



## **2007 Annual General Meeting**

### **Written Questions from Shareholders for 2007 AGM held 31st July 2007 at Sofitel Hotel, Brisbane**

Of the written questions received from shareholders before the AGM, there were several common themes.

Responses to some of these questions were given during the AGM, either in the speeches presented by the Chairman and Managing Director or in discussion when resolutions were put to shareholders.

Following are responses to some of the other more frequently asked questions received.

#### **Ques 1: To fund further acquisitions, will there be another share (rights) issue in the foreseeable future?**

Campbell Brothers' current gearing ratio is approx 23 per cent with approx. A\$200 million of unused finance facilities at its disposal for utilisation in future acquisitions. At this stage, it is not anticipated that the Company will be calling upon shareholders to provide funds for future anticipated acquisitions.

#### **Ques 2: Why doesn't the Company undertake a share split to increase the share liquidity of the company?**

The Board have taken the view that there is currently no advantage to shareholders in doing a share split. A share split will not necessarily improve liquidity. The turnover in Campbell Brothers shares has historically been relatively low due to the shares being 'tightly held'.

**Ques 3: What action is the Board taking to resume fully franked dividends? Will 50% franking continue? For how long?**

The Board is mindful of the increase in earnings generated from overseas and how this reduces the level of franking credits that will attach to future dividends. This is one of the rare drawbacks to the Company's international success. Currently we expect that dividends for the 2008 year will be franked to 50%.

**Ques 4: What are the expansion plans for the Company?**

The Company is continually looking for suitable acquisitions. It will be focussing on the laboratory services division to capitalise on the competitive advantage it holds in all its markets. The division will expand organically but is examining further acquisitions to diversify into new analytical services market in Europe, Asia and North America.

**Ques 5: To what extent is the Indian economy supporting the Campbell Brothers business?**

Campbell Brothers doesn't currently have any exposure to the Indian economy. It is looking to expand its laboratory services business into the greater Asian subcontinent region in the near future.

**Ques 6: Have the directors considered disposing of the Chemical and Reward Distribution divisions and focus the Company's management and capital resources on growing the laboratory business in an accelerated timeframe to aim for a dominant global presence?**

The Board of Campbell Brothers continually review the operating businesses within the Company to ensure those businesses meet their investment criteria. The directors look to ensure the businesses are achieving an adequate return on capital employed, but also that the businesses are capable of further growth and have, or are in the process of establishing a genuine sustainable competitive advantage.

**Ques 7: Are there any possibilities of takeover offers for Campbell Brothers?**

As a public company, Campbell Brothers is always exposed as a takeover target, but there have been no takeover offers to date.

**Ques 8: Will the Company consider making a Concise Annual report available?**

With current legislation dealing with the contents of statutory reports, the Company has found that there is not much to be gained in producing a separate Concise Annual report in addition to producing the full Annual report.

The Company is currently exploring the provision of annual and other reports online in order to keep shareholders and interested parties informed of the Company's activities in a timely and cost effective manner.

Recent changes to Federal Government legislation now allow companies to make the default option for its annual report to be made available online via its website with a printed copy made available only to those shareholders who so request.

Shareholders will soon be sent a form to make their selection in this regard.