HELLABY HOLDINGS LIMITED

STATEMENT OF CASH FLOW for the six months ended 31 December 2004

	Six Months Ended 31 December 2004 $000	Six Months Ended 31 December 2003 $000	Twelve Months Ended 30 June 2004 $000
Net cash from/(to):			
Operating activities	9,644	7,827	17,614
Investing activities	(32,244)	(2,306)	(2,103)
Financing activities	26,161	(7,094)	(18,353)
Net increase/(decrease) in cash	3,561	(1,573)	(2,842)

STATEMENT OF FINANCIAL POSITION as at 31 December 2004

Share Capital	16,287	16,287	16,287
Retained Earnings	82,791	78,541	81,827
Shareholders' Equity	99,078	94,828	98,114
Minority Interest	3,961	3,265	3,614
Total Equity	103,039	98,093	101,728
Term Liabilities	69,065	34,300	36,885
Current Liabilities	58,902	52,121	51,259
Total Liabilities and Equity	231,006	184,514	189,872
Property, Plant and Equipment	38,076	31,832	34,742
Intangible Assets	34,324	16,194	14,816
Future Tax Benefit	3,794	1,924	4,814
Investments	9,334	9,814	10,072
Current Assets	145,478	124,750	125,428
Total Assets	231,006	184,514	189,872

COMMITMENTS AND CONTINGENCIES as at 31 December 2004

Lease Commitments	105,212	92,455	95,645
Capital Commitments	1,437	762	609
Contingent Liabilities	50,418	33,619	44,929

The above unaudited financial statements, prepared in accordance with the accounting policies as stated in the 30 June 2004 Annual Report to shareholders, are to be read in conjunction with the Directors' Report.

Directors
W.J. Falconer (Chairman)
D.M.J. Houldsworth (Managing Director)
P.A. Byrnes
W.B. Capp
R.W. Carter
H. Green

Secretary
T. Dwerryhouse

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www.hellabyholdings.co.nz

HELLABY HOLDINGS LIMITED

interim report 2005

Financial Result

Your directors are pleased to report tax paid earnings of $10.3 million for the six months to 31 December 2004 (last year $9.3 million; prior year $6.2 million).

The result represents an annualised 20.9% tax paid return on average funds employed (last year 19.8%; prior year 15.2%) and is in line with expectations.

Earnings per share is up at 41.9 cents (last year 37.7 cents; prior year 25.2 cents) with asset backing rising to $2.01 per share (last year $1.93; prior year $1.67).

In line with the improved result, the Board has declared a higher dividend distribution, as detailed in the next column.

Trading

The group's net trading surplus before tax and transactional profits increased by a further 20% to $13.4 million (last year $11.1 million; prior year $8.4 million), continuing the trend of increasing profit contributions from operations.

The result reflects a higher level of earnings from the retail division, Hannahs and Rodd & Gunn, and the contribution from recently acquired BBQ Factory, which achieved a profit contribution in line with forecasts.

Funding and amortisation costs are higher at $2.5 million and $1.1 million respectively (last year $1.2 million and $0.6 million), reflecting the impact of recent acquisitions, increased working capital requirements and higher interest rates.

Transactional profits were $0.7 million (last year $1.6 million; prior year nil).

Investments

Hellaby has acquired, with effect from 31 August 2004, the BBQ Factory, New Zealand's largest specialty retailer of barbeques, together with an extensive range of spa pools, outdoor heating products and accessories.

During December 2004 the company entered into an agreement to acquire Elldex Packaging, a specialist manufacturer and importer of flexible packaging products for a wide range of customers. Settlement was subsequently effected on 31 January 2005.

The BBQ Factory and Elldex are expected to contribute EBITDA of some $4.7 million and $3.2 million respectively to the Hellaby Group on a full year basis.

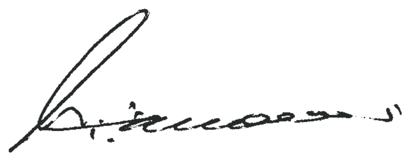
Dividend

A fully imputed interim dividend of 19 cents has been declared, and compares with last year's 16 cents and the prior year's 11 cents.

The company's share register will close 5:00pm Friday 1 April 2005 for purposes of determining shareholder entitlements, with payment being made on Friday 8 April 2005.

Outlook

Trading conditions are expected to remain positive for the balance of the financial year and the Board expect full year earnings to be in line with market expectations and comfortably ahead of last year's underlying after tax operating surplus of $18.5 million.



W J Falconer
Chairman
25 February 2005

STATEMENT OF
FINANCIAL PERFORMANCE
for the six months ended 31 December 2004

	Six Months Ended 31 December 2004 $000	Six Months Ended 31 December 2003 $000	Twelve Months Ended 30 June 2004 $000
Sales	186,625	158,323	322,951
Gross trading surplus	22,261	17,846	37,644
Administration	914	849	1,811
Trading surplus before depreciation & interest	21,347	16,997	35,833
Depreciation	4,359	4,013	8,316
Amortisation of goodwill	1,083	598	1,337
Interest	2,484	1,238	2,436
Net trading surplus	13,421	11,148	23,744
Other			
One-off tax benefit	-	322	1,955
Surplus on sale of assets	775	631	1,216
Revaluation of investments	(64)	805	518
Rent abatement	-	(138)	(1,031)
Operating surplus before tax	14,132	12,768	26,402
Taxation	3,821	3,486	5,962
Surplus attributable to Hellaby	10,311	9,282	20,440
Being:			
Group operating surplus after tax	10,970	9,559	21,315
Minority interests in surpluses of subsidiaries	(659)	(277)	(875)
Surplus attributable to Hellaby	10,311	9,282	20,440
Earnings per share (annualised)	41.9 cents	37.7 cents	41.5 cents

STATEMENT OF
MOVEMENT IN EQUITY
for the six months ended 31 December 2004

Opening Equity	101,728	97,826	97,826
Surplus attributable to shareholders	10,311	9,282	20,440
Movement in minority interests	347	(1,635)	(1,287)
Dividend distributions to shareholders	(9,347)	(7,380)	(15,251)
Closing Equity	103,039	98,093	101,728