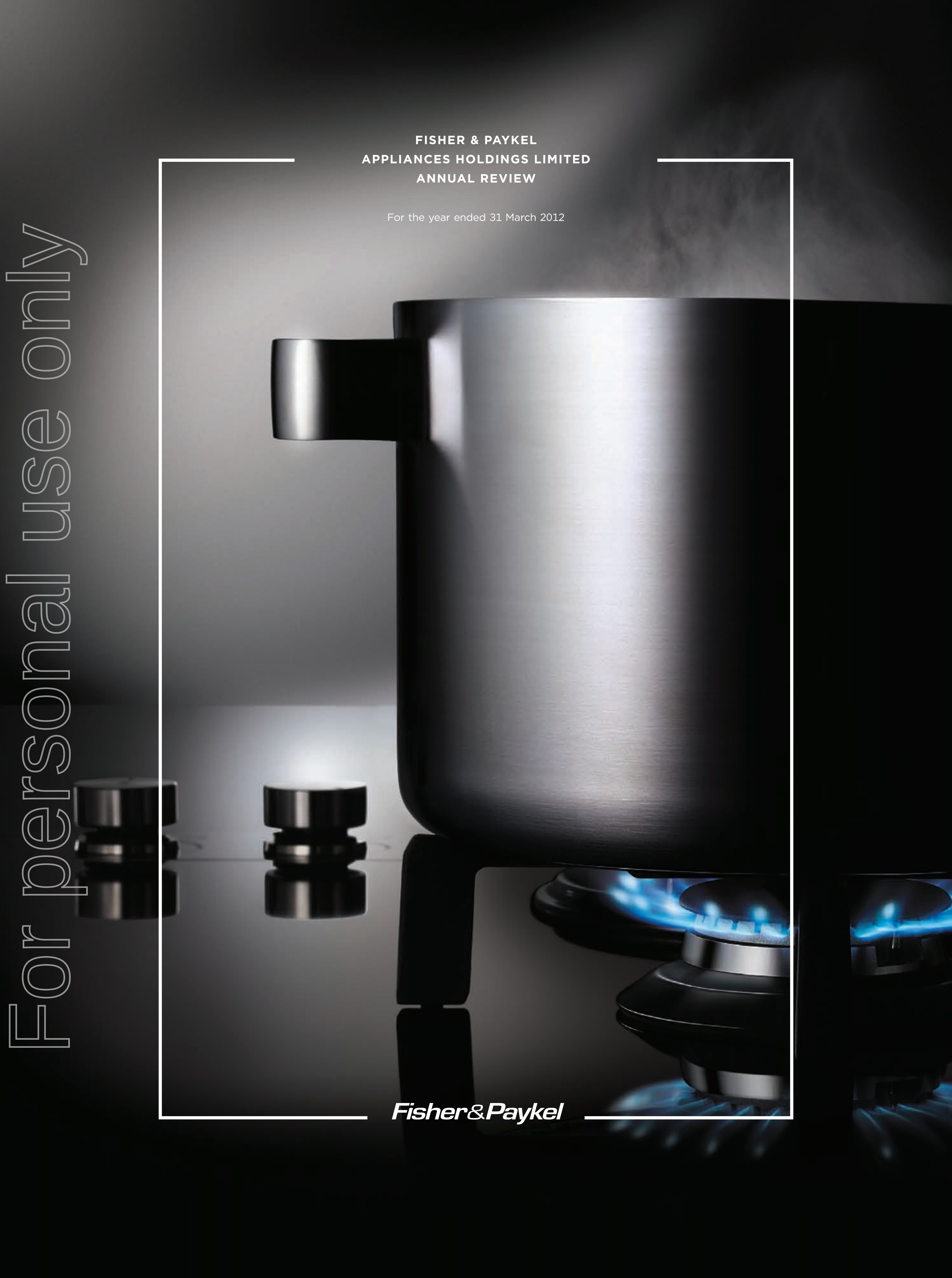


FISHER & PAYKEL APPLIANCES HOLDINGS LIMITED ANNUAL REVIEW

For the year ended 31 March 2012

Fisher&Paykel

Contents

Dr Keith Turner, Chairman

RESULTS

Group net profit after tax was $18.4 million for the financial year ended 31 March 2012. This result compares to $33.5 million for the previous year.

There were three items which affected comparability, namely an onerous lease charge of $2.7 million before tax (Appliances business), a fair valuation adjustment for property held for sale (Appliances business) of $1.2 million before tax and litigation costs of $6.8 million before tax (Finance Group). In aggregate these one off items resulted in a charge of $10.7 million before tax compared to a gain of $5.1 million for the previous year.

Adjusting for items affecting comparability, normalised group net profit after tax was $26.3 million compared to $30.0 million last year.

Net bank debt as at 31 March 2012 was $65.2 million compared to $100.2 million as at 31 March 2011, excluding operating borrowings for the Finance business. Group interest charges, excluding Finance operating interest expense, decreased by 30% from $15.4 million to $10.9 million on lower debt levels.

Cashflow from operations, before the movement in loans to Finance business customers, was $117 million compared to $113 million for the previous year. Group capital expenditure for the year was $50.5 million including capital expenditure related to new motor contracts of $22 million. Capital expenditure in the previous financial year was $28.3 million.

The Appliances business reported an operating profit before interest and tax of $7.3 million compared to $28.8 million last year. After adjusting for items affecting comparability of $3.9 million before tax, normalised profit before interest and tax was $11.3 million compared to $23.7 million last year. This result is ahead of market guidance provided in December 2011 of approximately $10 million.

For the second half the Appliances business reported a normalised operating profit before interest and tax of $13.7 million, compared to a loss of $2.4 million in the first half.

As foreshadowed in November 2011, the full year result reflects lower revenue as the business refocuses on profitable sales, notably in North America. Total operating revenue for the Appliances business was down 7.6% to $891 million compared to $965 million for the previous year. This reflected weaker retail market conditions, rebalancing for profitable sales and unfavourable currency translation effects.

Gross margin, as a percentage of sales, increased by 0.9 percentage points to 31.2%. Appliances' gross margin in dollar terms decreased by $13.5 million to $278.4 million for the year ended 31 March 2012 as a result of lower sales and higher raw materials and freight costs. Sales, general & administration costs reduced by $10.9 million to $215 million on cost savings, in particular in North America and favourable currency translation effects.

The full year result was also impacted by transactional hedging losses of $25.6 million, with $5.3 million recorded in the second half following a mid year change in hedging policy.

On a segment reporting basis the North American distribution business reported an operating profit before interest and tax of $0.9 million for the year compared to a $9.8 million loss in the previous year.

The Finance business recorded a solid result with reported operating earnings before interest and tax (including operating interest) of $31.0 million, compared to $34.7 million for the previous year. After adjusting for litigation costs of $6.8 million before tax, normalised profit before interest and tax (including operating interest) was $37.8 million compared to $34.7 million last year. This result is above the market guidance provided in December 2011 of around $32 million. Net income remained steady on 2011 levels. Bad debt expenses were lower than the prior year, however operating costs were higher due to increased promotional activity to grow Q Card receivables.

In respect of litigation costs, a case raised by a U.S. based software company was heard in the High Court at Auckland, New Zealand in late 2011. A judgement on the issue is now expected this year. There are complex legal issues and a range of possible outcomes. Accordingly, the Directors took the prudent decision at the half year to make a provision given this uncertainty.

GROUP FINANCIAL PERFORMANCE	YEAR		6 MONTHS	
	31 March 2012 NZ$000	31 March 2011 NZ$000	31 March 2012 NZ$000	30 Sept 2011 NZ$000
Total Revenue and Other Income				
Appliances business	**891,449**	965,053	**450,603**	440,846
Finance business	**139,719**	145,289	**69,417**	70,302
Other Income	**6,790**	10,601	**3,497**	3,293
	1,037,958	1,120,943	**523,517**	514,441
Normalised Operating Profit/(Loss) before Interest and Taxation				
Appliances business	**11,282**	23,675	**13,656**	(2,374)
Finance business (including Operating Interest)	**37,814**	34,722	**19,447**	18,367
	49,096	58,397	**33,103**	15,993
Items affecting comparability				
Onerous contracts	**(2,694)**	(882)	**(147)**	(2,547)
Litigation costs	**(6,774)**	-	**(857)**	(5,917)
Fair Valuation of Non-Current Assets held for Sale (East Tamaki site)	**(1,241)**	(500)	**(1,241)**	-
Profit on Sale of Land & Buildings	**-**	6,508	**-**	-
Earnings before Interest & Taxation	**38,387**	63,523	**30,858**	7,529
Interest (excluding Finance Business Operating Interest)	**(10,857)**	(15,403)	**(5,414)**	(5,443)
Operating Profit before Taxation	**27,530**	48,120	**25,444**	2,086
Taxation	**(9,099)**	(14,575)	**(7,989)**	(1,110)
Group Profit after Taxation	**18,431**	33,545	**17,455**	976
Normalised Group Profit after Taxation	**26,300**	30,040	**19,408**	6,892

CAPITAL STRUCTURE

During 2012 financial year further progress was made towards reducing bank debt and improving the overall financial position of the Company. As at 31 March 2012, the Appliances business had total outstanding net bank debt of $65.2 million, a reduction of $35 million since 31 March 2011. Debt reduction was primarily achieved by improved operating cashflow.

On 11 November 2011, the Company renewed its Guaranteeing Group banking facilities on materially similar terms and conditions as the previous debt facilities. In March 2012, the Banking Group agreed to remove the FPAL Interest Coverage Ratio. This ratio only included earnings before interest, tax, deprecation and amortisation derived by the Appliances business. As at 31 March 2012, the Group was in full compliance with all its banking covenants.

During the year, the Company continued with property sales at the East Tamaki site in Auckland, New Zealand. In March 2011, the recycling building at the East Tamaki site was sold for $2.25 million and settlement was completed in December 2011. In May 2012, the Company sold the components building at the East Tamaki site for $5.1 million with settlement expected by October 2012.

GOVERNANCE

The Board refreshment programme continued during the year with two director retirements and two new director appointments.

In September 2011, the Company announced the appointment of Lynley Marshall as a Director. Lynley's extensive commercial, retail and media experience brings a dimension to the Board at a time when brand, communication and digital strategy is increasingly important. Her Australasian experience and proven track record at delivering business growth make her a strong addition to the Board. Pursuant to the Company's Constitution, Lynley Marshall will hold office until the Annual Shareholders Meeting set for 23 August 2012 and being eligible, will offer herself for election.

In September 2011, the Company also announced the appointment of Philip Lough as a Director. Philip filled the vacancy created by the retirement of John Gilks. Philip is currently the Chairman of Methven Limited and Quotable Value, Deputy Chairman of Port Nelson Limited and a director of Livestock Improvement Corporation. Philip is well known in business circles and brings a wealth of international experience and strong governance credentials to the Board. Pursuant to the Company's Constitution, Philip Lough will hold office until the Annual Shareholders Meeting set for 23 August 2012 and being eligible, will offer himself for election.

The new Directors bring with them a wealth of experience to complement that of the existing Directors.

As foreshadowed in the 2011 Annual Report, John Gilks retired from the Board in August 2011. The Board would like to thank John for his outstanding contribution during his long service to the Company as a non-executive Director and Deputy Chairman of the Board. John has continued as Chairman of the Finance business board.

In March 2012, Peter Lucas retired from the Board in accordance with the board refreshment programme that commenced in 2010. The Board would like to thank Peter for his extensive contribution to the Company as an independent director over his 10 year tenure.

On behalf of the Board I would like to wish both John and Peter all the best for the future.

The Board refreshment plans will be completed this year with the previously announced retirement of Gary Paykel at the 2012 Annual Shareholders Meeting in August.

The Finance business continues to maintain its own separate board of directors.

PEOPLE

The Board would like to acknowledge the continued support and commitment from all employees during what has been a year of consolidation and improvement. With over 3,300 employees located across the globe, the Board recognises the important contribution that each individual employee makes to the future development of the Company. The Board would like to record its thanks to all employees for their dedicated efforts.

DIVIDENDS

The Directors intend to restore dividend payments to shareholders as soon as possible. However, with conditions in our key markets remaining very uncertain, the Directors believe it is prudent to take a cautious approach and have resolved not to pay a dividend at this time.

OUTLOOK

Retail market conditions are expected to remain soft across all of the Company's key markets in the near term due to global economic uncertainty. The Board remains particularly concerned about retail market conditions in Australia, which deteriorated in the second half of the 2012 financial year. While there was a slight improvement in the U.S. economic outlook, there are already signs that this might not be sustained.

In the past two years the Appliances business has rejuvenated investment in new products and at the same time has significantly reduced bank debt and controlled working capital and overheads. The business has been repositioned for the current economic climate and now has the financial flexibility to pursue market opportunities including growth in the components and technology business.

In financial year 2013 (FY13), the Appliances business will benefit from the commencement of two new motor contracts signed in 2011. The line for the Haier motor contract was commissioned in April 2012 with commercial volumes expected to ramp up in October 2012. A second line for another customer is on track for production in the second quarter of FY13, with a ramp up to commercial volumes from October 2012.

In addition, the product development programme of the past few years will culminate in the release of new refrigeration, laundry and cooking products during the coming year. On the downside, raw material prices have increased in recent months.

The Finance businesses earnings should remain resilient in the coming year, despite an expectation that New Zealand retail trading conditions will remain soft. Increased promotional activity with the Farmers Trading Company and a broader merchant base for Q Card should improve interest income.

Capital expenditure for the Group is expected to be approximately $42 million in the 2013 financial year.

An update on trading and market conditions will be provided at the Annual Shareholders Meeting in August 2012.

Dr. K S Turner
Chairman

24 May 2012

Stuart Broadhurst
Managing Director & CEO

OVERVIEW

It has been a year of consolidation for the Company as we continue to build for the future. We have made further progress on our core strategies in the past year as demonstrated by:

- Delivery of new products;
- Continued improvement in systems and structures to improve product quality;
- Maintained strong operating cashflow, reduced working capital and made further reductions in net debt;
- Appliances' gross margin improved as a percentage of sales demonstrating that we are maintaining our product mix despite difficult market conditions;
- The North American sales and customer services business returning to profit on a segment reporting basis;
- Continued investment in product development, brand and our people;
- Signed two new component and technology supply agreements with major global appliance manufacturers for development, design and manufacturing technology;
- Achieved a record normalised profit for the Finance business;
- The Finance business successfully navigated through the expiry of the Crown Guarantee.

These achievements show that progress has been made over the year, notwithstanding the difficult global economic conditions the business has faced across its key markets. While our financial goals for Appliances have not been met this year we have continued to invest for the future.

The Finance business delivered a record normalised result and continues to build on the strength of Q Card and Farmers Finance Card. There are opportunities to continue to grow the business further, without losing focus on the core business of providing consumer point of sale solutions.

Overall we remain committed to generating a healthy yield for shareholders in the future.

Group Results

In New Zealand dollar terms, Total Revenue and Other Income decreased by $83 million to $1,038 million.

Appliances' revenue was down 7.6% from $965 million to $891 million on lower volumes and unfavourable foreign exchange translation effects. Sales in Australia were down 2.4% in local currency terms compared to the previous year. As foreshadowed in

GROUP REVENUE	YEAR		6 MONTHS	
	31 March 2012 NZ$000	31 March 2011 NZ$000	31 March 2012 NZ$000	30 Sept 2011 NZ$000
Appliances business				
New Zealand	**159,829**	162,429	**81,652**	78,177
Australia	**410,493**	419,035	**214,505**	195,988
North America	**165,766**	207,883	**75,882**	89,884
Europe	**64,304**	81,330	**34,997**	29,307
Rest of World	**74,393**	69,505	**36,461**	37,932
	874,785	940,182	**443,497**	431,288
Appliances business other sales of goods revenue	**4,701**	12,217	**1,295**	3,406
Appliances business sales of service	**11,963**	12,654	**5,811**	6,152
Total Appliances	**891,449**	965,053	**450,603**	440,846
Finance business	**139,719**	145,289	**69,417**	70,302
Other Income	**6,790**	10,601	**3,497**	3,293
Total Revenue & Other Income	**1,037,958**	1,120,943	**523,517**	514,441

the first half, sales in North America declined as that business focused on profitable sales. European sales decreased by 17.7% on the last year in local currency terms.

Finance business revenue was down slightly from $145 million to $140 million as a result of continued soft retail market conditions in New Zealand.

Items affecting comparability

The Group recorded three one-off items during the financial year, which together resulted in a net charge of $10.7 million before tax compared to a gain of $5.1 million for the previous year. The three one-off items were:

- **Onerous lease:** A provision was made for the estimated unavoidable costs associated with a warehouse lease in Chicago, USA. This resulted in a charge of $2.7 million before tax.
- **Fair valuation adjustment:** The fair value of the remaining East Tamaki property held for sale has been reassessed on a vacant possession sale basis. This resulted in a further charge of $1.2 million before tax. The remaining property titles at East Tamaki continue to be offered for sale.
- **Litigation costs:** In respect of litigation costs, a case was heard in the High Court at Auckland, New Zealand in late 2011. A judgement on this issue is now expected this year. There are complex legal issues and a range of possible outcomes. Accordingly, the Directors took the prudent decision at the half year to make a provision given this uncertainty. This amount, together with subsequent further legal costs, has been reported as litigation costs in the Financial Statements. Litigation costs for the current financial year were $6.8 million, with a $0.9 million increase in the second half.

Depreciation and Amortisation

The charge for depreciation and amortisation was $40.6 million for the year ended 31 March 2012, compared to $40.9 million for the previous year.

Capital Expenditure

Total capital expenditure for the Group on a cash flow basis was $50.5 million for the year ended 31 March 2012. Capital expenditure for the Appliances business at $48.3 million accounted for the majority

ITEMS AFFECTING COMPARABILITY	YEAR		6 MONTHS	
	31 March 2012 NZ$000	31 March 2011 NZ$000	31 March 2012 NZ$000	30 Sept 2011 NZ$000
Fair Valuation of Non-Current Assets held for Sale (East Tamaki site)	**(1,241)**	(500)	**(1,241)**	-
Onerous contracts	**(2,694)**	(882)	**(147)**	(2,547)
Profit on Sale of Land & Buildings	**-**	6,508	**-**	-
Litigation costs	**(6,774)**	-	**(857)**	(5,917)
Total Items Affecting Comparability	**(10,709)**	5,126	**(2,245)**	(8,464)

DEPRECIATION AND AMORTISATION	YEAR			
	31 March 2012 NZ$000	31 March 2011 NZ$000	31 March 2010 NZ$000	31 March 2009 NZ$000
Appliances business	**31,667**	32,550	38,096	50,625
Finance business	**8,959**	8,343	8,010	7,864
	40,626	40,893	46,106	58,489

of the investment which was primarily focused on new product development and new motor supply agreements signed in 2011. Of the total spend for Appliances, $22.2 million relates to the two new motor contracts signed in 2011. Total capital expenditure for the Group increased by $22 million compared to the previous year.

Cash Flow and Group Net debt

Cash flow from operating activities, before the movement in loans to Finance business customers, was $117 million compared to $113 million for the previous year.

Group Net Debt (excluding operating borrowings for the Finance business) as at 31 March 2012 was $65.2 million, compared to $100.2 million as at 31 March 2011.

Appliances Business

Appliances' revenue at $891 million was down 7.6% compared to the previous year. This reflected weaker retail market conditions, rebalancing volumes for profitable sales, in particular in North America, and unfavourable currency translations effects.

Appliances' gross margin, as a percentage of sales, increased by 0.9 percentage points to 31.2%. Gross margin in dollar terms declined by $13.5 million to $278 million as a result of lower volumes and higher raw materials and freight costs.

Overheads were also lower as a result of cost savings, notably in North America, and favourable currency translation effects. The North American sales and customer services business reported an operating

CAPITAL EXPENDITURE IN CASH FLOW TERMS	YEAR			
	31 March 2012 NZ$000	31 March 2011 NZ$000	31 March 2010 NZ$000	31 March 2009 NZ$000
Appliances business	**48,313**	24,263	29,738	71,768
Finance business	**2,163**	4,078	2,036	2,282
	50,476	28,341	31,774	74,050

APPLIANCES BUSINESS FINANCIAL PERFORMANCE	YEAR		6 MONTHS	
	31 March 2012 NZ$000	31 March 2011 NZ$000	31 March 2012 NZ$000	30 Sept 2011 NZ$000
Operating Revenue	**891,449**	965,053	**450,603**	440,846
Normalised Operating Profit/(Loss) before Interest and Taxation				
- Appliances business	**11,282**	23,675	**13,656**	(2,374)
Items affecting comparability				
- Onerous contracts	**(2,694)**	(882)	**(147)**	(2,547)
- Fair Valuation of Non-Current Assets held for Sale (East Tamaki site)	**(1,241)**	(500)	**(1,241)**	-
- Profit on Sale of Land & Buildings	**-**	6,508	**-**	-
Reported Operating Profit before interest and Taxation	**7,347**	28,801	**12,268**	(4,921)
Gross Margin	**31.2%**	30.3%	**30.7%**	31.8%
Operating Margin*	**1.3%**	2.5%	**3.0%**	-0.5%
Invested Capital	**379,104**	419,098	**379,928**	408,806
Return on Invested Capital**	**3.0%**	5.6%	**5.6%**	3.6%

*Normalised Operating Profit before Interest and taxation to Operating Revenue
**Last 12 months normalised operating Profit before Interest and taxation to Invested Capital

profit before interest and tax of $0.9 million compared to a loss of $9.8 million for the previous year.

Normalised operating profit before interest and tax improved in the second half of the year to $13.7 million compared to a loss of $2.4 million in the first half. As signalled in the Interim Report, the full year result was negatively impacted by transactional hedging losses of $25.6 million, of which $5.3 million was incurred in the second half.

Return on invested capital declined from 5.6% as at 31 March 2011 to 3.0%, reflecting lower earnings and capital expenditure that will start generating a return in financial year 2013 (FY13).

MARKET REVIEWS

Appliances' revenue, by geographic region and local currency, has been compared to the previous year in the table below. Revenues continue to be impacted by weak retail market conditions, currency translation effects and intense competition across all markets.

New Zealand

Appliance imports for the industry were down 5.0% in unit terms compared to the previous year and market demand for appliances did not recover post the Rugby World Cup. Record low building consents in New Zealand were also a contributing factor to weaker demand conditions. Competition was intense as suppliers chased sales in soft retail market conditions, via a combination of selected price reductions and discounting.

Appliances' revenues were down 1.6% on the previous year, however, second half revenues were up 0.6% on the previous corresponding period. Fisher & Paykel branded volumes were flat compared to last year, however, market share increased in unit terms. The reduction in Fisher & Paykel brand revenues was due to selected price discounting, however gross margin increased due to product mix improvements. De Longhi branded sales through third party distributors also declined and contributed to lower overall sales for the year. Spare parts sales were lower due to improved product quality.

Haier sales continued to grow as additional products were added to existing distribution channels.

Australia

The Australian home appliances market decreased by 0.2% in unit terms compared to the previous year. However, there was a significant slow down in the second half of the financial year when the market declined by 2.2%.

Weaker consumer confidence and record low building consents negatively impacted retail sales. The 2012 financial year was characterised by intense competition as suppliers passed on the benefits of a high currency to consumers through selected price reductions.

Australian revenue was down 2.4% in local cur-

APPLIANCES REVENUE ANALYSIS IN LOCAL CURRENCY

		YEAR		6 MONTHS	
		31 March 2012 NZ$000	31 March 2011 NZ$000	31 March 2012 NZ$000	30 Sept 2011 NZ$000
Appliances business					
New Zealand	NZD	**159,829**	162,429	**81,652**	78,177
Australia	AUD	**316,955**	324,727	**166,486**	150,469
North America	USD	**134,684**	152,915	**63,049**	71,635
Europe	EUR	**36,733**	44,617	**19,663**	17,070
Rest of World	NZD	**74,393**	69,505	**36,462**	37,931
				-	
Appliances business other sales of goods revenue	NZD	**4,701**	12,217	**1,295**	3,406
Appliances business sales of service	NZD	**11,963**	12,654	**5,811**	6,152

rency terms, reflecting difficult market conditions. Fisher & Paykel brand revenue was down on lower volumes and selected price reductions. Market share in unit terms increased in the cooking segment, however, was down slightly across other categories. Haier brand sales continued to grow at the value end of the retail appliance market. Sales of spare parts were also lower due to further product quality improvements.

North America

The U.S. market contracted by 7.5% in unit terms compared to the previous year, in part due to the absence of Government stimulus incentives compared to the first quarter of financial year 2011 (FY11). Fears of a U.S. double dip recession and the European crisis negatively impacted consumer confidence in the first three quarters of the financial year. Early signs of economic improvement appeared in January and February this year, however, it is too early to determine whether this will be sustained. Notwithstanding the weaker demand environment, competitors increased prices in January 2012.

North American revenues were down 11.9% in local currency terms, due to a focus on profitable sales. Pleasingly, second half revenues were only down 1.8% in tough market conditions. Fisher & Paykel brand revenues were lower as the focus shifted to profitable sales, however gross margin improved due to an improved product mix. DCS brand sales were higher following the release of the DCS United indoor cooking range in the first half of the year.

The result also reflected lower component and technology sales in North America.

The focus on profitable sales and cost reduction activities resulted in the North American sales and customer services business reporting a segment operating profit before interest and tax of $0.9 million compared to a $9.8 million loss in the previous year. Pleasingly, gains from the first half were held through the fourth quarter, which is traditionally the weakest sales quarter for the business.

Other International markets

European sales were down 17.7% in local currency terms. Difficult market conditions continued in Ireland and the United Kingdom. Revenues were lower in part due to lower sales by our Italian factory to third party customers. In January 2012, distribution of Haier branded products commenced in Ireland.

Rest of World revenues increased by 7.0% in New Zealand dollar terms compared to the previous year, however, second half sales declined by 1.8%. Price increases and higher volumes were more than offset by unfavourable currency translation effects. As indicated in the Interim Report, Singaporean sales were lower compared to the previous year due to the Company ceasing the distribution of Whirlpool product on 1 April 2011.

During the year the Company commenced sales in India following an 18 month market assessment. The market entry strategy is to target the specifier, designer and architect community, starting with one distributor in the Delhi region. The Company views the Indian market as a long term growth opportunity.

Haier Relationship

The relationship with Haier continues to develop with further milestones achieved in the past year.

In March 2011, the Company announced a component and technology supply agreement with Haier for the development, design and manufacture of direct drive washing machine motors for the Chinese market. The installation and commissioning of the manufacturing plant has been completed in Thailand and first commercial volumes were shipped to Haier in April 2012.

The sale of Haier branded product in Australia and New Zealand continues to grow as new products are added to the portfolio. As mentioned previously, Fisher & Paykel commenced distribution of the Haier brand in Ireland in January 2012.

Sales of Fisher & Paykel branded products in China have been slower than expected. The process for certification of product for the China market has been frustratingly slow and for many products will not be completed until the end of the calendar year. As a result of slower than expected sales, the Company is boosting support in China to assist Haier to deliver increased sales of Fisher & Paykel branded products.

The relationship continues to grow and both companies are working on other mutually beneficial opportunities.

Appliances Business Strategy

The business has been focused on delivering Five Main Things to improve the return for our Shareholders. Our Strategic Plan has two main themes, to improve the core appliances business and seek to monetise our technology investment.

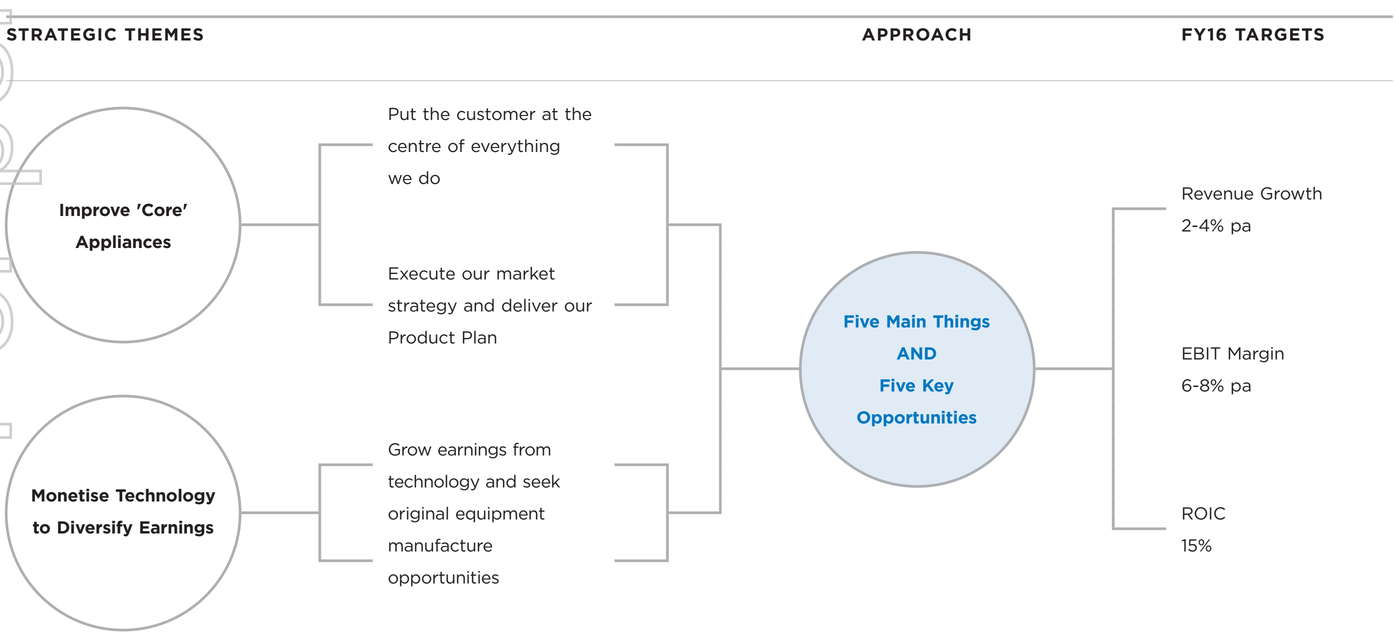
The Appliances business is focused on our customers and we put our customers at the centre of everything we do. This is across all aspects of our business to ensure we deliver premium customer experiences, products and services. As a business we will continue to drive technology innovation, but also bring innovation and creativity across all touch points in the business to improve everyday life for our customers. We have a clearly focused market strategy and are delivering our product development plans.

A key aspect of our strategy is to diversify earnings by growing our component and technology business and explore the potential to expand our original equipment manufacturing business. Examples of this strategy in action include the two new direct drive motor contracts signed in the last year and our new compressor technology developed in conjunction with Embraco. We will seek to explore other options to monetise our technology investment in a way that is complementary to building the core appliances business.

A strong Fisher & Paykel brand is critical to the future of our components and technology business as we need to demonstrate to other appliance manufacturers our ability to deliver world leading technologies.

We continue to focus on Five Main Things, an element of which includes Five Key Opportunities for the business (see pages 18 and 19).

Financial targets for financial year 2016 (FY16) have been set, including revenue growth 2% – 4% per annum, earnings before interest and tax margin (EBIT Margin) of 6% – 8% and a return on invested capital (ROIC) of 15%. Our investment in product development, quality, brand and people in recent times will start to improve results this year and we will continue to build towards reaching our financial goals.



Five Main Things

We continue to focus on the Five Main Things in the business.

We will execute our Marketing and Product Plans to provide consumers with an experience and products that exceeds their expectations. To achieve this goal the business has increased investment in products, brands and people over the past few years. We are committed to ensuring that the quality of our products and services delivers customer satisfaction, which builds the reputation and value of the Fisher & Paykel brand. We continue to make improvements in product quality and have now achieved best in class across many categories.

Our market strategy is well defined and targeted. We will protect and grow our home markets of New Zealand and Australia, whilst seeking profitable growth in niche market segments in North America and in other countries. China and India are long term growth options, as both markets are expected to experience double digit growth per annum in appliances sales over the next five years. We are taking a low cost entry approach to build a niche position in the commercial segment in selected cities.

We continue to implement the business excellence framework to build best in class processes and deliver continuous improvement across the business.

We continue to create the right environment to recruit and retain talented and passionate people needed to achieve our goals.

Cost reduction is focused on lean thinking as a key principle across the Group, and we must continue to optimise costs across all aspects of the business to remain competitive.

Five Key Opportunities

Fisher & Paykel Appliances has a 100 year heritage in cooking and is well positioned to leverage both the Fisher & Paykel and DCS brands to grow earnings. We have increased our focus in the cooking category, as evidenced by new products, the "Social Kitchen" branding, improved product training and online content like "Our Kitchen" cooking blog. In addition, our sponsorship of food and cooking events such as New Zealand Masterchef and the Australian Good Food & Wine show, has increased. We are leveraging the cooking opportunity in the context of our wider kitchen strategy.

FIVE MAIN THINGS

Delivering Customer Benefits	Customer focused, differentiated products
	Brand experience
	Product innovation
	Focus on quality
	Environmental
Disciplined Market Growth	New Zealand and Australia — protect and grow home markets
	North America — profitable growth
	Rest of World — profitable sales
	China/India — long term options to access growth markets
	Alliances — Haier, Whirlpool and others
	Components & Technology — build expertise and diversify earnings
Business Excellence	Organisational excellence framework
	Structures and systems
Organisational Capability	People and leadership
	Talent management
Cost Reduction	Consolidate manufacturing cost reduction
	Ongoing review of manufacturing facilities
	"Delivering Profitable Growth" program
	Lean thinking — raw materials and overheads

North America is a potential growth market for the Company. Over the last two years the North American business has been resized to focus on building a strong niche market position for both the Fisher & Paykel and DCS brands. In the next few years, new product releases and a refocused business model are expected to deliver earnings growth for the Company.

We have commenced our global manufacturing review to ensure our manufacturing facilities are operating at the fore-front of advanced manufacturing technologies and processes. In addition, we are also reviewing the location of our manufacturing facilities that remain in high cost labour locations to ensure that our products remain competitive in the long term.

Growth in components and technology has been a feature during the past year with the addition of two new direct drive motor contracts. The business is targeting revenue of $120 million to $150 million by financial year 2016. We have three foundation customers which should deliver between $56 million to $86 million in financial year 2014.

We are also exploring opportunities to commercialise our technology beyond the reach of the Fisher & Paykel brand and we are actively exploring partnership opportunities with Haier.

In summary, the Strategic Plan sets out the roadmap for the business over the next four years. We have aligned our activity to this Plan to ensure we achieve our operating and financial goals and deliver a healthy return for our Shareholders.

FINANCE BUSINESS

The Finance business reported a solid result for the year ended 31 March 2012. Operating profit before interest and tax (including operating interest) was down $3.7 million to $31.0 million after provisioning $6.8 million for litigation costs. Please refer to Note 8 of the Financial Statements in the Annual Report for an explanation of the litigation costs.

Normalised operating profit before interest and tax of $37.8 million was up 9% from $34.7 million the previous year.

The improved result was built on higher net margins, cost containment and a continued focus on credit management.

Although operating revenue was lower and operating costs increased due to promotional expenditure, these were offset by lower bad debt expenses.

Operating revenue decreased from $145.3 million to $139.7 million. Interest expense was marginally down, reflecting lower funding costs and lower volumes of new lending.

The bad debt expense to gross receivables ratio decreased from 3.1% to 1.8%. This partly reflected the full reversal of the $2 million Christchurch earthquake provision which was established in FY11. As it transpired, this was not required.

Operating costs increased by $5.4 million (excluding litigation costs) primarily as a result of increased promotion related to the Q Card product.

Net finance receivables increased by 1% in the

FIVE KEY OPPORTUNITIES

STRATEGIC THEMES	KEY OPPORTUNITIES	OUTCOME
Improve 'Core' Appliances Earnings	**1. Cooking Strategy**	Category growth
	2. North American Distribution	Improve profitability
	3. Global Manufacturing Review	Advanced manufacturing Reduce product costs
Monetising Technology To Diversify Earnings	**4. Components & Technology**	FY16 Revenue target $120m—$150m
	5. Original Equipment Manufacture (OEM)	Commercialise "know—how" beyond Fisher & Paykel brand market reach

second half to $594 million, however, were down 1% on March 2011 levels. Growth in the second half reflected a strengthening promotional program with the Farmers Trading Company. Q Card receivables were flat on March 2011 levels, with new receivables growth offsetting the loss of a major account representing approximately $50 million in receivables. Farmers Finance Card receivables declined by 3% on March 2011 levels, however, increased by 1% on September 2011 levels. Farmers fixed instalment business declined from $13 million last year to $10 million. Bulk funding receivables were down $2 million to $74 million.

Total external debt funding at 31 March 2012 was $551 million. The Finance business continues to maintain a diversified funding portfolio represented by retail debentures (21%), RFS commercial paper (37%) and term wholesale bank debt (42%). The business continued to maintain surplus liquidity in the form of undrawn term and standby committed banking facilities. The Finance business has successfully navigated the expiry of the Crown Deposit Guarantee Scheme on 31 December 2011. Monthly retail debenture reinvestment rates have increased post 31 December and the reinvestment rate in March 2012 was 89%. As a result of increased retail debentures, the Finance business intends to remove $85 million of wholesale banking facilities that were principally put in place to cover any shortfall in debenture funding post the expiry of the Crown Deposit Guarantee. Net of this reduction undrawn term and standby committed banking facilities amounted to $152 million as at 31 March 2012

During the year further steps were taken to strengthen the funding position of the Finance business and the Non Bank Deposit Taker, Fisher & Paykel Finance Limited. Fisher & Paykel Appliances Holdings Limited injected a further $8.5 million as capital into Fisher & Paykel Finance Limited to take the capital adequacy ratio to 15.27% compared to the minimum requirements of 8.0%. Fisher & Paykel Finance Limited, as a Non Bank Deposit Taker, has maintained a long term issuer credit rating of 'BB' (Stable Outlook) from Standard & Poor's.

Finance Business Strategic Direction

There are opportunities to continue to grow the business without losing focus on the core business of consumer point of sale solutions.

We want to grow Q Card and Farmers Finance Card receivables and enhance our other offerings in the market.

Going forward the business is focused on the following growth opportunities:

- Fully develop the partnership with Farmers Trading Company;
- Broaden merchant reach (target to move from 15% to 20% in the next two years);
- Target new retail channels, for example, the health and agriculture sectors;
- Promote customer loyalty to retailers;
- White label opportunities for retail stores;
- Expand gift and cash card offerings;
- Deliver further technology solutions to customers including digital and on-line;
- Consider selective acquisitions of core portfolio receivables.

FINANCE BUSINESS FINANCIAL PERFORMANCE	YEAR		6 MONTHS	
	31 March 2012 NZ$000	31 March 2011 NZ$000	31 March 2012 NZ$000	30 Sept 2011 NZ$000
Operating Revenue	139,719	145,289	69,417	70,302
Normalised Operating Profit before Interest and Taxation (including Operating Interest)	37,814	34,722	19,447	18,367
Items affecting comparability				
- Litigation costs	(6,774)	-	(857)	(5,917)
Reported Operating Profit before Interest and Taxation (including Operating Interest)	31,040	34,722	18,590	12,450
Net Finance Receivables	594,532	601,595	594,532	589,337

People

I would like to acknowledge the significant contribution of our staff over the past year. Their talent, passion, creativity and dedication have been instrumental in positioning the Company for the future. I am grateful for the efforts made by the Fisher & Paykel team across both Appliances and Finance and believe we have the momentum to make further advancements this year.

I would also like to thank our suppliers, customers and business partners for their continued support during the year.

SUMMARY

In the next financial year our investment in product development, quality brand and direct drive motors will start to deliver results. This is an exciting prospect as we deliver new refrigeration, laundry and cooking products to the market and the two direct drive motor contracts commence. While market conditions are expected to remain difficult, our strategic roadmap provides clarity and direction for the business and we are aligned to delivering on the Five Main Things and Five Key Opportunities.

The Finance business has continued to perform in difficult retail market conditions and is a world-class consumer point of sale finance business. We see opportunities to further grow this business over the next few years within its core capabilities.

The business has come a long way in the past three years and the balance sheet is now in a much stronger position. Going forward I am looking forward to meeting the challenges of the next few years as we deliver on our strategic plan and generate a healthy return for our Shareholders.

S B Broadhurst

Managing Director & Chief Executive Officer

24 May 2012

A GLOBAL BRAND

2012 SAW THE FURTHER DEVELOPMENT OF A BRAND AND COMMUNICATIONS STRUCTURE TO SUPPORT FISHER & PAYKEL'S BUSINESS OBJECTIVES AND PROVIDE CLEAR FOCUS FOR A GLOBAL BRAND PLATFORM.

The aim is to refresh, realign and reposition the brand globally over a medium-term horizon, in tandem with other initiatives including our product development strategy.

When we talk about brand, we mean the sum of all experiences, large and small, that people have with Fisher & Paykel. Our brand is our company-wide reputation, not just our logo.

We have taken our products to the world. Now we need to support them with the stories that build our reputation beyond high performance products to a brand that people aspire to have in their lives.

OUR BRAND VALUES

REAL
GENEROUS
HUMAN
CURIOUS

Real
Our brand has real substance and is delivered with integrity by ordinary people with extra-ordinary skill and commitment to build relationships with our customers through trust and reputation.

Generous
We care about our customers, our people and our planet and have a willingness and spirit of openness throughout our business.

Human
Life is about routine as much as it is about the unexpected, and we cater for both. Our customers are people with routines and rituals, expectations and surprises, busy and quiet times, joys and tragedies.

Curious
We understand the dynamic nature of modern living. We're curious about the world and how people live, wherever they may be. Our outlook is global, but we understand each local neighbourhood.

EVERYDAY PREMIUM

OUR POSITIONING IS EVERYDAY PREMIUM. FOR US, THIS MEANS HIGH QUALITY AT AFFORDABLE PRICES AND ASPIRATIONAL DESIGN THAT IS ACHIEVABLE TO OWN.

OUR BRAND VISION

TO BE THE MOST HUMAN-CENTRED APPLIANCE BRAND IN THE WORLD.

Our Positioning
Everybody deserves product that is well designed, with real value and substance. We are in the middle and upper middle positions in the market, over the best of the conventional offerings and below the ultra-premium solutions. This is where our heritage and legacy has brought us and where we can add real value.

Our Brand Goal
The goal is to create an everyday premium brand that is very aspirational yet still accessible; a brand that continues to be human-focused and real. One that people are proud to be part of, whether they are consumers, distributors, employees or shareholders.

At the heart of the Fisher & Paykel story are people looking for the innovation that changes the everyday into something out of the ordinary. It appeals to our basic human desire to live life and improve it. Our brand voice sets the tone for the way we look, sound and communicate.

All brand communications over the past year have been executed with this vision in mind. They have been varied and wide-reaching.

OUR DESIGN PHILOSOPHY: DESIGN FOR REAL LIFE

We are curious about people. How they live, where they live, what they do and how they use things. This is where hidden insights wait to be uncovered. We are curious not only with the function and performance of our products but with the emotional role they play in peoples lives. For us, design is not a self-serving goal; it is a human endeavour to make life better.

Continuous innovation is part of the Fisher & Paykel design philosophy. As evident in the release of the Phase 7 DishDrawer™, we have applied valuable research insights to deliver a product that is considerably more in tune with the way that humans are living their lives.

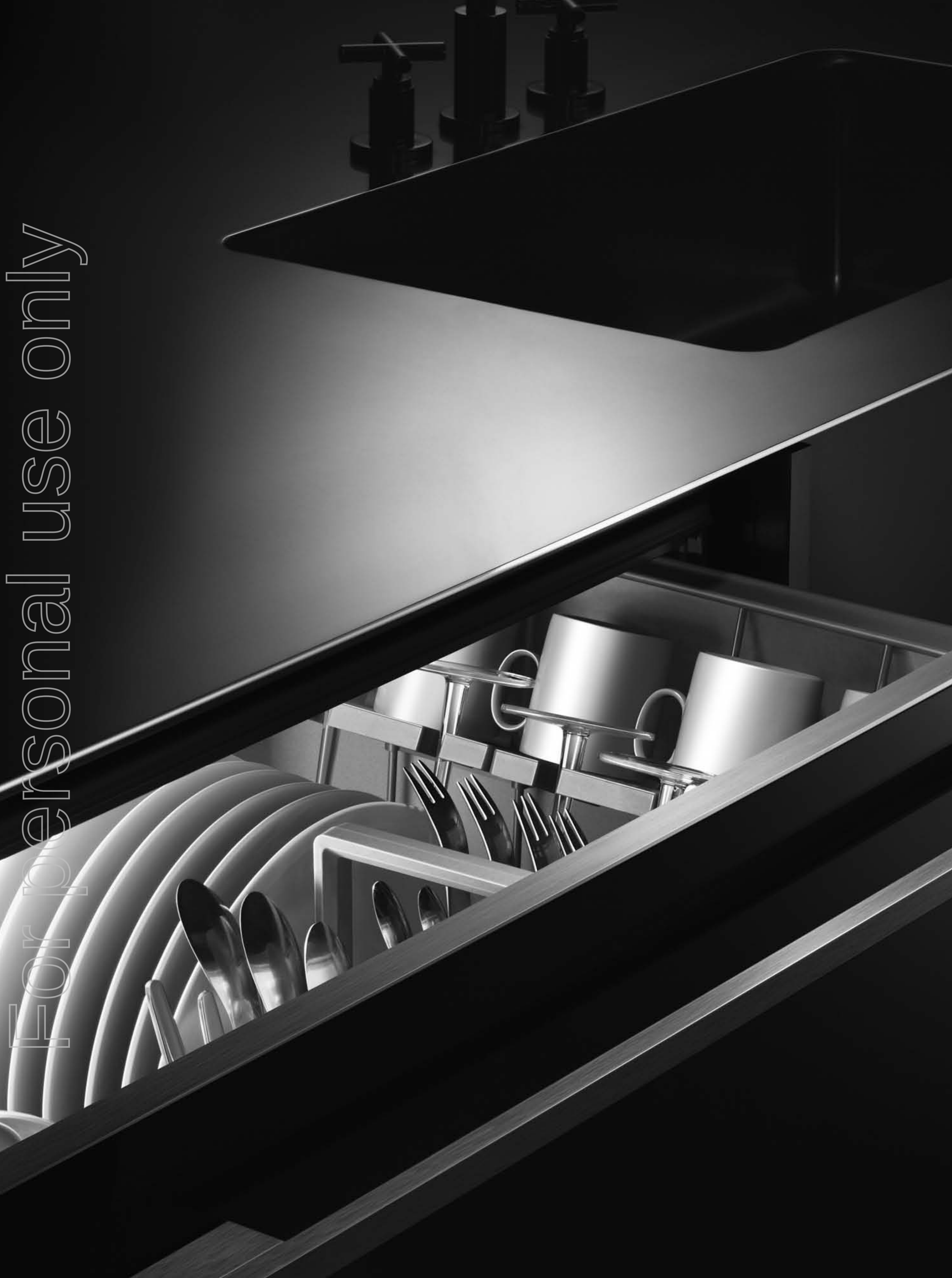
We live in a designed world and we believe everybody deserves good design. who use our products day in and day out. The ongoing collaboration between design engineers and customers has changed the course of appliance design for us as a company and for those who use our products day in and day out. Our future will be built on fostering this spirit of collaboration and curiosity.

DISHDRAWER™
PHASE 7

Released in 2012, the latest DishDrawer™ dishwasher continues to change the way people wash their dishes.

The Phase 7 DishDrawer™ brings a new level of performance and quality into the kitchen. Range improvements include: pitch adjustable racking that can also be folded flat for large items and accommodate plates and deep bowls, improved fit for seamless installation into kitchen cabinetry, a wireless badge to provide uninterrupted surfaces on integrated models, reduced operating sound and an increase in wash and energy performance.

We have found new ways to improve usability, increasing the height of the drawer to allow for even larger plates and platters. No longer limited to one size of DishDrawer™ dishwasher, a wider version has been developed to suit smaller families. We all know every kitchen is different. The DishDrawer™ family is designed for choice and convenience, offering multiple configurations, along with a choice of material finishes to integrate seamlessly into new and existing kitchen designs.



GAS ON GLASS COOKTOP

The Gas on Glass cooktop range combines the cleanability of the highest quality glass surface with the efficiency of gas cooking. It delivers total cooking precision through the latest burner technology and elegant stainless steel controls. Gas on Glass is a modular family of appliances, available in a range of sizes to suit every home.

Premium quality materials and finish are strong design cues in the Gas on Glass cooktop range. Trivets of heavy duty cast iron sit alongside black glass and a polished stainless trim, a combination that signifies this range of everyday premium product.

COMPANION PRODUCTS

The Companion Product range has been designed to complement any kitchen. The range includes a Coffee Maker, Steam Oven, Compact Oven and Combination Microwave Oven, offering a complete modular family. Whether it's a fresh coffee in the morning, a healthy steamed lunch or a quick ready-made meal in the evening, the companion product range takes convenience to a new level.

Each product is based on standard dimensions and can be easily configured to suit the kitchen — whether it is stacked vertically, placed side by side in a linear fashion or configured in a Two x Two Block. Any combination will deliver a unified built-in solution. Design features including capacitive touch controls, standard fascia height and brushed handles, Stopsol glass and chrome trim ensure the Companion Products sit perfectly alongside the broader Fisher & Paykel range.

FRENCH DOOR REFRIGERATOR

The refreshed French Door Refrigerator was launched late 2011. As the hero product of Fisher & Paykel's refrigeration range, the French Door Refrigerator is powered by our latest refrigeration development: ActiveSmart™ Technology, embodying our sophisticated knowledge of food care.

This technology means that at the heart of Fisher & Paykel refrigerators is the ability to sense and respond to daily use in an intelligent way. The combination of temperature sensors with smart electronics and variable speed fans creates a controlled environment and optimum temperature for better food care.

Combining Ice & Water features with ergonomic sliding drawers and a large 610 litre capacity, the French Door Refrigerator provides the ultimate food care solution.

POWERED BY
SMARTDRIVE™

At the heart of all Fisher & Paykel washing machines is the ability to sense and respond to each load in an intelligent way. The combination of a direct drive motor with smart electronics means greater reliability and better performance. We call it SmartDrive™ technology.

ACTIVESMART™
TECHNOLOGY

At the heart of Fisher & Paykel refrigerators is the ability to sense and respond to daily use in an intelligent way. The combination of temperature sensors with smart electronics and variable speed fans creates a controlled environment and optimum temperature for better food care. We call it ActiveSmart™ Technology.

ENVIRONMENTAL RESPONSIBILITY

Fisher & Paykel Appliances Holdings Limited ("Fisher & Paykel") has long been committed to environmentally conscious operations as a business, and to creating new products that increasingly limit the impact on the environment's natural resources.

New Zealand's clean, green reputation has formed part of our philosophy for decades. Today we strive to emphasise sustainability in everything we do, from comprehensive recycling programmes in New Zealand and abroad, to continual energy and water consumption reduction efforts both in manufacturing and new product design.

Efficiency

Fisher & Paykel aims to meet the highest industry standards with our appliances achieving top ranking results with Energy Star and WELS water ratings. Over the past thirty years our appliance energy and water usage has decreased across all our appliances.

The most dramatic result in energy use is from the highest-consuming whiteware appliance in the house, the refrigerator, which has reduced energy consumption on average by over 60 percent. Water use by our dishwashers and clothes washers has also decreased, with these appliances now using around 55 percent and 80 percent less water on average respectively.

Last year we launched our world-leading, revolutionary refrigerator compressor design that is up to 35 percent more energy efficient than conventional compressors and further reduces the consumption of the most energy-hungry appliance in the home. The compressor is now in trial and will be entering the market in the next couple of years. We continued our environmental improvements in 2012, this time in the laundry with our unique Direct Drive motor technology providing eco-friendly engineering and design innovation behind our new suite of washing machines.

When we developed Direct Drive motor technology 20 years ago, the focus was on delivering higher performance and reliability in our washing machines at a lower cost to the consumer. Today, the Direct Drive motor technology continues to evolve and play a powerful role, enabling new efficiencies across the upgraded SmartDrive™ washing machine range. Consumers can now select machines based on their household's unique needs, be it top water and energy efficiency or optimal clothes care for a longer-wearing wardrobe, all due to technology developments at the core.

Local Product Stewardship

Fisher & Paykel appreciates that the environmental impact of an appliance continues long after it leaves the factory gate. Taking responsibility for our products throughout their life cycle, we opened our appliance recycling operation in New Zealand nearly two decades ago. Through this initiative, Fisher & Paykel is able to save around 25,000 appliances from landfill each year and enable the re-use of bulk materials.

Alongside appliance recycling, we recently launched a local programme for operational appliances ten years or older in partnership with the Energy Efficiency and Conservation Authority (EECA).

Called 'Take Back', this initiative offers free collection of working but unwanted refrigerators and freezers in New Zealand's main centres. As well as recycling these products, we report back to EECA, calculating the amount of energy saved from the appliance's decommissioning and replacement with a more efficient, modern model. 'Take Back' has so far collected more than 650 refrigerators and freezers, delivering a total estimated energy savings of 394MWh/y, or enough energy to power around 200 homes over a year.

Global Initiatives

Across the globe our people are similarly committed to reducing our environmental footprint through aggressive waste reduction and energy reduction targets. We are successfully meeting our own high targets in each country we are located and comply with the strict emissions rules specific to each country.

Our goal is to continually reduce our emissions and apply the principle of reduce, re-use and re-cycle to all of our process waste in all markets in which we operate.

OUR COMMUNITIES

Across the globe, Fisher & Paykel's people share a drive to help the communities in which we are located. To do this we forge relationships with key community organisations who, at a local level help us identify the people most at need, and the things they need most to assist them.

Regional Responses

At the heart of our business lie two core areas — our appliances and our people. Both are integral to the initiatives through which we can demonstrate support to our local communities.

From New Zealand to Italy and in between, Fisher & Paykel acts locally to support projects close to our people, their families, and our customers. Our outreach can be through donated appliances, community sponsorship, grass roots charity funding, schools initiatives, or simply, people power.

Our people's expertise ranges across engineering and design, to sales and marketing, manufacturing and customer service, so their guidance can be invaluable when donated to assist with community projects.

In many of the markets we reside, Fisher & Paykel taps into the community in areas where we can assist through local activity. In New Zealand for example, Recycling Days are just one way our people can engage with the community to make a difference. As part of our ongoing appliance recycling effort we host these days where the public is invited to drop off any retired whiteware appliances to our main centres for free. Not only are we able to save thousands of tonnes from landfill as a result, but these events provide an easy recycling option for the public and an opportunity to meet our neighbours.

Our Auckland Head Office has also long supported an initiative to recognise hardworking students from three local schools in the East Tamaki and Otara area, The Young Endeavour Award. As part of the programme, Fisher & Paykel participates in the judging alongside the schools, provides trophies and certificates, an exciting field trip for the winning students and a donation to assist with school fees and materials.

Further afield in Thailand, our factories have consultative committees made up of staff representatives and management who consider the requests that come in from the community. One example of the many donations made to schools, orphanages and underprivileged groups is the annual end of year food packs donated by staff members and supplemented by company donations, which are then sourced by local Monks and distributed to those in need among the community.

In Mexico the team has multiple initiatives to support its communities, from donations of native trees to ecology units for study and redistribution where needed, to appliances donated to educational institutions for the students' investigations into new technologies. Like so many others in the Fisher & Paykel family, Mexico is an active supporter of those communities affected by natural disasters, donating essential supplies and fundraising to help people get back on their feet.

Helping Hands in Hard Times

Providing practical responses to communities in need is an integral part of our culture in every region we operate. The worldwide Fisher & Paykel family rally with fundraising to support relief efforts for the communities in which we operate.

In New Zealand for example, the region of Canterbury has continued to be rattled by unsettling aftershocks following the devastating earthquakes that destroyed communities in 2010 and 2011. As communities gather in a now-familiar response to support one another, our people continue to provide appliances to community service centres when needed and help relief efforts as required, to get this stoic region through.

When Australia felt the impact of the Queensland floods in 2010 our people rallied to respond with relief efforts in the community and assistance provided to relief organisations like the Red Cross.

Culinary Coaching

The kitchen has always been the heart of the home and it is still where families and friends share their lives, even in today's busy world. Enjoying a feast with family and friends is one of life's simple pleasures and Fisher & Paykel designs products specifically to make cooking easier, more enjoyable and more social.

As an extension of this driving product philosophy, our New Zealand, Australian and US markets are passionate supporters of a range of cooking schools, community programmes, events and shows. One new programme we support in New Zealand is called 'Garden to Table', where school children are taught how to eat healthily and create meals from items they've grown themselves.

These are just some examples of our community "hand up" in action across our global markets. Our philosophy is to support the communities in which we live, or where our customers reside, and through our people, expertise, funding and products we can be the helping hand that assists these neighbourhoods where they need it most.

OUR PEOPLE

Fisher & Paykel is renowned for its leading-edge, human-centred products, and it is ultimately the human element of our Company – our people – that drive this innovation and excellence. Their knowledge and commitment is the foundation on which Fisher & Paykel builds its reputation. From product design to point-of-sale, it is our excellent people, working together, who have set the Fisher & Paykel brand apart.

A Wellness Strategy

The health of our people is critical to the strength of our business and a focus that transcends divisions through Company-wide involvement and leadership. Wellness programmes across the business, such as Fisher & Paykel Finance's recently awarded programme in New Zealand, are delivering marked improvements in the overall health and wellbeing of our staff. The programmes are also contributing to health and safety risk reduction and outcomes, and downward trends in sick leave and turnover.

Sharing Our Design Stories

There is a story of fresh thinking behind every Fisher & Paykel appliance – stories of the people who challenged the norm and those who designed new ways of doing things. Fisher & Paykel takes great pride in sharing these design stories with our customers and regularly seeks opportunities to do so.

Displaying the talents from our flagship design centres in Auckland and Dunedin, events like Urbis Design Day are an opportunity for our designers and engineers to engage directly with our customers. Through their creation of bespoke design installations inspired by Fisher & Paykel's 'Social Kitchen' concept, our people are able to demonstrate the unique thinking and stories behind our appliances and discuss the impact of our designs with the people who use our products every day.

Globally Grown, Locally Honed

The pioneering spirit of our founders drove the early development of the business and that focus continues today as we expand globally. Key to our success in each market is the quality and consistency of our staff, all focussed on delivering the best customer experience possible. This is fostered by the high-quality leadership we have in each country we operate, enabling us to grow strong local teams united by a common purpose and belief in the Company's strategic direction.

Our growth internationally means the Fisher & Paykel of today is a rapidly changing business made up of a diverse range of people spread around the globe in Oceania, Asia, Europe and the Americas. While New Zealand remains the hub for our collective design and engineering expertise and home to around 44% of our employee base, our workforce is increasingly representative of the global nature of our business and the customers and communities that we serve.

With responsibility for more than 50 international markets, our New Zealand and Australian Call Centres act as a central point for both local and global markets, working to provide consistently high standards of customer support. As we expand, this service becomes intrinsic to the calibre and perception of our brand internationally.

Career Opportunities

The future of Fisher & Paykel is truly global and we encourage opportunities for career enhancement for our people both within their local markets and outside their borders as we grow the brand's strengths world-wide.

By helping to foster individual talent, we grow our collective expertise, and it is common to find our people on international assignments within the Company. From engineers to managers to those within our sales force, our people regularly head to our centres overseas and we welcome staff from abroad.

The recent global expansion of our Fisher & Paykel sales force mirrors our growing presence in markets like Canada, China and India. As we grow, so to do the career opportunities within our business. All the while, we strive to build talent through our product development pipeline to ensure our engineering capability remains strong and able to support our increased investment in research and development. Our global manufacturing teams are equally committed to quality and excellence in all they do, ensuring our products meet the highest standards of production.

Fisher & Paykel people remain united by a common belief in the Company's past track record of entrepreneurship and success, and a commitment from all markets to being part of its future success.


TIME TO GO
Delay Start
START/PAUSE
LIQUID BLEACH

KEITH TURNER, 61, was appointed Chairman of the Company in February 2011 and has been a Director since November 2010. Dr Turner is a now a professional director and is the Deputy Chairman of Auckland International Airport, a Director of Spark Infrastructure (in Australia) and a Director of Chorus, the newly established NZ telecommunications network operator. He is also currently Chairman of Solar City Limited. Dr Turner possesses extensive experience in the New Zealand energy sector. Most recently, he served for 9 years as Chief Executive Officer of Meridian Energy Limited from 1999 to 2008. Prior to that, he worked as a private energy expert advising a range of large corporate clients and Government. He has previously served in a number of industry reform functions that established the current New Zealand industry structure and has had many years in senior industry operations and planning roles. He has a PhD in Engineering and is a Distinguished Fellow of IPENZ

PHILIP LOUGH, 65, is a professional Director. His current roles include Chairman of Methven Limited and Quotable Value, Deputy Chairman of Port Nelson Limited and Director of Livestock Improvement Corporation. Mr Lough is the former Chairman of New Zealand Trade and Enterprise. He has had an executive career in building businesses in the dairy and seafood industries that have succeeded by developing a network of global distribution channels. His previous roles include the New Zealand Dairy Board, Mainland Foods, Ernest Adams, Sealord Group and Deputy Chief Executive of the New Zealand Dairy Board. Mr Lough holds a Bachelor of Technology and is a Fellow of the Institute of Directors in New Zealand.

STUART BROADHURST, 45, was appointed Managing Director and Chief Executive Officer on 11 December 2009. Mr Broadhurst has over 24 years industry experience in every aspect of the Company's global operations. Since 1988 he has held a number of senior management positions within New Zealand and Australia. He has been employed in key leadership roles for the Fisher & Paykel Appliances Group in the USA, the United Kingdom and Europe, where he project managed, established and developed major business units. Mr Broadhurst received a Bachelor of Commerce degree from the University of Auckland.

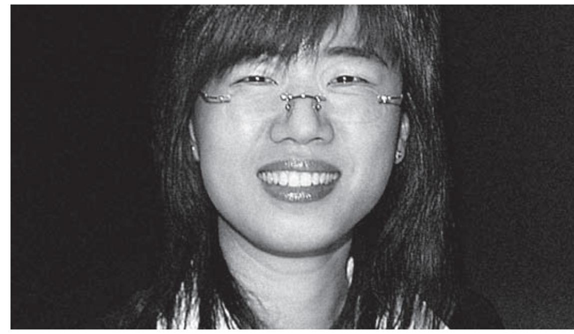
LIANG HAISHAN, 45, has been a Director of the Company since April 2011. Mr Liang has been Executive Vice President of Haier Group and President of Haier White Goods Group since 2007. Prior to his current roles, Mr Liang was Vice President of Haier Group and Managing Director of Haier Refrigeration Division since 2005. Between 2002 and 2005, Mr Liang was the Vice President of Haier Group and Managing Director of Haier Home Integration Product Division. Previously he was the Acting Vice President of Haier Group and Managing Director of Haier Logistics Division since 1999. Mr Liang joined Haier in 1988 and prior to his appointment to the position of Managing Director of Haier Air Conditioner Division in 1995, held a variety of positions in the manufacturing, engineering, QC and enterprise management departments. Mr Liang received a Bachelor Degree of Management Science & Engineering from Xi'an Jiaotong University and has a PhD Business Administration.

TAN LIXIA, 41, has been a Director of the Company since July 2009. Ms Tan was appointed as Senior Vice President of the Haier Group in 2010 in addition to her existing role as Chief Financial Officer. Previously, Ms Tan was Vice President of Haier Group Corporation and Director of the Finance Division of Haier Group Corporation, responsible for the Group's financial management including its risk, investment and financing strategies. Between 2002 and 2006 Ms Tan was the Director of the Haier Overseas Business Division, where she established Haier as a household name in overseas markets. Ms Tan has received awards for her outstanding contributions towards Haier's globalisation strategy as China's "Female Business Enterprise and Creator of the Year, 2006", China's "Chief Accountant of the Year, 2006", one of China's Top Ten Businesswomen in 2006, Chief Finance Officer of the Year, 2009 and Outstanding Entrepreneur in Shandong Province. Ms Tan is a 1992 graduate of the Central University of Finance and Economics and has an EMBA from China Europe International Business School in 2009.

LYNLEY MARSHALL, 52, has over 25 years experience in senior executive roles in the media and consumer product sectors across New Zealand and Australia. Mrs Marshall has expertise in competitive strategy, consumer markets, innovation, taking new technology and services to the market and multi-channel retail. She is Executive Director of the ABC Commercial Division of the Australian Broadcasting Corporation. Mrs Marshall was appointed to ABC in 2000 as Director of New Media and Digital Services and was responsible for the integrated delivery of ABC's digital content and multi channel services, development and delivery of Australia's first free-to-air digital television and broadband services. Prior to joining ABC she held a variety of executive positions in radio, television and new media in New Zealand. Mrs Marshall is a Non Executive Director of the Melbourne Jazz Festival. She is a member of the Australian Institute of Company Directors and has an Executive MBA from the University of Auckland.

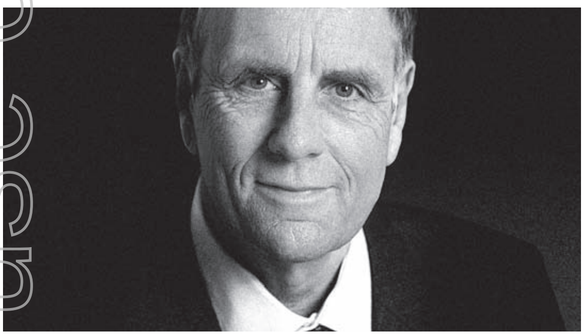
GARY PAYKEL, 70, was Chairman of the Company from April 2004 until he stood down from his role in November 2009. Mr Paykel remains a Director of the Company. Mr Paykel was Executive Chairman of the Company following the separation from Fisher & Paykel Industries Limited. He was a Director of Fisher & Paykel Industries from August 1979, Managing Director from April 1987 and Chief Executive Officer from December 1989. He was appointed Chairman of Fisher & Paykel Healthcare Corporation Limited (previously Fisher & Paykel Industries Limited) following the separation in November 2001. Mr Paykel joined Fisher & Paykel Industries Limited in 1960 and prior to his appointment to the position of Sales Director in 1985, held a variety of positions in the manufacturing, engineering, purchasing and sales departments. Mr Paykel is a Companion of the New Zealand Order of Merit.

BILL ROEST, 64 is the Chief Financial Officer of Fletcher Building Limited, having been appointed on the separate listing of that company in 2001. He had several leadership roles in the New Zealand finance sector before joining Fletcher Challenge Limited upon the acquisition of Group Rentals in 1986. Since then, he has been Managing Director of Fletcher Residential and Fletcher Aluminium before taking up his present position. Mr Roest is an Associate Chartered Accountant and a member of the Institute of Chartered Accountants of New Zealand and a fellow of the Association of Certified Corporate Accountants (UK).



From top Left: Keith Turner, Philip Lough, Stuart Broadhurst, Liang Haishan, Tan Lixia, Lynley Marshall, Gary Paykel, Bill Roest.

STUART BROADHURST, was appointed Managing Director and Chief Executive Officer on 11 December 2009. Mr Broadhurst has over 24 years industry experience in every aspect of the Company's global operations. Since 1988 he has held a number of senior management positions within New Zealand and Australia. He has been employed in key leadership roles for the Fisher & Paykel Appliances Group in the USA, the United Kingdom and Europe, where he project managed, established and developed major business units. Mr Broadhurst received a Bachelor of Commerce degree from the University of Auckland.



BRETT BUTTERWORTH, Vice President, Components & Technology, Production Machinery, Haier PMO, has extensive international experience in the Company's manufacturing and commercial businesses and has held a variety of senior executive positions within the organisation over the past 30 years. His current role also includes project management of the Company's Haier business relationship, VP of Production Machinery, and more recently appointment as VP Components & Technology, reflecting the increasing importance of this business to the Company.

ANDREW COOKE, Vice President, Supply Chain Management and Information Technology, joined Fisher & Paykel Appliances in 1987 as a Control Systems Engineer in the East Tamaki Refrigeration Division. He has held several manufacturing support roles in Australia and New Zealand before moving to Information Technology in 1997. He was appointed Vice President of Information Technology in 2002 and in 2009 was appointed to the additional role of Vice President Supply Chain Management. Andrew has a Bachelor of Engineering with First Class Honours from the University of Auckland.

ROGER COOPER, Vice President Operations, was appointed to this role in 2010. He has gained extensive knowledge and experience of our global operations since he joined our Company in 1973, progressing from junior supervisory roles in the early stages of his career, to senior management positions, including an appointment as Site Manager of our Cleveland, Australia operations prior to his current Role. Roger has a NZ Certificate of Engineering.

DALE FARRAR, Vice President Human Resources, joined Fisher & Paykel Appliances in July 2010 on her appointment as Vice President Human Resources. Prior to that Dale was General Manager Human Resources at the Ministry of Social Development. Dale has extensive experience in human resource management in international contexts. Before 2004, Dale held senior global human resource roles at Fonterra Co-operative Group, New Zealand Dairy Board and Air New Zealand Ltd. Dale has a Bachelor of Arts (History) and Bachelor of Laws and Law Professionals from Victoria University of Wellington. She has been admitted as a Barrister and Solicitor of the High Court of New Zealand.

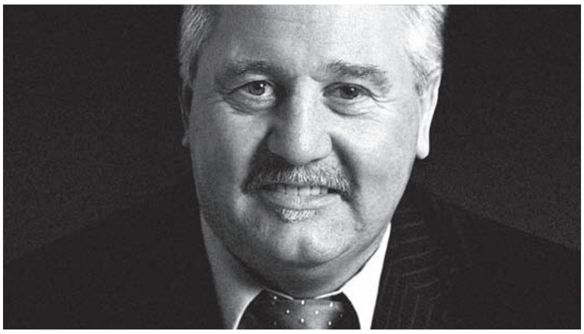
GARRY MOORE, Vice President Quality and Customer Services, was appointed Vice President Quality and Customer Services in March 2011. Prior to that he was General Manager Global Quality. Garry joined Fisher & Paykel in 1991 as a Quality Engineer in our Cleveland, Australia operation. He moved to operational management in 1994 and has been Site Manager for both our Dunedin and Auckland operations, and in 2008, he was appointed New Zealand Operations Manager.

MATT ORR, Vice President Corporate Planning and Investor Relations, joined Fisher & Paykel Appliances in 2009 as Vice President Corporate Planning. In addition to this, he took up the role of Vice President Investor Relations in early 2010. Prior to joining Fisher & Paykel Appliances he was Vice President Investment Banking at Deutsche Bank New Zealand. Before 2003, Matt held roles at ABN Amro, Ernst & Young and Telecom New Zealand. Matt has a Bachelor of Commerce with Combined Honours (First Class Accounting and Finance) from the University of Otago.

CRAIG REID, Chief Sales & Marketing Officer, joined Fisher & Paykel Appliances in 2010, on his appointment as Chief Sales & Marketing Officer. Craig has extensive international sales and marketing experience, acquired in a variety of roles within the Fisher & Paykel and Panasonic organisations. This experience included senior management roles within Panasonic New Zealand, culminating in his appointment as Managing Director of that organisation in 2008.

DAVID SULLIVAN, Chief Financial Officer, joined Fisher & Paykel Appliances in August 2011. David has extensive financial and global commercial experience spanning 28 years. His previous business background includes Chief Financial Officer roles at SkyCity Entertainment Group and Vodafone New Zealand. He has also worked in a number of senior finance executive roles in New Zealand and Internationally. He has a Bachelor of Commerce degree and is a Chartered Accountant.

DANIEL WITTEN-HANNAH, Vice President Product Development, was appointed Vice President of Product Development in February 2010. He has extensive experience in all aspects of the Company's engineering and project management operations. In 2008 Daniel was appointed to the position of Dunedin Site Manager and prior to that held management positions within our Cooking, Dishwashing and Refrigeration engineering operations. Daniel has a BE (Hons) of Mechanical Engineering from Auckland University. Daniel is also leading a working group review of the Company's Go to Market opportunities, to ensure the Company provides an integrated consumer experience and a positive environment for their decision making process.



From top Left: Stuart Broadhurst, Brett Butterworth, Andrew Cooke, Roger Cooper, Dale Farrar, Garry Moore, Matt Orr, Craig Reid, David Sullivan, Daniel Witten-Hannah.

From top Left: Alastair Macfarlane, Ian McGregor, Sarah Carstens, Adrian Lichkus, Sarah O'Connor, Gregory Shepherd, Colin Smith.

ALASTAIR MACFARLANE, Managing Director of Fisher & Paykel Finance Group, joined Fisher & Paykel Finance in 1988 in his current role and has been extensively involved in the development of the Finance business, as the Finance Group has evolved from a small strategic investment into the current operation offering retail point of sale finance to customers through a diversified range of retail merchants and commercial dealers. Prior to joining Fisher & Paykel, Alastair was with Citibank in New Zealand and KPMG, London, San Francisco and Auckland in an accountancy role. Alastair has a Bachelor of Commerce degree from Auckland University and is a member of the NZ Institute of Chartered Accountants.

IAN MCGREGOR, Chief Financial Officer of Fisher & Paykel Finance Group, joined Fisher & Paykel Finance in 2010 in his current role. Ian has extensive experience in top tier investment banks in New Zealand and overseas. Prior to his current role he was Head of Market Risk for the BNZ, after a secondment to Tokyo with the NAB. Ian changed from banking to the corporate sector 10 years ago. While in the UK he established a market risk treasury consulting team for SunGard, a global financial software firm. On returning to New Zealand he joined Fonterra as a Manager in Group Treasury. Ian has a Bachelor of Business Studies degree from Massey University and is a registered CPA.

SARAH CARSTENS, General Counsel and Company Secretary, joined Fisher & Paykel Finance in December 2009. Prior to that, Sarah was a lawyer with ANZ National Bank Ltd, responsible for legal affairs for its subsidiary company, UDC Finance Ltd. Sarah has also acquired legal experience in her previous employment with law firms Buddle Findlay and Minter Ellison. Prior to that Sarah was with Linklaters London, in their banking and restructuring team. Sarah has an honours degree in Law and Bachelor of Science from Canterbury University. She is admitted to practise as a Barrister and Solicitor of the High Court of New Zealand. Sarah is currently on parental leave from her General Counsel role, but remains as Company Secretary.

ADRIAN LICHKUS, Chief Risk Officer, joined Fisher & Paykel Finance in January 2006 as Chief Credit Risk Officer. Prior to that, Adrian was head of the Internal Audit function of the Auckland District Health Board. He has Chaired the Auckland Branch of the Institute of Internal Auditors of New Zealand and represented Auckland on the National Board of the Institute. Adrian has over 15 years experience in credit risk management decision roles, both consumer and commercial, in the banking sector. Adrian was with Deloitte for 3 years, completing his professional development training. Adrian has a Bachelor of Commerce from Natal University and a Bachelor of Accounting Science (Honours) from the University of South Africa.

SARAH O'CONNOR, Chief Human Resources Officer, was appointed to her current role in 2010. Sarah's experience includes Customer Service Manager for Retail Financial Services before she moved to Fisher & Paykel Finance, following the purchase of the Farmers Finance business. She has been involved in process improvement, procurement and human resources. Sarah has also held operational management roles with the ANZ Bank, culminating in a role managing the Mortgage Operations Team at their Lending Support Centre.

GREGORY SHEPHERD, Chief Operating Officer, was appointed to his current role in May 2006 and prior to that was Group General Manager Lending & Business Development. Gregory has extensive financial services experience with Westpac Banking Corporation and Bank of New Zealand and Securities Trading (debt and equity instruments). He has held a number of senior management roles in regional banking, marketing, operations and business development. Gregory was a member of strategic leadership and project management programmes for Westpac and the Bank of New Zealand on cross Tasman initiatives. He has a Bachelor of Commerce from Otago University and a NZ Stock Exchange Diploma.

COLIN SMITH, Chief Information Officer, joined Fisher & Paykel Finance in 2010. Prior to that, Colin was Chief Information Officer of Manukau City Council. His other experience includes responsibility for group and business management functions at 3i plc. This included the areas of business intelligence, financial systems, operations, customer service and information technology. Colin has a Bachelor of Science (Hons) degree from the University of East Anglia and a Masters of Business Administration degree from Aston University.

FISHER & PAYKEL APPLIANCES HOLDINGS LIMITED AND SUBSIDIARIES

SUMMARY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012

	CONSOLIDATED		PARENT	
	31 March 2012 $'000	**31 March 2011 $'000**	**31 March 2012 $'000**	**31 March 2011 $'000**
Revenue				
Operating revenue	**1,031,168**	1,110,342	**-**	-
Other income				
Profit on sale of land & buildings	**-**	6,508	**-**	-
Other income	**6,790**	4,093	**-**	1
Total other income	**6,790**	10,601	**-**	1
Total revenue and other income	**1,037,958**	1,120,943	**-**	1
Items affecting comparability:				
Onerous contracts	**(2,694)**	(882)	**-**	-
Fair valuation of non-current assets held for sale	**(1,241)**	(500)	**-**	-
Litigation costs	**(6,774)**	-	**-**	-
	(10,709)	(1,382)	**-**	-
Other operating expenses	**(988,862)**	(1,056,038)	**136**	111
Total operating expenses	**(999,571)**	(1,057,420)	**136**	111
Operating profit	**38,387**	63,523	**136**	112
Finance costs	**(10,857)**	(15,403)	**-**	-
Profit before income tax	**27,530**	48,120	**136**	112
Income tax expense	**(9,099)**	(14,575)	**(82)**	35
Profit for the year	**18,431**	33,545	**54**	147
Profit per share attributable to the ordinary equity holders of the Company during the year:				
Basic and diluted profit per share	**2.5**	4.6		

The above Income Statement should be read in conjunction with the Basis of Preparation note on page 53

For and on behalf of the Board

Date: 24 May 2012

K S Turner
Chairman

S B Broadhurst
Managing Director & Chief Executive Officer

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2012

	CONSOLIDATED		PARENT	
	31 March 2012 $'000	31 March 2011 $'000	31 March 2012 $'000	31 March 2011 $'000
Profit for the year	**18,431**	33,545	**54**	147
Other comprehensive (loss) / income				
Cash flow hedges	**17,073**	(15,041)	**-**	-
Exchange differences on translation of foreign operations	**(40,491)**	(10,352)	**-**	-
Income tax relating to components of other comprehensive income	**(4,780)**	5,644	**-**	-
Other comprehensive (loss) / income for the year net of tax	**(28,198)**	(19,749)	**-**	-
Total comprehensive (loss) / income for the year	**(9,767)**	13,796	**54**	147

The above Statement of Comprehensive Income should be read in conjunction with the Basis of Preparation note below.

Basis of preparation

These summary financial statements, comprising the Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Cash Flow Statement are those of Fisher & Paykel Appliances Holdings Limited (the "Parent") and its subsidiaries (the "Group"). They have been prepared in accordance with Financial Reporting Standard No. 43 "Summary Financial Statements" and have been extracted from full financial statements that comply with International Financial Reporting Standards. The full financial statements for the year ended 31 March 2012, authorised for issue and signed on 24 May 2012, have been audited by PricewaterhouseCoopers and given an unqualified opinion. The Group is a profit-oriented entity. The full financial statements are available on the Company's website, www.fisherpaykel.co.nz or the Company's offices at 78 Springs Road, East Tamaki, Auckland, New Zealand.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2012

	CONSOLIDATED		APPLIANCES BUSINESS*		FINANCE BUSINESS		PARENT	
	31 March	31 March	31 March	31 March	31 March	31 March	31 March	31 March
	2012	2011	2012	2011	2012	2011	2012	2011
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Assets								
Current assets								
Cash & cash equivalents	109,347	113,529	22,273	21,375	87,074	92,154	1	1
Trade receivables & other current assets	125,652	150,628	116,354	140,547	9,298	10,081	21	27
Finance business receivables	359,662	369,876	-	-	359,662	369,876	-	-
Inventories	151,772	195,108	151,772	195,108	-	-	-	-
Non-current assets classified as held for sale	13,843	15,021	13,843	15,021	-	-	-	-
Derivative financial instruments	2,365	2,654	2,361	2,654	4	-	-	-
Tax receivables	2,023	1,162	2,023	1,162	-	-	4	-
Intergroup advances	-	-	-	-	-	-	637,620	637,585
Total current assets	764,664	847,978	308,626	375,867	456,038	472,111	637,646	637,613
Non-current assets								
Property, plant & equipment	200,521	202,155	199,448	200,909	1,073	1,246	-	-
Investment in subsidiaries							100,263	100,263
Investment in Finance business			207,362	205,383				
Intangible assets	196,709	210,948	83,252	90,649	113,457	120,299	-	-
Finance business receivables	234,870	231,719	-	-	234,870	231,719	-	-
Derivative financial instruments	151	4	103	3	48	1	-	-
Tax receivables	-	7,015	-	7,015	-	-		6
Deferred taxation	54,783	55,857	71,275	75,385	-	-	148	228
Other non-current assets	1,988	2,738	1,432	1,694	556	1,044	-	-
Total non-current assets	689,022	710,436	562,872	581,038	350,004	354,309	100,411	100,497
Total assets	1,453,686	1,558,414	871,498	956,905	806,042	826,420	738,057	738,110
Liabilities								
Current liabilities								
Current borrowings	3,205	-	3,205	-	-	-	-	-
Finance business borrowings	319,865	328,917	-	-	319,865	328,917	-	-
Trade creditors	96,560	99,141	96,560	99,141	-	-	-	-
Current finance leases	-	17	-	17	-	-	-	-
Provisions	20,485	18,341	20,477	18,333	8	8	-	-
Derivative financial instruments	2,881	21,000	2,213	20,397	668	603	-	-
Tax liabilities	1,515	6,869	1,515	6,869	2,138	3,857	-	-
Other current liabilities	62,359	73,534	34,457	49,600	27,902	23,934	774	820
Total current liabilities	506,870	547,819	158,427	194,357	350,581	357,319	774	820
Non-current liabilities								
Non-current borrowings	83,605	121,557	83,605	121,557	-	-	-	-
Finance business borrowings	231,101	244,998	-	-	231,101	244,998	-	-
Non-current finance leases	-	-	-	-	-	-	-	-
Provisions	15,575	14,195	14,979	13,696	596	499	-	-
Derivative financial instruments	2,782	5,701	734	3,151	2,048	2,550	-	-
Deferred taxation	5,610	6,871	5,610	6,871	14,354	15,671	-	-
Other non-current liabilities	2,962	2,325	2,962	2,325	-	-	-	61
Total non-current liabilities	341,635	395,647	107,890	147,600	248,099	263,718	-	61
Total liabilities	848,505	943,466	266,317	341,957	598,680	621,037	774	881
Shareholders' equity								
Contributed equity	841,869	841,869	841,869	841,869			842,381	842,381
Accumulated losses	(147,992)	(166,423)	(147,992)	(166,423)			(107,068)	(107,122)
Reserves	(88,696)	(60,498)	(88,696)	(60,498)			1,970	1,970
Investment in Finance business					207,362	205,383		
Total shareholders' equity	605,181	614,948	605,181	614,948	207,362	205,383	737,283	737,229
Total liabilities and shareholders' equity	1,453,686	1,558,414	871,498	956,905	806,042	826,420	738,057	738,110

*For disclosure purposes, the Appliances business includes both the Parent entity and AF Investments Limited
The above Statement of Financial Position should be read in conjunction with the Basis of Preparation note on page 53.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2012

CONSOLIDATED — **ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY**

	Share capital	Accumulated losses	Translation of foreign operations	Foreign exchange hedges	Interest rate hedges	Treasury stock	Share-based payments	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 April 2011	**841,869**	**(166,423)**	**(50,370)**	**(11,350)**	**(1,260)**	**512**	**1,970**	**614,948**
Changes in equity								
Other comprehensive income for the year	**-**	**-**	**(40,491)**	**12,363**	**(70)**	**-**	**-**	**(28,198)**
Profit for the period	**-**	**18,431**	**-**	**-**	**-**	**-**	**-**	**18,431**
Balance at 31 March 2012	**841,869**	**(147,992)**	**(90,861)**	**1,013**	**(1,330)**	**512**	**1,970**	**605,181**
Balance at 1 April 2010	841,869	(199,968)	(40,018)	(3,213)	-	512	1,970	601,152
Changes in equity								
Other comprehensive income for the year	-	-	(10,352)	(8,137)	(1,260)	-	-	(19,749)
Profit for the year	-	33,545	-	-	-	-	-	33,545
Balance at 31 March 2011	841,869	(166,423)	(50,370)	(11,350)	(1,260)	512	1,970	614,948

PARENT — **ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY**

	Share capital	Accumulated losses	Translation of foreign operations	Foreign exchange	Interest rate hedges	Treasury stock	Share-based payments	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 April 2011	**842,381**	**(107,122)**	**-**	**-**	**-**	**-**	**1,970**	**737,229**
Changes in equity								
Other comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Profit for the period	**-**	**54**	**-**	**-**	**-**	**-**	**-**	**54**
Balance at 31 March 2012	**842,381**	**(107,068)**	**-**	**-**	**-**	**-**	**1,970**	**737,283**
Balance at 1 April 2010	842,381	(107,269)					1,970	737,082
Changes in equity								
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Profit for the year	-	147	-	-	-	-	-	147
Balance at 31 March 2011	842,381	(107,122)	-	-	-	-	1,970	737,229

The above Statement of Changes in Equity should be read in conjunction with the Basis of Preparation note on page 53.

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012

	CONSOLIDATED		PARENT	
	31 March 2012 $'000	31 March 2011 $'000	31 March 2012 $'000	31 March 2011 $'000
Cash flows from operating activities				
Receipts from customers	912,704	985,208	-	-
Financing interest and fee receipts	140,941	144,808	-	-
Interest received	780	504	-	1
Payments to suppliers and employees	(872,796)	(958,656)	(1,292)	(1,785)
Income taxes paid	(12,824)	(1,896)	-	-
Interest paid	(52,023)	(57,066)	-	-
	116,782	112,902	(1,292)	(1,784)
Principal on loans repaid by Finance business customers	571,897	579,958	-	-
New loans to Finance business customers	(577,974)	(586,699)	-	-
Net cash inflow / (outflow) from operating activities	110,705	106,161	(1,292)	(1,784)
Cash flows from investing activities				
Sale of property, plant & equipment	2,080	29,335	-	-
Purchase of property, plant & equipment	(40,023)	(17,734)	-	-
Capitalisation of intangible assets	(10,453)	(10,607)	-	-
Acquisition of Mexican operations - instalment	(12,812)	(12,419)	-	-
Other investments	500	-	-	-
Net cash inflow / (outflow) from investing activities	(60,708)	(11,425)	-	-
Cash flows from financing activities				
New non-current borrowings	133,754	50,426	-	-
New Finance business borrowings	119,080	104,057	-	-
Repayment of borrowings	(162,502)	(140,159)	-	-
Repayment of Finance business borrowings	(142,447)	(79,102)	-	-
Lease liability payments	2	(344)	-	-
Intercompany borrowings	-	-	1,292	1,785
Net cash inflow / (outflow) from financing activities	(52,113)	(65,122)	1,292	1,785
Net increase / (decrease) in cash & cash equivalents	(2,116)	29,614	-	1
Cash & cash equivalents at the beginning of the year	113,529	82,650	1	-
Effects of foreign exchange rate changes on cash & cash equivalents	(2,066)	1,265	-	-
Cash and cash equivalents at the end of the year	109,347	113,529	1	1

The above Cash Flow Statement should be read in conjunction with the Basis of Preparation note on page 53.

COMPANY INFORMATION

FIVE YEAR TREND STATEMENT (UNAUDITED)

NZ$'000 except where stated otherwise	2012	2011	2010	2009	2008
Group					
Total operating revenue	**1,031,168**	1,110,342	1,157,029	1,359,531	1,399,709
Net profit after taxation	**18,431**	33,545	(83,328)	(95,254)	54,212
Normalised net profit after taxation[1]	**26,300**	30,040	17,950	33,780	65,545
Cash flow from operations					
Before movement in Finance business receivables	**116,782**	112,902	87,602	9,380	83,672
Movement in Finance business receivables	**(6,077)**	(6,741)	(49,978)	(23,096)	(63,650)
	110,705	106,161	37,624	(13,716)	20,022
Total assets	**1,453,686**	1,558,414	1,652,199	1,996,354	1,830,224
Earnings per share (cents)					
Basic	**2.5**	4.6	(13.6)	(33.1)	19.1
Diluted	**2.5**	4.6	(13.6)	(33.1)	18.7
Dividends per share (cents)	**-**	-	-	5.0	18.0
Appliances business					
Operating revenue	**891,449**	965,053	1,020,966	1,222,613	1,275,816
Operating profit before interest and taxation	**7,347**	28,801	(103,779)	(85,522)	68,432
Items affecting comparability	**3,935**	(5,126)	133,198	141,092	14,832
Normalised operating profit before interest and taxation	**11,282**	23,675	29,419	55,570	83,264
Normalised operating margin[2]	**1.3%**	2.5%	2.9%	4.5%	6.5%
Assets employed	**664,136**	751,522	858,059	1,232,237	1,051,612
Finance business					
Operating revenue	**139,719**	145,289	136,063	136,918	123,893
Operating profit before interest and taxation[3]	**37,814**	34,722	28,904	21,086	26,143
Items affecting comparability	**(6,774)**	-	-	-	745
Normalised operating profit before interest and taxation	**31,040**	34,722	28,904	21,086	26,888
Finance receivables	**594,532**	601,595	615,693	587,326	584,931

1 Excludes items affecting comparability
2 Normalised operating profit to operating revenue
3 Includes operating interest

SHAREHOLDER INFORMATION

Size of Holdings	Number of Holders	%	Number of Ordinary Shares	%
1 – 999	1,755	12.97	858,462	0.12
1,000-4,999	5,432	40.16	13,749,680	1.90
5,000-9,999	2,412	17.83	16,446,487	2.27
10,000-99,999	3,613	26.71	86,848,691	11.99
Over 100,000	315	2.33	606,331,842	83.72
Total	13,527	100.0	724,235,162	100.00

2,347 shareholders held less than a marketable parcel of shares as per the ASX Listing Rules 4.10.8.

The details set out above were as at 21 May 2012.

Substantial Security Holders

Pursuant to Section 35F of the Securities Markets Act 1988, the substantial security holders as at 21 May 2012 were as follows:

Holder	Ordinary Shares
Haier (Singapore) Management Holding Co. Pte Ltd (notice dated 6 July 2009)	144,847,032
Orbis Investment Management (Australia) Pty Ltd (notice dated 29 November 2011)	125,794,772
Accident Compensation Corporation Limited (notice dated 26 August 2011) [1] [2]	54,407,522
AMP Capital Investors (New Zealand) Limited (notice dated 20 March 2012)	37,458,541

[1] Including Nicholas Bangnall, an employee and portfolio manager of Accident Compensation Corporation Limited (notice dated 29 August 2011) 54,208,842 ordinary shares
[2] Including Blair Cooper, an employee and portfolio manager of Accident Compensation Corporation Limited (notice dated 29 August 2011) 54,239,166 ordinary shares

EXECUTIVE

Parent Company

Stuart Broadhurst	– Managing Director and Chief Executive Officer
David Sullivan	– Chief Financial Officer

Appliances Business

Stuart Broadhurst	– Managing Director
Brett Butterworth	– VP Components & Technology, Production Machinery Limited and Haier PMO
Andrew Cooke	– VP Supply Chain Management & Information Technology
Roger Cooper	– VP Operations
Dale Farrar	– VP Human Resources
Garry Moore	– VP Quality & Customer Services
Matthew Orr	– VP Corporate Planning & Investor Relations
Craig Reid	– Chief Sales & Marketing Officer
David Sullivan	– Chief Financial Officer
Daniel Witten-Hannah	– VP Product Development

Finance Business

Alastair Macfarlane	– Managing Director
Sarah Carstens	– Company Secretary & General Counsel
Adrian Lichkus	– Chief Risk Officer
Ian McGregor	– Chief Financial Officer
Sarah O'Connor	– Chief Human Resources Officer
Greg Shepherd	– Chief Operating Officer
Colin Smith	– Chief Information Officer

DIRECTORY

Fisher & Paykel Appliances Holdings Limited

Registered Offices

New Zealand

78 Springs Road, East Tamaki, Auckland 2013, New Zealand

Australia

Weippin Street, Cleveland, Queensland 4163, Australia

Contact Details

New Zealand

Company Secretary – Mark Richardson

PO Box 58546, Botany, Auckland 2163, New Zealand

Telephone: +64 9 273 0600

Facsimile: +64 9 273 0609

Australia

PO Box 798, Cleveland, Queensland 4163, Australia

Telephone: +61 7 3826 9100

Facsimile: +61 7 3821 2666

USA

5900 Skylab Road, Huntington Beach, CA 92647, USA

Telephone: +1 714 372 7000

Facsimile: +1 714 372 7002

United Kingdom
Maidstone Road, Kingston, Milton Keynes, MK10 0BD, UK
Telephone: +44 1908 585577
Facsimile: +44 1908 586235

Mexico
Blvd Montebello Lotes 1, 2, 3, Manzana 8, Col. Parque Industrial Colonial, Reynosa, Tamaulipas C.P 88780, Mexico
Telephone: +52 899 9217200
Facsimile: +52 899 9217299

Europe
Via Fabbian Matteo 7, Borso del Grappa, Treviso 31030, Italy
Telephone: +39 0423 9121
Facsimile: +39 0423 9124

Singapore
150 Ubi Avenue 4, #03-01A, Ubi Biz-hub, Singapore 408825
Telephone: +65 67482067
Facsimile: +65 65470123

Thailand
7/252, 7/282 Moo 6, Amata City Industrial Estate, Tambol Mapyangporn, Amphur Pluakdaeng, Rayong 21140, Thailand
Telephone: +66 38 640400
Facsimile: +66 38 650269

Internet Address
www.fisherpaykel.com
e-Mail corporate.enquiries@fisherpaykel.com

Share Registry
New Zealand
Computershare Investor Services Ltd
Private Bag 92119, Auckland 1142, New Zealand
Telephone: +64 9 488 8777
Facsimile: +64 9 488 8787
Email: enquiry@computershare.co.nz

Australia
Computershare Investor Services Pty Ltd
GPO Box 3329, Melbourne, Victoria 3001, Australia
Telephone Within Australia: 1 800 501 366
Telephone Outside Australia: +61 3 9415 4083
Facsimile: +61 3 9473 2500