爪哇集團
SEA Group

S E A HOLDINGS LIMITED
爪哇控股有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 251)

OVERSEAS REGULATORY ANNOUNCEMENT

(This overseas regulatory announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)

Please refer to the attached 2006 Annual Report issued by Trans Tasman Properties Limited ("TTP"), a subsidiary of the Company listed on New Zealand Exchange Limited. This Annual Report was despatched to the shareholders of TTP on 23rd March, 2007.

As at the date of this announcement, the Board of the Company comprises the following members:-

Executive Directors:-
Messrs. Lu Wing Chi *(Chairman and Managing Director)*, Lu Wing Yuk, Andrew, Tse Man Bun, Lincoln Lu and Lambert Lu

Non-Executive Director:-
Mr. Lam Sing Tai

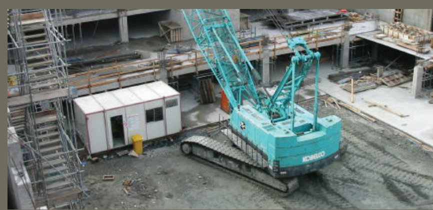
Independent Non-Executive Directors:-
Messrs. Walujo Santoso, Wally, Leung Hok Lim and Chung Pui Lam

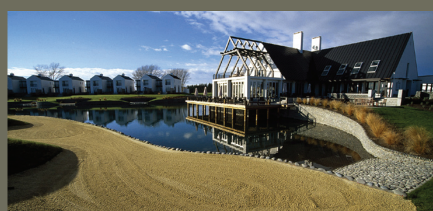
Hong Kong, 26th April, 2007

**For identification purpose only*

TRANS TASMAN PROPERTIES LIMITED

TTP





ANNUAL REPORT

For the year ended 31 December 2006

Annual Report 2006

TTP

The Year in Review

In January 2006 the Group completed the restructure announced during late 2005 which culminated in the assets of the Group being split between two investment vehicles; Trans Tasman Properties Limited ("TTP"), an Australasian property development and investment company listed on NZX, and Asian Growth Properties Limited ("Asian Growth"), an Asian focused property development and investment company listed on the London Stock Exchange Alternative Investment Market ("AIM").

TTP shareholders elected to convert 73.5% of their TTP shares to Asian Growth shares and TTP retained a 2.5% shareholding in Asian Growth.

Following the reconstruction and disposal of the Group's Asian assets the Board resolved to relocate the Group's head office from Singapore to Auckland. The relocation was completed on 1 May 2006.

SUMMARY OF RESULTS

An operating loss after tax of $3.4 million (2005: $4.3 million profit) arose from:

- development profits realised on the sale of the Viaduct 1 and 2 properties and 65 York Street, Sydney strata units; offset by
- unrealised write-down of the Group's investment in Asian Growth to quoted market value;
- the Group's share of a consolidated subsidiary's operating deficit; and
- management and administration costs.

The total Group revenue of $44.8 million (2005: $76.0 million) was primarily derived from:

- the sale of the Viaduct 1 and 2 leasehold properties at the southern end of the Auckland Viaduct Western Reclamation; and
- the sale of a further 12 strata units at 65 York Street, Sydney.

Shareholders' Equity of $99.5 million (2005: $394.1 million) reflected the disposal of 97.5% of TTP's investment in Asian Growth in early 2006.

TTP is a property development company. As such, revenues and profits are derived from the sale of development projects which are dependent upon development completion dates and will result in fluctuations in both revenues and profits from year to year.

The Board has resolved not to pay a dividend for the 2006 year.

The Year in Review

CONTINUED

PROJECT UPDATES

AUCKLAND VIADUCT

Subsequent to year end the Group has conditionally sold its interest in the four leasehold development sites within Wynyard Point, Auckland Viaduct, to Auckland City Council. The sale, after accounting for sale costs, is expected to result in a gain to the Group of approximately $6 million.

FAVONA

In March 2007 the Group purchased Waterside Business Centre Limited which owns 7 hectares, and has contracts over a further 5 hectares, of future industrial land at Favona Road, Mangere, Auckland.

GRASMERE

The 10 large format residential sites and residential chalet at Grasmere high country estate are being marketed for sale.

WOODEND

Further planning and development proposals are being developed in conjunction with Waimakariri District Council's future growth strategy. Development of the land is not expected before 2009.

BELFAST, CHRISTCHURCH

The Environment Court hearing in relation to the future zoning and permitted development of the land has been adjourned and will reconvene later in the year. No development is expected on the land during 2007.

CLEARWATER

Development of the 41 lot Kaikanui subdivision will be completed in late March 2007. Stage 1 of the development was completed in January 2007 and the pre-sale contracts were settled in early February. Revenue from the sales will be reflected in the Group's 2007 financial statements. Further development of the Clearwater land is planned and an additional subdivision is likely to commence in late 2007.

QUEENSTOWN CARPARK

The 521 bay Queenstown carpark development is due for completion during quarter 2, 2007. A resource consent application has been lodged for a commercial development upon the above ground carpark podium. In addition, the Group is currently considering a mixed use above ground development.

YORK STREET STRATA UNITS, SYDNEY

The 65 York Street commercial strata development is 84% sold, with a further 10% of the units leased on a long term basis.

SUMMARY

The Group is in a sound financial position to allow the completion of the current development projects and is focused on development opportunities in both New Zealand and Australia. I would like to thank the Board and management for their efforts, enthusiasm and support during the year.

Don Fletcher

Chairman

Property Portfolio

AT 31 DECEMBER 2006

INVESTMENT PROPERTY	LOCATION	SPECIFICATIONS INVESTMENT TYPE	LETTABLE (AREA m2)	% OWNED	FREEHOLD/ LEASEHOLD
Chancery Carpark	Kitchener St, Auckland	Carpark	n/a	100	L
Clearwater Clubhouse	Harewood, Christchurch	Commercial	644	34	L
Clearwater Unit 4	Harewood, Christchurch	Commercial	558	34	F

PROPERTIES INTENDED FOR SALE	LOCATION	SPECIFICATIONS INVESTMENT TYPE	LAND AREA (m2)	% OWNED	FREEHOLD/ LEASEHOLD
65 York Street remaining Strata Units	65 York Street, Sydney	Strata Office	n/a	100	F
Grasmere Estate	Canterbury	Land	78,157	100	F

DEVELOPMENT PROPERTY	LOCATION	SPECIFICATIONS PROPOSED DEVELOPMENT	LAND AREA (m2)	% OWNED	FREEHOLD/ LEASEHOLD
Viaduct 3[1]			16,905		
132 Halsey Street	Viaduct, Auckland	Mixed Use		100	L
8-14 Madden Street	Viaduct, Auckland	Mixed Use		100	L
120 Halsey Street	Viaduct, Auckland	Mixed Use		100	L
117-139 Pakenham St	Viaduct, Auckland	Mixed Use		100	L
Clearwater Resort	Harewood, Christchurch	Commercial	15,851	34	F
Clearwater Resort	Harewood, Christchurch	Residential	290,780	34	F
Timperley Block	Harewood, Christchurch	Residential	356,505	55	F
104G Johns Road	Belfast, Christchurch	Residential	63,800	55	F
Robinson Block	Woodend, Canterbury	Lifestyle	1,250,000	55	F
12-26 Man Street	Queenstown	Carpark	3,921	55	F
Belfast Land	Christchurch	Mixed Use	272,000	100	F

[1] Subsequent to balance date, Viaduct 3 properties have been sold.
The future settlement obligation in relation to 117-139 Pakenham St will be met by the Viaduct 3 purchaser.

2006 Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2006

DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for ensuring that the financial statements give a true and fair view of the financial position of the Company and the Group as at 31 December 2006 and their financial performance and cash flows for the year ended on that date.

The directors consider that the financial statements of the Company and the Group have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The directors believe they have ensured that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Company and the Group and facilitate compliance of the financial statements with the Financial Reporting Act 1993.

The directors consider they have taken adequate steps to safeguard the assets of the Company and the Group and to prevent and detect fraud and other irregularities.

The directors present the 2006 Annual Report including the Financial Statements of Trans Tasman Properties Limited and subsidiary companies, dated 16 March 2007.

Signed for and on behalf of the Board of Directors who have authorised the issue of the Annual Report and these financial statements.

D I Fletcher
CHAIRMAN

J R Ferner
DIRECTOR

Statements of Financial Performance

FOR THE YEAR ENDED 31 DECEMBER 2006

		GROUP		HOLDING COMPANY	
	NOTE	2006	2005	2006	2005
		$000	$000	$000	$000
Revenue	2	44,758	75,987	720	13,710
Expenses	3	(47,458)	(67,399)	(7,372)	(2,414)
(Deficit)/surplus from operations		**(2,700)**	**8,588**	**(6,652)**	**11,296**
Other items	4	(1,539)	(7,092)	(1,276)	(731)
Net (deficit)/surplus before taxation		**(4,239)**	**1,496**	**(7,928)**	**10,565**
Taxation	5	(19)	(211)	(19)	(52)
Net (deficit)/surplus after taxation before minority interest		**(4,258)**	**1,285**	**(7,947)**	**10,513**
Minority interest in deficit of subsidiaries	7	938	1,955	–	–
Net (deficit)/surplus after taxation and minority interest		**(3,320)**	**3,240**	**(7,947)**	**10,513**
Unrealised change in the value of investment property		(51)	900	–	–
Minority interest in unrealised change in the value of investment property	7	(27)	181	–	–
Net unrealised change in the value of investment property		**(78)**	**1,081**	**–**	**–**
Net (deficit)/surplus attributable to shareholders of the Holding Company		**(3,398)**	**4,321**	**(7,947)**	**10,513**

The accompanying notes form an integral part of these financial statements.

Statements of Movements in Equity

FOR THE YEAR ENDED 31 DECEMBER 2006

		GROUP		HOLDING COMPANY	
	NOTE	2006	2005	2006	2005
		$000	$000	$000	$000
EQUITY AT BEGINNING OF THE YEAR		**391,969**	**382,517**	**394,105**	**382,517**
SURPLUS AND REVALUATIONS					
Net (deficit)/surplus for the year		(3,398)	4,321	(7,947)	10,513
(Devaluation)/revaluation of investment in subsidiaries	6	–	–	(1,755)	9,205
Foreign currency translation reserve movement	6	897	13,205	7,201	(2,192)
Total recognised revenues and expenses for the year		**(2,501)**	**17,526**	**(2,501)**	**17,526**
OTHER MOVEMENTS					
Movements in minority interests	7	(911)	(2,136)	–	–
Shares cancelled upon exchange of TTP shares for Asian Growth shares	6	(291,076)	–	(291,076)	–
Shares repurchased and cancelled from shareholders exercising minority buyout rights	6	(1,010)	–	(1,010)	–
Share capital repurchased and cancelled	6	–	(5,938)	–	(5,938)
Total other movements		**(292,997)**	**(8,074)**	**(292,086)**	**(5,938)**
EQUITY AT END OF THE YEAR		**96,471**	**391,969**	**99,518**	**394,105**

The accompanying notes form an integral part of these financial statements.

Statements of Financial Position

AS AT 31 DECEMBER 2006

		GROUP		HOLDING COMPANY	
	NOTE	2006	2005	2006	2005
		$000	$000	$000	$000
EQUITY					
Shareholders' equity	6	99,518	394,105	99,518	394,105
Minority interest	7	(3,047)	(2,136)	–	–
Total Equity		**96,471**	**391,969**	**99,518**	**394,105**
NON CURRENT LIABILITIES					
Borrowings	8	8,000	118,004	–	–
Unsecured loans	9	13,530	12,064	–	–
Provisions	10	–	102	–	–
Deferred taxation liability	11	–	4,943	–	–
Obligations under finance leases	12	–	335	–	–
Advances from subsidiary companies	18	–	–	302,562	294,976
Total Non Current Liabilities		**21,530**	**135,448**	**302,562**	**294,976**
CURRENT LIABILITIES					
Borrowings	8	29,959	14,627	–	–
Provisions	10	48	632	–	–
Obligations under finance leases	12	–	81	–	–
Payables and accruals	13	17,840	7,530	228	396
Total Current Liabilities		**47,847**	**22,870**	**228**	**396**
Total Liabilities and Equity		**165,848**	**550,287**	**402,308**	**689,477**
NON CURRENT ASSETS					
Investment properties	14	5,490	16,115	–	–
Development properties	15	72,726	351,274	–	–
Property, plant and equipment	16	1,008	1,535	–	52
Investment in subsidiaries	18	–	–	389,519	681,704
Other non current assets	17	22,793	11,930	12,705	6,579
Total Non Current Assets		**102,017**	**380,854**	**402,224**	**688,335**
CURRENT ASSETS					
Cash at bank		10,534	123,112	69	247
Development property	15	30,514	9,924	–	–
Properties unconditionally sold		1,289	1,288	–	–
Properties intended for sale		14,924	27,754	–	–
Inventories – finished goods		–	132	–	–
Other current assets	19	6,570	7,223	15	895
Total Current Assets		**63,831**	**169,433**	**84**	**1,142**
Total Assets		**165,848**	**550,287**	**402,308**	**689,477**
Net tangible assets per share		64.5 cents	67.9 cents		

The accompanying notes form an integral part of these financial statements.

Statements of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2006

		GROUP		HOLDING COMPANY	
	NOTE	2006	2005	2006	2005
		$000	$000	$000	$000
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash was provided from:					
Proceeds from sale of development properties		40,074	25,506	–	–
Rental and other income		3,177	11,320	707	2,530
Dividend income		2	88	–	86
Net GST received		277	–	–	–
Interest received		604	5,176	12	7
		44,134	**42,090**	**719**	**2,623**
Cash was applied to:					
Property and administration expenses		6,838	15,326	1,376	2,523
Interest paid		1,559	3,290	4	–
Purchase of development properties		10,954	25,954	–	–
Development property improvements		14,733	9,006	–	–
Capitalised interest paid		1,936	4,177	–	–
Net GST paid		–	99	–	–
Tax paid		48	23	48	23
		36,068	**57,875**	**1,428**	**2,546**
Net cash flows from/(applied to) operating activities	22	**8,066**	**(15,785)**	**(709)**	**77**
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash was provided from:					
Proceeds from sale of investment properties		1,353	157,874	–	–
Recoupment of mortgage and third party advances		908	14,184	–	–
Advances received from subsidiary companies		–	–	1,784	123,728
Proceeds from sale of property, plant and equipment		201	353	20	–
Proceeds from the sale of equity investments		71	3	5	3
		2,533	**172,414**	**1,809**	**123,731**

The accompanying notes form an integral part of these financial statements.

Statements of Cash Flows (continued)

FOR THE YEAR ENDED 31 DECEMBER 2006

	NOTE	GROUP 2006 $000	GROUP 2005 $000	HOLDING COMPANY 2006 $000	HOLDING COMPANY 2005 $000
CASH FLOWS FROM INVESTING ACTIVITIES (CONTINUED)					
Cash was applied to:					
Purchase of investment properties		–	12,075	–	–
Investment property improvements		46	3,302	–	–
Rental guarantee payments		646	7,454	–	–
Third party advances		5,952	1,873	–	–
Purchase of equity investments		12	1,982	–	–
Purchase of property, plant and equipment		355	680	–	68
Advances to subsidiary companies		–	–	–	117,223
Costs associated with Asian Growth disposal		274	645	274	645
Funds advanced to Clearwater Golf Club (CGC)		476	–	–	–
Reduction in cash upon deconsolidation of CGC		35	–	–	–
Reduction in cash upon disposal of Asian Growth		117,079	–	–	–
		124,875	**28,011**	**274**	**117,936**
Net cash flows (applied to)/from investing activities		**(122,342)**	**144,403**	**1,535**	**5,795**
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash was provided from:					
Proceeds from borrowings		9,629	17,063	–	–
Proceeds from borrowings – finance leases		–	418	–	–
Unsecured loans received (Clearwater)		1,466	1,026	–	–
		11,095	**18,507**	–	–
Cash was applied to:					
Repayment of borrowings		8,100	84,436	–	–
Repayment of borrowings – finance leases		–	11	–	–
Repurchase and cancellation of shares		1,010	5,938	1,010	5,938
		9,110	**90,385**	**1,010**	**5,938**
Net cash flows from/(applied to) financing activities		**1,985**	**(71,878)**	**(1,010)**	**(5,938)**
NET (DECREASE)/INCREASE IN CASH HELD		(112,291)	56,740	(184)	(66)
OPENING CASH		123,112	60,954	247	313
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		(287)	5,418	6	–
CLOSING CASH		**10,534**	**123,112**	**69**	**247**

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2006

1. STATEMENT OF ACCOUNTING POLICIES

The financial statements presented here are for the reporting entity Trans Tasman Properties Limited (the Holding Company) and the consolidated financial statements of the Group comprising Trans Tasman Properties Limited, its subsidiaries and the Group's interest in joint ventures.

The financial statements have been prepared in accordance with the requirements of the Companies Act 1993 and the Financial Reporting Act 1993. The reporting entity and the Group are issuers under the Financial Reporting Act 1993. The financial statements have been prepared on the basis of historical cost as modified by the revaluation of certain assets. Where appropriate, certain comparative figures have been reclassified in order to comply with the current year's presentation of the financial statements. The reporting currency is New Zealand dollars.

(A) Principles of consolidation

The Group financial statements consolidate the financial statements of subsidiaries using the purchase method. The results of any subsidiaries that become or cease to be part of the Group during the year are consolidated from the date that control commenced or until the date that control ceased.

Subsidiaries are entities that are controlled, either directly or indirectly, by the Holding Company.

The interest of minority shareholders is stated at the minority's proportion of the fair values of the identifiable assets and liabilities recognised on acquisition together with the minority interests' share of post acquisition deficits.

A joint venture is the relationship between the Company and another party in carrying on a business in common with a view to profit. Each party shares joint and several liability in respect of the costs and liabilities of the joint venture. The Group's share of assets and liabilities, revenues and expenses of the joint venture are incorporated into the Group financial statements on a line-by-line basis using the proportionate method.

All material transactions and balances between subsidiaries or between the Holding Company and subsidiaries are eliminated on consolidation.

(B) Property, plant and equipment and depreciation

Property, plant and equipment is recorded at cost less accumulated depreciation.

Depreciation of property, plant and equipment is calculated on a straight line basis unless otherwise noted below at rates that will write off the cost of the assets, less their residual value, over their estimated useful lives as follows:

Furniture, fittings and equipment	3-5 years
Leasehold improvements	5 years
Motor vehicles	4 years
Other plant and equipment	2-10 years

Surpluses and deficits on disposal of property, plant and equipment are taken into account in determining the surplus/(deficit) for the year.

(C) Investment properties

Investment properties are valued at their original cost and thereafter annually revalued by independent registered property valuers at current value in an open market, less estimated costs of disposal. Depreciation is not charged on investment properties.

Properties are managed and accounted for on a portfolio basis. The difference at balance date between the latest valuation and the previous carrying value is recognised in the statement of financial performance.

Properties are deemed to be sold when contracts for their sale become unconditional and settlement risk is minimal. Surplus or deficit on sale is determined as the difference between the net sale proceeds and the carrying amount.

Properties subject to conditional sale and purchase agreements at balance date or which the Company has no intention to hold are classified as properties intended for sale, and are valued at the lesser of the net selling price or in accordance with the above policy.

(D) Development properties

Development properties intended to be held by the Group as investment properties are carried at the lower of cost or net realisable value. Cost comprises the cost of acquisition, holding and development costs. Holding costs include interest and other outgoings net of any applicable income. Upon completion these properties are reclassified as investment properties.

Development properties intended for sale upon completion of development are carried at the lower of cost or net realisable value and are classified in accordance with the expected disposal timeframe.

Development revenues are recognised when the development property sales are subject to unconditional contract and settlement risk is minimal. Deposits received from purchasers prior to completion of the sale are recorded as sales deposits under current liabilities.

Development properties include properties held with the intention of obtaining rezoning benefits and/or an ultimate higher value use. Rezoning costs are capitalised and development property held with the intention of securing financial gain from rezoning is carried at the lower of cost or net realisable value. Rezoning outcomes are unpredictable, and as such underlying development property values can materially change depending upon rezoning application outcomes.

(E) Investments in subsidiaries

Shares in subsidiaries and advances to subsidiaries are recorded at the book value of net assets. Any revaluation movements are determined on a portfolio basis, and are taken to the statement of financial performance up to the original cost carrying value in the holding company. Any revaluation in excess of cost is transferred to a subsidiary revaluation reserve.

(F) Other investments

Other investments are carried at the lower of cost or net realisable value.

(G) Leased assets

Finance leases, which effectively transfer to the entity substantially all the risks and benefits incidental to ownership of the leased item, are recognised initially at the lower of the present value of the minimum lease payments or their fair value.

They are depreciated on the same basis as equivalent property, plant and equipment or the period of the lease, whichever is the lesser.

A corresponding liability is also established and each lease payment allocated between the liability and interest expense. Assets under finance leases are recognised as non current assets in the statement of financial position.

Leases under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Operating lease rentals/payments are recognised/charged to the statement of financial performance in the year in which they are earned/incurred.

Annual rentals payable on leasehold properties are included in the statement of financial performance as expenses.

(H) Receivables

Receivables are valued at anticipated net realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the end of the year. Bad debts are written off in the period they are identified. Property sale receivables are secured over the underlying property in the event of non-settlement.

(I) Leasing commissions

Leasing commissions paid to real estate agents for the procurement of new tenants are capitalised in the statement of financial position, as part of investment and development properties.

(J) Taxation

Income tax charged in the statement of financial performance includes current and deferred tax. Deferred tax has been calculated using the liability method and is accounted for on a partial basis where only timing differences expected to reverse in the foreseeable future are brought to account.

In respect of investment properties intended to be held long term, timing differences arising thereon are not expected to reverse in the foreseeable future. Accordingly, deferred taxation has not been brought to account on these timing differences.

For investment properties intended for sale, no provision has been made for any tax on capital gains which could arise in the event of sale as the Group has determined that it has sufficient tax losses available to carry forward so that it is not expected that any such liabilities will crystallise.

Future tax benefits arising from income tax losses are only brought to account when realisation is virtually certain.

(K) Foreign currency

Foreign currency transactions and revenue and expense items of independent overseas subsidiaries are translated at the exchange rate on the transaction date. Foreign currency assets and liabilities and the assets and liabilities of independent overseas subsidiaries are converted to New Zealand currency at rates of exchange at balance date. Translation adjustments are taken directly to the foreign currency translation reserve. All other foreign exchange adjustments are included in the results for the year.

On disposal of an independent foreign operation, the accumulated amount of the exchange differences taken to the foreign currency reserve that relate to the foreign operation and to any monetary liability designated as a hedge of that operation are transferred out of the foreign currency translation reserve direct to retained earnings.

(L) Property operating expenses

Property operating expenses disclosed in the financial statements are net of contributions received from tenants towards property operating expenses. Contributions received from tenants towards property operating expenses are held to meet property operating expenses as they fall due. Any shortfall or surplus on the property operating expense account is met by or refunded to tenants.

1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

(M) Statement of Cash Flows

The statement of cash flows is prepared exclusive of GST, which is consistent with the method used in the statement of financial performance.

Definitions of the terms used in the statement of cash flows:

Cash includes cash on hand and in banks, and money market investments readily converted to cash within two working days, net of any bank overdrafts.

Operating activities include all transactions and other events that are not investing or financing activities.

Investing activities are those activities relating to the acquisition and disposal of current and non current investments and any other non current assets.

Financing activities are those activities relating to changes in the equity and debt capital structure of the Company and Group.

(N) Inventories

All inventories are valued at the lower of cost and net realisable value. Cost is calculated on the first-in-first out basis.

(O) Financial instruments

Financial instruments carried on the statement of financial position include cash and bank balances, investments, receivables, payables and accruals, and borrowings. These instruments are, generally, carried at their estimated fair value. For example, receivables are carried net of the estimated doubtful receivables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Other than for property sale receivables the Group does not support financial assets by collateral or other security.

The Holding Company and Group are parties to financial instruments that have not been recognised in the financial statements. These are held for the purpose of managing exposure to interest rates and comprise interest rate swaps. The purpose of these instruments is to reduce risk.

Interest rate swaps are undertaken to convert debt instruments from floating to fixed rates of interest and vice versa. Swap payments and receipts are recognised as a component of interest expense on an accruals basis over the life of the agreement.

Full disclosure of information about financial instruments to which the Group is a party is provided in Note 24.

(P) Goods and Services Tax (GST)

The statements of financial performance and statements of cash flows have been prepared so that all components are stated exclusive of GST. All items in the statements of financial position are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

(Q) Repairs, maintenance, refurbishments and new fitouts

The cost of repairs, maintenance, refurbishments and new fitouts represent expenditure incurred in relation to maintaining and upgrading the condition of the properties in the portfolio and the fitout of vacant space for tenants. Expenditure which is expected to result in increased rentals, and hence enhance the value of the property, is capitalised in the statement of financial position, as part of investment properties. All other expenditure is expensed through the statement of financial performance.

(R) Employee entitlements

Employee entitlements to salaries and wages, non-monetary benefits, annual leave, long service leave and other benefits are recognised when they accrue to employees. This includes the estimated liability for salaries and wages and annual leave up to balance date. In determining the estimated liability for employee entitlements, any amounts expected to be settled within twelve months of balance date are carried at their nominal amounts.

(S) Provisions

Provisions are recognised when the Group has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material the expenditures are discounted to their present value using pre tax discount values.

(T) Changes in accounting policies

There have been no material changes in accounting policies during the year. All policies have been applied on bases consistent with the previous year.

	GROUP		HOLDING COMPANY	
	2006	2005	2006	2005
	$000	$000	$000	$000

2. REVENUE

Development revenue	39,788	57,468	–	–
Rental revenue	2,179	8,637	–	–
Management fee income	242	127	707	2,530
Interest received	1,878	5,944	12	7
Golf revenue (Clearwater)*	331	1,857	–	–
Foreign exchange gains	–	1,411	–	11,085
Dividend income	2	88	–	86
Other revenue	338	455	1	2
	44,758	**75,987**	**720**	**13,710**

* The operations of Clearwater Golf Club Ltd (CGC) have not been consolidated from 1 January 2006. The impact to the Group's Statement of Financial Performance is minimal as the Group, via its subsidiary Clearwater Sales Limited, has undertaken to subsidise in full any net cash operating deficit before depreciation of CGC. The net subsidy for the period to 31 December 2006 of $343,160 has been included in the Groups operating expenses.

3. EXPENSES

Operating expenses include:				
Audit fees paid to principal auditor**	336	289	67	46
Fees paid for other audit related services provided by the principal auditor	22	–	–	–
Audit fees paid to other auditors	–	–	–	–
Depreciation – furniture, fittings and equipment	100	89	8	19
– motor vehicles	117	136	–	–
– leasehold improvements	69	70	–	–
– other plant and equipment	5	239	–	–
– other plant and equipment held under finance lease	–	23	–	–
Directors' fees	180	124	180	124
Bad debts written off	128	70	–	–
(Decrease)/increase in estimate for doubtful debts	(183)	15	–	–
Net loss/(gain) on sale of property, plant and equipment	29	(10)	24	–
Donations	16	16	–	–
Property operating expenses	1,610	1,985	–	–
Operating lease costs (included within property expenses)	1,220	1,347	–	–
Other operating lease costs	451	612	123	189
Finance charge on leased assets	–	2	–	–
Interest paid – other	1,604	3,008	4	–
Development costs	37,893	52,209	–	–
Foreign exchange losses	38	–	5,927	–

** In 2005 an additional $100,000 was paid by the Holding Company to the Company's principal auditor in relation to the review of the Company's Prospectus and Investment Statement for the off market pro-rata share buyback.

4. OTHER ITEMS

Deficit on sale of investment property	(82)	(1,993)	–	–
Unrealised allowance for the impairment of property	(245)	(3,026)	–	–
Unrealised write-down of investments	(1,276)	(1,955)	(1,276)	(730)
Rental guarantee provision (Aust Growth)	64	144	–	–
Other	–	(262)	–	(1)
	(1,539)	**(7,092)**	**(1,276)**	**(731)**

5. TAXATION

The taxation expense for the year has been calculated as follows:

	GROUP 2006 $000	GROUP 2005 $000	HOLDING COMPANY 2006 $000	HOLDING COMPANY 2005 $000
(Deficit)/surplus before taxation	(4,239)	1,496	(7,928)	10,565
Income tax on (deficit)/surplus prima facie payable at 33% (2005: 33%)	(1,399)	494	(2,616)	3,486
Adjustment to recognise income tax rate variance between jurisdictions within Group	20	(386)	(13)	(1,374)
Permanent and timing differences not previously recognised	8,998	5,502	2,412	(2,081)
Depreciation timing differences not recognised	(123)	(130)	8	4
Other timing differences not recognised	53	(645)	12	17
Losses from prior year now recognised	(8,001)	(5,706)	–	–
Future benefit of current year tax losses not recognised	471	1,082	216	–
Income tax expense	**19**	**211**	**19**	**52**
Represented by:				
Current taxation	19	195	19	52
Deferred taxation	–	16	–	–

In the calculation of taxable income, the Group has provided for depreciation on its investment properties. Tax losses are available to be carried forward and utilised in future years but have not been recognised in these financial statements.

New Zealand

New Zealand tax losses of approximately $3 million (2005: $6 million) are available to the Group, subject to continued compliance with the rules for carrying forward of losses.

Other timing differences not recognised in the financial statements as they are not expected to reverse in the foreseeable future, primarily due to the extent of tax losses carried forward, comprise:

	GROUP 2006 $000	GROUP 2005 $000	HOLDING COMPANY 2006 $000	HOLDING COMPANY 2005 $000
Depreciation recoverable	(462)	(425)	–	–
Revaluation of properties	2,912	(5,867)	–	–
Other timing differences	622	185	–	–
	3,072	**(6,107)**	–	–
Deferred tax asset/(liability) at 33% (2005: 33%)	**1,014**	**(2,015)**	–	–

The balance of the Company's imputation credit account is Nil (2005: Nil).

The balance of the Company's dividend withholding payments account is Nil (2005: Nil).

Australia

In the Australian taxation jurisdiction the Group has a future income tax benefit of approximately A$16 million (2005: A$24 million) which has not been recognised.

This amount comprises benefits due to tax losses carried forward of approximately A$18 million (2005: A$28 million) and timing differences of A$2 million (liability) (2005: A$4 million liability).

Tax losses will only be recouped if:

- future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised; and
- the conditions for deductibility imposed by tax legislation are met; and
- changes in tax legislation do not adversely affect the economic entity in realising the benefit.

As detailed in Ferrier Hodgson's Independent Advisor's Report, in relation to the takeover offer by SEA Holdings New Zealand Limited sent to all shareholders during July 2006, the Group has significant retained earnings in Australia.

The liquidation or wind-up of the Group's Australian business may trigger a tax liability in the order of A$15 million in relation to these retained earnings. As there is no intention to liquidate TTP or its Australian business, any future potential tax impost that the Australian retained earnings may create does not meet the definition of a liability under the accounting standards and is therefore not taken into account in Shareholders' Equity or recognised in NAV.

Hong Kong

The prior year taxation liability in relation to Hong Kong operations was $159,286. A deferred taxation liability of $16,009 was recognised in the prior year (refer Note 11). The income tax expense for the prior year of $143,277 was calculated at the Hong Kong tax rate of 17.5%.

As at 31 December 2005 there were unused tax losses of HK$1,087,000 available to offset against future profits. No deferred tax asset was recognised in respect of the tax losses due to the unpredictability of future profit streams.

Singapore

The prior year taxation liability in relation to Singapore operations income tax was $52,000. This has been calculated at the Singapore tax rate of 20% for Singapore sourced revenue and at 15% on New Zealand sourced revenue. The Singapore head office was closed during the year and final income tax of $19,000 paid.

6. SHAREHOLDERS' EQUITY

(i) Share Capital

As at 31 December 2006 there were 154,194,592 ordinary shares on issue and fully paid (2005: 580,501,356). All ordinary shares rank equally with one vote attached to each fully paid ordinary share. All shares participate equally in any dividend distribution or any surplus on the winding up of the Company.

In the prior year 14,323,068 shares were repurchased for 40 cents per share via a non-pro rata share buyback offer dated 5 August 2005. The shares were cancelled and share capital was reduced by $5,938,016 as a result of this transaction.

On 13 January 2006 424,297,954 ordinary shares were acquired and cancelled following the completion of the Company's off-market pro-rata share buyback. Share capital was reduced by $291,076,272 as a result of this transaction.

During 2006 1,050,366 ordinary shares were acquired for 45.06 cents per share and 958,444 ordinary shares were acquired for 56 cents per share from TTP shareholders who exercised their minority buy-out rights under section 110 of the Companies Act 1993. These shares have also been cancelled and share capital was reduced by $1,010,024 as a result of these transactions.

(ii) Reserves

	GROUP		HOLDING COMPANY	
	2006	2005	2006	2005
Shareholders' Equity includes the following reserves:	$000	$000	$000	$000
Foreign Currency Translation Reserve				
Opening balance	(12,674)	(25,879)	(2,192)	–
Currency fluctuations on net investment in offshore subsidiaries	897	13,205	7,201	(2,192)
Transfer to retained earnings*	9,014	–	(2,525)	–
Closing balance	**(2,763)**	**(12,674)**	**(2,484)**	**(2,192)**
Subsidiary Revaluation Reserve				
Opening balance	–	–	32,373	23,168
Transfer to retained earnings**	–	–	(5,603)	–
(Devaluation)/revaluation of investment in subsidiaries	–	–	(1,755)	9,205
Closing balance	**–**	**–**	**25,015**	**32,373**

* The transfer arises from the reversal of foreign currency translations relating to both investment in and advances to Asian Growth upon the disposal of Asian Growth, together with the reversal of foreign currency translations following the repayment of an intra-group foreign loan.

** The transfer represents the revaluations of the Asian Growth investment transferred to retained earnings upon disposal.

7. MINORITY INTEREST

Opening balance	(2,136)	–	–	–
Share of deficit of subsidiaries	(938)	(1,253)	–	–
Share of unrealised net change in the value of investment property	27	(181)	–	–
Amounts written back relating to prior year minority interest	–	(702)	–	–
Closing balance	**(3,047)**	**(2,136)**	**–**	**–**

8. BORROWINGS

	GROUP 2006 $000	GROUP 2005 $000	HOLDING COMPANY 2006 $000	HOLDING COMPANY 2005 $000
New Zealand loans (secured)	37,959	36,430	–	–
Offshore loans (secured)	–	96,201	–	–
	37,959	**132,631**	–	–
Less repayable within one year classified as a current liability:				
New Zealand loans (secured)	29,959	14,400	–	–
Offshore loans (secured)	–	227	–	–
Total current borrowings	**29,959**	**14,627**	–	–
Total non current borrowings	**8,000**	**118,004**	–	–
Maturity profile of non current borrowings repayable:				
Payable later than one, not later than two years	–	98,505	–	–
Payable later than two, not later than five years	8,000	16,780	–	–
Payable later than 5 years	–	2,719	–	–
	8,000	**118,004**	–	–

Interest rates payable on New Zealand loans range from 8.55% to 12.5% (2005: 8.53% to 12.5%). Prior year interest rates payable on offshore loans (all in Hong Kong) ranged from 4.59% to 4.90%. The weighted average interest rate applicable to borrowings at 31 December 2006 is 9.472% per annum (2005: 5.974%), before allowance for financial instruments (refer Note 24).

(i) New Zealand loans (secured)

New Zealand loans comprise the following facilities.

(a) A four-year Term Loan Facility dated 1 April 2005, as amended by letters dated 20 September 2005 and 26 May 2006. The facility is repayable April 2009. Security is provided by mortgages over the Auckland investment and development properties. The facility amount is $12 million, and is drawn to $8 million as at 31 December 2006. As at 31 December 2006 the loan carried an interest rate of 8.55%.

(b) A 26 month Term Loan and Development Facility dated 23 June 2004, as amended by the Deed of Variation and Restatement dated 8 May 2006. The facility is repayable July 2007 and is currently being renegotiated. Security provided to the lender is over the property held by Clearwater Land Holdings Limited in Christchurch. The facility amount is $18 million, comprised of a $12 million Term Loan Facility and a $6 million Development Loan Facility. As at 31 December 2006 the amount outstanding under the facility was $18 million (2005: $12 million). As at 31 December 2006 interest rates payable on the loan ranged from 9.5675% to 9.788% (2005: 9.978%).

(c) A 27 month $20 million Construction Loan Facility dated 13 December 2004, repayable May 2007, secured by mortgages over the property situated at 12-26 Man Street, Queenstown. As at 31 December 2006 the amount outstanding under the facility was $17.38 million (2005: $10.78 million). As at 31 December 2006 interest rates on the loan ranged from 8.87% to 9.033% (2005: 8.66% to 8.948%). The Group's share of this loan is $9.56 million (2005: $5.93 million) and a subsidiary of the Group is a surety under the facility agreement.

(d) Other loans repayable on demand amounting to $2.4 million at a current interest rate of 12.5% (2005: $2.4 million, 12.5%).

Interest rates charged on borrowings (a) to (c) are based on the New Zealand inter-bank settlement 30 day and 90 day BKBM rates.

(ii) Offshore loans (secured)

Prior year offshore loans of the Group comprised the following facilities.

(a) A 7 year HK$22.5 million Term Loan dated 28 February 2004, repayable by monthly instalments of HK$100,000 until February 2011 bearing interest at 0.67% over Hong Kong Interbank Offered Rate ("HIBOR"). Security provided to the lender included a mortgage over the property Shop 22, Excelsior Plaza, Causeway Bay, Hong Kong. As at 31 December 2005, the amount outstanding under the facility was HK$20.4 million (NZ$3.9 million). The average effective interest rate during 2005 was 4.75%.

(b) A 36 month HK$570 million Term Loan dated 15 November 2004, repayable the earlier of 15 November 2007 or six months after the issuance of the certificate of completion, whichever is the earlier, bearing interest at 0.53% over HIBOR. Security provided to the lender included a mortgage over the property 97 Po Kong Village Road, San Po Kong, Kowloon, Hong Kong. As at 31 December 2005 the amount outstanding under the facility was HK$374.5 million (NZ$70.7 million). The effective interest rate during 2005 ranged from 4.59% to 4.79%.

(c) A 30 month HK$160 million Term Loan dated 15 December 2004, repayable on 15 June 2007 or six months after the issuance of an occupation permit, whichever is the earlier, bearing interest at 0.55% over HIBOR. Security provided to the lender included a mortgage over the property 223-227 Wanchai Road, Hong Kong. As at 31 December 2005 the amount outstanding under the facility was HK$114.5 million (NZ$21.6 million). The effective interest rate during 2005 ranged from 4.6% to 4.9%.

The directors believe that the current interest rates represent prevailing market rates and therefore the fair value of the borrowings equals its nominal value as at balance date.

9. UNSECURED LOANS

Unsecured loans represent loans provided by fellow investors in the Clearwater Property Holdings Group. These advances are long term, with interest payable if demanded. The intention is that these unsecured loans will not be repaid within the next year. To date no interest has been charged.

10. PROVISIONS

	GROUP		HOLDING COMPANY	
	2006	2005	2006	2005
	$000	$000	$000	$000
Opening balance	734	8,326	–	–
Additional provisions recognised	–	54	–	–
Reductions arising from payments	(744)	(7,236)	–	–
Increase/(decrease) resulting from re-measurement	112	(410)	–	–
Decrease resulting from deconsolidation of CGC	(54)	–	–	–
	48	**734**	–	–
Less repayable within one year classified as a current liability	**48**	**632**	–	–
Total non current provision	–	**102**	–	–

Provisions represent contractual obligations for post-sale guaranteed income support over vacant areas on sold properties. These provisions have been established following the sale of the properties and expire in 2007.

11. DEFERRED TAXATION LIABILITY

The following are the major deferred tax liabilities recognised by the Group, and the movements thereon, during the current and prior reporting periods:

	GROUP 2006 $000	GROUP 2005 $000	HOLDING COMPANY 2006 $000	HOLDING COMPANY 2005 $000
Hong Kong				
Opening balance	4,943	16	–	–
Reduction following disposal of Asian Growth	(4,943)	–	–	–
Fair value adjustment on acquisition of property holding subsidiary	–	4,651	–	–
Charge for the year	–	16	–	–
Exchange adjustment	–	260	–	–
Balance at end of the year	–	**4,943**	–	–

12. OBLIGATIONS UNDER FINANCE LEASES

	Minimum Lease Payments 2006 $000	Minimum Lease Payments 2005 $000	Present Value of Minimum Lease Payments 2006 $000	Present Value of Minimum Lease Payments 2005 $000
Amounts payable under finance leases:				
Within one year	–	108	–	81
In the second to fifth years inclusive	–	382	–	335
	–	490	–	416
Less: Future finance charges	–	74	–	n/a
Present value of lease obligations	–	416	–	416
Less: Amounts due for settlement within 12 months (shown under current liabilities)			–	**(81)**
Amount due for settlement after 12 months			–	**335**

Finance leases were taken out on certain assets at Clearwater Golf Club. The average lease term was for 5 years and for the year ended 31 December 2005 the borrowing rates inherent in the finance leases were 6.7% and 10.25%. Interest rates were fixed at contract date, and thus exposed the Group to fair value interest rate risk. All leases were on a fixed repayment basis and no arrangements were entered into for contingent rental payments. The Group's obligations under finance leases were secured by the lessors' title to the leased assets.

The operations of Clearwater Golf Club have not been consolidated from 1 January 2006.

There are no obligations under finance leases in the Holding Company (2005: Nil).

13. PAYABLES AND ACCRUALS

	Group 2006 $000	Group 2005 $000	Holding Company 2006 $000	Holding Company 2005 $000
Trade payables	991	757	–	–
Property purchase accruals	14,080	–	–	–
Development and capital expenditure payable	415	3,948	–	–
Accrued interest payable	202	358	–	–
Employee entitlements	200	206	–	40
Payable to related parties (Note 23)	71	4	–	–
Deferred interest income	691	305	–	–
Income tax liability	–	216	–	29
Other payables and accruals	1,190	1,736	228	327
	17,840	**7,530**	**228**	**396**

14. INVESTMENT PROPERTIES

Investment properties are properties held to derive long-term rental returns and/or capital gain where there is no intention to develop the property. Investment properties are carried at current value in an open market determined by independent registered property valuers as follows:

	Date of Valuation	Group 2006 $000	Group 2005 $000
CB Richard Ellis Limited	31 December 2006	1,200	1,292
Fright Aubrey	31 December 2006	4,290	4,247
Chesterton Petty Limited		–	10,576
		5,490	**16,115**

	GROUP 2006 $000	GROUP 2005 $000
15. DEVELOPMENT PROPERTIES		
Development properties – Hong Kong	–	272,618
Development properties – New Zealand	103,240	88,580
Total development properties	**103,240**	**361,198**
Less development properties held as a current asset – New Zealand	(30,514)	(9,924)
Total non current development properties	**72,726**	**351,274**

Development properties are properties held with the intention of future development or redevelopment. Development properties are carried at the lower of cost or net realisable value and classified in accordance with the expected disposal timeframe. The ultimate valuation of development land is often dependent on the outcome of zoning changes. The above carrying values have taken account of current expectations of these outcomes.

16. PROPERTY, PLANT AND EQUIPMENT

	COST		ACCUM. DEPN.		NET BOOK VALUE	
	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000
Group						
Furniture, fittings and equipment	1,547	1,401	1,079	997	468	404
Leasehold improvements	337	337	145	75	192	262
Other plant and equipment	23	761	13	738	10	23
Other plant and equipment held under Finance Lease	–	428	–	26	–	402
Motor vehicles	514	661	176	217	338	444
	2,421	**3,588**	**1,413**	**2,053**	**1,008**	**1,535**
Holding Company						
Furniture, fittings and equipment	–	71	–	19	–	52
	–	**71**	**–**	**19**	**–**	**52**

17. OTHER NON CURRENT ASSETS

	GROUP		HOLDING COMPANY	
	2006 $000	2005 $000	2006 $000	2005 $000
Investment in unlisted company*	6,574	6,574	6,574	6,574
Investment in Asian Growth**	6,131	–	6,131	–
Unsold Golf Memberships (Clearwater)	4,475	4,488	–	–
Loan to third party***	4,370	–	–	–
Golf Memberships receivable (Clearwater)	578	857	–	–
Property deposit	384	–	–	–
Shares in listed companies	5	10	–	5
Other	276	1	–	–
	22,793	**11,930**	**12,705**	**6,579**
Market value of listed securities	5	10	–	5

* Investment in Professional Service Brokers Limited, a supply-chain management and e-procurement business.

** Residual investment in Asian Growth Properties Limited following the pro-rata share buyback offer to TTP shareholders to exchange their shares in TTP for shares in Asian Growth.

*** The interest rate on the loan to third party is determined by the OCR plus a margin of 2%. As at 31 December 2006 total interest capitalised to the loan amounted to $142,675. Security is provided over land situated at 119, 125 and 133 Walmsley Road and 2 and 4 Favona Road, Mangere. The loan is repayable no later than 1 September 2009.

18. INVESTMENT IN SUBSIDIARIES

(i) Carrying value

	HOLDING COMPANY 2006 $000	HOLDING COMPANY 2005 $000
Shares in subsidiaries	364,504	649,331
Increase in value to net book value of net tangible assets (refer Note 6)	25,015	32,373
	389,519	681,704
Advances from subsidiary companies	(302,562)	(294,976)
Total Investment in Subsidiaries	**86,957**	**386,728**

(ii) Subsidiary deconsolidation and disposal

With effect from 1 January 2006 the Group has no longer consolidated the operations of CGC.

On 13 January 2006 Trans Tasman Properties Limited disposed of 97.5% of its investment in Asian Growth via an off market pro-rata share buyback.

The subsidiary deconsolidation and subsidiary disposal together had a material affect on group assets and liabilities but, other than the disposal of the cash balance, did not involve cash flows. The statement of financial position and cash flows were affected as follows:

IMPACT ON STATEMENT OF FINANCIAL POSITION	DECONSOLIDATION OF CGC NZ$000	DISPOSAL OF ASIAN GROWTH NZ$000
Assets		
Investment Property	–	(10,576)
Development Property	–	(272,549)
Property, plant and equipment	(371)	–
Cash	(35)	(117,079)
Inventory	(132)	–
Other current assets	(323)	(484)
Liabilities		
Payables and accruals	391	1,912
Finance leases	416	–
Provisons	54	–
Borrowings	–	96,201
Deferred taxation liabilities	–	4,943
Net assets disposed	–	**(297,632)**
TTP shares acquired in consideration		290,225
Residual value of investment[1]		7,407
		297,632
IMPACT ON STATEMENT OF CASH FLOWS		
Reduction in cash upon disposal	–	(117,079)
Reduction in cash upon deconsolidation	(35)	–
Net outflow of cash to the Group	(35)	(117,079)

[1] In line with the Group's accounting policy the investment in Asian Growth Properties Limited has been written down by $1.3 million to the quoted share price as at 31 December 2006.

	% INTEREST HELD BY GROUP 2006	2005	ACTIVITY	COUNTRY
(iii) Significant subsidiaries comprise:				
Acmena Properties Limited	100	100	Property Investment	New Zealand
Airpark Developments Limited	100	100	Property Development	New Zealand
Asia Pacific Properties Limited	100	100	Property Investment	New Zealand
Canterbury Land Trust Holdings Limited	100	100	Property Investment	New Zealand
Cassius Properties Limited	100	100	Property Investment	New Zealand
New Zealand Growth Properties Limited	100	100	Property Development	New Zealand
NZGP (Equity Holdings) Limited	100	100	Holding Company	New Zealand
NZGP (Finance) Limited	100	100	Holding Company	New Zealand
Princewood Investments Limited	100	100	Property Investment	New Zealand
Sallet Properties Limited	100	100	Property Investment	New Zealand
Seneca Investments Limited	100	100	Holding Company	New Zealand
Trans Tasman Properties NZ Limited	100	100	Holding Company	New Zealand
TTP Equities Limited	100	100	Holding Company	New Zealand
TTP (Viaduct) Limited	100	100	Property Investment	New Zealand
Asian Growth Properties Limited[1]	-	100	Holding Company	Bermuda
Asian Growth Properties Limited[1]	-	100	Holding Company	British Virgin Is.
TTP (BVI) Limited[1]	-	100	Holding Company	British Virgin Is.
Ever Realty Limited[1]	-	100	Holding Company	British Virgin Is.
Vast Power Development Limited[1]	-	100	Holding Company	British Virgin Is.
Global Success Holdings Inc[1]	-	100	Holding Company	British Virgin Is.
Newsland Properties Limited[1]	-	100	Holding Company	British Virgin Is.
Grace Art Development Limited[1]	-	100	Treasury Company	Hong Kong
TTP Hong Kong Limited[1]	-	100	Property Investment	Hong Kong
TTP (Sha Tin) Limited[1]	-	100	Property Development	Hong Kong
TTP (Diamond Hill) Limited[1]	-	100	Property Development	Hong Kong
TTP (Wanchai) Limited[1]	-	100	Property Development	Hong Kong
Australian Growth Properties Limited	100	100	Holding Company	Australia
Pasade Holdings Pty Limited	100	100	Property Investment	Australia
Trans Tasman Properties (AGP) Pty Limited	100	100	Holding Company	Australia
Clearwater Property Holdings Limited	55	55	Holding Company	New Zealand
Canterbury Land Trust Limited	55	55	Property Development	New Zealand
Humboldt Limited	55	55	Property Development	New Zealand
Lochnager Holdings Limited	55	55	Property Development	New Zealand
Clearwater Land Holdings Limited[2]	34.1	34.1	Property Development	New Zealand
Clearwater Sales Limited[2]	34.1	34.1	Golf Membership sales	New Zealand
Clearwater Clubhouse Limited[2]	34.1	34.1	Property Investment	New Zealand

All subsidiaries have balance dates of 31 December. During the year the Clearwater companies changed their balance date from 31 March to 31 December

[1] Subsidiaries disposed of as at 13 January 2006 as a result of completion of the Company's off market pro-rata share buyback.

[2] The Group owns 55% of Clearwater Property Holdings Limited, which owns 62% of the subsidiary.

	2006	2005	ACTIVITY	COUNTRY
(iv) Joint venture proportionally consolidated:				
Man Street Carpark Partnership	55	55	Property Development	New Zealand

	GROUP		HOLDING COMPANY	
	2006	2005	2006	2005
	$000	$000	$000	$000

19. OTHER CURRENT ASSETS

Trade receivables	171	795	–	–
Interest receivable	47	507	–	–
Receivables from related parties (Note 23)	15	27	–	–
Loan to joint venture partner	4,491	3,388	–	–
Golf Memberships receivable (Clearwater)	599	128	–	–
Unsold Golf Memberships (Clearwater)	458	627	–	–
Deferred expenditure	–	745	–	745
Other receivables	789	1,006	15	150
	6,570	**7,223**	**15**	**895**

The interest rate charged on the loan to joint venture partner is 10% per annum (2005: 10%). Interest on the loan of $691,143 has been recognised within the loan balance as a receivable, but has not yet been recognised as income (2005: $304,919) – refer Note 13.

20. OPERATING LEASE COMMITMENTS

Non-cancellable Operating lease commitments

The following amounts have been committed to by the Group or Holding Company, but not recognised in the financial statements.

Payable no later than one year	851	1,904	–	–
Payable later than one, not later than two years	974	1,640	–	–
Payable later than two, not later than five years	2,203	4,489	–	–
Payable later than five years	2,845	9,048	–	–
	6,873	**17,081**	**–**	**–**

21. CAPITAL COMMITMENTS

Total capital expenditure on development properties contracted for at balance date but not provided for in the financial statements is $3,288,600 (2005: $18,994,000).

22. RECONCILIATION OF NET SURPLUS AFTER TAXATION WITH NET CASH FLOWS APPLIED TO OPERATING ACTIVITIES

Net (deficit)/surplus after income tax before minority interests	(4,258)	1,285	(7,947)	10,513
Items not involving cash:				
Net foreign exchange losses/(gains)	38	(1,411)	5,927	(11,085)
Net gain on sale of Golf Memberships (Clearwater)	(39)	(102)	–	–
Depreciation	291	557	8	19
(Decrease)/increase in estimate for doubtful debts	(183)	15	–	–
Bad debts written off	128	70	–	–
Rental guarantee provision (Aust Growth)	–	(144)	–	–
	(4,023)	**270**	**(2,012)**	**(553)**
Changes in working capital items:				
Receivables and prepayments	(809)	(532)	71	(47)
Payables and accruals	368	(3,595)	(68)	(51)
Movement in development property	10,555	(18,890)	–	–
	10,114	**(23,017)**	**3**	**(98)**
Items classified as investing activities:				
Loss/(gain) on sale of property, plant and equipment	29	(10)	24	–
Deficit on sale of investment property	82	1,993	–	–
Unrealised write-down of investments	1,276	1,955	1,276	730
Unrealised impairment of property	245	3,026	–	–
Gain on disposal of equity investments	–	(2)	–	(2)
Net non cash Clearwater Golf Club subsidy	343	–	–	–
	1,975	**6,962**	**1,300**	**728**
Net cash flows from/(applied to) operating activities	**8,066**	**(15,785)**	**(709)**	**77**

23. RELATED PARTY INFORMATION

(i) Wholly Owned Subsidiaries

Pursuant to Deeds of Subordination, the Holding Company has provided advances to wholly owned New Zealand subsidiary companies totalling $10,526,000 (2005: $10,526,000).

During the prior year the Holding Company received cash advances from wholly owned subsidiaries of $123,728,000. Of these advances received, $117,223,000 (net of foreign exchange movements amounting to $8,967,000) was advanced by way of Debenture by the Holding Company to the Asian Growth group, and $5,938,000 was used by the Company to repurchase its share capital. In preparation for the separation of the Asian Growth group the total Debentures due by the Asian Growth group to the Holding Company (NZ$289,503,000) were repaid by the issue of 217,693,975 shares in Asian Growth Properties Limited to the Holding Company.

During the prior year, in order to simplify the Group structure, the Holding Company purchased an indirect wholly owned subsidiary from a subsidiary company for $183,503,000. The consideration for the purchase was financed by an advance from the vendor subsidiary to the Holding Company.

(ii) S E A Holdings Limited and Subsidiaries

As at 31 December 2006 SEA Holdings New Zealand Limited owned 80.55% (2005: 66.26%) of the ordinary shares of the Holding Company. The balance was owned by the public. SEA Holdings New Zealand Limited is ultimately 100% owned by S E A Holdings Limited, a company incorporated in Bermuda and listed on the Hong Kong Stock Exchange.

Transactions with S E A Holdings Limited and subsidiaries during the year comprise:

- Payment by SEA Holdings New Zealand Limited of $99,375 for the provision of administrative services (2005: $127,375).
- Payment by SEA Island Holdings Pty Limited to Australian Growth Properties Limited of A$122,760 (NZ$142,711) for the provision of administrative services (2005: Nil).
- Prior year project management fees charged by an indirect subsidiary of the ultimate holding company for the provision of project management services in relation to the Company's Hong Kong development and investment properties of HK$6,327,000 (NZ$1,194,856).
- Recovery of costs from SEA Holdings New Zealand Limited in relation to S E A Holdings Limited takeover offer of $399,120 (2005: Nil).

(iii) S E A Holdings Limited and Associates

Transactions with Associates of S E A Holdings Limited during the year comprise:

- Directors fees received from Professional Service Brokers Limited of $25,000 (2005: $25,000).
- Prior year dividends received from Professional Service Brokers Limited of $85,937.

(iv) Other Related Party Transactions

Other transactions with Related Parties in which directors of the Holding Company, and/or its subsidiaries have an interest comprise:

- Legal fees paid to Brookfields, of which J R Ferner is a partner, totalling $55,502 (2005: $16,436) of which $36,996 was in relation to S E A Holdings Limited's takeover offer and was recovered from SEA Holdings New Zealand Limited.
- Financial services fees paid to Clavell Capital Limited, of which C A Peterson is a director, totalling $36,925, of which $29,050 was in relation to S E A Holdings Limited's takeover offer and was recovered from SEA Holdings New Zealand Limited (2005: Nil).
- Receipt from Jacks Point Limited of $38,500 for the provision of administrative services (2005: $42,000).
- Receipt from New Zealand Land Trust Holdings Limited of $1,500 for the provision of administrative services (2005: $6,000).
- Receipt from Te Arai Land Partners Limited of $1,000 for the provision of administrative services (2005: Nil).

These transactions were made on commercial terms and conditions and at market rates.

(v) Related Party Receivables and Payables

Related party receivables are due from:

- S E A Holdings Limited and Subsidiaries $Nil (2005: $5,869).
- Professional Service Brokers Limited and Subsidiaries $14,658 (2005: $7,031).
- In the prior year amounts were receivable from Jacks Point Limited $12,411 and New Zealand Land Trust Holdings Limited $1,688. As at 31 December 2006, both of these companies are no longer related parties.

Related party payables are owed to:

- Brookfields $3,749 (2005: $3,767).
- Clearwater Golf Club Limited $66,860 (2005: n/a – Clearwater Golf Club fully consolidated as at 31 December 2005).

No related party debts have been written off or forgiven during the year.

24. FINANCIAL INSTRUMENTS

(i) Fair values

The fair values of all financial assets and liabilities, except for unsold golf memberships and interest rate swaps, approximate their carrying value.

The following methods and assumptions were used to estimate the fair value of these financial instruments.

Interest rate swaps and options: The fair value of interest rate swaps and options is based on valuations provided by the Group's bankers.

Unsold golf memberships: The unsold golf memberships are included under both current and non current assets, and are carried at the lower of cost or net realisable value. Cost per membership was historically determined by the construction cost of the golf course divided by the number of available memberships. At 31 December 2006 registered valuers, Fright Aubrey, have independently valued the unsold golf memberships at $6 million.

(ii) Credit risk

Credit risk is the risk that an outside party will not be able to meet its obligations to the Holding Company or Group. Financial assets, which potentially subject the Group to concentrations of credit risk, consist principally of cash at bank and receivables.

The Group places its cash with high-credit quality financial institutions. Concentrations of credit risk with respect to property sales receivables are limited due to the fact that the Group has recourse to the underlying property in the event of non-settlement.

The maximum credit risk is the book value of these financial assets. However, the Group considers the risk of non-recovery of these amounts to be minimal.

(iii) Currency risk

Currency risk is the risk that amounts receivable or payable in foreign currencies will change due to movements in exchange rates. The Group has exposure to foreign exchange risk as a result of transactions denominated in foreign currencies, arising from normal trading activities.

The foreign currency in which the Group primarily deals is the Australian Dollar.

The Group is in a net foreign currency receivable position due to its long-term strategic investment in Australia. Foreign currency exposure is subject to continuous review by the Board of Directors, who have determined no foreign currency cover is appropriate.

(iv) Interest rate risk

Interest rate risk is the risk that interest rates will change, increasing or decreasing the cost of borrowing or lending. Interest rate swaps have been used to convert some of the Group's floating interest rates on borrowings, both current and future, to fixed rates, in order to manage interest rate exposure and reduce risk. Interest rate swaps have been entered into with various counterparties in accordance with such dollar limits and hedging policies as set forth by the Board of Directors. While the Holding Company and Group may be subject to credit losses up to the notional principal or contract amounts in the event of non-performance by its counter parties, it does not expect such losses to occur.

At year-end the notional and fair values of unrecognised financial instruments were:

	GROUP		HOLDING COMPANY	
	2006	2005	2006	2005
	$000	$000	$000	$000
Interest rate swaps:				
Fair value – receipt	141	41	–	–
Notional value	6,000	6,000	–	–

The average cost of interest rate swaps as at 31 December 2006 is 6.55% (2005: 6.55%). Maturity analysis and interest rates on borrowings are included in Note 8.

The Group policy is to maintain a level of interest rate cover through interest swap and option agreements with its bankers as deemed appropriate by the Board of Directors. Management of interest rate exposure is subject to continuous review.

As at balance date the maturities of interest rate swap contracts were:				
Maturing later than two years, not later than five years	6,000	6,000	–	–
	6,000	**6,000**	–	–

25. CONTINGENCIES

The Group has no contingencies at 31 December 2006 (2005: Nil).

26. SEGMENTAL REPORTING

The Group invests in investment and development property in New Zealand and Australia and derives revenues from rental income and development earnings.

	CONTINUING				DISCONTINUED*			
	NEW ZEALAND		AUSTRALIA		HONG KONG		GROUP TOTAL	
	2006	2005	2006	2005	2006	2005	2006	2005
	$000	$000	$000	$000	$000	$000	$000	$000
Operating results								
Total revenue	32,766	35,054	11,992	37,202	–	3,731	44,758	75,987
Net (deficit)/surplus before taxation and minority interest	**(3,385)**	**(5,720)**	**(854)**	**5,326**	**–**	**1,890**	**(4,239)**	**1,496**
Net (deficit)/surplus after taxation and minority interest	**(2,466)**	**(3,817)**	**(854)**	**5,326**	**–**	**1,731**	**(3,320)**	**3,240**
Unrealised net change in the value of investment property	(78)	(245)	–	–	–	1,326	(78)	1,081
Net (deficit)/surplus attributable to shareholders	**(2,544)**	**(4,062)**	**(854)**	**5,326**	**–**	**3,057**	**(3,398)**	**4,321**
Assets								
Investment property	5,490	5,539	–	–	–	10,576	5,490	16,115
Development property	103,240	88,649	–	–	–	272,549	103,240	361,198
Properties unconditionally sold	1,289	–	–	1,288	–	–	1,289	1,288
Properties intended for sale	7,444	10,634	7,480	17,120	–	–	14,924	27,754
Other current assets	6,516	6,815	54	18	–	522	6,570	7,355
Cash	1,090	2,482	9,444	3,551	–	117,079	10,534	123,112
Other non current assets	23,524	13,171	277	294	–	–	23,801	13,465
Total Assets	**148,593**	**127,290**	**17,255**	**22,271**	**–**	**400,726**	**165,848**	**550,287**
Liabilities								
Payables and accruals	17,452	5,174	388	525	–	1,912	17,840	7,611
Provisions	48	734	–	–	–	–	48	734
Borrowings – short term	29,959	14,400	–	–	–	227	29,959	14,627
– long term	8,000	22,030	–	–	–	95,974	8,000	118,004
Unsecured loans	13,530	12,064	–	–	–	–	13,530	12,064
Deferred taxation liabilities	–	–	–	–	–	4,943	–	4,943
Other non current liabilities	–	335	–	–	–	–	–	335
Total Liabilities	**68,989**	**54,737**	**388**	**525**	**–**	**103,056**	**69,377**	**158,318**
Net Assets	**79,604**	**72,553**	**16,867**	**21,746**	**–**	**297,670**	**96,471**	**391,969**
Exchange rates:			0.8939	0.9297	n/a	5.2952		

* Refer Note 18.

27. IMPACT OF ADOPTING NEW ZEALAND EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

In December 2002, the New Zealand Accounting Standards Review Board determined that all New Zealand reporting entities will be required to adopt New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) for periods beginning on or after 1 January 2007, with the option of early adoption for accounting periods beginning on or after 1 January 2005.

The Company and Group have adopted NZ IFRS from 1 January 2007. Accordingly, the adoption of NZ IFRS will be first reflected in the Group's interim report for the six-month period ending 30 June 2007.

The Group, under the direction of the Audit Committee and in consultation with the Group's external advisors, has assessed the key differences in accounting policies between NZ IFRS and current NZ GAAP with a view to determining the impacts on the financial statements that will arise on transition.

On first time adoption of NZ IFRS the Group will be required to restate its comparative financial statements to amounts reflecting the adoption of NZ IFRS to that comparative period. As any adjustments on first-time adoption are to be made against opening retained earnings, the amount of retained earnings in this financial report may differ significantly. The actual impact of adopting NZ IFRS may vary from the information presented, and that variation may be material.

KEY CHANGES

Significant differences in accounting policies identified by the Group are outlined below. These areas are still subject to ongoing interpretation and review by both the Group and the Industry.

Investment and Development Properties

Currently investment properties are valued at market value less estimated costs of disposal. Under NZ IFRS the recognition of disposal costs is not allowed in reaching the net current value of investment properties at year-end. Based upon the current carrying value of investment properties, where there are no estimated costs of disposal, there will be no impact on the value as at 31 December 2006.

Deferred Tax

Under the Group's current accounting policy deferred tax is calculated using the "liability method" to recognise deferred tax by accounting for differences between accounting income and taxable income, which gives rise to 'permanent' and 'timing' differences.

Under NZ IFRS, deferred tax will be calculated on a balance sheet approach. Deferred tax assets and liabilities will be recognised where there are differences between the accounting and tax value of balance sheet items. In addition, deferred tax assets will be recognised when it is "probable" they will be utilised, rather than "virtually certain" as under NZ GAAP. It is expected that the change in approach will not result in material deferred tax liabilities being recognised by the Group.

Financial Instruments

The Group currently uses interest rate swaps to protect against interest rate movements on borrowings. Under NZ GAAP, any gains and losses on derivative instruments (such as interest rate swaps) that are designated as hedges of specific items are accounted for on the same basis as the underlying hedged item. The net differential paid or received, in respect of that derivative, is recognised as a component of interest in the statement of financial performance. As at 31 December 2006 the fair value of derivative instruments is disclosed in the Note 24 to the Financial Statements and is $141,000 lower than the carrying value.

Under NZ IFRS, there is a requirement to recognise the fair value of all derivative instruments in the Statement of Financial Position. Any mark to market movements will be recognised in the Statement of Financial Performance, as the Group does not intend to apply hedge accounting.

28. SUBSEQUENT EVENTS

On 7 March 2007 TTP announced that it has entered into a conditional agreement to sell its interest in four leasehold development sites bounded by Pakenham, Halsey and Madden Streets, Wynyard Point, Auckland Viaduct, (Viaduct 3 properties) to Auckland City Council for $26.42 million, all of which will be paid in cash. The purchaser shall meet the $14.08 million deferred settlement obligation in relation to the Pakenham Street property.

The agreement is conditional upon headlessor consent and is due to settle on 30 March 2007.

The sale, after accounting for sale costs, is expected to result in a gain of approximately $6 million over the carrying value of the properties as at 31 December 2006.

Deloitte.

TO THE SHAREHOLDERS OF TRANS TASMAN PROPERTIES LIMITED

We have audited the financial statements on pages 4 to 26. The financial statements provide information about the past financial performance and financial position of Trans Tasman Properties Limited and group as at 31 December 2006. This information is stated in accordance with the accounting policies set out on page 10 to 12.

Board of Directors' Responsibilities

The Board of Directors is responsible for the preparation, in accordance with New Zealand law and generally accepted accounting practice, of financial statements which give a true and fair view of the financial position of Trans Tasman Properties Limited and group as at 31 December 2006 and of the results of operations and cash flows for the year ended on that date.

Auditors' Responsibilities

It is our responsibility to express to you an independent opinion on the financial statements presented by the Board of Directors.

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 Board of Directors in the preparation of the financial statements, and
- whether the accounting policies are appropriate to the company and group 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.

Other than in our capacity as auditor, we have no relationship with or interests in Trans Tasman Properties Limited or any of its subsidiaries.

Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion:

- proper accounting records have been kept by Trans Tasman Properties Limited as far as appears from our examination of those records; and
- the financial statements on pages 4 to 26 :
  - comply with generally accepted accounting practice in New Zealand;
  - give a true and fair view of the financial position of Trans Tasman Properties Limited and group as at 31 December 2006 and the results of their operations and cash flows for the year ended on that date.

Our audit was completed on 16 March 2007 and our unqualified opinion is expressed as at that date.

Deloitte

Chartered Accountants
AUCKLAND, NEW ZEALAND

This audit report relates to the financial statements of Trans Tasman Properties Limited for the year ended 31 December 2006 included on Trans Tasman Properties Limited's website. The entity's Board of Directors are responsible for the maintenance and integrity of Trans Tasman Properties Limited's website. We have not been engaged to report on the integrity of Trans Tasman Properties Limited's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 31 December 2006 to confirm the information included in the audited financial statements presented on this website. Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' Disclosures

DIRECTORS' SHAREHOLDINGS

ORDINARY SHARES

No directors held interests in the shares in the Company at 31 December 2006.

On 13 January 2006 RJ Hodge disposed of his shareholding in the Company via participation in off market pro rata share buy back.

ASSOCIATED PERSONS INTEREST

D I Fletcher[1]	124,205,252
R J Hodge[1]	124,205,252

[1] Director of a related company, SEA Holdings New Zealand Limited, that holds the above shares in the Company. On 13 January 2006, SEA Holdings New Zealand Limited disposed of 303,617,644 shares via participation in off market pro rata share buy back, and its holding in the Company reduced to 81,000,000 shares. During 2006, SEA Holdings New Zealand Limited increased its holding by 43,205,252 shares.

SHARE DEALINGS BY DIRECTORS

Other than disclosed above, there have been no share transactions involving the directors of the Company during the year.

DISCLOSURE OF INTERESTS BY DIRECTORS

The following directors have declared pursuant to Section 140(2) of the Companies Act 1993 that they are to be regarded as having an interest in any transaction that may be entered into with the entities listed below by virtue of their directorship or membership of those entities:

D I Fletcher	SEA Holdings New Zealand Limited and subsidiaries	Director
	Asian Growth Properties Limited and subsidiaries	Director
	Asia Pacific Investment and Management Services NV and subsidiaries	Director
	Professional Service Brokers Limited and subsidiaries	Director
	Queenstown Corporation Limited	Director
	Clearwater Property Holdings Limited	Director
	Polnoon Investments Limited and subsidiaries	Director
	SEA Management Singapore Pte Limited	Director
	Trentino Limited	Director
R J Hodge	SEA Holdings New Zealand Limited and subsidiaries	Director
	Professional Service Brokers Limited and subsidiaries	Director
	Clearwater Property Holdings Limited and subsidiaries	Director
	Queenstown Carparking Limited	Director
	Polnoon Investments Limited and subsidiaries	Director
	New Zealand Land Trust Holdings Limited	Director
	Coneburn Water Supply Co Limited	Director
	Jacks Point Land Limited	Director
	Jacks Point Golf Course Limited	Director
	Coneburn Water Land Limited	Director
Lu Wing Chi	S E A Holdings Limited and subsidiaries and associates	Managing Director
	Asian Growth Properties Limited and subsidiaries	Director
	Professional Service Brokers Limited and subsidiaries	Director
	Blessing Investment Company Limited	Director
	Fung Wai Finance Limited	Director
	Horton Investments Limited	Director
	JCS Limited	Director
	Master Step Holdings Limited	Director
	Nan Luen International Limited	Director
	Nan Ying Holdings Limited	Director
	Peak Joy Development Limited	Director
	Smart Pole Investments Limited	Director

J R Ferner	Brookfields	Partner
	Brookfields Solicitors Nominee Company Limited	Director
C A Peterson	Clavell Capital Limited	Managing Director
	Cardav Productions Limited	Director
	Cardav Investments Limited	Director
	Bazoo Holdings Limited	Director
	Davann Nominees Limited	Director
	Task Transactions Limited	Director
	Task Logistics Limited	Director
W A Wilton	Robertson Ventilation International (H.K) Limited	Director
	HH Robertson Asia/Pacific Group	Acting Chief Executive
	Kanji Group	Consultant
	HH Robertson Limited	Alternate Director
	Austrade - Code of Administrative Practice (COPAC)	Chairman

In addition, the following specific disclosures of interest were made under Section 140 of the Companies Act 1993;

- Legal fees paid to Brookfields of which J R Ferner is a partner.
- Financial services fees paid to Clavell Capital Limited of which C A Peterson is Managing Director.
- Management fees received from SEA Holdings New Zealand Limited, of which D I Fletcher and R J Hodge are directors.

INSURANCE

In accordance with section 162 of the Companies Act 1993 and the Constitution of the Company, the Company has given an indemnity to, and arranged Directors and Officers Liability Insurance for, Directors and employees of the Company and its related companies with the objective that, except for specific matters which are expressly excluded, directors and employees will incur no monetary losses as a result of actions undertaken by them in the course of their duties. Specifically excluded are certain matters, such as the incurring of penalties and fines, which may be imposed for breaches of law.

During the financial period the Company paid insurance premiums totalling $24,750 (2005: $90,585) in respect of directors and officers liability insurance.

INFORMATION USED BY DIRECTORS

There were no notices from directors of the Holding Company or Group requesting to use company information received in their capacity as directors which would not otherwise have been available to them.

DIRECTORS' REMUNERATION AND OTHER BENEFITS

Directors' remuneration and other benefits required to be disclosed pursuant to section 211(1)(f) of the Companies Act 1993, for the year ended 31 December 2006 were as follows:

	2006 $000	2005 $000
C A Peterson	40,000	40,000
J R Ferner	40,000	40,000
W A Wilton	46,659*	43,295
Lu Wing Chi	–	–
D I Fletcher (Chairman)	101,296	686,588**
R J Hodge (Executive Director)	302,929	378,891

* In addition to the directors fees above, Mr Wilton was paid $59,017 for services performed in relation to the Asian Growth float and S E A Holdings Limited takeover offer. Of this, $46,157 was recovered from SEA Holdings New Zealand Limited.

** Mr Fletcher's 2005 payment included a location allowance in Singapore of S$10,200 per month.

Mr Fletcher was the Chief Executive Officer of and Chairman of the Company in 2005. Post the disposal of Asian Growth, Mr Fletcher remains as Chairman and has resigned as Chief Executive Officer of the Company.

DIRECTORS' BENEFITS

Other than described above, no director of the Holding Company or Group has, since the end of the previous financial year, received or become entitled to receive any additional benefit (other than a benefit included in the total emoluments received or due and receivable by directors shown above and in the financial statements).

Schedule of Information on Directors of Subsidiary Companies

The directors of subsidiary companies in the Group as at 31 December 2006 are:

R J HODGE, G C KENWARD, J L MILLER
AS DIRECTORS OF:

Acmena Properties Limited
AGP Holdings Limited
AGP New Zealand Limited
Airpark Developments Limited
Asia Pacific Properties Limited
Cassius Properties Limited
Guidon Properties Limited
New Zealand Growth Properties Limited
NZGP (810 Great South Road) Limited
NZGP (Equity Holdings) Limited
NZGP (Finance) Limited
NZGP (Northern Region) Limited
NZGP (Southern Region) Limited
Princewood Investments Limited
Sallet Properties Limited
Seneca Investments Limited
Trans Tasman Properties NZ Limited
TTP (Landmark House) Limited
TTP (Viaduct) Limited
TTP (EDS House) Limited
TTP Equities Limited
Vail Investments Limited

D I FLETCHER, R J HODGE, G C KENWARD
AS DIRECTORS OF:

Canterbury Land Trust Holdings Limited

R J HODGE, G C KENWARD, J M MARTIN
AS DIRECTORS OF:

Queenstown Carparking Limited (55% ownership)

D I FLETCHER, R J HODGE, G C KENWARD, M O COBURN, J G DARBY, ***AS DIRECTORS OF:***

Clearwater Property Holdings Limited (55% ownership)

R J HODGE, G C KENWARD, M O COBURN, J G DARBY, ***AS DIRECTORS OF:***

Humboldt Limited (55% ownership)
Lochnager Holdings Limited (55% ownership)
Canterbury Land Trust Limited (55% ownership)

R J HODGE, M O COBURN, JG DARBY, LADY DIANA ISAAC ***AS DIRECTORS OF:***

Clearwater Land Holdings Limited (34.1% ownership)
Clearwater Sales Limited (34.1% ownership)
Clearwater Golf Club Limited (34.1% ownership)
Clearwater Golf Management Limited (34.1% ownership)
Clearwater Clubhouse Limited (34.1% ownership)
Clearwater Lakeside Restaurant Limited (34.1% ownership)
Clearwater East Stream Limited (34.1% ownership)
Clearwater Resort Utilities Limited (34.1% ownership)

D I FLETCHER, R J HODGE, G C KENWARD, W N TUTTIETT ***AS DIRECTORS OF:***

Trans Tasman Properties (AGP) Pty Limited

D I FLETCHER, W N TUTTIETT, C A MANCUSO
AS DIRECTORS OF:

363 George Street Pty Limited
AGP (Finance) Pty Limited
Pasade Holdings Pty Limited
Rislock Pty Limited
Ritika Pty Limited
Ritona Pty Limited
Ritway Pty Limited
Ruxan Pty Limited
Tasman Properties (345 George Street) Pty Limited
Tasman Properties (363 Adelaide Street) Pty Limited
Tasman Properties (75 Elizabeth Street) Pty Limited
Tasman Properties (2 Barrack Street) Pty Limited
Tasman Properties (601 Bourke Street) Pty Limited

D I FLETCHER, LU WING CHI, R J HODGE, W N TUTTIETT, C A MANCUSO ***AS DIRECTORS OF:***

Australian Growth Properties Limited

Other Statutory Information

EMPLOYEES' REMUNERATION OVER NZ$100,000

Grouped below, in accordance with section 211(1)(g) of the Companies Act 1993, are the number of employees or former employees of the Company and its subsidiaries, excluding Directors of the Company whose remuneration is disclosed in the table on page 29, who received remuneration and other benefits in their capacity as employees totalling NZ$100,000 or more during the year.

The remuneration of employees acting as Directors of subsidiary companies is also disclosed in the relevant bands below:

	GROUP	HOLDING COMPANY
	NO. OF EMPLOYEES IN EACH BAND	
$100,000 – $109,999	1	–
$130,000 – $139,999	1	–
$150,000 – $159,999	1	–
$160,000 – $169,999	1	–
$200,000 – $209,999	1	–
$360,000 – $369,999	1	–

In addition to the above remuneration, a number of the employees noted received the use of a company provided motor vehicle.

AUDITORS

At the date of signing the 2006 Financial Statements Deloitte have indicated their willingness to continue in office.

DONATIONS

During the year the Holding Company and Group made donations to:

	GROUP	HOLDING COMPANY
Alan Duff Foundation – Books in Homes	8,644	–
The University of Auckland	2,500	–
Other	5,228	–

CREDIT RATING

The Company does not have a credit rating.

Corporate Governance

The Board of Trans Tasman Properties Limited is responsible for the overall governance and strategic direction of the Group. This includes ensuring that internal controls and reporting are appropriate and effective, and that the Company's conduct is ethical.

COMPOSITION OF THE BOARD OF DIRECTORS

The Board of Directors currently has six members. The Board has determined that Messrs John Ferner, Carl Peterson and Warren Wilton are "independent directors" and that Messrs Don Fletcher, Rod Hodge and Lu Wing Chi are not "independent directors", as the term is defined in the NZSX Listing Rules. One director, Mr Lu Wing Chi, is a director of the ultimate holding company, S E A Holdings Limited, which has a controlling shareholding in the Company. All directors bring a significant depth of skill to the Company, with New Zealand and international experience in the fields of property investment and management, property development, the law, accounting, audit, finance, corporate and strategic management, and real estate.

The names and qualifications of the directors can be found on page 35.

The Company's constitution contains detailed provisions which set out the procedures for appointment and removal of directors. Each year one third of the directors are required to retire from office at the Annual Shareholders Meeting. All directors are eligible for re-election and may be re-elected by a resolution at the Annual Shareholders Meeting at which they retire.

RESPONSIBILITIES OF THE BOARD

The Board is responsible for the strategic direction of the Company, the setting of corporate objectives, and monitoring the performance of the business. Responsibility for day-to-day operations and administration is delegated to the Company's management team. The various mechanisms that the Board has for fulfilling its responsibilities include:

- approval of business plans and budgets prepared by management and regular review of performance against these;
- examining major strategies and plans for approval before implementation by management;
- considering management proposals, including major capital expenditures and divestments, and providing input and approvals where appropriate;
- ensuring that the strategic direction and performance is continuing in line with Board objectives;
- ensuring that the Company has implemented adequate systems of internal controls through review of risk management assessments and programmes, and
- ensuring that the Company acts legally and responsibly to maintain high ethical standards.

The Board manages and identifies risk by:

- performing assessments of risk of current and proposed activities;
- establishing key operational performance indicators;
- approval of detailed annual budgets;
- determination of expenditure approval limits;
- establishment of treasury guidelines; and
- regular monitoring of performance against budgets.

The Board and its members have the right to seek independent professional advice on any Board matter at the Company's expense.

ATTENDANCE AT MEETINGS

During the financial year ended 31 December 2006, the Board met 11 times. The table below sets out attendance at meetings:

		COMMITTEE ATTENDANCE		
DIRECTOR	BOARD ATTENDANCE	AUDIT	ASSET MANAGEMENT	REMUNERATION
Donald Ian Fletcher	9	n/a	12	n/a
Lu Wing Chi	2	n/a	12	n/a
Rodney James Hodge	10	n/a	n/a	n/a
John Raymond Ferner	10	2	n/a	1
Carl Alexander Peterson	10	2	n/a	1
Warren Adnah Wilton	10	2	n/a	1

BOARD COMMITTEES

To assist the Board in fulfilling its responsibilities the following committees have been established.

Audit Committee

The Board has established an Audit Committee which operates under a charter approved by the Board. It is the committee's responsibility to ensure effective and efficient controls exist for significant business processes, and ensuring compliance with all statutory requirements imposed on it by its dealings with investors and in relation to all other non-audit matters. The committee's tasks include the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information.

The Audit Committee oversees the annual property valuation process, including the appointment and rotation of external independent valuers, review and adoption of valuations.

The committee also provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial statements and establishes and maintains ethical standards for the management of the Group. The committee currently comprises Messrs Ferner, Peterson, and Wilton.

The Audit Committee has adopted a policy that the role of auditor will be restricted to audit and audit related activities. In the year under review, the auditors have not been engaged to perform any services other than those activities.

The external auditors, Deloitte, are invited to attend meetings of the Audit Committee.

Asset Management Committee

The Asset Management Committee ensures that the investment disciplines and methodologies established by the Board are followed by management. This includes responsibility for sales, acquisitions, development, leasing and any other "value adding" opportunities. The members of this committee are Messrs Fletcher and Lu.

Nominations Committee

The Nominations Committee comprises Messrs Fletcher, Ferner, Wilton and Peterson and provides a formal and transparent method for the nomination and appointment of Directors to the Board.

The objectives of the Nominations Committee are to:

- regularly review and, when appropriate, recommend changes to the composition of the Board to ensure that TTP has, and maintains, the right composition of Directors to effectively govern and provide guidance to the business; and
- identify and recommend to the Board individuals for nomination as members of the Board and its committees (taking into account such factors as it deems appropriate, including experience, qualifications, judgement and the ability to work with other Directors).

Remuneration Committee

The Remuneration Committee comprises Messrs Ferner, Peterson and Wilton.

The purpose of the Remuneration Committee is to:

- regularly review and recommend to the Board, changes to the level and type of any director, executive director or chief executive officer's remuneration package to ensure that it is at an appropriate level, and effectively managed, to best advance the business objectives of the Company; and
- assist the Board where required in the establishment of remuneration policies and practices for, and in discharging the Board's responsibilities relative to remuneration-setting and review of, the Company's executive directors or chief executive officer.

SHARE TRADING

The Company has a policy governing the sale and purchase of Trans Tasman Properties shares by directors and employees. Any dealings in shares by a director or employee must be notified to the Board in writing before the shares are acquired or sold. Upon receipt of the consent, the securities must be bought or sold within the timeframes specified in the Insider Trading (Approved Procedures for Company Officers) Notice 1996.

RELATED PARTY INCOME AND EXPENDITURE

The Board is mindful of the substantial shareholding that S E A Holdings Limited has in the Company. In addition to monitoring compliance with the Listing Rules which address related party transactions and the ability of interested directors to vote on certain matters, the Board also acts in what it believes to be the best interests of the Company and its shareholders. Where income or costs may relate to related entities of the Group, the Board is responsible to ensure such income or costs are directed or apportioned to the entity or entities concerned on a basis which is both timely and appropriate.

STOCK EXCHANGE WAIVERS

TTP did not seek or receive any waivers from NZX Regulation during 2006.

CODE OF BEST PRACTICE

Pursuant to NZX Listing Rule 10.5.3(i), the Company is required to disclose in its annual report the extent to which its corporate governance processes materially differ from the principles set out in the NZX Corporate Governance Best Practice Code (the "Code"). The company's corporate governance processes do not materially differ from the Code.

CODE OF ETHICS

The TTP Board has a code of ethics to govern the conduct of TTP. The code of ethics is the framework of standards by which the directors and employees of TTP and its related companies are expected to conduct their professional lives. The code of ethics is not intended to prescribe an exhaustive list of acceptable and non acceptable behaviour, rather it is intended to facilitate decisions that are consistent with TTP values, business goals and legal and policy obligations, thereby enhancing performance outcomes.

TTP directors and managers are expected to lead according to these standards of ethical and professional conduct and to ensure that they are communicated to the people who report to them.

The code of ethics covers conflicts of interest, corporate opportunities, confidentiality, behaviour, proper use of TTP assets and information, compliance with laws and policies, additional director responsibilities, information for the Board, and reporting concerns.

Board of Directors

DONALD IAN FLETCHER, *CHAIRMAN*

Mr Fletcher is the Chairman of Trans Tasman Properties Limited. Mr Fletcher also holds the responsibility for S E A Holdings Limited (SEA) group operations in the region. He is a Director of SEA Holdings New Zealand Limited, Asian Growth Properties Limited and various Australian and New Zealand subsidiaries of the SEA group. Mr Fletcher has extensive knowledge of the Asia-Pacific region property markets following considerable experience in the region over a period of 20 years.

LU WING CHI, *DIRECTOR*

Mr Lu is the Chairman and Managing Director of S E A Holdings Limited and is a Director of numerous subsidiary and associated companies. Mr Lu has more than 40 years experience in property investment and development in Hong Kong and throughout the Asia-Pacific region. He is responsible for international investment strategies and development directions within the S E A Holdings Limited group.

JOHN RAYMOND FERNER, *INDEPENDENT DIRECTOR*

Mr Ferner is a partner of the Auckland-based law firm, Brookfields, and has over 21 years experience in corporate and commercial law with particular interests in corporate structuring and governance, and in the funding of start up technology projects. He has been involved in the project management of a number of new business ventures including the design and set up of the New Zealand Seed Fund, a venture capital business. He is a past board member of Businesses for Social Responsibility and a member of the Institute of Directors.

CARL ALEXANDER PETERSON, *INDEPENDENT DIRECTOR*

Mr Peterson is Managing Director of Clavell Capital Limited, an Auckland based merchant bank. Mr Peterson is a member of the Institute of Directors in New Zealand Inc, a member of CFA Institute and the Institute of Finance Professionals New Zealand Inc. Mr Peterson has an analytical background, including post graduate qualifications in business management from Otago University and the London Business School, as well as merchant banking and share broking experience.

RODNEY JAMES HODGE, *EXECUTIVE DIRECTOR*

Mr Hodge joined SEABIL (NZ) Limited in May 1994 as Company Secretary and Financial Controller and continued in that role on the formation of Trans Tasman Properties Limited in 1995. In 1998 Mr Hodge was appointed Finance Director of Trans Tasman Properties Limited and a Director of Australian Growth Properties Limited. In 2000 he was appointed Executive Director of Trans Tasman Properties Limited in New Zealand. Mr Hodge is a chartered accountant and a member of the Institute of Directors and has worked in both commerce and public accounting, including 15 years as a partner in an Auckland accounting practice.

WARREN ADNAH WILTON, *INDEPENDENT DIRECTOR*

Mr Wilton has over 45 years professional accounting, auditing, advisory and business experience. Until 2000, Mr Wilton was a partner of Ernst & Young, Sydney, served as National Director of Services to the Property, Construction and Tourism Industries (including transport and infrastructure) and was the Australian representative on the Ernst & Young International Real Estate Steering Committee. Mr Wilton is a fellow of the Institute of Chartered Accountants, both in NZ and Australia and is a director of a number of companies.

Principal Security Holders

AS AT 28 FEBRUARY 2007

20 LARGEST HOLDINGS OF ORDINARY SHARES	SHARES HELD	
	NUMBER OF SHARES	PERCENTAGE
SEA Holdings New Zealand Limited	124,205,252	80.55%
Accident Compensation Corporation – A/C NZCSD	9,357,313	6.07%
ANZ Nominees Limited – A/C NZCSD	6,568,771	4.26%
Hsu-Cheng Yang	3,100,000	2.01%
Westpac Banking Corporation – Client Assets No. 2 – A/C NZCSD	819,643	0.53%
Estate William Chi Ping Lui deceased	576,500	0.37%
BT NZ Unit Trust Nominees Limited – A/C NZCSD	487,785	0.32%
King Sieh Chiu	292,990	0.19%
Public Trust – GIF 46 – A/C NZCSD	235,659	0.15%
Robert Lindsay Mellars	200,000	0.13%
Custody and Investment Nominees Limited – A/C NZCSD	169,000	0.11%
Public Trust O/A Permanent Nominees Limited Tower NZ Equity Trust – A/C NZCSD	168,000	0.11%
Po Hui Chi	150,000	0.10%
Thiam Chye Awyong	146,495	0.10%
James William Fairey	146,495	0.10%
Craig Ashton Williams & Pacifica Trustees No. 1 Limited #1	137,500	0.09%
Craig Ashton Williams & Pacifica Trustees No. 1 Limited #2	137,500	0.09%
Andrew Taggart & Elizabeth Ledgerwood	114,540	0.07%
PCS Investment Nominees Limited	107,489	0.07%
Beverley Kelvin Roberts	100,456	0.06%
	147,221,388	**95.48%**
According to TTP's substantial security holder file maintained pursuant to section 25 of the Securities Markets Act, the following persons were substantial security holders in Trans Tasman Properties Limited as at 28 February 2007 in respect of the number of voting securities set opposite their names:		
SEA Holdings New Zealand Limited	124,205,252	80.55%
Accident Compensation Corporation	9,357,313	6.07%
The number of shares of the Company on issue as at 28 February 2007 was	**154,194,592**	

Spread of Shareholding

AS AT 28 FEBRUARY 2007

SPREAD OF SHAREHOLDERS	NO. OF SHAREHOLDERS	PERCENT	TOTAL HOLDINGS	PERCENT
Shares held				
0 – 499	7	0.79%	1,009	0.00%
500 – 999	30	3.41%	20,730	0.01%
1,000 – 1,999	32	3.64%	43,980	0.03%
2,000 – 4,999	467	53.07%	1,410,787	0.91%
5,000 – 9,999	139	15.80%	925,204	0.60%
10,000 – 49,999	166	18.86%	3,101,169	2.01%
50,000 – 99,999	11	1.25%	670,325	0.44%
100,000 – 499,999	22	2.50%	3,393,909	2.20%
500,000 – 999,999	2	0.23%	1,396,143	0.91%
Over 1,000,000	4	0.45%	143,231,336	92.89%
	880	**100.00%**	**154,194,592**	**100.00%**

Directory

DIRECTORS

Donald Ian Fletcher, *Chairman*

Lu Wing Chi, *Director*

John Raymond Ferner, *Independent Director*

Rodney James Hodge, *Executive Director*

Carl Alexander Peterson, *Independent Director*

Warren Adnah Wilton, *Independent Director*

REGISTERED OFFICE

Level 6, Alcatel House

12 Viaduct Harbour Avenue

Auckland, New Zealand

Telephone: 09 303 3800

Facsimile: 09 303 3927

AUDITOR

Deloitte

8 Nelson Street

Auckland, New Zealand

CORPORATE SOLICITORS

Chapman Tripp

10 Customhouse Quay

Wellington

New Zealand

NEW ZEALAND BANKERS

ANZ National Bank Limited

The Hongkong and Shanghai Banking Corporation Limited

LISTING

The Company is listed on the NZX (Code: TTP).

SECURITY HOLDER ENQUIRIES

Security Holders with enquiries about transactions, changes of address or dividend payments should contact the Company's Registrar.

All other enquiries should be directed to the Company's Registered Office.

REGISTRAR FOR LISTED SECURITIES

Computershare Investor Services Limited

Level 2,159 Hurstmere Road, Takapuna

Auckland, New Zealand

(Post: Private Bag 92 119, Auckland)

Telephone: 09 488 8700

Facsimile: 09 488 8787

Figures quoted throughout this document are in New Zealand dollars except where stated.

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