Media Release

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Port of Tauranga delivers strong financial performance amid growing capacity constraints

Financial results for the year ended 30 June 2025

Port of Tauranga Limited (NZX:POT) today reported strong financial results for the year on the back of resilient export volumes.

New Zealand's busiest port saw total trade increase 7% on the previous year, to 25.3 million tonnes. Container volumes increased 5.3% to 1.2 million TEUs[1].

Underlying Group Net Profit After Tax[2] was $126.0 million, a 23% increase on the previous year.

A judicial review of the Port's fast-track application for the Stella Passage development has been upheld, with the High Court determining the Environmental Protection Authority should not have accepted the application as the project was not exactly as described in schedule 2 of the legislation.

The legislative drafting error has resulted in the Court putting the fast-track process on hold. The expert panel was due to commence on 1 September.

The ongoing delays in obtaining a resource consent for the Stella Passage development are extremely frustrating and are reaching crisis point as the Port is forced to turn away shipping services due to a lack of berth capacity. In the last month, the Port has had to decline a proposed new service to the Americas that would have provided New Zealand importers and exporters with an estimated $65 million to $90 million per annum in international freight savings.

[1] TEUs = twenty-foot equivalent units, a standard measure of shipping containers

[2] Underlying NPAT is a non-GAAP measure that excludes items considered to be one-off and not related to core business such as revaluations, impairments and gains or losses from the sale of major assets.

Highlights and challenges

For the year ended 30 June 2025 (compared with the previous financial year)

- Group Net Profit After Tax: $173.4 million (a 90.8% increase, includes a one-off gain of $49.2 million from the sale of Northport Limited as a result of the Marsden Maritime Holdings acquisition)
- Underlying Group Net Profit After Tax: $126.0 million (a 23% increase)
- Total trade: 25.3 million tonnes (a 7.0% increase)
- Container volumes of 1.2 million TEUs (a 5.3% increase from 1.15 million)
- Revenue: $464.7 million (an 11.3% increase from $417.4 million)
- Imports: 8.9 million tonnes (a 13.9% increase from 7.8 million tonnes)
- Exports: 16.4 million tonnes (a 3.6% increase from 15.8 million tonnes)
- Ship visits: 1,442 (up from 1,427)
- Final dividend: 9.7 cents per share (up 11.5% from 8.7 cents per share)
- Total ordinary dividend for FY25: 16.7 cents per share (up 13.6% from 14.7 cents per share)
- Ruakura Inland Port volumes more than doubled cargo volumes in its second year, to 22,525 TEU
- Successful completion of the Marsden Maritime Holdings acquisition and formation of Northport Group Limited, joining port operations and the adjacent landholdings to unlock development potential.

Port of Tauranga Chair, Julia Hoare, says New Zealand is missing out on hundreds of millions of dollars a year due to the delays in consenting the Stella Passage development, which has been in the consenting system for more than six years.

In December 2024, the Environment Court approved part of the project – a berth extension at the container terminal. Unfortunately, the decision was immediately appealed.

Due to the urgency of the project, the Port opted to apply under the Fast-track Approvals Act to seek to speed up the process.

The Port was clear in its description of the entire Stella Passage development when it applied to be included in schedule 2 to the Act. However, when the schedule was published, a legislative drafting error resulted in the words "Mount Maunganui wharves" being left out of the project description.

Port of Tauranga is urging the Government to act quickly and rectify the wording in the fast-track legislation to resolve the situation.

Meanwhile, the container terminal berths are at capacity and unable to accommodate new services or effectively deal with congestion caused by ships arriving off schedule.

"It is very frustrating that in the midst of significant interest from international container lines, we are unable to support new trade opportunities because we don't have the berth space," said Ms Hoare.

"We have also lost the flexibility to readily manage congestion when ships turn up off-schedule. When arrivals bunch up, we're forced to further delay ships at anchor and productivity decreases.

"Ultimately, it is the New Zealand economy and all New Zealanders that suffer. This is critical infrastructure essential for efficient two-way trade for New Zealand."

A report by the NZ Institute of Economic Research has estimated that, without the container berth extension, New Zealand will miss out on $485 million to $749 million of annual GDP by 2032.

Financial results for the year ended 30 June 2025

Underlying Group Net Profit After Tax (NPAT) was $126.0 million, a 23% increase on the previous year. The reported NPAT was $173.4 million, which included a one-off $49.2 million gain on the sale of our Northport holding as part of the Marsden Maritime Holdings transaction.

Operating costs increased 8.1% to $236.3 million.

Revenue increased 11.3% to $464.7 million. EBITDA (earnings before interest, tax, depreciation and amortisation, a non-GAAP measure) increased 15.1% to $234.5 million. Subsidiary and associate company earnings increased 15.6% to $10.9 million, despite some of our associate ports being impacted by lower cargo volumes.

Port of Tauranga's Board of Directors has declared a final dividend of 9.7 cents per share, to bring the total dividend for FY25 to 16.7 cents per share, reflecting the strong financial results for the year.

Cargo trends in 2025

Total dairy volumes increased 2.1% to 2.1 million tonnes supported by a 50% increase in export transhipment.

Total meat exports increased 9.6% in volume to 0.8 million tonnes reflecting favourable export market conditions particularly in North America.

A record season for kiwifruit saw an annual increase of 30.9% (covering parts of the 2024 and 2025 export seasons, which run from March to October).

Increases in dairy and containerised kiwifruit contributed to a record year in refrigerated container volumes, increasing 19.8% to 245,151 TEUs - putting pressure on our reticulated plug-in capacity and resulting in increased use of diesel generators.

In response to New Zealand's urgent energy needs, coal imports have returned to the Port after two years' hiatus. Coal is handled through a specialist covered conveyor and hopper facility and transferred by rail to Huntly Power Station.

Log exports decreased 5.9% to 6.3 million tonnes, with pressure on international pricing and a return to a normal harvesting profile following a temporary boost to volumes post-Cyclone Gabrielle, which had caused early harvesting of wind-damaged trees.

Other bulk cargoes saw significant increases in volume, including stock feed (up 46.5%), fertilisers (up 18.1%) and cement (up 6%).

Transhipped containers (those transferred from one ship to another at Tauranga) increased 9.7% to 306,102 TEU.

Port productivity

We continue to strive for improved service delivery to our customers. Nationwide port productivity is a concern to our customers.

As the country's main export gateway, Tauranga is usually the last port of call for New Zealand shipping services. In the 2025 financial year, only 55% of vessels arrived at Tauranga on their agreed schedule, challenging our ability to efficiently manage container yard congestion and impacting crane operations.

Our constrained berth capacity also impacts productivity as we are unable to provide flexibility for vessels arriving outside their booked window.

The Port has assembled a multi-disciplinary project team to progress efficiency initiatives at the container terminal.

We welcome the Government's select committee inquiry into ports and the maritime sector in an effort to increase transparency, address regulatory bottlenecks and improve productivity. An efficient, sustainable and resilient New Zealand supply chain - involving sea ports, inland ports, road and rail networks, and coastal shipping - is vital to a thriving economy.

Investing in infrastructure

In the next few months, we will commence stage two of our consented capital dredging programme to deepen shipping channels in preparation for larger, more carbon efficient ships.

We commissioned a new Liebherr ship-to-shore gantry crane in February. With the dismantlement of our two oldest cranes in the past year, we now have an eight-crane operation and will purchase additional cranes to serve the new container berth extension once consented and constructed.

As part of our decarbonisation efforts, we will trial New Zealand's first electric straddle carrier and associated charging infrastructure.

We are also at the contract-signing stage to purchase our first hybrid tug boat, which will be larger than our existing fleet, to handle bigger ships and provide increased marine resilience in case of mechanical breakdown or severe weather.

Greenhouse gas emissions

Congestion at the container terminal resulted in increased diesel usage. Combined with the increase to the Ministry for the Environment's electricity emissions factor for the New Zealand grid (which increased by 32%), total Scope 1 and 2 greenhouse gas emissions increased 20% from the previous year to 21,873 tonnes CO_2e. Emissions intensity increased 13% to 0.84 kg CO_2e per cargo tonne.

Unusually high peak volumes for the export dairy and kiwifruit seasons required the use of hired generators for refrigerated containers, which outnumbered our permanent plug-in points. Congestion in the container terminal also increased straddle running time and distance.

We plan to introduce additional refrigeration capacity through the implementation of automated stacking cranes (ASCs). However, this decarbonisation opportunity is currently blocked by the Stella Passage development resource consent delays.

Automated stacking cranes are estimated to produce 75% fewer carbon emissions than an equivalent diesel-electric manual straddle operation.

Marsden Maritime Holdings acquisition

In June 2025, a consortium comprising Port of Tauranga, Northland Regional Council (NRC) and Tupu Tonu (Ngāpuhi Investment Fund) completed a takeover of Marsden Maritime Holdings (MMH).

The buyout of all shares not already held by NRC led to MMH's delisting from the NZX and integration into a new entity, Northport Group Limited.

Before the transaction, MMH owned 50% of Northport Limited (with Port of Tauranga owning the other half) and around 150 hectares of industrial land adjacent to Northport. Under the new structure, Port of Tauranga owns 50% of the merged group, NRC owns 43% and Tupu Tonu 7%.

The consolidation brings Northport together with the adjacent MMH land under a unified, simpler structure. Development of the land for industrial, logistics or freight operations will be better coordinated, unlocking economic benefits for both the Northport Group Limited and the wider Northland and Auckland economies.

Outlook

Domestically, we are seeing modest import growth supported by strong export performance in dairy and horticulture. However, global trade tensions and tariff uncertainty continue to cast a shadow on market confidence and could limit momentum.

Globally, the port and shipping sector is facing challenges such as container fleet oversupply, trade slowing in some markets, and geopolitical disruptions (such as Red Sea shipping diversions) leading to increased costs. Margin pressure on shipping lines, along with carbon pricing pressure, can be expected to accelerate the cascading of larger, newer ships into the Oceania routes.

We remain confident in the resilience of Port of Tauranga, thanks to our strong customer partnerships, diverse cargo mix and variety of income streams, supported by the operational strength of our Port team.

The new financial year has started well, despite the ongoing frustrations and delays in progressing the Stella Passage development. Port of Tauranga will provide earnings guidance for the 2026 financial year at the Annual Meeting of Shareholders on Friday, 31 October.

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