

 17 084 059 601

NSX Half-year information – 31 December 2004

Lodged with the NSX under Listing Rule 6.10.

This information should be read in conjunction with the 30 June 2004 Annual Report.

Contents

Results for Announcement to the Market (*Appendix 3 item 2*)

Supplementary Appendix 4D Information (*Appendix 3 items 3 to 9*)

Half-year report (*NSX Listing rule 6.10*)

SUGAR TERMINALS Limited
Half-year ended 31 December 2004
(Previous corresponding period:
Half-year ended 31 December 2003)

Results for Announcement to the Market

				\$'000
Revenue from ordinary activities <i>(Appendix 3 item 2.1)</i>	up	17.2%	to	21,705
Profit/(loss) from ordinary activities after tax attributable to members <i>(Appendix 3 item 2.2)</i>	up	23.3%	to	9,559
Net profit/(loss) for the period attributable to members <i>(Appendix 3 item 2.3)</i>	up	23.3%	to	9,559

Dividends/distributions <i>(Appendix 3D item 2.4)</i>	Amount per security	Franked amount per security
Final dividend <i>(prior year)</i>	2¢	2¢

Interim dividend.

It is not proposed to pay an interim dividend.

Explanation of Revenue and Net Profit *(Appendix 3 item 2.6)*

The principal reason for the increases set out above is that rent on the new facility in Townsville was only included for one month (December) in the half year ended 31 December, 2003.

SUGAR TERMINALS Limited

Supplementary Appendix 3 information

NTA Backing *(Appendix 3 item 3)*

	2004	2003
Net tangible asset backing per ordinary share	97.1¢	96.3¢

Controlled entities acquired or disposed of *(Appendix 4 item 4)*

No entities were acquired or disposed of during the period.

Additional dividend/distributions information *(Appendix 3 item 5)*

Details of dividends/distributions declared or paid during or subsequent to the half-year ended 31 December 2004 are as follows:

Record date	Payment date	Type	Amount per security	Total dividend	Franked amount per security	Foreign sourced dividend amount per security
3 December 2004	15 December 2004	Final	2¢	\$7,200,000	2¢	-

Dividend reinvestment plans *(Appendix 3 item 6)*

The company does not have any dividend reinvestment plans in operation.

Associates and Joint Venture entities *(Appendix 3 item 7)*

The company does not have any associates or joint venture entities.

Foreign Accounting standards *(Appendix 3 item 8)*

The company does not have any interest in any foreign entities.

Audit Alert *(Appendix 3 item 9)*

The accounts are not subject to an audit dispute or qualification.

SUGAR TERMINALS LIMITED ABN 17 084 059 601
Half-year report – 31 DECEMBER 2004

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SUGAR TERMINALS LIMITED

Directors' report

Your directors present their report on the entity of Sugar Terminals Limited for the half-year ended 31 December 2004.

Directors

The following persons were directors of Sugar Terminals Limited during the whole of the half-year and up to the date of this report:

Mr Michael D Brown
Mr Mark R Day
Mr Stephen Guazzo
Mr John Grasso

Mr James F Hesp was elected a director on 22 October 2004 and continues in office at the date of this report.
Mr Alfio J Musumeci was a director from the beginning of the half-year until his retirement on 22 October 2004.

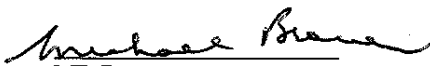
Review of operations

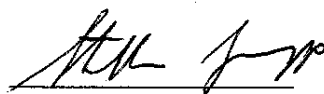
There were no material changes to the company's operations during the half-year.

Rounding of amounts

The company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of the directors.


MD Brown
Brisbane
8 March 2005


S Guazzo
Brisbane
8 March 2005

SUGAR TERMINALS LIMITED

Financial report – 31 DECEMBER 2004

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Sugar Terminals Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Sugar Terminals Limited
North Podium Level, Mincom Central
192 Ann Street
BRISBANE QLD 4000

SUGAR TERMINALS LIMITED
Statement of financial performance
For the half-year ended 31 DECEMBER 2004

		Half-year	
		2004 \$'000	2003 \$'000
Revenue from ordinary activities	Notes	21,705	18,504
Depreciation and amortisation expenses		5,531	4,908
Borrowing costs expense		1,489	1,413
Other expenses from ordinary activities		920	1,116
Profit from ordinary activities before related income tax expense		13,765	11,067
Income tax expense		4,206	3,320
Net profit attributable to members of Sugar Terminals Limited		9,559	7,747
Total changes in equity attributable to members of Sugar Terminals Limited other than those resulting from transactions with owners as owners		9,559	7,747
		Cents	Cents
Basic earnings per share	5	2.65	2.15

The above statement of financial performance should be read in conjunction with the accompanying notes.

SUGAR TERMINALS LIMITED**Statement of financial position**

As at 31 DECEMBER 2004

	31 December 2004 \$'000	30 June 2004 \$'000
Current assets		
Cash assets	12,569	11,140
Receivables	19	143
Other	1,130	778
Total current assets	13,718	12,061
Non-current assets		
Property, plant and equipment	387,422	392,903
Deferred tax assets	4	11
Other	243	283
Total non-current assets	387,669	393,197
Total assets	401,387	405,258
Current liabilities		
Payables	5,790	6,898
Interest bearing liabilities	11,250	11,250
Current tax liabilities	2,240	2,090
Total current liabilities	19,280	20,238
Non-current liabilities		
Interest bearing liabilities	28,125	33,750
Deferred tax liabilities	4,509	4,157
Total non-current liabilities	32,634	37,907
Total liabilities	51,914	58,145
Net assets	349,473	347,113
Equity		
Parent entity interest		
Contributed equity	330,228	330,228
Retained profits	19,245	16,885
Total equity	349,473	347,113

The above statement of financial position should be read in conjunction with the accompanying notes.

SUGAR TERMINALS LIMITED**Statement of cash flows**

For the half-year ended 31 DECEMBER 2004

	Half year	
	2004	2003
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers (inclusive of goods and services tax)	23,588	20,304
Payments to suppliers and employees (inclusive of goods and services tax)	(1,550)	(1,803)
	<u>22,038</u>	<u>18,501</u>
Interest received	387	118
Borrowing costs	(1,341)	(2,085)
Income taxes and GST paid	(5,674)	(3,661)
Net cash inflow from operating activities	<u>(6,628)</u>	<u>(5,628)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(1,156)	(17,006)
Proceeds from sale of property, plant and equipment	-	-
Net cash inflow (outflow) from investing activities	<u>(1,156)</u>	<u>(17,006)</u>
Cash flows from financing activities		
Proceeds from borrowings	-	20,400
Repayment of borrowings	(5,625)	-
Dividends paid	(7,200)	(14,400)
Net cash inflow (outflow) from financing activities	<u>(12,825)</u>	<u>6,000</u>
Net increase (decrease) in cash held	1,429	1,867
Cash at the beginning of the financial year	<u>11,140</u>	<u>2,751</u>
Cash at the end of the half-year	<u>12,569</u>	<u>4,618</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

SUGAR TERMINALS LIMITED
Notes to the financial statements
For the half-year ended 31 DECEMBER 2004

Notes to the financial statements

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Note 1 Summary of Significant Accounting Policies

(a) Basis of preparation of half-year financial report

The general purpose financial report for the interim half-year reporting period ended 31 December 2004 has been prepared in accordance with Accounting Standard AASB 1029 *Interim Financial Reporting*, other mandatory professional reporting requirements (Urgent Issues Group Consensus Views), other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2004 and any public announcements made by SUGAR TERMINALS LIMITED during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

(b) International Financial Reporting Standards

The Australian Accounting Standards Board (AASB) is adopting IFRS for application to reporting periods beginning on or after 1 January 2005. The AASB will issue Australian equivalents to IFRS, and the Urgent Issues Group will issue abstracts corresponding to IASB interpretations originated by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee. The adoption of Australian equivalents to IFRS will be first reflected in the entity's financial statements for the half year ending 31 December 2005 and the year ended 30 June 2006.

Entities complying with Australian Equivalents to IFRS for the first time will be required to restate their comparative financial statements to amounts reflecting the application of IFRS to that comparative period. Most adjustments required on transition to IFRS will be made, retrospectively, against opening retained earnings as at 1 July 2004.

The entity has appointed the General Manager to manage the transition to Australian Equivalents to IFRS, including internal control changes necessary to gather all the required financial information. The General Manager reports quarterly to the audit committee. A detailed timetable for managing the transition has been prepared and is currently on schedule. He has analysed most of the Australian equivalents to IFRS and has identified a number of accounting policy changes that will be required. In some cases choices of accounting policies are available, including elective exemptions under Pending Accounting Standard AASB 1 *First-Time Adoption of Australian Equivalents to International Financial Reporting Standards*. Some of these choices are still being analysed to determine the most appropriate accounting policy for the entity.

Note 2 Segment information

Business segments

The entity operates in one industry, being the sugar industry and in one geographical segment, being Queensland, Australia.

Note 3 Dividends

	Half-year	
	2004	2003
	\$'000	\$'000
Ordinary shares		
Final dividend for the year ended 30 June 2004 of 2 cents (2003 – 4 cents) per share paid on 15 December 2004.		
Fully franked based on tax paid @ 30%	7,200	14,400

SUGAR TERMINALS LIMITED
Notes to the financial statements
For the half-year ended 31 DECEMBER 2004

Note 4 Contingent liabilities and contingent assets

Contingent liabilities

The entity continues to have a contingent liability at 31 December 2004 relating to the construction of the new storage facility at Townsville. The construction project, which is being managed by Queensland Sugar Ltd (QSL) as agent for the entity, is incomplete. On 10 December 2004, a statement of claim was received from the building contractor, Walter Construction Group (WCG), for \$15.01 million as damages pursuant to the Trade Practices Act or, alternatively, various claims for moneys due under the contract amounting to \$18.96 million excluding interest.

This claim is denied by the entity, and its lawyers are in the process of preparing a defence and counterclaim.

On 2 February 2005, WCG appointed administrators following the collapse of its parent, Walter Bau, in Germany. The consequences of this on WCG's statement of claim will not be known for some time.

At this time it is not practicable to estimate the quantum, if any, of any future liability.

Note 5 Earnings per share

	Half-year	
	2004	2003
	Cents	Cents
Basic earnings per share	<u>2.65</u>	<u>2.15</u>
	2004	2003
	Number	Number
Weighted average number of shares used as the denominator	360,000,000	360,000,000
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share and alternative basic earnings per share	<u>360,000,000</u>	<u>360,000,000</u>
	Half-year	
	2004	2003
	\$'000	\$'000
Reconciliations of earnings used in calculating earnings per share		
Net profit for the year	<u>9,559</u>	<u>7,747</u>
Earnings used in calculating basic earnings per share	<u>9,559</u>	<u>7,747</u>

SUGAR TERMINALS LIMITED

Directors' declaration

The directors declare that the financial statements and notes set out on pages 3 to 9

- (a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (b) give a true and fair view of the company's financial position as at 31 December 2004 and of its performance, as represented by the results of its operations and its cash flows, for the half-year ended on that date.

In the directors' opinion:

- (a) the financial statements and notes are in accordance with the Corporations Act 2001; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



MD Brown
Director
Brisbane
8 March 2005



S. Guazzo
Director
Brisbane
8 March 2005

Independent review report to the members of Sugar Terminals Limited

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Sugar Terminals Limited:

- does not give a true and fair view, as required by the Corporations Act 2001 in Australia, of the financial position of the Sugar Terminals Limited as at 31 December 2004 and of its performance for the half-year ended on that date, and
- is not presented in accordance with the Corporations Act 2001, Accounting Standard AASB 1029: Interim Financial Reporting and other mandatory financial reporting requirements in Australia, and the Corporations Regulations 2001.

This statement must be read in conjunction with the rest of our review report.

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for the Sugar Terminals Limited, for the half-year ended 31 December 2004.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted an independent review in order for the company to lodge the financial report with the Australian Securities and Investments Commission. Our review was conducted in accordance with Australian Auditing Standards applicable to review engagements.

We performed procedures in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report does not present fairly, in accordance with the Corporations Act 2001, Accounting Standard AASB 1029: Interim Financial Reporting and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the consolidated entity's financial position, and its performance as represented by the results of its operations and cash flows.

We formed our statement on the basis of the review procedures performed, which included:

- inquiries of company personnel/the responsible entity's personnel, and
- analytical procedures applied to financial data.

When this review report is included in a document containing information in addition to the financial report, our procedures include reading the other information to determine whether it contains any material inconsistencies with the financial report.

These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit, and accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

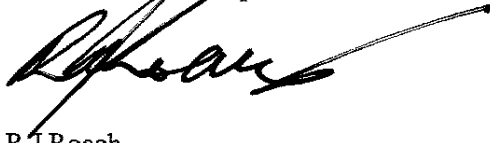
Our review did not involve an analysis of the prudence of business decisions made by directors or management.

Independence

In conducting our review, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

The logo for PricewaterhouseCoopers, featuring the company name in a stylized, cursive script.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'R J Roach'.

R J Roach
Partner

Brisbane
8 March 2005