



A.B.N. 92 009 657 489

Half Year Financial Report - 30 September 2007
(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 2007

The attached Interim Financial Report for the half-year ended 30 September 2007 forms part of this document. This half yearly report is to be read in conjunction with the Campbell Brothers Limited 2007 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 2007 – Appendix 4D
(Previous corresponding period: half-year ended 30 September 2006)

				\$'000
Revenue from ordinary activities	Up	13.1%	to	366,596
Net underlying profit (before unusual items) for the period attributable to members	Up	25.4%	to	32,658
Profit from ordinary activities after tax attributable to members	Up	46.7%	to	38,207
Net profit for the period attributable to members	Up	46.7%	to	38,207

The financial effect of unusual items for the half years ended 30 September 2007 and 2006 was:

	30 September 2007 \$000	30 September 2006 \$000
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	-

Dividends (distribution)	Amounts per security	Franked amount per Security
Interim dividend	35.0 ¢	17.5 ¢
Previous corresponding period	28.0 ¢	14.0 ¢

Record date for determining entitlements to the interim dividend: 6 December 2007

The last date for receipt of election notices for the company DRP: 6 December 2007

NTA Backing

	Current period	Previous corresponding period
Net tangible asset per ordinary share	\$3.05	\$2.15

Campbell Brothers Limited and its Controlled Entities
Results for announcement to the market for the half-year ended 30 September 2007 – Appendix 4D
(Previous corresponding period: half-year ended 30 September 2006)

Additional dividend information

Details of dividends declared or paid during or subsequent to the half-year ended 30 September 2007 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 2007	2 July 2007	Final 2007	42 cents	21,681	21.0 cents	21.0 cents
6 December 2007	17 December 2007	Interim 2008	35 cents	18,174	17.5 cents	17.5 cents

Details of associates and joint venture entities


The economic entity has an interest (that is material to it) in the following entities.

<i>Name of entity</i>	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss)	
	Current period	Previous corresponding period	Current period \$A'000	Previous corresponding period - \$A'000
Equity accounted associates and joint venture entities				
ALS Technichem (Malaysia) Sdn Bhd	40%	40%	882	438
Total			882	438

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: 27/11/2007



**CAMPBELL BROTHERS
LIMITED**

A.C.N 009 657 489

AND

ITS CONTROLLED ENTITIES

INTERIM FINANCIAL REPORT

**FOR THE HALF-YEAR ENDED
30 September 2007**

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 2007 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 MIE.

Chairman and Independent Non-Executive Director Age 65

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 51

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 61

Appointed a director in 1986.

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

Independent Non-Executive Director Age 63

Appointed a director in 1994.

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

Independent Non-Executive Director Age 58

Appointed a director in 2001.

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

Independent Non-Executive Director Age 65

Appointed a director in 2003.

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

Non-Executive Director Age 63

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

The consolidated entity continued to achieve excellent results in both financial performance and execution of its strategic plan during the half-year to September 2007.

Underlying profit after tax (excluding unusual items) attributable to shareholders of the Company 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 result was driven again by ALS Laboratory Group which experienced ongoing growth due to buoyant market conditions and acquisitions in the previous financial year.

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

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.

<i>In thousands of AUD</i>	Half-year to 30 September 2007	Half-year to 30 September 2006
Revenue	<u>366,596</u>	<u>324,239</u>
Profit before financing costs, income tax and unusual items	50,805	42,785
Net financing costs	(2,949)	(3,220)
Income tax expense relating to profit before unusual items	<u>(14,931)</u>	<u>(13,484)</u>
Profit after income tax before unusual items	32,925	26,081
Net profit attributable to minority interests before unusual items	<u>(267)</u>	<u>(35)</u>
Profit after tax before unusual items, attributable to shareholders of the Company	<u>32,658</u>	<u>26,046</u>
Unusual items net of income tax attributable to shareholders of the Company (refer Note 7)	<u>5,549</u>	<u>-</u>
Profit attributable to shareholders of the Company	<u>38,207</u>	<u>26,046</u>
Earnings per share		
Basic earnings per share	73.68c	50.75c
Basic underlying earnings per share excluding unusual items	62.98c	50.75c

Campbell Brothers Limited and its controlled entities

Review of operations (continued)

Contributions from business divisions were as follows:

ALS Laboratory Group	2007	2006	Increase
	\$000	\$000	
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 markets. 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. To counteract the weakening of the US currency over the past six months, ALS has recently increased all its US dollar-denominated price lists.

ALS is continuing to invest in future growth through acquisitions and the opening of new laboratories. During September 2007 it acquired the eLab environmental laboratory group in the USA and entered into joint venture arrangements with MMC Norilsk Nickel in Russia and JK Tech Pty Ltd in Australia. On 1 October 2007 ALS acquired ACIRL Pty Ltd, an Australian provider of analytical and technology services to the black coal industry – refer Subsequent Events below.

Campbell Chemicals (excludes discontinued operation – refer Notes 6 and 10)	2007	2006	Increase
	\$000	\$000	
Revenue	76,434	67,866	12.6%
Segment Contribution	4,707	3,735	26.0%

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 enjoyed increased sales in strategically important markets and has started to show benefits 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.

Reward Distribution	2007	2006	Increase/
	\$000	\$000	(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.

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

Subsequent events

On 1 October 2007 the consolidated entity acquired ACIRL Pty Ltd, an Australian provider of analytical and technology services to the black coal industry, for a purchase consideration of \$76.8 million.

Other than the matter discussed above, 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 consolidated entity, the results of those operations or the state of affairs of the consolidated entity 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 18 and forms part of the directors' report for the half-year ended 30 September 2007.

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

Dated at Brisbane on 27 November 2007

G F Kilmister
Managing Director

Dated at Brisbane on 27 November 2007

Campbell Brothers Limited and its controlled entities

Interim income statement

For the half year ended 30 September 2007

In thousands of AUD	CONSOLIDATED	
	30 September 2007	30 September 2006 * Restated
Continuing operations		
Revenue from sale of goods	147,942	131,172
Revenue from rendering of services	207,399	164,292
	<u>355,341</u>	<u>295,464</u>
Other income	967	108
Changes in inventories of finished goods and work in progress	7,044	8,802
Raw materials and consumables purchased	(124,762)	(108,973)
Employee expenses	(103,268)	(85,195)
Warehousing and distribution costs	(13,571)	(9,494)
Amortisation and depreciation	(13,514)	(10,820)
Selling expenses	(3,798)	(3,236)
Administration and other expenses	(53,708)	(45,273)
Share of net profits of associates accounted for using the equity method	882	438
Gain on the sale of investment in CCI Holdings Ltd (Note 7)	6,214	-
	<u>57,827</u>	<u>41,821</u>
Profit before financing costs		
Finance income	444	309
Finance expenses	(3,393)	(3,529)
Net finance costs	<u>(2,949)</u>	<u>(3,220)</u>
Profit before income tax	54,878	38,601
Income tax expense	(16,774)	(13,225)
Profit from continuing operations	<u>38,104</u>	<u>25,376</u>
Discontinued operations		
Profit of discontinued operations (net of income tax)	370	705
Profit for the period	<u>38,474</u>	<u>26,081</u>
Attributable to:		
Shareholders of the Company	38,207	26,046
Minority interest	267	35
Profit for the period	<u>38,474</u>	<u>26,081</u>
Earnings per share		
Basic earnings per share	73.68c	50.75c
Diluted earnings per share	73.68c	50.75c
Basic earnings per share from continuing operations **	73.48c	49.45c
Diluted earnings per share from continuing operations **	73.48c	49.45c

* Restated for discontinued operations (Note 10)

** 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 15.

Campbell Brothers Limited and its controlled entities

Interim statement of recognised income and expense

For the half year ended 30 September 2007

In thousands of AUD	CONSOLIDATED	
	30 September 2007	30 September 2006
Net change in fair value of available-for-sale financial assets	(4,453)	-
Foreign exchange translation differences	(6,296)	(2,193)
Net gain/(loss) on hedge of net investments in foreign subsidiaries	(39)	697
Net gain/(loss) on cash flow hedges taken to equity	304	(271)
Income and expense recognised directly in equity	(10,484)	(1,767)
Profit for the period	38,474	26,081
Total recognised income and expense for the period	27,990	24,314
Attributable to:		
Shareholders of the Company	27,723	24,279
Minority interest	267	35
Total recognised income and expense for the period	27,990	24,314

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 15.

Campbell Brothers Limited and its controlled entities

Interim balance sheet

As at 30 September 2007

<i>In thousands of AUD</i>	CONSOLIDATED	
	30 September 2007	31 March 2007
Current assets		
Cash and cash equivalents	34,967	43,210
Trade and other receivables	134,110	105,628
Inventories	63,337	60,075
Other	7,019	6,747
Total current assets	239,433	215,660
Non-current assets		
Receivables	6,542	5,481
Investments accounted for using the equity method	4,011	3,163
Deferred tax assets	4,993	4,151
Property, plant and equipment	150,946	134,566
Intangible assets	156,185	136,533
Other investments	168	16,375
Total non-current assets	322,845	300,269
Total assets	562,278	515,929
Current liabilities		
Bank overdraft	929	505
Trade and other payables	66,230	59,417
Interest-bearing loans and borrowings	4,549	2,925
Income tax payable	8,342	8,593
Employee benefits	12,885	11,905
Total current liabilities	92,935	83,345
Non-current liabilities		
Interest-bearing loans and borrowings	149,493	128,687
Deferred tax liabilities	1,891	1,228
Employee benefits	2,283	2,140
Other	858	982
Total non-current liabilities	154,525	133,037
Total liabilities	247,460	216,382
Net assets	314,818	299,547
Equity		
Issued capital	216,549	208,692
Reserves	(4,692)	5,792
Retained earnings	100,064	83,538
Total equity attributable to shareholders of the Company	311,921	298,022
Minority interest	2,897	1,525
Total equity	314,818	299,547

The interim balance sheet is to be read in conjunction with the notes to the interim financial report set out on pages 10 to 15.

Campbell Brothers Limited and its controlled entities

Interim statement of cash flows

For the half year ended 30 September 2007

<i>In thousands of AUD</i>	CONSOLIDATED	
	30 September 2007	30 September 2006
Cash flows from operating activities		
Cash receipts from customers	369,344	326,153
Cash paid to suppliers and employees	(330,147)	(300,110)
Cash generated from operations	39,197	26,043
Interest received	444	309
Interest paid	(3,393)	(3,529)
Income taxes paid	(13,582)	(13,540)
Net cash from operating activities	22,666	9,283
Cash flows from investing activities		
Payments for property, plant and equipment and software	(26,178)	(20,991)
Payments for acquisition of businesses and controlled entities (net of cash acquired)	(23,560)	(23,330)
Dividend from associate	34	144
Proceeds from sale of property, plant and equipment	312	406
Payments for other investments	-	(4,862)
Proceeds from sale of investment in CCI Holdings Ltd	16,060	-
Dividend received from CCI Holdings Ltd	876	-
Net cash used in investing activities	(32,456)	(48,633)
Cash flows from financing activities		
Proceeds from borrowings	27,663	48,371
Repayment of borrowings	(11,236)	(7,018)
Lease payments	(1,920)	(1,883)
Lease receipts	391	-
Dividends paid	(13,529)	(9,061)
Net cash from financing activities	1,369	30,409
Net decrease in cash and cash equivalents	(8,421)	(8,941)
Cash and cash equivalents at 1 April	42,704	33,594
Effect of exchange rate fluctuations on cash held	(245)	(605)
Cash and cash equivalents at 30 September	34,038	24,048

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 15.

Campbell Brothers Limited and its controlled entities

Condensed notes to the 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 2007 comprises the Company and its subsidiaries (together referred to as the "consolidated entity") and the consolidated entity's interests in associates.

The consolidated annual financial report of the consolidated entity as at and for the year ended 31 March 2007 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 interim financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards and the Corporations Act 2001.

The 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 consolidated entity as at and for the year ended 31 March 2007.

This interim financial report was approved by the Board of Directors on 27 November 2007.

The consolidated entity 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

The accounting policies applied by the consolidated entity in this interim financial report are the same as those applied by the consolidated entity in its consolidated financial report as at and for the year ended 31 March 2007.

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 consolidated entity'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 2007.

5. Financial risk management

The consolidated entity's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial report as at and for the year ended 31 March 2007.

Campbell Brothers Limited and its controlled entities

Condensed notes to the 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 2007	30 September 2006
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)	-
	<hr/>	
	7,024	
Income tax effect	(1,475)	-
	<hr/>	
	5,549	-
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Campbell Brothers Limited and its controlled entities

Condensed notes to the interim financial report

8. Acquisition of subsidiaries

In thousands of AUD	Interest Acquired	Date acquired	Consideration
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
			24,154
Six months ended 30 September 2006			
Analytica AB	100 %	31 July 2006	23,593
Rom Analyze SRL	100 %	1 September 2006	18
Pandee Services Pty Ltd	100 %	29 September 2006	1,486
			25,097

In the period to 30 September 2007 the acquired entities contributed a net profit of \$256,000 to the consolidated net profit (six months ended 30 September 2006: \$275,000). If the acquisitions had occurred on 1 April 2007, consolidated entity revenue from continuing operations would have been \$365,671,000 (six months ended 30 September 2006: \$336,508,000), and net profit from continuing operations would have been \$40,135,000 (six months ended 30 September 2006: \$26,818,000).

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

<i>In thousands of AUD</i>	Recognised values on acquisition	
	30 September 2007	30 September 2006
Property, plant and equipment	4,147	1,981
Intangible assets	1,025	1,305
Inventories	-	321
Trade and other receivables	3,087	3,844
Cash and cash equivalents	594	1,767
Interest bearing loans and borrowings	(1,253)	(2,027)
Trade and other payables	(1,666)	(3,597)
Other non-current liabilities	-	(1,691)
Net identifiable assets and liabilities	5,934	1,903
Outside equity interest on acquisition	(1,358)	-
Outside equity interest in controlled entities purchased	222	-
Goodwill on acquisition	19,356	23,194
Consideration paid, satisfied in cash	24,154	25,097
Cash (acquired)	(594)	(1,767)
Net cash outflow	23,560	23,330

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.

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 consolidated entity's ALS Laboratory Group.

Campbell Brothers Limited and its controlled entities

Condensed notes to the 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 2006	197,923	2,893	505	-	53,650	254,971	1,681	256,652
Total recognised income and expense	-	(1,496)	(271)	-	26,046	24,279	35	24,314
Contributions of equity	6,369	-	-	-	-	6,369	-	6,369
Interest in dividend paid	-	-	-	-	-	-	(40)	(40)
Dividends paid	-	-	-	-	(14,787)	(14,787)	-	(14,787)
Balance at 30 September 2006	204,292	1,397	234	-	64,909	270,832	1,676	272,508
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
Contributions of equity	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

Dividends

The following dividends were declared and paid by the Company:

For the six months ended 30 September 2007

<i>In thousands of AUD</i>	2007	2006
Final dividend paid 2 July 2007 (3 July 2006)	21,681	14,787

Since 30 September 2007, directors have declared a partly franked (50%) interim dividend of 35 cents per ordinary share, amounting to \$18,174,000, payable on 17 December 2007. The financial effect of this dividend has not been brought to account in the financial statements for the period ended 30 September 2007.

Campbell Brothers Limited and its controlled entities

Condensed notes to the interim financial report

10. Discontinued operations

In September 2007 the consolidated entity sold its consumer products contract manufacturing business. Prior year comparatives relate to that business and the Campbell Brothers Services segment which was sold during the March 2007 financial year.

The businesses were not discontinued operations or classified as held for sale as at 30 September 2006 and the income statement has been re-presented to show the discontinued operations separately from continuing operations.

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 (six months ended 30 September 2006: \$945,000), and net cash outflows from investing activities of \$2,721,000 (six months ended 30 September 2006: \$945,000), and financing activities of nil (six months ended 30 September 2006 nil).

Profits attributable to the discontinued operation for the six months ended 30 September 2007 were as follows:

<i>In thousands of AUD</i>	30 September 2007	30 September 2006
Results of discontinued operations		
Revenue	11,255	28,775
Expenses	(11,187)	(27,811)
Results from operating activities	68	964
Income tax expense	(20)	(259)
Profit after tax but before gain on sale of discontinued operations	48	705
Loss on sale of discontinued operation	(66)	-
Tax credit on sale of discontinued operation	388	-
Profit for the period	<u>370</u>	<u>705</u>

11. Contingent liabilities

In August 2007, the consolidated entity acquired US-based laboratory group, eLab Analytical. Pursuant to the purchase agreement a maximum of an additional \$3,313,000 consideration may be payable if certain performance hurdles are achieved over the next two years. No amount was paid in respect of this arrangement during the half-year ended 30 September 2007.

There have been no other changes in contingent liabilities since 31 March 2007.

12. Subsequent events

On 1 October 2007 the consolidated entity acquired ACIRL Pty Ltd, an Australian provider of analytical and technology services to the black coal industry, for a purchase consideration of \$76.8 million.

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 15, are in accordance with the *Corporations Act 2001* including:
 - (a) giving a true and fair view of the financial position of the consolidated entity as at 30 September 2007 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 consolidated entity 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

Dated at Brisbane on 27 November 2007

G F Kilmister
Managing Director

Dated at Brisbane on 27 November 2007

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 2007, 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 12 and the directors' declaration of the consolidated entity 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 control 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 consolidated entity'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 consolidated entity's financial position as at 30 September 2007 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

Robert S Jones
Partner

Brisbane

27 November 2007

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 2007 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

Robert S Jones
Partner
Brisbane
27 November 2007