

WEBSTER

Media Release

Webster Delivers Sound Half Year Result

28 February 2008

Webster Limited announced today a half-year after tax profit of \$1.67 million. The horticulture operations performed well during the first half, particularly Webster Walnuts, with a sound result also recorded from associates. On a 'normalised' basis both the Webster operations and Tassal Group Limited (Tassal) are performing as anticipated. The half-year result was lower than the same period last year due to a large one-off profit impact reported by Tassal in 2006.

Webster Limited Chief Executive Officer, Peter Myers said today the result reflects the seasonal nature of the business, where a large proportion of operating earnings and cash flows are generated in the second half of the financial year.

"Operations are currently tracking in line with management's expectations, with a sound full year result predicted." Mr Myers said.

Webster group comprises two operating divisions, Webster Fresh and Webster Walnuts. In addition to the operations, Webster has a 26.3% investment in Tassal, Australia's largest salmon producer.

"The Webster Fresh operation, with interests in onions and carrots has performed as expected in the first half. The season to date has been satisfactory, with good rainfall and sound crop growth. A large portion of production has been contracted at or above projected pricing." Mr Myers said.

The Webster Walnut division manages more than 2,100 hectares of orchard in NSW and Tasmania. Good tree growth is occurring in both States and sufficient water is available for optimum growth. Earnings are in line with expectation. The harvest in Tasmania is expected to be a significant increase on the prior year.

"During January Webster completed the acquisition of the outstanding shares in Webster Walnuts Pty Ltd, which owns and operates two orchards on the East Coast of Tasmania. The consolidation of this company into the Webster group further strengthens Webster's position as a leader in the walnut industry in Australia" Mr Myers said.

Webster has also benefited from its investment in Tassal, which contributed \$2.44 million of equity accounted profit for the period.

The half-year result includes a profit from discontinued operations. On a pre tax basis this represents \$431,000 and relates to the additional profit from the divestment of the industrial businesses and the company's 50% interest in Kelp Industries Pty Ltd.

Cash flows from operations and proceeds received from the divestment of the industrial business and Webster's interest in Kelp Industries were utilised during the half to acquire additional Tassal shares and undertake further debt reduction.

Directors are pleased to declare a 1 cent per share unfranked dividend on ordinary shares payable in April 2008.

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