

# WEBSTER

## Media Release

### Webster Delivers Solid Full Year Result 29 August 2008

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Webster Limited announced today a full-year after tax profit of \$6.11 million, up from \$2.31 million in the prior year. Webster's horticulture operations performed well during the year, with a positive result also recorded from associates. 2008 was not affected by significant items that negatively impacted earnings in 2007.

Webster Limited Chief Executive Officer, Peter Myers reported that the full year result was the outcome of a re-focus on the company's operating businesses to deliver reliable earnings and cash flows.

"Webster consolidated its operating base during 2008, with a sound full year result achieved." Mr Myers said.

Webster has also benefited from its 26% investment in Tassal, Australia's largest salmon producer, which contributed \$5.64 million of equity accounted profit for the year. Webster acquired a further \$7.99 million of shares in Tassal during the year.

In addition to its investment in Tassal, Webster group has two operating divisions, Webster Fresh and Webster Walnuts.

"The Webster Fresh business, with interests in onions and carrots delivered another solid result. An excellent performance was achieved in onions, which was partially offset by a lower than expected return from carrots." Mr Myers said.

Late in 2008 Webster Fresh committed to the purchase of a carrot processing line to increase capacity, improve efficiencies and address product handling issues. In addition specialist personnel in agronomy have been recruited to focus on building the carrot business. "Webster is also continuing to grow its onion business and capitalise on its excellent network of overseas and domestic markets." Mr Myers said.

The Webster Walnuts division now has in excess of 2,200 hectares of walnut orchards under management in NSW and Tasmania. Early in the 2008 financial year the residual planting of the Riverina orchard of 800 hectares, developed in the prior year, was completed.

During January 2008 Webster acquired the outstanding shares in associate Webster Walnuts Pty Ltd which owns a 540-hectare orchard on Tasmania's east coast. The consolidation of this company further strengthens Webster's position as the leader in the walnut industry in Australia.

The yield from the Tasmanian orchard was a significant improvement on the prior year as it was largely unaffected by frosts that negatively impacted yields in 2007. Further frost mitigation strategies are currently being implemented for the 2009 season.

Funding opportunities are being explored to fund new orchard developments in the medium to longer term.

The full-year result includes a profit from discontinued operations. On a pre tax basis this represents \$379,000 and relates to the additional profit from the divestment of the non-core assets.

Directors are pleased to declare a 4.5 cent per share partially franked dividend on ordinary shares payable in October 2008. Directors have taken into account the major capital expenditure programs in 2009 in respect to its Webster Fresh and Webster Walnuts businesses in determining the final ordinary dividend. These capital programs are aimed at increasing capacity and efficiencies within each business.

Webster expects a stronger result in FY2009, with current trends indicating an increase in earnings from Webster Fresh as well as benefiting from the increased profit projections as reported by Tassal.

Tassal has reported that it is "experiencing strong earnings momentum and expects to achieve an underlying NPAT of \$30 million for FY2009, in line with its previous guidance."

Webster Walnuts is anticipating a further increase in yields from its existing orchard operations in FY2009.

For enquiries please contact:

David Robinson  
Chairman

Peter Myers  
Chief Executive Officer

Ph: (03) 6238 0300