



JOHN SHEARER (HOLDINGS) LIMITED

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John Shearer (Holdings) Limited impacted by difficult trading conditions

John Shearer Directors wish to advise the market that profit before income tax for the six months to December 2007 is expected to be in the range of \$1.75m. After tax, it is expected to be around \$1.225m.

This compares with the corresponding half year of \$3m before tax and \$2.113m after tax which, however, included a pre tax profit of nearly \$1m on sale of real estate.

Group turnover is expected to be \$19.5m compared with \$20.5m last year. Profit has been affected by the continuation of extreme drought conditions across Australia, and continuing cost pressures in manufacturing.

As previously reported, the Company is establishing its own operations in China to supply Australia and other markets with competitively priced products.

Despite the difficult trading conditions, Directors anticipate maintaining an interim dividend of 6 cents per share in respect of the six months ended December 30, 2007.

At this time Directors believe that earnings for the second half of this financial year will be in line with the first half's results.

For further information contact

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