



TOURISM HOLDINGS LIMITED

MINUTES OF ANNUAL MEETING OF SHAREHOLDERS

**Held at the Heritage Hotel, Auckland
on Tuesday 27 November 2012
at 2 p.m., pursuant to a
Notice of Meeting previously circulated to all shareholders**

PRESENT:

Directors:

K R Smith (Chairman)	J Bongard
RGM Christie	D Gupta
K Howe	G Wong

THL Executive Staff:

G Webster	P Illingworth (Secretary)
I Lewington	S Sullivan
Q Hall	K Meldrum
M Horne	A Rickett
D Schneider	N Edgerton

Shareholders and Other Attendees:

64 people

APOLOGIES:

G W Bowker

MEETING OPENING:

The Chairman declared the meeting open at 2 p.m. and welcomed shareholders to the twenty sixth Annual Meeting of Tourism Holdings Limited.

1. INTRODUCTION

The Chairman, Mr Keith Smith, introduced to the meeting all Directors, Mr Grant Webster, Chief Executive Officer, Mr Ian Lewington, Chief Financial Officer, Mr Paul Illingworth, Secretary to the Board and advised members of the Executive Management team were present.

The Chairman confirmed that a quorum was present and that the notice of meeting was sent to all shareholders recorded on the register on 30 October 2012 and to other persons entitled to receive the notice.

2. MINUTES OF PREVIOUS ANNUAL MEETING

The Chairman advised that the minutes of the previous Annual Meeting (held on 22 November 2011), were approved by the Directors at their first meeting following that Annual Meeting. He advised that the minutes were available for review with the Board Secretary after the meeting if any shareholder so desired.



3. CHAIRMAN'S ADDRESS

Refer Chairman's address released 27 November 2012.

4. CEO'S ADDRESS

Refer CEO's address released 27 November 2012.

5. Agenda Items

The Chairman moved onto today's Agenda Items.

The Chairman asked for any questions and comments from the floor to discuss the annual report for the year to 30 June 2012 including the financial statements and the presentations given today.

Mr Brian Gaynor asked why the first half forecast was a loss and Mr Grant Webster replied that there were merger costs of \$1.3m included and the result compared to last year which had a \$4.5m gain attributable to the Rugby World Cup as well as US rebate revenue which is now netted into capital expenditure. Mr Brian Gaynor stated that this implied that **thl** expected a substantially better second half due to the merger and Mr Grant Webster replied that was correct. Mr Grant Webster also advised that the powerpoint had a typographical error on the forecast slide.

Mr Brian Gaynor asked Mr Keith Smith if a current board member might replace him when he retires next year and Mr Keith Smith replied that it was unlikely however a final decision would be made when the replacement directors had been identified. Mr Graeme Wong stated that he is leading a sub-committee and the process was still in the early stages. Mr Brian Gaynor asked how many directors would be sought and Mr Graeme Wong replied that the board was possibly seeking two new directors. Mr Brian Gaynor then asked what the succession planning had been. Mr Keith Smith replied that any of the current directors could take on the chairman's role if urgently required. He stated however that the prior focus has been on the merger during the 2012 calendar year.

Mr Kenneth Lynch asked if there would be a further dividend in the New Year as it had not been announced and Mr Keith Smith replied that a dividend payment was planned. Mr Kenneth Lynch asked if there would be more focus on creating tourism experiences and a greater focus on more Asians visiting New Zealand. Mr Grant Webster replied that there were strategies in place to improve the customer experience and to target the Asian markets.

Mr Dugald Morrison representing Utilico asked if the primary goal was revenue or return on funds employed and Mr Grant Webster replied that the focus was on the return on funds employed and that revenue was a part of this mechanism and not the goal.

Mr Maurice Kun asked if a number of employees had had a pay cut based on his review of the published remuneration schedule in the 2012 annual report and Mr Grant Webster replied that whilst normal increases had been paid a number of bonuses had not been paid and that the prior year comparatives included a number of redundancy pay-outs.

Mr David Ackerley asked if Kiwi Experience could be made more attractive to Asians and Mr Grant Webster replied that a prototype for Asian markets had been trialled although there had not been a great response to it.



Agenda Item 1 - Re-election of Director

The Chairman advised that Mr Rick Christie is due to retire at the meeting and is not offering himself for re-election.

The Chairman also advised in accordance with the Company's constitution, Mr John Bongard retires by rotation, and, being eligible, offers himself for re-election.

The Chairman presented a brief biography on Mr John Bongard and asked him to speak briefly.

Mr Brian Gaynor asked how many proxies had been received. The Chairman replied 10,936,343 for agenda item 1. Mr Brian Gaynor then requested that a poll vote be held rather than a show of hands and the Chairman agreed to this request.

While the arrangements to conduct the poll were being prepared the Chairman moved on to Agenda Item 2.

Agenda Item 2 - Auditors

The Chairman stated that the Company's auditors, PriceWaterhouseCoopers continue in office pursuant to section 200(1) of the Companies Act 1993. He moved that the directors be authorised to fix the auditors' remuneration.

Moved: Keith Smith

CARRIED

The Chairman then adjourned the meeting while final arrangements were made to conduct the poll on Agenda Item 1. The meeting was then reconvened and the poll was conducted. The Chairman noted that the poll would be scrutineered by the Company's auditors, PriceWaterhouseCoopers, and that the results of the poll vote would be published once the auditors had confirmed the votes.

Agenda Item 3 - General Business

The Chairman asked if there were any items of general business that hadn't previously been covered within the meeting that shareholders wish to raise.

There being no other matters of business, the Chairman thanked everyone for their attendance and wished them and their families a very happy festive season and a prosperous new year.

There being no further business the Chairman declared the meeting closed at 3.30pm and invited everyone to share some light refreshments with the board and executive team.

MINUTES of the Annual Meeting of Shareholders of **Tourism Holdings Limited** were confirmed this 20 December 2012.

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

Keith Smith
Chairman