

AWB LIMITED PRELIMINARY FINAL REPORT

ABN 99 081 890 459

APPENDIX 4E

Financial year ended 30 September 2008

Results for announcement to the market:

\$'000

Revenues from continuing operations*	up	46.5%	to	6,844,699
Net profit from continuing operations after tax before significant items attributable to members	up	64.7%	to	95,523
Reported profit and reported net profit from continuing operations after tax attributable to members	up	136.8%	to	64,286

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

Calculation of Reported Earnings (\$'000)	Full year ended 30 September 2008	
	Profit after tax	
	2008	2007
Earnings before significant items	95,523	58,011
Redundancies and restructuring	-	(15,324)
Employee share loan fair value	-	(8,381)
Asset impairment adjustments	-	(2,539)
Sale of CME shares and KCBT membership	4,593	-
Provision for Standard Chartered Bank litigation	(26,423)	-
Costs associated with legacy issues	(9,407)	(4,622)
Total adjustments to underlying profit	(31,237)	(30,866)
Earnings after significant items	64,286	27,145

Refer to page 12 for additional details of significant items.

Dividends	Amount per security	Franked amount per security
Final dividend	5 cents	5 cents
Previous corresponding period	4 cents	4 cents
Record date for determining entitlements to the dividend	28 November 2008	

* Revenues from continuing operations comprises:

	2008	2007
	\$'000	\$'000
Sales revenue	6,501,548	4,325,278
Other revenues from continuing operations	39,995	84,254
Interest revenue	303,156	262,558
Total	6,844,699	4,672,090

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Income Statement

For the year ended 30 September 2008

	Notes	Consolidated	
		2008 \$'000	2007 \$'000
Revenue	2(a)	6,501,548	4,325,278
Cost of sales		(6,005,429)	(3,969,079)
Gross profit		496,119	356,199
Finance revenue	2(b)	303,156	262,558
Finance costs	2(c)	(304,253)	(238,769)
Other income	2(d)	39,995	84,254
Other expenses	2(e)	(471,745)	(422,975)
Share of profit of associates	3	20,734	11,233
Profit before income tax		84,006	52,500
Income tax expense		(18,683)	(24,945)
Net profit for the period		65,323	27,555
Profit attributable to minority interest		1,037	410
Profit attributable to members of the parent		64,286	27,145
Earnings per share (cents)			
- basic earnings per share		18.5	7.8
- diluted earnings per share		18.4	7.8

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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 final 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	
	2008	2007
	\$'000	\$'000
2. REVENUES AND EXPENSES		
Profit from continuing operations before income tax expense includes the following specific items:		
(a) Revenue		
Sale of goods		
Commodity sales	4,003,019	2,489,365
Merchandise and fertiliser	1,787,699	1,402,204
Other	229,969	167,416
Related party (AWB National Pools)	480,861	266,293
	<u>6,501,548</u>	<u>4,325,278</u>
(b) Finance revenue		
Interest revenue		
Financial institutions	46,584	36,155
Loans and advances - variable rate portfolio	216,431	186,611
Loans and advances - fixed rate portfolio	36,313	30,945
Related party (AWB National Pools)	3,828	8,847
Wholly-owned group	-	-
Total finance revenue	<u>303,156</u>	<u>262,558</u>
(c) Finance costs		
Interest expense		
Financial institutions	265,772	185,267
Interest rate swaps	(11,284)	3,641
Notes	-	272
Related party (AWB National Pools)	31,562	28,688
Total interest expense	<u>286,050</u>	<u>217,868</u>
Other finance costs	<u>18,203</u>	<u>20,901</u>
Total finance costs	<u>304,253</u>	<u>238,769</u>
Net finance income	<u>(1,097)</u>	<u>23,789</u>
(d) Other income		
Fees and commissions income		
Related party (AWB National Pools)	46,028	47,068
Net foreign exchange gain/(loss)	(18,921)	1,735
Underwriting fees	4,073	5,863
Dividends		
Other persons/corporations	275	793

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	Consolidated	
	2008	2007
	\$'000	\$'000
2. REVENUES AND EXPENSES (CONTINUED)		
(d) Other income (continued)		
Profit/(loss) on sale of non-current assets		
Property, plant and equipment	2,528	(270)
Joint venture	-	1,750
Available for sale	6,561	1,415
	<u>9,089</u>	<u>2,895</u>
Rental income	1,028	986
Fair value gain/(loss) on fixed rate loans	(11,199)	4,157
Fair value gain/(loss) on derivative instruments measured at fair value through profit or loss	(16,938)	9,278
Other	26,560	11,479
	<u>39,995</u>	<u>84,254</u>
(e) Other expenses		
Amortisation	19,044	21,955
Depreciation	18,426	20,088
Total amortisation and depreciation expenses	<u>37,470</u>	<u>42,043</u>
Write down of assets/investments to recoverable amount	1,000	9,208
Communication and information technology costs	43,111	35,738
Commission and sales related costs	10,519	7,056
Legal, professional and consultancy costs	58,690	21,235
Travel costs	13,720	13,544
Motor vehicle costs	10,328	9,863
Advertising and promotion costs	9,085	4,662
Equipment and supplies costs	3,835	3,132
Operating lease rental expense	43,533	42,731
Employee benefits expenses	222,028	215,611
Superannuation expenses	15,036	14,495
Share-based payment and employee share issue expenses	3,390	3,657
	<u>471,745</u>	<u>422,975</u>

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Notes to and forming part of the Preliminary Final Report

3. DETAILS OF AGGREGATE SHARE OF PROFITS OF ASSOCIATES AND JOINT VENTURES	2008	2007	Contribution to net profit	
	holding %	holding %	2008 \$'000	2007 \$'000
Name				
Arcadian Wool Brokers Limited	40	40	464	450
AWH Pty Ltd (formerly Wooldumpers Australia Pty Ltd)	50	50	3,188	5,493
Five Star Flour Mills Company SAE (FSFM)	30	30	3,782	1,751
Five Star Feed Mills and Animal Production Company SAE	(i)	(i)	886	130
Kelly and Co Rural Centre Pty Limited	(ii)	(ii)	-	475
ELF Australia Pty Ltd	50	50	10,151	2,259
Temora Grains Unit Trust	50	50	-	-
RD1 Limited	50	50	2,134	862
Farmerequip Pty Ltd	50	50	120	(26)
Genstock Pty Ltd	50	50	9	(161)
			<u>20,734</u>	<u>11,233</u>

(i) AWB Group holds 23.7% directly. The other 9% is indirectly held through FSFM.
Five Star Flour Mills and Five Star Feed Mills are based in Egypt.

(ii) Remaining 50% ownership of Kelly & Co Rural Centre Pty Limited was acquired on 1 July 2007.

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Balance Sheet

As at 30 September 2008

		Consolidated	
	Notes	2008 \$'000	2007 \$'000
Assets			
Cash and cash equivalents		551,656	546,387
Loans and advances		4,046,740	3,061,458
Inventories		558,797	354,901
Derivative financial instruments		388,123	516,088
Investments		-	-
Available for sale financial assets		7,313	18,310
Other assets		146,772	82,474
Investments accounted for using the equity method		122,646	107,178
Property, plant and equipment		144,020	158,160
Intangible assets		538,238	550,477
Deferred income tax assets		100,082	63,233
		6,604,387	5,458,666
Liabilities			
Trade and other payables		789,884	530,033
Interest-bearing loans and borrowings		4,153,314	3,369,217
Income tax payable		59,107	33,412
Provisions		67,984	47,948
Derivative financial instruments		352,596	353,702
Other liabilities		324	2,106
Deferred income tax liabilities		5,449	10,301
Total liabilities		5,428,658	4,346,719
Net assets		1,175,729	1,111,947
Equity			
Contributed equity	5	983,540	969,743
Reserves		14,023	(358)
Retained profits	4	174,878	140,431
Total parent entity interest		1,172,441	1,109,816
Minority interest		3,288	2,131
Total equity		1,175,729	1,111,947

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4. RETAINED PROFITS

	Consolidated	
	2008	2007
	\$'000	\$'000
Balance at the beginning of the year	140,431	141,247
Net profit attributable to members of AWB Limited	64,286	27,145
Dividend paid	(27,730)	(27,706)
Transfer to legal reserve	(2,108)	(255)
Balance at the end of the year	<u>174,878</u>	<u>140,431</u>

5. EQUITY

	Consolidated	
	2008	2007
	\$'000	\$'000
(a) Share Capital		
Ordinary shares, fully paid	983,540	969,743
(b) Movements in ordinary share capital		
	2008	
	No. of	\$'000
	shares	
Movements in share capital during the period were as follows:		
Balance at the beginning of the year	346,333,077	969,743
Issued during the year	-	-
- Dividend Reinvestment Plan (\$2.83 per share)	4,894,224	13,851
- Employee Share Plan	579,348	-
Transaction costs	-	(54)
	<u>351,806,649</u>	<u>983,540</u>

Ratios

Net tangible asset backing

	2008	2007
	\$	\$
Net tangible asset backing per ordinary security	1.81	1.62

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Dividends

Date the dividend is payable 5 January 2009

Record date to determine the entitlements to the dividend 28 November 2008

		Amount per security	Franked amount per security at 30% tax
Final dividend:	Current year	5 cents	5 cents
	Previous year	4 cents	4 cents
Interim dividend:	Current year	4 cents	4 cents
	Previous year	4 cents	4 cents

Total dividend per security (interim plus final)

	<u>2008</u>	<u>2007</u>
Ordinary securities	9 cents	8 cents

Dividend reinvestment plan (DRP)

The DRP enables ordinary shareholders to reinvest all or part of their dividend in additional shares at a 2.5% discount to the market price. The election notice for participation in the DRP must be received by the AWB share registry no later than 5pm (Melbourne time) on 28 November 2008 (record date for the 2008 final dividend).

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Statement of Changes in Equity

For the year ended 30 September 2008

CONSOLIDATED	Attributable to equity holders of the parent					Minority interest	Total equity
	Issued	Retained	Staff share plan	Other	Total		
	capital	earnings	reserves equity component	reserves			
\$'000	\$'000	\$'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)
Share-based payments	-	-	923	-	923	-	923
Available for sale revaluation	-	-	-	5,753	5,753	-	5,753
Appropriation to general legal reserve	-	(255)	-	255	-	-	-
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

CONSOLIDATED	Attributable to equity holders of the parent					Minority interest	Total equity
	Issued	Retained	Staff share plan	Other	Total		
	capital	earnings	reserves equity component	reserves			
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 October 2007	969,743	140,431	5,593	(5,951)	1,109,816	2,131	1,111,947
Currency translation differences	-	-	-	16,520	16,520	120	16,640
Share-based payments	-	-	3,390	-	3,390	-	3,390
Available for sale revaluation	-	-	-	(7,637)	(7,637)	-	(7,637)
Appropriation to general legal reserve	-	(2,108)	-	2,108	-	-	-
Total income and expense for the period recognised directly in equity	-	(2,108)	3,390	10,991	12,273	120	12,393
Profit/(loss) for the period	-	64,286	-	-	64,286	1,037	65,323
Total income/(expense) for the period	-	62,178	3,390	10,991	76,559	1,157	77,716
Issue of share capital	13,797	-	-	-	13,797	-	13,797
Equity dividends	-	(27,730)	-	-	(27,730)	-	(27,730)
At 30 September 2008	983,540	174,878	8,983	5,040	1,172,441	3,288	1,175,729

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Statement of Cash Flows

For the year ended 30 September 2008

	Consolidated	
	2008	2007
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers	5,992,709	4,251,287
Payments to suppliers and employees	(6,290,684)	(4,368,186)
Borrowing costs paid	(305,359)	(239,077)
Dividends received	5,156	11,583
Income tax refund received	3,066	20,693
Income taxes paid	(27,348)	(22,135)
Interest received	302,857	256,596
Net cash flows from/(used in) operating activities	(319,603)	(89,239)
Cash flows from investing activities		
Payments for property, plant and equipment	(22,169)	(20,620)
Payments for intangible assets	(7,416)	(10,008)
Proceeds from sale of property, plant and equipment	8,639	2,909
Proceeds from sale of intangible assets	896	-
Proceeds from sale of investments	6,560	3,165
Payment for controlled entities (net of cash acquired)	(3,332)	(1,618)
Purchases of investments and associates	-	(5,388)
Net cash flows from/(used in) investing activities	(16,822)	(31,560)
Cash flows from financing activities		
Proceeds from issues of ordinary shares	13,797	-
Proceeds from/(repayment of) borrowings from related party (AWB National Pools)	214,723	(46,418)
Proceeds from/(repayment of) borrowings from wholly-owned group	-	-
Proceeds from/(repayment of) borrowings	536,706	66,833
Proceeds from/(repayment of) interest bearing deposits	32,668	(64,967)
Dividends paid	(27,730)	(27,706)
Receipts - grower payment products	93,148	333,028
Payments - grower payment products	(165,200)	(3,106)
Repayments of grower loans	459,921	575,610
Loans advanced to growers	(606,704)	(114,085)
Repayment of customer loans	3,063,846	3,188,808
Loans advanced to customers	(3,273,481)	(3,287,725)
Net cash flows from/(used in) financing activities	341,694	620,272
Net increase/(decrease) in cash held	5,269	499,473
Cash at the beginning of the financial year	546,387	46,914
Cash at the end of the financial year	551,656	546,387

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Notes to and forming part of the Statement of Cash Flows

	2008 \$'000	2007 \$'000
6. RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES		
Profit for the year	65,323	27,555
Adjustment for		
Net loss/(gain) on disposal of property, plant and equipment	(2,528)	270
Net loss/(gain) on disposal of investment in associate	-	(1,750)
Net loss/(gain) on disposal of available for sale investments	(6,561)	(1,415)
Depreciation	18,426	20,088
Amortisation of intangible assets	19,044	21,955
Amortisation of purchase premium	4,573	5,778
Net fair value change on derivatives and fixed rate loans	47,058	(15,170)
Write down of property, plant and equipment to recoverable amount	-	3,627
Write down of intangible assets to recoverable amount	-	5,581
Write down of associates to recoverable amount	1,000	-
Share-based payment expense	3,390	923
Non-cash distribution to subsidiaries	-	-
Share of associates' net (profits)/losses	(20,734)	(11,233)
Changes in assets and liabilities		
Increase/(decrease) in income tax payable	25,695	45,016
Increase/(decrease) in deferred income tax liability	(4,852)	(3,012)
Decrease/(increase) in deferred income tax asset	(36,849)	(20,939)
Decrease/(increase) in receivables	(569,388)	249,267
Decrease/(increase) in inventories	(203,896)	(43,285)
Decrease/(increase) in prepayments and other assets	(64,298)	(28,202)
Increase/(decrease) in trade and other payables	259,881	(173,130)
Increase/(decrease) in provisions	20,036	2,330
Decrease/(increase) in derivative assets	127,965	(180,672)
Increase/(decrease) in derivative liabilities	(1,106)	8,250
Increase/(decrease) in unearned income	(1,782)	(1,071)
Net cash flow from/(used in) operating activities	<u>(319,603)</u>	<u>(89,239)</u>

Change in control over entities

On 9 July 2008, Landmark Operations Limited (a subsidiary of AWB Limited) acquired 100% of the voting shares of Stocklease Pty Ltd (and its' wholly owned subsidiary Stocklease Finance Pty Ltd), an unlisted private company based in Australia specialising in livestock leasing.

The total cost of the combination was \$3,842,597 and comprised an issue of equity instruments, intercompany loan, payment of cash and costs directly attributable to the combination. In addition, Landmark Operations Limited (a subsidiary of AWB Limited) was subscribed to \$1,000,000 of B Notes issued by Stocklease Finance Pty Ltd.

The acquired business contributed revenue of \$275,403 and a net loss of \$105,052 to the Group for the period from 9 July 2008 to 30 September 2008.

During the financial year AWB Brasil (as subsidiary of AWB Limited) entered into a business transaction with a local investment fund and a third party with experience in agricultural infrastructure management to create a new company NovaAgri Infra-estrutura de Armazenagem e Escoamento Agrícola S.A. AWB Brasil's share

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of the company was established at 51.8%, representing the interest as at 30 September 2008. AWB Brasil's share of the cost of investment was \$10.9m, with no goodwill arising.

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	351,806,649	351,806,649		
Changes during current period				
(a) Increases through issues:				
- Employee Share Plan	579,348	579,348	nil	nil
- Dividend Reinvestment Plan	4,894,224	4,894,224	\$2.83	\$2.83
(b) Decreases through returns of capital, buybacks	-	-	-	-
Performance Rights			<i>Exercise Price (i)</i>	<i>Expiry date (if any)</i>
Opening	2,793,675	-	\$0.00	30/09/06,30/09/07, 30/09/08,30/09/09 & 30/09/10
Issued during current period	2,578,910	-	\$0.00	1/10/2011
Exercised during current period	-	-	-	-
Cancelled during current period	-1,382,587	-	-	-
Closing	3,989,998	-		

(i) As the exercise price is \$1 for the exercise of large parcels of performance rights, combined with certain tranches which have a nil exercise price, the effective weighted average exercise price is nil.

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 19 November 2008 accompanying this statement.

Significant items

The reported result for 2008 includes a number of non-recurring items totalling a post-tax expense of \$31.2 million. These items are as follows:

1. Provision for Standard Chartered litigation of \$26.4 million;
2. Costs associated with legacy issues to 30 September 2008 of \$9.4 million; and
3. Profit on sale of CME shares and KCBT membership of \$4.6 million.

The 2007 result also included non-recurring items of profit after tax expense of \$30.9 million.

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Subsequent events

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

- a) A dividend of 5 cents per share resulting in a dividend payable of \$17.590 million was declared on 18 November 2008.
- b) On 22 October 2008, shareholders approved the adoption of a new constitution, appropriate for a company with a single class of shares.
- c) Following the introduction of the Wheat Export Accreditation Scheme, AWB Limited subsidiaries AWB Harvest Finance Limited ("AWBHF") and AWB (Australia) Limited received accreditation by Wheat Exports Australia for the bulk export of Australian wheat.
- d) With the repeal of the Wheat Marketing Act 1989, the monopoly bulk wheat marketing arrangements were opened to greater competition and the status of AWB (International) Limited ("AWBI") as the company nominated to manage those arrangements was concluded. The temporary export accreditation for AWBI expired on 30 September 2008 and on 1 October 2008 AWBHF replaced AWBI as the trustee for the National Pool.

Class Actions

Proceedings were commenced against AWB Limited in four separate class actions and one quasi-class action. 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.

Boyd (US Grower Class Action)

This class action Complaint against AWB Limited and AWB (USA) Limited was filed on 10 July 2007, also in the U.S. District Court for the Southern District of New York, on behalf of a number of US farmers including Mr Boyd.

The Complaint alleged that AWB engaged in conduct in relation to the Oil-For-Food ("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, contrary to the RICO Act and several US anti-trust statutes.

On 25 February 2008 AWB's Motion to Dismiss the Complaint was granted by the Court. No appeal was filed against the dismissal and the Complaint stands dismissed.

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, allegedly 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 asserted causes of action under the US Alien Tort Claims Act. The damages alleged to have been suffered by the plaintiffs were unspecified.

On 25 September 2008, the Court granted each of the Defendants' Motions to Dismiss the Complaint. The complaint against AWB Limited was dismissed on grounds that Australia was the proper forum to hear the complaint. The court ruled that (as is standard in the case of such dismissals by the Court) if an Australian court of last review refuse jurisdiction over any action brought in Australia by the plaintiffs, or if AWB does not waive any statute of limitations defences available to it, the US court will 'resume' jurisdiction over the plaintiffs' claims. The Judge noted that a conditional dismissal such as this is standard in this Court. The complaint against AWB (USA) Limited was dismissed on the grounds of a failure to properly plead a claim against it. The Court granted the Plaintiff leave to re-plead its case against AWB (USA) Limited. No such repleading has been filed to date.

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Class Actions (continued)

Karim (Iraqi Residents' Class Action)

The Karim Class action was filed against AWB Limited, AWB (USA) Limited and BNP Paribas in the US District Court for the Southern District of New York on 22 December 2006. Commodity Specialists 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 the 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 (all of whom it is alleged are or were residents of the 3 northern governorates of Iraq) 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.

On 30 September 2008, all of the Defendants' Motions to Dismiss the Complaint were granted by the Court. On 22 October 2008 the Plaintiffs filed in the US Court of Appeals for the Second Circuit a Notice of Appeal against the dismissals. No timetable for the appeal has yet been fixed by the Court of Appeals.

Iraq Government civil lawsuit

On the 1 July 2008 the Iraqi Government filed a civil lawsuit (technically not a class action) in the US District Court for the Southern District of New York against AWB and 92 other companies who participated in the UN Oil-for-Food Program, including banks, petroleum companies, motor manufacturers, pharmaceutical companies, etc., alleging the defendants participated in an illegal conspiracy with the 'former Saddam Hussein regime', contrary to the US Racketeer-Influenced and Corrupt Organisations Act (RICO), to divert funds from the UN Oil-for-Food Program escrow account. Damages alleged are US\$10.4bn, and treble damages are claimed under RICO. The claim has yet to be served on AWB. The Plaintiff has been granted an extension until 22 February 2009 to serve the claim on the 93 defendants.

Watson (Shareholder) Class Action

On 9 October 2007 proceedings were filed in the Federal Court of Australia against AWB Limited by John and Kaye Watson as a class action under Part IVA of the Federal Court Act. The plaintiffs sought a declaration that AWB Limited contravened the continuous disclosure provisions of the Corporations Act by not informing the ASX of AWB Limited's knowledge of the facts surrounding its activities in relation to the OFF Programme and also sought an order that AWB Limited 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 Limited shares either at all or at the prices paid. In October 2008 the Plaintiffs filed a further amended Statement of Claim, extensively re-pleading their case. AWB will shortly file its Defence to the amended claim.

The damage alleged by the plaintiffs John and Kaye Watson in the amended statement of claim is \$20,400. However, those funding the class action have estimated the maximum potential damages for all plaintiffs in the class as approximately \$25 million.

Oil for Food Inquiry and related matters

The Report of the Commission of Inquiry in relation to the United Nations Oil-for-Food Programme (the "Cole Report"), tabled in Parliament in November 2006, found that certain acts and conduct by AWB Limited, AWB (International) Limited ("AWBI") and certain of their former employees and officers, in conjunction with the UN Oil-for-Food Programme for Iraq ("OFF Programme"), might have breached certain provisions of the Criminal Code, Crimes Act 1958 (Vic) and Banking (Foreign Exchange) Regulations 1959. It recommended the establishment of a joint Task Force comprising the Australian Federal Police, Victoria Police and the Australian Securities and Investments Commission ('ASIC') to consider possible prosecutions of AWB, AWBI and certain of those individuals. The Task Force recommended by the Cole Report was established in December 2006.

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Oil for Food Inquiry and related matters (continued)

In December 2007 ASIC issued civil proceedings in the Supreme Court of Victoria against two former directors and four former employees of AWB Limited. In November 2008, the Court stayed those proceedings, except for those against Mr Andrew Lindberg, AWB's former managing director.

At the date of writing, no legal action has been commenced against AWB Limited or any of its subsidiaries in relation to the findings of the Cole Inquiry.

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

Standard Chartered Bank Litigation

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 14 January 2008 Judge Hellerstein issued his opinion directing the entry of judgement against AWB (USA) Ltd, and on 16 January 2008, judgment was entered against AWB (USA) Ltd in the amount of approximately USD24.2m.

On 23 January 2008, AWB (USA) Ltd filed a notice of appeal with the United States Court of Appeals for the Second Circuit, and filed its Appeal Brief on 15 April 2008. AWB has taken steps to secure the judgment debt to the satisfaction of Standard Chartered Bank plc, finalisation of which will result in a stay of execution of the judgment. The decision of the Court of Appeals is awaited.

AWB Limited has chosen to take up a provision against this liability, even though it is of the view that AWB (USA) Ltd has a strong position, and AWB (USA) Ltd will continue to pursue its appeal avenues.

Annual meeting

The annual meeting will be held as follows:

Place	Melbourne Park Function Centre
Date	10 February 2009
Time	2.30pm
Approximate date the annual report will be available	12 January 2009

Audit

This report is based on accounts which have been audited.

SEGMENT REPORTING DETAILS
FOR THE FULL YEAR ENDED 30 SEPTEMBER 2008
AWB LIMITED & ITS CONTROLLED ENTITIES

Attachment 1

2008

	Continuing operations								Total Operations	
	Pool Management Services	Australian Commodity Management	International Commodity Management	Supply Chain and 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	45,611	1,113,832	3,194,394	140,060	242,017	176,240	1,915,552	16,993	-	6,844,699
Intersegment revenue	-	156,884	208,978	21,887	9	1,839	44	198,145	(587,786)	-
Total consolidated revenue	45,611	1,270,716	3,403,372	161,947	242,026	178,079	1,915,596	215,138	(587,786)	6,844,699
Results										
Underlying EBITDA	19,711	61,909	24,014	(9,355)	27,510	14,538	74,095	(4,688)	-	207,734
Share of associates' profits	-	-	-	4,668	120	-	15,946	-	-	20,734
Total underlying EBITDA	19,711	61,909	24,014	(4,687)	27,630	14,538	90,041	(4,688)	-	228,468
Amortisation and depreciation	-	-	(659)	(8,350)	(1,310)	-	(8,253)	(18,911)	-	(37,483)
Underlying EBIT	19,711	61,909	23,355	(13,037)	26,320	14,538	81,788	(23,599)	-	190,985
Significant items	-	-	-	-	-	-	-	(33,302)	-	(33,302)
Segment result	19,711	61,909	23,355	(13,037)	26,320	14,538	81,788	(56,901)	-	157,683
Corporate net interest expense										(73,677)
Profit/(loss) before income tax and minority interest										84,006
Income tax expense										(18,683)
Profit attributable to minority interest										(1,037)
Profit attributable to members of the parent										64,286
Assets										
Segment assets	-	812,953	1,217,890	115,148	2,657,374	393,273	764,763	1,742,900	(1,199,996)	6,504,305
Unallocated corporate assets										100,082
Total assets										6,604,387
Liabilities										
Segment liabilities	-	779,952	1,066,627	216,628	2,640,549	390,418	549,791	590,001	(869,864)	5,364,102
Unallocated corporate liabilities										64,556
Total liabilities										5,428,658
Unallocated net corporate assets										35,526
Net assets excluding net corporate assets	-	33,001	151,263	(101,480)	16,825	2,855	214,972	1,152,899	(330,132)	1,140,203
Net Assets										1,175,729
Other segment information										
Investments in associates	-	-	-	19,688	93	-	102,865	-	-	122,646
Acquisition of non-current assets	-	-	2,592	3,985	-	-	6,518	9,074	-	22,169
Non-cash expenses other than depreciation and amortisation	-	-	-	-	-	-	-	26,423	-	26,423
Geographical segments	Australia \$'000	Switzerland \$'000	Other \$'000	Intersegment eliminations \$'000	Consolidated \$'000					
Segment revenue	3,582,732	2,860,141	933,785	(531,959)	6,844,699					
Segment assets	6,543,292	954,770	310,277	(1,203,952)	6,604,387					
Other segment information										
Acquisition of non-current assets	19,577	21	2,571	-	22,169					

SEGMENT REPORTING DETAILS
FOR THE FULL YEAR ENDED 30 SEPTEMBER 2008
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					