



JASONS TRAVEL MEDIA LTD ANNUAL MEETING

Sky City Convention Centre, Auckland, 3 August 2006

Geoff Burns, Chairman:-

Jasons Travel Media has achieved a great deal over the past year and more that gives Directors much confidence in the future of the business.

Having already proven to be a durable business during its 38 years under entirely private ownership, Jasons is now well positioned for a period of growth that we believe will lead to increasing shareholder value.

The past year has seen:

- the success of the Initial Public Offer. I wish to particularly acknowledge the support of new shareholders and to welcome them to the annual meeting.
- the recapitalisation of the business.
- Prospectus earnings forecasts exceeded.
- Two Dividend payments.

A key feature of the year has been the recapitalisation of the company. The Initial Public Offer raised \$3.6m through the issue of 7.2 million shares at 50c each, taking issued capital to 17 million shares and restoring shareholder equity.

The new capital has been used in the repayment of shareholders and third party loans. As a result the interest bearing debt has reduced to \$2.2m from \$7.7m which is a significant contributor to savings on interest owed.



Our interest bill has fallen by 54% to only \$438,000 annually and will fall by a further 45% or so in this year.

Shareholders have received gross dividends, including imputation credits, of 4.5 cents per share, which on our current share price represents a gross yield of 9%.

We have demonstrated continued positive growth using our company's well proven multi media platform.

We are using a combination of printed and electronic media to create revenue, cash flow and profits for the benefit of the company and its shareholders.

The company is in strong shape. It is in good heart for the future and well positioned to achieve dynamic growth over the medium to longer term.

I will now ask our Publisher and Chief Executive, John Sandford to outline the company's activities and progress that the company is making.

John Sandford, Chief Executive:

Jasons is a growth oriented multi media company that has several attributes that should appeal to equity investors.

Our job as publishers is to collect package and distribute information; in our case, focusing on Travel and tourism in a region from Kiribati to Stewart Island and Tahiti to Perth. The nature of our business is to service a very widespread consumer market and the travel trade with information on which travel decisions are made. That makes us a very resilient business through all phases of the business cycle.



Just like most other commercial media, our revenue comes primarily from the sale of advertising space by our sales representatives booking advertising from providers of tourism activities, attractions, transport and accommodation. This material creates the cash flow we receive from our travel guides, maps, directories and, increasingly from our websites.

Jasons is a specialist multi media tourism and travel publisher and our prospects are aligned to the tourism market; a market that is expanding steadily every year. There are more tourism activities, attractions, transport and accommodation options each year and we are superbly positioned to service one of the fastest growing visitor regions in the world – Australasia and the South Pacific Islands.

I must emphasise that Jasons has significant upside growth potential in penetrating this market.

Our company has out-performed on its key prospectus forecasts. Our trading performance in the latest year included record operating revenue of \$11.9m; up 30% on the previous year.

On EBITDA of \$1.75m the company was in line with the prospectus forecast and up 38% over last year. On the bottom line, net profit after tax the result was 29% ahead. Net profit before tax and after amortisation was up 23% on prospectus forecast at \$0.66m, interest was almost 7% below forecast and Net profit after tax and amortisation was 29% better than prospectus forecast.

The company's results for the first six months of the 2006-2007 year will reflect the usual seasonal variation in sales, which are largely made in the second half. Four months into our '07 financial year, we can report that everything is performing to expectation. At the time of our interim report, we expect to be able to give a clear indication of full-year performance.



Despite our strong endeavours to create a clear market position, some commentators persist in confusing our market position with that of travel agents. We have an excellent relationship, I assure you, with many travel agents but they have their market niche and we have ours.

Jasons is not a travel business. Neither is it an accommodation booking agency, retail travel agent, tour wholesaler or consolidator. We are not a printing business or a software developer for that matter.

We are a travel and tourism information intermediary, an infomediary, providing the link between travellers and suppliers of products and services to those travellers. We are a media business and wish to be judged accordingly.

It appears that the market is prepared to wait and see how we perform as a company and whether we achieve our forecasts. Having now proven that we can continue to grow the business and indeed, exceed forecasts, we think it's reasonable to expect support for our shares to grow.

We expect the market listing to also have a beneficial effect on the company's profile over the medium term, helping produce growth in shareholder value.

During the 2005-2006 year and over the months since balance date, Jasons has made exciting progress with our multi-media platform encompassing a stable of market leading print publications, distribution services and a web-based electronic publishing operation that out-performs in our niche market of travel related information for both overseas and domestic visitors.

As mentioned already, Jasons Travel Media Ltd is a growth oriented multi media publishing company.



We earn revenue, not through commissions on sales but through the sale of advertising and promotional opportunities to thousands of providers of all sorts of different tourism related activities.

There are significant growth opportunities for the company through; increased market penetration, growing customer numbers and increasing spend per customer. Growth is also continuing as a result of improved operating margins created by the application of ever more efficient internal processes.

Much is done at Jasons to ensure that its information products and services are delivered to the right people in the right place, in the right way at the right time. Accordingly Jasons Travel guides, both print and online and tourism brochure distribution business continue to be market leaders.

Demand for Jasons information is demonstrated by growth in demand for print publications, increased brochure distribution outlets and constantly growing user sessions, page views, enquiries and bookings through its websites.

While our revenue sources may appear simple, in reality they are very diverse. We only survive by ensuring that year after year our advertisers continue to receive at the very least steady growth in business from the money they spend with us. We are constantly evaluating ways of delivering their advertising and promotional messages to consumers of that information in ways that result in the consumer becoming the customer of our customer. In doing so Jasons creates new and growing revenue sources for itself.

Our operational strengths are broad and cover sales, editorial, design, Print management, marketing, distribution and the benefits of multi media production from a fully digitised operational platform

But, more than that our people are our ultimate core competency. We have a great team of outstanding people who work hard every day to do their best for our customers.



Online Publishing:

*Jasons Travel Channel*TM is a significant element in this company's future. Founded in 1996 it was one of the region's first aggregated content travel and tourism websites. It has consistently ranked among the most used travel websites in the region since then.

Today some 400,000 users a month log onto the site, browsing its content and enquiring and booking with the thousands of travel and tourism operators who pay Jasons for their own presence on *Jasons Travel Channel*TM

Jasons Explore! is a rich-text e-mail newsletter delivered monthly to over 130,000 subscribers. The dynamic and timely nature of Jasons Explore! delivers strong and immediate results to advertisers who pay Jasons for listings in the publication.

Print Publishing:

Our product range is diversified across several economies and multiple geographic and interest sector segments.

Jasons focus is on the middle market of do-it-yourselfers. Most of us fit into that category. We target these consistent, growing and reliable fully and Semi Independent traveller segments.

Our key challenge is to deliver the right information to the right people at the right time.

Fully and Semi Independent travellers form by far the most significant and fastest growing segments of the markets. These are the core traveller groups that Jasons targets.

Publishing is about doing 3 key things exceptionally well; collecting, packaging and distributing information.



Jasons has outstanding integrated strengths in all 3 elements but one key area where we stand above most is in distribution. This is the difficult, un-sexy, expensive and complex part of any publishing enterprise.

As a result we have developed an extension business to our distribution arm – *Jasons VisitorPoint*. This business unit is profitable in its own right and distributes over 10 million copies of third party tourism and travel operator brochures annually through over 1,700 *Jasons VisitorPoint* display stands nationwide.

Outlook and Conclusion

To finish, I'd like to say that while our business is traditionally very seasonal and the bulk of our revenue is billed in the second half, current trading is in line with our expectations.

We continue to experience good growth through every part of our business.

Our multi media strategy is at the heart of our business. We are continually giving our advertisers constant growth in exposure to business opportunities which, in turn create new revenue streams and models for Jasons.

3 August 2006