



Financials

6 Months Ended 31 Dec 08

Profit & Loss

	6 months Dec 2008 \$M	6 months Dec 2007 \$M	% Change	12 Months June 2008 \$M
Revenue from trading	71.2	75.5	-6%	151.2
Revenue from Sale of fleet	8.8	10.8	-19%	22.4
Total revenue from continuing businesses	80.0	86.3	-7%	173.6
EBITDA	14.1	26.5	-47%	52.9
EBIT	-4.4	10.2	-143%	17.1
Interest	-2.3	-3.3	-30%	-6.8
Surplus Before Taxation	-6.7	6.9	-197%	10.3
Taxation	1.9	-1.9	-200%	-2.7
NPAT from continuing operations	-4.8	5.0	-196%	7.6
Discontinued Operations	4.5	-0.1		6.7
Surplus Attributable to THL Shareholders	-0.3	4.9	-106%	14.3
Basic EPS from continuing businesses	-4.9	5.1	-195%	7.7



- All 2007 comparatives in the profit & loss have been restated to show continuing businesses which now exclude all businesses sold.
- Overall Sales revenue from continuing businesses was down 7% at \$80m for the 6 months
 - Rentals AU down 4%
 - Rentals NZ down 7%
 - Ci Munro external revenue down 33%
- Revenue now includes rental vehicle sales per NZ IAS16. If these were excluded revenue down 6%.
- EBITDA (excluding one off items) was down 47% at \$14.1m.
- Reported surplus at -0.3m vs \$4.9m last year.

Unusual / Non Cash Items

	6 months Dec 2008 \$M	6 months Dec 2007 \$M	% Change	12 Months June 2008 \$M
Reported EBIT from continuing businesses	-4.4	10.2	-143%	17.1
Add back:				
Non recurring (gains)/losses	1.6	-0.5		2.6
Normalised EBIT	<u>-2.8</u>	<u>9.7</u>	<u>-129%</u>	<u>19.7</u>
Add back:				
(All Non Cash)				
Fixed term intangibles amortisation	0.8	1.0		1.9
Depreciation	16.1	15.8		31.3
Normalised EBITDA	<u>14.1</u>	<u>26.5-</u>	<u>47%</u>	<u>52.9</u>



- This slide reconciles headlines profitability to a normalised EBITDA.
- Adding back non recurring items gives an EBITDA of \$14.1m down 47% on last year.
- Non recurring items totalled \$1.6m being consultancy costs re restructure at Ci Munro and write off of some preliminary design work for the new visitor centre at Waitomo.

Unusual items (cont'd)

	6 months Dec 2007 \$M	6 months Dec 2007 \$M	12 Months June 2008 \$M
Reported Tax Expense	1.9	-1.9	-2.7
Surplus Before Tax	-6.7	6.9	10.3
Tax Expense as %	28%	28%	26%



- Tax expense was 28% of surplus before tax excluding non taxable gains from sale transactions.
- The core rates are 30% in NZ and 30% in Australia.

Gains on sale of assets (all pre-tax)

	6 months Dec 2008 \$M	6 months Dec 2007 \$M	% Change	12 Months June 2008 \$M
Gain/ (loss) on Sale of Motorhomes	1.7	1.8	-6%	3.7
Other	0.4	0.1		-0.6
Reported Gain on Sale as per Cash Flow	<u>2.1</u>	<u>1.9</u>		<u>3.1</u>
Number of Motorhomes sold	275	279	-1%	676
Number of Motorhomes at perbd end	3,376	3,088	9%	2,913



- A gain on sale over book value of \$1.7m was achieved through the sale of 275 motorhomes compared to \$1.8m last year. Margins were similar to last year.
- Split
 - AU sold 173 Gain \$0.8m
 - NZ sold 102 Gain \$0.9m
- These gains over book value are before costs of sale such as commissions, refurbishment etc which are included in operating costs of the business.
- It should be noted that motorhomes are sold every year and so gains are a regular part of the business and are in effect negative depreciation. These gains are not one-off from long term assets held being sold.

Cash Flow

	6 months Dec 2008 \$M	6 months Dec 2007 \$M	% Change	12 Months June 2008 \$M
Trading Cash Flow pre IAS 16	7.0	13.7	-49%	40.3
Net Fleet spend now classified as trading	-33.8	-20.2	67%	-29.8
Trading Cash Flow	-26.8	-6.5	312%	10.5
Working Capital Movements	-0.8	-1.3	38%	-10.0
Operating Cash Flow (OCF)	-27.6	-7.8	254%	0.5
Investing Cash Flow	-14.1	-14.1		-31.9
Financing Cash Flow	6.5	6.5		-17.5
Change in Cash Balances	-35.2	-15.4		-48.9
Operating Cash Flow (OCF) pre IAS 16	6.2	12.4	-50%	30.3



- Cash Flow per NZ IAS16 now includes expenditure on new rental fleet and receipts from sales. Previously this was in investing cash flows.
- Total operating cash flow of -28m was down 254% due both lower operating cash flow -\$6m and higher net fleet spend of \$14m.
- Without the accounting change OCF was \$6.2m vs \$12.4m pcp.
- The \$46m spent on the purchase of fleet assets comprises:
 - \$43m for THL Rentals and Explore More fleet build (\$17m NZ, \$26m AU)
 - \$3m on IT projects, Ci Munro and and initial work on Waitomo building
- Cash receipts from fixed asset sales (excluding business assets sold) in the period were
 - \$9m Rentals (\$4m NZ, \$5m AU)

Balance Sheet

	As at 31st Dec 2008 \$M	As at 31st Dec 2007 \$M	% Change	As at 30th June 2008 \$M
Equity	175.3	175.4	0%	186.9
Non Current Liabilities	74.6	87.9	-15%	92.9
Current Liabilities	44.7	45.2	-1%	40.2
Total Source of Funds	294.6	308.5	-5%	320.0
Intangible assets and goodwill	45.0	45.3	-1%	45.3
Non Current Assets	188.2	195.2	-4%	184.7
Current Assets	61.4	68.0	-10%	90.0
Total Use of Funds	294.6	308.5		320.0
Net Debt Position	68.5	84.6	-19%	77.7
Debt / Debt + Equity Ratio (net of Intangibles)	34%	39%		35%
Equity Ratio (net of Intangibles)	52%	49%		52%
Exchange Rate at Period End	0.833	0.883		0.801



- The Balance sheet has strengthened over the year.
- Net interest bearing debt to debt plus equity has improved to 34% from 39%. This excludes intangible assets. Note intangibles assets also includes the value of the Waitomo Caves license so is a conservative calculation.
- The equity ratio increased to 52% mainly due to the lower debt position.
- With IFRS intangible assets now include cave licences and software previously classified as fixed assets.
- Net interest bearing debt decreased \$16m to \$68.5m as at 31 December 2008 compared to \$84.6m at 31 December 2007.
- \$46m of Cash was received from business sales over the 6 months.

Dividend

- No dividend has been declared.
- Was 5cps in previous corresponding period.



- Focus is on debt reduction.

Shares on Issue

	Number of Shares
Total Ordinary Shares on Issue	<u>98,180,723</u>
Redeemable Shares issued at \$1.90 22 September 2006	2,520,000
Redeemable Shares issued at \$2.34 30 October 2007	400,000
Total Diluted	<u>101,100,723</u>



- 2.52m redeemable ordinary shares issued 22/9/06 at then current price of \$1.90. An additional 0.4m issued at \$2.34 on 20/10/07.
- Paid to 1cps. No entitlement to dividends except to extent paid up.
- Convertible to ordinary shares after 3 years at rate of 1/3 per year.
- Currently well out of the money.