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**Note:** All references in this annual report to \$ or “dollars” are references to United States Dollars unless otherwise stated.



# Half-Year Report

The six-month period to 31 December 2006 saw a continuation of our well-established plan for Tenon – to grow through selected acquisitions that can leverage our existing position and expand our customer base, to refine our business activities to focus on specialty products in the North American market place, to eliminate costs throughout our supply chain, and to drive earnings performance. Whilst, in the six months under review, the latter of these objectives was affected to some extent by a sudden downturn in the US housing market, we are convinced that our actions during the period along with the initiatives we now have underway will fundamentally reposition Tenon for the future.

The most significant of the actions taken in the six months related to our investment in American Wood Mouldings (AWM). Shareholders will recall that our 50% interest in AWM had come under severe pressure, due to unsustainable pricing reductions from its major customer and deteriorating market conditions. Our partner in AWM effectively held management control of the business, and this structure meant that Tenon was not in a position

to put in place the ‘turn-around’ initiatives that we wished to see effected. We could not let this situation continue, and we quickly determined that as long as we could extract ourselves from AWM ‘for value’, and do so in a manner that assisted us in building Tenon’s specialty products platform in North America, then we should move to exit the investment. We are pleased to report we have now achieved both of these goals as a result of the transactions we put in place during the period.

In November 2006 we announced that we had exited our 50% investment in AWM. As part of our terms of exit, we successfully negotiated long-term agreements with AWM that retain Tenon’s right to be a major supplier to AWM of wood products manufactured at our Taupo, New Zealand, facility.

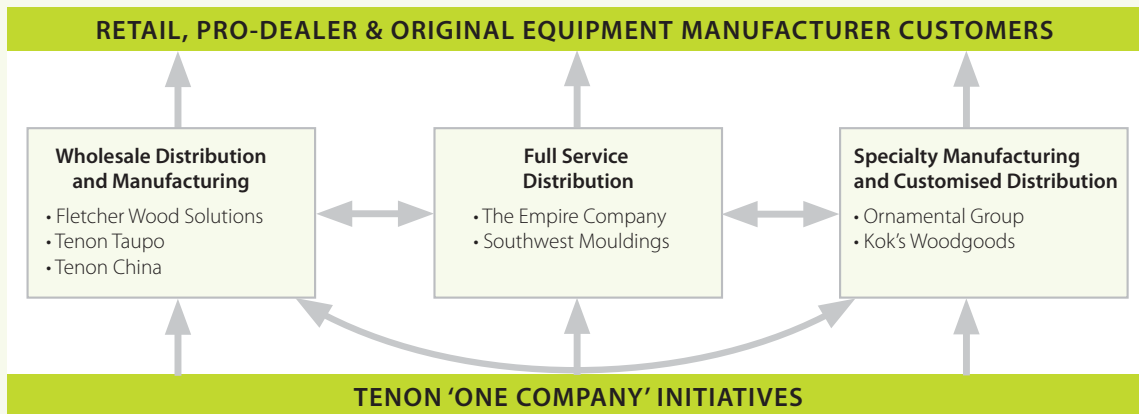
At the same time we also announced that we had acquired a 100% investment in Ornamental Mouldings (OMI). OMI is a leading manufacturer and distributor of decorative mouldings, with operations located in North Carolina, USA and Ontario, Canada. As well as providing Tenon with further product and market diversification, Ornamental’s strong capabilities

All references to dollar (\$) amounts are to United States dollars.

in domestic production and offshore sourcing, combined with its very specialised products, allow it to occupy a niche position in the market place – protected to some degree from the vagaries of the market. (Further information about OMI can be found on the OMI website [www.ornamentalmouldings.com](http://www.ornamentalmouldings.com).)

These transactions are significantly value-enhancing to Tenon from an earnings perspective. OMI's earnings before interest, tax and depreciation (EBITDA) were more than \$7 million in FY06, a major improvement on AWM's \$2 million contribution for the same period, and also on AWM's loss-making performance for the latest four-month period up until its sale.

In addition, from a management perspective, all our operations are now either 100% owned, or majority owned. Now that we have effective control of all our businesses we have established a new operating structure designed to extract the full potential of Tenon. We have three distinct but complementary strategic business units, each of which has well established growth and cost-out objectives. Also, we now have the ability to extract Group-wide synergies from operating as one integrated company. All business units are working closely together to identify and implement synergy and cost-out projects – including in the areas of procurement, manufacturing, logistics and working capital reductions.



Individually, each of Tenon's business units has a pre-eminent position in the United States mouldings and millwork market. Each offers the market a distinctive blend of product and service capabilities – be it the back-to-back manufacturing and distribution of a 40-foot container of mouldings from New Zealand, or the delivery to a United States contractor of a made-to-order house-lot of pre-stained millwork for their client.

Collectively, the Tenon Group of businesses is significant, with annualised revenues in excess of \$400 million, and over 1300 employees operating six manufacturing operations and eight distribution facilities in the United States, together with a clearwood manufacturing operation in New Zealand and a procurement business in China. Across these facilities we see significant scope for cost savings and streamlining of operations as the businesses move towards a more integrated approach.

We continue to focus our efforts on establishing new customer relationships that will allow us to expand our opportunities in our specialty products. For example, we have recently signed and announced a new supply agreement with BlueLinX (North America's

largest distributor of building products), which will see BlueLinX distribute our new Lifespan<sup>1</sup> outdoor treated wood product range in the United States.

Whilst the repositioning of Tenon has proceeded to plan, US market conditions in the period did not. Material adverse changes in trading conditions occurred during the half-year; with new house building starts in the United States for the six-month period being 22% below the same period in 2005 and flat spend in the important renovation market. These factors, combined with a NZ exchange rate against the US dollar (which impacts our New Zealand based operations) remaining at near all-time highs, resulted in prices for Moulding & Better lumber (in New Zealand dollar terms) finishing the half year at their lowest levels since we entered the market in 1995.

Despite these difficult trading conditions in the period, Tenon managed to return a solid financial performance. The Company achieved a 50% increase in EBITDA, to \$9 million, for the period – up from the \$6 million recorded in the comparative six-month period ending December 2005. In addition, total revenue for the half-year was \$196 million, up from \$167 million for

the prior period. The earnings in the six-month period ended December 2006 reflected the prior business structure and the very difficult macroeconomic conditions experienced throughout the period.

It is noteworthy that the acquisitions of Southwest Mouldings in November 2005 and Ornamental Mouldings in November 2006, together with Tenon's exit from AWM, enhanced EBITDA for the half-year by approximately \$2.5 million compared to the corresponding period in 2005.

4 The overall result for the six months reflected a cyclical low point in the US market. While there is still some uncertainty over the depth and duration of the current slump in the US market, by the end of this calendar year market conditions are expected to improve off the current low base. For example the National Association of Home Builders (NAHB) is forecasting an improvement in new housing starts of approximately 11.6%<sup>2</sup> between calendar 2007 and calendar 2008.



Luke Moriarty  
Chairman of Directors

22 February 2007

Notwithstanding the strength of our business model, timing of changes in macro-conditions is a critical driver of value for Tenon. To this point, the NAHB estimates a return to over 1.7 million housing starts in calendar 2008<sup>2</sup>. Based on these forecasts and a corresponding lift in remodelling spend to an annualised growth rate of 3–5%, 2008 could well see the US building industry back to sustainable 'mid cycle' conditions. If so, these market conditions, coupled with the value initiatives we now have in place and a softening in the New Zealand dollar (against the US dollar), will all be major contributors to a significant value lift at Tenon.

Your Board and management believe that the structural changes and operational improvements we have made now position Tenon very well to participate in a broad market recovery as that occurs. Further planned improvements will only enhance this position.



Mark Eglinton  
Chief Executive Officer

1. Lifespan is a trademark of the Tenon Group. All rights reserved.

2. NAHB/Housing Economics 16 Feb 2007

## Statement of Accounting Policies

### Basis of Presentation

The interim financial statements presented are those of Tenon Limited (the Parent Company), and Tenon Limited and Subsidiaries (the Group).

### Statement of Compliance

The interim financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice and New Zealand International Accounting Standard 34, Interim Financial Reporting. In complying with NZIAS 34, the interim financial statements also comply with IAS 34.

The interim financial statements do not include all of the information required to be disclosed for full annual financial statements. The Group has designated itself as a profit-orientated entity for the purposes of compliance with NZ IFRS.

### Basis of Preparation

The interim financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 1993 and the Companies Act 1993.

The reporting currency used in the preparation of these interim financial statements is United States dollars.

The preparation of interim financial statements in conformity with NZIAS 34 requires the Group to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The interim financial statements consolidate the financial statements of subsidiaries using the purchase method, and include the results of associates using the equity method.

The accounting policies used in the preparation of the interim financial statements for the six months ended 31 December 2006 and 31 December 2005 are consistent with those used in the preparation of the audited financial statements of the Group for the year ended 30 June 2006.

## Consolidated Income Statement

for period ended 31 December 2006

	Note	Six Months Dec 2006 NZ\$m	Six Months Dec 2006 US\$m	Tenon Group Year Ended June 2006 US\$m	Six Months Dec 2005 US\$m
Revenue		277	<b>196</b>	370	167
Cost of Sales		-205	<b>-144</b>	-274	-127
Gross Profit		72	<b>52</b>	96	40
Dividend Income		-	-	2	2
Earnings from Associates	4	-	-	-	-1
Distribution Expense		-51	<b>-36</b>	-67	-30
Administration Expense		-10	<b>-7</b>	-11	-5
Earnings before Interest, Tax, Depreciation and Impairment (EBITDA)		11	<b>9</b>	20	6
Depreciation		-4	<b>-3</b>	-5	-2
Impairment Charge – Zenia House Exit Costs		-	-	-1	-1
Operating Profit before Financing Costs		7	<b>6</b>	14	3
Net Financing Expense	5	-4	<b>-3</b>	-3	-1
Profit before Taxation		3	<b>3</b>	11	2
Income Tax Expense		-1	<b>-1</b>	-3	-
Net Profit after Taxation		2	<b>2</b>	8	2

### Earnings per Share Information

Basic Net Earnings per Share (cents)			<b>2.5</b>	12.0	3.4
Diluted Net Earnings per Share (cents)			<b>2.4</b>	11.8	3.4
Basic and Diluted Weighted Average Number of Shares Outstanding (millions)			<b>66.9</b>	69.3	69.7

The accompanying notes form part of and are to be read in conjunction with these interim financial statements.

The interim financial statements have been translated to New Zealand dollars for information purposes only, refer to note 3.

## Consolidated Statement of Changes in Equity for period ended 31 December 2006

	Note	Six Months Dec 2006 NZ\$m	Six Months Dec 2006 US\$m	Tenon Group Year Ended June 2006 US\$m	Six Months Dec 2005 US\$m
Net Earnings for the period, comprising:					
Net Profit after Taxation		2	<b>2</b>	8	2
		2	<b>2</b>	8	2
Other Recognised Revenues and Expenses for the period					
Revaluation Reserve on Acquisition	8	3	<b>2</b>	–	–
Movement in Currency Translation Reserve		3	<b>2</b>	-1	–
Total Recognised Revenues and Expenses for the period		8	<b>6</b>	7	2
Movement in Reported Capital					
Share Buyback	7	-1	<b>-1</b>	-6	–
Movements in Equity for the period		7	<b>5</b>	1	2
Total Group Equity at the beginning of the period, comprising:					
Parent Shareholders' Interest		173	<b>122</b>	121	121
Total Group Equity at the end of the period, comprising:					
Parent Shareholders' Interest		180	<b>127</b>	122	123

The accompanying notes form part of and are to be read in conjunction with these interim financial statements.

The interim financial statements have been translated to New Zealand dollars for information purposes only, refer to note 3.

## Consolidated Balance Sheet as at 31 December 2006

	Note	Six Months Dec 2006 NZ\$m	Six Months Dec 2006 US\$m	Tenon Group Year Ended June 2006 US\$m	Six Months Dec 2005 US\$m
<b>ASSETS</b>					
Current Assets:					
Cash and Liquid Deposits		4	<b>3</b>	3	2
Inventory		115	<b>81</b>	68	64
Trade and Other Receivables		60	<b>42</b>	40	29
Current Assets – Discontinued Operations	10	1	<b>1</b>	1	1
Total Current Assets		180	<b>127</b>	112	96
Non Current Assets:					
Fixed Assets		60	<b>42</b>	32	35
Investments		–	<b>–</b>	20	20
Goodwill		108	<b>76</b>	54	51
Deferred Taxation Asset		11	<b>8</b>	6	7
Total Non Current Assets		179	<b>126</b>	112	113
Total Group Assets		359	<b>253</b>	224	209
<b>LIABILITIES AND GROUP EQUITY</b>					
<b>Liabilities</b>					
Current Liabilities:					
Trade and Other Payables		36	<b>25</b>	23	26
Provision for Current Taxation		1	<b>1</b>	1	1
Current Debt	9	104	<b>73</b>	19	–
Current Liabilities – Discontinued Operations	10	3	<b>2</b>	2	3
Total Current Liabilities		144	<b>101</b>	45	30
Non Current Liabilities:					
Non Current Debt		6	<b>4</b>	36	35
Provisions		1	<b>1</b>	1	1
Deferred Settlement		28	<b>20</b>	20	20
Total Non Current Liabilities		35	<b>25</b>	57	56
Total Group Liabilities		179	<b>126</b>	102	86
<b>Group Equity</b>					
Capital	7	756	<b>533</b>	534	540
Reserves	8	-576	<b>-406</b>	-412	-417
Total Group Equity		180	<b>127</b>	122	123
Total Group Liabilities and Equity		359	<b>253</b>	224	209

The accompanying notes form part of and are to be read in conjunction with these interim financial statements.

The interim financial statements have been translated to New Zealand dollars for information purposes only, refer to note 3.

## Consolidated Statement of Cash Flows

for period ended 31 December 2006

	Note	Six Months Dec 2006 NZ\$m	Six Months Dec 2006 US\$m	Tenon Group Year Ended June 2006 US\$m	Six Months Dec 2005 US\$m
Cash was Provided:					
From Operating Activities					
Receipts from Customers		282	<b>199</b>	367	177
Dividends Received		–	–	2	2
Total Provided		282	<b>199</b>	369	179
Payments to Suppliers, Employees and Other		273	<b>192</b>	376	181
Income Tax Paid		1	<b>1</b>	7	4
Total Applied		274	<b>193</b>	383	185
Net Cash from/(to) Continuing Operating Activities		8	<b>6</b>	-14	-6
To Investing Activities					
Purchase of Fixed Assets		3	<b>2</b>	5	3
Purchase of Subsidiary		28	<b>20</b>	17	17
Cash Acquired on Purchase of Subsidiary		-4	<b>-3</b>	–	–
Purchase of Minority Interest		–	–	29	29
Net Cash to Investing Activities		-27	<b>-19</b>	-51	-49
From Financing Activities					
Debt Drawdowns		68	<b>48</b>	42	22
Total Provided		68	<b>48</b>	42	22
Debt Settlements		44	<b>31</b>	–	–
Interest Paid		3	<b>2</b>	1	–
Share Buyback		1	<b>1</b>	6	–
Total Applied		48	<b>34</b>	7	–
Net Cash from Financing Activities		20	<b>14</b>	35	22
Net Cash to Discontinued Operations	10	-1	<b>-1</b>	-2	-1
Net Movement in Cash Held		–	–	-32	-34
Add Opening Cash and Liquid Deposits		4	<b>3</b>	36	36
Effect of Exchange Rate Changes on Net Cash		–	–	-1	–
Closing Cash and Liquid Deposits – Continuing Operations		4	<b>3</b>	3	2

The accompanying notes form part of and are to be read in conjunction with these interim financial statements.

The interim financial statements have been translated to New Zealand dollars for information purposes only, refer to note 3.

## Reconciliation of Consolidated Net Earnings to Consolidated Net Cash from Operating Activities

for period ended 31 December 2006

	Six Months Dec 2006 US\$m	Tenon Group Year Ended June 2006 US\$m	Six Months Dec 2005 US\$m
Cash was Provided from:			
Net Earnings	<b>2</b>	8	2
Add Net Financing Expense	<b>3</b>	3	1
Adjustments for Items not involving Cash:			
Depreciation	<b>3</b>	5	2
Taxation	-	-4	-4
Equity Earnings	-	-	1
Cash Flow from Operations before Net Working Capital Movements	<b>8</b>	12	2
Net Working Capital Movements	<b>-2</b>	-26	-8
Net Cash from/(to) Continuing Operating Activities <sup>(1)</sup>	<b>6</b>	-14	-6

(1) As per Statement of Cash Flows.

The accompanying notes form part of and are to be read in conjunction with these interim financial statements.

## Analysis of Purchase of Subsidiary

	Dec 2006 US\$m	Tenon Group June 2006 US\$m	Dec 2005 US\$m
Cash Outflow on Purchase of Subsidiary <sup>(1)</sup>	<b>20</b>	17	17
Investment in AWM	<b>20</b>	–	–
Revaluation Reserve on Acquisition <sup>(2)</sup>	<b>2</b>	–	–
Fair Value of Deferred Consideration	–	18	18
	<b>42</b>	35	35
Cash	<b>3</b>	–	–
Inventory	<b>7</b>	13	13
Trade and Other Receivables	<b>8</b>	6	6
Fixed Assets	<b>11</b>	4	7
Goodwill on Acquisition <sup>(1)</sup>	<b>22</b>	22	19
Trade and Other Payables	<b>-4</b>	-5	-5
Term Debt	<b>-5</b>	-5	-5
	<b>42</b>	35	35

(1) Until November 2006, Tenon owned 50% of AWM. AWM owned 50% of the Ornamental Mouldings ('OMI') group of companies. On 3 November, Tenon announced that it had sold its 50% interest in AWM in return for the transfer of ownership of 50% of OMI to Tenon. Tenon simultaneously acquired the remaining 50% interest in OMI for \$18.75 million. The OMI group contributed \$1.6 million to Profit before Taxation of the Group. The determination of the fair value of the OMI assets acquired (under NZ IFRS) was not complete at December 2006 and the asset values used to determine estimated goodwill at acquisition for the December 2006 interim financial statements are the book values at the date of acquisition. The estimated goodwill of \$22 million is attributable to the level of profitability of OMI and the synergies expected to accrue across the wider Tenon Group from its acquisition.

(2) As the Group had previously held an indirect 25% shareholding in OMI, through its investment in AWM, the acquisition of OMI is treated as a two-step acquisition for accounting purposes and accordingly, under NZ IFRS 3, Tenon's share of the reserves of OMI when it was an associate is recognised as a revaluation reserve on consolidation.

During November 2005, the Group purchased a 51% share of Southwest Mouldings Co.

The accompanying notes form part of and are to be read in conjunction with these interim financial statements.

## Notes to the Interim Financial Statements

### 1 GENERAL INFORMATION

Tenon Limited (the Company) and its subsidiaries (together the Group) is a woodproducts processing, marketing and distribution business. The Group focuses on the high value moulding and millwork markets in the United States. The Group has strong supplier relationships for finished mouldings and boards with the independent pro dealer segment and has channels into two of the largest home improvement chains in the United States: Lowe's and The Home Depot. The Group also supplies appearance grade lumber to a number of US moulding and millwork manufacturers. As well as providing a channel to market for Tenon's New Zealand products, our wholly owned distribution businesses, The Empire Company, Inc and the Ornamental Mouldings group of companies, also source significant quantities of finished mouldings and millwork products from other suppliers.

The Company is a limited liability company incorporated and domiciled in New Zealand. The address of its registered office is 7 Fanshawe Street, Auckland, New Zealand.

The Company is listed on the New Zealand stock exchange. As at 31 December 2006 the Group was 57.36% owned by Rubicon Limited and its subsidiaries (June 2006: 57.10%).

These consolidated financial statements have been prepared on a consolidated Group basis and were approved for issue by the Board of Directors on 15 February 2007.

### 2 CHANGES IN ACCOUNTING POLICY

There have been no changes in accounting policies during the period.

### 3 FUNCTIONAL CURRENCY

On 5 July 2005, Tenon formally adopted the United States dollar as both its functional and reporting currency following the sale of the Group's Australasian based Structural Consumer Solutions business. The majority of the Group's revenues and cash flows are generated in United States dollars.

#### New Zealand dollar supplementary information

The consolidated financial statements are expressed in United States dollars. The amounts pertaining to the most recent financial period are translated to New Zealand dollars, the latter being supplemental information presented solely for convenience and converted from United States dollars, as a matter of arithmetical computation only, at the closing rate on 31 December 2006 of NZ\$1.00 : US\$0.7050.

### 4 EARNINGS FROM ASSOCIATES

On 3 November, the Group announced that it had exited its 50% investment in American Wood Mouldings ('AWM') and acquired 100% of the Ornamental Mouldings group of companies ('OMI') (refer analysis of purchase of subsidiary disclosure). Tenon's 50% share of AWM's loss of \$1.2 million (\$0.6 million Tenon's share) for the period up to the date of sale is included in Earnings from Associates.

The Group sold its 50% investment in American Mouldings S. de R.L. de C.V. ('AWM Mexico') to Manhattan Holdings, LLC for a promissory note (receivable in May 2009) of \$475,000. The gain on sale of AWM Mexico, \$0.6 million, has been included in Earnings from Associates.

Accordingly, the AWM group's net contribution to Tenon's earnings in the period was nil.

Notes to the Interim Financial Statements *continued***5 FINANCIAL COSTS**

	Dec 2006 US\$m	Tenon Group June 2006 US\$m	Dec 2005 US\$m
Interest Payable on Debt	2	1	–
Amortisation of Fair Value – Deferred Settlement	1	2	1
	<b>3</b>	3	1

**6 SEGMENTAL INFORMATION SUMMARY**

Tenon Limited (the Company) and its subsidiaries (together the Group) is a woodproducts processing, marketing and distribution business. The Group focuses on the high value moulding and millwork markets in the United States. The Group has strong supplier relationships for finished mouldings and boards with the independent pro dealer segment and has channels into two of the largest home improvement chains in the United States: Lowe's and The Home Depot. The Group also supplies appearance grade lumber to a number of US moulding and millwork manufacturers. As well as providing a channel to market for Tenon's New Zealand products, our wholly owned distribution businesses, The Empire Company, Inc and the Ornamental Mouldings group of companies, also source significant quantities of finished mouldings and millwork products from other suppliers.

**7 CAPITAL**

	Dec 2006 US\$m	Tenon Group June 2006 US\$m	Dec 2005 US\$m
<b>Capital</b>			
<b>Reported Capital:</b>			
Reported Capital at the beginning of the period	534	540	540
Share Buyback <sup>(1)</sup>	-1	-6	–
Reported Capital	<b>533</b>	534	540

	Dec 2006	Tenon Group June 2006	Dec 2005
<b>Tenon Ordinary Shares</b>			
Number of Shares at the beginning of the period	67,205,177	69,697,637	69,697,637
Share Buyback <sup>(1)</sup>	-354,516	-2,492,460	–
	<b>66,850,661</b>	67,205,177	69,697,637

(1) On 7 March 2006 Tenon announced an on-market share buyback of up to 5% of Tenon's issued shares, in accordance with the Companies Act and the NZX listing rules. To date, the Company has acquired 2,846,976 shares, representing 4.1% of the issued shares of the Company.

Shares held by the Tenon Employee Share Purchase Scheme accounted for under the Treasury Stock method amount to 198,360 (June 2006: 198,360; December 2005: 198,360) fully paid Tenon Limited Ordinary Shares.

Notes to the Interim Financial Statements *continued***8 RESERVES**

	Dec 2006 US\$m	Tenon Group June 2006 US\$m	Dec 2005 US\$m
<b>Retained Earnings:</b>			
Opening Balance	-416	-424	-424
Net Profit after Taxation	2	8	2
	<b>-414</b>	-416	-422
<b>Revaluation Reserves:</b>			
Opening Balance	-	-	-
Revaluation Reserve on Acquisition <sup>(1)</sup>	2	-	-
	<b>2</b>	-	-
<b>Net Currency Translation:</b>			
Opening Balance	4	5	5
Net variations on Translations of Foreign Currency Financial Statements	2	-1	-
	<b>6</b>	4	5
<b>Total Reserves</b>	<b>-406</b>	-412	-417

(1) On 3 November, the Group announced that it had exited its 50% investment in American Wood Mouldings ('AWM') and acquired 100% of the Ornamental Mouldings group of companies ('OMI'). As the Group had previously held an indirect 25% share in OMI, through its investment in AWM, the acquisition of OMI is treated as a two-step acquisition for accounting purposes and accordingly, under NZ IFRS 3, Tenon's share of the reserves of OMI when it was an associate is recognised as a revaluation reserve on consolidation.

**9 REFINANCING**

Discussions are taking place between the Group and its bankers to enter into longer term bank facilities prior to expiry of the existing facilities in August 2007.

Notes to the Interim Financial Statements *continued***10 DISCONTINUED OPERATIONS**

The following information details the balance sheet and cash flows of the Discontinued Operations of the Tenon Group relating to the structural business sale in April 2005 and the forestry activities disposed of during 2004. These operations were previously disclosed as Structural and the Forests and Supply Segment. There were no earnings for the periods disclosed.

**Balance Sheet**

as at 31 December

	Dec 2006 US\$m	June 2006 US\$m	Dec 2005 US\$m
<b>Assets</b>			
Current Assets:			
Forest Assets held for sale	1	1	1
Total Discontinued Group Assets	1	1	1
<b>Liabilities</b>			
Current Liabilities:			
Provisions <sup>(1)</sup>	2	2	3
Total Discontinued Group Liabilities	2	2	3

(1) Includes Pension Liability as at 31 December 2006 of \$0.6 million (June 2006: \$0.8 million).

**Statement of Cash Flows**

for period ended 31 December

	Six Months Dec 2006 US\$m	Year Ended June 2006 US\$m	Six Months Dec 2005 US\$m
Net Cash to Operating Activities	-1	-2	-
Net Cash to Investing Activities	-	-	-1
Net Cash to Discontinued Activities	-1	-2	-1

## Investor Information

Tenon reports six-monthly for the half-year (to 31 December) and full year (to 30 June).

Copies of the Half-Year and Annual Reports are available on the Company's website, [www.tenon.co.nz](http://www.tenon.co.nz).

### DIVIDEND

There is no 2007 interim dividend for Tenon shareholders.

### SHARE REGISTRY ENQUIRIES

Shareholders with enquiries about share transactions, changes of address or dividend payments can access the Computershare website [www.computershare.co.nz](http://www.computershare.co.nz) and check their shareholding online. Enquirers should click on *Investors*, and then click on *Account Summary*. They can then enter the Company name, and their shareholder number and FIN.

Computershare Investor Services Limited  
Private Bag 92-119,  
Auckland 1142, New Zealand  
Level 2, 159 Hurstmere Road,  
Takapuna, North Shore City, 0622  
Telephone: 64-9-488-8777  
Facsimile: 64-9-488-8787  
E-mail: [enquiry@computershare.co.nz](mailto:enquiry@computershare.co.nz)

### COMPANY WEBSITES

[www.tenon.co.nz](http://www.tenon.co.nz)  
[www.tenonusa.com](http://www.tenonusa.com)  
[www.empireco.com](http://www.empireco.com)  
[www.ornamentalmouldings.com](http://www.ornamentalmouldings.com)  
[www.southwestmoulding.com](http://www.southwestmoulding.com)

### OTHER INVESTOR ENQUIRIES/REGISTERED OFFICE

Investor Relations  
Tenon Limited  
Level 6,  
7 Fanshawe Street,  
Auckland, 1010  
Private Bag 92-036,  
Auckland Mail Centre, 1142, New Zealand  
Telephone: 64-9-368-4198  
Facsimile: 64-9-368-4197  
E-mail: [investor-relations@tenon.co.nz](mailto:investor-relations@tenon.co.nz)

### FORWARD-LOOKING STATEMENTS

Except to the extent that they relate to historical information, there are forward-looking statements included in this document which include, but are not limited to, statements from the Chairman and the Chief Executive Officer in the half-year report. As forward-looking statements are predictive in nature, they are subject to a number of risks and uncertainties relating to Tenon, its operations, the markets in which it competes and other factors (some of which are beyond the control of Tenon). As a result of the foregoing, actual results and conditions may differ materially from those expressed or implied by such statements. In particular Tenon's operations and results are significantly influenced by the level of activity in the various sectors of the economies in which it competes. Fluctuations in industrial output, commercial and residential construction activity, relative exchange rates, and interest rates in each market, can have a substantial impact on Tenon's results of operations and financial condition. Other risks include competitor product development and pricing and customer concentration risk.

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