

WRIGHTSON LIMITED AND SUBSIDIARIES

Statement of Financial Performance

	<i>For the 6 months ended 31 Dec 2003</i>	<i>For the 6 months ended 31 Dec 2002</i>	<i>For the 12 months ended 30 June 2003</i>
	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>
Operating Revenue	309,446	316,999	664,796
Interest Revenue	265	754	609
Equity earnings of associates	(449)	462	(470)
	<u>309,262</u>	<u>318,215</u>	<u>664,935</u>
Operating surplus from Wrightson activities	5,080	6,324	26,511
Equity earnings of associates	(449)	462	(470)
Operating surplus before interest and taxation	4,631	6,786	26,041
Net funding (cost)/benefit	(737)	(660)	(673)
Operating surplus before taxation	3,894	6,126	25,368
Taxation expense	(1,261)	(2,191)	(6,858)
Net surplus	2,633	3,935	18,510
Net surplus comprises			
Parent interest	2,735	4,141	18,475
Minority interest	(102)	(206)	35
	<u>2,633</u>	<u>3,935</u>	<u>18,510</u>
Net surplus attributable to parent company shareholders	2,735	4,141	18,475

WRIGHTSON LIMITED AND SUBSIDIARIES

Statement of Movements in Equity

	<i>For the 6 months ended 31 Dec 2003</i>	<i>For the 6 months ended 31 Dec 2002</i>	<i>For the 12 months ended 30 June 2003</i>
	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>
Total recognised revenues and expenses			
Net surplus	2,735	4,141	18,475
Movements in foreign currency translation reserve	(62)	(465)	170
Realisation of investments in associate companies	-	-	(90)
	<u>2,673</u>	<u>3,676</u>	<u>18,555</u>
Movements in minority interests	(244)	(242)	48
Contribution from owners	1,561	98	784
Distributions to owners	(11,032)	(10,738)	(15,469)
Movements in equity for the period	(7,042)	(7,206)	3,918
Represented by:			
Equity at the beginning of the period	125,118	121,200	121,200
Equity at the end of the period	118,076	113,994	125,118
Movements in equity for the period	(7,042)	(7,206)	3,918

Statement of Financial Position

	<i>As at</i> 31 Dec 2003 \$000	<i>As at</i> 31 Dec 2002 \$000	<i>As at</i> 30 June 2003 \$000
EQUITY			
Shareholder funds	117,574	113,538	124,372
Minority interests	502	456	746
Total equity	118,076	113,994	125,118
LIABILITIES			
Trade creditors	75,426	86,524	94,406
Secured borrowings	25,322	21,831	13,107
Other	15,968	15,813	25,089
Current liabilities	116,716	124,168	132,602
Non-current liabilities (Provisions)	343	2,747	1,508
Total liabilities	117,059	126,915	134,110
Total liabilities and equity	235,135	240,909	259,228
ASSETS			
Receivables	120,419	123,079	110,961
Inventories	62,892	69,947	73,777
Cash and deposits	-	-	21,131
Other	5,964	7,428	6,938
Current assets	189,275	200,454	212,807
Fixed assets	32,995	32,016	31,724
Investments	6,177	2,325	6,736
Intangibles	3,692	3,259	3,704
Other	2,996	2,855	4,257
Non-current assets	45,860	40,455	46,421
Total assets	235,135	240,909	259,228

Statement of Cash Flows

	<i>For the 6 months ended 31 Dec 2003</i>	<i>For the 6 months ended 31 Dec 2002</i>	<i>For the 12 months ended 30 June 2003</i>
	\$000	\$000	\$000
Net cash flows from:			
Operating activities - Inflows	317,313	319,814	693,582
- Outflows	(334,891)	(330,751)	(660,837)
Investing activities - Inflows	321	313	669
- Outflows	(6,550)	(3,318)	(13,412)
Financing activities - Inflows	1,528	-	587
- Outflows	(11,032)	(10,738)	(15,469)
Net (decrease)/increase in cash	<u>(33,311)</u>	<u>(24,680)</u>	<u>5,120</u>
Opening cash	8,024	3,024	3,024
Effect of exchange rate change on cash	(35)	(175)	(120)
Closing (bank overdraft)/cash	<u>(25,322)</u>	<u>(21,831)</u>	<u>8,024</u>
Comprises:			
Cash and deposits	-	-	21,131
Bank overdrafts - secured	(25,322)	(21,831)	(13,107)
Closing (bank overdraft)/cash	<u>(25,322)</u>	<u>(21,831)</u>	<u>8,024</u>

Notes

1 Financial Statements

The financial statements have been prepared in accordance with Financial Reporting Standard No. 24 Interim Financial Statements and generally accepted accounting principles and should be read in conjunction with the 30 June 2003 annual financial statements.

2 Accounting Policies

The accounting policies of the Wrightson Group have been applied on a basis consistent with those of the previous year and as disclosed in the audited 2003 annual financial statements.

3 Equity Accounted Earnings of Associates

	<i>For the 6 months ended 31 Dec 2003</i>	<i>For the 6 months ended 31 Dec 2002</i>	<i>For the 12 months ended 30 June 2003</i>
	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>
Genesis Research and Development Corporation Limited	(734)		(689)
The New Zealand Merino Company Limited	285	462	219
	<u>(449)</u>	<u>462</u>	<u>(470)</u>

4 Provision Release

During the current period, a review of the surplus property lease provision resulted in a writeback of \$1.3 million.

5 Material Contingencies and Commitments

There are non-cancellable operating lease commitments in place with expected future minimum rental payments of \$33.6 million (31 December 2002 \$30.1 million, 30 June 2003 \$37.1 million).

6 Reconciliation of Surplus after Taxation with Net Cash Flow from Operating Activities

	<i>For the 6 months ended 31 Dec 2003</i>	<i>For the 6 months ended 31 Dec 2002</i>	<i>For the 12 months ended 30 June 2003</i>
	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>
Surplus after taxation	2,633	3,935	18,510
Add items classified as investing or financing activities	(233)	(39)	293
Add non-cash items	5,104	3,502	6,052
Add/(deduct) movement in working capital items			
Inventories	10,817	2,995	(711)
Net receivable/payables	(23,314)	(12,419)	8,356
Other	(12,585)	(8,911)	245
Net cash flow from operating activities	<u>(17,578)</u>	<u>(10,937)</u>	<u>32,745</u>

7 Post Balance Sheet Event

Directors, by resolution of the Board on 23 February 2004, have declared a fully imputed interim dividend of 2.5 cents to be paid on 31 March 2004.

8 Unaudited Financial Statements

These interim financial statements have not been audited.