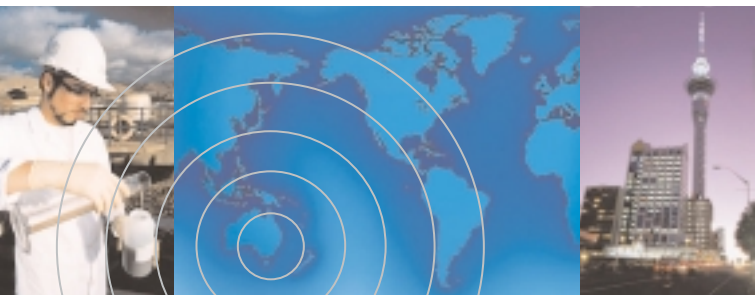




**CAMPBELL BROTHERS
LIMITED**

**HALF YEARLY SHAREHOLDERS' REPORT
6 Months to 30 September 2002**



FIRST-HALF RESULT IN LINE WITH FORECAST

CAMPBELL BROTHERS LIMITED HAS REPORTED A NET PROFIT AFTER TAX (BEFORE GOODWILL AMORTISATION), ATTRIBUTABLE TO MEMBERS, OF \$6.34 MILLION, A 9.4% REDUCTION FROM THE \$7.00 MILLION ACHIEVED IN THE PREVIOUS CORRESPONDING HALF-YEAR.

Based on the first half result and improved business performance early in the second half, the Directors are confident the full year result will be at least equal to last year.

This year's first half result was realised from a turnover of \$179.51 million, a 6.4% increase from \$168.78 million in the six months to September 2001.

Directors have declared a fully franked interim dividend of 13 cents per share, unchanged from last year. The dividend will be paid on 20 December 2002 on all shares registered in the Company's register at the close of business on 5 December 2002.

All of the group's divisions made sound contributions to the half-year result.

Campbell Brothers' fastest growing division, Laboratory Services, increased revenue by 25.7% from \$43.16 million to \$54.25 million during the half-year to September 2002. The division's net profit of \$7.41 million represented an improvement of 24.6% on the \$5.95 million achieved in the September 2001 half-year.

The division's result was boosted by a strong performance in the American market with the inclusion for the first time of Bondar Clegg, a Canadian-based minerals laboratory business acquired in December 2001.

The Consumer Division suffered a small reduction in turnover in a highly competitive market with sales revenue for the half of \$74.69 million, a decrease of 3.3% from \$77.21 million in the September 2001 half year. The division's operating profit was a disappointing \$2.85 million compared with \$4.91 million in the previous period. A number of major initiatives are expected to reverse this decline in the second half of the financial year. This result was adversely affected by difficult retail market conditions in Australia and the Pacific Islands and a reduction in the Myer home services business.

Profit contribution from the Industrial Division was up 11.6% to \$3.38 million (September 2001: \$3.03 million). Revenue increased 4.5% to \$50.57 million from \$48.41 million the previous corresponding half-year. The division enjoyed improved performance at the new Darra industrial complex, which was completed in September 2001 and improved imported raw material costs following increases in \$A exchange rates.

LABORATORY SERVICES DIVISION

THIS DIVISION IS A WORLD LEADER IN ANALYTICAL LABORATORY SERVICES IN THE FIELDS OF MINERALS, ENVIRONMENTAL, OILS, TECHNOLOGY AND ELECTRONICS.

AUSTRALIAN LABORATORY SERVICES (ALS)

The global businesses of ALS performed strongly during the period, especially the minerals business following the acquisition of Bondar Clegg in December of last year. Merging that business into existing operations produced the synergies expected.

Sample flows through all laboratories remain quite strong reflecting our growing position in the markets in which we operate.

The expansion of our environmental business in the Americas has continued with the opening of new laboratories in Santiago (Chile) and Calgary (Canada). ALS recently finalised the purchase of a 70 percent holding in Indequim Laboratories in Monterrey, Mexico. This gives us an entry into the growing environmental markets in Mexico and positions us for further development.

We have engaged a representative in Shanghai to act on behalf of ALS to service clients in China. Work from the Shanghai region will come mostly from environmental consultants and will be processed through the new Hong Kong laboratory which relocated into larger premises earlier this year.

We continue to review the China market with a view of establishing a small environmental laboratory in Shanghai.

ALS Chemex

Sample flows for the division continue to increase suggesting the coming months should remain strong.

All operations are performing at acceptable levels.

The division is currently undertaking a review of risk assessment measures.

ALS Environmental

The division has experienced strong sample flows in comparison to last year.

The Singapore business continues to perform well. Efforts to attract work from outside Singapore have met with moderate success. We are working to access work from Taiwan.

The Hong Kong business has completed stage one of a major contract for Disney in Hong Kong. We are confident of being awarded stage two in December of this year.

Sample flows in Vancouver are showing improvement which should be maintained into the next quarter.

There is continuing development of a group-wide infrastructure for reporting laboratory and financial information.

Business development and marketing continues to focus on increasing workloads in each of our operations.

ALS Wearcheck

We continue to market WearCheck, an oil analysis kit for machinery, with a major client providing us with substantial forward orders through to March 2003.

Preparations are well underway to set up an oil service laboratory in Santiago, to be operational from March 2003.

Expansion of our WearCheck service into South East Asia has met with early success and is encouraging for the future.

CONSUMER PRODUCTS DIVISION

COMPRISING SEVERAL DISTINCT BUSINESS UNITS, THE CONSUMER PRODUCTS DIVISION MANUFACTURES AND/OR MARKETS A BROAD RANGE OF FAST MOVING CONSUMER GOODS AND SERVICES THROUGHOUT AUSTRALIA, NEW ZEALAND & THE PACIFIC REGION AS WELL AS HAVING A SUBSTANTIAL PRESENCE IN THE HOME SERVICES MARKET IN AUSTRALIA.

CAMPBELL CONSUMER PRODUCTS

The six-month period saw a consolidation of our operations, both here and in NZ.

There has been a rationalisation of the industry as major customers absorb the effects of the Franklins stores sell-off.

In Australia, we continue to work with our major customers in reviewing the product range we have on offer and to further enhance our relationship with them.

We have seen continued strong performances in our Fluffy fabric softener range and our Hurricane range of laundry products. The recent launch of our Castle '3 in 1' Active tablet will continue our growth in the dishwasher market.

There is ongoing work on brand development including new product launched under the Fluffy Pure & Gentle name to cater for consumers with sensitive skins.

Our presence in New Zealand remains strong, with the key product categories of fabric care and laundry needs growing strongly from additional product and ranging with all our major customers.

CROSSMARK ASIA PACIFIC

During the period, we made several acquisitions to substantially increase our client and trade channel representation. These acquisitions included the Superbroker Group (NZ), Nationwide Food Brokers (Aust) and Total Sales & Marketing (Aust).

CROSSMARK is now in a position to be the leading provider of third party sales and support services within the Australian & New Zealand fast moving consumer goods (FMCG) market.

The newly merged entity is uniquely positioned to provide clients with full service representations, merchandising support, administration, marketing services and other support areas.

CROSSMARK has given clients the opportunity to meet with the representation team and provide their strategies, tactics and marketing campaigns for their up coming season.

The acquisitions made during the period has meant significant time spent in the integration processes, to include personnel, IT, accounting, payroll, office relocations, and the many other administrative duties.

Office relocations were undertaken in Sydney, Melbourne and Brisbane during the past six months with complete office fit outs, IT infrastructure and communications interfaces.

Major presentations and significant opportunities for near term CROSSMARK representation are anticipated over the next six months.

PANAMEX PACIFIC

Several territories, particularly Fiji and Australia, have experienced lacklustre trading conditions.

A complete review of the market is being undertaken to turn this situation around. In line with this strategy, some product lines have been removed from retail outlets to improve profitability levels.

New business opportunities are being pursued by Panamex NZ. Negotiations on some long-term supplier deals look promising.

In PNG, difficult trading conditions are being experienced.

There is currently a review of the costings of the manufactured lines with a focus on getting more accurate and meaningful reporting of production and costing data.

In the US, Panamex has experienced several shipment delays due to shipping timetable changes which have impacted on their ability to meet customer orders.

There have been some high margin sales to partially compensate for the sales deficiency during the period.

A review of Panamex's administration is now underway which should significantly improve sales.

NATIONAL SERVICE PROVIDERS (NSP)

The business was rationalised during the period, with the sale of the One On One computer training business.

Efforts have concentrated on developing our newly acquired carpet dry cleaning franchises - Dryco, Our Town and Magna Dry, along with other expansion opportunities.

Myer/Grace Bros Cleaning Services continues to underpin our operations, albeit on a marginal basis.

The pest control business, Arrest A Pest, continues to strengthen, with a sustained effort being made in the commercial arena. Other opportunities continue to develop, such as establishing a Registered Training Organisation (RTO) to offer in-house training to businesses.

INDUSTRIAL PRODUCTS DIVISION

THE DIVISION, WHICH COMPRISES SEVERAL BUSINESS UNITS, IS A LEADING INDUSTRIAL AND FOOD CHEMICAL MANUFACTURER AND DISTRIBUTOR OF INDUSTRIAL CLEANING AGENTS, CLEANING SYSTEMS AND NON-FOOD CONSUMABLES THROUGHOUT AUSTRALIA AND NEW ZEALAND.

CAMPBELL CLEANTEC

The business has recently undergone an operational review to identify synergistic benefits.

The review has established the proper foundation for achieving the desired goal of a streamlined and centralised sales and marketing function.

Much time has been spent determining key profit drivers for the business, communicating the change process to staff and designing and implementing a revised organisational structure for the business.

Food Hygiene Systems (FHS)

Performance of the FHS business unit has been particularly strong, with massive improvements in contribution compared to last year. Much of this is as a result of concerted efforts by the team to gain strategically important business in the dairy and brewing industries.

We are now clearly the second largest supplier to this market, with a reputation for quality products and professional service, with business broadly spread across the country. Our Chemical Systems Engineering (CSE) business unit has enhanced our reputation in this area.

Commercial Hygiene Systems (CHS)

The CHS business unit has seen its margins decline over the period. A concerted effort is being made to focus on expanding the distribution network as a basis for future profitable growth. This strategy will fit with the expansion plans of Reward Supply, particularly with its recent acquisition of the Crocker Hospitality business in Sydney.

Both the NSW and Victorian markets remain relatively weak as a result of our inability to establish a distribution network that rivals the successful network in Queensland.

The CHS product range will be fully re-assessed from a market requirements perspective, given the ongoing growth of housebrand products.

Significant change can be expected in this business in the year ahead.

Export

Whilst the Export business unit is small, it is slowly growing as a contributor to the Division. The efforts in S.E.Asia in the food hygiene market are starting to pay dividends and this effort will be continued.

Chemical Systems Engineering (CSE)

The CSE (engineering) business unit is proving strategically important to our Food Hygiene Systems business and it is being realigned more closely with this market. Whilst other companies have substantially downsized their engineering capabilities, there are plans to expand this business given its strong growth performance.

Industrial Solutions Australia (ISA)

The ISA (water treatment) business unit has recently won some significant business in association with our Food Hygiene Systems business. Strategies to profitably grow this business, particularly in the food processing market, are being developed.

DELTREX CHEMICALS

This business has undergone a complete review of its trading activities in an effort to improve the return on business assets.

It has been shown that locally sourced products are typically more profitable than foreign sourced products, largely as a result of high working capital and storage costs for imported products. Also, some product groups have been found to have a negative impact for similar reasons. This is resulting in changes to trading activities which should improve operating performance of the business.

The opportunity exists for Deltrex to sell more of its products, as most trades are discreet, one product activities. From a regional perspective, all States are contributing. Further contributions are expected from a targeted reduction of overhead expenses in New South Wales and Victoria.

REWARD SUPPLY CO.

Operating revenue for the six month period under review is up on last year mainly due to increased sales from Proclean NZ. Initially trading was slow but since July we have experienced improved sales, which should result in the achievement of our full year budget.

The recent acquisition on 1 October 2002 of Sydney-based hospitality supply company, Albert Crocker & Son Pty Ltd (trading as Crocker Hospitality), should boost our presence in the hospitality market due to new product ranges available through this acquisition and the new opportunities it brings, especially in the hotel industry.

Our Darwin operations are currently trading ahead of expectation and are negotiating to move the Alice Springs branch to a new location.

Proclean NZ continues to grow and is ahead of its sales targets for the period. We continue to improve our customer base, which continue to improve our sales numbers. New outlets based in Christchurch and Napier has further increased Proclean's reseller network.

We are in a strong position and believe the second half of this financial year will see the achievement of the yearly budget. We are looking to expand our total market coverage using the new ranges available from the Crocker acquisition. The next six months will also see the improvement of margins due to our ability to negotiate greater price advantages.

FINANCIAL SUMMARY

HALF YEAR ENDED 30 SEPTEMBER

	2002 \$000	2001 \$000	% Variance
NET SALES	179,514	168,775	6.4
Net Contribution Before Tax	13,642	13,888	
Less: Unallocated Corporate Admin & Finance Expenses	4,809	4,187	
NET PROFIT BEFORE TAX AND GOODWILL AMORTISATION	8,833	9,701	(8.9)
Less: Taxation	2,492	2,705	
NET PROFIT AFTER TAX BEFORE GOODWILL AMORTISATION	6,341	6,996	(9.4)
Less: Goodwill Amortisation	1,211	1,017	
NET PROFIT	5,130	5,979	(14.2)
Contributed Equity	99,263	95,338	
Total Equity	126,195	128,438	
Dividend per Share (cents)	13.0	13.0	
Basic Earnings Per Share (cents)			
- before goodwill amortisation	16.32	19.62	
- after goodwill amortisation	13.21	16.77	
Weighted average number of ordinary shares	38,846,097	35,662,789	

FINANCIAL CALENDAR

	2002/2003
Year End	31 March 2003
Full Year Results and Dividend Announced	27 May 2003
Record Date for Final Dividend and DRP	11 June 2003
Annual Report Released and Notice of Meeting Mailed	27 June 2003
Final Dividend Paid	1 July 2003
AGM	29 July 2003

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, share transfers or dividends, please contact our Share registry, Computershare Investor Services Pty Ltd. They can be contacted by phone on (07) 3237 2100, by fax on (07) 3229 9860 or on the Internet at www.computershare.com.

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.

CHANGING YOUR ADDRESS?

If you change your address, please promptly notify our Share registrar in writing. You should quote your SRN (Shareholder Reference Number) and also quote your old address as an added security check.

DIRECT DEPOSIT INTO BANK ACCOUNTS

If you choose, your CBL dividends can be paid directly into a bank, building society or credit union account in Australia on the dividend payment date. Details will be confirmed by an advice mailed to you on that date. Application forms are available from the Share registrar.

DIVIDEND REINVESTMENT PLAN

If you want your dividends reinvested to purchase more CBL shares at a discounted price, contact the Share registry for a DRP Application form and Explanatory booklet. The current discount is 5% off the weighted average market price, calculated over the ten trading days subsequent to the record date.



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