

TOURISM HOLDINGS LIMITED
INCOME STATEMENT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2008 (Unaudited)

	6 mths to Dec-08 \$000's	6 mths to Dec-07 \$000's	12 mths to Jun-08 \$000's
Continuing operations:			
Revenue	79,960	86,289	173,572
Cost of sales	<u>(14,185)</u>	<u>(17,269)</u>	<u>(34,089)</u>
Gross Profit	<u>65,775</u>	<u>69,020</u>	<u>139,483</u>
Other operating income	50	1,010	298
Administrative expenses	(13,408)	(11,059)	(22,577)
Other operating expenses	<u>(56,788)</u>	<u>(48,728)</u>	<u>(100,080)</u>
Operating profit/ (loss) before financing costs	<u>(4,371)</u>	<u>10,243</u>	<u>17,124</u>
Finance income	399	282	714
Finance expenses	<u>(2,729)</u>	<u>(3,629)</u>	<u>(7,492)</u>
Net finance costs	<u>(2,330)</u>	<u>(3,347)</u>	<u>(6,778)</u>
Profit/(loss) before tax	(6,701)	6,896	10,346
Income tax (expense)/benefit	<u>1,930</u>	<u>(1,860)</u>	<u>(2,742)</u>
Profit/ (Loss) for the period from continuing operations	<u>(4,771)</u>	<u>5,036</u>	<u>7,604</u>
Discontinued operations:			
Profit/(Loss) for the period from discontinued operations (net of tax)	4,506	(136)	6,704
Profit/ (Loss) for the period	<u>(265)</u>	<u>4,900</u>	<u>14,308</u>
Earnings per share for profit from continuing operations attributable to the equity holders of the Company during the year			
Basic earnings per share (in cents)	<u>(4.9)</u>	<u>5.1</u>	<u>7.7</u>
Diluted earnings per share (in cents)	<u>(4.7)</u>	<u>5.0</u>	<u>7.5</u>
Earnings per share for profit from discontinued operations attributable to the equity holders of the Company during the year			
Basic earnings per share (in cents)	<u>4.6</u>	<u>(0.1)</u>	<u>6.8</u>
Diluted earnings per share (in cents)	<u>4.5</u>	<u>(0.1)</u>	<u>6.6</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 2008 (Unaudited)**

	6 mths to Dec-08 \$000's	6 mths to Dec-07 \$000's	12 mths to Jun-08 \$000's
Opening Balance	186,910	174,777	174,777
Foreign currency translation movement	(2,098)	1,678	7,926
Cash flow hedges net of tax movement	(3,572)	204	(165)
Net income recognised directly in equity	(5,670)	1,882	7,761
Profit for the year	(265)	4,900	14,308
FITC in relation to prior year			517
Dividend paid to Shareholders	(5,818)	(6,278)	(10,701)
Amortisation of Executive Share Scheme	130	118	248
Total recognised income for the period	(11,623)	622	12,133
Closing Balance	175,287	175,399	186,910

TOURISM HOLDINGS LIMITED
BALANCE SHEET
AS AT 31 December 2008 (unaudited)

	Dec-08 \$000's	Dec-07 \$000's	Jun-08 \$000's
Assets			
Property, plant and equipment	184,865	175,177	169,261
Intangible assets	45,045	45,302	45,310
Biological assets	-	2,857	-
Deferred income tax assets	3,244	-	-
Derivative financial instruments	-	2,643	1,820
Other investments	-	14,445	13,595
Total non current assets	233,154	240,424	229,986
Assets held for sale	1,376	1,552	24,401
Inventories	20,475	14,450	20,714
Derivative financial instruments	-	19	292
Trade and other receivables	30,359	28,709	25,727
Taxation receivable	1,707	-	1,898
Advances to Associates	-	14,737	-
Interest Bearing Loan	2,000	-	2,000
Cash and cash equivalents	5,530	8,573	14,988
Total current assets	61,447	68,040	90,020
Total assets	294,601	308,464	320,006
Equity			
Issued capital	143,798	143,798	143,798
Other reserves	2,882	2,274	8,422
Retained earnings	28,607	29,327	34,690
Total equity	175,287	175,399	186,910
Liabilities			
Interest bearing loans and borrowings	67,272	84,828	85,236
Deferred income tax liability	4,798	3,082	7,018
Derivative financial instruments	2,573	-	-
Other Term Creditors	-	-	637
Total non current liabilities	74,643	87,910	92,891
Interest bearing loans and borrowings	6,804	8,371	7,456
Trade and other payables	25,973	24,425	24,633
Taxation payable	-	2,396	-
Revenue in advance	9,580	7,545	4,895
Employee benefits	1,896	2,418	3,221
Derivative financial instruments	418	-	-
Total current liabilities	44,671	45,155	40,205
Total liabilities	119,314	133,065	133,096
Total equity and liabilities	294,601	308,464	320,006

TOURISM HOLDINGS LIMITED
STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2008 (Unaudited)

	6 mths to Dec-08 \$000's	6 mths to Dec-07 \$000's	12 mths to Jun-08 \$000's
Operating Activities			
CASH WAS PROVIDED FROM:			
Receipts from customers	82,320	100,277	204,979
Interest received	409	226	793
Dividends received	2	4	3
	<u>82,731</u>	<u>100,507</u>	<u>205,775</u>
CASH WAS APPLIED TO PAY:			
Suppliers and employees	105,766	102,389	196,663
Interest	2,729	2,881	7,192
Taxation	1,812	3,062	1,451
	<u>110,307</u>	<u>108,332</u>	<u>205,306</u>
Net cash flows (used in)/ from operating activities	<u>(27,576)</u>	<u>(7,825)</u>	<u>469</u>
Investing Activities			
CASH WAS PROVIDED FROM:			
Sale of property, plant & equipment	19,339	13,636	18,280
Sale of biological assets	2,859	-	-
Sale of subsidiary	-	12,013	12,031
Sale of investments	5,320	-	-
Sale of intangibles	16,622	15,755	15,583
	<u>44,140</u>	<u>41,404</u>	<u>45,894</u>
CASH WAS APPLIED TO:			
Purchase of property, plant & equipment	2,889	4,363	15,111
Advances to associates	-	14,737	-
Purchase of Intangibles	-	-	2,124
Interest Bearing Advance	-	-	2,000
Purchase of Investments	-	16,202	16,202
	<u>2,889</u>	<u>35,302</u>	<u>35,437</u>
Net cash from investing activities	<u>41,251</u>	<u>6,102</u>	<u>10,457</u>
Financing Activities			
CASH WAS PROVIDED FROM:			
Term debt	-	12,754	12,247
	<u>-</u>	<u>12,754</u>	<u>12,247</u>
CASH WAS APPLIED TO:			
Term debt	18,616	-	-
Dividends paid to parent shareholders	5,818	6,278	10,701
	<u>24,434</u>	<u>6,278</u>	<u>10,701</u>
Net cash flows (used in)/from financing activities	<u>(24,434)</u>	<u>6,476</u>	<u>1,546</u>
Net (decrease)/ increase in cash balances	(10,759)	4,753	12,472
Opening cash brought forward	14,988	4,410	4,410
Foreign currency translation adjustment	1,301	(590)	(1,894)
Closing cash carried forward	<u>5,530</u>	<u>8,573</u>	<u>14,988</u>

TOURISM HOLDINGS LIMITED
RECONCILIATION OF SURPLUS AFTER TAXATION
WITH CASH FLOWS FROM OPERATING ACTIVITIES
FOR THE SIX MONTHS ENDED 31 DECEMBER 2008 (Unaudited)

	6 mths to Dec-08 \$000's	6 mths to Dec-07 \$000's	12 mths to Jun-08 \$000's
Operating surplus after tax	(265)	4,900	14,308
PLUS/(LESS) NON-CASH ITEMS:			
Depreciation	16,077	15,793	31,342
Amortisation of fixed term intangibles	790	976	1,920
Amortisation of Executive Share Scheme	130	118	248
Share of (profits)/loss of associates	515	(9)	(528)
Movement in deferred taxation	(3,933)	(3,450)	(273)
Increase in provision for doubtful debts	11	13	60
Unrealised foreign currency (gains)/losses	-	7	-
(Increase)/ decrease in fair value of Biological assets	-	(255)	97
	13,590	13,193	32,866
PLUS/(LESS) ITEMS CLASSIFIED AS INVESTING ACTIVITIES:			
Net (gain)/loss on sale of fixed assets	(375)	(114)	545
Net (gain) on sale of investments and intangibles recognised	(5,251)	(1,181)	(6,243)
<i>Movement in rental assets</i>			
Rental assets transferred to inventory	8,047	7,713	21,215
Purchase of rental assets	(42,525)	(31,053)	(52,153)
	(40,104)	(24,635)	(36,636)
TRADING CASHFLOW	(26,779)	(6,542)	10,538
PLUS/(LESS) MOVEMENTS IN WORKING CAPITAL:			
Increase/(Decrease) in accounts payable	717	(3,296)	(1,057)
Increase/(Decrease) in revenue received in advance	4,685	3,299	649
Increase/(Decrease) in provision for taxation	191	1,294	(2,676)
Increase/(Decrease) in employee benefits	(1,325)	(458)	345
Decrease/(Increase) in accounts receivable	(5,304)	(5,236)	(561)
Decrease/(Increase) in inventories	239	(51)	(6,770)
Trading Advances to associates	-	3,165	-
	(797)	(1,283)	(10,070)
Net cash flows (used in)/from operating activities	(27,576)	(7,825)	468

NZ IAS 16 requires the cash flows associated with the sale and purchase of rental assets to be classified as an operating activity. Below are the details of the sale of rental assets:

Proceeds from sale of rental assets	8,758	10,816	22,370
Book Value of assets sold	7,034	9,026	18,710
Gain on Sale	1,724	1,790	3,660
Net cash flows from operating activities prior to adoption of NZ IAS 16 resulting in the sale of rental assets being classified as an operating activity	6,192	12,412	30,252

7 SEGMENTAL INFORMATION

Segment information is presented in the consolidated financial statements in respect of the Groups' business segments, which are the primary basis of segment reporting. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Corporate costs have been allocated across the cash generating units based on the percentage of turnover by unit to the total group turnover, and the percentage of assets employed by the unit of the total group assets.

Primary reporting format - business segments

	Rental		NZ Tourism		CI Munro		Discontinued		Group	
	6 mths to Dec-08	6 mths to Dec-07	6 mths to Dec-08	6 mths to Dec-07	6 mths to Dec-08	6 mths to Dec-07	6 mths to Dec-08	6 mths to Dec-07	6 mths to Dec-08	6 mths to Dec-07
Total gross segment sales	62,517	66,097	10,862	10,522	6,624	9,874	1,674	17,387	81,677	103,880
Intersegmental turnover		(204)	(42)				(10)	(3,283)	(42)	(3,487)
Sales	62,517	65,893	10,820	10,522	6,624	9,874	1,664	14,104	81,635	100,393
Operating profit/ Segment result	(710)	9,998	86	553	(3,672)	(30)	4,853	(1,575)	557	8,946
Finance costs									(2,318)	(3,321)
Profit before income tax									2,011	5,625
Income tax									250	4,891
Earnings from associates									(515)	9
Profit for the year									(265)	4,900

	Rental		NZ Tourism		CI Munro		Discontinued		Group	
	6 mths to Dec-08	6 mths to Dec-07	6 mths to Dec-08	6 mths to Dec-07	6 mths to Dec-08	6 mths to Dec-07	6 mths to Dec-08	6 mths to Dec-07	6 mths to Dec-08	6 mths to Dec-07
Other segment items included in the income statement are as follows:	15,140	13,508	434	656	42	337	1,587	16,077	15,793	
Depreciation	286	232	419	416	73	28	255	790	976	

Notes

The Group is engaged predominantly in the tourism segment in the operations of transport and attractions. Intersegment transfers or transactions are entered into under normal commercial terms and conditions that would also be available to unrelated third parties.

	Rentals		NZ Tourism		CI Munro		Other		Discontinued		Group	
	6 mths to 6 mths to		6 mths to 6 mths to		6 mths to 6 mths to		6 mths to 6 mths to		6 mths to 6 mths to		6 mths to 6 mths to	
	Dec-07	Dec-08	Dec-07	Dec-08	Dec-07	Dec-08	Dec-07	Dec-08	Dec-07	Dec-08	Dec-07	Dec-08
Assets	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
	194,223	23,445	24,765	16,549	14,720	28,971	41,400	33,356	294,601	308,464		
Liabilities	50,666	49,523	3,538	3,650	2,217	3,116	62,893	61,222	15,554	119,314	133,065	
Capital expenditure	42,682	31,840	245	66	917	212	1,168	2,778	402	45,414	35,416	

Notes

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, receivables and operating cash. They exclude deferred taxation, investments and derivatives designated as hedges of borrowings.

Segment liabilities comprise operating liabilities (including derivatives designated as hedges of future commercial transactions). They exclude items such as taxation, corporate borrowings and related hedging derivatives.

Capital expenditure comprises additions to property, plant and equipment and intangible assets including additions resulting from acquisitions through business combinations.

Discontinued assets and liabilities include balances associated with the discontinued businesses that are not included as part of the sale.

Other includes assets and liabilities held in corporate not allocated to business segments. Assets include investments and cash. Liabilities include New Zealand borrowings and other unallocated liabilities.

Secondary reporting format - geographic Segments

The home country of the Company is New Zealand.

	New Zealand		Australia		Other countries		Discontinued		Total	
	6 mths to 6 mths to		6 mths to 6 mths to		6 mths to 6 mths to		6 mths to 6 mths to		6 mths to 6 mths to	
	Dec-07	Dec-08	Dec-07	Dec-08	Dec-07	Dec-08	Dec-07	Dec-08	Dec-07	Dec-08
Sales	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
	40,014	45,131	38,360	40,132	1,629	1,230	1,674	17,387	81,677	103,880
Total gross segment sales	(42)	(204)	(1,416)	(1,416)			(1,867)	(42)	(3,487)	
Intersegmental turnover	39,972	44,927	38,360	38,716	1,629	1,230	1,674	17,387	81,635	100,393
Total assets	167,600	169,276	124,040	102,676	2,961	3,156	-	33,356	294,601	308,464
Capital expenditure	20,411	17,975	24,539	16,855	62	66	402	520	45,414	35,416

Notes

Other countries include UK, USA and Fiji. Assets are allocated based on where assets are located