23 February 2010

The Manager, Listings
Australian Securities Exchange
Company Announcements Office
Level 4,
Exchange Centre
20 Bridge Street
Sydney, NSW 2000

Via e-lodgement

Dear Sir

Tassal Group Limited (TGR): Market Release
Results for the Half-Year Ended 31 December 2009

We attach the following:

1. Results Announcement for the Half-Year Ended 31 December 2009.

2. Appendix 4D – "Half-Year Report" incorporating the consolidated financial report and the Directors' Report.

3. Media Release

4. Investor Presentation – Results for the six months ended 31 December 2009

Please release this information to the market.

Yours faithfully

Peter Jones
Company Secretary
Tassal Group Limited

Tassal Group Limited. Tassal Operations Pty Ltd. ACN 106 324 127 ABN 38 106 324 127
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TASSAL GROUP LIMITED

ABN 15 106 067 270

APPENDIX 4D
HALF-YEAR REPORT
for the Half-Year ended 31 December 2009
(previous corresponding period: Half-Year ended 31 December 2008)

RESULTS FOR ANNOUNCEMENT TO MARKET

Compliance Statement

1. The attached financial report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Interpretations or other standards acceptable to ASX.

2. The attached financial report, and the accounts upon which the report is based, use the same accounting policies.

3. The attached financial report gives a true and fair view of the matters disclosed.

4. The attached financial report has been independently reviewed by the Company's auditors. The financial report is not subject to a qualified independent review statement.

5. The entity has a formally constituted audit committee.

A. McCallum
Chairman
Tassal Group Limited
Hobart, 23 February 2010

TASSAL GROUP LIMITED

ABN 15 106 067 270

APPENDIX 4D
HALF-YEAR REPORT
for the Half-Year ended 31 December 2009
(previous corresponding period: Half-Year ended 31 December 2008)

RESULTS FOR ANNOUNCEMENT TO MARKET

	Half-Year ended 31 December 2009 $'000	Half-Year ended 31 December 2008 $'000	Period Movement up / (down) $'000	Period Movement up / (down) %
Revenue (from all sources) (i)	206,265	178,434	27,831	15.60
EBITDA	27,673	28,577	(904)	(3.16)
EBIT	22,654	24,652	(1,998)	(8.10)
Profit before income tax expense attributable to members	20,151	23,273	(3,122)	(13.41)
Income tax expense	(5,075)	(6,805)	1,730	25.42
Net profit after income tax expense attributable to members	15,076	16,468	(1,392)	(8.45)
Basic EPS – cents per share	10.89cps	12.20 cps		

(i) Australian Accounting Standard AASB141 "Agriculture" requires any increment in the market value of Biological Assets during the year to be included in revenue. The impact of this is an uplift of $94.031 million in revenue for the Half-Year ended 31 December 2009 [2008: $78.644 million]

Dividends (Ordinary Shares)	Amount per security	Franked amount per security
Final dividend: - Previous financial year	4.00¢	0.00¢
Interim dividend: - Current reporting period*	4.00¢	0.00¢
- Previous corresponding period	4.00¢	0.00¢

* The financial effect of the Interim Dividend in respect of the current reporting period will be recognised in the next reporting period because it has been declared subsequent to 31 December 2009.

Record date for determining entitlements to the Interim Dividend	12 March 2010
Date of payment of Interim Dividend	1 April 2010

The Company's Dividend Reinvestment Plan is applicable to the Interim Dividend. The discount rate is 5%. The issue price is based on the weighted average market price for fully paid shares sold on ASX during the 5 trading days immediately following the Record Date for determining entitlements to the dividend. The last date for the receipt of an election notice for participation in the Plan is 12 March 2010.

It is the Company's intention to seek to have underwritten that portion of the interim dividend that is not taken up by shareholders pursuant to the Dividend Reinvestment Plan. This will assist funding the Company's ongoing capital investment initiatives underpinning the Company's FY2015 Strategic Plan.

Brief explanation of any of the figures reported above necessary to enable figures to be understood.

Refer to the "Review of Operations" section at Item 4 in the accompanying Directors' Report which forms part of the Appendix 4D Half-Year Report, together with the Company's H1 2010 results media release.

TASSAL GROUP LIMITED
ABN 15 106 067 270

APPENDIX 4D
HALF-YEAR REPORT
for the Half-Year ended 31 December 2009
(previous corresponding period: Half-Year ended 31 December 2008)

RESULTS FOR ANNOUNCEMENT TO MARKET

Reported Earnings Per Ordinary Fully Paid Share (EPS)	Current Period	Previous Corresponding Period
Basic EPS – cents per share	**10.89**	12.20
Diluted EPS – cents per share	**10.85**	12.13

NTA Backing	Current Period	Previous Corresponding Period
Net tangible asset backing per ordinary security	**$1.34**	$1.16

TABLE A: Reconciliation of reported NPAT to underlying profit.

Reported results have been adjusted for the impact of non-recurring items to reflect the underlying financial performance for the Group.

Half-year ended 31 December 2009	Statutory Profit $'000	Non Recurring Items $'000	Underlying Profit $000
Revenue (from all sources)	$206,265	$0	$206,265
EBITDA	$27,673	$1,134	$28,807
EBIT	$22,654	$1,134	$23,788
Profit before income tax expense	$20,151	$1,134	$21,285
Income tax expense	($5,075)	($340)	($5,415)
Net profit after income tax expense	$15,076	$794	$15,870

Half-year ended 31 December 2008	Statutory Profit $'000	Non Recurring Items $'000	Underlying Profit $000
Revenue (from all sources)	$178,433	$0	$178,433
EBITDA	$28,577	$0	$28,577
EBIT	$24,652	$0	$24,652
Profit before income tax expense	$23,273	$0	$23,273
Income tax expense	($6,805)	$0	($6,805)
Net profit after income tax expense	$16,468	$0	$16,468

TABLE B: Impact of AASB 141 "Agriculture".

The following tables illustrate the effect on revenue and net profit after tax after applying the AASB 141 "Agriculture" accounting standard.

Half-year ended 31 December 2009	AASB 141 Impact $'000
Revenue (from all sources)	$94,031
EBITDA	$5,688
EBIT	$5,688
Profit before income tax expense	$5,688
Income tax expense	($1,706)
Net profit after income tax expense	$3,982

Half-year ended 31 December 2008	AASB 141 Impact $'000
Revenue (from all sources)	$78,664
EBITDA	$4,276
EBIT	$4,276
Profit before income tax expense	$4,276
Income tax expense	($1,283)
Net profit after income tax expense	$2,993

Peter Jones
Company Secretary
Tassal Group Limited
23rd February 2010

Tassal Group Limited

and its Controlled Entities

ABN 15 106 067 270

Appendix 4D: Half-Year Report

(Pursuant to Listing Rule 4.2A)

Financial Report for the Half-Year Ended
31 December 2009

(The Half-Year financial report does not include all the notes of the type normally included in an Annual Financial Report. Accordingly, it is recommended that the Half-Year Report is read in conjunction with the Annual Financial Report of Tassal Group Limited for the Financial Year ended 30 June 2009 together with any public announcements made by Tassal Group Limited and its controlled entities during the half-year ended 31 December 2009 in accordance with the continuous disclosure requirements of the Listing Rules of the Australian Securities Exchange).

CONTENTS

DIRECTORS' REPORT

Tassal Group Limited and its Controlled Entities Financial Report for the Half-Year Ended 31 December 2009

The Directors of Tassal Group Limited ("the Company") submit the financial report for the half-year ended 31 December 2009 of the consolidated entity, being the Company and its controlled entities.

In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

1. DIRECTORS

The names of the Directors of Tassal Group Limited who held office at any time during or since the end of the half-year are:

Name:

Mr Allan McCallum (Chairman)
Mr Mark Ryan (Managing Director and Chief Executive Officer)
Mr David Groves
Ms Jill Monk
Mr Roderick Roberts
Mr John Watson

The above named Directors held office during the whole of the half-year.

2. PRINCIPAL ACTIVITIES

During the half-year the principal activities of the consolidated entity were the farming, processing and marketing of Atlantic salmon.

There were no significant changes in the nature of the activities of the consolidated entity during the half-year.

3. DIVIDENDS

On 25 August 2009, the Directors declared a final unfranked dividend of 4.00 cents per fully paid ordinary share amounting to $5.481 million in respect of the financial year ended 30 June 2009. The final dividend was paid on 8 October 2009.

The Company's Dividend Reinvestment Plan applied to the final dividend. After application of a 5% discount factor, 1,040,042 fully paid ordinary shares were issued at an issue price of $1.6435 per share. To assist funding the Company's ongoing capital investment program, the Company executed an Underwriting Agreement to underwrite that portion of the Final Dividend payment not taken up by shareholders pursuant to the Dividend Reinvestment Plan. Pursuant to that Underwriting Agreement, 2,291,864 fully paid ordinary shares were issued to Austock Securities Limited (Austock) at an issue price of $1.6435 per share on 8 October 2009.

	Half-Year ended 31 Dec 2009 $'000	Half-Year ended 31 Dec 2008 $'000
Interim dividend provided for	-	-
Final dividend paid in respect of prior financial year	5,481	4,715
	5,481	**4,715**

On 23 February 2010, the Directors declared an interim dividend of $5.614 million (4.00 cents per ordinary share) in respect of the half-year ended 31 December 2009. The interim dividend will be unfranked.

The record date for determining entitlements to this dividend is 12 March 2010. The interim dividend will be paid on 1 April 2010.

The Company's Dividend Re-investment Plan ("DRP") will apply to the interim dividend and a discount rate of 5% has been determined by the Directors. It is the Company's intention to seek to have underwritten that portion of the Interim Dividend payment that is not taken up by shareholders pursuant to the Dividend Reinvestment Plan. This will continue to assist funding the Company's ongoing capital investment initiatives underpinning the Company's FY2015 Strategic Plan.

The interim dividend has not been recognised in this Half-Year Financial Report because the interim dividend was declared subsequent to 31 December 2009.

4. REVIEW OF OPERATIONS

• RESULTS AND PERFORMANCE OVERVIEW

The Directors of Tassal Group Limited ("Tassal" or "the Company") present the Company's Appendix 4D: Half Year Report to 31 December 2009 ("H1 2010").

Tassal's H1 2010 results included:

- Revenue up 16% to $206.3 million (H1 2009: $178.4 million)
- Earnings Before Interest, Tax, Depreciation & Amortisation ("EBITDA") down 3% to $27.7 million (H1 2009: $28.6 million)
- Net profit after tax ("NPAT") down 8% to $15.1 million (H1 2009: $16.5 million)
- Underlying EBITDA, excluding $1.1 million net foreign exchange loss as a result of a fair value adjustment, up 1% to $28.8 million (H1 2009: $28.6 million)
- Underlying NPAT, before non-recurring items, down 4% to $15.9 million (H1 2009: $16.5 million)
- Gearing at 40.07% net debt / equity (30 June 2009: 33.17%) within target range, with net interest bearing debt of $91.2 million as at 31 December 2009 (30 June 2009: $70.1 million)

Tassal has followed the guidance for underlying profit as issued by the Australian Institute of Company Directors and Financial Services Institute of Australasia in March 2009.

Tassal's financial results for H1 2010 were satisfactory in light of the difficult market conditions caused by the global financial crisis, falling export prices, and a high Australian dollar.

Revenue was higher due to a strong domestic market performance, in particular from the retail market, and an increase in the fair value of live fish. Operating revenue was up 12%, and volumes were up 13% – with retail sales revenue up 20% and retail sales volume up 14% - when compared with H1 2009.

Earnings were lower due to a non-recurring foreign exchange loss of $1.13 million before tax, and lower returns from export sales, acquisition of some third party fish for value add production during the key growing period to facilitate greater growth for the 2008 and 2009 year classes, and the Petuna contract growing arrangement. The lower return from export sales was due to the global financial crisis, biomass gain in Norway, and the significant appreciation of the Australian Dollar. The lower return from Petuna was in-line with Petuna smolt being supplied – no further reduction in the price of the contract growing arrangement is expected.

Live fish performance continued to improve, reflected financially in the results under Accounting Standard AASB 141 "Agriculture", and operationally through the underlying performance of the 2009 Year Class (FY2011 harvest) and 2010 Year Class (FY2012 harvest). Unlike Tassal's global competitors that have rising feed and costs of growing, Tassal is for the most part absorbing any increases in feed costs with the improved performance of its fish stock, increasing the global cost competiveness of Tassal. Tassal believes from a processing perspective it is already achieving global best practice in terms of cost.

Strategic Plan FY2015

Tassal has a sound strategy in place to grow the Company, and is well positioned to grow shareholder value as the Company progresses towards it Strategic Plan FY2015 targets. Regular monitoring of progress towards the targets indicates that, whilst still in the early to mid stages of the Strategic Plan, the Company is on track to deliver the targets it has set itself.

With respect to progress, the Directors advise as follows:

- With the new Huon River Hatchery now operating, Tassal has the ability to put to sea the 6.3 million to 6.5 million fish required for the Strategic Plan (with sufficient buffer smolt stock)
- Fish survival is around 82-84% at present, with the Strategic Plan requiring 88-90% survival. The 2009 Year Class is demonstrating solid survival rates, with significant benefits expected to come from the implementation of the selectively bred stock. The selectively bred stock will be progressively put to sea with increased benefits. Noting that it will not be until the 2013 Year Class is put to sea (harvested in FY2015) that all fish will be bred from selectively bred stock
- Harvest hog size is running on average at 4.1-4.3kg which is on track to deliver the average size of 4.8-5.0kg hog targeted for FY2015
- Harvest tonnes for FY2010 is on track for around 19,000 hog tonnes, with the Strategic Plan requiring 30,000 hog tonnes
- Domestic market growth was 12% for H1 2010, which is slightly above the domestic market revenue growth of a cumulative average growth rate of 10% per annum targeted in the Strategic Plan to FY2015
- Targeted price increases have been implemented in H1 2010, and management will continue to implement price increases as opportunities are identified
- Export market volume is between 5-10% within the Strategic Plan – and we continue to trade within this level

- Capital expenditure for FY2010 is continuing to focus on expansionary, efficiency and risk mitigation with the change to the focus in the Strategic Plan of replacement, efficiency and risk mitigation to transition over the course of FY2011.

If Tassal can achieve its Strategic Plan FY2015 targets the Company will:

- be producing 30,000 hog tonnes (whole fish equivalent of 35,000 tonnes) and would be placed amongst the top 10 Salmon producing companies globally
- be globally cost competitive in fish growing and processing terms – noting that we currently believe that from a processing perspective we are now globally cost competitive.

5. SUBSEQUENT EVENTS

Other than as outlined in note 2 in the notes to the condensed consolidated financial statements, there has not arisen in the interval between the end of the half-year and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of Tassal, to affect significantly the operations of the consolidated entity, the results of those operations, or the state affairs of the consolidated entity, in subsequent financial years.

6. BUSINESS DEVELOPMENT

The Company has and continues to examine a number of business development opportunities to grow the business organically and by acquisition.

7. INDEPENDENCE DECLARATION BY AUDITOR

Mr Craig Barling was appointed as Chief of Strategy and Planning on 30 November 2009. Mr Barling was a former partner of Deloitte Touche Tohmatsu, the Company's auditor, but has had no prior involvement in the Group's audit in any way and at anytime, either in respect of the current reporting period or any prior reporting periods.

There were no other former partners or directors of Deloitte Touche Tohmatsu who are or were, at any time during the half-year ended 31 December 2009, an officer of the Group.

The auditor's independence declaration made under section 307C of the Corporations Act 2001 is set out on page 6 and forms part of this Directors' Report for the half-year ended 31 December 2009. Craig Barling left the employment of the company on 10 December 2009.

8. ROUNDING OFF OF AMOUNTS

The Company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the Directors' Report and the half-year financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of Directors made pursuant to Section 306 (3) of the Corporations Act 2001.

On behalf of the Directors

A. McCallum
Chairman
Hobart, 23 February 2010

Deloitte.

Deloitte Touche Tohmatsu
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The Board of Directors
Tassal Group Limited
2 Salamanca Square
Hobart TAS 7000

23 February 2010

Dear Board Members

Tassal Group Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Tassal Group Limited.

As lead audit partner for the review of the financial statements of Tassal Group Limited for the half-year ended 31 December 2009, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

David Harradine
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.

Member of
Deloitte Touche Tohmatsu

CONDENSED CONSOLIDATED INCOME STATEMENT

Tassal Group Limited and its Controlled Entities Financial Report for the Half-Year Ended 31 December 2009

	Note	Half-Year Ended 31 Dec 2009 $'000	Half-Year Ended 31 Dec 2008 $'000
Revenue	**3 (a)**	204,664	177,064
Other income	**3 (b)**	1,550	1,128
Share of profits of associated and jointly controlled entities accounted for using the equity method	**5**	51	242
Changes in inventories of finished goods and work in progress		(23)	1,770
Raw materials and consumables used		(153,812)	(128,869)
Employee benefits expense		(17,460)	(13,933)
Depreciation and amortisation expense	**3 (c)**	(5,019)	(3,925)
Finance costs	**3 (c)**	(2,503)	(1,379)
Other expenses		(7,297)	(8,825)
Profit before income tax expense		**20,151**	**23,273**
Income tax expense		(5,075)	(6,805)
Profit for the period		**15,076**	**16,468**

	Half-Year Ended 31 Dec 2009	Half-Year Ended 31 Dec 2008
Net tangible asset backing per ordinary share (cents per share)	134.29	116.44
Earnings per ordinary share(EPS)*		
Basic (cents per share)	10.89	12.20
Diluted (cents per share)	10.85	12.13
*** Weighted average numbers of ordinary shares on issue used as the denominator in the calculation of EPS**		
Number for Basic EPS	138,383,771	135,018,677
Number for Diluted EPS	138,891,946	135,720,160

Notes to the condensed financial statements are included on pages 12 to 19.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Half-Year Ended 31 Dec 2009 $'000	Half-Year Ended 31 Dec 2008 $'000
Profit for the period		15,076	16,468
Other comprehensive income			
Gain/(loss) on cash flow hedges taken to equity		110	(8,115)
Transfer to profit or loss on cashflow hedges		1,134	(40)
Income tax relating to components of other comprehensive income		(2)	2,435
Other comprehensive income for the period (net of tax)		1,242	(5,720)
Total comprehensive income for the period attributed to owners of the parent		**16,318**	**10,748**

Notes to the condensed financial statements are included on pages 12 to 19.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 31 Dec 2009	As at 30 June 2009	As at 31 Dec 2008
		$'000	$'000	$'000
Current Assets				
Cash and cash equivalents		7,663	3,682	2,510
Trade and other receivables		25,176	23,590	27,217
Inventories		48,288	48,311	39,009
Biological assets		123,948	100,169	101,604
Other financial assets		511	511	510
Other		1,255	792	879
Total Current Assets		**206,841**	**177,055**	**171,729**
Non-Current Assets				
Trade and other receivables		1,584	-	-
Investments accounted for using equity method	5	7,958	7,907	7,681
Other financial assets		119	124	130
Property, plant and equipment		149,987	129,170	102,303
Goodwill		14,851	14,851	14,851
Other intangible assets		24,184	24,184	24,049
Other		567	583	597
Total Non-Current Assets		**199,250**	**176,819**	**149,611**
Total Assets		**406,091**	**353,874**	**321,340**
Current Liabilities				
Trade and other payables		42,588	35,442	36,547
Borrowings		74,392	26,193	38,989
Provisions		3,223	3,812	2,533
Current tax liability		-	194	-
Other financial liabilities		1,186	2,186	8,401
Other		245	266	282
Total Current Liabilities		**121,634**	**68,093**	**86,752**
Non-Current Liabilities				
Borrowings		24,430	47,566	14,857
Deferred tax liabilities		31,934	26,327	22,406
Provisions		563	623	638
Other		14	18	27
Total Non-Current Liabilities		**56,941**	**74,534**	**37,928**
Total Liabilities		**178,575**	**142,627**	**124,680**
Net Assets		**227,516**	**211,247**	**196,660**
Equity				
Issued capital	6	145,581	139,605	137,808
Reserves		4,861	4,163	(431)
Retained Earnings	7	77,074	67,479	59,283
Total Equity		**227,516**	**211,247**	**196,660**

Notes to the condensed financial statements are included on pages 12 to 19.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Ordinary shares	Asset revaluation reserve	Hedging reserve	Equity-settled employee benefits reserve	Retained earnings	Total attributable to owners of the parent
	$'000	$'000	$'000	$'000	$'000	$'000
Balance as at 1 July 2008	**136,272**	**4,632**	**29**	**625**	**47,530**	**189,088**
Profit for the period	-	-	-	-	16,468	16,468
Gain/(loss) on cash flow hedge (net of any related tax)	-	-	(5,680)	-	-	(5,680)
Transfer to profit or loss on cash flow hedges (net of any related tax)	-	-	(40)	-	-	(40)
Total comprehensive income for the period	-	-	(5,720)	-	16,468	10,748
Payment of dividends	-	-	-	-	(4,715)	(4,715)
Issue of shares pursuant to Dividend Reinvestment Plan	1,536	-	-	-	-	1,536
Recognition of share-based payments	-	-	-	3	-	3
Balance as at 31 December 2008	**137,808**	**4,632**	**(5,691)**	**628**	**59,283**	**196,660**
Balance as at 1 July 2009	**139,605**	**4,632**	**(1,278)**	**809**	**67,479**	**211,247**
Profit for the period	-	-	-	-	15,076	15,076
Gain/(loss) on cash flow hedge (net of any related tax)	-	-	108	-	-	108
Transfer to profit or loss on cash flow hedges (net of any related tax)	-	-	1,134	-	-	1,134
Total comprehensive income for the period	-	-	1,242	-	15,076	16,318
Payment of dividends	-	-	-	-	(5,481)	(5,481)
Issue of shares pursuant to Dividend Reinvestment Plan	1,709	-	-	-	-	1,709
Issue of shares pursuant to underwriting agreement relating to Dividend Reinvestment Plan	3,767	-	-	-	-	3,767
Underwriting costs	(99)	-	-	-	-	(99)
Issue of shares pursuant to Executive Long Term Incentive Plan	599	-	-	(599)	-	-
Recognition of share-based payments	-	-	-	55	-	55
Balance as at 31 December 2009	**145,581**	**4,632**	**(36)**	**265**	**77,074**	**227,516**

Notes to the condensed financial statements are included on pages 12 to 19.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Tassal Group Limited its and Controlled Entities Financial Report for the Half-Year Ended 31 December 2009

	Note	Half-Year Ended 31 Dec 2009	Half-Year Ended 31 Dec 2008
		$'000	**$'000**
Cash Flows from Operating Activities			
Receipts from customers		116,957	97,672
Payments to suppliers and employees		(109,880)	(87,956)
Interest received		32	84
Interest and other costs of finance paid		(2,877)	(1,443)
Net cash provided by (used in) Operating Activities		**4,232**	**8,357**
Cash Flows from Investing Activities			
Payment for property, plant and equipment		(25,217)	(22,856)
Proceeds from sale of property, plant and equipment		8	9
Payment for intangible assets		-	(931)
Payment for other non-current assets		-	(143)
Net cash used in Investing Activities		**(25,209)**	**(23,921)**
Cash Flows from Financing Activities			
Payment for share underwriting costs		(99)	-
Proceeds from borrowings		22,939	15,417
Repayment of borrowings		(6,977)	(3,314)
Dividends paid to members of the parent entity		(5)	(3,180)
Net cash provided by Financing Activities		**15,858**	**8,923**
Net increase / (decrease) in cash and cash equivalents		**(5,119)**	**(6,641)**
Cash and cash equivalents at the beginning of the Half-Year		3,682	7,093
Cash and cash equivalents at the end of the Half-Year	**8**	**(1,437)**	**452**

Notes to the condensed financial statements are included on pages 12 to 19.

1. Summary of accounting policies

a) Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include all the notes of the type normally included in an annual financial report and should be read in conjunction with the annual financial report for the financial year ended 30 June 2009, together with any public announcements made by Tassal Group Limited and its controlled entities during the half-year ended 31 December 2009, in accordance with the continuous disclosure requirement of the Listing Rules of the Australian Securities Exchange.

The half-year financial report was authorised for issue by the Directors on 23 February 2010.

b) Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except if relevant, for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The Company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the Directors' Report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

c) Significant accounting policies

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2009 annual financial report for the financial year ended 30 June 2009, other than as detailed below. Where appropriate figures for the comparative period have been restated to make them comparable with the disclosures adopted for the half-year ended 31 December 2009. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

d) Adoption of new and revised Accounting Standards

In the current half-year, the consolidated entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for annual reporting periods beginning on or after 1 January 2009 or the current reporting period.

New and revised Standards and Interpretations effective for the current reporting period that are relevant to the Group include:

- AASB 3 *Business Combinations*
- AASB 8 *Operating Segments*
- AASB 101 *Presentation of Financial Statements*
- AASB 127 *Consolidated and Separate Financial Statements*

The adoption of these Standards and Interpretations has resulted in changes to the Group's accounting policies but has not affected the amounts reported in the current or prior periods. The changes to the Group's accounting policies are as follows:

<u>Business combinations</u>

AASB 3 *Business Combinations* (2008) applies prospectively to business combinations for which the acquisition date is on or after 1 July 2009 and alters the manner in which business combinations and changes in ownership interest in subsidiaries are accounted for. Accordingly, its adoption has no impact on previous acquisitions made by the Group.

d) Adoption of new and revised Accounting Standards (continued)

The effect of AASB 3 (2008) and its consequential amendments to other Australian Accounting Standards has been to:

- allow a choice on a transaction-by-transaction basis for the measurement of non-controlling interests (previously referred to as minority interests);
- change the recognition and subsequent accounting requirements of contingent consideration. Under the previous version of the Standard, contingent consideration was recognised at the acquisition date only where it met probability and reliably measurable criteria; under the revised Standard the consideration for the acquisition always includes the fair value of any contingent consideration. Once the fair value of the contingent consideration at the acquisition date has been determined, subsequent adjustments are made against goodwill only to the extent that they reflect fair value at the acquisition date, and they occur within the measurement period (a maximum of 12 months from the acquisition date). Under the previous version of the Standard, adjustments to contingent consideration were always made against goodwill;
- where the business combination in effect settles a pre-existing relationship between the Group and acquiree, require the recognition of a settlement gain or loss, measured at fair value of non-contractual relationships; and
- require that acquisition-related costs be accounted for separately from the business combination, generally leading to those cost being expensed when incurred. Previously such costs were accounted for as part of the cost of the acquisition of the business.

<u>Changes in ownership interests of subsidiaries</u>
AASB 127 Consolidated and Separate Financial Statements (2008) has been adopted in the current period and applies prospectively. The revised Standard has resulted in changes in the Group's accounting policy in regarding increases and decreases in ownership interests in its subsidiaries. In prior years, in the absence of specific requirements in the Australian Accounting Standards, increases in interests in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised where appropriate. The impact of decreases in interests in subsidiaries that did not involve loss of control was recognised in profit or loss. Under AASB 127 (2008), all increases or decreases in such interest are recognised in equity, with no impact on goodwill or profit or loss.

When control of a subsidiary is lost as a result of a transaction or other circumstance, the revised Standard requires that the Group derecognises all assets, liabilities, and non-controlling interests at their carrying amount. Any retained interest in the former subsidiary is recognised at its fair value at the date that control is lost. A gain or loss on loss of control is recognised in profit or loss as the difference between the proceeds, if any, and these adjustments.

<u>Changes in ownership interests of associates</u>
AASB 128 Investments in Associates was amended by AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127, and has been adopted in the current period. The principle adopted in AASB 127 (2008) that a change in accounting basis is recognised as a disposal and re-acquisition at fair value is extended by consequential amendments to AASB 128 such that, on loss of significant influence, the investor measures at fair value any investment the investor retains in the former associate.

In addition to the above, the adoption of these new and revised Standards and Interpretations have resulted in changes to the Group's presentation of, or disclosure in, its half-year financial statements in the following areas:

- presentation of the financial statements. Previously the Group presented a statement of financial position (formerly termed the balance sheet), income statement, cash flow statement, and a statement of changes in equity. As a consequence of adoption of AASB 101 *Presentation of Financial Statements* (2007) and its associated amending standards, the Group now also presents a statement of comprehensive income.
- information about Group's segments. The adoption of AASB 8 *Operating Segments* and AASB 2007-3 *Amendments to Australian Accounting Standards arising from AASB 8* has resulted in Tassal now having one reportable segment.

2. Subsequent events

Interim dividend declared

On 23 February 2010, the Directors declared an interim dividend of $5.614 million (4.00 cents per ordinary share) in respect of the half-year ended 31 December 2009. The interim dividend will be unfranked. The interim dividend has not been recognised in this Half-Year Financial Report because the interim dividend was declared subsequent to 31 December 2009. The record date for determining entitlements to this interim dividend is 12 March 2010. The interim dividend will be paid on 1 April 2010. The Company's Dividend Reinvestment Plan will apply to the interim dividend and a discount rate of 5% has been determined by the Directors. It is the Company's intention to seek to have underwritten that portion of the Interim Dividend payment that is not taken up by shareholders pursuant to the Dividend Reinvestment Plan. This will continue to assist funding the Company's ongoing capital investment initiatives underpinning the Company's FY2015 Strategic Plan.

Sale of 50% ownership of Springfield Hatcheries Pty Ltd

Tassal acquired a 50% interest in Springfield Hatcheries Pty Limited on 6 February 2006 and the carrying value of this investment at 31 December 2009 was $1.100 million. On 15 January 2010, Tassal disposed of this investment reducing Tassal's ownership interest in Springfield Hatcheries to 0%. This disposal was a strategic decision by the Directors based on the excellent performance of Tassal's new Huon River Hatchery.

The Sale agreement sets out that Tassal will receive its shareholder loan of $0.500 million within 3 years and will have its guarantee with the bank removed (being 50% of $4.900 million), together with $1 for the sale of the shares in Springfield Hatcheries Pty Ltd. As the disposal occurred subsequent to 31 December 2009, it is expected that the financial effect of this transaction (being a loss on disposal and reduction in the carrying amount of the investment in Springfield Hatcheries Pty Ltd of $1.100 million) will be recognised in the financial report at 30 June 2010.

		Note	Half-Year Ended 31 Dec 2009	Half-Year Ended 31 Dec 2008
			$'000	$'000

3. Profit from operations

Profit from operations before income tax expense includes the following items of revenue and expense:

		Note	Half-Year Ended 31 Dec 2009 $'000	Half-Year Ended 31 Dec 2008 $'000
(a)	**Revenue**			
	Revenue from the sale of goods		110,590	98,310
	Net market value of non-living produce extracted	(i)	73,860	65,171
	Increment / (decrement) in net market value of biological assets	(ii)	20,171	13,493
	Interest revenue		32	84
	Rental revenue		11	6
	Total revenue		**204,664**	**177,064**
(b)	**Other Income**			
	Gain on disposal of property, plant and equipment		4	6
	Gain on interest rate swap contracts		-	-
	Government grants received		865	639
	Other		681	483
	Total other income		**1,550**	**1,128**
(c)	**Expenses**			
	Depreciation of non-current assets		5,004	3,912
	Amortisation of non-current assets		15	13
	Total depreciation and amortisation		**5,019**	**3,925**
	Interest – other entities		1,197	514
	Finance lease charges		1,306	865
	Total finance costs		**2,503**	**1,379**
	Cost of sales		**107,006**	**95,284**

Note: AASB 141 "Agriculture".

(i) Pursuant to the requirements of AASB 141, this amount represents the fair value of finfish harvested during the half year less costs to sell at the point of harvest.

(ii) Pursuant to the requirements of AASB 141, this amount represents the difference between the fair value of finfish reflected in the Condensed Consolidated Statement of Financial Position as at the respective reporting dates (net of estimated costs to sell) less costs incurred in acquiring smolt (juvenile fish).

(iii) The impact on net profit before tax of applying AASB 141 for the half-year is an increase of $5.688 million [2008: an increase of $4.276 million].

	Half-Year Ended 31 December 2009		Financial Year Ended 30 June 2009		Half-Year Ended 31 December 2008	
	Cents per share	Total $'000	Cents per share	Total $'000	Cents per share	Total $'000

4. Dividends

(a) Recognised amounts

	Cents per share	Total $'000	Cents per share	Total $'000	Cents per share	Total $'000
Fully paid ordinary shares:						
Interim dividend paid in respect of current financial year (Unfranked)	-	-	4.00	5,420	-	-
Final dividend paid in respect of prior financial year (Unfranked)	4.00	5,481	3.50	4,715	3.50	4,715
	4.00	**5,481**	**7.50**	**10,135**	**3.50**	**4,715**

On 25 August 2009, the Directors declared a final unfranked dividend of $5.481 million (4.00 cents per ordinary share) in respect of the financial year ended 30 June 2009. The dividend was paid on 8 October 2009 and the Company's Dividend Re-investment Plan applied at a discount rate of 5%.

(b) Unrecognised amounts

	Cents per share	Total $'000	Cents per share	Total $'000	Cents per share	Total $'000
Fully paid ordinary shares:						
Interim dividend in respect of current financial year (Unfranked)	4.00	5,614	-	-	4.00	5,419
Final dividend in respect of current financial year (Unfranked)	-	-	4.00	5,464	-	-
	4.00	**5,614**	**4.00**	**5,464**	**4.00**	**5,419**

On 23 February 2010, the Directors declared an interim dividend of $5.614 million (4.00 cents per ordinary share) in respect of the half-year ended 31 December 2009. The interim dividend will be unfranked. The record date for determining entitlements to this dividend is 12 March 2010. The Company's Dividend Re-investment Plan will apply to this interim dividend and a discount rate of 5% has been determined by the Directors. The interim dividend will be paid on 1 April 2010.

It is the Company's intention to seek to have underwritten that portion of the Interim Dividend payment that is not taken up by shareholders pursuant to the Dividend Reinvestment Plan. This will continue to assist funding the Company's ongoing capital investment initiatives underpinning the Company's FY2015 Strategic Plan.

The interim dividend in respect of ordinary shares for the half-year ended 31 December 2009 has not been recognised in this Half-Year report because the interim dividend was declared subsequent to 31 December 2009.

No portion of the interim dividend declared for the half-year ended 31 December 2009 constitutes Conduit Foreign Income.

5. Investments accounted for using the equity method

Name of Entity	Principal activity	Ownership Interest		Contribution to Net Profit		Carrying Value of Investment	
		Half-Year Ended 31 Dec 2009	Half-Year Ended 31 Dec 2008	Half-Year Ended 31 Dec 2009	Half-Year Ended 31 Dec 2008	Half-Year Ended 31 Dec 2009	Half-Year Ended 31 Dec 2008
		%	%	$'000	$'000	$'000	$'000
Associates:							
Salmon Enterprises of Tasmania Pty Ltd (i)	Atlantic salmon hatchery	**68.78**	68.78	**209**	206	**6,869**	6,678
Jointly controlled entities:							
Springfield Hatcheries Pty Ltd	Atlantic salmon & trout hatchery	**50.00**	50.00	**(124)**	54	**1,100**	946
Pink Restaurant Pty Ltd (ii)	Restaurant and related activities	**-**	50.00	**(15)**	(18)	**-**	57
MIC Pty Ltd (iii)	Marketing net cleaning technology	**50.00**	-	**(19)**	-	**(11)**	-
				51	242	**7,958**	7,681

(i) The Consolidated entity owns 68.78% (2008: 68.78%) of the issued capital and 61.22% (2008: 61.22%) of the voting shares of Salmon Enterprises of Tasmania Pty Ltd ("Saltas"). Saltas supplies smolt to the Tasmanian aquaculture industry.
Saltas is an Associate of the Company, however the Board does not consider it appropriate to consolidate Saltas as the nature of the voting powers of the Board members as detailed in the Constitution of Saltas is such that the consolidated entity does not have the capacity to control Saltas.

(ii) The Company's wholly owned subsidiary, Tassal Operations Pty Ltd, together with an unaffiliated management company, formed a new and jointly owned company, Pink Restaurant Pty Ltd, on 6 February 2007 to manage and operate a niche restaurant adjacent to the Company's Hobart based premises at 2 Salamanca Square.
On 31 December 2009 Tassal Operations sold its 50% ownership in Pink Restaurant Pty Ltd to the unaffiliated management company for $0.125 million.

(iii) On 23rd June 2009, the Company's wholly owned subsidiary, Tassal Operations Pty Ltd, together with Plastic Fabrications Pty Ltd, (a specialist provider of equipment infrastructure to the aquaculture industry) formed a new and jointly owned company, MIC Pty Ltd, to develop and market a revolutionary new net vacuum cleaning system. The newly developed technology dramatically reduces net cleaning time, labour costs and OH&S risks, delivering a cleaner environment, healthier fish and lower mortality rates.
During the Current Half-Year reporting period MIC Pty Ltd has pursued a number of strong sales leads, which are expected to realise sales outcomes in the second half.

	As at 31 December 2009 Number	$'000	As at 31 December 2008 Number	$'000
6. Issued capital				
(a) Ordinary share capital (fully paid)				
Ordinary shares	**140,355,647**	**145,581**	**135,486,584**	**137,808**
(b) Movements in ordinary share capital				
Balance as at the beginning of the half-year	136,589,971	139,605	134,737,933	136,272
Issue of shares pursuant to Dividend Reinvestment Plan (i)	1,040,042	1,709	748,651	1,536
Issue of shares pursuant to underwriting agreement relating to Dividend Reinvestment Plan (ii)	2,291,864	3,767	-	-
Underwriting costs	-	(99)	-	-
Issue of shares pursuant to Executive Long Term Incentive Plan (iii)	433,770	599	-	-
Balance as at the end of the half-year	**140,355,647**	**145,581**	**135,486,584**	**137,808**

(c) Issuances, repurchases and repayment of equity securities

(i) Shares issued pursuant to the Company's Dividend Reinvestment Plan:
Current half-year:
On 8 October 2009, 1,040,042 ordinary shares were issued pursuant to the Company's Dividend Reinvestment Plan at an issue price of $1.6435 per share. A discount of 5% was applicable.

Previous half-year:
On 24 October 2008, 748,651 ordinary shares were issued pursuant to the Company's Dividend Reinvestment Plan at an issue price of $2.0513 per share. A discount factor of 5% was applicable.

(ii) Shares issued pursuant to underwriting agreement relating to the Company's Dividend Reinvestment Plan:

On 8 October 2009, 2,291,864 ordinary shares were issued to Austock Securities Limited at an issue price of $1.6435 per share and pursuant to an underwriting agreement relating to the Company's Dividend Reinvestment Plan.

(iii) Shares issued pursuant to the Company's Executive Long Term Incentive Plan:

On 15 September 2009, 433,770 ordinary shares were issued pursuant to the Company's Executive Long Term Incentive Plan at an issue price of $1.3803 per share.

	Note	As at 31 December 2009 $'000	As at 30 June 2009 $'000	As at 31 December 2008 $'000
7. Retained earnings				
Balance at the beginning of the period		67,479	47,530	47,530
Profit attributable to members of the parent entity		15,076	30,084	16,468
Dividends provided for or paid	**4**	(5,481)	(10,135)	(4,715)
Balance at the end of the period		**77,074**	**67,479**	**59,283**

8. Notes to the condensed consolidated statement of cash flows

Reconciliation of cash

For the purposes of the Condensed Consolidated Statement of Cash Flows, cash includes cash on hand and at bank and short-term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the period as shown in the Condensed Consolidated Statement of Cash Flows is reconciled as follows:

	As at 31 December 2009	As at 31 December 2008
	$'000	**$'000**
Cash	7,664	2,510
Bank overdrafts	(9,101)	(2,058)
	(1,437)	**452**

9. Contingent liabilities and contingent assets

There are no contingent liabilities or contingent assets at the date of this half-year report.

10. Seasonality

The consolidated entity's principal activities, being the farming, processing and marketing of Atlantic Salmon are not generally subject to material or significant seasonal fluctuations.

11. Segment information

The Group has adopted AASB 8 "Operating Segments" and AASB 2007-3 "Amendments to Australian Accounting Standards arising from AASB 8" with effect from 1 January 2009. AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. In contrast, the predecessor Standard (AASB 114 "Segment Reporting") required an entity to identify two sets of segments (business and geographical), using a risk and rewards approach, with the entity's system of internal financial reporting to key management personnel serving only as a starting point for the identification of such segments. The Group previously reported two segments under AASB 114 based on geographical location, however Tassal's system of internal reporting to key management personnel are such that there is only one reportable segment as defined in AASB 8, this being the sale of finfish.

DIRECTORS' DECLARATION

The Directors declare on 23 February 2010 that:

a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the Directors made pursuant to Section 303(5) of the Corporations Act 2001.

On behalf of the Directors

A. McCallum
Chairman
Hobart, 23 February 2010

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Independent Auditor's Review Report to the Members of Tassal Group Limited

We have reviewed the accompanying half-year financial report of Tassal Group Limited, which comprises the condensed consolidated balance sheet as at 31 December 2009, and the condensed consolidated income statement, condensed consolidated comprehensive income statement, condensed consolidated statement of cash flows, condensed consolidated statement of changes in equity for the half-year ended on that date, selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 7 to 20.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Tassal Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Tassal Group Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.*

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

David Harradine
Partner
Chartered Accountants
Hobart, 23 February 2010

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