

Fisher & Paykel Appliances Holdings Limited

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FPA – TRADING UPDATE

TRADING UPDATE FOR THE FOUR MONTHS ENDED 31 JULY 2012

At the Annual Shareholders Meeting today, the Company gave an update on trading for the four months ended 31 July 2012. Group net profit after tax was \$12.3 million compared to \$4.7 million for the prior corresponding period.

This included earnings before interest and tax of \$9.1 million for the Appliances business compared to breakeven for the same period last year. Importantly, the business did not experience any significant transactional hedging losses compared to the prior corresponding quarter. The Finance business has achieved earnings before interest and tax of \$10.9 million compared to \$10.2 million for the same period last year.

These results are based on unaudited management accounts.

FY13 OUTLOOK

The Board is encouraged by the solid start to the financial year so far, however remain acutely aware of the potential for economic conditions to change suddenly in our key markets, especially in Australia and the USA.

The second half of the year has traditionally provided the majority of the full year earnings. The second half of this financial year will also benefit from sales from the new motor contracts and, after a gap of several years, from the release of new products to the market.

Capital expenditure is forecast to be approximately \$42 million. Assuming all operating and financial objectives are met, group net debt (excluding Finance business operating borrowings) at the end of this financial year is expected to be well below reported group net debt of \$65 million as at 31 March 2012.

Group full year operating earnings before interest and tax are expected to be between \$70 million and \$78 million. This forecast is of course subject to no unexpected material changes to the current trading assumptions. Within Group guidance we would expect full year forecast operating earnings before interest and tax for Appliances' of between \$35 million and \$40 million and the Finance Business of between \$35 million and \$38 million.

DIVIDENDS

Despite an improved balance sheet position as at 31 March 2012, the Board took the difficult decision not to declare a dividend for the 2012 financial year. At that time the directors believed it was prudent to take a cautious approach to market conditions, in particular in Australia.

The Directors are conscious of the importance of dividends to Shareholders. The Board intends to resume dividend payments this year. Details of the amount and timing of any distribution will be announced in November according to the company's usual cycle, subject to no unexpected material changes to the current trading assumptions.

Transcripts of the ASM speeches are available at www.fisherpaykel.co.nz/global/investors

ENDS

For further information please contact:

Stuart Broadhurst	+64 (9) 273-0660
Matt Orr	+64 (9) 273-0660