



MILLING

IN JULY 2008, WE COMPLETED OUR MERGER WITH MULGRAVE CENTRAL MILL. THIS IS THE FIRST STEP IN OUR EXPANSION AND CONSOLIDATION IN THE WET TROPICS REGION, WHICH IS IDEALLY SUITED TO GROWING SUGAR CANE. WE OFFERED INCENTIVES TO CANE GROWERS IN BOTH OF OUR MILL AREAS TO MAXIMISE PLANTING ACTIVITY AND TO SECURE FUTURE CANE SUPPLY.

MARKETING

OUR MARKETING AND PRICING EXPERTISE, OUR DIVERSE CUSTOMER BASE, MULGRAVE MILL'S EXPERIENCE IN THE ASIAN MARKET AND STRONG WORLD SUGAR PRICES HAVE ENABLED US TO AVOID THE WORST IMPACTS OF THE ECONOMIC DOWNTURN IN 2008/09.

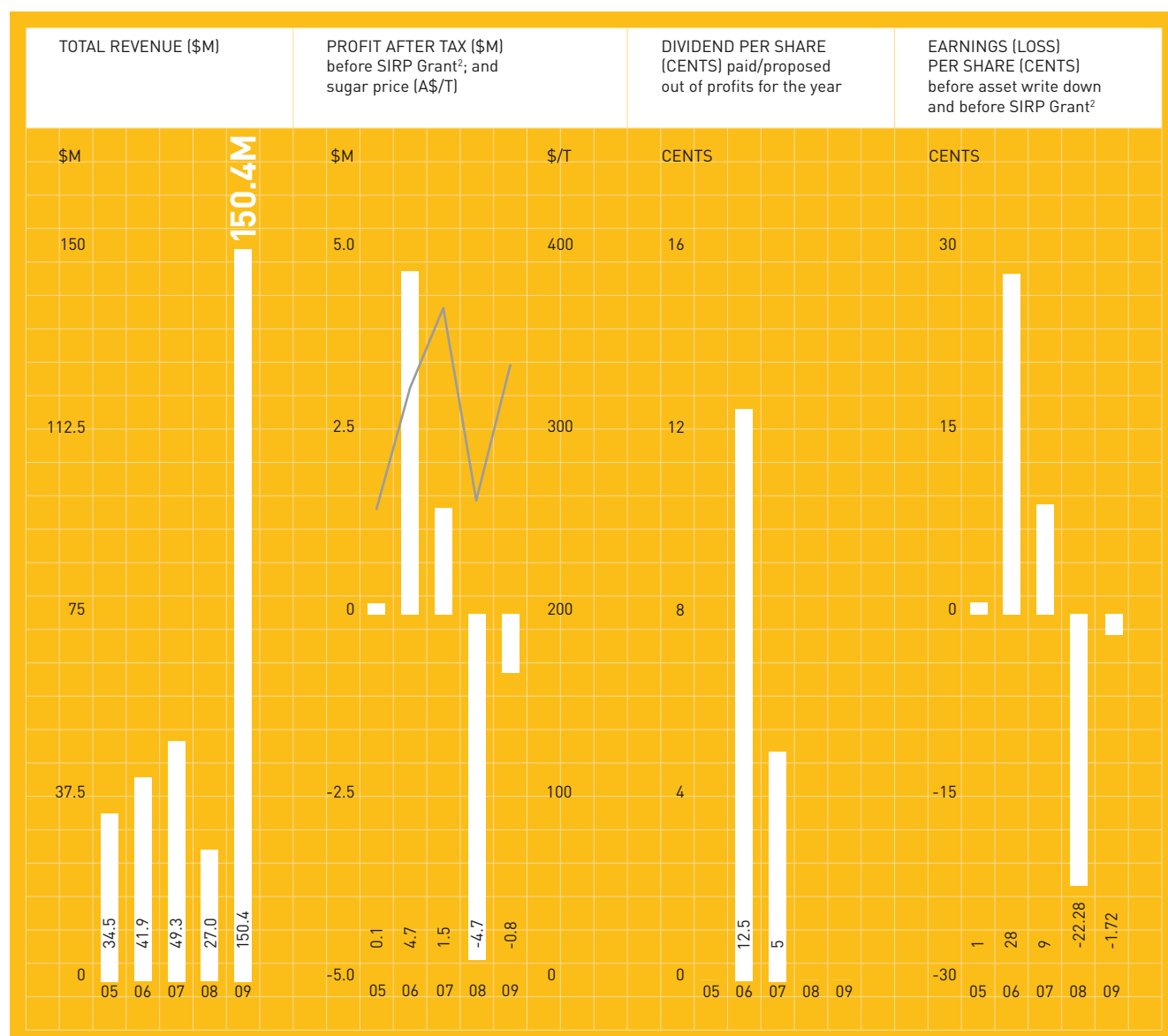
INVESTING

MSF HAS ACQUIRED SHARES IN SUGAR TERMINALS LIMITED OVER A NUMBER OF YEARS AND CURRENTLY HOLDS 12.8% OF ITS ISSUED CAPITAL, PROVIDING A STAKE IN THE DISTRIBUTION CHAIN AND DELIVERING STRONG RETURNS. THIS INVESTMENT RETURNED \$3.5 MILLION FULLY FRANKED DIVIDENDS IN 2008/09.

PERFORMANCE

REVENUE INCREASED BY 457% DUE TO THE MULGRAVE ACQUISITION AND HIGHER SUGAR PRICES. WITH THE ACQUISITION NOW BEHIND US AND WITH STRONG FORWARD PRICING IN PLACE, WE ARE WELL POSITIONED TO TAKE ADVANTAGE OF THE CURRENT UPTURN IN SUGAR MARKETS.

Financial year	2004/05	2005/06	2006/07	2007/08	2008/09
Revenue (\$M)	34.5	41.9	49.3	27.0	150.4
Profit (loss) after tax (\$M)	0.1	4.7	1.5	(4.7)	(0.8)
Dividend out of the year's profits (cents/share) ¹	-	12.5	5.0	-	-
Basic earnings (loss) per share (cents/share) ¹	1.06	31.71	9.77	(22.28)	(1.72)
NTA backing (\$/share) ¹	1.71	2.08	2.21	2.80	1.98



¹ Adjusted for 2006/07 capital reconstruction

² SIRP – Sustainability Grant of \$706,940 in 2006