



## SELECT HARVESTS

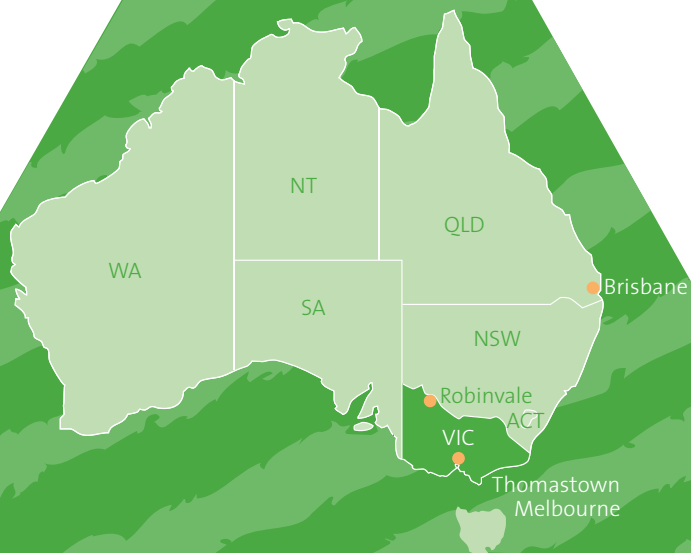
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From the Chairman and Managing Director



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## Shareholder Information

### Annual General Meeting

The annual general meeting will be held on Friday, 26 October, 2007, at the Arthur Streeton Auditorium, Sofitel Melbourne, 25 Collins St, Melbourne, Victoria, commencing at 2:00 pm. A separate notice of meeting has been posted to all shareholders.

### 2007/2008 Calendar

Feb	Announcement of interim results
Apr	Payment of interim dividend
Aug	Announcement of preliminary full year results
Sept	Annual report to shareholders
Oct	Payment of final dividend
Oct	Annual general meeting

## Our mission

is to continue to develop and expand our business, generating sustainable earnings growth and delivering increased shareholder value.

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## Our strategy

is to develop a fully-integrated agri-food company via ongoing diversification and expansion of our income streams, leveraging our core strengths – almond growing and knowledge of edible nuts and their markets – to develop sustained earnings growth and reduced volatility from agricultural risk.

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## Our activities

include operating our own orchards, managing orchards for investors, marketing almonds in domestic and export markets, and processing and marketing an extensive range of nuts and associated health food products to all market sectors. Beginning as a commodity-based almond grower, Select Harvests is now an integrated agri-food business with diversified income streams.

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## Our outlook

is positive, due to increasing world nut consumption, the existence of strong fundamentals in the almond market and continuing investor interest in almonds as a mainstream horticultural investment.

A further 5,000 acres of new almond plantings and the development of enhanced processing capacity are planned for 2008 and the years ahead. These developments will be complemented by significant technological and scientific advances, particularly in the area of efficient water usage and yield gains.

Our ambitious sales and marketing targets will continue to drive increased consumer demand for almonds and other edible nuts – demand which we will meet with enhanced efficiency and improved product quality.

# Our business opportunities



“Select Harvests is positioned to become the world’s largest almond grower. By investing in our core capabilities of farm management and processing and marketing, we are building a sustainable future for our integrated business.”

*John Bird: Managing Director*

## Our business

As a diversified agri-food company, we have strong growth opportunities around the key components of our business – the core of which are the management of almond orchards and the marketing of almonds.

Our management services income will increase as our trees mature and yields improve. Furthermore, we plan to develop an additional 5,000 acres of new orchards annually. Our sales and marketing focus is clearly aligned to the need to drive increased consumer demand for almonds and almond-related food products.

## Marketing edible nuts

Supporting our core strength in almonds is our leadership role in marketing all edible nuts within Australia. This allows us to market a comprehensive range of nuts within all the key retail categories.

We plan to leverage our core orchard development and management skill set by diversifying into other tree nut crops. This will increase the level at which our business is fully-integrated: i.e. from the orchard to the consumer.

## Health foods

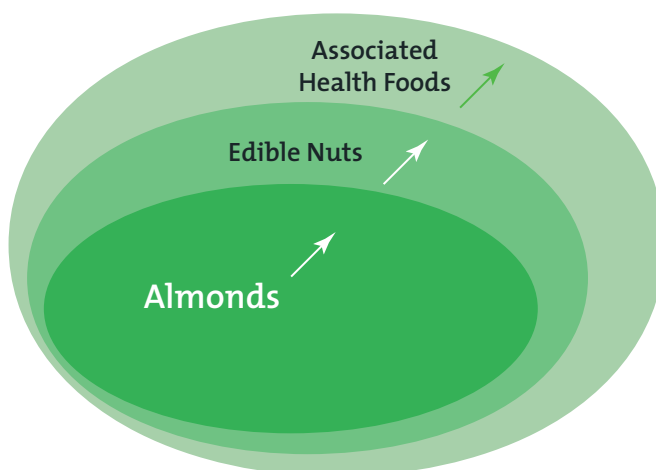
Our goal of maximising the retail distribution of nuts is complemented by our range of associated health food products: for example, our market-leading ranges of muesli.

As our almond harvest increases and other tree nut crops come online, our distribution channels for almonds, edible nuts and nut-related health foods will deliver incremental sales and profits.

“*The core of our business is managing both investor-owned and company-owned almond orchards*”

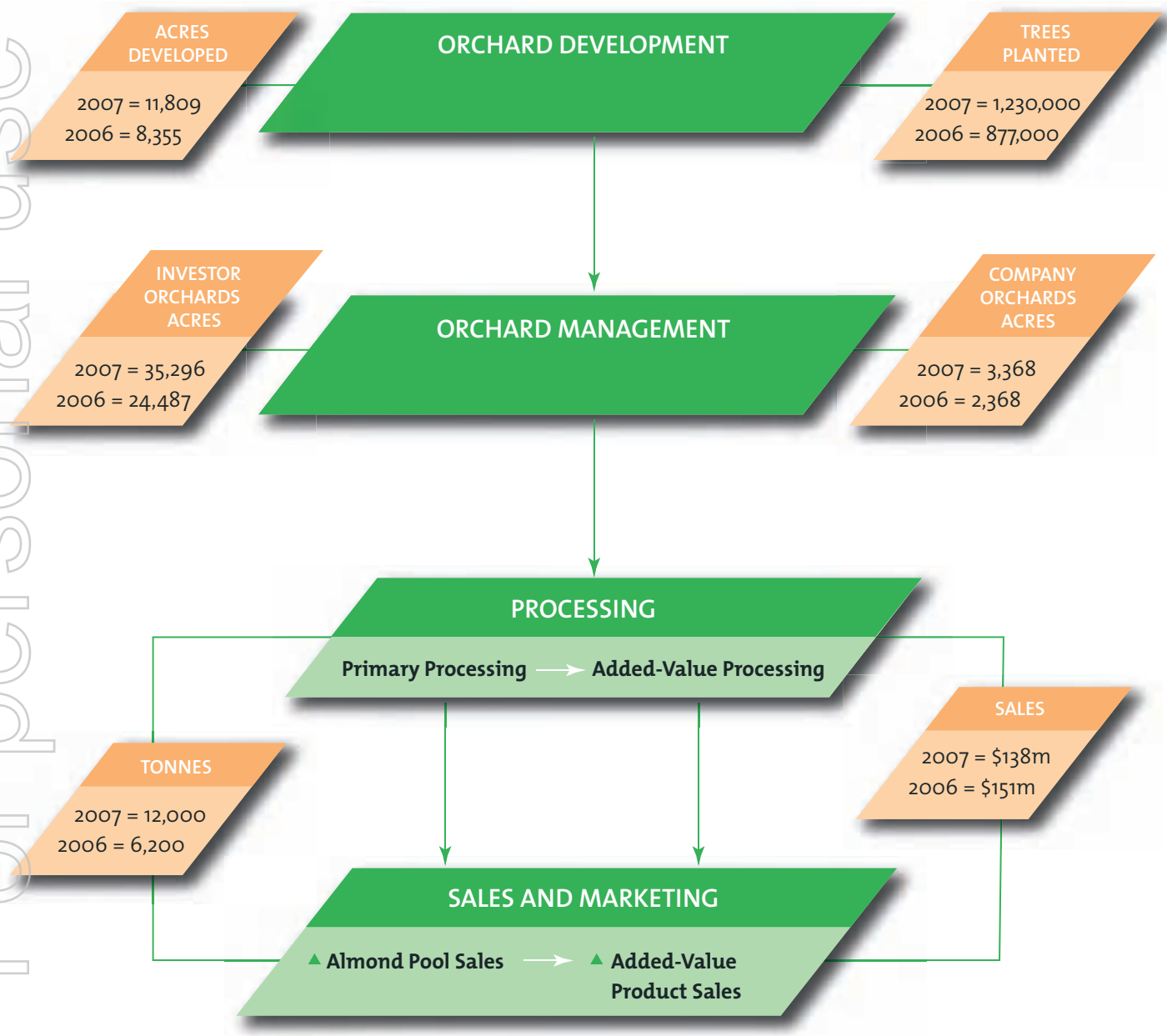


Growing our almond sales is the key driver for our total product portfolio.



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## Our business model



# From the Chairman and Managing Director

*“We are managing through a period of uncertainty brought on by the prolonged drought, while continuing to develop our business framework for future growth.”*

Max Fremder: Chairman



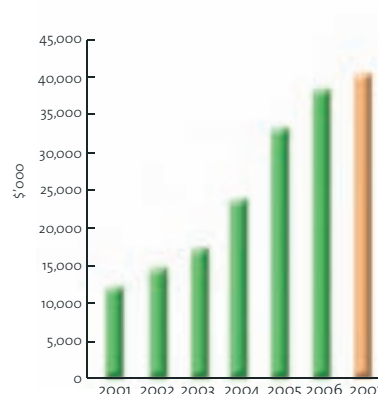
## Key Financial Results

Select Harvests' 2007 net profit after tax for continuing operations exceeded \$28 million, a 6 % increase on the previous year's result. Our highlight was the almond division, whose earnings rose nearly 15%.

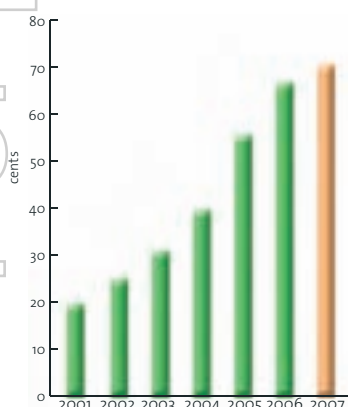
The company's balance sheet, cash flow and future prospects remain strong, enabling the company to pursue future growth as well as increasing the dividend.

Financials 2007 (A\$'000's)	Year ended 30 June 2007	Year ended 30 June 2006	Change
Sales revenue (\$A000)	\$229,498	\$217,866	+ 5%
Earnings before interest and tax	\$40,549	\$38,369	+ 6%
Net profit after tax for continuing operations	\$28,098	\$26,492	+ 6%
Ordinary dividend	57¢	53¢	+ 7.5%

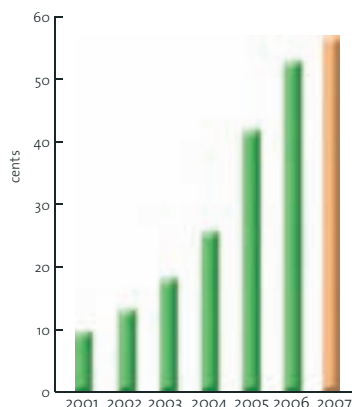
Earnings before interest and taxes  
from Continuing Operations



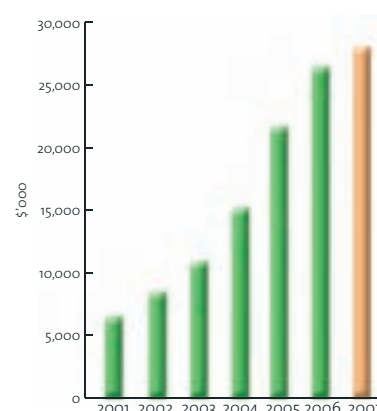
Earnings per share



Dividend (ordinary)



Net Profit After Tax  
from Continuing Operations





## The year in review

Our biggest-ever planting program (11,800 acres of new almond projects, including 1,000 acres of company plantings) increased our acreage by 44%. Our current total acreage of 38,600 acres provides a sound platform for future growth in management services revenue and sales revenue from company orchards.

Favourable growing conditions over the year and the maturing of young orchards doubled our almond crop tonnage to 12,000 metric tonnes (6,200 mt in 2006).

The increased tonnage from our investors' (managed) orchards has increased processing and marketing fees for the period. However due to the high Australian dollar and the easing of world almond prices on the back of the USA's expected large 2007 crop, returns from our company orchards declined.

Our food division has protected our key brands through increased investment in trade spend and marketing activity. This heightened activity has been required due to difficult trading conditions in the retail sector, which have applied pressure to both revenues and margins.



## Key issues encountered during the year

### 1. Managed Investment Schemes (MIS) Arrangements

Despite changes to the Managed Investment Schemes (MIS) arrangements announced in February 2007, Select Harvests' view is that almonds remain a good investment due to strong fundamentals in international markets and Australia's production efficiencies and resultant competitiveness.

However, we will need to adjust our approach to allow for the uncertainty surrounding MIS projects for 2009 and beyond.

This uncertainty is evident in the test case our partner, Timbercorp Limited, is running with the ATO in relation to MIS arrangements.

From our perspective, we plan to continue developing new orchards with our partners, either under MIS

arrangements (if the test case is successful) or under new arrangements they may develop.

We have already committed to developing 4,200 acres of new orchards for Timbercorp during 2008, as the MIS arrangements will remain in place for this year.

We are also assessing and trialing several different approaches to almond investment:

- Developing alternative financial structures and channels for new almond projects
- New geographical areas with alternative water sources
- Diversification into other tree nut crops (leveraging our considerable expertise in almonds).

## 2. Water management

Managing water access and usage is a key issue due to the low storages within the Murray Darling Basin and the continuing dry conditions.

For our company orchards, we hold entitlements for approximately 120% of our 2007/08 requirements. This is due to some of these orchards having not reached maturity and full water usage. As a result, we will be able to irrigate normally provided we receive at least an 80% allocation. If the water restrictions, as now appears likely, prevent us from receiving an 80% allocation, then we will arrange for additional water, at a cost to our profit.

For our investor orchards, we are working closely with the relevant investors and project managers to put in place similar strategies.

In terms of future water management, we are investing in a number of

irrigation trials, adopting a number of new technologies aimed at more efficient and lower water use.

We have also taken action to diversify to alternative locations with other water sources. We are progressing a project to develop almond orchards in Western Australia and have recently lodged a water license application for Stage 1 of this development (approximately 3,000 acres). If our application is successful, we expect to commence planting in 2009.

## 3. Increasing our processing capacity

Processing facilities are being expanded via the commissioning of our new almond processing plant, which will cater for our greater output in the years ahead.

## 4. Enhancing our management team

Our food business was reviewed during the year, and we realigned its core activities to suit our almond crop first and foremost. A new management

and operations team are targeting efficiencies, and we are vigorously defending our key brands and supporting our almond sales.

## Our outlook

We anticipate that although the company faces a period of short-term challenges, we will continue to create growth opportunities in the future due to:

- Increased fees from our increasing acreage of mature (producing) orchards
- Increased tonnages from our company orchards over the next seven years
- Increased added-value sales as our total almond tonnage grows
- Development of new orchards, in Victoria and interstate.

We will continue to operate as responsible environmental corporate citizens wherever Select Harvests has a footprint, and we are proud of our community involvement in Thomastown and Robinvale in Victoria and Brisbane. In addition, we are greatly looking forward to new community contributions at our proposed orchards in the West.

As always, we thank our staff for their efforts in a challenging environment, and the communities in which we operate for their support.



MAX FREMDER  
Chairman



JOHN BIRD  
Managing Director





## Our board of directors



**M A Fremder**  
(Chairman)

Joined the board in March 1996. Formerly a director of IAMA Limited, and founder of Nufarm, one of Australia's largest chemical manufacturers for the rural industry. Mr Fremder also was Non-Executive Director of Tassal Limited between October 2003 and March 2005. Member of the Remuneration Committee, and the Nomination Committee.



**J C Leonard, B.Mktng & Bus. Admin, MBA**  
(Non-Executive Director)

Joined the Board in July 2004. Has held senior management positions with the Mars group of companies in Australia including General Manager of Mars Confectionery, Managing Director of Uncle Bens, and Managing Director of Mars Australia and New Zealand. In addition, he has served as President, Asia Pacific of all Mars businesses, and a Director of the Managing Board of Mars Incorporated global business. Member of the Audit and Risk Committee, and Nomination Committee.



**C G (Sandy) Clark, B.Comm, Dip.Ag.Econ**  
(Non-Executive Director)

Joined the board in January 1998. Is currently Chairman, Aviva Australia Holdings Limited; Chairman, The Myer Family Office Limited; Director, Southern Cross Broadcasting Australia Ltd; Director, The Myer Foundation; Trustee, The William Buckland Foundation; Chairman of Council, Melbourne Grammar School; and a director of a number of private companies. Member of the Audit and Risk Committee, and the Nomination Committee, and Chairman of the Remuneration Committee.



**J Bird**  
(Managing Director)

Joined the board in September 2001. Has had many years experience in the food industry and international trade. Formerly Managing Director of Jorgenson Waring Foods, John has been the CEO of Select Harvests Limited since January 1998. Member of the Nomination Committee.



**G F Dan O'Brien, B.Sc, B.VMS, MBA**  
(Non-Executive Director)

Joined the Board in March 2004. Dan is the principal of Dromoland Capital, a private equity group, non-executive director of Thomas & Coffey Limited, and Coates Hire Limited, and is also an executive director of Hexima Limited. Mr O'Brien has significant commercial experience having held CEO positions for BIL Australia Limited, Mattel Asia Pacific, and The King Island Company. He holds an MBA, having graduated with distinction from Harvard Business School and is a qualified veterinary surgeon. Member of the Audit and Risk Committee, Remuneration Committee, and Nomination Committee. Mr O'Brien was a director of SPC Ardmona Limited between January 2002 and March 2005.



**R M Herron, FCA & FAICD**  
(Non-Executive Director)

Joined the Board in January 2005. A Chartered Accountant, Mr Herron retired as a Senior Partner of PricewaterhouseCoopers in December 2002. He was a member of the Coopers & Lybrand (now PricewaterhouseCoopers) Board of Partners where he was National Deputy Chairman and was the Melbourne office Managing Partner for six years. He also served on several international committees within Coopers & Lybrand. He is a Non-Executive Director of GUD Holdings Ltd, Heemskirk Consolidated Ltd and a major industry superannuation fund. He is also a Director of Variety Club Inc. He was a non-Executive Director of National Telecoms Group Ltd from July 2001 to June 2003. Chairman of the Audit and Risk Committee, and member of the Nomination Committee.

## Our executive team



**Tim Millen**  
Dip Hort (Distinction)

*(Group Horticultural Manager)*

Joined Select Harvests in 1996. Tim has over 18 years experience in horticulture. He has held senior horticultural positions in operations management, as well as holding the roles of Technical Officer and Horticulturist. Prior to commencing with Select Harvests, Tim was Orchard Manager for an Australian and New Zealand Nashi, Stonefruit and Pipfruit operation.



**Kim Martin**  
B. Bus ( Accounting)

*(Group Operations Manager)*

Joined Select Harvests in 2007. Kim has spent the majority of her career with Mars Confectionary and Masterfoods, part of Mars Inc. She started her career as an accountant before moving to manufacturing. During the last ten years, Kim has held various senior manufacturing and supply chain management roles. Prior to joining Mars, Kim worked with PriceWaterhouse in the Audit division.



**Laurence Van Driel**

*(Group Trading Manager)*

Joined Select Harvests in 2000. Laurence has over 20 years experience in trading edible nuts and dried fruits. He has a comprehensive knowledge of international trade and deep insights into the trading cultures of the various countries in which these commodities are sold. He has held senior purchasing and sales management positions with internationally recognised companies.



**Kevin Bush**  
B.Bus & Comm (Marketing)

*(Group Sales & Marketing Manager)*

Joined Select Harvests in 2006. Kevin has had many years experience in the FMCG industry. He has held senior sales management positions in Australia for 16 years with Masterfoods, part of Mars Inc. Prior to this, Kevin worked in the UK for Duracell Batteries Ltd and Tesco PLC.

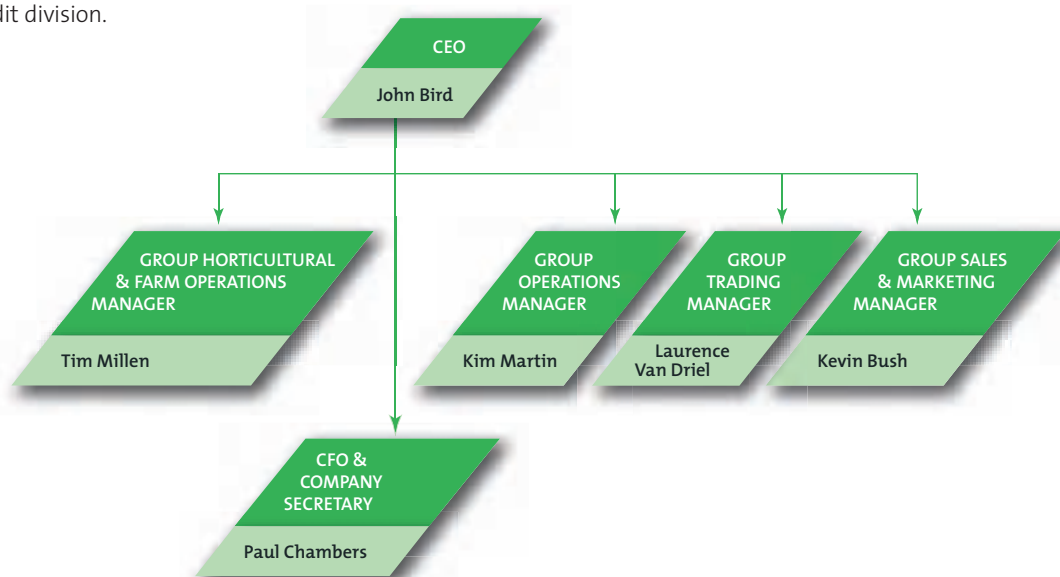


**Paul Chambers**  
Bsc Hons, ACA

*(Chief Financial Officer & Company Secretary)*

Joined Select Harvests in 2007. Paul is a Chartered Accountant and has over 20 years experience in senior financial management roles in Australian and European organisations.

Most recently, he was CFO, Henkle ANZ and prior to that he held corporate positions with the Fosters Group. He has managed complex change, acquisition and business integration projects.



Orchard Development
Orchard Management
Processing
▲ Primary Processing
▲ Added-Value processing
Sales & Marketing
▲ Almond Pool Sales
▲ Added-Value Product Sales

## Our orchard development

### Our key activities

- Tree supply
- Orchard feasibility studies
- Land acquisition
- Orchard design
- Irrigation installation
- Land preparation
- Tree Planting

Select Harvests completed its largest ever planting program in 2007 – lifting our acreage by a massive 44% during the year with the development of 11,800 new acres of almond orchards. This has consolidated our position as the biggest almond grower in Australia, and one of the largest in the world.

### Future Developments

We are a competitive almond grower with significant advantages in crop yield and product quality, allowing us to compete effectively in global markets. Almond farming is highly mechanised and requires scale and capital to maximise efficiencies. The development of corporate farming in recent years has provided this investment and currently accounts for over 50% of Australia's orchards.

We are confident that almonds are an attractive long-term investment. We will continue to develop and manage new almond orchards in the future, and to provide development and management services to our existing partners as they restructure their investment products to take account of the likely changes in MIS arrangements.

In this way, we are committed to developing 4,200 acres of new orchards for Timbercorp Limited next year.

At the same time, we are evaluating alternative investment structures and channels.

Given our expertise in orchard development and management, we are also exploring the opportunity to expand our activities into other tree nut crops.

### Expanding into Western Australia

The Murray Darling Basin on which Robinvale relies, remains under significant pressure. Accordingly, Select Harvests is seeking other growing areas with alternative water sources for future planting.

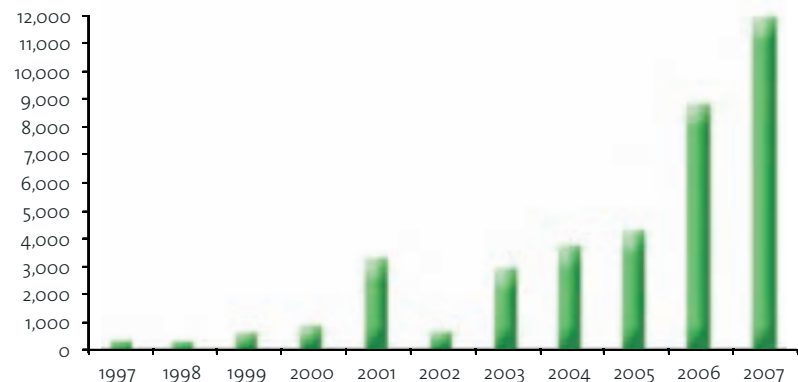
During the year, Select Harvests continued the development plans of an almond project in the Midwest region of Western Australia.

Subject to the success of obtaining water licences, we have a three-stage program to develop over 12,000 acres of almond orchards.

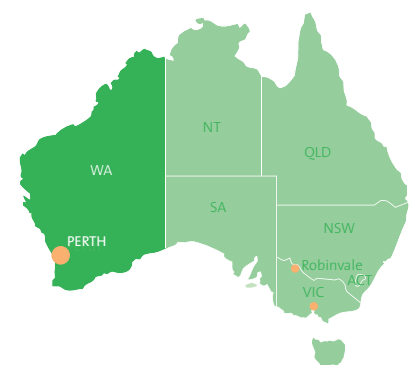
We expect Stage 1 planting to commence in 2009 once our water license application is approved.

The first 3,000 acres to be developed will be at Dandaragan.

Orchard Development (acres)



Our proposed Western Australian project in the Twin Hills, Dandargan and Badgingarra irrigation districts.



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**Ensuring our tree supply**

Our ambitious growth plans have demanded that we take strategic steps towards securing a reliable tree supply to meet the needs of future planting programs.

Our objectives have been to enhance our independence, sustainability, quality and efficiency.

**This program involves**

**1. Tissue culturing laboratory**

The development of alternative root stock via tissue culturing techniques.

**2. Rootstock seedlings**

Planting the rootstock in our nursery and growing them into seedlings.

**3. Budwood site and nursery**

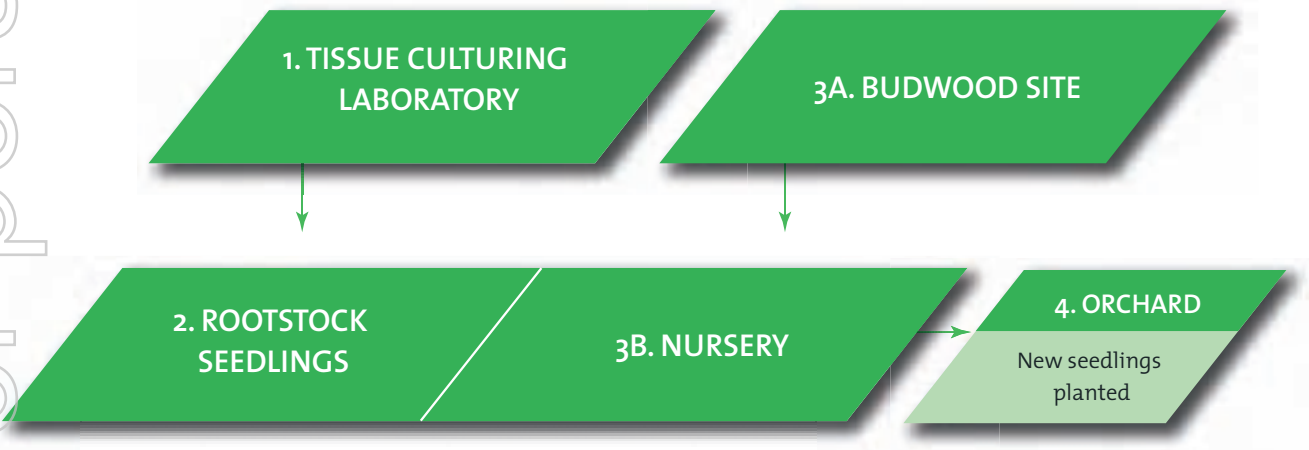
Managing a high health isolation program at our budwood site to grow almond buds that will be free of disease and viruses. These buds are grafted onto the rootstock growing in our nursery.

**4. Orchard planting**

Planting the new trees in the orchards.

Naturally, all expertise gained through this program enhances our intellectual capital and our ability to apply this skill set to growing other tree nut crops in new projects.

**Ensuring our tree supply – meeting the needs of future planting programs**





Orchard Development

Orchard Management

Processing

▲ Primary Processing

▲ Added-Value processing

Sales & Marketing

▲ Almond Pool Sales

▲ Added-Value Product Sales

## Our orchard management

### Our key activities

- Irrigation and nutrition
- Pest and disease management
- Tree care and pruning
- Bee supply
- Harvesting
- Environmental management

Select Harvests enjoyed its biggest crop ever in 2007, harvesting some 12,000 tonnes of almonds.

Obtaining good yields, year after year, is a complex task, and one which we achieve at world's best standards.

To ensure we continue to glean every tonne of almonds possible from our increasing acreage, we enhanced our technical team during 2007.

### Water Management

As noted previously in this report, water is one of our most important resources. During the past year, we developed a number of scenarios to assist us in handling potential reduced water availability in 2008 and beyond.

Working with horticultural experts, we commenced a number of trials targeting significant reductions in water usage – with no impact on orchard productivity.

We are aiming to achieve 20% efficiencies in water usage over the next three years, while maintaining current yield levels.

*“Our orchards account for 60% of Australia's almond acreage.”*

In addition, we have embarked upon a benchmark study, comparing our processes, product and other aspects of our business with the leading almond growers, processors and marketers in California.



## Investor and Company Orchards



Orchard Development

Orchard Management

### Processing

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## Our primary processing

### Primary processing

This refers to the processing required to convert a crop from its raw, "straight-from-the-tree" harvested state to a saleable primary product. In the case of almonds this involves removing each almond's hull and shell, and delivering a complete raw almond kernel ready for packaging or further added-value processing.

### Our new facility

During 2008 we will complete and commission Stage 1 of a new processing facility in Robinvale at a cost of \$32 million. This large-scale facility will incorporate the latest proven packaging and processing technologies, and will deliver significant economies and efficiencies. It will combine both the processing and packing elements of the process on the single site, as well as provide storage for field stock, raw kernel and finished goods. This first stage of the development will enable us to process 40,000 tonnes of almonds.

The site has the capacity to upgrade in stages to a maximum of 90,000 tonnes, dependent upon our future processing requirements.

### Almond quality

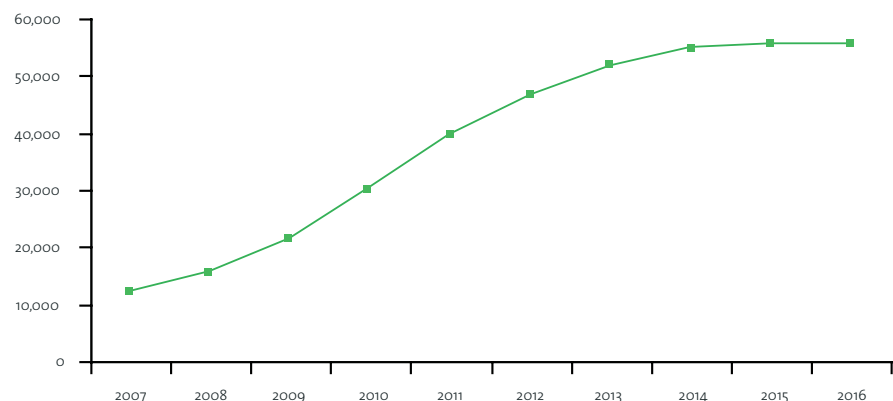
Our new facility will introduce additional sorting technology to ensure best possible results in almond grading. In addition, the introduction of pasteurisation technology will ensure that we continue to deliver high levels of food safety and quality.

### Future almond tonnage from existing trees

Our almond crop will grow to 40,000 tonnes by 2011, which is more than triple our 2007 crop.

*“Our new processing facility at Robinvale will incorporate the latest proven packaging and processing technologies.”*

Future Tonnage from Existing Trees



Stage 1 of our state-of-the-art almond processing plant at Carina West in Robinvale, Victoria.

## Our Added-Value Processing

### Added-value processing

Adding value in the processing phase refers to the further processing of raw materials to provide our customers (who may be manufacturers or the end-consumer) with a nut or associated health food in a form that meets their quality, convenience and taste requirements.

Today, Select Harvests has the capability to provide the following added-value processing to our almonds and other edible nuts, as well as to our associated health food products:

- Electronic sorting (foreign material removal)
- Blanching (skin removal)
- Cooking (roasting & frying)
- Flavouring (seasoning, salting, spicing)
- Cutting (dicing, flaking, slivering & grinding)
- Paste-making
- Blending
- Packaging (to satisfy a number of retail and industrial formats).

### New equipment

The introduction of two new packaging technologies – an edge-seal, stand-up pack and a re-sealable tub pack – will provide us with contemporary packaging solutions for consumers. It will also give us a new platform for increased capacity and productivity.

### Our outlook

- We will look to migrate from a manufacturing focus to a supply-chain focus to ensure that we drive cost efficiencies. We will enhance our position as a low cost processor.
- Innovation, both in production techniques and product development, will be a key driver of demand growth and delivering on consumer expectations.
- We foresee a consistent increase in our use of technology and automation in the future, ensuring we stay cost competitive and continue to meet consumer and customer expectations.



Orchard Development

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Processing

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# Our Sales and Marketing

## Almond pool sales

### Our market position

We continue to enhance our position as one of the leading almond growers and marketers in the world.

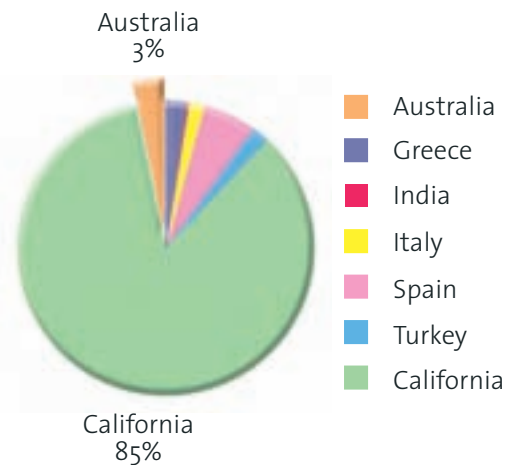
Australia's 2007 crop is estimated at 25,000 metric tonnes (16,000 tonnes in 2006) contributing 3% of world production. Australia will challenge Spain as the number 2 producer in the years ahead.

Select Harvests will contribute 12,000 metric tonnes (48%) of Australia's 2007 crop, from 6,200 metric tonnes (38%) in 2006.

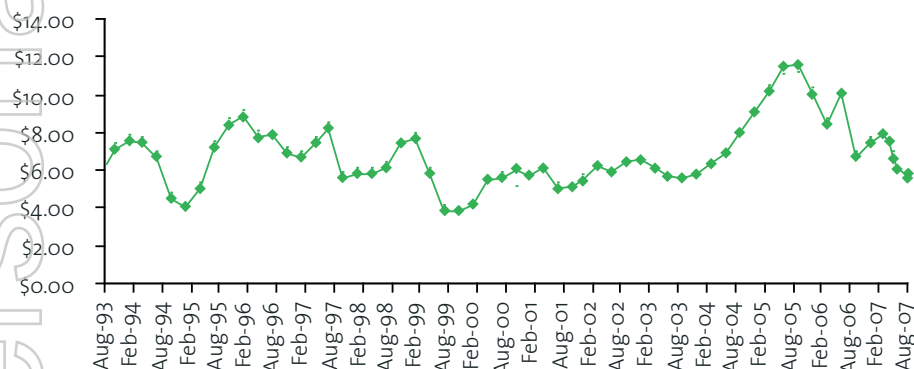
This significantly larger almond pool has required an increased export focus with export percentages likely to increase from 40% to 60% when the sales are complete. Approximately 80% of the 2007 crop has been contracted to date with over 60% packed and shipped.

We continue to trade strongly within the context of a higher Australian dollar and an easing of the world almond price.

World almond producers, showing Australia's share of world almond production



Almond Price AUD/KG



“Select Harvests will contribute 12,000 metric tonnes (48%) of Australia's 2007 crop, from 6,200 metric tonnes (38%) in 2006.”



After a number of years of stagnant supply, the USA is forecasting a record crop in 2007 providing the opportunity to meet increasing consumer demand.

Record shipments in the 2006 crop year have continued at the start of the 2007 season. The increased supply has resulted in some price easing but prices remain at the high end of historical levels.

## Our outlook

The fundamentals of the world almond market remain strong, particularly in Australia.

We are globally competitive in our cost of production, and due to favourable growing conditions, such as reduced exposure to insect damage, we produce high quality almonds.

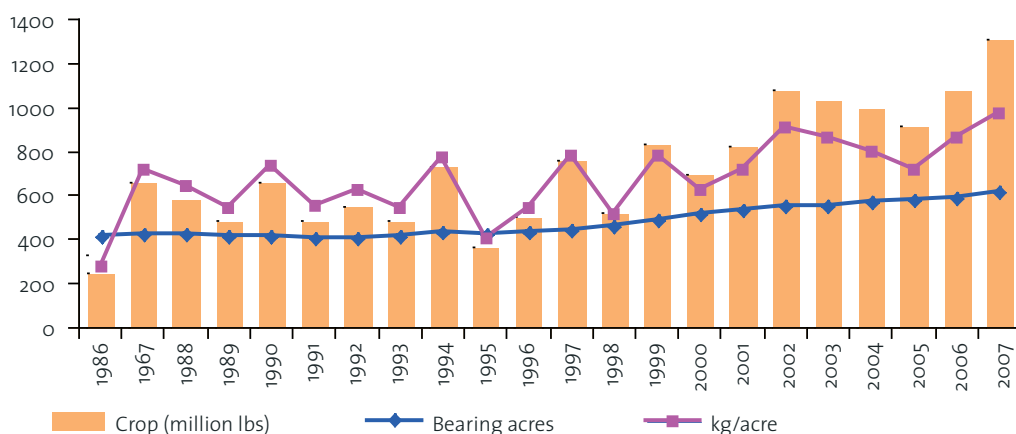
The almond market is also experiencing continuous growth in consumer demand.

This is being driven by an increasing awareness of the health benefits of regularly eating almonds.

Australia will play a more significant role in meeting this increasing world demand for almonds as our production grows from 25,000 metric tonnes this year to 70,000 metric tonnes by 2014.

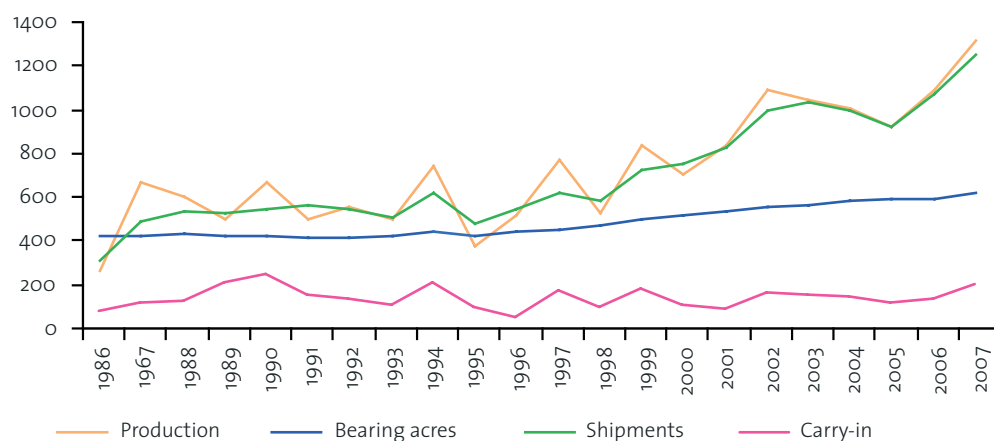
Select Harvests, being one of the largest almond growers in the world, will be the leader in both our domestic and export markets.

USA Annual Almond Production



2007 crop numbers are estimates.

USA Almond Production vs. Shipments



2007 crop numbers are estimates.

Orchard Development

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Sales & Marketing

▲ Almond Pool Sales

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## Our Sales and Marketing

### Added-Value product sales

Our added-value product sales includes all almonds, other edible nuts and associated health food products that we sell to our retail and wholesale customers as well as to our food manufacturers and food service customers.

These customers give us strong channels of distribution for our increasing almond crop.

#### Our market position

We have maintained our market leading positions in our key categories, namely cooking nuts and muesli, albeit through increased trade and promotional investment.

Our leadership in marketing all edible nuts has strengthened our role as a supplier of premium private label nut products.

We continue to grow our sales outside of the major supermarkets by supporting our health food store customers.

#### Our strategies for the year ahead include:

- Re-aligning our focus to nuts in general, and almonds in particular
- Maximising the opportunities to add value to the almonds available from our almond pool
- Consolidating our sales force to improve efficiency and effectiveness
- Continuing to grow our distribution channels outside of the key supermarket retailers, and
- Developing export markets for packaged and processed almonds.



*New edge packaging for our Lucky range*

#### Our outlook

We anticipate that we will grow our added-value product sales in the year ahead.

One of the drivers of this growth will be the relaunch of our largest brand: Lucky.

Lucky is the market leading nut brand within the supermarket dried fruit and nut category. Lucky has a proud 50 year heritage in this segment.

In September 2007, Lucky will be relaunched with new packaging and a new look.

The two new packaging styles – stand-up edge seal packs and resealable tub packs – have been chosen to deliver greater consumer convenience and freshness.



*New tubs packs for the Lucky healthy snacking range*

We have invested in our core heritage of cooking nuts as well as in the rapidly growing, healthy snacking segment.

Our future growth will also be driven by the increasing consumer awareness of the health benefits of almonds and other edible nuts.

#### Health benefit initiatives

We are proud supporters of two industry initiatives to raise consumer awareness of these health benefits.



The Nuts for Life program focuses on informing health professionals as to the latest health research on nuts.

The Almond Board of Australia is actively communicating with consumers to encourage them to eat 'a handful of almonds everyday'.

There are great heart health benefits to eating a handful of almonds a day.

# Our environment, community and people

## Our environment

We are leading in the care for our environment in Robinvale, Victoria, through the creation of our Wildlife Management Plan. This plan is being developed in consultation with the Victorian Government Department of Sustainability and Environment. Once completed, we expect that it will become a benchmark for all horticulture in the State.

The key objectives of this plan are:

- To protect endangered and threatened wildlife
- To minimise harm to other wildlife, and
- To ensure compliance with relevant ISA and Australian Standards for environmental management.

This plan seeks to integrate best practice wildlife management throughout our operations, and to align wildlife management as a core component of our business.

We have also committed to sponsoring a major ecological research project with Charles Sturt University to understand how a native species, the Regent Parrot, can thrive in our agricultural environment. This study will look at opportunities to redesign our agricultural operations to minimise any detrimental impact to native species without compromising production or efficiency.

*“As we grow, so do the communities where we operate – and we are actively supporting people, services, schools and other community groups in Robinvale, Victoria and elsewhere.”*

## Our community

As well as working to improve our environment, we are also proud of our work in developing both the communities in which we work and our people.

As the largest employer in the Robinvale area, we are proud to support a number of different community and sporting programs.

Through the continued support of Select Harvests, the Robinvale Secondary College Chaplaincy offers staff and students with a comprehensive counselling program. This program helped identify students with dyslexia and in the wake of the Kerang rail disaster, offered teachers and students intensive counselling.

We were also pleased to support the Robinvale Football Club, Euston Football Club, Robinvale Netball Association, Robinvale Tennis Club, Robinvale Rowing Club, Robinvale/Euston Cricket Association, Robinvale Swimming and Diving Association, Robinvale District Harness Racing Association through financial donations and donations of our products.

## Our people

Many of our employees are currently undertaking a range of training courses including: horticulture certificates, horticulture diplomas, administration certificates, engineering & fabrication certificates and irrigation courses.

Thirty-one staff in our orchard operations received certificates after successfully completing a Certified Irrigation Managers course. The Sunraysia Institute of TAFE in association with the Irrigation Association of Australia formed a partnership to deliver the training. We are the first agri-business to receive multiple Certified Irrigation Manager certificates as part of our continued workplace training initiative.



# Statistical Summary

## SELECT HARVESTS CONSOLIDATED RESULTS FOR YEARS ENDED 30 JUNE

	2007	2006	2005	2004	2003	2002
Total sales	229,498	217,866	173,864	127,381	80,994	78,327
Earnings before interest and tax	40,549	38,369	33,069	23,836	17,421	14,749
Operating profit before tax	40,014	37,903	31,802	22,587	16,110	12,803
Net profit after tax	28,098	26,492	22,104	15,225	10,962	8,554
Earnings per share (Basic) (cents)	71.0	67.1	56.9	40.0	31.3	25.4
Return on shareholders' equity (% pa)	29.4	26.1	25.1	19.2	18.3	17.3
Dividend per ordinary share (cents)	57.0	53.0	42.0	26.0	18.5	13.5
Special dividend per ordinary share (cents)	–	10.0	–	–	–	–
Dividend franking (% pa)	100	100	100	100	100	100
Dividend payout ratio (%)	80.0	80.0	75.4	65.7	62.8	54.5

## Financial ratios

Net tangible assets per share (\$)	1.72	1.83	1.52	1.35	1.08	0.77
Net interest cover (times)	75.8	82.3	26.2	19.1	13.3	7.6
Debt/equity ratio (%)	1.7	1.3	1.0	10.2	15.4	38.9
Current asset ratio (times)	1.32	1.82	1.52	1.70	1.61	1.30

## Balance sheet data as at 30 June

Current assets	70,983	72,455	58,832	32,486	25,077	22,599
Non-current assets	89,170	79,421	78,676	74,469	60,672	63,090
Total assets	160,153	151,876	137,508	106,955	85,749	85,689
Current liabilities	53,680	39,905	38,757	19,077	15,581	17,381
Non-current liabilities	10,969	10,490	10,656	8,610	10,162	18,971
Total liabilities	64,649	50,395	49,413	27,687	25,743	36,352
Net assets	95,504	101,481	88,095	79,268	60,006	49,337

## Shareholders' equity

Share capital	41,953	52,665	46,925	43,940	36,206	34,199
Reserves	11,273	12,691	13,766	14,191	9,458	9,458
Retained profits (accumulated losses)	42,278	36,125	27,404	21,137	14,342	5,680
Total shareholders' equity	95,504	101,481	88,095	79,268	60,006	49,337

## Other data as at 30 June

Fully paid shares (ooo)	38,739	39,708	39,069	38,525	35,455	34,585
Number of shareholders	2,953	3,369	2,999	2,413	2,054	1,610

## Select Harvests' share price

– close (\$)	11.60	13.02	9.70	6.67	4.80	3.10
Market capitalisation	449,372	516,998	378,970	256,965	170,184	107,214

\$'ooo (except where indicated)



Select Harvests Limited  
ABN 87 000 721 380

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**Select Harvests Limited**

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**Directors**

M A Fremder (*Chairman*)  
J Bird (*Managing Director*)  
C G Clark (*Non-Executive Director*)  
G F Dan O'Brien (*Non-Executive Director*)  
J C Leonard (*Non-Executive Director*)  
R M Herron (*Non-Executive Director*)

**Company Secretary**

P Chambers

**Solicitors**

Gadens Lawyers

**Bankers**

Australia and New Zealand Banking  
Group Limited

**Auditors**

PricewaterhouseCoopers

**Share Register**

Computershare Investor  
Services Pty Limited

Yarra Falls  
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## SELECT HARVESTS

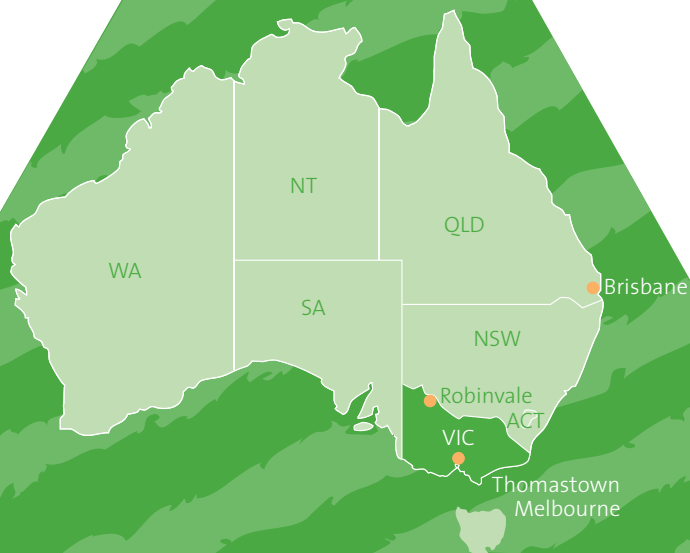
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