

PRELIMINARY HALF YEAR REPORT ANNOUNCEMENT

Nuplex Industries Limited

For Half Year Ended

31 December, 2004

(referred to in this report as the "current half year")

Preliminary **half year** report on consolidated results (including the results for the previous corresponding half year) in accordance with Listing Rule 10.4.2.

This report has been prepared in a manner which complies with generally accepted accounting practice and gives a true and fair view of the matters to which the report relates [see Note 1 attached] and is based on unaudited financial statements. If the report is based on audited financial statements, any qualification made by the auditor is to be attached.

The Listed Issuer **has** a formally constituted Audit Committee of the Board of Directors.

[PLEASE REFER TO ATTACHED NOTES WHEN COMPLETING THIS FORM]

1 CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE	Consolidated Statement Financial Performance		
	Current half Year \$NZ'000	Up/Down %	Previous corresponding half year \$NZ'000
1.1 OPERATING REVENUE			
(a) Trading Revenue	344,249	4.7%	328,671
(b) Other Revenue	2,359		1,377
(c) Total Operating Revenue	346,608		330,048
1.2 OPERATING SURPLUS BEFORE TAXATION	24,236	8.1%	22,418
(a) Less taxation on operating result	8,007		7,369
1.3 OPERATING SURPLUS AFTER TAX	16,229	7.8%	15,049
(a) Extraordinary Items after Tax [detail in Item 3]			(438)
(b) Unrealised net change in value of investment properties			
1.4 NET SURPLUS FOR THE PERIOD	16,229		15,487
(a) Net Surplus attributable to minority interests			
1.5 NET SURPLUS ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER	16,229	4.8%	15,487

2 DETAILS OF SPECIFIC RECEIPTS/OUTLAYS, REVENUES/ EXPENSES FOR FULL YEAR	Consolidated Statement of Financial Performance	
	Current half year \$NZ'000	Previous corresponding half year \$NZ'000
2.1 INCLUDED IN CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE		
(a) Interest revenue included in Item 1.1(b)	1,357	649
(b) # Unusual items for separate disclosure (gain) (detail - Item 3)		(525)
(c) Equity earnings (gain) (detail - Item 16)	790	617
(d) Interest expense included in Item 1.2 (include all forms of interest, etc)	6,948	7,424
(e) Leasing and renting expenses	3,756	3,519
(f) Depreciation	6,129	6,831
(g) Diminution in the value of assets (other than depreciation)	1,400	
(h) Amortisation of goodwill	1,606	1,610
(i) Amortisation of other intangible assets		
(j) Reversal of impairment of goodwill	(1,400)	
(k) Impairment of other intangible assets		

5 EARNINGS PER SECURITY	Earnings Per Security	
	Current half year \$NZ	Previous corresponding half year \$NZ
Calculation of basic and fully diluted, EPS in accordance with IAS33: Earnings Per Share		
(a) Basic EPS	0.244	0.251
(b) Diluted EPS (if materially different from (a))		

6 MATERIAL ACQUISITIONS OF SUBSIDIARIES (See Note (VII) attached)	Coatings Resins Group
(a) Name of subsidiary or group of subsidiaries	Most entities 100%
(b) Percentage of ownership acquired	\$ Nil
(c) Contribution to consolidated net Surplus (Item 1.4)	
(d) Date from which such contribution has been calculated	31.12.04

7 MATERIAL DISPOSALS OF SUBSIDIARIES (See Note (VII) attached)	
(a) Name of subsidiary or group of subsidiaries	
(b) Contribution to consolidated net Surplus (Item 1.4)	\$
(c) Date from which such contribution has been calculated	
(d) Contribution to consolidated net Surplus (Item 1.4) for the previous corresponding full year	
(e) Contribution to consolidated net Surplus (Item 1.4) from sale of subsidiary	\$

8 REPORTS FOR INDUSTRY AND GEOGRAPHICAL SEGMENTS

Information on the industry and geographical segments of the Listed Issuer is to be reported for the full year in accordance with the provisions of SSAP:23: Financial Reporting for Segments. Because of the differing nature and extent of segments among Listed Issuers, no complete proforma is provided, and the segment information should be completed separately and attached to this report. However, the following shows a suitable list of items for presentation and indicates which amounts should agree with items included elsewhere in the full year report:

SEGMENTS

Industry

- Operating revenue: (See attached reports)
 - * Sales to customers outside the group
 - * Intersegment sales
 - * Unallocated revenue
- Total revenue [consolidated total equal to Item 1.1(c) above]
- Segment result
- Unallocated expenses
- Operating surplus (Deficit) after tax (Item 1.3)
- Segment assets
- Unallocated assets
- Total assets (Equal to Item 9.3)

Geographical

- Operating revenue:
 - * Sales to customers outside the group
 - * Intersegment sales
 - * Unallocated revenue
- Total revenue [consolidated total equal to Item 1.1(c) above]
- Segment result
- Unallocated expenses
- Operating surplus (Deficit) after tax (Item 1.3)
- Segment assets
- Unallocated assets
- Total assets (Equal to Item 9.3)

(Note (VIII) attached has particular relevance for the preparation)	Consolidated Statement of Financial Position		
	At end of current half year \$NZ'000	As shown in	
		last Annual Report \$NZ'000	last half yearly report \$NZ'000
9 CURRENT ASSETS:			
(a) Cash	48,991	27,098	37,325
(b) Trade receivables	205,379	106,814	103,060
(c) Investments			
(d) Inventories	169,164	97,267	93,618
(e) Other assets, current	15,858	14,428	9,856
TOTAL CURRENT ASSETS	439,392	245,607	243,859
9.1 NON-CURRENT ASSETS			
(a) Trade receivables			
(b) Investments	3,039	4,118	3,826
(c) Inventories			
(d) Property, plant and equipment	248,757	164,694	167,410
(e) Goodwill	121,522	23,980	25,967
(f) Deferred Taxation Assets	22,319	7,303	5,098
(g) Other Intangible Assets			
(h) Other assets, non current	578	518	625
9.2 TOTAL NON-CURRENT ASSETS	396,215	200,613	202,926
9.3 TOTAL ASSETS	835,607	446,220	446,785
9.4 CURRENT LIABILITIES			
(a) Trade Creditors	144,496	75,321	72,224
(b) Income in advance, current			
(c) Secured loans	10,204		
(d) Unsecured loans			
(e) Provisions, current	22,669	10,071	8,529
(f) Other liabilities, current			
TOTAL CURRENT LIABILITIES	177,369	85,392	80,753
9.5 NON-CURRENT LIABILITIES			
(a) Accounts payable, non-current			
(b) Secured loans			
(c) Unsecured loans	351,400	186,934	190,734
(d) Provisions, non-current	56,538	7,859	7,726
(e) Deferred Taxation Liability, non-current			169
(f) Other liabilities, non-current			
9.6 TOTAL NON-CURRENT LIABILITIES	407,938	194,793	198,629
9.7 TOTAL LIABILITIES	585,307	280,185	279,382
9.8 NET ASSETS	250,300	166,035	167,403
9.9 SHAREHOLDERS' EQUITY			
(a) Share capital (optional)	153,811	82,802	82,802
(b) Reserves (optional)	31,096	31,096	31,096
(i) Revaluation reserve			
(ii) Other reserves	(15,549)	(14,927)	(7,771)
(c) Retained Surplus (accumulated Deficit) (optional)	75,223	67,064	61,276
9.10 SHAREHOLDERS' EQUITY ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER	244,581	166,035	167,403
(a) Minority equity interests in subsidiaries	5,719		
9.1 TOTAL SHAREHOLDERS' EQUITY	250,300	166,035	167,403
(a) Returns on Assets (%) (EBIT divided by Total Assets)	3.6%	12.3%	6.5%
(b) Return on Equity (%) (Net Income divided by Shareholders' Equity)	6.5%	17.1%	9.3%
(c) Debt to Equity Ratio (%) (Total Liabilities divided by Shareholders' Equity)	233.8%	168.8%	166.9%

		Consolidated Statement of cashflows for full year	
(See Note (IX) attached)		Current half year \$NZ'000	Corresponding half year \$NZ'000
10	CASH FLOWS RELATING TO OPERATING ACTIVITIES		
(a)	Receipts from customers	338,257	329,411
(b)	Interest received	1,357	649
(c)	Dividends received	1,859	891
(d)	Payments to suppliers and employees	(315,744)	(299,127)
(e)	Interest paid	(6,947)	(7,105)
(f)	Income taxes paid	(5,962)	(6,581)
(g)	Other cash flows relating to operating activities		
	NET OPERATING FLOWS	12,820	18,138

(See Note (IX) attached)			
11	CASH FLOWS RELATING TO INVESTING ACTIVITIES		
(a)	Cash proceeds from sale of property, plant and equipment	32	355
(b)	Cash proceeds from sale of equity investments		
(c)	Loans repaid by other entities		
(d)	Cash paid for purchases of property, plant and equipment	(7,342)	(7,513)
(e)	Interest paid - capitalised		
(f)	Cash paid for business acquisitions	(212,381)	(51)
(g)	Loans to other entities repaid	123	125
(h)	Other cash flows relating to operating activities		
	NET INVESTING CASH FLOWS	(219,568)	(7,084)

(See Note (IX) attached)			
12	CASH FLOWS RELATED TO FINANCING ACTIVITIES		
(a)	Cash proceeds from issue of shares, options, etc.	71,009	
(b)	Borrowings	169,015	1,087
(c)	Repayment of borrowings	(3,242)	
(d)	Dividends paid	(8,149)	(3,802)
(e)	Other cash flows relating to operating activities		
	NET FINANCING CASH FLOWS	228,633	(2,715)

(See Note (IX) attached)			
13	NET INCREASE (DECREASE IN CASH HELD)	21,885	8,339
(a)	Cash at beginning of full year	27,098	29,062
(b)	Exchange rate adjustments to Item 13(a) above	8	(76)
(c)	CASH AT END OF HALF YEAR	48,991	37,325

14 NON-CASH FINANCING AND INVESTING ACTIVITIES	
Provide details of financing and investing transactions which have had a material effect on group assets and liabilities but did not involve cash flows: Nil	
.....	
.....	
.....	
.....	

15 RECONCILIATION OF CASH		Current half year NZ\$'000	Previous Corresponding half year NZ\$'000
For the purposes of the above Statement of cash flows, cash includes:			
.....			
Cash at the end of the half year as shown in the statement of cash flows is reconciled to the related items in the financial statements as follows:			
Cash on hand and at bank		17,586	13,322
Deposits at call		31,405	24,003
Bank overdraft			
Other (provide details eg Term Deposits			
Total = Cash at End of Half Year (Item 13(c) above)		48,991	37,325

16 EQUITY ACCOUNTED INVESTMENTS IN ASSOCIATES

Information attributable to the reporting group's share of investments in associates and other material interests is to be disclosed by way of separate note below (refer FRS-38 Accounting for Investments in Associates).

16 GROUP SHARE OF RESULTS OF ASSOCIATES

	Equity Earnings	
	Current half year \$NZ'000	Previous corresponding half year \$NZ'000
(a) OPERATING SURPLUS BEFORE TAX	1,136	885
(b) Less tax	346	268
(c) OPERATING SURPLUS AFTER TAX	790	617
(i) Extraordinary items		
(d) NET SURPLUS AND EXTRAORDINARY ITEMS AFTER TAX	790	617

16 MATERIAL INTERESTS IN CORPORATIONS NOT BEING SUBSIDIARIES

(a) The group has a material (from group's viewpoint) interest in the following corporations:

Name	Percentage of ordinary shares held at end of Half Year		Contribution to net surplus (Item 2(c))	
	Current Half Year	Previous Corresponding Half Year	Current Half Year NZ\$'000	Previous Corresponding Half Year NZ\$'000
Equity Accounted Associates				
			<i>Equity Accounted in current half year</i>	
Medical Waste (Wellington) Ltd	50.0%	50.0%	33	43
Daniels Sharpsmart (New Zealand) Ltd	50.0%	50.0%	5	(1)
Quaker Chemical (Australiasia) Pty Ltd	49.0%	49.0%	703	462
Octel Valvemaster Ltd (UK)	50.0%	50.0%	49	113
Synthese Thailand Co Ltd	45.0%			
Total			790	617
Other Material Interests			<i>Not Equity Accounted in current half year</i>	
Nil				

(b) Investments in Associates

	Current Half Year \$NZ'000	Previous Corresponding Half Year \$NZ'000
Carrying value of investments in associates beginning of half year	4,118	4,130
Share of changes in associates' post acquisition surpluses/and reserves:		
- Retained surplus	790	617
- Reserves		
Net goodwill amortisation and impairment adjustments in the period		
Acquisitions of interests in associates		
Less Dividends received in the period	(1,859)	(891)
Exchange rate adjustments	(10)	(30)
Equity carrying value of investments at the end of half year	3,039	3,826
Amount of goodwill included in carrying value at end of that half year	Nil	Nil

17 ISSUED AND QUOTED SECURITIES AT END OF CURRENT HALF YEAR

Category of Securities	Number Issued	Number Quoted	Paid-Up Value (If not fully paid)
PREFERENCE SHARES:			
# (Description)			
Issued during current half year	Nil		
ORDINARY SHARES:			
On issue at 1 July 2004	62,075,510	62,075,510	Fully Paid
Issued during current half year			
Private Placement	11,550,000	11,550,000	Fully Paid
Shareholder Purchase Plan	3,057,108	3,057,108	Fully Paid
On issue at 31 December 2004	76,682,618	76,682,618	Fully Paid
CONVERTIBLE NOTES			
# (Description)			
Issued during current half year	Nil		
OPTIONS:			
	Issued	Quoted	Exercise Price
			Expiry Date
Issued during current half year	Nil		
DEBENTURES - Totals only:	Nil	\$	
UNSECURED NOTES - Totals only:		\$75,000,000	
OTHER SECURITIES	Nil	\$	\$

Description includes rate of dividend or interest and any redemption or conversion rights together with the prices and dates thereof.

18 COMMENTS BY DIRECTORS

If no report in any section, state NIL. If insufficient space below, provide details in the form of notes to be attached to this report.

- (a) Material factors affecting the revenues and expenses of the group for the current full year
(See Chairman's Report attached)
- (b) Significant trends or events since end of current full year *(See Chairman's Report attached)*
- (c) Changes in accounting policies since last Annual Report and/or last Half Yearly to be disclosed
Nil
- (d) Critical Accounting Policies - Management believes the following to be critical accounting policies. That is they are both important to the portrayal of the Issuer's financial condition and results, as they require management to make judgments and estimates about matters that they are inherently uncertain
Nil
- (e) Management's discussion and analysis of financial condition, result and/or operations (optional) - this section should contain forward looking statements that should outline where these involve risk and uncertainty
(See Chairman's Report attached)
- (f) Other comments
(See Notes to the financial statements attached)
The assets and liabilities included in the financial statements for the Coatings Resins businesses acquire are based on the accounts of Akzo Nobel as at 31 December 2004. The final settlement for the acquisition is expected to be concluded by early March 2005 and no significant adjustments are anticipated. The exercise of assessing fair values for the assets and liabilities acquired, including asset valuations and provisions for pension liabilities and other employee entitlements acquired will be completed before the end of the financial year.

19 DIVIDEND

- (a) Dividend Yield as at balance date (%) (Annual dividend per share divided by price per share)
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- (b) Tax Adjusted Dividend Yield as at balance date (%) (Annual net dividend per share divided by price per share)
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20 ANNUAL MEETING (if full year report)

- (a) To be held at:
N/A
.....
- (b) Date: Time:
- (c) Approximate date of availability of Annual Report

If this full year report was approved by resolution of the Board of Directors, please indicate date of meeting:

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.....
Fred Holland
Chairman