its performance, and
- for which discrete financial information is available.

(q) Investments in subsidiaries

Investment in subsidiaries are stated at cost less any provision for permanent diminution in value, which is recorded through the income statement.

(r) Investments in associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. They are accounted for using the equity method. The consolidated financial statements include the Group's share of the income and expenses of the associate from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

(s) New standards adopted and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2009, and have not been applied in preparing these consolidated financial statements. None of these will have an effect on the consolidated financial statements of the Group.

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1. SEGMENT REPORTING

Operating segments

The single operating segment of the Group consists of property operations, comprising the development and sale of residential land sections.

The Group has determined that its chief operating decision maker is the Board of Directors on the basis that it is this group which determines the allocation of resources to segments and assesses their performance.

Geographical segments

Segment revenue is based on the geographical location of the segment assets. All segment revenues are derived in New Zealand.

Segment assets are based on the geographical location of the development property. All segment assets are located in New Zealand. The Group has no major customer representing greater than 10% of the Group's total revenues.

2. OTHER INCOME

In thousands of dollars	Group		Parent	
	2009	2008	2009	2008
Rental income	155	139	-	-
Other	1	5	1	1
	156	144	1	1

3. ADMINISTRATIVE AND OTHER EXPENSES

The following items of expenditure are included in administrative and other expenses:

In thousands of dollars		Group		Parent	
	Note	2009	2008	2009	2008
Auditors' remuneration					
- Audit fees		36	45	36	45
- Tax compliance		17	11	17	11
Depreciation	9	4	5	1	2
Directors' remuneration					
- Fees	21	125	125	125	125
- Other		11	4	11	4
Operating lease and rental payments		73	75	-	-
Other		352	384	241	294
Total excluding personnel expenses		618	649	431	481

4. PERSONNEL EXPENSES

In thousands of dollars	Group		Parent	
	2009	2008	2009	2008
Wages and salaries	349	381	207	288
Employee related expenses and benefits	25	10	12	(21)
Increase/(decrease) in liability for long-service leave	3	(8)	-	-
	377	383	219	267

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5. NET FINANCE INCOME

In thousands of dollars	Group		Parent	
	2009	2008	2009	2008
Interest income	228	621	199	579
Intercompany interest income	-	-	240	469
Finance income	228	621	439	1,048
Interest expenses	(2)	-	-	-
Finance costs	(2)	-	-	-
Net finance income	**226**	**621**	**439**	**1,048**

6. INCOME TAX EXPENSE

Recognised in the income statement

In thousands of dollars	Group		Parent	
	2009	2008	2009	2008
Current tax expense				
Current year	559	783	(61)	123
Adjustments for prior years	7	-	7	-
	566	783	(54)	123
Deferred tax expense				
Origination and reversal of temporary differences	(15)	(79)	(2)	(33)
Adjustments for prior years	-	(38)	-	(11)
	(15)	(117)	(2)	(44)
Total income tax expense in income statement	551	666	(56)	79

Reconciliation of effective tax rate

In thousands of dollars	Group		Parent	
	2009	2008	2009	2008
Profit before tax	1,815	2,349	(210)	301
Income tax using the company tax rate of 30% (2008: 30%)	544	704	(63)	90
Under / (over) provided in prior years	7	(38)	7	(11)
	551	666	(56)	79
Effective tax rate	30%	28%	27%	26%

7. CURRENT TAX ASSETS AND LIABILITIES

In thousands of dollars	Group		Parent	
	2009	2008	2009	2008
Income tax receivable	-	273	64	-
Income tax payable	353	-	-	129

The current tax liability (2009: tax asset) represents the amount of income taxes payable.

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8. IMPUTATION CREDITS

In thousands of dollars	Group 2009	Group 2008
Balance at beginning of year	21,579	23,161
Imputation credits attached to dividends received	-	-
Taxation paid/(received)	(60)	314
Imputation credits attached to dividends paid	-	(1,896)
	21,519	21,579
The imputation credits are available to shareholders of the parent company as follows:		
Through the parent company	1,512	1,373
Through subsidiary	20,007	20,206
	21,519	21,579

9. PLANT, FURNITURE AND EQUIPMENT

In thousands of dollars	Group	Parent
Cost		
Balance at 1 January 2008	166	123
Acquisitions	3	3
Balance at 31 December 2008	169	126
Balance at 1 January 2009	169	126
Acquisitions	2	1
Balance at 31 December 2009	171	127
Depreciation and impairment losses		
Balance at 1 January 2008	(152)	(119)
Depreciation charge for the year	(5)	(2)
Balance at 31 December 2008	(157)	(121)
Balance at 1 January 2009	(157)	(121)
Depreciation charge for the year	(4)	(1)
Balance at 31 December 2009	(161)	(122)
Carrying amounts		
At 1 January 2008	14	4
At 31 December 2008	**12**	**5**
At 1 January 2009	12	5
At 31 December 2009	**10**	**5**

10. DEVELOPMENT PROPERTY

In thousands of dollars	Group		Parent	
	2009	2008	2009	2008
Development property	86,974	85,399	-	-
Less expected to settle within one year	8,507	2,383	-	-
	78,467	83,016	-	-

Development property is carried at the lower of cost and net realisable value. No interest (2008: $nil) has been capitalised during the year. The value of development property held at 31 December 2009 was determined, on an open market existing use basis, by an independent registered valuer, DM Koomen SPINZ of Darroch Limited as $171.6 million (2008: $169.7 million).

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10. DEVELOPMENT PROPERTY - continued

The fair value of development property is determined by the independent valuer. The basis of the valuation is the hypothetical subdivision approach and/or block land sales comparisons to derive the residual block land values. The major inputs and assumptions that are used in the valuation model that require judgement include the individual section prices, allowances for profit and risk, projected completion and sell down periods and interest rate during the holding period.

11. DEFERRED TAX ASSETS AND LIABILITIES

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

In thousands of dollars	Group					
	Assets		Liabilities		Net	
	2009	2008	2009	2008	2009	2008
Plant, furniture and equipment	-	1	-	-	-	1
Development property	-	-	(379)	(395)	(379)	(395)
Employee benefits	34	37	-	-	34	37
Trade and other payables	9	6	-	-	9	6
Net tax assets / (liabilities)	43	44	(379)	(395)	(336)	(351)

Recognised deferred tax assets and liabilities

In thousands of dollars	Parent					
	Assets		Liabilities		Net	
	2009	2008	2009	2008	2009	2008
Employee benefits	29	29	-	-	29	29
Trade and other payables	6	4	-	-	6	4
Net tax assets / (liabilities)	35	33	-	-	35	33

Movement in temporary differences during the year

In thousands of dollars	Group		
	Balance 1 Jan 2008	Recognised in income	Balance 31 Dec 2008
Plant, furniture and equipment	2	(1)	1
Development property	(432)	37	(395)
Employee benefits	-	37	37
Trade and other payables	-	6	6
	(430)	79	(351)

In thousands of dollars	Group		
	Balance 1 Jan 2009	Recognised in income	Balance 31 Dec 2009
Plant, furniture and equipment	1	(1)	-
Development property	(395)	16	(379)
Employee benefits	37	(3)	34
Trade and other payables	6	3	9
	(351)	15	(336)

Movement in temporary differences during the year

In thousands of dollars	Parent		
	Balance 1 Jan 2008	Recognised in income	Balance 31 Dec 2008
Employee benefits	-	29	29
Trade and other payables	-	4	4
	-	33	33

In thousands of dollars	Parent		
	Balance 1 Jan 2009	Recognised in income	Balance 31 Dec 2009
Plant, furniture and equipment	-	-	-
Employee benefits	29	-	29
Trade and other payables	4	2	6
	33	2	35

12. TRADE AND OTHER RECEIVABLES

In thousands of dollars

	Group 2009	Group 2008	Parent 2009	Parent 2008
Trade receivables	123	233	-	-
Other receivables and pre-payments	307	292	50	50
	430	525	50	50

None of the trade and other receivables are impaired.

13. CASH AND CASH EQUIVALENTS

In thousands of dollars

	Group 2009	Group 2008	Parent 2009	Parent 2008
Bank balances	478	165	399	12
Call deposits	5,000	5,000	5,000	5,000
Cash and cash equivalents	5,478	5,165	5,399	5,012

14. CAPITAL AND RESERVES

Share capital

	Group and Parent			
	2009 Shares '000s	2009 $000's	2008 Shares '000s	2008 $000's
Shares issued 1 January	243,364	40,934	230,694	35,946
Issued under dividend reinvestment plan	-	-	12,670	4,988
Total shares issued and outstanding	**243,364**	**40,934**	**243,364**	**40,934**

All shares carry equal rights and rank pari passu with regard to residual assets of the Company and do not have a par value.

At 31 December 2009, the authorised share capital consisted of 243,364,299 fully paid ordinary shares (2008: 243,364,299).

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.

Dividends
The following dividends were declared and paid during the year 31 December:

In thousands of dollars

	Group 2009	Group 2008	Parent 2009	Parent 2008
0.0 cents per qualifying ordinary share (2008: 2.3 cents)	-	5,306	-	5,306
	-	5,306	-	5,306

After 31 December 2009 the following dividends were declared by the directors. The dividends have not been provided for and there are no income tax consequences. It is anticipated that a portion of the dividends declared will be paid by way of shares through the Dividend Reinvestment Plan.

In thousands of dollars

	Parent
0.2 cents ordinary dividend per qualifying ordinary share	486
1.0 cents special dividend per qualifying ordinary share	2,434
1.2 cents total dividend per qualifying ordinary share	2,920

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15. EARNINGS PER SHARE

Basic and diluted earnings per share

The calculation of basic and diluted earnings per share at 31 December 2009 was based on the profit attributable to ordinary shareholders of $1,264,000 (2008: $1,683,000); and weighted average number of ordinary shares outstanding during the year ended 31 December 2009 of 243,364,000 (2008: 239,141,000), calculated as follows:

Profit attributable to ordinary shareholders (basic & diluted)

In thousands of dollars	Group	
	2009	2008
Profit for the period	1,264	1,683
Profit attributable to ordinary shareholders	1,264	1,683

Weighted average number of ordinary shares

	Group	
	2009	2008
	Shares '000s	Shares '000s
Issued ordinary shares at 1 January	243,364	230,694
Effect of 12,670,311 shares issued in May 2008	-	8,447
Weighted average number of ordinary shares at 31 December	243,364	239,141

16. TRADE AND OTHER PAYABLES

In thousands of dollars	Group		Parent	
	2009	2008	2009	2008
Trade payables	204	-	-	-
Non-trade payables and accrued expenses	214	205	182	195
	418	205	182	195

17. INVESTMENT IN ASSOCIATE

During the year, the Group's subsidiary, CDL Land New Zealand Limited, has a 33.33% investment in Prestons Road Limited. The principal activities of Prestons Road Limited are as service provider and in this regard, it is charged with engaging suitably qualified consultants in fields such as geotechnical engineering, resource management compliance, subdivision of land, legal and regulatory compliance and related issues.

The associate has no revenue or expenses, therefore the Group's share of profit in its associate for the year was nil (2008: nil).

Summary unaudited financial information for the associate, not adjusted for the percentage ownership held by the Group:

In thousands of dollars	Ownership	Total Assets	Total Liabilities	Revenues	Expenses	Profit/ (loss)
2009						
Prestons Road Limited	33.33%	2,229	(2,223)	-	-	-
2008						
Prestons Road Limited	33.33%	1,181	(1,178)	-	-	-

Movements in the carrying value of the associate:

In thousands of dollars	Group	
	2009	2008
Balance at 1 January	1	-
Purchase of investment	1	1
Balance at 31 December	2	1

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18. FINANCIAL INSTRUMENTS

The Group only holds non-derivative financial instruments which comprise trade and other receivables, cash and cash equivalents, and trade and other payables. Exposure to credit and interest rate risks arises in the normal course of the Group's business.

Credit risk

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. The Group does not require collateral in respect of financial assets.

The Group's exposure to credit risk is mainly influenced by its customer base. As such it is concentrated to the default risk of its industry. However, geographically there is no credit risk concentration.

Investments are allowed only in liquid securities and only with counterparties that have a credit rating equal to or better than the Group. Given their high credit ratings, management does not expect any counterparty to fail to meet its obligations.

At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset, in the balance sheet as shown below:

In thousands of dollars		Group		Parent	
	Note	2009	2008	2009	2008
Bank and short term deposits	13	5,478	5,165	5,399	5,012
Trade and other receivables & related party receivables	12, 22	739	525	359	50
		6,217	5,690	5,758	5,062

Interest rate risk

The Group has minimal exposure to interest rate risk as there are no funding facilities (2008: nil). Interest income is earned on the cash and cash equivalent balance.

Effective interest and repricing analysis

In respect of income - earning financial assets and interest bearing financial liabilities, the following tables indicates the effective interest rates at the balance sheet date and the periods in which they reprice.

Group	2009				2008			
In thousands of dollars	Note	Effective interest rate	Total	6 months or less	Effective interest rate	Total	6 months or less	6 - 12 months
Cash and cash equivalents	13	2.50% to 4.60%	5,478	5,478	4.50% to 7.00%	5,165	4,165	1,000
			5,478	5,478		5,165	4,165	1,000

Parent	2009				2008			
In thousands of dollars	Note	Effective interest rate	Total	6 months or less	Effective interest rate	Total	6 months or less	6 - 12 months
Cash and cash equivalents	13	2.50% to 4.60%	5,399	5,399	4.50% to 7.00%	5,012	4,012	1,000
			5,399	5,399		5,012	4,012	1,000

Liquidity risk

Liquidity risk represents the Group's ability to meet its contractual obligations. The Group evaluates its liquidity requirements on an ongoing basis. In general, the Group generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities. It is the Group's policy to provide credit and liquidity enhancement only to wholly owned subsidiaries.

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18. FINANCIAL INSTRUMENTS - Liquidity risk - continued

The following table sets out the contractual cash flows for all financial liabilities that are settled on a gross cash flow basis:

Group *In thousands of dollars*	Note	2009		2008	
		Balance Sheet	6 months or less	Balance Sheet	6 months or less
Trade and other payables	16	418	418	205	205
		418	418	205	205

Parent *In thousands of dollars*	Note	2009		2008	
		Balance Sheet	6 months or less	Balance Sheet	6 months or less
Trade and other payables	16	182	182	195	195
		182	182	195	195

Estimation of fair values
The following summarises the major methods and assumptions used in estimating the fair values of financial instruments reflected in the above tables.

(a) Cash, accounts receivable, accounts payable and related party receivables:- The carrying amount for these balances approximate their fair value because of the short maturities of these items.

Capital management
The Group's capital includes share capital and retained earnings.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

The Group is not subject to any external imposed capital requirements.

The allocation of capital is, to a large extent, driven by optimisation of the return achieved on the capital allocated.

The Group's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

There have been no material changes in the Group's management of capital during the period.

Sensitivity analysis
In managing interest rate risk the Group aims to reduce the impact of short-term fluctuations on the Group's earnings. Over the longer-term, however, permanent changes in interest rates will have an impact on profit.

At 31 December 2009 it is estimated that a general decrease of one percentage point in interest rates would decrease the Group's profit before income tax by approximately $55,000 (2008: $52,000).

19. OPERATING LEASES

Leases as Lessee

Non-cancellable operating lease rentals are payable as follows:

In thousands of dollars	Group		Parent	
	2009	2008	2009	2008
Less than one year	10	8	-	-
Between one and five years	27	-	-	-
	37	8	-	-

During the year ended 31 December 2009, $13,000 was recognised as an expense in the income statement in respect of operating leases (2008: $15,000) and $154,000 (2008: $139,000) was recognised as income in the income statement in respect of leases.

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20. CAPITAL COMMITMENTS

As at 31 December 2009, the Group has entered into contracts for construction on development properties of $1,669,000 (2008: $1,987,000).

21. RELATED PARTIES

Identity of related parties

The Group has a related party relationship with its subsidiary as well as a fellow subsidiary of its parent (see Note 22), and with its Directors and executive officers.

Transactions with key management personnel

None of the Directors of the Company and their immediate relatives have control of the voting shares of the Company. Key management personnel include the Board comprising non-executive directors and executive directors.

The total remuneration and value of other benefits earned by each of the Directors of the Company for the year ending 31 December 2009 was:

In thousands of dollars	Group		Parent	
	2009	2008	2009	2008
HR Wong	30	30	30	30
VWE Yeo	30	30	30	30
RL Challinor	35	35	35	35
J Henderson	30	30	30	30
Total for non-executive directors	125	125	125	125
BK Chiu	-	-	-	-
J Lindsay	232	343	232	343
Total for executive directors	232	343	232	343
	357	468	357	468

Non-executive directors receive director's fees only. Mr J Lindsay is an employee of the Company and receives short-term employee benefits which include a base salary and an incentive plan. The executive directors do not receive remuneration or any other benefits as a director of the Parent Company or of the Company's subsidiary.

Total remuneration of non-executive directors is included in "personnel expenses" (see Note 4).

22. GROUP ENTITIES

Control of the Group

CDL Investments New Zealand Limited is a subsidiary of Millennium & Copthorne Hotels New Zealand Limited by virtue of Millennium & Copthorne Hotels New Zealand Limited owning 65.16% (2008: 65.16%) of the Company and having three out of six of the Directors on the Board. Millennium & Copthorne 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 in the United Kingdom. The ultimate holding company is Hong Leong Investment Holdings Pte Ltd in Singapore.

During the year CDL Investments New Zealand Limited has reimbursed its parent, Millennium & Copthorne Hotels New Zealand Limited, $210,000 (2008: $241,000) for expenses incurred by the parent on behalf of the Group.

At balance date, there were advances owing from its fellow subsidiary, MCHNZ Investments Limited, of $309,000 (2008: $0). This is payable on demand. No related party debts have been written off or forgiven during the year.

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22. GROUP ENTITIES - continued

Parent
At balance date, there were advances owing from its subsidiary of $7,511,000 (2008: $8,560,000). There are no set repayment terms. No related party debts have been written off or forgiven during the year.

During the year CDL Investments New Zealand Limited entered into the following transactions with its subsidiary:

- $240,000 interest was received from CDL Land New Zealand Limited (2008: $470,000).

Subsidiary	Principal Activity	% Holding by CDL Investments New Zealand Limited	Balance Date
CDL Land New Zealand Limited	Property Investment and Development	100.00	31 December

Associate	Principal Activity	% Holding by CDL Land New Zealand Limited	Balance Date
Prestons Road Limited	Service Provider	33.33	31 March

23. ACCOUNTING ESTIMATES AND JUDGEMENTS

Management discussed with the Audit Committee the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates.

Key sources of estimation uncertainty
In Note 18 detailed analysis is given of the interest rate and credit risk exposure of the Group and risks in relation thereto. The Group is also exposed to market fluctuations in the value of development properties. In Note 10 the carrying value of development properties is $86,974,000 (2008: $85,399,000) while the net realisable value determined by independent valuers is $168,221,000 (2008: $166,461,000).

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Audit report

To the shareholders of CDL Investments New Zealand Limited

We have audited the financial statements on pages 1 to 20. The financial statements provide information about the past financial performance and financial position of the company and group as at 31 December 2009. This information is stated in accordance with the accounting policies set out on pages 6 to 9.

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 2009 and 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;

- whether the accounting policies are appropriate to the company's and group's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. 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 of its subsidiaries in relation to taxation 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 relationship with, or interest in, the company or any of its subsidiaries.

KPMG

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 as far as appears from our examination of those records;

- the financial statements on pages 1 to 20:

  - 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 2009 and the results of their operations and cash flows for the year ended on that date.

Our audit was completed on 19 February 2010 and our unqualified opinion is expressed as at that date.

KPMG.

Auckland

DIRECTORS' REVIEW

Financial Performance

CDL Investments New Zealand Limited ("CDLI") has reported a profit after tax of $1.3 million for the year ended 31 December 2009, a decrease of 24.9% from the previous year (2008: $1.7 million). Given the loss made at half-year, the full-year profit reflected increased sales activity seen in the latter half of 2009, the majority of which have been in geographic areas with lower price ranges.

Profit before tax was $1.8 million (2008: $2.3 million). Property sales & other income was $5.5 million (2008: $5.1 million). In the period under review, 34 sections were sold (2008: 23).

Shareholders' funds as at 31 December 2009 were $92.1 million (2008: $90.8 million) and total assets stood at $93.2 million (2008: $91.4 million). The net tangible asset per share (at book value) was 37.8 cents (2008: 37.3 cents).

Dividend Announcement

The Company has resolved to pay a fully imputed ordinary dividend of 0.2 cents per share and a fully imputed special dividend of 1.0 cents per share both of which are payable on 14 May 2010 (2009: nil). The record date will be 30 April 2010. The Dividend Reinvestment Plan will apply to this dividend.

The decision to declare a dividend has been carefully considered by the Board. While the Company did make a modest profit during 2009, the Board has had due regard to the longer-term sustainability of the business. The decision to pay a special dividend as well as the amount of the special dividend reflects this ongoing caution. As stated previously by the Board, shareholders cannot expect profits and dividends at levels seen in previous years as the Company's profitability depends on its ability to sell land profitably in sufficient volume.

Land portfolio

The value of CDLI's land holdings as at 31 December 2009 was $171.6 (2008: $169.7 million) as determined by Darroch Limited. While no major new land acquisitions were made during 2009, CDLI entered into a land exchange with the Hastings District Council relating to two parcels of land owned by CDLI required by the Council for road building purposes which were exchanged for two adjacent parcels of land owned by the Council.

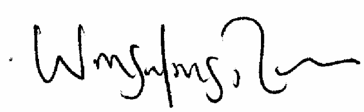
Outlook

The dramatically negative market conditions experienced in 2008 did continue into 2009. However the last few months of the year did see an increase in sales activity which helped the Company's profitability. This positive sentiment is expected to continue through the early part of 2010 in certain geographical areas though market conditions generally for the remainder of the year are uncertain. Some market sectors are expected to perform better than others and it is still not possible to say that a general, sustainable recovery will be seen over the next twelve months.

The focus for 2010 will therefore be on generating sales in those areas where there is demand for the Company's product and ensuring maximum returns on those sales.

Management and staff

On behalf of the Board, I thank the Company's management and staff for their work during a difficult and challenging 2009.



Wong Hong Ren
Chairman
19 February 2010

CDL INVESTMENTS NEW ZEALAND REPORTS PROFIT BUT REMAINS CAUTIOUS ABOUT 2010 TRADING

Property development company CDL Investments New Zealand Limited (**NZX: CDI**) today reported its audited results for the year ended 31 December 2009.

CDI achieved an operating profit after tax of $1.3 million (2008: $1.7 million) on revenue of $5.5 million (2008: $5.1 million). The Company said that its profitability directly reflected the level of sales activity undertaken in the last quarter of 2009, much of which were in lower-price ranges.

CDI also announced that the current market value of its land portfolio as determined by Darroch was revalued to $171.6 million from $169.7 million in 2008.

The Company also declared an ordinary dividend of 0.2 cents per share together with a special dividend of 1.0 cents per share, both of which are fully imputed and payable on 14 May 2010. The Record date would be 30 April 2010. The Dividend Reinvestment Scheme would apply to this dividend.

Managing Director Mr. B K Chiu was cautious about CDI's future trading prospects for 2010.

"Our 2009 profit was mostly generated from sales in the latter part of 2009. This shows us that a slow recovery in residential section sales has commenced but only in certain geographical areas. We are not seeing sales recovering across the board yet and our focus for 2010 will be on generating sales in areas where we are seeing demand for our product", he said.

<u>Summary of results:</u>

• Operating profit after tax	$1.3 million (2007: $1.7 million)
• Operating profit before tax and minorities	$1.8 million (2007: $2.3 million)
• Total group revenue	$5.5 million (2007: $5.1 million)
• Shareholders' funds	$92.1 million (2007: $90.8 million)
• Total assets	$93.2 million (2007: $91.4 million)
• Net tangible asset value (at book value)	37.8 cents per share (2007: 37.3 cents)

ENDS
Issued by CDL Investments New Zealand Limited

Enquiries to:

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