

2005 half yearly shareholders' report



CAMPBELL BROTHERS
LIMITED

6 Months to 30 September 2005

Review of half year

The Company delivered a strong half year profit for the six months to 30 September 2005, in line with forecasts.

Net profit after tax (before unusual items) was \$17.42 million for the half-year ended 30 September 2005, a 27.6 percent increase on the \$13.65 million achieved in the previous corresponding half-year.

The September 2005 first half result was generated from revenue of \$250.67 million, up 15 percent from the \$217.98 million recorded in the six months to 30 September 2004.

Directors declared a fully franked interim dividend of 21 cents per share (2004: 18 cents per share). The dividend will be paid on 20 December 2005 on all shares registered in the Company's register at the close of business on 1 December 2005.

The Company also announced a 1 for 5 renounceable Rights Issue at \$9.00 per share on shareholdings held at 1 December 2005, to be fully underwritten by ABN AMRO Morgans Corporate Limited, raising approximately \$75 million to be used to fund future acquisitions, mainly in the laboratory services business. Applications close 20th December 2005.

The main driver behind the strong half year result was the continued strong performance of the ALS Laboratory Group. In particular, the division's minerals and environmental analytical services continue to experience growing demand.

All four of the Company's divisions - the ALS Laboratory Group, Campbell Chemicals, Reward Distribution and Campbell Brothers Services - continue to seek out potential acquisitions which will create broader geographical networks allowing for growth in sales and market share.

At the same time, a concentrated focus on improving operational efficiencies and reducing costs has been implemented across all business units. A number of units are already benefiting from recent restructures and operational reviews which have matched activities to the current and future trading environments.

With demand for products and services, particularly in the ALS Laboratory Group, expected to continue in the coming months, indications are that Campbell Brothers' strong first-half performance will translate into a full-year profit showing a substantial increase on the record result achieved in the previous financial year.

Contributions to the result from the consolidated entity's business divisions were as follows:

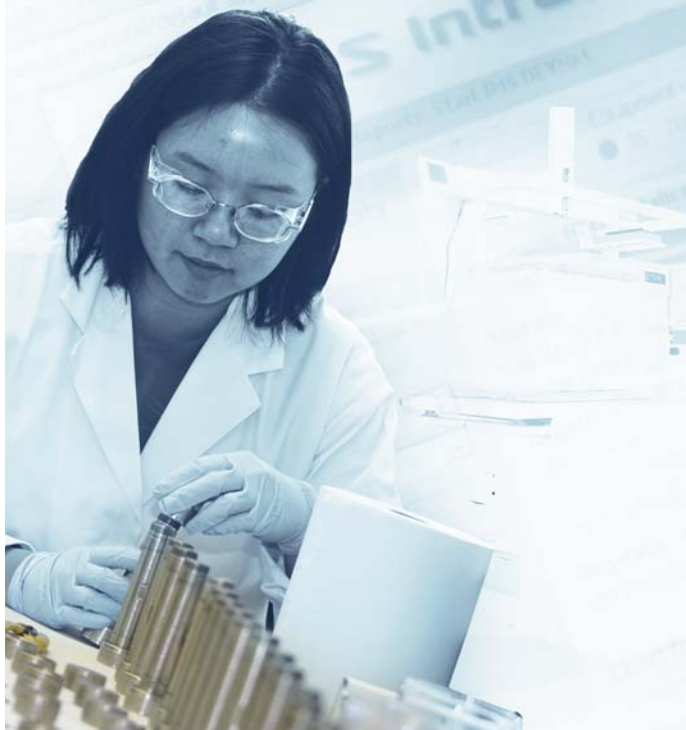
ALS Laboratory Group

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.

	2005 \$000	2004 \$000	Increase
Revenue	95,811	79,771	20%
Segment contribution	23,922	20,474	17%

The ALS Laboratory Group once again generated the greatest contribution to the Company's half-year result. The division is currently benefiting from its new regional structure which gives laboratories greater local autonomy and better utilisation of staff to quickly embrace emerging opportunities. ALS has also commenced strategic reviews for each operating region to ensure it is properly positioned for future opportunities in individual markets.

Australia, Asia and Africa showed the strongest growth for the ALS Group, with the division investigating a number of potential strategic acquisitions, particularly in Europe and North America. These acquisitions would bolster the geographic reach of the division.



Asia remains a key focus as indications suggest that this is the market with the greatest potential and will continue to grow rapidly for the next two to five years.

Minerals and environmental services remain ALS' most highly sought after analytical services, mirroring the continued strength in global exploration. Looking ahead, this trend is expected to help the division achieve robust growth in its full-year result. At the same time, the division is expecting to see greater contribution from recent start-up operations in Sudbury and Burlington (Canada), China, Taiwan, Thailand, and Johannesburg (Africa).

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.

	2005 \$000	2004 \$000	Decrease
Revenue	87,592	94,580	-7%
Segment contribution	4,669	4,906	-5%

As forecast, the division delivered a lower result during the period, with revenue and segment contribution falling against the previous corresponding period mainly due to the disposal of the traditional branded consumer products business in October 2004.

The various business units within Campbell Chemicals - Cleantec, Deltrex Chemicals, Panamex Pacific and Campbell Consumer Products - were impacted by depressed industrial and consumer markets in Australia.

Continued efforts are being directed towards ensuring the lowest possible cost-base across all units in line with current activity levels.

The division's industrial and commercial business units are currently exploring opportunities to maximise the use of manufacturing facilities and ensure acceptable returns on investment are achieved.

The division's consumer products business is reaping the rewards of its recent restructure which better addresses the changing face of the Australian retail environment.



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.

	2005 \$000	2004 \$000	Increase
Revenue	52,176	38,421	36%
Segment contribution	2,656	2,148	24%

The Reward Distribution Group achieved an impressive half-year return as it benefited from its growing market share and expanded reach from acquisitions undertaken during the past year.

Recently, the division bought Perth-based QCC Hospitality Solutions and continues to investigate other acquisitions in Australia and New Zealand. During the period, it also purchased New Zealand-based businesses, The Cleaning Depot and Proclean Products (SI).

The division is expected to enjoy improving returns on revenue and assets in the second half through expanded market share and as acquisition synergies are realised.

Currently, Reward is focused on improving the performance of Victorian and New South Wales operations in line with other business units. It is also in the process of formulating a National Coding System to drive National Accounts and the development of a website and catalogue.

Campbell Brothers Services

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

	2005 \$000	2004 \$000	Increase
Revenue	16,390	6,400	156%
Segment contribution	518	(149)	n/a

During the period, Campbell Brothers Services' revenue and profitability increased as a result of market growth and acquisitions delivering wider geographic coverage.

Campbell Brothers Services will derive further benefits from improved operational efficiencies as it continues to integrate earlier acquisitions during the second half.

The roll-out of the Campbell Brothers Services name continues across the network in a bid to develop stronger brand recognition and value with consumers. At the same time, the division has embarked on a number of marketing initiatives, including direct mail, database marketing, consumer emails and telemarketing.

Looking ahead, both pest control and cleaning services are expected to deliver an improved performance with the arrival of summer, traditionally a high-demand period.



Financial Summary

Half Year Ended 30 September

	2005 \$000	2004 \$000	Change
Revenue	250,670	217,979	+ 15%
Operating profit before financing costs, unusual items and income tax	28,141	23,147	
Less: Financing costs	2,871	3,122	
Less: Income tax	7,840	6,355	
Profit After Income tax before unusual items	17,430	13,670	
Less: Profit attributable to Minority interests	12	21	
Profit after income tax before unusual items attributable to members⁽¹⁾	17,418	13,649	+ 27.6%
Unusual items - net of tax	316	(2,382)	
Profit attributable to members	17,734	11,267	+ 57.4%
Issued Capital	115,039	109,910	
Total Equity ⁽²⁾	163,350	134,600	
Dividend per Share (cents)	21.0	18.0	
Earnings Per Share (cents) - before unusual items	42.01	33.86	
Weighted average number of ordinary shares	41,462,429	40,304,418	

(1) Summary results reported in compliance with International Financial Reporting Standards (IFRS). September 2004 half year Net Profit after tax before unusual items attributable to members was reported as \$11.8 million but restated to \$13.6 million under IFRS.

(2) Total equity as at September 2004 was revised under IFRS from \$145.6 million to \$134.6 million.

Financial Calendar

2005/2006

Year End	31 March 2006
Full Year Results and Dividend Announcement	30 May 2006
Record Date for Final Dividend and DRP	9 June 2006
Annual Report Released & Notice of Meeting Mailed	23 June 2006
Final Dividend Payment Date	3 July 2006
AGM	25 July 2006

Note: Dates subject to alteration

Rights Issue - Key Dates

Rights Issue announced	22 November 2005
Record Date for Entitlements	1 December 2005
Prospectus sent to shareholders	6 December 2005
Closing date for Applications	20 December 2005
New shares allotted	30 December 2005
Holding Statements sent to shareholders	3 January 2006

Note: Dates subject to alteration

Shareholder Information

Visit the Company's website at 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: 1 300 552 270 (within Australia)

Phone: +61 3 9415 4000 (outside Australia)

Fax: +61 7 3229 9860

Internet at: www.computershare.com.

Email: 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.

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.



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