

CAMPBELL  
BROTHERS  
LIMITED **20**  
**HALF YEARLY 06**  
**SHAREHOLDERS' REPORT**  
6 MONTHS TO 30 SEPTEMBER 2006



CAMPBELL BROTHERS  
LIMITED

# FINANCIAL SUMMARY

## Half Year Ended 30 September

	2006 \$000	2005 \$000	Change
<b>Revenue</b>	<b>324,239</b>	<b>250,670</b>	<b>+29.35 %</b>
Operating profit before financing costs, unusual items and income tax	42,785	28,141	
Less: Financing costs	3,220	2,871	
Less: Income tax	13,484	7,840	
<b>Profit After Income tax before unusual items</b>	<b>26,081</b>	<b>17,430</b>	<b>+49.63 %</b>
Less: Profit attributable to Minority interests	35	12	
<b>Profit after income tax before unusual items attributable to members</b>	<b>26,046</b>	<b>17,418</b>	<b>+49.53 %</b>
Unusual items - net of tax	-	316	
<b>Profit attributable to members</b>	<b>26,046</b>	<b>17,734</b>	<b>+46.87%</b>
Issued Capital	204,292	115,039	
Total Equity	272,508	163,350	
Dividend per Share (cents)	28.0 <sup>(1)</sup>	21.0	
Earnings Per Share (cents) – before unusual items	50.75	42.01	
Weighted average number of ordinary shares	51,315,819	41,462,429	

(1) 50% franked

# FINANCIAL CALENDAR

## 2006/2007

Year End	31 March 2007
Full Year Results and Dividend Announcement	29 May 2007
Record Date for Final Dividend and DRP	13 June 2007
Annual Report Released and Notice of Meeting Mailed	29 June 2007
Final Dividend Payment Date	2 July 2007
AGM	31 July 2007

*Note: Dates subject to alteration*

# REVIEW OF HALF YEAR

**THE COMPANY HAS PRODUCED ANOTHER RECORD HALF-YEAR RESULT, WITH UNDERLYING NET PROFIT AFTER TAX (BEFORE UNUSUAL ITEMS) ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY INCREASING BY 49.5 PERCENT TO \$26.0 MILLION.**

The profit was generated from a turnover of \$324.2 million, an increase of 29.3 percent from \$250.7 million in 2005.

The result was driven primarily by the Company's ALS Laboratory Group which continued to grow as a result of very strong market conditions and significant acquisitions in the later part of last financial year.

Expectations are that the March 2007 full year net profit before unusual items will show a similar percentage increase to that achieved in the September 2006 half year.

Directors have declared a partly franked (50%) interim dividend of 28 cents per share (2005: 21 cents, fully franked) which will be paid on 15 December 2006 on all shares registered in the Company's register at the close of business on 5 December 2006.

CONTRIBUTIONS TO THE RESULT FROM THE CONSOLIDATED ENTITY'S BUSINESS DIVISIONS WERE AS FOLLOWS:



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# 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.

	2006 \$000	2005 \$000	Increase
Revenue	163,936	95,811	71%
Segment contribution	41,152	23,922	72%

The ALS Laboratory Group again produced significant increases in both revenue and contribution with all segments of its operations exceeding expectations.

The improved result was from very strong market growth in minerals analysis and significant acquisitions in the environmental testing segment during the later part of last financial year.

ALS will continue to invest through acquisitions and the opening of new laboratories, particularly in identified growth markets. It will maintain its current focus on significantly expanding its Asian, European and African operations where it has relatively low market penetration.



# CAMPBELL CHEMICALS

**This division incorporates business units covering a wide range of industrial, commercial and consumer products and engineering services throughout Australia, New Zealand, the South Pacific & other export markets.**

	2006 \$000	2005 \$000	Increase/ (Decrease)
Revenue	79,793	87,592	(9)%
Segment contribution	4,217	4,669	(10)%

The Chemicals division experienced a reduction in revenue and contribution compared with the previous corresponding half-year.

The reduction resulted from the finalisation of contract manufacturing services temporarily provided to Colgate Palmolive, the purchaser of its branded consumer products business sold in October 2004.

Other parts of the division are delivering improving returns following rationalisation of product lines and operational restructures in both the Industrial Chemical and Panamex Pacific business units.



# 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.**

	2006 \$000	2005 \$000	Increase
Revenue	66,205	52,176	27%
Segment contribution	3,085	2,656	16%

The Reward Distribution division has increased both its revenue and contribution during the half year as it realises the benefits of being a business with a truly national presence.

Opportunities exist for operational efficiencies to be derived from integration of distribution and supply chains, product catalogues, stock lines and internal administration.

The Company is very optimistic about the expected performance of this division in 2007.

# CAMPBELL BROTHERS SERVICES

**This division offers domestic, commercial and industrial services to the public, businesses and government through four business units: Pest Control, Washroom Services, Cleaning Services and Security.**

	2006 \$000	2005 \$000	Increase/ (Decrease)
Revenue	16,848	16,390	3%
Segment contribution	482	518	(1)%

Campbell Brothers Services has realised a moderate increase in revenue and a small reduction in contribution during the traditionally slow winter months.

Its national network of pest control operations is currently updating its marketing strategies and information systems to drive maximum benefit from its market penetration and geographic coverage.

Following a critical review of operations, the carpet cleaning business unit initiated a significant change to its branding and promotions in September 2006 and now trades as Harvey Norman Home Services. These changes resulted in a series of one-off costs being incurred during the half year.



CAMPBELL BROTHERS SERVICES

# 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 3237 2152  
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.



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