RIDLEY

12 February 2007

RIDLEY ANNOUNCES HALF YEAR RESULTS AND FULL YEAR EARNINGS GUIDANCE

Ridley Corporation Limited (Ridley) today announced a net profit for the half year to 31 December 2006 of $11.9 million. This compares to a net profit of $14.7 million last year. At the operating level, profit before tax and minority interest was virtually unchanged at $26.9 million.

Ridley's Australian based businesses, Ridley AgriProducts and Cheetham Salt, performed strongly with increases in operating EBIT of 13% and 9% respectively. The North American business was 10% down on last year. The net result was impacted by asset impairment charges totalling $3.1 million net of tax and minority interest, relating to the planned closure of two plants, one in Canada, and the other in Australia.

The interim dividend has been maintained at 3.50 cents per share, which is 50% franked.

RESULTS SUMMARY

	6 months to December 2006 A$ million	6 months to December 2005 A$ million	% Change
Sales revenue	716.1	635.6	12.7
Operating EBIT*	**34.3**	**33.6**	**2.0**
Interest expense (net) & borrowing costs	7.4	6.9	-7.3
Operating profit before tax & minority interest*	26.9	26.7	0.7
Net profit	**11.9**	**14.7**	**-18.8**
Dividends (cps) ˣ	**3.50**	**3.50**	-

* Before impairment charges & closure costs, Canadian legal claim costs and discontinued operations
ˣ 50% franked

DIVIDEND

Directors have declared an unchanged dividend of 3.50 cents per share that is 50% franked. The dividend is payable on 30 March 2007 to shareholders on the register at 5:00pm on 28 February 2007.

REVIEW OF OPERATIONS

AUSTRALIA

Ridley AgriProducts

EBIT at $9.3 million was up 13% compared to $8.2 million last year. Feed volumes increased in all species sectors, with beef performing particularly strongly. Total sales volumes were up 99,100 tonnes or 12%. Drought conditions across the country have contributed to high raw material prices and scarcity of some inputs. With the exception of the dairy sector, producers have generally been able to pass on increased feed costs.

Cheetham Salt

Salt earnings were up 9% from $11.8 million last year to $12.9 million this year. Margin improvement, increased sales to the Queensland agricultural sector and tight cost control led to this increase. Profits from Ridley's joint venture operations (principally the Salpak salt marketing business in Australia and Dominion Salt in New Zealand) were inline with last year at $3.2 million.

NORTH AMERICA / RIDLEY INC

US Feed Operations

Earnings of $8.3 million were 8% down on the $9.0 million last year (in US dollars EBIT was US$6.3 million, down 7%). Last year's result benefited from the inclusion of $1.0 million received from a supplier in respect of a claim settlement. After allowing for this, operating EBIT was up by 4%. Reduced margins for feed ingredients and flat volumes due to the mild winter were offset by improved margins for bulk feeds.

Canadian Feed Operations

Earnings decreased substantially to $2.2 million compared to $4.7 million last year (in Canadian dollars EBIT was C$1.9 million, compared to C$4.2 million last year). The strength of the Canadian dollar has had a significant impact on Canadian pork producers, which together with competitive pressures, have led to lower sales of high margin ingredient products.

Ridley Nutrition Solutions

No hurricane disruptions this year have helped earnings increase by 24% to $6.8 million from $5.5 million last year (in US dollars EBIT was US$5.1 million, up 26%). Good product mix and margin management offset the subdued sales volumes due to generally mild conditions, particularly in the second quarter.

ASSET IMPAIRMENT CHARGES

The closure of a plant in Canada and planned capacity optimisation in Australia resulted in asset impairment charges and closure costs of $6.1 million, $3.1 million net of tax and minority interest. Ridley expects that plant closures will take place from time to time as it selectively acquires new milling capacity and seeks to optimise the use of assets. In this case, future earnings will improve marginally and significant capital expenditure, which would have been necessary if the facilities were to remain operational, will be avoided.

LEGAL COSTS

Legal costs incurred by Ridley Inc in defending the legal claims in Canada reduced this year's earnings by a net $0.6 million (after tax and minority interest) compared to $1.1 million last year.

OUTLOOK

Ridley expects its net operating earnings (before asset impairment charges and Canadian legal fees) for the year to be in the range $26.0 to $29.0 million compared to last year's $29.5 million. Asset impairment charges and the net impact of legal fees incurred in Canada will reduce the bottom line result by approximately $5 million. Overall Net Profit after tax is expected to be in the range of $21.0 to $24.0 million, compared to $27.7 million last year.

For further information please contact:

Matthew Bickford-Smith Chief Executive Officer Ridley Corporation Limited GPO Box 4330 Sydney NSW 2001 Telephone: 02 8227 6100	Ian Wilton Chief Financial Officer Ridley Corporation Limited GPO Box 4330 Sydney NSW 2001 Telephone: 02 8227 6100

Appendix 4D

Half yearly report

Ridley Corporation Limited

Half year ended ('current period')

ABN 33 006 708 765

31 December 2006

Results for Announcement to the Market

				$A000
Revenues from ordinary activities	up	12%	to	717,438
Profit from ordinary activities after tax attributable to members	down	19%	to	11,915
Net profit for the period attributable to members	down	19%	to	11,915

Dividends	Amount per security	Franked amount per security
Final dividend (prior year) Paid 10 October 2006	3.50¢	1.75¢
Interim dividend Payable 30 March 2007	3.50¢	1.75¢

Record date for determining entitlements to the dividend, and last date for receipt of election notices for Dividend Reinvestment Plan. 28 February 2007

Brief Explanation

See attached Press Release

RIDLEY CORPORATION LIMITED

Directors' Report for the Half Year Ended 31 December 2006

The Directors present their report on the consolidated entity consisting of Ridley Corporation Limited and the entities it controlled at the end of, or during, the half year ended 31 December 2006.

Directors

The Directors of Ridley Corporation Limited at any time during or since the half year are as follows:

J S Keniry	M P Bickford-Smith
E B Bryan	R J Lee
R J Lotze	A L Vizard

Review of Operations

The review of operations is included in the attached press release.

Results

The consolidated profit after tax and minority interest for the half year ended 31 December 2006 was $11,915,000. Further details are included in the attached Appendix 4D.

Rounding of Amounts to Nearest Thousand Dollars

The Company is of a kind referred to in Class Order 98/0100 issued by the Australian Securities and Investment Commission relating to the "rounding off" of amounts in the Directors' Report and financial report. Amounts in the Directors' Report and the financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is on Page 3.

Signed at Sydney on 12 February 2007 in accordance with a resolution of the Directors.

JS Keniry
DIRECTOR

RJ Lotze
DIRECTOR

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers
ABN 52 780 433 757

Darling Park Tower 2
201 Sussex Street
GPO BOX 2650
SYDNEY NSW 1171
DX 77 Sydney
Australia
www.pwc.com/au
Telephone +61 2 8266 0000
Facsimile +61 2 8266 9999

Auditor's Independence Declaration

As lead auditor for the review of Ridley Corporation Limited for the half year ended 31 December 2006, I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Ridley Corporation Limited and the entities it controlled during the period.

SJ Bourke
Partner
PricewaterhouseCoopers

Sydney
12 February 2007

INCOME STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2006

	Note	CONSOLIDATED DEC 2006 $000	DEC 2005 $000
Sales revenue from continuing operations		716,070	635,643
Cost of sales		621,109	543,350
Gross Profit		**94,961**	**92,293**
Other revenues from continuing operations	2	1,368	2,604
Other income	3	219	69
Other expenses from continuing operations			
Selling and distribution		(29,377)	(29,577)
General and administrative		(33,373)	(32,056)
Finance costs		(8,028)	(7,552)
Other		(3,678)	(3,871)
Impairment of assets		(5,650)	-
Share of net profits of associates	10	3,174	3,067
Profit from continuing operations before income tax expense		**19,616**	**24,977**
Income tax expense		6,361	6,905
Profit from continuing operations after income tax expense		**13,255**	**18,072**
Profit/(loss) from discontinued operations after tax		506	(81)
Profit for half year		**13,761**	**17,991**
Net profit attributable to minority interest		1,846	3,325
Net profit after income tax attributable to members of Ridley Corporation Limited		**11,915**	**14,666**
		Cents	Cents
Basic earnings per share from continuing operations	11	4.02	5.36
Basic earnings per share	11	4.19	5.33
Diluted earnings per share from continuing operations	11	4.02	5.35
Diluted earnings per share	11	4.19	5.32

BALANCE SHEET AS AT 31 DECEMBER 2006

	CONSOLIDATED	
	DEC 2006 $000	JUN 2006 $000
Current Assets		
Cash and cash equivalents	4,283	7,400
Receivables	159,409	120,102
Inventories	154,558	128,293
Other current assets	82	176
Derivative financial instruments	633	621
Total Current Assets	**318,965**	**256,592**
Non-Current Assets		
Receivables	1,755	2,719
Investments accounted for using the equity method	44,074	44,074
Property, plant and equipment	390,278	404,674
Intangible assets	64,740	68,337
Retirement benefit asset	245	135
Other non-current assets	68	378
Total Non-Current Assets	**501,160**	**520,317**
Total Assets	**820,125**	**776,909**
Current Liabilities		
Payables	179,752	136,850
Interest bearing liabilities	9,441	6,125
Current tax liabilities	3,838	-
Provisions	13,913	13,370
Total Current Liabilities	**206,944**	**156,345**
Non-Current Liabilities		
Interest bearing liabilities	176,781	172,737
Deferred tax liabilities	33,886	39,386
Provisions	1,588	2,180
Retirement benefit obligation	11,285	12,191
Total Non-Current Liabilities	**223,540**	**226,494**
Total Liabilities	**430,484**	**382,839**
Net Assets	**389,641**	**394,070**

BALANCE SHEET AS AT 31 DECEMBER 2006 (Cont'd)

	CONSOLIDATED	
	DEC 2006 $000	JUN 2006 $000
Equity		
Contributed equity	216,592	210,633
Reserves	75,663	85,938
Retained profits	43,783	41,626
Total Parent Entity Interest	**336,038**	**338,197**
Minority interest	53,603	55,873
Total Equity	**389,641**	**394,070**
Net Tangible Assets per share	$1.00	$1.01

The above Balance Sheet should be read in conjunction with the accompanying notes.

STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE HALF YEAR ENDED 31 DECEMBER 2006

	CONSOLIDATED	
	DEC 2006 $000	DEC 2005 $000
Income and expenses recognised directly in equity		
Employee share options	-	216
Cashflow hedge reserve, net of tax	175	-
Gain/(loss) on revaluation of land & buildings	(1,664)	-
Deferred tax recognised on revaluation of land & buildings	528	-
Adjustment on adoption of AASB 132 and AASB 139	-	(217)
Actuarial gains/(losses) on defined benefit superannuation and pension plans, net of tax	-	(180)
Exchange differences on translation of foreign operations	(13,761)	9,102
Other	-	296
Total	**(14,722)**	**9,217**
Profit for the half year	13,761	17,991
Total recognised income and expense for the half year	**(961)**	**27,208**
Total recognised income and expense for the half year is attributable to:		
Members of Ridley Corporation Limited	1,665	21,033
Minority interest	(2,626)	6,175
	(961)	**27,208**

The above statement of recognised income and expense should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2006

	CONSOLIDATED DEC 2006 $000 Inflows (Outflows)	DEC 2005 $000 Inflows (Outflows)
Cash flows from operating activities		
Receipts from customers	719,463	666,675
Payments to suppliers and employees	(700,784)	(637,683)
Dividends received	1,971	2,402
Interest received	846	701
Interest and other costs of finance paid	(9,830)	(6,792)
Income taxes paid	(6,639)	(2,025)
Net cash inflow from operating activities	**5,027**	**23,278**
Cash flows from investing activities		
Payments for acquisition of businesses and controlled identities net of cash acquired	-	(10,140)
Payments for property, plant and equipment	(16,437)	(7,942)
Proceeds from sale of non-current assets	581	362
Issue of customer loans	(1,323)	(819)
Repayment of customer loans	932	939
Net cash outflow from investing activities	**(16,247)**	**(17,600)**
Cash flows from financing activities		
Proceeds from issue of equity instruments	971	613
Proceeds from borrowings	114,967	45,548
Repayment of borrowings	(101,416)	(49,795)
Dividends paid	(4,574)	(5,563)
Net cash inflow/(outflow) from financing activities	**9,948**	**(9,197)**
Net decrease in cash held	**(1,272)**	**(3,519)**
Cash at the beginning of the financial year	**1,522**	**7,496**
Effects of exchange rate variations on cash	**(259)**	**295**
Cash at the end of the half year	**(9)**	**4,272**

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Note 1 – Summary of Significant Accounting Policies

Basis of Preparation of Half Year Financial Report

This general purpose financial report for the interim half year reporting period ended 31 December 2006 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting*, 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 of the year ended 30 June 2006 and any public announcements made by Ridley Corporation Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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

New accounting standards and UIG interpretations

Certain new accounting standards and UIG interpretations have been published that are not mandatory for 31 December 2006 reporting periods. The Group has not made an assessment of the impact of these new standards and interpretations. The new accounting standards and UIG interpretations are as follows:

AASB 7: Financial instruments: Disclosures
AASB 121: The Effects of Changes in Forex rates - Compiled version
AASB 132: Financial instruments: Presentation - Compiled version
AASB 139: Financial instruments - Recognition & Measurements - Compiled version
AASB 119: Employee Benefits: Accounting for actuarial gains and losses and group plans
UIG 5: Rights to interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
AASB 2005-6: Amendments to Australian Accounting Standards [AASB 3]: Business combinations involving entities under common control
AASB 2006-1: Amendments to Australian Accounting Standards [AASB 121]: Clarification regarding monetary items forming part of the net investment in a foreign operation

	CONSOLIDATED	
	DEC 2006 $000	DEC 2005 $000
Note 2 – Revenue		
Revenue from continuing operations:		
Sale of goods	716,070	635,643
Other revenue:		
Interest received / receivable	675	701
Other	693	1,903
	1,368	**2,604**
Note 3 – Other Income		
Profit on sale of property, plant and equipment	164	67
Foreign exchange gains - net	55	2
	219	**69**

	CONSOLIDATED DEC 2006 $000	CONSOLIDATED DEC 2005 $000
Note 4 – Expenses		
Profit from continuing operations before income tax is arrived at after charging and crediting the following items:		
Depreciation and amortisation:		
Land and buildings	1,826	1,609
Plant and equipment	9,076	8,430
Lease assets	45	67
Software	420	357
Trademarks, patents and other rights	56	57
	11,423	**10,520**
Finance costs:		
Interest expense	7,659	7,100
Amortisation of borrowing costs	369	452
	8,028	**7,552**
Canadian law suit costs	**1,189**	**1,772**

Note 5 – Significant items
Plant impairment and closure costs:

Impairment of assets	5,650	-
Closure costs	478	-
	6,128	**-**

Note 6 – Business Segment Data

Business Segment Data – 31 December 2006

	SALT	STOCKFEED AND FEED SUPPLEMENTS				UNALLOCATED	ELIMINATIONS	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS	TOTAL
		Australia Feeds	Canada Feeds	US Feeds	US Nutrition Solutions					
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
Sales - External	48,374	311,874	86,467	224,194	45,161	-	-	716,070	-	716,070
Sales - Internal	1,299	-	80	4,831	20,164	-	(26,374)	-	-	-
Total sales revenue	**49,673**	**311,874**	**86,547**	**229,025**	**65,325**	**-**	**(26,374)**	**716,070**	**-**	**716,070**
Share of profit of associates	3,174	-	-	-		-	-	3,174	-	3,174
Other revenue	92	354	120	320	26	-	-	912	-	912
Total revenue	**52,939**	**312,228**	**86,667**	**229,345**	**65,351**	**-**	**(26,374)**	**720,156**	**-**	**720,156**
Result from operations	12,860	9,272	2,232	8,286	6,797	(6,350)	-	33,097	(1,002)	32,095
Impairment of assets and closure costs	-	(1,500)	(4,628)	-	-	-	-	(6,128)	-	(6,128)
Segment results	**12,860**	**7,772**	**(2,396)**	**8,286**	**6,797**	**(6,350)**	**-**	**26,969**	**(1,002)**	**25,967**
Net finance costs								(7,353)	-	(7,353)
Profit from continuing operations before income tax								**19,616**	**(1,002)**	**18,614**
Income tax expense								(6,361)	1,508	(4,853)
Net profit								**13,255**	**506**	**13,761**
Segment assets	263,339	257,456	82,333	139,070	71,764	5,709	-	819,671	454	820,125
Segment liabilities	12,904	106,228	18,492	57,252	6,911	227,870	-	429,657	827	430,484
Depreciation and amortisation expense	1,777	3,574	1,632	3,104	1,325	380	-	11,792	-	11,792

Note 6 – Business Segment Data

Business Segment Data – 31 December 2005

	SALT	STOCKFEED AND FEED SUPPLEMENTS				UNALLOCATED	ELIMINATIONS	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS	TOTAL
		Australia Feeds	Canada Feeds	US Feeds	US Nutrition Solutions					
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
Sales - External	43,989	245,270	85,706	216,270	44,408	-	-	635,643	-	635,643
Sales - Internal	1,620	-	209	4,539	18,640	-	(25,008)	-	-	-
Total sales revenue	**45,609**	**245,270**	**85,915**	**220,809**	**63,048**	-	**(25,008)**	**635,643**	-	**635,643**
Share of profit of associates	3,067	-	-	-	-	-	-	3,067	-	3,067
Other revenue	114	421	149	1,237	12	39	-	1,972	-	1,972
Total revenue	**48,790**	**245,691**	**86,064**	**222,046**	**63,060**	**39**	**(25,008)**	**640,682**	-	**640,682**
Segment results	11,817	8,217	4,695	8,979	5,461	(7,341)	-	31,828	(81)	31,747
Net finance costs	-	-	-	-	-	-	-	(6,851)	-	(6,851)
Profit from continuing operations before income tax	-	-	-	-	-	-	-	**24,977**	**(81)**	**24,896**
Income tax expense	-	-	-	-	-	-	-	(6,905)	-	(6,905)
Net profit	-	-	-	-	-	-	-	**18,072**	**(81)**	**17,991**
Segment assets	265,509	188,600	89,487	136,873	73,974	25,047	-	779,490	1,041	780,531
Segment liabilities	12,255	75,225	21,260	54,290	7,517	236,373	-	406,920	390	407,310
Depreciation and amortisation expense	1,699	3,264	1,249	2,994	1,255	511	-	10,972	-	10,972

NB: December 2005 segment results for Canada Feeds, US Feeds and US Nutrition Solutions have been restated on the same allocation basis as December 2006.

Note 6 – Business Segment Data

Business Segments

The consolidated entity is organised into the following divisions by product type:

Stockfeed and Feed Supplements	Produces and markets stock and poultry feeds, aquafeeds, vitamins, mineral supplements and rural merchandise.
Salt	Produces, refines and markets salt and has investments in associated companies.
Discontinued Operations	Swine genetics.

The basis of intersegmental transfers is market pricing.

Results are calculated on a before net borrowings and tax expense basis. Segment assets exclude deferred tax assets and cash, which have been included as unallocated assets.

Note 7 – Discontinued Operations

At 30 June 2003 all of the operations of the Cotswold Swine Genetics business in North America were written down to recoverable value. On 23 September 2003, a consolidated entity sold the major assets of the business.

On 10 May 2002 a consolidated entity sold the Cotswold International – Europe swine genetics business. Settlement of residual assets and liabilities is expected by June 2007.

Financial information relating to the discontinued operations is set out below. Further information is disclosed in note 6, Business Segment Data.

	CONSOLIDATED	
	DEC 2006 $000	DEC 2005 $000
Revenue from discontinued operations	-	-
Total revenue from discontinued operations	-	-
Expenses from discontinued operations, excluding the carrying amount of assets sold	1,002	81
	1,002	81
Loss from discontinued operations before income tax	(1,002)	(81)
Income tax benefit	1,508	-
Net profit/(loss)	506	(81)

Carrying amount of assets and liabilities as at 31 December 2006 and 30 June 2006

	CONSOLIDATED	
	DEC 2006 $000	JUN 2006 $000
Cash	454	-
Deferred receivable	-	1,106
Total assets	454	1,106
Payables and accrued liabilities	827	81
Total liabilities	827	81
Net assets/(liabilities)	(373)	1,025

Note 7 – Discontinued Operations (Cont'd)

Cash flow information for the half year ended 31 December 2006 and 31 December 2005

	DEC 2006 $000	DEC 2005 $000
Net cash inflow/(outflow) from discontinued operations	375	(81)
	375	(81)

Note 8 – Dividends

Dividends

Ordinary

Final dividend paid on 10 October 2006 (7 October 2005) 3.50 cents, 1.75 cents franked (Dec 2005: 3.25 cents 1.62 franked) per share	9,862	8,894
Total dividends paid	9,862	8,894

Dividends not recognised at half year end

In addition to the above dividends, since half year end the directors have approved payment of an interim dividend of 3.50 cents, 50% franked (Dec 2005: 3.50 cents 50% franked) per fully paid share payable on 30 March 2007 (Dec 2005: 31 March 2006). The aggregate amount of the proposed dividend expected to be paid out of retained profits at 31 December, but not recognised as a liability at year end:	10,049	9,693

Note 9 – Equity securities issued

	Half Year		Half Year	
	2006 Shares	2005 Shares	2006 $000	2005 $000
Issue of ordinary shares during the half year				
Dividend Reinvestment Plan	4,597,512	2,363,596	5,214	3,277
Employee Incentive Option Scheme	750,000	900,000	703	597
	5,347,512	3,263,596	5,917	3,874

Note 10 – Investments in Associates

Name of Company	Principal Activity	Country of Incorporation	Ownership Interest 2006	Ownership Interest 2005	Contribution to Net Profit 2006 $000	Contribution to Net Profit 2005 $000
Salpak Pty Ltd	Salt Marketing	Australia	49%	49%	1,143	1,074
Western Salt Refinery Pty Ltd	Salt Production & Distribution	Australia	50%	50%	148	101
Dominion Salt Limited and Dominion Salt (N.I.) Limited	Salt Production & Distribution	New Zealand	50%	50%	1,722	1,718
Cerebos-Skellerup Limited	Salt Marketing	New Zealand	49%	49%	161	174
TOTAL					**3,174**	**3,067**

The above comprise interests in the ordinary share capital of the associates. The balance date of Salpak Pty Ltd and Cerebos-Skellerup Limited is 30 September, and 30 June for Western Salt Refinery Pty Ltd, Dominion Salt Limited and Dominion Salt (N.I.) Limited.

	CONSOLIDATED	
	2006	**2005**
	Cents	Cents
Note 11 – Earnings per share		
Basic earnings per share from continuing operations	4.02	5.36
Basic earnings per share	4.19	5.33
Diluted earnings per share from continuing operations	4.02	5.35
Diluted earnings per share	4.19	5.32
Weighted average number of ordinary shares outstanding during the half year used in the calculation of basic earnings per share.	284,140,153	275,079,598
Weighted average number of ordinary shares outstanding during the half year used in the calculation of diluted earnings per share.	284,140,153	275,493,378

	2006		**2005**	
	Earnings per share		**Earnings per share**	
	Basic $000	**Diluted $000**	**Basic $000**	**Diluted $000**
Profit from continuing operations after income tax	13,255	13,255	18,072	18,072
Profit/(loss) from discontinued operations	506	506	(81)	(81)
Net profit attributable to minority interests	(1,846)	(1,846)	(3,325)	(3,325)
Profit attributable to members and earnings used in calculating earning per share	11,915	11,915	14,666	14,666

Weighted average number of shares used as the denominator	**Basic**	**Diluted**	**Basic**	**Diluted**
Weighted average number of shares on issue	284,140,153	284,140,153	275,079,598	275,079,598
Plus dilutive options below share price	-	-	-	413,780
Weighted average number of shares used as the denominator in calculating basic and diluted earnings per share	284,140,153	284,140,153	275,079,598	275,493,378

2,180,578 shares issued under the Ridley Employee Share Scheme have been accounted for as in-substance options.

Options
Options granted to employees under the Ridley Incentive Option Plan are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share.

Note 12 – Contingent liabilities

Legal Claim

The Canadian law suits have been struck out or discontinued against Ridley Corporation Limited in all provinces.

The actions by proposed representative plaintiffs continue against Government of Canada and Ridley Inc, a 69% subsidiary of Ridley Corporation, in Alberta, Saskatchewan, Quebec and Ontario. They seek to certify class actions to include all Canadian cattle farmers who allegedly suffered damage as a result of the imposition of international bans on the import of Canadian beef and cattle following the May 2003 diagnosis of Bovine Spongiform Encephalopathy (BSE) in a cow in Alberta, Canada.

The proposed representative plaintiffs seek general, special, aggravated and punitive damages on behalf of themselves and each of the proposed Canadian cattle farmer class members. Full particulars of the claims are yet to be provided.

The actions in Ontario and Quebec are still at an early stage, and the actions in Saskatchewan and Alberta are in abeyance. There has been no decision made on the merits of the actions in any province, and the actions have not yet been certified or authorised to proceed to trial in any province.

In Ontario, appeals against different aspects of the decision refusing to strike out the claims against Ridley Inc and the Government of Canada are listed for hearing in February, and a decision is expected likely in the latter part of calendar 2007. In Quebec, the authorisation hearing to determine if the action should go to a merits trial as a class action was heard in October 2006, but no decision has yet been given.

At this time Ridley Corporation cannot determine what impact, if any, these law suits against Ridley Inc may have on it, or its future earnings, and no provisions have been made in respect of the actions. Ridley Inc believes there is little prospect of any of its insurers responding favourably, and the lawsuits will continue to be funded from operating cashflow and expensed as incurred.

Directors' Declaration

In the directors' opinion:

a. the financial statements and notes set out on pages 4 to 18 are in accordance with the Corporations Act 2001 including:

   i. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
   ii. giving a true and fair view of the consolidated entity's financial position as at 31 December 2006 and of its performance, as represented by the results of its operations and its cash flows, for the half year ended on that date; and

b. there are reasonable grounds to believe that Ridley Corporation Limited 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.

J S Keniry
DIRECTOR

R J Lotze
DIRECTOR

Sydney
12 February 2007

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers
ABN 52 780 433 757

Darling Park Tower 2
201 Sussex Street
GPO BOX 2650
SYDNEY NSW 1171
DX 77 Sydney
Australia
www.pwc.com/au
Telephone +61 2 8266 0000
Facsimile +61 2 8266 9999

Independent review report to the members of Ridley Corporation Limited

Matters relating to the electronic presentation of the audited financial report

This audit report relates to the financial report of Ridley Corporation Limited (the Company) for the half year ended 31 December 2006 included on Ridley Corporation Limited's web site. The Company's directors are responsible for the integrity of the Ridley Corporation Limited web site. We have not been engaged to report on the integrity of this web site. The audit report refers only to the financial report identified below. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

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 Ridley Corporation Limited:

- does not give a true and fair view, as required by the *Corporations Act 2001* in Australia, of the financial position of the Ridley Corporation Limited Group (defined below) as at 31 December 2006 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 134: *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 balance sheet, income statement, statement of changes in equity, cash flow statement, accompanying notes to the financial statements, and the directors' declaration for the Ridley Corporation Limited Group (the consolidated entity), for the half year ended 31

December 2006. The consolidated entity comprises both Ridley Corporation Limited (the company) and the entities it controlled during that half year.

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. For further explanation of a review, visit our website http://www.pwc.com/au/financialstatementaudit.

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 134: *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, changes in equity 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.

Our procedures include reading the other information included with the financial report 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*.

PricewaterhouseCoopers

SJ Bourke
Partner

Sydney
12 February 2007