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### FLETCHER BUILDING FINANCE LIMITED

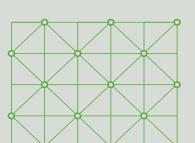


FOR THE PERIOD ENDED 31 DECEMBER 2002 (UNAUDITED)

| Net earnings             | 35,119                      |
|--------------------------|-----------------------------|
| Taxation expense         | (17,297)                    |
| Earnings before taxation | 52,416                      |
| Funding costs            | (5,054,580)                 |
| Operating earnings       | 5,106,996                   |
| Operating expenses       | (31,648)                    |
| Operating revenue        | 5,138,644                   |
|                          | PERIOD TO<br>DEC 2002<br>\$ |



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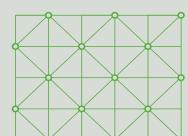
### STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2002 (UNAUDITED)

| Total assets                       | 692,051,953 |
|------------------------------------|-------------|
| Total non current assets           | 689,031,032 |
| Amounts owing by related companies | 689,031,032 |
| Non current assets:                |             |
| Total current assets               | 3,020,921   |
| Sundry debtors                     | 12,913      |
| Prepayments                        | 2,924,748   |
| Cash and bank                      | 83,260      |
| Current assets:                    |             |
| Assets                             |             |
|                                    | \$          |

DEC 2002

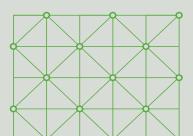
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#### STATEMENT OF FINANCIAL POSITION UNAUDITED (CONTINUED)

|                                    | DEC 2002<br>\$ |
|------------------------------------|----------------|
| Liabilities                        |                |
| Current liabilities:               |                |
| Accrued interest                   | 1,756,928      |
| Trade creditors                    | 2,956,397      |
| Current tax liability              | 9,959,558      |
| Total current liabilities          | 14,672,883     |
| Non current liabilities:           |                |
| Capital notes                      | 150,000,000    |
| Amounts owing to related companies | 198,253,954    |
| Term debt                          | 329,032,258    |
| Total non current liabilities      | 677,286,212    |
| Total liabilities                  | 691,959,095    |
| Equity                             |                |
| Reported capital                   | 10,000,000     |
| Reserves                           | (9,907,142)    |
| Total equity                       | 92,858         |
| Total liabilities and equity       | 692,051,953    |

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## STATEMENT OF CASHFLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2002 (UNAUDITED)

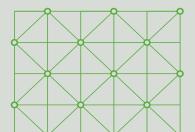
|  | PERIOD TO<br>DEC 2002<br>\$ |
|--|-----------------------------|
| Interest received                          | 5,138,644                   |
| Payments to suppliers, employees and other | (12,912)                    |
| Interest paid                              | (3,297,652)                 |
| Net cash from operating activities         | 1,828,080                   |
| Advance from related companies             | 198,253,954                 |
| Issue of capital notes                     | 150,000,000                 |
| Net debt drawdowns                         | 329,032,258                 |
| Issue of shares                            | 10,000,000                  |
| Advance to related companies               | (689,031,032)               |
| Net cash from financing activities         | (1,744,820)                 |
| Net movement in cash held                  | 83,260                      |
| Add opening cash and liquid deposits       | 0                           |
| Closing cash and liquid deposits           | 83,260                      |

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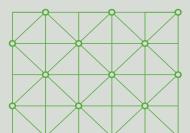


FOR THE PERIOD ENDED 31 DECEMBER 2002 (UNAUDITED)

|  | PERIOD TO<br>DEC 2002<br>\$ |
|--|-----------------------------|
| Total equity at the beginning of the period          | 0                           |
| Net earnings for the period                          | 35,119                      |
| Movement in currency translation reserve             | (9,942,261)                 |
| Total recognised revenue and expenses for the period | (9,907,142)                 |
| Increase in share capital                            | 10,000,000                  |
| Total equity at the end of the period                | 92,858                      |



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## NOTES TO THE FINANCIAL STATEMENTS

#### 1 BASIS OF PRESENTATION

The interim financial statements presented are those of Fletcher Building Finance Limited (the "company"). The company is domiciled in New Zealand and is registered under the Companies Act 1993, and is an issuer in terms of the Securities Act 1978 and the Financial Reporting Act 1993. The company is also registered in Australia as an overseas company under the Australian Corporations Act 2001. The interim financial statements have been prepared in accordance with Financial Reporting Standard 24, Interim Financial Statements.

#### 2 CHANGES IN ACCOUNTING POLICIES

The company was incorporated on 23 October 2002. There have been no changes in accounting policies.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

# 3 RECONCILIATION OF NET EARNINGS TO NET CASH FROM OPERATING ACTIVITIES

|  | PERIOD TO<br>DEC 2002<br>\$ |
|--|-----------------------------|
| Cash was received from net earnings      | 35,119                      |
| Adjustment for items not involving cash: |                             |
| Taxation                                 | 17,297                      |
| Accruals                                 | 1,775,664                   |
| Net cash from operating activities       | 1,828,080                   |

#### 4 CONTINGENCIES AND COMMITMENTS

There were no contingent liabilities or capital commitments as at 31 December 2002.

