

Major Assumptions *

	2010/11 Budget	2011/12 Proposed Plan	2011/12 LTCCP
CPI forecast	2.00%	2.50%	2.40%
External interest rates	5.65%	5.75%	7.50%
Internal interest rates	7.00%	7.00%	8.50%
Oil price USD	\$70.00	\$96.00	\$68.85
NZD / USD	\$0.65	\$0.75	\$0.60
Use of Transport Reserves	\$2.0m	\$2.0m	\$2.0m
Fare Revenue Increase	3.00%	3.00%	3.00%

* Note these assumptions are those on which the current numbers are based. Obviously there is a lot of volatility in world markets at present and final numbers may vary. Sensitivity to these numbers is detailed on page 79 of the draft Annual Plan.