



INTERIM REPORT

For six months ended
30 September 2006

JASONS TRAVEL MEDIA LIMITED is pleased to announce its half-year results for the six months to 30 September 2006.

Jasons business continues to grow with half-year operating revenue of \$3.899 million, representing an increase of 3.6 percent on the previous half-year result.

Results at the half year are not indicative of the full year's result. Typically, Jasons only invoices around one third of its annual revenue in the first half. The largest billings occur in the second half of the financial year.

The net loss after tax of \$254,000 compares with \$395,000 for the same period in the previous year. Although the operating profit (EBITDA) of \$181,000 represents a 21 percent decrease on the \$230,000 recorded for the same period in the previous year, the result was affected by non-recurring operating costs of some \$155,000.

A fully imputed interim dividend of 2.24 cents (net 1.50 cents) will be paid on or about 31 January.

The major event of the period was the decision by John Sandford, founder and driving force of Jasons over 39 years, to step down from day-to-day management. Steven Joyce, previously a board member, assumed the role of managing director on August 21. John remains a director and major shareholder through his family trust.

Jasons has taken the opportunity of the change in management to fully reassess direction and operations. Jasons has a unique position in the media segment of the tourism industry in New Zealand, Australia and the South Pacific. We are not complacent about our position and we aim to build on the base that John has created.

In the short time Steven Joyce has been at the helm, he has reorganised Jasons management structure. The reorganisation resulted in one-off costs amounting to approximately \$155,000 which have been absorbed at the half year.

Our aim is to expand the relevance of Jasons products to its advertisers, simplify delivery of our products to the market and increase revenues. At the same time we will minimise costs.

In this context we have improved web development processes, restructured and redirected our marketing resources and are continuing to pursue efficiencies.

Some of these changes will have short term cost but the aim is simple. We will be the first choice resource of tourism information for travellers in New Zealand, Australia and the South Pacific and provide a range of reliable, high quality marketing platforms for our clients.

Given this background we expect the full year's results to March 2007 to be ahead of the year to March 2006 but the significant benefits of change will be seen in 2007/2008.



Geoff Burns
Chairman
29 November 2006

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL PERFORMANCE

For the six months ended 30 September 2006

| Note | Group 6 months ended 30 September 2006 (Unaudited) \$'000 | Group 12 months ended 31 March 2006 (Audited) \$'000 | Group 6 months ended 30 September 2005 (Unaudited) \$'000 |
|--------------------------------------------------------------|--------------------------------------------------------------------------|---------------------------------------------------------------------|--------------------------------------------------------------------------|
| Revenue | 4,033 | 11,923 | 3,767 |
| Earnings before interest, tax, depreciation and amortisation | 181 | 1,769 | 230 |
| Depreciation | 240 | 481 | 198 |
| Earnings before interest, tax and amortisation | (60) | 1,288 | 32 |
| Interest expense | 135 | 438 | 344 |
| Earnings before tax and amortisation | (195) | 850 | (312) |
| Amortisation | 59 | 120 | 60 |
| Operating Surplus before Taxation | (254) | 730 | (372) |
| Income Tax Expense | - | 184 | 23 |
| Net Surplus after Taxation | 3 | 546 | (395) |

CONSOLIDATED INTERIM STATEMENT OF MOVEMENTS IN EQUITY

For the six months ended 30 September 2006

| Note | Group 6 months ended 30 September 2006 (Unaudited) \$'000 | Group 12 months ended 31 March 2006 (Audited) \$'000 | Group 6 months ended 30 September 2005 (Unaudited) \$'000 |
|-------------------------------------------------------|--------------------------------------------------------------------------|---------------------------------------------------------------------|--------------------------------------------------------------------------|
| EQUITY AT BEGINNING OF THE PERIOD | 742 | (5,336) | (5,336) |
| Net Profit/(Loss) after Tax | (254) | 546 | (395) |
| Total recognised revenues and expenses for the period | (254) | 546 | (395) |
| Contribution from Owners: | | | |
| Share Issue | - | 6,415 | 6,415 |
| Costs associated with Initial Public Offering (IPO) | - | (374) | (341) |
| | - | 6,041 | 6,074 |
| Distributions to Owners: | | | |
| Interim dividend paid | - | (255) | - |
| Final dividend provided for | - | (255) | - |
| | - | (510) | - |
| | - | - | - |
| EQUITY AT END OF THE PERIOD | 488 | 742 | 343 |

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

For the six months ended 30 September 2006

| Note | Group 6 months ended 30 September 2006 (Unaudited) \$'000 | Group 12 months ended 31 March 2006 (Audited) \$'000 | Group 6 months ended 30 September 2005 (Unaudited) \$'000 |
|---------------------------------------------|--------------------------------------------------------------------------|---------------------------------------------------------------------|--------------------------------------------------------------------------|
| CAPITAL AND RESERVES | | | |
| SHAREHOLDERS' EQUITY | | | |
| 17,000,000 Ordinary Shares | 6,541 | 6,541 | 6,915 |
| Retained Profits/(Losses) | (6,053) | (5,799) | (6,572) |
| TOTAL SHAREHOLDERS' EQUITY/(DEFICIT) | 488 | 742 | 343 |
| REPRESENTED BY: | | | |
| NON CURRENT ASSETS | | | |
| Fixed Assets | 1,328 | 1,265 | 1,226 |
| Goodwill | 1,847 | 1,938 | 1,998 |
| TOTAL NON CURRENT ASSETS | 3,176 | 3,203 | 3,224 |
| CURRENT ASSETS | | | |
| Accounts Receivable & Prepayments | 1,562 | 1,836 | 1,696 |
| Cash on hand and at Bank | 165 | 70 | 34 |
| Deferred Tax Asset | 99 | 99 | - |
| Work in Progress | 1,690 | 561 | 1,329 |
| TOTAL CURRENT ASSETS | 3,516 | 2,566 | 3,059 |
| TOTAL ASSETS | 6,692 | 5,769 | 6,283 |
| DEDUCT: | | | |
| NON CURRENT LIABILITIES | | | |
| Hire Purchase Agreements | 71 | 18 | 27 |
| Bank Loan | 4 2,700 | 2,200 | 2,400 |
| TOTAL NON CURRENT LIABILITIES | 2,771 | 2,218 | 2,427 |
| CURRENT LIABILITIES | | | |
| Bank Overdraft | 4 17 | 48 | - |
| Accounts Payable and Accruals | 1,137 | 1,644 | 1,304 |
| Dividend Payable | - | 255 | - |
| Taxation and GST | 292 | 343 | 157 |
| Current Portion - Hire Purchase | 40 | 25 | 82 |
| Deposits Received In Advance | 1,946 | 494 | 1,970 |
| | 3,433 | 2,809 | 3,513 |
| TOTAL LIABILITIES | 6,204 | 5,027 | 5,940 |
| NET ASSETS | 488 | 742 | 343 |

CONSOLIDATED INTERIM STATEMENT OF CASHFLOWS

For the six months ended 30 September 2006

| Note | Group 6 months ended 30 September 2006 (Unaudited) \$'000 | Group 12 months ended 31 March 2006 (Audited) \$'000 | Group 6 months ended 30 September 2005 (Unaudited) \$'000 |
|------------------------------------------------------------|--------------------------------------------------------------------------|---------------------------------------------------------------------|--------------------------------------------------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash was provided from: | | | |
| Receipts from customers | 5,552 | 12,132 | 5,417 |
| Interest received | 6 | 16 | - |
| | 5,557 | 12,147 | 5,417 |
| Cash was applied to: | | | |
| Payments to suppliers & employees | (5,450) | (10,796) | (4,800) |
| Interest paid | (135) | (438) | (399) |
| Income tax | - | (126) | - |
| Other cashflow relating to operating activities | | - | (241) |
| | (5,585) | (11,360) | (5,440) |
| Net cash inflow (outflow) from operating activities | 3 | 787 | (23) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Cash was provided from: | | | |
| Sale of fixed assets | 5 | 7 | 15 |
| Other assets | 160 | 44 | - |
| | 165 | 51 | 15 |
| Cash was applied to: | | | |
| Purchase of fixed assets & investments | (306) | (812) | (466) |
| | (306) | (812) | (466) |
| Net cash inflow (outflow) from investing activities | (141) | (761) | (451) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Cash was provided from: | | | |
| Issue of shares | - | 6,041 | 3,600 |
| Other cashflows relating to financing activities | 567 | - | 1,325 |
| | 567 | 6,041 | 4,925 |
| Cash was applied to: | | | |
| Payment of dividends | (255) | (255) | - |
| Repayment of loans | - | (5,840) | (4,500) |
| | (255) | (6,095) | (4,500) |
| Net cash inflow (outflow) from financing activities | 312 | (53) | 425 |
| NET INCREASE (DECREASE) IN CASH BALANCES | 144 | (27) | (49) |
| Add cash at beginning of year | 4 | 62 | 83 |
| Less foreign exchange movement | - | (31) | - |
| Balance at end of year | 148 | 4 | 34 |
| Comprised of: | | | |
| Cash balances | 165 | 51 | 34 |
| Bank overdraft | (17) | (48) | - |
| | 148 | 4 | 34 |

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2006

1. GENERAL INFORMATION

Jasons Travel Media Limited (JTM) is a public company, registered under the Companies Act 1993. It is listed with the New Zealand Stock Exchange on the NZAX board.

The Group comprises JTM and its wholly owned subsidiary, Jasons Travel Media Pty Limited (JTM Pty), ACN 010 336 080, registered and operating in Australia.

JTM Pty was acquired in April 2005.

2. BASIS ON WHICH THESE STATEMENTS HAVE BEEN PREPARED

These interim Financial Statements for the six months ended 30 September 2006 have been prepared in accordance with the New Zealand Institute of Chartered Accountants reporting standard FRS-24: Interim Financial Statements. They should be read in conjunction with the Financial Statements of Jasons Travel Media Limited for the year ended 31 March 2006.

All significant accounting policies have been applied on a basis consistent with those used in the audited financial statements for the year ended 31 March 2006. This interim report is unaudited.

3. NET CASH FLOW FROM OPERATING ACTIVITIES

| | Group 6 months ended 30 September 2006 (Unaudited) \$'000 | Group 12 months ended 31 March 2006 (Audited) \$'000 | Group 6 months ended 30 September 2005 (Unaudited) \$'000 |
|------------------------------------------------------------|--------------------------------------------------------------------------|---------------------------------------------------------------------|--------------------------------------------------------------------------|
| Surplus after taxation | (254) | 546 | (395) |
| Add non-cash items: | | | |
| Depreciation | 240 | 481 | 198 |
| Deferred taxation | - | (99) | - |
| Net loss / (gain) on foreign currency | - | 16 | - |
| Movement in provisions | - | - | 50 |
| Amortisation of Goodwill | 59 | 120 | 60 |
| | 299 | 518 | 308 |
| Movements in working capital: | | | |
| Accounts receivable | 292 | 153 | 273 |
| Work in progress | (1,129) | - | (971) |
| Accounts payable | (570) | (434) | (732) |
| Deposits received in advance | 1,453 | - | 1,494 |
| | 46 | (281) | 64 |
| Add (less) items classified as investing activity | | | |
| Sale of fixed assets | (119) | 4 | - |
| | (119) | 4 | - |
| Net cash inflow (outflow) from operating activities | (28) | 787 | (23) |

4. BANK ADVANCES

In June 2005 JTM obtained a flexible credit facility and overdraft facility from the ANZ National Bank Limited.

The borrowing limit under the flexible credit facility is \$2.4m. This has been temporarily increased to \$2.9m to cover seasonal funding requirements, for six months to 28 February 2007. The borrowing limit under the overdraft facility is \$0.1m.

5. CAPITAL COMMITMENTS

The Group has no material capital commitments as at 30 September 2006 (2005: \$nil).

6. CONTINGENT LIABILITIES

The Group has no material contingent liabilities as at 30 September 2006 (2005: \$nil).

7. INTERNATIONAL FINANCIAL REPORTING STANDARDS

International Financial Reporting Standards (IFRS) will apply to New Zealand entities for periods commencing on or after 1 January 2007. New Zealand equivalents to these standards, NZ IFRS, have now been issued. Accordingly, upon complying with NZ IFRS, the requirements of IFRS will be met.

JTM intends to adopt NZ IFRS for the period commencing 1 April 2007. Accordingly the first set of NZ IFRS financial statements will be those for the year ended 31 March 2008, together with comparatives for the year ended 31 March 2007.

The transition to NZ IFRS will be managed by a project team, reporting to the Audit Committee. The project team will be responsible for identifying all system and process changes necessary to capture and report the required financial information. Any consequential staff training issues will also be identified by the project team.

The project to identify and assess the key differences in accounting policies between NZ IFRS and the current GAAP is still in its early stages. For this reason we are not yet able to reliably estimate and quantify all the impacts to the financial statements expected to arise on the transition to NZ IFRS.

Key differences in accounting policies under NZ IFRS identified to date include:

a. Accounting for Goodwill

JTM group currently amortises goodwill on a straightline basis, over 20 years. Goodwill is reviewed annually for impairment. Under NZ IFRS amortisation will no longer be charged. However, goodwill will be regularly reviewed for impairment. Any loss in value is recognised as an expense when it is identified. Likewise, any increase in fair value over book value will be reflected in the statement of financial performance.

b. Accounting for Revenue

JTM group currently recognises revenue for print and web based product as it is published and invoiced. Under NZ IFRS the timing of revenue recognition may change for web based product. The portion of any revenue for which a service has yet to be provided at balance date will be deferred. The effect of this timing change has yet to be quantified. It will not result in any change to the overall quantum of revenue, only the period in which it is recognised.

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| Directors | Geoff Burns B.Com CA (Chairman) Mike Simm BCA, ACA (Deputy Chairman) Steven Joyce BSc John Sandford |
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| Postal Address | Head Office PO Box 9390 Newmarket, Auckland 1149 New Zealand |
| Share Registry | Computershare Investor Services Limited Private Bag 92119 Auckland 1020 New Zealand Telephone 09 488 8700 |
| Accountants | Hayes Knight NZ Ltd Auckland |
| Bankers | ANZ National Bank |
| Solicitors | Greig Bourke Auckland Langton Hudson Auckland |
| Auditors | Hayes Knight Audit Auckland |
| Investor Relations | Shareholder enquiries related to shareholding should be directed to Computershare Investor Services Limited. Jasons Travel Media Limited welcomes communication with current and prospective investors. Telephone +64 9 912 8400 (general) or Steven Joyce +64 9 912 8404 (direct). |