TOURISM HOLDINGS LIMITED

CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 31 DECEMBER 2011 (Unaudited)

	Note	**6 months to Dec-11 $000's**	6 months to Dec-10 $000's	12 months to Jun-11 $000's
Continuing operations:				
Sales of services		**82,704**	66,800	145,019
Sales of goods		**25,297**	18,122	50,735
Total revenue	12	**108,001**	84,922	195,754
Cost of sales		**(21,583)**	(13,830)	(40,770)
Gross Profit		**86,418**	71,092	154,984
Other operating (expenses) / income		**(110)**	18	(112)
Administrative expenses		**(14,291)**	(10,750)	(23,202)
Impairment of Goodwill		**-**	-	(26,138)
Other operating expenses		**(60,483)**	(60,249)	(127,331)
Operating profit / (loss) before financing costs		**11,534**	111	(21,799)
Finance income		**63**	70	846
Finance expenses		**(4,147)**	(2,587)	(6,985)
Net finance costs		**(4,084)**	(2,517)	(6,139)
Profit / (Loss) before tax		**7,450**	(2,406)	(27,938)
Income tax (expense) / benefit		**(3,262)**	1,094	594
Profit / (Loss) for the year		**4,188**	(1,312)	(27,344)
Earnings per share for profit / (loss) attributable to the equity holders of the Company during the year				
Basic earnings per share (in cents)		**4.3**	(1.3)	(27.9)
Diluted earnings per share (in cents)		**4.1**	(1.3)	(27.9)

TOURISM HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 2011 (Unaudited)

	Share Capital $000's	Retained Earnings $000's	Cash Flow Hedge Reserve $000's	Other Reserves $000's	Total Equity $000's
Opening Balance as at 1 July 2010	143,798	33,686	(695)	5,426	182,215
Comprehensive Income					
Net Profit/(loss) for the Six Months Ending 31 December 2010	-	(1,312)	-	-	(1,312)
Other Compehensive Income					
Cash Flow Hedge Movement	-	-	58	-	58
Foreign Currency Translation Movement	-	-	-	2,787	2,787
Total Comprehensive Income	-	(1,312)	58	2,787	1,533
Transactions with Owners					
Dividends on Ordinary Shares	-	(2,062)	-	-	(2,062)
Employee Share Option Expense	-	-	-	83	83
Total Transactions with Owners	-	(2,062)	-	83	(1,979)
Closing Balance as at 31 December 2010	143,798	30,312	(637)	8,296	181,769
Opening Balance as at 1 January 2011	143,798	30,312	(637)	8,296	181,769
Comprehensive Income					
Net Profit/(loss) for the Six Months Ending 30 June 2011	-	(26,032)	-	-	(26,032)
Other Compehensive Income					
Cash Flow Hedge Movement	-	-	(428)	-	(428)
Foreign Currency Translation Movement	-	-		728	728
Total Comprehensive Income	-	(26,032)	(428)	728	(25,732)
Transactions with Owners					
Dividends on Ordinary Shares	-	(110)	-	-	(110)
Employee Share Option Expense	-	-	-	95	95
Total Transactions with Owners	-	(110)	-	95	(15)
Closing Balance as at 30 June 2011	143,798	4,170	(1,065)	9,119	156,022
Opening Balance as at 1 July 2011	143,798	4,170	(1,065)	9,119	156,022
Comprehensive Income					
Net Profit/(loss) for the Six Months Ending 31 December 2011	-	4,188	-	-	4,188
Other Compehensive Income					
Cash Flow Hedge Movement	-	-	(1,236)	-	(1,236)
Foreign Currency Translation Movement	-	-		695	695
Total Comprehensive Income	-	4,188	(1,236)	695	3,647
Transactions with Owners					
Employee Share Option Expense	-	-	-	78	78
Total Transactions with Owners	-	-	-	78	78
Closing Balance as at 31 December 2011	143,798	8,358	(2,301)	9,892	159,747

TOURISM HOLDINGS LIMITED
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2011 (Unaudited)

	Note	**Dec-11 $000's**	Dec-10 $000's	Jun-11 $000's
Assets				
Property, plant and equipment	2	**232,103**	219,576	220,524
Intangible assets	6	**23,325**	51,473	23,510
Total non current assets		**255,428**	271,049	244,034
Cash and cash equivalents		**5,900**	5,218	3,685
Trade and other receivables		**29,251**	37,948	30,705
Inventories		**21,175**	20,037	38,646
Assets held for sale		**1,314**	1,341	1,314
Taxation receivable		**1,062**	1,584	1,343
Total current assets		**58,702**	66,128	75,693
Total assets		**314,130**	**337,177**	**319,727**
Equity				
Issued capital		**143,798**	143,798	143,798
Other reserves		**8,358**	8,296	9,119
Cash flow hedge reserve		**(2,301)**	(637)	(1,065)
Retained earnings		**9,892**	30,312	4,170
Total equity		**159,747**	181,769	156,022
Liabilities				
Interest bearing loans and borrowings	3	**63,999**	81,599	87,094
Derivative financial instruments	3	**3,152**	859	1,419
Deferred income tax liability		**5,294**	4,092	3,890
Total non current liabilities		**72,445**	86,550	92,403
Interest bearing loans and borrowings	3	**43,720**	14,116	15,457
Trade and other payables		**23,781**	26,891	31,156
Other liabilities and charges		**427**	1,924	344
Derivative financial instruments	3	**44**	49	60
Taxation payable		**232**	-	187
Revenue in advance		**10,773**	23,373	21,047
Employee benefits		**2,961**	2,505	3,051
Total current liabilities		**81,938**	68,858	71,302
Total liabilities		**154,383**	155,408	163,705
Total equity and liabilities		**314,130**	**337,177**	**319,727**

TOURISM HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2011 (Unaudited)

	6 months to Dec-11 $000's	6 months to Dec-10 $000's	12 months to Jun-11 $000's
Operating Activities			
CASH WAS PROVIDED FROM:			
Receipts from customers	**107,896**	101,895	195,560
Interest received	**62**	69	845
Dividends received	**1**	1	1
	107,959	101,965	196,406
CASH WAS APPLIED TO:			
Suppliers and employees	**95,184**	132,968	239,383
Interest	**4,147**	2,587	6,985
Taxation	**1,559**	-	(511)
	100,890	135,555	245,857
Net cash flows from / (used) in operating activities	**7,069**	(33,590)	(49,451)
Investing Activities			
CASH WAS PROVIDED FROM:			
Sale of property, plant & equipment	**2**	16	1,292
Sale of subsidiary (partial receipt)	**-**	687	-
Sale of Intangibles			60
	2	703	1,352
CASH WAS APPLIED TO:			
Purchase of property, plant & equipment	**8,950**	2,150	4,717
Acquisition of subsidiary	**-**	11,842	3,264
Purchase of intangibles	**530**	7,869	274
	9,480	21,861	8,255
Net cash used in investing activities	**(9,478)**	(21,158)	(6,903)
Financing Activities			
CASH WAS PROVIDED FROM:			
Term debt	**5,168**	50,806	57,642
	5,168	50,806	57,642
CASH WAS APPLIED TO:			
Dividends paid to parent shareholders	**-**	2,062	2,172
	-	2,062	2,172
Net cash flows provided from financing activities	**5,168**	48,744	55,470
Net increase / (decrease) in cash balances	**2,759**	(6,004)	(884)
Opening cash brought forward	**3,685**	8,435	8,435
Foreign currency translation adjustment	**(544)**	2,787	(3,866)
Closing cash carried forward	**5,900**	5,218	3,685

TOURISM HOLDINGS LIMITED
RECONCILIATION OF PROFIT AFTER TAXATION
WITH CASH FLOWS FROM OPERATING ACTIVITIES
FOR THE SIX MONTHS ENDED 31 DECEMBER 2011 (Unaudited)

	6 months to Dec-11 $000's	6 months to Dec-10 $000's	12 months to Jun-11 $000's
Operating profit / (loss) after tax	**4,188**	(1,312)	(27,344)
PLUS/(LESS) NON-CASH ITEMS:			
Depreciation	**22,724**	19,599	41,103
Amortisation of fixed term intangibles	**715**	876	2,018
Impairment of Goodwill	**-**	-	26,138
Impairment of Assets	**-**	-	1,727
Amortisation of executive share scheme	**78**	83	178
Movement in deferred taxation	**1,404**	(640)	(621)
Increase/(Decrease) in provision for doubtful debts	**3**	(9)	67
	24,924	19,909	70,610
PLUS/(LESS) ITEMS CLASSIFIED AS INVESTING ACTIVITIES:			
Net loss/(gain) on sale of fixed assets	**110**	4	(112)
Movement in rental assets			
Rental assets transferred to inventory	**7,734**	8,262	40,927
Purchase of rental assets	**(33,199)**	(58,099)	(124,131)
	(25,355)	(49,833)	(83,316)
TRADING CASHFLOW	**3,757**	(31,236)	(40,050)
PLUS/(LESS) MOVEMENTS IN WORKING CAPITAL:			
(Decrease) / Increase in accounts payable	**(5,575)**	2,429	7,383
(Decrease) / Increase in revenue received in advance	**(10,274)**	16,750	14,647
Increase / (Decrease) in provision for taxation	**326**	(779)	(351)
(Decrease) / Increase in employee benefits	**(90)**	(205)	341
Decrease / (Increase) in accounts receivable	**1,454**	(22,551)	(14,841)
Decrease / (Increase) in inventories	**17,471**	2,002	(16,580)
	3,312	(2,354)	(9,401)
Net cash flows from operating activities	**7,069**	(33,590)	(49,451)

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	**17,970**	12,962	40,575
Book Value of assets sold	**(15,836)**	(10,612)	(33,544)
Gain on Sale	**2,134**	2,350	7,031
Net cash flows from operating activities prior to adoption of NZ IAS 16 resulting in the sale and purchase of rental assets being classified as an operating activity	**22,298**	11,547	34,105

Notes to the Financial Statements
FOR THE SIX MONTHS ENDED 31 DECEMBER 2011 (Unaudited)

1 Statement of Accounting Policies

Tourism Holdings Limited's primary operations are the manufacture, rental and sale of motor homes and campervans and other tourism related activities. The parent is domiciled in New Zealand. The registered office is Level 1, 83 Beach Road, Auckland 2014, New Zealand.

Tourism Holdings is a company registered under the Companies Act 1993 and is an issuer in terms of the Securities Act 1978. The financial statements have been prepared in accordance with the Companies Act 1993 and the Financial Reporting Act 1993. Tourism Holdings is a profit oriented company.

These interim consolidated financial statements of Tourism Holdings Limited and its subsidiaries have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand and NZ IAS 34 Interim Financial Reporting.

The accounting policies used in the preparation of these interim reports are consistent with those used in the June 2011 financial report and this report should be read in conjunction with the annual financial statements for the year ended 30 June 2011.

During the period the Company and Group have adopted the following new and amended NZ IFRS's as of 1 July 2011:

NZ IAS 24 "Related Party Disclosures" (mandatory for annual periods beginning on or after 1 January 2011). The revised NZ IAS 24 mainly amends the definition of a related party. The Group has applied NZ IAS 24 from 1 July 2011. It has no significant impact on the Group's financial statements.

NZ IAS 34 "Interim Financial Reporting" (mandatory for annual periods beginning on or after 1 January 2011). The revised NZ IAS 34 provides additional guidance relating to required disclosures. The Group has applied NZ IAS 34 from 1 July 2011. It has no significant impact on the Group's financial statements.

Exposure Draft 121 'Proposals to Harmonise Australian and New Zealand Standards in Relation to Entities Applying IFRSs as Adopted in Australia and New Zealand" (published in July 2010). The Harmonisation Amendments set out amendments to NZ IFRSs as a result of proposals that were contained in Exposure Draft 121. It should be read in conjunction with "FRS 44" New Zealand Additional Disclosures which sets out the New Zealand "All Entity" disclosure requirements that are in addition to requirements in IFRSs which have been relocated to the separate disclosure standard. The effective date of the amendments is reporting periods beginning on or after 1 July 2011. This new standard has no significant impact on the Group's financial statements.

2 Property, plant and equipment

During the six months ended 31 December 2011, the Group acquired assets with a cost of $42,149k (six months ended 31 December 2010 $60,250k), of this rental assets acquired were $33,199k ($58,099k). Assets with a net book value of $15,838k were disposed of during the six months ended 31 December 2011 (six months ended 31 December 2010 $10,632k), of this rental assets disposed were $15,836k ($10,612k). This resulted in a gain on disposal of $2,024k ($2,345k) of this rentals assets gain on disposal was $2,134k ($2,350k).

3 Borrowings and loans

	NZ$000's 31 December 2011	NZ$000's 30 June 2011	NZ$000's 31 December 2010
Non-current	63,999	87,094	81,599
Current	43,720	15,457	14,116
	107,719	102,551	95,715

Movements in borrowings are analysed as follows:

Six months ended 31 December 2010	
Opening balance as at 1 July 2010	44,909
Borrowings	50,806
Closing amount as at 31 December 2010	95,715
Six months ended 31 December 2011	
Opening balance as at 1 July 2011	102,551
Borrowings	5,168
Closing amount as at 31 December 2011	107,719

The Group has the following undrawn borrowing facilities:	NZ$000's 31 December 2011	NZ$000's 30 June 2011	NZ$000's 31 December 2010
Expiring beyond one year	16,144	24,304	28,272

The Group has sufficient working capital and undrawn financing facilities to service its operating activities and ongoing investment in rental motorhomes.

Changes in the value of Derivative Financial Instruments reflect changes to the fair market value of interest rate swaps.

4 Dividends

There were no Group dividends paid during the six months ended 31 December 2011.
(During the six months ended 31 December 2010 the Group paid dividends of $2,062k being 2c per share)

5 Disposal Groups.

The Group had no discontinued operations during the six months to 31 December 2011 or the prior period.

During 2010 the assets and liabilities related to the Fiji businesses operating as Tourism Transport Fiji and Great Sights Fiji were disposed of and sold as at 30 September 2010. Tourism Transport Fiji and Great Sights Fiji's assets and liabilities were disposal groups and not discontinued operations as they did not represent a major line of the business.

Tourism Transport Fiji and Great Sights Fiji's assets and liabilities were transferred at their book value.

The major classes of assets and liabilities of the disposal groups sold were as follows:

	30 September 2010 Consolidated Tourism Transport Fiji and Great Sights Fiji	
Assets sold	**NZ$000's**	**FJD$000's**
Property, plant and Equipment	1,151	1,662
Cash and cash equivalents	211	305
Inventories	48	70
Trade and other receivables	270	390
Amounts owing by related company	373	538
Total assets disposed	2,053	2,965
Liabilities directly associated with assets sold		
Deferred Income Tax	161	233
Trade and other payables	215	310
Provision for income tax	107	155
Total liabilities directly associated with assets disposed	483	698
Net assets disposed	1,570	2,267
Net assets disposed excluding related party amount due	1,197	1,729

6 Business Combinations

No businesses were acquired during the six months ended 31 December 2011.

On the 31 December 2010, the Group acquired 100% of the share capital of JJ Motorcars Inc, which trades as Road Bear RV, a motor home rental company based in the United States of America. As a result of this acquisition the group is expected to expand the Road Bear RV operations in the future in the USA.

The goodwill of USD$5m paid for the acquisition is attributable to the acquired operations that are already in place as a going concern rather than having to set up the operations from the beginning.

The goodwill is expected to be deducted for income tax purposes over 15 years.
The following table summarises the consideration paid for Road Bear RV and the amounts of the assets and liabilities assumed recognised at the acquisition date.

Consideration	**NZ$000's**	**USD$000's**
As at 31 December 2010		
Cash	12,081	9,450
Vendor Loans	8,949	7,000
	21,030	16,450
Total consideration transferred	21,030	16,450

	NZ$000's
Acquisition-related costs (included in expenses in the statement of comprehensive income for the period ended 31 December 2010)	533

Recognised amounts of identifiable assets acquired and liabilities assumed

	Acquiree's carrying value and finalised fair value	
	NZ$000's	**USD$000's**
Cash and cash equivalents	3,366	2,633
Other current assets	153	120
Plant and equipment	119	93
RV rental units	12,107	9,470
Revenue in advance and deposits held	(224)	(175)
Net deferred tax liability	(313)	(245)
Total identifiable net assets	15,208	11,896

Brand	720	543
Goodwill	5,102	4,011
Total assets acquired	21,030	16,450

The fair value of the plant and equipment and RV rental units was arrived at by taking the net book value of the assets held at 31 December 2010.

Deferred tax has been provided in relation to the fair value of the RV rental units.

No revenue or profits from the acquisition of Road Bear RV were recognised in the consolidated statement of comprehensive income for the period ended 31 December 2010. Earnings for the period from July 2010 to December 2010 are not stated as prior to ***thl*** ownership the business operated under a different tax classification whereby all income was attributable to the shareholder owners therefore comparatives are not meaningful.

In the period ended 31 December 2011 the provisional fair values allocated at the time of acquisition were finalised. This resulted in an amount of NZ$720k being identified as attributable to the acquired "Road Bear RV" brand. The amount was reclassified from goodwill in the period ended 31 December 2011.

7 Income tax

Income tax expense is recognised based on management's estimate of the weighted average annual income tax rate expected for the full financial year.

8 Capital Commitments

As at 31 December 2011 capital expenditure on property plant and equipment contracted for but not yet incurred for New Zealand was NZ$1,387k (31 December 2010 NZ$7,273k). For Australia it was NZ$7,831k (31 December 2010 NZ$20,911k) and for the United States of America it was NZ$14,544k (31 December 2010 NZ$18,026k).

9 Post balance date events

On the 23rd February 2012 ***thl*** declared a 2cps dividend fully imputed payable on 27th March 2012 with a record date of 21 March 2012.

On the 21st February 2012 ***thl*** announced that it had entered into a series of agreements to form a joint venture manufacturing business in New Zealand with Kea Manufacturing (New Zealand) Limited (KMNZ). The new venture will be conducted as a limited partnership called RV Manufacturing Group LP (RVMG).

RVMG will commence as a 50/50 partnership between ***thl*** and KMNZ. The transactions forming the joint venture include:

(a) ***thl*** and KMNZ selling their respective motorhome and campervan manufacturing business to RVMG. The consideration payable to ***thl*** will be based on the book value of the assets transferred. Part of the consideration will represent ***thl's*** capital contribution to RVMG and the remainder will remain outstanding as and advance from ***thl*** to RVMG. The ***thl*** and KMNZ agreements are unconditional and will settle on 1 March 2012 unless otherwise agreed by ***thl*** and KMNZ.

(b) ***thl*** is also selling its specialist and body work business to RVMG. The consideration payable to ***thl*** under this agreement will also be based on the book value of the assets transferred. The amount will remain outstanding as an advance from ***thl*** to RVMG. The sale of this business is conditional on the assignment of certain key customer contracts and the lease of ***thl's*** Motek Specialist Vehicles site in Hamilton. If these conditions are not satisfied by 31 August 2012 the parties may terminate the agreement, though this will not impact on the assets transferred under (a) above.

The transactions will see circa $7.5m in assets transfer from ***thl*** to RVMG and is not expected to have any negative impact on the FY2012 EBIT result for the business.

10 Seasonality of Business

The tourism industry is subject to seasonal fluctuations with peak demand for tourism attractions and transportation over the summer months. The operating revenue and profits of the Group's segments are disclosed in note 12. New Zealand and Australia's profits are typical generally over the southern hemisphere summer months and the United States of America's profits are typically generated over the northern hemisphere summer months.

11 Related Party Transactions

Disclosed in the Annual Financial Statements are related party transactions and balances.
During the period July to December 2011 ***thl*** Australia purchased motorhomes and caravans from a new related party Jayco Australia at a value of NZ$2,501k. All of the transactions were conducted at 'arms length' on commercial terms and at market prices.

12. Segment Note

The chief operating decision maker ('CODM') has been identified as the executive team together with the Board of Directors. The CODM review the group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.
The CODM assess the performance of the operating segments based on a measure of operating profit (earnings before interest and tax). The measurement basis excludes the effects of operational expenditure or gains such as loss/gain on disposal or impairments of property,
plant and equipment, fair value changes in foreign currency financial assets/liabilities and costs of major business acquisitions.
Interest income and expenditure are not included in the result for each operating segment that is reviewed by the CODM.

As at 31 December 2011 the CODM considers the business from both a geographical and service / product perspective, the CODM considers the performance of business based on the rentals division in Australia, United States of America and New Zealand, as well as the Manufacturing (Ci Munro/Motek) and Tourism Group segments. Group support costs are reported separately.

Six Months to December 2011	New Zealand			Australia	United States	Group	
	Rentals	Ci Munro/Motek	Tourism Group	Rentals	Rentals	Support Services	Total
	$000's	$000's	$000's	$000's	$000's	$000's	$000's
Sales of services	25,123	-	9,147	37,120	11,314	-	82,704
Sales of goods	3,375	7,328	-	8,681	5,913	-	25,297
Revenue from External customers	28,498	7,328	9,147	45,801	17,227	-	108,001
Operating profit	2,907	101	654	3,442	6,086	(1,656)	11,534
Capital Expenditure	21,807	371	273	11,336	56	8,306	42,149
Non Current Assets	87,424	2,287	30,296	98,090	24,591	12,740	255,428
Total Assets	104,349	12,405	32,727	126,053	27,751	10,844	314,130
Net Assets	89,076	6,384	29,737	104,837	22,744	11,940	264,718

Inter-segment transactions are entered into under normal commercial terms and conditions that would also be available to unrelated third parties. The CODM does not distinguish between revenue from internal or external customers when measuring the performance of segments. All revenue is reported to the executive team on a basis consistent with that used in the income statement.

Six Months to December 2010	New Zealand			Australia	United States	Group	
	Rentals	Ci Munro/Motek	Tourism Group	Rentals	Rentals	Support Services	Total
	$000's	$000's	$000's	$000's	$000's	$000's	$000's
Sales of services	18,654	-	9,751	38,326	-	69	66,800
Sales of goods	4,528	5,205	-	8,389	-	-	18,122
Revenue from External customers	23,182	5,205	9,751	46,715	-	69	84,922
Operating profit	(3,524)	771	1,077	4,263	-	(2,476)	111
Capital Expenditure	23,656	137	1,545	34,443	-	469	60,250
Non Current Assets	87,913	2,425	31,603	124,833	17,478	6,797	271,049
Total Assets	115,008	15,529	35,107	147,653	21,030	2,850	337,177
Net Assets	84,418	10,034	31,259	120,239	21,030	5,285	272,265

Reconciliation of Segment result to profit/(loss) for the period.

	6 months to Dec-11 $000's	6 months to Dec-10 $000's
Total Reportable operating profit	11,534	111
Net Finance Costs	(4,084)	(2,517)
Profit/(loss) before tax	7,450	(2,406)
Income tax (expense)/benefit	(3,262)	1,094
Profit/(loss) for the period	4,188	(1,312)

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 as they are not allocated to segments.

Net segment assets are total segment assets less segment non interest bearing liabilities and cash on hand.