



The Insolvency & Business Recovery Specialists

**EXFTX LIMITED
(IN RECEIVERSHIP & IN LIQUIDATION)
("Feltex")**

(This company was called Feltex Carpets Limited until 1 December 2006)

**LIQUIDATORS TWELFTH REPORT
Pursuant to Section 255(2)(d)
of the Companies Act 1993**

**For the Period from 13 December 2011
to 12 June 2012**

1. PROGRESS OF THE ADMINISTRATION OF THE LIQUIDATION

The liquidators report herewith on the progress made in the liquidation of EXFTX Limited (In Receivership & In Liquidation).

This twelfth report to creditors follows the previous reports and should be read in conjunction with all previous reports.

2. REALISATION OF COMPANY ASSETS

The Receivers sold all of the business and assets of Feltex to Godfrey Hirst. Settlement of the sale to Godfrey Hirst took place on 30 November 2006. The receivers' report that there is one remaining retention issue to be dealt with. The liquidators understand that this will not affect the liquidation or the outcome for creditors.

3. CREDITORS CLAIMS

There are no changes to the report under this section.

3.1 Secured Creditors

The Feltex Group of companies were served with demands from Australia and New Zealand Banking Group Limited and ANZ National Bank Limited dated 20 September 2006, for A\$119.5 million. Interest and charges have continued to accrue since that date.

The receivers advise that in the period up to 21 September 2011 the following repayments have been made to the ANZ bank.

	A\$
By the New Zealand receivers	\$49.55 million
By the Australian receivers	\$67.40 million
Total	A\$116.95 million

Which left ANZ owed approximately AUD 2.55 million principal plus interest and costs. Based on information we received earlier this year we expect that the bank will be owed in excess of AUD 16 million including interest and costs.

As at 21 September 2011 the receivers reported that they held NZ\$425,466. They also reported that the remaining balance due to the GSA holder at 21 September 2011 was circa A\$2.55 million, plus accrued interest.

We do not expect there to be any surplus funds from the conclusion of the receivership for the liquidation.

3.2 Unsecured Creditors

As at the date of preparing this report 614 unsecured creditors claims have been received which total \$13,880,557.

The claims can be broken down as follows;

Trade	5,718,271
Employees	8,162,286

We have not yet confirmed the amounts owed to employees.

3.3 Shareholders

166 shareholders have lodged claims as unsecured creditors totalling \$6,287,619. Most of these claims relate to shares purchased in the IPO.

Further detailed information has been sought from these shareholder claimants. A letter dated 19 March 2007 requested further information. This letter is still posted on our website www.mvp.co.nz (look immediately below our logo on the right of the home page).

The liquidators have not made any decisions on Shareholder claims arising from the IPO.

The Liquidators have assessed that shareholder claims against Feltex for breaches of the Securities Market Act continuous disclosure provisions between 1 September 2005 and 23 June 2006. The shareholders who make up this amount are those that made net purchases of Feltex shares from 1 September 2005 to 23 June 2006.

Formal communications will be sent in due course.

The liquidators have the power to review and amend their decisions however and the outcome of the case against the directors may impact on that.

4. INVESTIGATIONS AND LEGAL ISSUES

The liquidators continue to advance the claim against Ernst & Young. We have agreed a timetable, and are working through discovery issues, and have agreed and paid security for costs.

5. DIVIDENDS

The receivers have reported that there will be a shortfall out of the physical assets to the debentureholder. It therefore follows that any return to creditors will only be achieved by successful recovery actions taken by the liquidators.

6. MATTERS DELAYING COMPLETION OF THE LIQUIDATION

Resolution of the Ernst & Young recovery proceedings may take time.

7. DISCLAIMER

The Liquidators do not accept any responsibility or liability for any errors, omissions or misinformation contained in this report. The liquidators do not accept responsibility or liability for any losses occasioned to any party as a result of the circulation, publication, reproduction, or use of this report.

8. WEBSITE www.mvp.co.nz

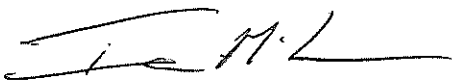
Creditors are advised that this report and all subsequent reports will be available on the liquidator's website. The liquidators will provide a regular bulletin updating creditors with current progress in actions taken. This bulletin will be lodged on the website to reduce costs. Please send us your email address if you would like further reports sent to you.

9. CONCLUSION

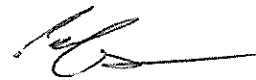
Based on the above the liquidators cannot yet estimate an expected date of completion.

Any queries can be directed to Iain McLennan or Peri Finnigan of these offices on 0-9-303 0506 or by visiting our website at www.mvp.co.nz.

Yours faithfully
for EXFTX LIMITED
(IN RECEIVERSHIP & IN LIQUIDATION)



IAIN MCLENNAN
LIQUIDATOR



PERI M FINNIGAN
LIQUIDATOR

DATED this 27th day of June 2012

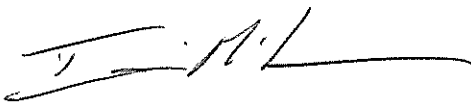
Number of Company: 828025

Name of Company: EXFTX LIMITED (IN LIQUIDATION)
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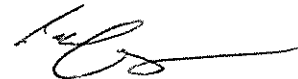
Subject: LIQUIDATOR'S STATEMENT OF REALISATIONS AND
DISTRIBUTIONS FOR PERIOD 13 DECEMBER 2006 TO
12 JUNE 2012

DUE TO REASONS OF COMMERCIAL
CONFIDENTIALITY, AND BECAUSE THE LIQUIDATORS'
PRIMARY ACTIVITY WAS THE LITIGATION AGAINST
DIRECTORS, WE HAVE ELECTED TO NOT ITEMISE
RECEIPTS AND PAYMENTS

Yours faithfully
for EXFTX LIMITED
(IN RECEIVERSHIP & IN LIQUIDATION)



IAIN McLENNAN
LIQUIDATOR



PERI M FINNIGAN
LIQUIDATOR

Dated this 27th day of June 2012