- Overall sales revenue was up 8% at $109m.
- Fleet Sales were up 69%. Increase due to excellent fleet sales at Road Bear up 95% on pcp and rentals NZ up 168% due to the Kea/United merger and low sales pcp due to Rugby World cup.
- Trading revenue excluding fleet sales down 6% at $78m
  - Rentals NZ down 20% at $20m due mainly to Rugby World Cup and some yield drop
  - Rentals AU up 1% at $37m with KEA AU business and domestic increases offsetting declines in international business
  - Road Bear USA up 1% at $11m. In US$ terms revenue was up 3%
  - Tourism Businesses down 3%
- Ci Munro now treated as discontinued so not in revenue and Dec 11 comparatives restated.
- EBITDA down 22% at $27m vs $35m pcp
- Interest down $0.5m with lower debt up to the Kea/United acquisition than the pcp and lower interest rates
- 50% Share of Joint Venture loss was $0.7m pre tax.
- NPBT down 86% at $1.0m
- Reported NPAT a loss of $0.5m vs profit of $4.2m last year.
• This slide reconciles headlines profitability to a normalised EBIT.

• EBIT as reported down 54%.

• Three items impacted the result.

  • Rugby World Cup drove an estimated $4.5m EBIT to rentals NZ last year
  • This year we have expensed acquisition costs (mainly professional fees) of $1.4m relating to the KEA and United purchase on 31st October 2012
  • We also changed the way we account for fleet chassis rebates in June 2012. They are now treated as a reduction in purchase price of the asset rather than as sundry income. This means last years reported Road Bear EBIT was $1.4m higher than would have been reported using the new accounting policy. Note that this will not be a reconciling item come June 2013 as we adjusted to this new methodology in June 2012.

• Excluding these items on a like for like basis EBIT was up 22% at $6.7m albeit at an unacceptably low level.
This slide reconciles headlines profitability to a normalised EBITDA.

- EBITDA as reported down 22% at $27m.
- Normalised for the same items discussed for EBIT shows EBITDA down 1%
- Depreciation overall slightly down with higher depreciation in NZ due to the acquisition offset by reduced depreciation in Australia as we have reduced fleet.
• Tax expense was circa 130% of surplus before tax.

• The NPBT loss in NZ drove this higher weighted average tax rate as we are generating profits in the USA and AU which have higher tax rates.

• There were minimal other tax adjustments in the result.

• The core rates are 28% in NZ and 30% in Australia. The USA is a blended rate of 40.5% with state and federal taxes.
• A gain on sale over book value of $4.9m was achieved through the sale of 665 motorhomes compared to $2.1m pcp on 423 sold. Margins were higher than last year mainly due to mix and the impact in the USA of treating fleet rebates as a purchase price adjustment.

• The $4.9m shown above is different to the $5.2m shown in the statutory accounts as part of that gain was payable to the KEA and United vendors under the deferred consideration agreement. The $4.9m is net of this payment whereas in the stat accounts it is in other expenses.

• Split AU sold 219  Gain $1.6m (pcp 190 vehicles / Gain $1.0m)  
  NZ sold 216  Gain $2.1m (pcp 120 vehicles / Gain $0.7m)  
  US sold 230  Gain $1.2m (pcp 113 vehicles / Gain $0.4m)

• These gains over book value are before costs of sale such as commissions, refurbishment etc which are included in operating costs of the business.
Operating cash flow at $27m for the 6 months compares to $7m in the pcp. Spend on fleet purchases were reduced and there were excellent fleet sales in the USA.

The fleet expenditure on the acquisition of the KEA and United fleets of $69m is shown as part of investing cash flows.

Operating cash flow excluding fleet sales & purchases for the 6 months was $16m, compared to $30m pcp which is down 48% reflecting the lower earnings and negative working capital movement. Excluding working capital movements trading cash flow was down 12% at $25m from $29m.

The overall net cash fleet spend was $47m (Gross $78m less sales $31m) vs $15m last year. This includes the acquisition of $69m as noted. Depreciation was $21m for the 6 months meaning a net fleet investment of $26m.

The $78m spent on the purchase of fleet assets comprises $64m in NZ, $14m in AU and $nil in the USA as the USA spends its fleet capex in the Jan to June period. Note that a further $7m of capital work in progress is shown as working capital movements.

Other Capex was $2m vs $9m pcp. Last year included $7m on the Hamilton building purchase. Sundry capital expenditure is IT related and branch refurbishments etc

Cash receipts from fixed asset sales in the period were $31m (all fleet sales)
   – $9m NZ, $10m AU and $12m USA.

FY 2013 forecast is for net capex spend of $96m. (This includes the forecast sale of the Hamilton building)
   – Disposals forecast at circa $50m including the Hamilton building which is forecast to be sold for $7m in the six months to June 2013
   – Gross Capex forecast at circa $146m for the full year with the main spend in the next period being Road Bear of $31m in the six months to June 2013.
Net debt has increased by $39m from June 2012 to $134m reflecting the $50m cash consideration for the KEA/United purchase less net fleet reduction in the rest of the businesses.

Note that net debt includes $8m of deferred consideration that is only payable if agreed sale prices are achieved for the KEA and United fleet.

Net interest bearing debt to debt plus equity has deteriorated 7% to 49% from 42% at June 2012. This excludes intangible assets. Target is to lower this back to around 40%

The equity ratio decreased to 42% from 49% from June 2012.

Intangible assets include cave licenses and software.

NTA per share is $1.25 reduced due to the issue of the additional shares as part of the KEA and United purchase. NTA excludes Waitomo cave licenses as they are classified as intangible assets.
Dividend

- Dividend of 2 cents per ordinary share
- Fully Imputed at 30%
- Payment date 22\textsuperscript{nd} March 2013
- Record Date 15\textsuperscript{th} March 2013
  - Ex date 13\textsuperscript{th} March being 2 days before record date
During the 6 month period the following ordinary shares were issued:

- 12.0m shares as part of the consideration for the KEA and United purchase