



SUGAR TERMINALS LIMITED

ABN 17 084 059 601

14 March 2012

INTERIM REPORT TO SHAREHOLDERS OF SUGAR TERMINALS LIMITED

On behalf of the Board of Directors of Sugar Terminals Limited (STL), I am pleased to report to shareholders on the results of the Company during the six months to 31 December 2011

Total comprehensive income for the half-year to 31 December 2011 was \$10.63 million (after tax), a reduction of \$83,000 or 0.8% over the same period to 31 December 2010.

Terminals

I have previously advised that Queensland Sugar Ltd has presented a proposal to replace roofing on 12 of the 15 sheds at a projected cost of \$100.7 million over 7 years. The board has approved the replacement of the roof on Mackay shed 2, and will review the program after that roof has been completed. Work will commence in the current financial year and is expected to cost approximately \$10 million. The project control group and the consulting engineers have thoroughly investigated all relevant matters and options before calling tenders for the work.

A contractor has been appointed and work is progressing on the repairs to the jetty and wharf at the Lucinda terminal which was severely damaged by Cyclone Yasi. There have been some delays and the current contractor's program indicates that work will now be completed in June 2012. These repairs are being paid for by our insurer.

The new conveyor system to replace the air support conveyors at the Townsville terminal was used for receiving and shipping sugar during the 2011 season. The works are substantially complete, with the remaining minor issues to be completed by June 2012.

Dividends

In accordance with Board policy, dividends are declared biannually in March and September. The final dividend for the year ended 30 June 2011 of \$10.44 million (2.9 cents per share) fully franked based on tax paid of 30% was paid on 30 September 2011. On 1 March 2012, Directors declared that an interim dividend of \$10.08 million (2.8 cents per share) fully franked based on tax paid of 30% will be paid on 30 March 2012.

On behalf of the Board of Directors of Sugar Terminals Limited

SC Gregory
Chairman