



Steel & Tube Holdings Limited
Interim Report 1996



Directors' Report

for the five months ended 30 November 1996.

The Directors announce an unaudited profit after tax of \$11.0 million for the five months ended 30 November 1996, compared with \$11.4 million for the same period last year. Sales increased from \$133 million to \$188 million primarily due to the inclusion of a full five months revenue from the acquisitions, A J Forsyth & Co. Limited and Southern Cross Engineering Holdings Limited.

The Directors have declared an interim dividend of 20 cents per share which will be paid on 12 March 1997 to holders of fully paid ordinary shares registered at 28 February 1997. This dividend will carry full imputation credits and a supplementary dividend of 3.52 cents for non-resident shareholders. This amount payable is \$8.7 million, the same as the previous year.



The domestic steel operations of distribution, processing and reinforcing performed strongly although a changed product mix saw a slight reduction in profitability.

Despite an increase in sales of \$26 million, the profit of the Engineering and Fabrication operations was well below expectations. This was due to problems on major contracts and difficult conditions in the forestry sector.

A J Forsyth & Co. results are disappointing but productivity gains, through capital investment, continue to improve its performance.

When the Group reports for the eleven months to 31 May 1997, the present expectation is that the profit will approximate the twelve months to 30 June 1996 on a pro rata basis.

Dr R L Every

Chairman of the Board of Directors

11 February 1997

Consolidated Statement of Financial Performance

of Steel & Tube Holdings Limited for the five months ended 30 November 1996

	5 months ended 30 Nov 1996 \$000	5 months ended 30 Nov 1995 \$000	12 months ended 30 June 1996 \$000
Sales	187,591	133,286	355,120
Profit Before Tax	17,731	17,402	38,711
<i>Less Tax</i>	6,467	5,976	13,564
Profit After Tax	11,264	11,426	25,147
<i>Minority Interests</i>	(269)	(43)	185
Profit After Tax and Minority Interests	10,995	11,383	25,332
<i>Earnings per share (cents) (annualised, after tax)</i>	57	60	58

Consolidated Cash Flow Statement

of Steel & Tube Holdings Limited for the five months ended 30 November 1996

	5 months ended 30 Nov 1996 \$000	5 months ended 30 Nov 1995 \$000	12 months ended 30 June 1996 \$000
Net Cash Flow From Operations	6,205	8,567	23,351
Net Cash Flow To Investments	(2,117)	(13,914)	(24,634)
Net Cash Flow From/(To) Financing	(2,399)	7,079	150
Net Increase/(Decrease) In Cash Held	1,689	1,732	(1,133)

Consolidated Statement of Financial Position

of Steel & Tube Holdings Limited as at 30 November 1996

	5 months ended 30 Nov 1996 \$000	6 months ended 31 Dec 1995 \$000	12 months ended 30 June 1996 \$000
Shareholders' Funds			
<i>Issued and Paid Up Capital</i>	69,084	68,565	68,565
<i>Reserves</i>	(743)	-	(543)
<i>Retained earnings</i>	56,650	42,240	45,655
	124,991	110,805	113,677
Minority Interests	6,935	7,828	7,572
Liabilities			
<i>Term Liabilities</i>	18,500	8,500	18,500
<i>Current Liabilities</i>	74,630	74,494	81,167
Total Shareholders' Funds & Liabilities	225,056	201,627	220,916
Assets			
<i>Non Current Assets</i>	62,880	58,634	58,187
<i>Investments</i>	474	810	474
<i>Goodwill</i>	9,288	10,151	10,692
<i>Deferred Tax</i>	638	1,148	797
<i>Current Assets</i>	151,776	130,884	150,766
Total Assets	225,056	201,627	220,916

- Notes:**
- Accounting policies adopted are as stated in the Annual Report.
 - All figures for the five months to 30 November 1996 and 30 November 1995, and six months to 31 December 1995 are unaudited. The figures for the year ended 30 June 1996 are taken from audited financial statements.



Group Directory

Steel & Tube Holdings Limited

15-17 Kings Crescent, Lower Hutt

Private Box 30-543, Lower Hutt

.....
Chief Executive Officer Mr N Calavrias

Company Secretary Mr AC Candy

Reinforcing & Fabrication

15-17 Kings Crescent, Lower Hutt

PO Box 38-887, Wellington Mail Centre

.....
General Manager Mr RJ O'Neill

Engineering & Fabrication

525 Great South Road, Penrose, Auckland

PO Box 40, Auckland

.....
General Manager Mr R Browning

Steel Distribution & Processing

15-17 Kings Crescent, Lower Hutt

Private Box 30-543, Lower Hutt

.....
Chief Executive Officer Mr N Calavrias

A J Forsyth & Company Limited

830 Carlisle Road, New Westminster,

Vancouver, Canada

.....
President Mr D Thomas

Auditors

Coopers & Lybrand

Principal Bankers

ANZ Banking Group (New Zealand) Limited

National Bank of New Zealand Limited

Bank of America, Canada

Share Registry

Registry Managers (New Zealand) Limited

Private Bag 92-119

Auckland 1030