



A.B.N. 92 009 657 489

Half Year Financial Report - 30 September 2008
(Including additional ASX Appendix 4D disclosures)

Contents

Results for announcement to the market (including required Appendix 4D information)

Directors' half-year report

Consolidated interim financial report for the half year ended 30 September 2008

The attached Interim Financial Report for the half-year ended 30 September 2008 forms part of this document. This half yearly report is to be read in conjunction with the Campbell Brothers Limited 2008 annual financial report and the notes contained therein.

Campbell Brothers Limited and its Controlled Entities
Results for announcement to the market for the half-year ended 30 September 2008 – Appendix 4D
(Previous corresponding period: half-year ended 30 September 2007)

				\$'000
Revenue from ordinary activities	Up	24.5%	to	456,358
Net underlying profit (before unusual items *) for the period attributable to members	Up	74.7%	to	57,044
Profit from ordinary activities after tax attributable to members	Up	49.3%	to	57,044
Net profit for the period attributable to members	Up	49.3%	to	57,044

* The financial effect of unusual items for the half years ended 30 September 2008 and 2007 is set out in Note 7 to the attached Interim Financial Report.

Dividends	Amounts per security	Franked amount per Security
Interim dividend	50.0¢	25.0 ¢
Previous corresponding period	35.0 ¢	17.5 ¢

Record date for determining entitlements to the interim dividend: 5 December 2008

The last date for receipt of election notices for the company DRP: 5 December 2008

Additional dividend information

Details of dividends declared or paid during or subsequent to the half-year ended 30 September 2008 are as follows:

Record date	Payment date	Type	Amount Per security	Total dividend \$,000	Franked amount per security	Conduit foreign income per security
13 June 2008	1 July 2008	Final 2008	60 cents	31,282	30.0 cents	15.0 cents
5 December 2008	17 December 2008	Interim 2009	50 cents	26,289	25.0 cents	25.0 cents


NTA Backing

	Current period	Previous corresponding period
Net tangible asset per ordinary share	\$2.43	\$3.05

Review Opinion

The unqualified review opinion of the company's auditors, KPMG, is attached to this document and highlights no areas of dispute.

Sign here:


.....
Company Secretary
Tim Mullen

Date: 25/11/2008



A.C.N 009 657 489

AND

ITS CONTROLLED ENTITIES

INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED
30 September 2008

Campbell Brothers Limited and its controlled entities

Directors' report

The directors present their report together with the consolidated interim financial report for the half year ended 30 September 2008 and the review report thereon.

Directors

The directors of the Company at any time during or since the end of the half year are:

GEOFFREY J McGRATH MIIE.

Chairman and Independent Non-Executive Director Age 66

Appointed a director 2003 and was appointed chairman 1 August 2004.

GREG F KILMISTER B. Sc. (Hons), M.R.A.C.I., M.A.I.G

Managing Director and Chief Executive Officer Age 52

Appointed Managing Director and Chief Executive of Campbell Brothers 1 September 2005.

ANTONY J LOVE B. Com., A.A.U.Q., F.A.P.I., F.A.I.C.D.

Independent Non-Executive Director Age 62

Appointed a director in 1986.

NEROLIE WITHNALL B.A., LL.B., F.A.I.C.D.

Independent Non-Executive Director Age 64

Appointed a director in 1994.

MARTIN D KRIEWALDT B.A., LL.B. (Hons), F.A.I.C.D.

Independent Non-Executive Director Age 59

Appointed a director in 2001.

RAYMOND G HILL F.A.I.C.D.

Independent Non-Executive Director Age 66

Appointed a director in 2003.

BRUCE R BROWN B. Com., A.A.U.Q.

Non-Executive Director Age 64

Appointed a non-executive director 1 October 2005. Previously Managing Director 1993 to 31 August 2005.

Campbell Brothers Limited and its controlled entities

Review of operations

Net profit

Directors are pleased to report that the Group achieved excellent financial results in the half year to September 2008.

Underlying profit after tax (excluding unusual items) attributable to shareholders of the Company increased by 74.7 percent to \$57.04 million for the half year to 30 September 2008. The profit was generated from revenue of \$456.36 million, an increase of 24.5 percent from \$366.60 million in 2007.

The result is in line with guidance provided to the market on 14 October 2008 and was due primarily to the strong performance of the ALS laboratory services business which experienced growth from buoyant market conditions, capacity upgrades and acquisitions made over the last eighteen months.

The Group will continue to focus on ensuring it extracts the best possible return on its investments. All business units are closely monitoring the effects of the current global financial turmoil on both revenue and costs. The Group is not immune to these events but is well positioned to respond quickly and appropriately to manage any impact on future earnings.

Directors have declared a partly franked (50%) interim dividend of 50 cents per share (2007: 35 cents, partly franked to 50%) which will be paid on 17 December 2008 on all shares registered in the Company's register at the close of business on 5 December 2008.

In thousands of AUD

	Half year to 30 September 2008	Half year to 30 September 2007
Revenue	456,358	366,596
Profit before financing costs, income tax and unusual items	88,603	50,805
Net financing costs	(7,600)	(2,949)
Income tax expense relating to profit before unusual items	(23,745)	(14,931)
Profit after income tax before unusual items	57,258	32,925
Net profit attributable to minority interests before unusual items	(214)	(267)
Profit after tax before unusual items, attributable to shareholders of the Company	57,044	32,658
Unusual items net of income tax attributable to shareholders of the Company (refer Note 7)	-	5,549
Profit attributable to shareholders of the Company	57,044	38,207
Earnings per share		
Basic earnings per share	108.92c	73.68c
Basic underlying earnings per share excluding unusual items	108.92c	62.98c
Diluted earnings per share		
Diluted earnings per share	108.91c	73.68c
Diluted underlying earnings per share excluding unusual items	108.91c	62.98c

Campbell Brothers Limited and its controlled entities

Review of operations (continued)

Contributions from business divisions were as follows:

ALS Laboratory Group	2008	2007	Increase
	\$000	\$000	
Revenue	309,547	207,399	49.3%
Segment Contribution	87,877	49,685	76.9%

ALS Laboratory Group achieved significant increases in both revenue and profit contribution across all its business lines during the half year. All divisions within ALS improved both revenue and contribution over the previous corresponding period. Whilst the performance of the minerals division of ALS has continued to benefit from both market growth and capacity increases, the minerals division did not increase as a percentage of total ALS revenue or contribution. The consistent improvement across all ALS divisions reinforces the value of the renewed focus resulting from the April restructuring of the laboratory business along divisional lines. Acquisitions made in calendar 2007 continue to perform in line with expectations.

While sample flows have remained strong during October and November 2008, directors are conscious of the possible effects of a slowing world economy on future workflows. The structures and systems supporting the Group's global laboratory network will enable the business to manage the impact of any changes in future sample flows.

Campbell Chemicals (2007 excludes discontinued operation – refer Notes 6 and 10)	2008	2007	Increase
	\$000	\$000	
Revenue	81,940	76,434	7.2%
Segment Contribution	5,216	4,707	10.8%

Campbell Chemicals division delivered pleasing revenue and contribution improvements in difficult economic conditions during the half year. The Industrial Chemical business unit produced improved margins and profitability as a result of high demand for its imported raw chemical products and a disciplined approach to the management of overheads. Panamex Pacific performed well in the face of very mixed market conditions across the Pacific Islands, USA and PNG.

Both business units will continue to concentrate on delivering superior levels of service to new and existing customers to provide a point of differentiation in increasingly challenging business environments.

Reward Distribution	2008	2007	(Decrease)
	\$000	\$000	
Revenue	67,717	74,272	(8.8%)
Segment Contribution	2,343	2,638	(11.2%)

Reward Distribution experienced a fall in revenue and contribution during the six months to September 2008. The business has suffered reduced revenues from the general softening in tourism and hospitality markets during 2008. Revenues also fell as the division moved away from less profitable customer segments in order to focus on more attractive areas. Whilst efforts remain focused on rationalising products, warehousing, distribution, and administrative costs, significant effort has also been directed at business development initiatives into new market segments.

Subsequent events

There has not arisen in the interval between the end of the half year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

Campbell Brothers Limited and its controlled entities

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 19 and forms part of the directors' report for the half year ended 30 September 2008.

Rounding off

The entity is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the directors:

G J McGrath
Chairman
Brisbane
25 November 2008

G F Kilmister
Managing Director
Brisbane
25 November 2008

Campbell Brothers Limited and its controlled entities

Interim income statement

For the half year ended 30 September 2008

In thousands of AUD	CONSOLIDATED	
	30 September 2008	30 September 2007
Continuing operations		
Revenue from sale of goods	146,524	147,942
Revenue from rendering of services	309,834	207,399
	456,358	355,341
Other income	929	967
Changes in inventories of finished goods and work in progress	14,424	7,044
Raw materials and consumables purchased	(135,521)	(124,762)
Employee expenses	(141,447)	(103,268)
Warehousing and distribution costs	(16,696)	(13,571)
Amortisation and depreciation	(16,523)	(13,514)
Selling expenses	(4,659)	(3,798)
Administration and other expenses	(69,051)	(53,708)
Share of net profits of associates and joint venture accounted for using the equity method	789	882
Gain on the sale of investment in CCI Holdings Ltd (Note 7)	-	6,214
Profit before financing costs	88,603	57,827
Finance income	365	444
Finance expenses	(7,965)	(3,393)
Net finance costs	(7,600)	(2,949)
Profit before income tax	81,003	54,878
Income tax expense	(23,745)	(16,774)
Profit from continuing operations	57,258	38,104
Discontinued operations		
Profit of discontinued operations (net of income tax)	-	370
Profit for the period	57,258	38,474
Attributable to:		
Equity holders of the Company	57,044	38,207
Minority interest	214	267
Profit for the period	57,258	38,474
Earnings per share		
Basic earnings per share	108.92c	73.68c
Diluted earnings per share	108.91c	73.68c
Basic earnings per share from continuing operations *	108.92c	73.48c
Diluted earnings per share from continuing operations *	108.91c	73.48c

* 2007 includes gain on sale of investment in CCI Holdings Ltd (Note 7)

The interim income statement is to be read in conjunction with the notes to the interim financial report set out on pages 10 to 16.

Campbell Brothers Limited and its controlled entities

Interim statement of recognised income and expense

For the half year ended 30 September 2008

In thousands of AUD	CONSOLIDATED	
	30 September 2008	30 September 2007
Net change in fair value of available-for-sale financial assets	-	(4,453)
Foreign exchange translation differences	13,625	(6,296)
Gain/(loss) on hedge of net investments in foreign subsidiaries	(3,304)	(39)
Net gain/(loss) on cash flow hedges taken to equity	(562)	304
Income and expense recognised directly in equity	9,759	(10,484)
Profit for the period	57,258	38,474
Total recognised income and expense for the period	67,017	27,990
Attributable to:		
Equity holders of the Company	66,803	27,723
Minority interest	214	267
Total recognised income and expense for the period	67,017	27,990

All movements in the interim statement of recognised income and expense are disclosed net of applicable income tax.

The interim statement of recognised income and expense is to be read in conjunction with the notes to the interim financial report set out on pages 10 to 16.

Campbell Brothers Limited and its controlled entities

Interim balance sheet

As at 30 September 2008

In thousands of AUD

	CONSOLIDATED	
	30 September 2008	31 March 2008
Current assets		
Cash and cash equivalents	48,310	46,552
Trade and other receivables	175,876	138,543
Inventories	84,078	66,454
Other	12,125	7,526
Total current assets	320,389	259,075
Non-current assets		
Receivables	6,843	7,146
Investments accounted for using the equity method	10,900	10,768
Investment property	11,327	11,378
Deferred tax assets	8,060	6,874
Property, plant and equipment	180,517	152,074
Intangible assets	257,793	230,193
Other investments	162	161
Total non-current assets	475,602	418,594
Total assets	795,991	677,669
Current liabilities		
Bank overdraft	1,765	1,317
Trade and other payables	87,940	69,781
Loans and borrowings	3,115	2,803
Income tax payable	14,837	11,131
Employee benefits	17,891	14,949
Total current liabilities	125,548	99,981
Non-current liabilities		
Loans and borrowings	278,441	233,989
Deferred tax liabilities	2,275	1,974
Employee benefits	3,288	2,572
Other	706	1,039
Total non-current liabilities	284,710	239,483
Total liabilities	410,258	339,464
Net assets	385,733	338,205
Equity		
Share capital	234,904	223,111
Reserves	3,747	(6,012)
Retained earnings	146,264	120,502
Total equity attributable to shareholders of the Company	384,915	337,601
Minority interest	818	604
Total equity	385,733	338,205

The interim balance sheet is to be read in conjunction with the notes to the interim financial report set out on pages 10 to 16.

Campbell Brothers Limited and its controlled entities

Interim statement of cash flows

For the half year ended 30 September 2008

In thousands of AUD

	CONSOLIDATED	
	30 September 2008	30 September 2007
Cash flows from operating activities		
Cash receipts from customers	477,983	369,344
Cash paid to suppliers and employees	(397,282)	(330,147)
Cash generated from operations	80,701	39,197
Interest paid	(7,965)	(3,393)
Interest received	365	444
Income taxes paid	(20,038)	(13,582)
Net cash from operating activities	53,063	22,666
Cash flows from investing activities		
Payments for property, plant and equipment	(32,951)	(26,178)
Payments for net assets on acquisition of businesses and controlled entities (net of cash acquired)	(24,547)	(23,560)
Dividend from associate	656	34
Proceeds from sale of other non-current assets	1,183	312
Proceeds from sale of investment in CCI Holdings Ltd	-	16,060
Dividend received from CCI Holdings Ltd	-	876
Net cash used in investing activities	(55,659)	(32,456)
Cash flows from financing activities		
Proceeds from borrowings	36,824	27,663
Repayment of borrowings	(14,961)	(11,236)
Lease payments	(1,556)	(1,920)
Lease receipts	416	391
Dividends paid	(19,388)	(13,529)
Net cash from financing activities	1,335	1,369
Net decrease in cash and cash equivalents	(1,261)	(8,421)
Cash and cash equivalents at 1 April	45,235	42,704
Effect of exchange rate fluctuations on cash held	2,571	(245)
Cash and cash equivalents at 30 September	46,545	34,038

The interim statement of cash flows is to be read in conjunction with the notes to the interim financial report set out on pages 10 to 16.

Campbell Brothers Limited and its controlled entities

Condensed notes to the consolidated interim financial report

1. Reporting entity

Campbell Brothers Limited (the "Company") is a company domiciled in Australia. The interim financial report of the Company as at and for the six months ended 30 September 2008 comprises the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates and jointly controlled entities.

The consolidated annual financial report of the Group as at and for the year ended 31 March 2008 is available upon request from the Company's registered office at Level 2, 299 Coronation Drive Milton Qld 4064 or at www.campbell.com.au.

2. Statement of compliance

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with *AABS 134 Interim Financial Reporting* and the Corporations Act 2001.

The consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated annual financial report of the Group as at and for the year ended 31 March 2008.

This consolidated interim financial report was approved by the Board of Directors on 25 November 2008.

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with the Class Order, amounts in the financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

3. Significant accounting policies

Except as described below, the accounting policies applied by the Group in this interim financial report are the same as those applied by the Group in its consolidated financial report as at and for the year ended 31 March 2008.

(a) Share-based payments

The fair value at grant date of share based awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the actual number of share awards that vest, except for those that fail to vest due to market conditions not being met.

The fair value of the amount payable to employees in respect of cash settled share based awards, is recognised as an expense, with a corresponding increase in liabilities, over the period in which the employees become unconditionally entitled to payment. The liability is re-measured at each reporting date and at settlement date. Any changes in the fair value of the liability are recognised as employee expenses in profit or loss.

4. Estimates

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 31 March 2008.

5. Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial report as at and for the year ended 31 March 2008.

Campbell Brothers Limited and its controlled entities

Condensed notes to the consolidated interim financial report

6. Segment reporting For the six months ended 30 September 2008

	ALS Laboratory Group		Campbell Chemicals		Reward Distribution		Continuing Operations		Discontinued operations *		Eliminations		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
<i>In thousands of AUD</i>														
Segment revenue	309,547	207,399	81,940	76,434	67,717	74,272	459,204	358,105	-	11,255	(2,846)	(2,764)	456,358	366,596
Segment result	87,877	49,685	5,216	4,707	2,343	2,638	95,436	57,030	-	68	-	-	95,436	57,098
Unallocated expenses													(6,833)	(6,227)
Unusual items (Note 7)													-	7,024
Profit before financing costs													88,603	57,895

The Group comprises the following main business segments:

ALS Laboratory Group – Provision of consulting and analytical laboratory services.

Campbell Chemicals – Manufacture and distribution of cleaning agents and chemicals for both domestic and industrial customers.

Reward Distribution – Distribution of non-food consumables to the healthcare, building services, hospitality and leisure industries.

* Discontinued operations comprise - the consumer products contract manufacturing business of the Campbell Chemicals segment (sold September 2007).

Campbell Brothers Limited and its controlled entities

Condensed notes to the consolidated interim financial report

7. Unusual Items

Profit for the period attributable to shareholders of the Company includes the following unusual items:

In thousands of AUD	CONSOLIDATED	
	30 September 2008	30 September 2007
Gain on the sale of investment in CCI Holdings Ltd	-	6,214
Dividends received from CCI Holdings Ltd	-	876
Net loss from disposal of the consumer products contract manufacturing business	-	(66)
	-	7,024
Income tax effect	-	(1,475)
	-	5,549

Campbell Brothers Limited and its controlled entities

Condensed notes to the consolidated interim financial report

8. Acquisition of subsidiaries

In thousands of AUD	Interest Acquired	Date acquired	Consideration
Six months ended 30 September 2008			
IQA Laboratory Co., Ltd	100%	7 May 2008	8,786
Staveley Services North America Inc	100%	31 July 2008	15,693
Business assets acquired during the year			267
			<u>24,746</u>
Six months ended 30 September 2007			
E-Lab Analytical Inc	100 %	31 August 2007	14,661
Microspec Analytical Inc	100%	31 August 2007	2,616
ALS Mineralogy Pty Ltd	51%	31 August 2007	6,254
ALS-Indequim, S.A. de C.V.	30%	31 July 2007	623
			<u>24,154</u>

In the period to 30 September 2008 the acquired entities contributed a net profit of \$432,000 to the consolidated net profit (six months ended 30 September 2007: \$256,000). If the acquisitions had occurred on 1 April 2008, Group revenue from continuing operations would have been \$463,093,000 (six months ended 30 September 2007: \$365,671,000), and net profit from continuing operations attributable to equity holders of the Company would have been \$57,337,000 (six months ended 30 September 2007: \$34,643,000 excluding transactions relating to the investment in CCI Holdings Limited – refer note 7).

The acquisitions had the following effect on the Group's assets and liabilities:

<i>In thousands of AUD</i>	Recognised values on acquisition	
	30 September 2008	30 September 2007
Property, plant and equipment	4,643	4,147
Inventories	588	-
Trade and other receivables	3,724	3,087
Cash and cash equivalents	199	594
Interest bearing loans and borrowings	-	(1,253)
Trade and other payables	(4,100)	(1,666)
Other non-current liabilities		-
Net identifiable assets and liabilities	5,054	4,909
Outside equity interest on acquisition	-	(1,358)
Outside equity interest in controlled entities purchased	-	222
Goodwill on acquisition	19,692	20,381
Consideration paid, satisfied in cash	24,746	24,154
Cash (acquired)	(199)	(594)
Net cash outflow	<u>24,547</u>	<u>23,560</u>

The amounts recognised at acquisition dates for each class of acquirees' assets and liabilities were the same as the carrying amounts of those items in the accounts of the acquired entities immediately before acquisition as those carrying amounts approximate fair values.

The goodwill recognised on the acquisitions is attributable mainly to the skills and technical talent of the acquired businesses' workforce and the synergies expected to be achieved from integrating the companies into the Group's ALS Laboratory Group.

Campbell Brothers Limited and its controlled entities

Condensed notes to the consolidated interim financial report

9. Capital and reserves Reconciliation of movements in equity

<i>In thousands of AUD</i>	Attributable to shareholders of the Company							Total equity
	Share capital	Translation reserve	Hedging reserve	Fair value reserve	Retained earnings	Total	Minority interest	
Balance at 1 April 2007	208,692	1,179	160	4,453	83,538	298,022	1,525	299,547
Total recognised income and expense	-	(6,335)	304	(4,453)	38,207	27,723	267	27,990
Shares issued under dividend reinvestment plan	7,857	-	-	-	-	7,857	-	7,857
Interest in dividend paid	-	-	-	-	-	-	(30)	(30)
Change in ownership interest	-	-	-	-	-	-	1,135	1,135
Dividends paid	-	-	-	-	(21,681)	(21,681)	-	(21,681)
Balance at 30 September 2007	216,549	(5,156)	464	-	100,064	311,921	2,897	314,818
Balance at 1 April 2008	223,111	(5,331)	(681)	-	120,502	337,601	604	338,205
Total recognised income and expense	-	10,321	(562)	-	57,044	66,803	214	67,017
Shares issued under dividend reinvestment plan	11,793	-	-	-	-	11,793	-	11,793
Dividends paid	-	-	-	-	(31,282)	(31,282)	-	(31,282)
Balance at 30 September 2008	234,904	4,990	(1,243)	-	146,264	384,915	818	385,733

Dividends

The following dividends were declared and paid by the Company:

For the six months ended 30 September

<i>In thousands of AUD</i>	2008	2007
Final dividend paid 1 July 2008 (2 July 2007)	31,282	21,681

Since 30 September 2008, directors have declared a partly franked (50%) interim dividend of 50 cents per ordinary share, amounting to \$26,289,000, payable on 17 December 2008. The financial effect of this dividend has not been brought to account in the financial statements for the period ended 30 September 2008.

Campbell Brothers Limited and its controlled entities

Condensed notes to the consolidated interim financial report

10. Discontinued operations

Prior year comparatives relate to the sale of the consumer products contract manufacturing business which was sold during the March 2008 financial year.

The effect of the disposal was to decrease net assets of the group by \$3,415,000 excluding cash consideration of \$3,708,000 which was received post-30 September 2007. The net cash inflow on disposal was nil.

During the period ended 30 September 2007, the consumer products contract manufacturing business had net cash inflows from operating activities of \$2,721,000, and net cash outflows from investing activities of \$2,721,000, and financing activities of nil.

Profits attributable to the discontinued operation for the six months ended 30 September 2008 were as follows:

In thousands of AUD	30 September 2008	30 September 2007
Results of discontinued operations		
Revenue	-	11,255
Expenses	-	(11,187)
Results from operating activities	-	68
Income tax expense	-	(20)
Profit after tax but before gain on sale of discontinued operations	-	48
Loss on sale of discontinued operation	-	(66)
Tax credit on sale of discontinued operation	-	388
Profit for the period	-	370

11. Capital commitments

During the period a controlled entity entered into an agreement to construct new laboratory facilities within the next 12 months. The contract is for approximately \$19,000,000.

12. Contingent liabilities

There have been no changes in contingent liabilities since 31 March 2008.

Campbell Brothers Limited and its controlled entities

Condensed notes to the consolidated interim financial report

13. Share-based payments

During the period the Group established a Long Term Incentive Plan (LTIP) designed as a retention and reward tool for high performing personnel. Under the Plan key employees may be granted conditional performance rights to receive ordinary shares in the Company at no cost to the employees (or in limited cases to receive cash-settled awards).

The fair value and terms and conditions of the performance rights granted during the six months ended 30 September 2008 are as follows:

	Grant date	
	5 August 2008	3 September 2008
Number of performance rights	7,388	37,150
Testing date for performance hurdles	31 March 2011	31 March 2011
Vesting date	1 July 2011	1 July 2011
Fair value at date of grant	\$24.16	\$29.46

Vesting conditions in relation to the above rights:

Employees must be employed by the Group on the vesting date. The rights vest only if Earnings per Share ("EPS") and Total Shareholder Return ("TSR") hurdles are achieved by the Company over the specified performance period. 50 percent of each employee's rights are subject to the EPS hurdle and 50 percent are subject to the TSR hurdle.

Campbell Brothers Limited

Directors' declaration

In the opinion of the directors of Campbell Brothers Limited ("the Company"):

1. the financial statements and notes set out on pages 6 to 16, are in accordance with the *Corporations Act 2001* including:
 - (a) giving a true and fair view of the financial position of the Group as at 30 September 2008 and of its performance, as represented by the results of its operations and cash flows for the half year ended on that date; and
 - (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

G J McGrath
Chairman
Brisbane
25 November 2008

G F Kilmister
Managing Director
Brisbane
25 November 2008

Independent auditor's review report to the members of Campbell Brothers Limited

We have reviewed the accompanying interim financial report of Campbell Brothers Limited (the 'Company'), which comprises the consolidated interim balance sheet as at 30 September 2008, income statement, statement of recognised income and expense and statement of cashflows for the interim period ended on that date, a statement of accounting policies and other explanatory notes 1 to 13 and the directors' declaration of the Group comprising the Company and the entities it controlled at the half year's end or from time to time during the interim period.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the interim financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 30 September 2007 and its performance for the interim period ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Campbell Brothers Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Campbell Brothers Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 September 2008 and of its performance for the interim period ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

Mitchell C Petrie

Partner

Brisbane

25 November 2008

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the directors of Campbell Brothers Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the financial period ended 30 September 2008 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

Mitchell C Petrie
Partner
Brisbane
25 November 2008