


WHAT WE DO

Taieri Gorge Railway Limited operates a tourist train on the Taieri Gorge Railway Line and provides other train services principally for charters and excursions. Year after year the train trip through the Taieri Gorge remains a key attraction for visiting cruise ship passengers.

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- > The new A2325-R passenger carriage was refurbished by Taieri Gorge Railway's engineering workshop and it is the first of 11 such carriages to be upgraded by the company.
 - > Taieri River Gorge Railway plays a pivotal part in the success of the Otago Rail Trail, seen here disembarking trail blazers at the Middlemarch portal.



FINANCIAL HIGHLIGHTS

	2008	2007
	\$'000	\$'000
Revenue	4,307	4,079
Net surplus for the year	59	65
Shareholder's funds	1,684	1,625
Total assets	2,395	2,410

WHAT WE DID THIS YEAR

Year after year this company manages to reach significant strategic goals. This year it managed to acquire the last DJ locomotive in the country still under corporate ownership. It also managed to acquire eleven carriages from Toll NZ formerly operated on the Wellington to Wairarapa line. These carriages will increase safety for passengers over previous standards and will give the company greater capacity to benefit from the anticipated growth in the cruise ship trade.

Within the national tourism market there has been a softness not seen for a considerable time. The industry has been used to repeated growth in visitor numbers but that has ceased and reversed. Nationally the industry has been under pressure which has been higher in the south due to the reduction in flight connections into Christchurch from destinations beyond Australia. Against this backdrop, earlier efforts by the company to develop the market to the north of Dunedin (The Seaside) have paid off with a significant increase in sales.

Notwithstanding these economic factors beyond our control we are pleased to report that the numbers of passengers carried on our daily scheduled trains almost matched last year. The slight decrease of 2% to 59,641 passengers for the year was creditable given the general fall in the South Island tourist market. To this number we were able to add a further 14,235 (2007:16,579) cruise ship and charter passengers to achieve an overall total of 73,876 (2007:77,802).

However, these figures mask the fact that there was a sizeable increase in higher yielding cruise ship passengers with charter numbers being down on the previous year's figures which were inflated by the extra business generated by the Dunedin Railway Station Anniversary celebrations.

The after tax surplus this year is \$59,000, very close to the \$65,000 made last year. This was achieved after capital and operational expenditure of \$1.5m on workshop, carriages, locomotives and track, an increase on \$1.2m last year. The increase in revenue, and the use of the available cash resources, has allowed the investment in both track and plant to improve the quality of the visitor experience.

Dunedin is fortunate to have a company such as Taieri Gorge Railway Limited that is highly attractive to the large cruise ships that are visiting Port Chalmers in greater numbers through the summer season. This trade has been steady and indications continue to be positive for further growth, a factor that will remain beneficial for the city of Dunedin.

For more information visit www.taieri.co.nz

THE PEOPLE

Directors	J E Farry (Chair)
	J M Chapman
	F J McCall
	G M T Williams
	K Wilson
	B C Wolff
Chief Executive	M J Bond

