

Appendix 4E

Full year report for the Year Ending 31 March 2008 (the previous corresponding period is the Year Ended 31 March 2007)

Results for announcement to the market

\$A'000			
Revenues from ordinary activities	Up	16.5%	to 772,286
Underlying profit (loss) after tax before unusual items attributable to members	Up	* 38.0%	to 71,270
Profit (loss) from ordinary activities after tax attributable to members	Up	30.0%	to 76,819
Net profit (loss) for the period attributable to members	Up	30.0%	to 76,819
Dividends (distributions)		Amount per security	Franked amount per security
Final dividend		60¢	30¢
Interim dividend		35¢	17.5¢
<p>+Record date for determining entitlements to the dividend, 13 June 2008</p> <p>Brief explanation of any of the figures reported above, necessary to enable the figures to be understood.</p> <p>* The 38.0% increase in underlying net profit after tax of the consolidated entity excludes the impact of unusual items (refer note 1)</p>			

+ See chapter 19 for defined terms.

Income Statement

For the year ended 31 March 2008

<i>In thousands of AUD</i>	Note	Consolidated	
		2008	2007 (Restated)*
Continuing operations			
Revenue from sale of goods		292,367	268,184
Revenue from rendering of services		468,663	343,011
		<u>761,030</u>	<u>611,195</u>
Other income		1,884	704
Changes in inventories of finished goods and work in progress		11,537	5,763
Raw materials and consumables purchased		(244,264)	(217,456)
Employee expenses		(226,577)	(175,337)
Warehousing and distribution costs		(27,954)	(21,693)
Amortisation and depreciation		(27,930)	(22,890)
Selling expenses		(8,225)	(6,862)
Administration and other expenses		(128,586)	(91,466)
Share of net profits of associates and joint ventures accounted for using the equity method		1,652	1,001
Gain on sale of investment in CCI Holdings Ltd	1	<u>6,214</u>	<u>-</u>
		<u>118,781</u>	<u>82,959</u>
Profit before financing costs			
Financial income		860	744
Financial expenses		(10,635)	(7,593)
Net financing costs		<u>(9,775)</u>	<u>(6,849)</u>
		<u>109,006</u>	<u>76,110</u>
Profit before income tax			
Income tax expense		(32,172)	(25,259)
		<u>76,834</u>	<u>50,851</u>
Profit from continuing operations			
Discontinued operations			
Profit of discontinued operations (net of income tax)	2	<u>370</u>	<u>8,167</u>
		<u>77,204</u>	<u>59,018</u>
Profit for the period			
Attributable to:			
Equity holders of the company		76,819	59,066
Minority interest		385	(48)
		<u>77,204</u>	<u>59,018</u>

* See discontinued operations note 2.

1. Unusual Items

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

In thousands of AUD

	Consolidated	
	2008	2007
Gain on sale of investment in CCI Holdings Ltd	6,214	-
Dividend received from CCI Holdings Ltd	876	-
Net loss from disposal of the consumer products contract manufacturing business	(66)	-
Gain on sale of pest control and cleaning services business segment	-	10,060
Costs incurred in sale of pest control and cleaning services business segment	-	(663)
	<u>7,024</u>	<u>9,397</u>
Income tax effect	(1,475)	(1,979)
	<u>5,549</u>	<u>7,418</u>

2. Results of discontinued operations

In September 2007 the Group 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 consumer products contract manufacturing business was not a discontinued operation or classified as held for sale as at 31 March 2007 and the income statement has been re-presented to show the discontinued operation separately from continuing operations.

<i>In thousands of AUD</i>	Consolidated	
	2008	2007 (Restated)
Revenue	11,255	51,549
Expenses	(11,187)	(50,429)
Results from operating activities	<u>68</u>	<u>1,030</u>
Income tax expense	(20)	(281)
Results from operating activities, net of income tax	<u>48</u>	<u>749</u>
Gain on sale of discontinued operation (refer note 1)	(66)	9,397
Income tax on gain on sale of discontinued operation	388	(1,979)
Profit for the period	<u>370</u>	<u>8,167</u>

+ See chapter 19 for defined terms.

Balance Sheet

As at 31 March 2008

<i>In thousands of AUD</i>	Consolidated	
	2008	2007
Assets		
Cash and cash equivalents	46,552	43,210
Trade and other receivables	138,543	105,628
Inventories	66,454	60,075
Other	7,526	6,747
Total current assets	259,075	215,660
Receivables	7,146	5,481
Investments accounted for using the equity method	10,768	3,163
Investment property	11,378	-
Deferred tax assets	6,874	4,151
Property, plant and equipment	152,074	134,566
Intangible assets	230,193	136,533
Other investments	161	16,375
Total non-current assets	418,594	300,269
Total assets	677,669	515,929
Liabilities		
Bank overdraft	1,317	505
Trade and other payables	69,781	59,417
Loans and borrowings	2,803	2,925
Income tax payable	11,131	8,593
Employee benefits	14,949	11,905
Total current liabilities	99,981	83,345
Loans and borrowings	233,898	128,687
Deferred tax liabilities	1,974	1,228
Employee benefits	2,572	2,140
Other	1,039	982
Total non-current liabilities	239,483	133,037
Total liabilities	339,464	216,382
Net assets	338,205	299,547
Equity		
Share capital	223,111	208,692
Reserves	(6,012)	5,792
Retained earnings	120,502	83,538
Total equity attributable to equity holders of the company	337,601	298,022
Minority interest	604	1,525
Total equity	338,205	299,547

+ See chapter 19 for defined terms.

Statement of Cash Flows

For the year ended 31 March 2008

<i>In thousands of AUD</i>	Consolidated	
	2008	2007
Cash flows from operating activities		
Cash receipts from customers	823,139	697,866
Cash paid to suppliers and employees	(706,585)	(608,515)
Cash generated from operations	116,554	89,351
Interest paid	(10,635)	(7,593)
Interest received	860	744
Income taxes paid	(27,203)	(24,406)
Net cash from operating activities	79,576	58,096
Cash flows from investing activities		
Payments for property, plant and equipment	(50,081)	(39,094)
Loans to joint venture entity	(1,979)	-
Payments for net assets on acquisition of businesses and controlled entities (net of cash acquired)	(101,892)	(41,778)
Additional payments in respect of prior year acquisitions of controlled entities	(1,551)	-
Payment for the acquisition of minority interests in controlled entities	(1,825)	-
Payment for investment in joint venture	(6,250)	-
Dividend from associate	297	197
Payments for other investments	-	(9,900)
Proceeds from sale of other non-current assets	1,514	885
Proceeds from divestment of interests in business segments	-	48,000
Proceeds from divestment of consumer products contract manufacturing business	3,708	-
Costs incurred in disposing of business segment	-	(663)
Proceeds from sale of investment in CCI Holdings Ltd	16,060	-
Dividend received from CCI Holdings Ltd	876	-
Net cash from investing activities	(141,123)	(42,353)
Cash flows from financing activities		
Proceeds from borrowings	133,500	59,025
Repayment of borrowings	(39,228)	(40,178)
Lease payments	(5,802)	(5,040)
Lease receipts	816	127
Dividends paid	(24,951)	(18,837)
Net cash from financing activities	64,335	(4,903)
Net increase in cash and cash equivalents	2,788	10,840
Cash and cash equivalents at 1 April	42,705	33,594
Effect of exchange rate fluctuations on cash held	(258)	(1,729)
Cash and cash equivalents at 31 March	45,235	42,705

+ See chapter 19 for defined terms.

Dividend Disclosures

Date the final dividend (distribution) is payable

1 July 2008

⁺Record date to determine entitlements to the dividend (distribution) (i.e., on the basis of proper instruments of transfer received by 5.00 pm if ⁺securities are not ⁺CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if ⁺securities are ⁺CHESS approved)

13 June 2008

Amount per security

	Amount per security	Amount per security of conduit foreign income
Final dividend: Current year	60¢	15¢
Previous year	42¢	21¢
Interim dividend: Current year	35¢	17.5¢
Previous year	28¢	14¢

Total final dividend (distribution) on all securities

	Current period \$A'000	Previous corresponding period - \$A'000
⁺ Ordinary securities (each class separately)	31,282	21,681
Preference ⁺ securities (each class separately)	-	-
Other equity instruments (each class separately)	-	-
Total	31,282	21,681

Directors are mindful of the increasing percentage of earnings generated overseas and the impact that this will have on the ability of the Company to frank dividends in the future. Efforts are being directed towards increasing Australian taxable income to balance the continued overseas expansion. Current forecasts indicate that the dividends for the next financial year will be 50% partly franked.

⁺ See chapter 19 for defined terms.

The ⁺dividend or distribution plans shown below are in operation

Campbell Brothers Limited Dividend Reinvestment Plan

The last date(s) for receipt of election notices for the ⁺dividend or distribution plans

13 June 2008

Reconciliation of Retained Earnings

In thousands of AUD

	2008	2007
Retained profits at beginning of year	83,538	53,650
Net profit attributable to equity holders of the company	76,819	59,066
Dividends	(39,855)	(29,178)
Retained profits at end of year	120,502	83,538

NTA backing

	Current period	Previous corresponding period
Net tangible asset backing per ⁺ ordinary security	\$2.07	\$3.16

Control gained over entities during the period

	Date acquired
E-Lab Analytical, Inc	31 August 2007
ALS USA MI, Corp (formerly Microspec Analytical Group, Ltd)	31 August 2007
ACIRL Pty Ltd	1 October 2007
Witlab (Pty) Ltd	30 November 2007
Carolab (Pty) Ltd	30 November 2007

In the periods to 31 March 2008 the acquired entities contributed a net profit of \$5,074,000 to the consolidated net profit for the year. If the acquisitions had occurred on 1 April 2007, Group revenue from continuing operations would have been \$795,160,000 and net profit from continuing operations would have been \$82,333,000 and net profit from continuing operations attributable to equity holders of the Company (excluding transactions relating to the investment in CCI Holdings Ltd - refer Note 9) would have been \$76,722,000.

⁺ See chapter 19 for defined terms.

Details of associates and joint venture entities

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

Name of entity	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%	1,203	1,001
ALS Mineralogy Pty Ltd	51%	-	449	-
Total			1,652	1,001

Commentary on the Results

Earnings per security and the nature of any dilution aspects

	Consolidated	
	2008	2007
Cents per share		
Basic earnings per share	147.81	114.56
Basic underlying earnings per share	137.13	100.17
Diluted earnings per share	147.81	114.56
Diluted underlying earnings per share	137.13	100.17

Basic and diluted earnings per share

The calculation of both basic and diluted earnings per share were based on the profit attributable to equity holders of the company of \$76,819,000 (2007: \$59,066,000) and a weighted average number of ordinary shares outstanding during the year ended 31 March 2008 of 51,972,000 (2007: 51,560,000).

Basic and diluted underlying earnings per share

The calculation of both basic and diluted underlying earnings per share were based on underlying net profit after tax before unusual items of \$71,270,000 (2007: \$51,648,000) and a weighted average number of ordinary shares outstanding during the year ended 31 March 2008 of 51,972,000 (2007: 51,560,000).

+ See chapter 19 for defined terms.

Dividends and Share Capital

Directors have declared a partly franked (50%) final dividend of 60 cents per ordinary share, amounting to \$31,282,000, payable on 1 July 2008. Following payment of the final dividend the total distribution to shareholders for the 2008 financial year will total 95 cents per share partly franked (50%), amounting to \$49,456,000.

<i>In thousands of AUD</i>	Consolidated	
	2008	2007
Issued and paid up share capital		
52,136,610 ordinary shares fully paid (2007: 51,622,510)	223,111	208,692
<i>Movements in ordinary share capital</i>		
Balance at beginning of year	208,692	197,923
Share issues:		
514,100 shares (2007: 584,409) under Dividend Reinvestment Plan (1)	14,419	9,939
Nil shares (2007: 50,000) under Employee Share Plan (2)	-	830
Balance at end of year	223,111	208,692

(1) Issued pursuant to the Company's Dividend Reinvestment Plan:

2 July 2007 – 303,480 shares at \$25.89

17 December 2007 – 210,620 shares at \$31.15

(2) Issued to Managing Director on 25 July 2006 pursuant to resolution of shareholders at 2006 AGM

Significant features of operating performance

Underlying net profit after tax (excluding unusual items) attributable to equity holders of the Company increased by 38.0% to \$71.27 million for the year ended 31 March 2008, from the \$51.65 million achieved last year. The result was realised from a turnover of \$772.29 million, representing a 16.5% increase on the \$662.65 million in 2007.

The major factor behind this increase has been the continuing strong performance of the ALS Laboratory Group which has experienced ongoing demand for its environmental and minerals testing services.

Directors have declared a final partly franked (50%) dividend for the year of 60 cents per share (2007: 42 cents partly franked) bringing the total partly franked (50%) dividend for the year to 95 cents (2007: 70 cents partly franked).

Financial Results \$'000	Revenue			Contribution		
	FY2008	FY2007	+ / -	FY2008	FY2007	+ / -
ALS Laboratory Group	468,044	342,150	36.8%	112,488	79,486	41.5%
Campbell Chemicals*	152,819	139,235	9.8%	9,680	7,765	24.7%
Reward Distribution	145,743	134,998	8.0%	4,595	5,506	(16.5%)
Discontinued operations*	11,256	51,459	(78.1%)	68	1,187	(94.3%)
Intra-group revenue	(5,575)	(5,188)				
Total divisional contribution	772,286	662,654	16.5%	126,832	93,943	35.0%
Net profit after tax				76,819	59,066	30.0%
Less unusual items net of tax				5,549	7,418	
Underlying net profit				71,270	51,648	38.0%

* restated for sale of consumer products contract manufacturing business in FY2008 and sale of Campbell Brothers Services business in FY2007.

Commentary re business divisions follows:

ALS Laboratory Group

ALS Laboratory Group posted record revenue and profit contribution during the year despite the unfavourable effects of movements in foreign exchange markets. The results which are characterised by an improved return on revenue were derived from very strong market growth in minerals analysis across all regions and acquisitions in the environmental and coal testing sectors during the past year.

ALS has begun the March 2009 financial year with a new management structure re-organised along the lines of global business divisions. This approach is designed to ensure the business remains focussed on its strategy of becoming a global provider of a diverse range of analytical testing services.

Campbell Chemicals

The Chemicals division recorded increased revenue and contribution from both the Panamex Pacific and Industrial Chemical business units during the year.

Panamex Pacific derived higher sales revenue from strategically important markets and has benefited from cost control initiatives introduced in the previous year. The Industrial Chemical business 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 new and existing markets in the year ahead.

Reward Distribution

Reward Distribution experienced a fall in profitability despite higher revenue during the financial year. 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 division's new management team is implementing a strategy to ensure the future profitable growth of the business. Performance improvements are expected to become evident during the first half of the coming year. It will concentrate on deriving maximum value from being a professionally managed distributor in a national market

Audit

The report is based on accounts which have been audited.

Signature:



Company Secretary

Date: 27th May 2008

Print name:

Tim Mullen

+ See chapter 19 for defined terms.