



Tassal Operations Pty Ltd
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31 August 2005

Tassal Group Limited Media Release

Tassal Group Limited announces a net profit of \$6.3 million for the year ended 30 June 2005 and a Dividend of 2.5 cents per share.

Results and Performance Overview

The Board of Tassal Group Limited is pleased to report a net profit after tax of \$6.3 million for the financial year to 30 June 2005. A pre SGARA [Australian Accounting Standard AASB 1037 "Self-generating and Regenerating Assets" (SGARA)] net profit after tax of \$5.3 million was reported as compared with a pre-SGARA and DOA [Discount on Acquisition ("DOA")] net profit after tax of \$3.9 million for the financial period to 30 June 2004.

A "normalised" pre SGARA and DOA net profit after tax of \$5.8 million was achieved after backing out the after tax impact of non-recurring items associated with the acquisition of Aquatas Pty Ltd ("Aquatas"). The non-recurring items incurred related to restructuring and redundancy costs totalling \$0.7 million before tax, or \$0.5 million after tax.

The Directors of Tassal Group Limited have declared an unfranked final dividend of 2.5 cents per share.

The Company's consolidated revenue from ordinary activities was reported at \$157.4 million. This translated into pre SGARA revenue of \$96.7 million which compares to a pre SGARA and DOA revenue of \$59.7 million for the financial period to 30 June 2004.

Earnings before interest and tax ("EBIT") on a pre SGARA basis was \$10.4 million as compared to the financial period to 30 June 2004 with a pre SGARA and DOA EBIT value of \$4.4 million.

	<i>Telephone</i>	<i>Facsimile</i>		<i>Telephone</i>	<i>Facsimile</i>
Huonville, 191 Glen Road, Huonville 7109	1300 66 4251	1300 88 0239	Huon Marine Ops, Police Point Rd, Surges Bay 7109	1300 66 2491	1300 88 1479
Sydney, 4 / 418 Leda Business Centre, 30-40 Harcourt Pde, Rosebery, 2018	1300 66 4371	1300 88 0379	Tasman Marine Ops, Badgers Cove, Nubeena 7184	1300 66 2671	1300 88 1939
Melbourne, 17 / 828 High St., Kew, Vic., 3101	1300 66 4731	1300 88 1429	Bruny Island Ops, Rose Banks, Bruny Island 7150	1300 66 2641	1300 88 1659
Mornington, 100 Mornington Road, Mornington 7018	1300 66 0491	1300 88 0179	Macquarie Harbour Ops, C/-Post Office, Strahan 7468	1300 66 3581	1300 88 4309
Dover Processing, Narrows Road, Dover 7117	1300 66 2481	1300 88 1309	Hatchery Operations, Westlyn, Westerway 7140	1300 66 3701	1300 88 4179

Key Financial Performance Indicators

The table below reports the key financial performance indicators for the period to 30 June 2005 and to 30 June 2004 before and after accounting for SGARA and DOA.

CONSOLIDATED
Year ended 30/06/05
Results Summary Table

	30 June 2005	30 June 2005	30 June 2004	30 June 2004
	Pre SGARA and DOA	Post SGARA and DOA	Pre SGARA and DOA	Post SGARA and DOA
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Revenue from ordinary activities	\$ 96,667	\$ 157,389	\$ 59,671	\$ 102,789
EBITDA	\$ 11,332	\$ 12,351	\$ 6,375	\$ 13,913
EBIT	\$ 10,398	\$ 11,417	\$ 4,413	\$ 11,951
Profit before income tax (expense) / benefit	\$ 7,435	\$ 8,454	\$ 3,076	\$ 10,614
Income tax (expense) / benefit	\$ (2,110)	\$ (2,110)	\$ 828	\$ 828
Net profit after income tax (expense) / benefit	\$ 5,325	\$ 6,344	\$ 3,904	\$ 11,442
Basic earnings per share (cents)	\$ 0.0587	\$ 0.0699	\$ 0.0476	\$ 0.1395

Business Overview

The CEO of Tassal Group Limited, Mr. Mark Ryan said "we are pleased with the Company's result for the period. The 2005 financial year was characterised by a challenging market environment in the first 6 months and to effectively deal with this market environment, we pursued the acquisition of Aquatas and put in place further cost reduction initiatives to record a solid result for the financial year."

"We expect to achieve a substantial increase in both financial and operational performance in the coming financial year due to both the acquisition of Aquatas and the resulting forecast underlying synergies, together with the significant improvements Tassal had made in its core marine and processing operations. Tassal has substantially reduced both its growing and processing costs with the benefits of these cost reductions to be reflected in the 2006 and 2007 financial years", Mr Ryan said.

The strategic plan for Tassal is:

- to be globally cost competitive in the production of salmon; and
- to position Tassal to become Australia's leading producer, distributor, seller and marketer of quality seafood products.

"The integration of Tassal and Aquatas is proceeding smoothly and ahead of schedule. There has been a significant reduction in the number of full-time equivalent employees and management is well progressed on achieving the synergies identified as \$9 million. Tassal is looking forward to a higher operating result and net profit after tax for the 2006 financial year", said Ryan.

Dividend Reinvestment Plan

The Company's Dividend Reinvestment Plan (offering shares in lieu of a cash dividend) will apply to the final dividend, and the Directors have resolved that a discount rate of 5% will be applicable.

Annual General Meeting

The Annual General Meeting of the Company will be held on 3 November 2005 commencing at 9.00am at the "Buckingham Room", Stamford Plaza, 111 Little Collins Street, Melbourne.

Annual Report

The approximate date of despatch of the Company's Annual Report to shareholders will be 4 October 2005.

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