

Tourism Holdings Limited  
The Beach House  
Level 1, 83 Beach Road  
Auckland City  
PO Box 4293, Shortland Street  
Auckland 1140, New Zealand

**Tel:** +64 9 336 4299  
**Fax:** +64 9 309 9269  
www.thlonline.com



4 February 2011

## **NZX Announcement For Immediate Release**

### **Tourism Holdings Limited (*thl*) – Trading Outlook Update**

*thl* advises that the previous full year earnings guidance provided to the market on the 3<sup>rd</sup> December 2010 will not be met.

*thl* confirms that the half year result to 31<sup>st</sup> December 2010 will be in line with previous forecasts and that it was in compliance with all banking covenants as at that date.

However a severe and sudden drop in revenue intakes (forward bookings) during the key January booking month has created significant uncertainty for the remainder of this financial year.

Based on these recent patterns *thl* is now projecting that Earnings Before Interest and Taxation (EBIT) is expected to be breakeven compared to a previous forecast of \$10m. Net Profit After Tax (NPAT) is forecast to be a -\$4m loss compared to a \$2.5m profit previously forecast. Net Tangible Assets (NTA) as at 31<sup>st</sup> December were \$129m or \$1.31 per share.

Natural disasters including the recent Queensland floods, a greater than anticipated decline from the United Kingdom market and poor January domestic tourism in both countries are considered the causal factors in the decline. The international media activity surrounding Cyclone Yasi only adds to the current uncertainties.

Exacerbating the issue of lower hire days, yields for the February to June period are down on expectations as the industry reacts to the demand decline with severe price activity.

Due to the quantum of the profit downturn *thl* is now forecasting that it will not be in compliance with banking covenants for the March 2011 quarter. This has been advised to both Westpac and ANZ and we have commenced discussions with them. Westpac and ANZ have been *thl's* bankers for many years and once their review of updated forecasts is complete *thl* will update the market. We anticipate we will have the issue addressed before the end of February.

---

Maui  
Britz  
Backpacker  
Explore More  
Road Bear RV Rentals & Sales  
Ci Munro  
Maui Vehicle Sales  
Kiwi Experience  
Black Water Rafting  
Waitomo Glowworm Caves  
Ruakuri Cave



## **USA Business**

The USA business acquired in December 2010 is performing well and to date is showing growth of 20% over the acquisition forecast for the 2011 calendar year.

The benefit of this growth falls into the July to December 2011 period.

## **Dividends**

Based on the current year end projections the Board will not be declaring a dividend for the half year.

**thl's** half year result will be released to the market on Thursday, 24<sup>th</sup> February as previously advised.

*Announcement authorised by:*

A handwritten signature in blue ink, appearing to read 'Keith Smith', is positioned above the printed name.

Keith Smith  
Chairman  
Tourism Holdings Limited

For further information contact:

Grant Webster  
Chief Executive  
Tourism Holdings Limited  
Direct Dial: +64 9 336 4255  
Mobile: +64 21 449 210

Ian Lewington  
Chief Financial Officer  
Tourism Holdings Limited  
Direct Dial: +64 9 336 4212  
Mobile: +64 21 952 254