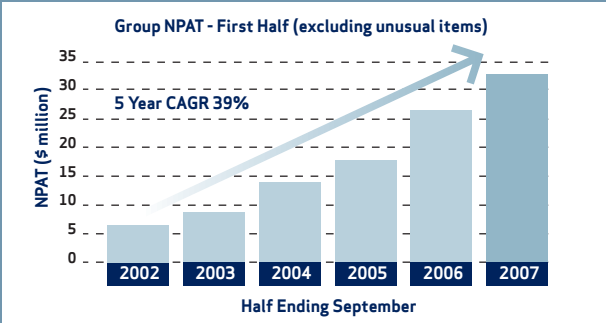


Half Yearly Shareholders' Report  
6 months to 30 September 2007



# Review of half year

CAMPBELL BROTHERS LIMITED (ASX CODE: CPB) HAS ANNOUNCED THAT UNDERLYING NET PROFIT AFTER TAX (EXCLUDING UNUSUAL ITEMS) ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY HAS INCREASED BY 25.4 PERCENT TO \$32.66 MILLION FOR THE HALF YEAR TO 30 SEPTEMBER 2007.



The profit was generated from a turnover of \$366.60 million, an increase of 13.1 percent from \$324.24 million in 2006.

The strong improvement in net profit was achieved despite adverse effects of the strengthening Australian dollar on the translation of offshore earnings.

By way of illustration, the average exchange rate used to translate US dollar earnings to Australian dollars in the six months to September 2007 was \$US0.8448 compared with \$US0.7560 for the previous corresponding period. The impact of this exchange rate movement has decreased the after tax profit for the first half by approximately \$2 million.

The result was again driven by the Company's laboratory services division, ALS Laboratory Group, which experienced ongoing growth due to buoyant market conditions and acquisitions in the previous financial year.

Expectations are that underlying net profit after tax (excluding unusual items) for the full year to March 2008 will show a similar percentage increase to that achieved in the September 2007 half year.

The consolidated entity will continue to focus on maintaining growth and ensuring it extracts the best possible return on its investments.

Directors have declared a partly franked (50%) interim dividend of 35 cents per share (2006: 28 cents, partly franked to 50%) which will be paid on 17 December 2007 on all shares registered in the Company's register at the close of business on 6 December 2007.

Results of each of the Company's business divisions were:

# ALS Laboratory Group



A WORLD LEADER IN ANALYTICAL LABORATORY SERVICES IN THE ENVIRONMENTAL, MINERALS AND OIL MARKETS WITH ADDITIONAL TECHNICAL SERVICES PROVIDED IN THE AREAS OF FOOD MICROBIOLOGY, ELECTRONICS, ECOTOXICOLOGY, OCCUPATIONAL HEALTH AND AIR QUALITY.

	H1 2008 \$000	H1 2007 \$000	Increase %
Revenue	207,399	163,936	26.5
Segment contribution	49,685	41,152	20.7

ALS Laboratory Group achieved significant increases in both revenue and profit contribution despite the unfavourable effects of movements in foreign exchange rates.

The results were derived from very strong market growth in minerals analysis across all regions and acquisitions in the environmental testing segment during the past year.

ALS is continuing to invest in future growth through acquisitions and the opening of new laboratories.

During the half year, ALS entered into joint venture arrangements with MMC Norilsk Nickel in Russia and JK Tech Pty Ltd in Australia. On 1 September 2007, ALS acquired e-Lab in the USA. e-Lab are an environmental laboratory group with operations in Texas and Michigan. On 1 October 2007, ALS acquired ACIRL Pty Ltd, an Australian provider of analytical and technology services to the black coal industry, for \$76.8 million.

To counteract the weakening of the US dollar over the past six months, ALS has implemented a number of strategies, including reviewing prices and moving to non US dollar denominated contracts where appropriate.



# Campbell Chemicals



THIS DIVISION INCORPORATES THREE BUSINESS UNITS: CLEANTEC, DELTREX CHEMICALS AND PANAMEX PACIFIC, COVERING A WIDE RANGE OF INDUSTRIAL AND COMMERCIAL PRODUCTS AND ENGINEERING SERVICES THROUGHOUT AUSTRALIA, NEW ZEALAND, THE SOUTH PACIFIC & OTHER EXPORT MARKETS

	H1 2008 \$000	H1 2007 \$000	Increase %
Revenue*	76,434	67,866	12.6
Segment contribution*	4,707	3,735	26.0

\* excludes consumer products contract manufacturing business (sold Sept 07)

The Chemicals segment delivered improvements in revenue and contribution from both the Industrial Chemical and Panamex Pacific business units during the half year.

Panamex Pacific has enjoyed increased sales in strategically important markets and has started to show the benefit from cost control initiatives introduced in the previous financial year.

The Industrial Chemical division produced an improved result despite tightening margins, assisted by a robust approach to controlling overheads.

Both business units will concentrate on deriving continued growth from a focus on servicing their key markets.

The consumer products contract manufacturing business was divested at the end of September 2007.



# Reward Distribution



THE REWARD DISTRIBUTION GROUP IS A MAJOR SUPPLIER OF CHEMICALS, PAPER GOODS, TABLEWARE, KITCHENWARE AND ASSOCIATED NON-FOOD CONSUMABLES TO HOSPITALITY AND INSTITUTIONAL MARKETS ACROSS AUSTRALIA AND NEW ZEALAND.

	H1 2008 \$000	H1 2007 \$000	Increase/ (Decrease) %
Revenue	74,272	66,205	12.2
Segment contribution	2,638	3,085	(14.5)

Reward Distribution experienced a fall in contribution despite increased revenue during the six months to September 2007.

The business has continued to incur high levels of integration and restructuring costs as it rationalises products, warehouses, IT systems and administrative functions across its national network. Most of the systems required to run Reward as a truly national distribution group have now been put in place, and the business can focus its efforts on sales and customer service with the confidence in knowing it can now deliver a superior total service.

The strategy to ensure the future profitable growth of Reward Distribution will continue to be implemented during the coming months and is expected to deliver benefits by the end of the current financial year. The business will concentrate on deriving maximum value from being a professionally managed distributor in a national market.



# Financial Summary

Half year ended 30 September

	H1 2008 \$000	H1 2007 \$000	Change %
<b>Revenue</b>	<b>366,596</b>	<b>324,239</b>	<b>+13.1</b>
Operating profit before financing costs, unusual items and income tax	50,805	42,785	
Less: Financing costs	2,949	3,220	
Less: Income tax before unusual items	14,931	13,484	
<b>Profit After Income tax before unusual items</b>	<b>32,925</b>	<b>26,081</b>	<b>+26.2</b>
Less: Profit attributable to Minority interests	267	35	
<b>Profit after income tax before unusual items attributable to members</b>	<b>32,658</b>	<b>26,046</b>	<b>+25.4</b>
Unusual items - net of tax	5,549	-	
<b>Profit attributable to members</b>	<b>38,207</b>	<b>26,046</b>	<b>+46.7</b>
Issued Capital	216,549	204,292	
Total Equity	314,818	272,508	
Dividend per Share (cents) <sup>(1)</sup>	35.0	28.0	
Earnings Per Share (cents) – before unusual items	62.98	50.75	
Weighted average number of ordinary shares	51,855,163	51,315,819	

<sup>(1)</sup> 50% franked

# Shareholder Information

Visit the Company's website at **[www.campbell.com.au](http://www.campbell.com.au)** for the latest information on the Company's activities.

If you have any questions concerning your CBL shareholding, please contact our Share registry at:

Computershare Investor Services Pty Ltd  
GPO Box 523 Brisbane Qld 4001  
Toll free: 1300 552 270 (within Australia)  
Phone: +61 3 9415 4000 (outside Australia)  
Fax: +61 7 3229 9860  
Internet at: [www.computershare.com](http://www.computershare.com).  
Email: [web.queries@computershare.com.au](mailto:web.queries@computershare.com.au)

## ANNUAL REPORTS

If you do not wish to continue receiving the full annual report, please contact our Share registry, Computershare Investor Services Pty Ltd, to request that the annual report not be sent to you in future. The latest Annual Report can be accessed from the Company's website at [www.campbell.com.au](http://www.campbell.com.au).

## CHANGING YOUR ADDRESS?

If you change your address, please promptly notify our Share registry in writing. You should quote your Holder Identification Number (HIN) or your Securityholder Reference Number (SRN), whichever is applicable, and also quote your old address as an added security check.

## DIRECT DEPOSIT OF DIVIDENDS

You can choose to have your CBL dividends paid directly into a bank, building society or credit union account in Australia on the dividend payment date. Details will then be confirmed by an advice mailed to you on that date. Please contact Computershare Investor Services for an Application Form.

## DIVIDEND REINVESTMENT PLAN (DRP)

If you want your dividend payments reinvested to purchase more CBL shares at a discounted price, contact Computershare Investor Services for a DRP Application form and Explanatory booklet or go to **[www.campbell.com.au](http://www.campbell.com.au)** and download the DRP booklet and forms from the General Information section under Investor Information.

# Financial Calendar

## 2007/2008

Year End	31 March 2008
Full Year Results and Dividend Announcement	27 May 2008
Record Date for Final Dividend and DRP	13 June 2008
Final Dividend Payment Date	1 July 2008
Annual Report Released and Notice of Meeting Mailed	4 July 2008
AGM	5 August 2008

*Note: Dates subject to alteration*

## ANALYSTS

- ABN-AMRO Morgans
- JP Morgan Securities
- Foster Stockbroking
- Merrill Lynch Equities



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