

AWB LIMITED PRELIMINARY FINAL REPORT

ABN 99 081 890 459

APPENDIX 4E

Financial year ended 30 September 2007

Results for announcement to the market: \$000

Revenues from continuing operations*	down	4.0%	to	4,672,090
Underlying net profit from continuing operations after tax attributable to members	down	45.2%	to	58,011
Reported profit and reported net profit from Continuing operations after tax attributable to members	down	53.3%	to	27,145

The difference between underlying profit and reported profit is due to significant items as follows:

\$000 for the year ended:	Profit after tax	
	Sep-07	Sep-06
Underlying Result	58,011	105,769
Hi Fert acquisition benefit	-	7,298
Costs associated with the Oil for Food inquiry	(4,622)	(16,555)
Redundancies and restructuring	(15,324)	(7,141)
Asset impairment adjustment	(2,539)	(13,532)
A-IFRS transition adjustments	-	(17,699)
Employee share loan	(8,381)	-
Total adjustments to underlying profit	(30,866)	(47,629)
Reported Result	27,145	58,140

\$000 for the year ended:	Sep-07	Sep-06
	Underlying Profit after tax result	58,011
Add back: tax attributable to underlying operations	36,178	31,338
Underlying PBT	94,189	137,107
Add back: Amortisation (software)	10,000	10,000
Deduct: One off non-cash gain on deferred FFA contract	(12,400)	-
Underlying PBT Result	91,789	147,107

Refer to page 12 for additional details of significant items.

Dividends	Amount per security	Franked amount per security
Final dividend	4 cents	4 cents
Previous corresponding period	4 cents	4 cents
Record date for determining entitlements to the dividend	29 November 2007	

* Revenues from continuing operations comprises:

	2007 \$'000	2006 \$'000
Sales revenue	4,325,278	4,493,657
Other revenues from continuing operations	84,254	142,115
Interest revenue	262,558	230,803
Total	4,672,090	4,866,575

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Income Statement

For the year ended 30 September 2007

	Notes	Consolidated	
		2007 \$'000	2006 \$'000
Revenue	2(a)	4,325,278	4,493,657
Cost of sales		(3,969,079)	(4,138,226)
Gross Profit		356,199	355,431
Finance revenue	2(b)	262,558	230,803
Finance costs	2(c)	(238,769)	(198,017)
Other income	2(d)	84,254	142,115
Other expenses		(422,975)	(481,835)
Share of profit of associates	3	11,233	22,961
Profit from continuing operations before tax		52,500	71,458
Income tax expense		(24,945)	(12,999)
Net profit for the period		27,555	58,459
Profit attributable to minority interest		(410)	(319)
Profit attributable to members of the parent		27,145	58,140
Earnings per share (cents per share)			
- basic for profit for the year		7.8	16.8
- diluted for profit for the year		7.8	16.8

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Notes to and forming part of the Preliminary Final Report

1. BASIS OF PREPARATION

This report has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards. The preliminary report has been prepared on a historical cost basis, except for derivative financial instruments, biological assets, inventories held as commodity broker-trader, certain loans and receivables and available-for-sale financial assets that have been measured at fair value. This report is based on financial statements that are in the process of being audited.

	Consolidated	
	2007	2006
	\$'000	\$'000
2. REVENUES AND EXPENSES		
Profit from continuing operations before income tax expense includes the following specific items:		
(a) Revenue		
Sale of goods		
- other corporations	4,058,985	3,446,226
- related party (AWB National Pool)	266,293	1,047,431
	<u>4,325,278</u>	<u>4,493,657</u>
(b) Finance revenue		
Interest revenue		
Financial institutions	36,155	39,067
Loans and advances	217,556	170,285
Related party (AWB National Pool)	8,847	18,783
	<u>262,558</u>	<u>228,135</u>
Other	-	2,668
Total finance revenue	<u>262,558</u>	<u>230,803</u>
(c) Finance costs		
Interest expense		
Financial institutions	189,719	162,372
Derivatives	(811)	(1,872)
Notes	272	3,130
Related party (AWB National Pool)	28,688	28,384
Total interest expense	<u>217,868</u>	<u>192,014</u>
Other finance costs	20,901	6,003
Total finance costs	<u>238,769</u>	<u>198,017</u>
Net finance income	<u>23,789</u>	<u>32,786</u>
(d) Other income		
Fees and commissions income		
- related party (AWB National Pool)	47,068	93,124
Total fee and commission income	<u>47,068</u>	<u>93,124</u>

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Notes to and forming part of the Preliminary Final Report

	Consolidated	
	2007	2006
	\$'000	\$'000
2. REVENUES AND EXPENSES (continued)		
Profit from continuing operations before income tax expense includes the following specific items:		
(d) Other income (continued)		
Net foreign exchange earnings	1,735	6,811
Underwriting fees	5,863	12,965
Dividends		
- other persons/corporations	793	99
	793	99
Profit/(loss) on sale of non-current assets		
- property, plant and equipment	(270)	408
- joint venture	1,750	-
- investment in subsidiary	-	(1,162)
- available-for-sale	1,415	15
	2,895	(739)
Rental income	986	2,035
Fair value gain in instruments measured at fair value through profit or loss	13,435	15,002
Other	11,479	12,818
Total other income	84,254	142,115
(e) Other expenses		
Amortisation of non-current assets		
- software	18,786	18,208
- other intangibles	2,971	2,427
- licence fees	198	25
	21,955	20,660
Depreciation of non-current assets		
- plant and equipment	15,406	17,724
- buildings	2,327	2,634
- leasehold improvements	2,355	2,190
	20,088	22,548
Total depreciation and amortisation expenses	42,043	43,208
Write down of assets to recoverable amount	9,208	19,331
Research and development costs	-	1,885
Operating lease rental expense	33,554	33,738
Employee benefit expenses	207,746	215,105
Superannuation expenses	14,495	16,314
Share-based payment expenses	3,657	2,816
Net bad and doubtful debts expensed including movements in provision for doubtful debts	9,867	(3,334)

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Notes to and forming part of the Preliminary Final Report

Name	3. DETAILS OF AGGREGATE SHARE OF PROFITS OF ASSOCIATES AND JOINT VENTURES		Contribution to net profit	
	2007 holding %	2006 holding %	2007 \$'000	2006 \$'000
Arcadian Wool Brokers Limited	40	40	450	443
AWH Pty Ltd (formerly Wooldumpers Australia Pty Ltd)	50	50	5,493	5,476
Five Star Flour Mills Company SAE (FSFM)	30	30	1,751	2,719
Five Star Feed Mills and Animal Production Company SAE	(i)	(i)	130	56
Kelly and Co Rural Centre Pty Limited	(ii)	50	475	(26)
ELF Australia Pty Ltd	50	50	2,259	12,961
Temora Grains Unit Trust	50	50	-	-
RD1 Limited	50	50	862	1,332
Farmerequip Pty Ltd	50	50	(26)	-
Genstock Pty Ltd	50	50	(161)	-
Sydney Rural Brokers Pty Ltd	46.7	46.7	-	-
ACN 093163430 Pty Ltd	24.6	24.6	-	-
			11,233	22,961

Five Star Flour & Feed Mills are based in Egypt.

(i) AWB Group holds 23.7% directly. The other 9% is indirectly held through FSFM.

(ii) Remaining 50% ownership of Kelly and Co Rural Centre Pty Limited was acquired during the year.

ELF Australia Pty Limited's contribution to net profit in 2006 included a profit of \$10,425 thousand arising from the gain realised on acquisition of the remaining 33% of Hi-Fert from BHP Billiton.

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Balance Sheet

As at 30 September 2007

	Notes	Consolidated	
		2007 \$'000	2006 \$'000
Assets			
Cash and cash equivalents		546,387	46,914
Loans and receivables		3,061,458	4,044,926
Inventories		354,901	295,325
Biological assets		-	16,291
Other financial assets		516,088	296,520
Available for sale financial assets		18,310	10,709
Other assets		82,474	54,272
Income tax receivable		-	11,604
Investments accounted for using the equity method		107,178	105,458
Intangible assets		550,477	560,086
Property, plant and equipment		158,160	165,754
Deferred income tax assets		63,233	42,294
Total assets		<u>5,458,666</u>	<u>5,650,153</u>
Liabilities			
Trade and other payables		530,033	703,163
Interest-bearing loans and borrowings		3,369,217	3,417,643
Income tax payable		33,412	-
Provisions		47,948	45,618
Other financial liabilities		355,808	345,133
Deferred income tax liabilities		10,301	13,313
Total liabilities		<u>4,346,719</u>	<u>4,524,870</u>
Net assets		<u>1,111,947</u>	<u>1,125,283</u>
Equity			
Contributed equity	5	969,743	969,743
Reserves		(358)	12,107
Retained profits	4	140,431	141,247
Total parent entity interest		1,109,816	1,123,097
Minority interest		2,131	2,186
Total equity		<u>1,111,947</u>	<u>1,125,283</u>

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4. RETAINED PROFITS

	Consolidated	
	2006 \$'000	2006 \$'000
Balance at the beginning of the year	141,247	166,177
AASB 139 adjustment	-	17,699
Net profit attributable to members of AWB Limited	27,145	58,140
Dividend paid	(27,706)	(100,185)
Transfer to legal reserve	(255)	(584)
Balance at the end of the year	<u>140,431</u>	<u>141,247</u>

5. EQUITY

	Consolidated	
	2007 \$'000	2006 \$'000
(a) Share capital		
Ordinary shares, fully paid	<u>969,743</u>	<u>969,743</u>

	2007	
	Number of shares	\$'000
(b) Movements in ordinary share capital		
Movements in 'B' class share capital during the period were as follows:		
Balance at the beginning of the year	346,327,737	969,743
Issued during the year		
- performance rights plan: \$1 per issue	5,340	-
less transaction costs	-	-
Balance at the end of the year	<u>346,333,077</u>	<u>969,743</u>

Ratios

Net tangible asset backing

	2007	2006
Net tangible asset backing per ordinary security	\$ 1.62	\$ 1.63

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Dividends

Date the dividend is payable 19 December 2007

Record date to determine the entitlements to the dividend 29 November 2007

		Amount per security	Franked amount per security at 30% tax
Final dividend:	Current year	4 cents	4 cents
	Previous year	4 cents	4 cents
Interim dividend:	Current year	4 cents	4 cents
	Previous year	16 cents	16 cents

Total dividend per security (interim plus final)

	<u>2007</u>	<u>2006</u>
Ordinary securities	8 cents	20 cents

Dividend reinvestment plan (DRP)

The DRP enables B class shareholders to reinvest all or part of their dividend in additional shares at no discount. The election notice for participation in the DRP must be received by the AWB share registry no later than 5pm Melbourne on 29 November 2007 (record date for the 2007 final dividend).

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Statement of Changes in Equity

CONSOLIDATED	Attributable to equity holders of the parent					Minority interest	Total equity
	Issued capital	Retained earnings	Staff share plan reserves equity	Other reserves	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000		
At 1 October 2005	961,743	166,177	2,380	(2,580)	1,127,720	2,234	1,129,954
Currency translation differences	-	-	-	5,238	5,238	(46)	5,192
Cost of share-based payment	-	-	2,290	-	2,290	-	2,290
Available-for-sale revaluation	-	-	-	1,239	1,239	-	1,239
Appropriation to general legal reserve	-	(584)	-	584	-	-	-
AASB 139 adjustment	-	-	-	2,956	2,956	-	2,956
Total income and expense for the period recognised directly in equity	-	(584)	2,290	10,017	11,723	(46)	11,677
Profit/(loss) for the period	-	58,140	-	-	58,140	319	58,459
Total income/(expense) for the period	-	57,556	2,290	10,017	69,863	273	70,136
Issue of share capital	8,000	-	-	-	8,000	-	8,000
AASB 139 adjustment to retained earnings	-	17,699	-	-	17,699	-	17,699
Equity dividends	-	(100,185)	-	-	(100,185)	(321)	(100,506)
At 30 September 2006	969,743	141,247	4,670	7,437	1,123,097	2,186	1,125,283

CONSOLIDATED	Attributable to equity holders of the parent					Minority interest	Total equity
	Issued capital	Retained earnings	Staff share plan reserves equity	Other reserves	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000		
At 1 October 2006	969,743	141,247	4,670	7,437	1,123,097	2,186	1,125,283
Currency translation differences	-	-	-	(19,396)	(19,396)	(409)	(19,805)
Cost of share-based payment	-	-	923	-	923	-	923
Available-for-sale revaluation	-	-	-	5,753	5,753	-	5,753
Appropriation to general legal reserve	-	(255)	-	255	-	-	-
AASB 139 adjustment	-	-	-	-	-	-	-
Total income and expense for the period recognised directly in equity	-	(255)	923	(13,388)	(12,720)	(409)	(13,129)
Profit/(loss) for the period	-	27,145	-	-	27,145	410	27,555
Total income/(expense) for the period	-	26,890	923	(13,388)	14,425	1	14,426
Issue of share capital	-	-	-	-	-	-	-
Net deferred tax	-	-	-	-	-	-	-
Equity dividends	-	(27,706)	-	-	(27,706)	(56)	(27,762)
At 30 September 2007	969,743	140,431	5,593	(5,951)	1,109,816	2,131	1,111,947

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Statement of Cash Flows

For the year ended 30 September 2007

	Consolidated	
	2007	2006
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers	4,251,287	4,644,908
Payments to suppliers and employees	(4,368,186)	(4,597,099)
Borrowing costs paid	(239,077)	(198,017)
Dividends received	11,583	9,446
Income tax refund received	20,693	-
Income taxes paid	(22,135)	(40,055)
Interest received	256,596	240,169
	<hr/>	<hr/>
Net cash flows from/(used in) operating activities	(89,239)	59,352
	<hr/>	<hr/>
Cash flows from investing activities		
Payments for property, plant and equipment	(20,620)	(14,985)
Payments for intangibles	(10,008)	-
Proceeds from sale of property, plant and equipment	2,909	24,069
Proceeds from sale of investments	3,165	-
Payment for controlled entities (net of cash acquired)	(1,618)	-
Purchase of loan books	-	(1,771,112)
Purchases of investments and associates	(5,388)	(42,801)
	<hr/>	<hr/>
Net cash flows from/(used in) investing activities	(31,560)	(1,804,829)
	<hr/>	<hr/>
Cash flows from financing activities		
Receipts - grower payment products	333,028	311,022
Payments - grower payment products	(3,106)	(468,506)
Repayments of grower loans	575,610	616,374
Loans advanced to growers	(114,085)	(796,096)
Repayment of customer loans	3,188,808	2,621,314
Loans advanced to customers	(3,287,725)	(2,905,678)
Proceeds from issues of ordinary shares	-	8,000
Proceeds from/(repayment of) borrowings from related party (AWB National Pools)	(46,418)	(53,961)
Proceeds from/(repayments of) borrowings	66,833	2,205,857
Proceeds from/(repayments of) interest bearing deposits	(64,967)	(92,868)
Dividends paid	(27,706)	(100,506)
	<hr/>	<hr/>
Net cash flows from/(used in) financing activities	620,272	1,344,952
	<hr/>	<hr/>
Net increase/(decrease) in cash held	499,473	(400,525)
Cash at the beginning of the financial year	46,914	447,439
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Cash at the end of the financial year	546,387	46,914
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Notes to and forming part of the Statement of Cash Flows

	Consolidated	
	2007 \$'000	2006 \$'000
6. RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	27,145	58,140
Adjustment for:		
Net loss/(gain) on disposal of property, plant and equipment	270	(408)
Net loss/(gain) on disposal of other financial assets	-	-
Net loss/(gain) on disposal of investment in associate	(1,750)	-
Net loss/(gain) on disposal of investment in subsidiary	-	1,162
Net loss/(gain) on disposal of investment	(1,415)	(15)
Depreciation	20,088	22,548
Amortisation	21,955	20,660
Amortisation of prepayment	5,071	3,138
Tax on available for sale financial assets	-	1,944
Share of profits of associates net of dividends received	(425)	(14,302)
Write down in value of property, plant and equipment to recoverable amount	3,627	19,331
Write down of intangible assets to recoverable amount	5,581	-
Provision for customer loans	7,899	5,117
Other non cash items	(12,720)	33,667
Changes in assets and liabilities :		
Increase/(decrease) in income tax payable	45,016	(21,198)
Increase/(decrease) in deferred income tax liability	(3,012)	(1,731)
Decrease/(increase) deferred income tax asset	(20,939)	1,550
Decrease/(increase) trade receivables	249,267	(84,337)
Decrease/(increase) inventories	(43,285)	(99,056)
Decrease/(increase) prepayments and other debtors	(31,311)	(42,130)
Increase/(decrease) trade and other creditors	(362,631)	156,146
Increase/(decrease) provisions	2,330	(874)
Net cash flow from/(used in) operating activities	<u>(89,239)</u>	<u>59,352</u>

Change in control over entities

N/A.

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Issued and quoted securities at the end of current period

Category of securities	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
Ordinary securities	346,333,077	346,333,077		
Changes during current period				
(a) Increases through issues:	5,340	5,340	\$1 (i)	\$1 (i)
(b) Decreases through returns of capital, buybacks	-	-	-	-
Performance Rights			<i>Exercise Price (i)</i>	<i>Expiry date (if any)</i>
Opening	1,718,587	-	\$1.00	1/10/12, 1/10/13, 1/10/14, 30/6/16
Issued during current period	1,342,329	-	\$0.00	30/9/2012
Exercised during current period	(5,340)	-	-	-
Cancelled during current period	(1,139,594)	-	-	-
Closing	1,915,982	-		

(i) The total consideration payable on the exercise of any performance rights on a particular day will be one dollar in total (irrespective of the number of rights exercised that day).

Segment reporting

The segment reporting details are set out in Attachment 1.

Commentary on the results for the period

The commentary on the results for the period is contained in the press release dated 21 November 2007 accompanying this statement.

Significant items

The reported result for 2007 includes a number of non-recurring items totalling a post-tax expense of \$30.9 million. These items are as follows:

1. Redundancies and restructuring costs of \$15.3 million;
2. Costs associated with the Oil for Food inquiry to 30 September 2007 of \$4.6 million;
3. Asset impairment adjustment (AWB Grainflow) of \$2.5 million. This write down reflects the ongoing underperformance of some of the AWB Grainflow grain centres. The carrying value at 30 September 2007 has been adjusted to \$75 million; and
4. Employee share loan adjustments of \$8.4 million.

The 2006 result also included non-recurring items of profit after tax expense of \$47.6 million.

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Subsequent events

The following significant events have arisen since the end of the financial year:

- a) A dividend of 4 cents per share resulting in a dividend payable of \$13.85 million was declared on 21 November 2007.
- b) Since the year end balance date, management have renegotiated the \$750m Syndicated Loan Facility that had \$630m maturing in October 2007. The total facility was renegotiated reducing its size from \$750m to \$400m, \$280m for 12 months and \$120m for 2 years. With the reduced facility size, the number of Banks within the Syndicate was also reduced from six Banks to four, ANZ Banking Group, Commonwealth Bank, Rabo and Westpac Banking Corporation.

In addition to this renegotiation, management also established a \$280m Receivable Securitisation Facility with ANZ and its securitisation conduit Aurora.

- c) In February 2005 Standard Chartered Bank plc brought an action against AWB(USA) Ltd in the US District Court for the Southern District of New York in respect of a promissory note dispute. The amount claimed was approximately USD35m. On 19 November 2007 Judge Hellerstein issued oral findings of fact and conclusions of law directing the entry of judgment against AWB(USA) Ltd in the sum of approximately USD35m. AWB believes that the decision contains a number of serious errors and AWB(USA) Ltd will file with the court a motion for reconsideration. No provision for any liability has been recognised in these financial statements as in AWB's view it is not probable the action will succeed.

Class Actions

Proceedings have been commenced against AWB Limited in four separate class actions. The resultant impact, if any, on the financial position of AWB Limited arising directly and indirectly from these class actions is unknown and therefore not reflected in this report.

Karim (Iraqi Residents' Class Action)

The *Karim* Class Action was filed against AWB Limited and BNP Paribas in the US District Court for the Southern District of New York on 22 December 2006. Commodity Specialist Company (CSC) of New York was subsequently joined as a Defendant by the Plaintiffs.

The plaintiffs are stated to be residents of the 3 northern governorates of Iraq. The complaint (as amended and filed on 17 June 2007) alleges that by reason of AWB's conduct during the Oil-for-Food ("OFF") Programme, AWB depleted the UN OFF escrow account, and thereby unlawfully deprived these plaintiffs and the others in the class of the humanitarian benefits which those funds would have purchased for them

It also alleges that BNP Paribas, CSC and AWB engaged in an illegal conspiracy.

The Complaint alleges that these actions amounted to violations of the U.S. Racketeer-Influenced and Corrupt Organisations ("RICO") Act and the plaintiffs are claiming treble damages under RICO. No specified amount of damages is stated in the amended Complaint.

Each of the Defendants filed a Motion to Dismiss the Complaint in October 2007. It is expected that the Plaintiffs will file a Brief in Opposition to these Motions to Dismiss, and each Defendant will then have a right to file a Reply. The Court will then schedule hearings of the Motions to Dismiss, which are not currently expected before the second quarter of 2008.

Boyd (US Grower Class Action)

A class action Complaint against AWB Limited and AWB (USA) Limited was filed on 16 April 2007, also in the U.S. District Court for the Southern District of New York, on behalf of a number of US farmers including Messrs Boyd and Switzer.

The Complaint alleges that AWB engaged in conduct in relation to the OFF Programme which had the effect of achieving and maintaining a monopoly on wheat sold to Iraq, thereby foreclosing that market to US-grown wheat. It alleges that this conduct caused decreases in the prices at which US growers were able to sell

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Class Actions (continued)

their wheat in the US. The complaint alleges that this conduct was contrary to the RICO Act and several US anti-trust statutes, all of which permit the recovery of treble damages.

Two further class actions were subsequently filed in the same Court – *Erb and Brothers* – making similar allegations. The trial judge has ordered that all 3 class actions be consolidated, and they continue under the name of the lead plaintiff Boyd.

No specified amount of damages is stated in the consolidated Complaint.

AWB filed a Motion to Dismiss this Complaint on 14 August 2007. The Plaintiffs filed a Brief in Opposition to AWB's Motion to Dismiss on 24 October 2007. AWB's reply papers are to be filed by 3 December 2007. The Court will then schedule a hearing of the Motion to Dismiss, which is not currently expected before the second quarter of 2008.

Mastafa and Ismail Claim

In September 2007 a class action Complaint was filed against AWB Limited, AWB (USA) Limited and BNP Paribas in the US District Court for the Southern District of New York on behalf of Saadya Mastafa and Kafia Ismail, representing a class comprising victims (or the surviving immediate family members of victims) of crimes allegedly perpetrated by the Saddam Hussein regime in Iraq from 1996 to 2003.

The Complaint asserts causes of action under the US *Alien Tort Claims Act*. The damages alleged to have been suffered by the plaintiffs are unspecified. The complaint has not been formally served on AWB but on 18 October 2007 AWB agreed to waive formal service.

AWB has until 14 December 2007 to file a response, by way of either an Answer or a Motion to Dismiss the complaint.

Watson (Shareholder) Class Action

On 17 April 2007 proceedings were filed in the Federal Court of Australia (NSW Registry) against AWB Limited by John and Kaye Watson in their own right and as representatives of "Represented Persons". The plaintiffs sought a declaration that AWB contravened the continuous disclosure provisions of the Corporations Act by not informing the ASX of AWB's knowledge of the facts surrounding its activities in relation to the OFF Programme. The Application to the Court also sought an order that AWB pay the plaintiffs compensation for damage resulting from that contravention, on the grounds that had the facts been publicly available the plaintiffs would not have purchased AWB shares either at all or at the prices paid.

After a number of amendments to their Statement of Claim, this proceeding was subsequently discontinued and a further proceeding (making essentially the same claims) was issued by the Watsons on 9 October 2007 as a class action under Part IVA of the Federal Court Act.

The damage alleged by the John and Kaye Watson in the statement of claim is \$10,400. However the plaintiffs' lawyers have quantified potential damages as approximately \$25 million.

AWB has filed its Defence to the class action proceeding. AWB has also applied to the Court for an Order that certain questions regarding the justiciability of particular matters central to the plaintiffs' claim should be heard as a separate, preliminary matter, because if those questions are decided in AWB's favour it will dispose of the claim entirely. In the alternative, AWB seeks to strike out certain aspects of the claim. Further directions in relation to that application will be given by the Court on 11 December 2007.

The company will continue to vigorously defend all of these class actions.

Oil for Food Inquiry and related matters

On 27 November 2006, the Report of the Commission of Inquiry in relation to the United Nations Oil-for-Food Programme (the "Cole Inquiry") was tabled in Parliament. The Report (the "Cole Report") refers to possible breaches of laws that according to the Commissioner might have occurred in connection with the Oil-for-Food Programme. It found that certain acts, conduct and payments by AWB Limited and AWB (International) Limited might have breached sections of the Criminal Code, Crimes Act 1958 (Vic) and Banking (Foreign Exchange) Regulations 1959. The Cole Report also recommended the establishment of a

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Oil for Food Inquiry and related matters (continued)

joint Task Force comprising the Australian Federal Police, Victoria Police, and the Australian Securities and Investments Commission ("ASIC") to consider possible prosecutions of the entities named in it.

The Task Force recommended by the Cole Report has now been established.

At the date of this annual report, no legal action had commenced against either AWB Limited or AWB (International) Limited in relation to the findings of the Cole Inquiry.

In September and October 2007 ASIC served a number of notices on AWB Limited requiring it to produce certain documents concerning the subject matter of the Cole Inquiry. AWB Limited has complied with each of the notices served on it, save for those notices which ASIC has withdrawn. Some of these notices were withdrawn by agreement following the commencement of proceedings by AWB against ASIC in the Federal Court of Australia. These proceedings have now been dismissed by consent of both parties.

ASIC has also conducted a number of examinations of employees and former employees of AWB.

The resultant impact, if any, on the financial position of AWB Limited arising directly and indirectly from potential legal actions arising from the Cole Inquiry is unknown and therefore not reflected in this annual report.

Annual meeting

The annual meeting will be held as follows:

Place	Melbourne Park Function Centre
Date	12 February 2008
Time	11 am
Approximate date the annual report will be available	9 January 2008

Audit

This report is based on accounts which have been audited.

SEGMENT REPORTING DETAILS
FOR THE FULL YEAR ENDED 30 SEPTEMBER 2007
AWB LIMITED & ITS CONTROLLED ENTITIES

Attachment 1

2007

	Continuing Operations								Total Operations	
	Pool Management Services	Australian Commodity Management	International Commodity Management	Supply Chain & Other Investments	Landmark Financial Services	Harvest Finance	Rural Services	Other/corporate	Intersegment eliminations	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue										
External segment revenue	46,254	745,508	1,952,102	63,558	213,859	81,724	1,530,047	39,038	-	4,672,090
Intersegment revenue	-	18,508	(249)	3,035	(1,839)	547	6,344	163,063	(189,409)	-
Total consolidated revenue	46,254	764,016	1,951,853	66,593	212,020	82,271	1,536,391	202,101	(189,409)	4,672,090
Results										
Underlying EBITDA	9,471	5,638	70,530	867	27,000	5,510	45,303	(2,302)	-	162,017
Share of associates profits	-	-	-	1,882	(26)	-	9,377	-	-	11,233
Total underlying EBITDA	9,471	5,638	70,530	2,749	26,974	5,510	54,680	(2,302)	-	173,250
Depreciation & amortisation	-	-	(460)	(8,900)	(1,260)	-	(8,956)	(22,467)	-	(42,043)
Underlying EBIT	9,471	5,638	70,070	(6,151)	25,714	5,510	45,724	(24,769)	-	131,207
Significant items	-	-	-	(3,627)	-	-	-	(38,075)	-	(41,702)
Segment result	9,471	5,638	70,070	(9,778)	25,714	5,510	45,724	(62,844)	-	89,505
Corporate net interest expense										(37,005)
Profit/(loss) before income tax and minority interest										52,500
Income tax expense										(24,945)
Profit attributable to minority interest										(410)
Profit attributable to members of the parent										27,145
Assets										
Segment assets	-	433,644	664,810	101,500	2,530,983	176,832	429,018	1,822,358	(762,072)	5,397,073
Unallocated corporate assets										61,593
Total assets										5,458,666
Liabilities										
Segment liabilities	-	426,991	537,709	187,265	2,466,737	165,063	280,920	620,615	(383,038)	4,302,262
Unallocated corporate liabilities										44,457
Total liabilities										4,346,719
Unallocated Net Corporate Assets										17,136
Net Assets excluding Net Corporate Assets	-	6,653	127,101	(85,765)	64,246	11,769	148,098	1,201,743	(379,034)	1,094,811
Net Assets										1,111,947
Other segment information										
Investments in associates	-	-	-	14,156	(26)	-	93,048	-	-	107,178
Acquisition of non-current assets	-	-	11,304	1,901	-	-	-	2,956	-	16,161
Non-cash expenses other than depreciation and amortisation	-	-	-	3,627	-	-	-	20,081	-	23,708
Geographical segments	Australia \$'000	Switzerland \$'000	Other \$'000	Intersegment eliminations \$'000	Consolidated \$'000					
Segment revenue	2,773,671	1,654,167	350,277	(106,025)	4,672,090					
Segment assets	4,773,804	514,511	264,568	(94,217)	5,458,666					
Other segment information:										
Acquisition of non-current assets	4,841	51	11,269	-	16,161					

SEGMENT REPORTING DETAILS
FOR THE FULL YEAR ENDED 30 SEPTEMBER 2007
AWB LIMITED & ITS CONTROLLED ENTITIES

Attachment 1

2006

	Continuing Operations								Total Operations	
	Pool Management Services	Australian Commodity Management	International Commodity Management	Supply Chain & Other Investments	Landmark Financial Services	Harvest Finance	Rural Services	Other/corporate	Intersegment eliminations	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue										
External segment revenue	92,432	978,155	1,305,451	88,474	147,610	616,469	1,565,650	72,334		4,866,575
Intersegment revenue	-	16,506	(601)	4,795	28,418	3,037	5,437	249,730	(307,322)	-
Total consolidated revenue	92,432	994,661	1,304,850	93,270	176,029	619,507	1,571,086	322,064	(307,322)	4,866,575
Results										
Underlying EBITDA	31,389	22,622	29,720	14,218	17,928	19,593	43,900	18,014	-	197,384
Share of associates profits	-	-	-	2,774	-	-	9,762	-	-	12,536
Total underlying EBITDA	31,389	22,622	29,720	16,992	17,928	19,593	53,662	18,014	-	209,920
Depreciation & amortisation	-	-	(139)	(10,618)	(168)	-	(9,229)	(23,054)	-	(43,208)
Underlying EBIT	31,389	22,622	29,581	6,374	17,760	19,593	44,433	(5,040)	-	166,712
Significant items	(23,650)	(12,702)	(10,159)	(19,331)			10,425	(10,201)	-	(65,618)
Segment result	7,739	9,920	19,422	(12,957)	17,760	19,593	54,858	(15,241)	-	101,094
Corporate net interest expense										(29,636)
Profit/(loss) before income tax and minority interest										71,458
Income tax expense										(12,999)
Profit attributable to minority interest										(319)
Profit attributable to members of the parent										58,140
Assets										
Segment assets	-	457,052	347,144	114,988	2,051,637	1,018,791	859,352	1,383,446	(636,156)	5,596,254
Unallocated corporate assets										53,899
Total assets										5,650,153
Liabilities										
Segment liabilities	-	438,281	257,234	178,221	2,007,010	1,001,047	685,627	547,725	(603,588)	4,511,557
Unallocated corporate liabilities										13,313
Total liabilities										4,524,870
Unallocated Net Corporate Assets										40,586
Net Assets excluding Net Corporate Assets	-	18,771	89,910	(63,233)	44,627	17,744	173,725	835,721	(32,568)	1,084,697
Net Assets										1,125,283
Other segment information										
Investments in associates	-	-	-	16,036	-	-	89,422	-	-	105,458
Acquisition of non-current assets	464		190	2,914		2,320	6,601	6,752		19,241
Non-cash expenses other than depreciation and amortisation	-	4,975	1,818	19,331	-	(741)	(1,479)	2,570		26,474
Geographical segments										
	Australia \$'000	Switzerland \$'000	Other \$'000	Intersegment eliminations \$'000	Consolidated \$'000					
Segment revenue	3,296,971	1,093,602	484,823	(8,821)	4,866,575					
Segment assets	5,267,306	280,577	137,225	(34,955)	5,650,153					
Other segment information:										
Acquisition of non-current assets	19,051	9	181	-	19,241					