



15 February 2013

The Manager, Listings
Australian Securities Exchange
Company Announcements Office
Level 4,
Exchange Centre
20 Bridge Street
Sydney, NSW 2000

Via e-lodgement

Dear Sir

**Tassal Group Limited (TGR): Market Release
Results for the Half-Year Ended 31 December 2012**

We attach the following:

1. Results Announcement for the Half-Year Ended 31 December 2012.
2. Appendix 4D – “Half-Year Report” incorporating the consolidated financial report and the Directors’ Report.
3. Media Release.
4. Investor Presentation – Results for the six months ended 31 December 2012.

Please release this information to the market.

Yours faithfully

A handwritten signature in blue ink, appearing to read "Monika Maedler".

Monika Maedler
Company Secretary
Tassal Group Limited

Tassal Group Limited. ABN 15 106 067 270. Tassal Operations Pty Ltd. ABN 38 106 324 127
All correspondence to: GPO Box 1645 Hobart Tasmania Australia 7001 E: tassal@tassal.com.au www.tassal.com.au

Hobart: 2 Salamanca Square, Battery Point, Tasmania 7004
Melbourne: 344 High Street, Kew, Victoria 3101
Huonville: 20 Glen Road, Huonville, Tasmania 7109

P: 1300 66 0491
P: 1300 66 4731
P: 1300 66 4251

F: 1300 88 0179
F: 1300 88 1429
F: 1300 88 0239





TASSAL GROUP LIMITED
ABN 15 106 067 270

APPENDIX 4D
HALF-YEAR REPORT
for the Half-Year ended 31 December 2012
(previous corresponding period: Half-Year ended 31 December 2011)

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Compliance Statement

1. The attached financial report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Interpretations or other standards acceptable to ASX.
2. The attached financial report, and the accounts upon which the report is based, use the same accounting policies.
3. The attached financial report gives a true and fair view of the matters disclosed.
4. The attached financial report has been independently reviewed by the Company's auditors. The financial report is not subject to a qualified independent review statement.
5. The entity has a formally constituted Audit Committee.

A handwritten signature in black ink, appearing to read "A. McCallum".

A. McCallum
Chairman
Tassal Group Limited
Hobart, 15 February 2013



TASSAL GROUP LIMITED
 ABN 15 106 067 270

APPENDIX 4D
HALF-YEAR REPORT
 for the Half-Year ended 31 December 2012
 (previous corresponding period: Half-Year ended 31 December 2011)

RESULTS FOR ANNOUNCEMENT TO THE MARKET

| | Half-Year ended 31 December 2012 \$'000 | Half-Year ended 31 December 2011 \$'000 | Period Movement up / (down) \$'000 | Period Movement up / (down) % |
|--|--|--|---|--|
| Revenue (from all sources) | 134,966 | 127,550 | 7,416 | 5.81 |
| EBITDA | 33,311 | 28,959 | 4,352 | 15.03 |
| EBIT | 25,203 | 21,016 | 4,187 | 19.92 |
| Profit before income tax expense attributable to members | 22,079 | 17,974 | 4,105 | 22.84 |
| Income tax expense | (6,252) | (5,012) | 1,240 | 24.74 |
| Net profit after income tax expense attributable to members | 15,827 | 12,962 | 2,865 | 22.10 |
| Basic EPS – cents per share | 10.82cps | 8.86cps | | |

| Dividends (Ordinary Shares) | Amount per security | Franked amount per security |
|--|--------------------------------|--|
| Final dividend: - Previous financial year – payment date 11 October 2012 | 4.00c | 0.00c |
| Interim dividend: - Current reporting period * - payment date 3 April 2013 - Previous corresponding period – payment date 5 April 2012 | 4.50c 4.00c | 0.00c 0.00c |

*The financial effect of the Interim Dividend in respect of the current reporting period will be recognised in the next reporting period because it has been declared subsequent to 31 December 2012

| | |
|--|--------------|
| Record date for determining entitlements to the Interim Dividend | 8 March 2013 |
| Date of payment of Interim Dividend | 3 April 2013 |

Brief explanation of any of the figures reported above necessary to enable figures to be understood.

Refer to the "Review of Operations" section at Item 4 in the accompanying Directors' Report which forms part of the Appendix 4D Half-Year Report, together with the Company's H1 2013 results media release.



TASSAL GROUP LIMITED
ABN 15 106 067 270

APPENDIX 4D
HALF-YEAR REPORT
for the Half-Year ended 31 December 2012
(previous corresponding period: Half-Year ended 31 December 2011)

RESULTS FOR ANNOUNCEMENT TO THE MARKET

| Reported Earnings Per Ordinary Fully Paid Share (EPS) | Current Period | Previous Corresponding Period |
|--|-----------------------|--------------------------------------|
| Basic EPS – cents per share | 10.82 | 8.86 |
| Diluted EPS – cents per share | 10.74 | 8.81 |

| NTA Backing | Current Period | Previous Corresponding Period |
|--|-----------------------|--------------------------------------|
| Net tangible asset backing per ordinary security | \$1.82 | \$1.69 |

TABLE A: Impact of AASB 141 “Agriculture”.

The following tables illustrate the effect on net profit after income tax after applying the AASB 141 “Agriculture” accounting standard.

| Half-year ended 31 December 2012 | AASB 141 Impact \$'000 |
|---|-------------------------------|
| Revenue (from all sources) | \$0 |
| EBITDA | \$5,186 |
| EBIT | \$5,186 |
| Profit before income tax expense | \$5,186 |
| Income tax expense | (\$1,556) |
| Net profit after income tax expense | \$3,630 |

| Half-year ended 31 December 2011 | AASB 141 Impact \$'000 |
|---|-------------------------------|
| Revenue (from all sources) | \$0 |
| EBITDA | \$2,900 |
| EBIT | \$2,900 |
| Profit before income tax expense | \$2,900 |
| Income tax expense | (\$870) |
| Net profit after income tax expense | \$2,030 |

Monika Maedler
 Company Secretary
 Tassal Group Limited
 15th February 2013



Tassal Group Limited

and its Controlled Entities

ABN 15 106 067 270

Appendix 4D: Half-Year Report (Pursuant to Listing Rule 4.2A)

**Financial Report for the Half-Year Ended
31 December 2012**

(The Half-Year financial report does not include all the notes of the type normally included in an Annual Financial Report. Accordingly, it is recommended that the Half-Year Report is read in conjunction with the Annual Financial Report of Tassal Group Limited for the Financial Year ended 30 June 2012 together with any public announcements made by Tassal Group Limited and its controlled entities during the half-year ended 31 December 2012 in accordance with the continuous disclosure requirements of the Listing Rules of the Australian Securities Exchange).

CONTENTS

Tassal Group Limited and its Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

| | |
|---|--------------|
| DIRECTORS' REPORT | 3-9 |
| AUDITOR'S INDEPENDENCE DECLARATION | 10 |
| CONDENSED CONSOLIDATED INCOME STATEMENT | 11 |
| CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME | 12 |
| CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION | 13 |
| CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY | 14 |
| CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS | 15 |
| NOTES TO THE CONDENSED FINANCIAL STATEMENTS | 16-22 |
| DIRECTORS' DECLARATION | 23 |
| INDEPENDENT REVIEW REPORT | 24 |

DIRECTORS' REPORT

Tassal Group Limited and its Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

The Directors of Tassal Group Limited ("Tassal" or "the Company") submit the financial report for the half-year ended 31 December 2012 of the consolidated entity, being the Company and its controlled entities.

In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

1. DIRECTORS

The names of the Directors of Tassal Group Limited who held office at any time during or since the end of the half-year are:

Name:

Mr Allan McCallum (Chairman)
Mr Mark Ryan (Managing Director and Chief Executive Officer)
Mr Trevor Gerber
Mr Christopher Leon
Mr Rudi Tsai
Mr John Watson

The above named Directors held office during the whole of the half-year, except for:
Mr Christopher Leon who was appointed on 31 October 2012

2. PRINCIPAL ACTIVITIES

During the half-year the principal activities of the consolidated entity were the farming, processing and marketing of Atlantic salmon.

There were no significant changes in the nature of the activities of the consolidated entity during the half-year.

3. REVIEW OF OPERATIONS

The Directors of Tassal Group Limited (**Tassal**) are pleased to present the Company's Appendix 4D: Half Year Report to 31 December 2012 (1H13).

The overarching strategic focus for Tassal remains to deliver sustainable long term returns to shareholders as the leader in salmon in Australia, selling a highly recognised ethical valued brand and product to Australian consumers and retailers.

The safety performance of the business is at an unacceptable level and as a response, Tassal has in the past year developed a health and safety strategy to deliver on our commitment to achieve a workplace where we deliver zero harm. Tassal's Board has endorsed the health and safety strategy which has as its prime value **Zero Harm For Everyone, Everywhere**

Tassal is committed to:

- a safe workplace and will not compromise on resources to deliver on its target of zero harm; and
- ensuring people work safely – to protect both themselves and their work mates.

Tassal's commitment to safety will work in conjunction with its focus on maximising shareholder value. Ultimately, no job is so important that it cannot be done safely.

Overall, maximum value will be achieved through growing underlying domestic market consumption per capita, which Tassal has been successfully doing. The cornerstone of this strategy is a focus towards increased core domestic retail and wholesale market penetration and distribution, and shifting away from lower return export and contract growing markets. Core domestic operating revenue for 1H13 increased 20.6% on 1H12, with this increase underpinned by a volume increase of 20.8%.

Tassal has made significant progress in 1H13 towards achieving its key strategic priorities that form the foundations for the Company's Strategic Plan:

- maximising cashflow – growing cashflows continue to be generated
- optimising the business – several achievements for 1H13:
 - successful marketing campaign put in place to drive per capita consumption and move volume into core domestic retail and wholesale markets and away from export and contract growing;
 - implemented new harvest strategy (**NHS**) – focus is on achieving optimal average size profile of harvest fish, together with maximising survival and overall biomass;
 - began commercialisation of selective breeding program (**SBP**) – with 59.2% input for the 2012 Year Class from SBP fish which will be harvested in FY2014. All of the input for the 2013 Year Class is forecast to come from SBP fish, with growth and AGD benefits underpinning SBP;

DIRECTORS' REPORT

Tassal Group Limited and its Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

- approval of Macquarie Harbour lease expansion – will allow an increase of 0.7 million to 2.1 million fish per annum to be input in Macquarie Harbour, where there are no effects of Amoeba Gill Disease (**AGD**); and
- implementing further sustainability initiatives – Tassal is now achieving best practice salmon production environmental practices which in turn has translated into operational certainty, competitive advantage in the market place and operational efficiencies.

In providing an overview of the financial and operational results, the Directors believe that Tassal is performing in line with its Strategic Plan.

Reflecting the Company's growing cashflows, strong balance sheet and growth outlook, the Directors of Tassal declared an unfranked interim dividend for FY2013 of 4.50 cents per share. This represents an increase of 12.5% on the FY2012 unfranked interim dividend of 4.00 cents per share. Dividend payments for FY2013 are expected to continue being unfranked.

Financial results

Statutory, Underlying and Operational Financial Performance

Tassal has followed the guidance for underlying profit as issued by the Australian Institute of Company Directors and Financial Services Institute of Australasia in March 2009 and ASIC Regulator Guide RG 230 'Disclosing non-IFRS financial information'.

The key financial highlights for 1H13 were:

| Half Year ended 31 December 2012 | Statutory Profit \$'000 | Non Recurring Items \$'000 | Underlying Profit \$'000 | AASB 141 Impact \$'000 | Operational Profit \$'000 |
|--|----------------------------|-------------------------------|-----------------------------|---------------------------|------------------------------|
| Revenue (from all sources) | \$134,966 | \$0 | \$134,966 | \$0 | \$134,966 |
| EBITDA | \$33,311 | \$0 | \$33,311 | (\$5,186) | \$28,125 |
| EBIT | \$25,203 | \$0 | \$25,203 | (\$5,186) | \$20,017 |
| Profit before income tax expense | \$22,079 | \$0 | \$22,079 | (\$5,186) | \$16,893 |
| Income tax expense | (\$6,252) | \$0 | (\$6,252) | \$1,556 | (\$4,696) |
| Net profit after income tax expense | \$15,827 | \$0 | \$15,827 | (\$3,630) | \$12,197 |

| Half Year ended 31 December 2011 | Statutory Profit \$'000 | Non Recurring Items \$'000 | Underlying Profit \$'000 | AASB 141 Impact \$'000 | Operational Profit \$'000 |
|--|----------------------------|-------------------------------|-----------------------------|---------------------------|------------------------------|
| Revenue (from all sources) | \$127,550 | \$0 | \$127,550 | \$0 | \$127,550 |
| EBITDA | \$28,959 | \$0 | \$28,959 | (\$2,900) | \$26,059 |
| EBIT | \$21,016 | \$0 | \$21,016 | (\$2,900) | \$18,116 |
| Profit before income tax expense | \$17,974 | \$0 | \$17,974 | (\$2,900) | \$15,074 |
| Income tax expense | (\$5,012) | \$0 | (\$5,012) | \$870 | (\$4,142) |
| Net profit after income tax expense | \$12,962 | \$0 | \$12,962 | (\$2,030) | \$10,932 |

Statutory results

The key 1H13 statutory financial results were:

- revenue up 5.8% to \$134.966 million (1H12: \$127.550 million);
- accounting standard AASB 141 'Agriculture' increment of \$5.186 million before tax (1H12: \$2.900 million);
- earnings before interest, tax, depreciation and amortisation (EBITDA) up 15.0% to \$33.311 million (1H12: \$28.959 million);
- earnings before interest and tax (EBIT) up 19.9% to \$25.203 million (1H12: \$21.016 million); and
- net profit after tax (NPAT) up 22.1% to \$15.827 million (1H12: \$12.962 million).

Underlying results

There were no non-recurring items recorded for 1H13 or 1H12.

DIRECTORS' REPORT

Tassal Group Limited and its Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

Operating results

From an operational perspective Tassal's performance reflected the Company's continued focus on delivering its overall Strategic Plan targets. The key 1H13 operating results highlights were:

- EBITDA up 7.9% to \$28.125 million (1H12: \$26.059 million);
- EBIT up 10.5% to \$20.017 million (1H12: \$18.116 million); and
- NPAT up 11.6% to \$12.197 million (1H12: 10.932 million).

Overall

- Operational EBITDA for Tassal was 7.9% higher as contribution margin \$ and \$/kg for both retail and wholesale markets continue to provide sustainable margins at levels above lower return export and contract growing market segments. Contribution margin from a \$ and \$/kg perspective was up 5.1% and 8.0% for 1H13.
- Statutory EBITDA was up 15.0%, with AASB 141 increment of \$5.186 million which was 78.8% higher than the increment for 1H12 at \$2.900 million.
- The increase in NPAT – both Operational NPAT at 11.6% and Statutory NPAT at 22.2% – was underpinned by the growth in EBITDA, together with relatively flat charges for both depreciation and interest expense
- Tassal's balance sheet improved further over 1H12:
 - Net assets increased by \$19.494 million to \$305.115 million
 - Operating cash flow was up 16.4% to \$22.228 million (1H12: \$19.102 million);
 - Gearing, as represented by net debt to equity, decreased to 23.7% (31 December 2011: 30.7%); and
 - Funding ratio, as represented by net debt plus receivable purchase facility, decreased to 42.8% (31 December 2011: 48.0%).

Operating results

The key operational priorities for FY2013 for Tassal were to ensure:

- we continue the growth of the Australian salmon per capita consumption;
- we implement an effective television and print media marketing campaign;
- we continue to move towards global best practice production costs; and
- we maximise the efficiency with respect to working capital management and minimising debt from free cash flow generation.

With respect to these key operational priorities for FY2013, we report as follows:

- Growing per capita consumption
 - Tassal has been able to significantly grow core base domestic sales from both a volume and revenue perspective which has allowed the company to strategically reduce lower return export and contract growing sales. Fundamental in allowing this has been Tassal's continued focus on increasing growth of domestic per capita consumption, which has been underpinned by the company's successful marketing campaign and new harvest strategy.

DIRECTORS' REPORT

Tassal Group Limited and its Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

| Operating Revenue (A\$m) | 1H13 | 1H12 | Change |
|--------------------------------|--------|--------|-----------|
| Domestic (Core) | 129.20 | 107.14 | ↑ 20.6% |
| Contract Growing | 2.10 | 6.92 | ↓ (69.7%) |
| Export | 0.65 | 11.19 | ↓ (94.2%) |
| Total | 131.95 | 125.25 | ↑ 5.4% |
| Hog Equiv Volume Tonnes ('000) | 1H13 | 1H12 | Change |
| Domestic (Core) | 10,528 | 8,717 | ↑ 20.8% |
| Contract Growing | 269 | 974 | ↓ (72.4%) |
| Export | 226 | 1,637 | ↓ (86.2%) |
| Total | 11,023 | 11,328 | ↓ (2.7%) |

- The cornerstone of this strategy is a focus towards increased core domestic retail and wholesale market penetration and distribution, and shifting away from lower return export and contract growing markets. Core domestic operating revenue for 1H13 increased 20.6% on 1H12 underpinned by a volume increase of 20.8%. In particular:
 - retail market sales revenue was up 22.1% to \$88.343 million (1H12: \$72.330 million) – with volume up 25.1% to 6,991 hog equivalent tonnes; and
 - wholesale market sales revenue (not including contract growing sales) was up 17.4% to \$40.872 million (1H12: \$34.811 million) – with volume up 13.0% to 3,536 hog equivalent tonnes.
- Marketing Campaign
 - Tassal's marketing campaign has been a success – driving growth in per capita consumption in the Company's core retail and wholesale markets and allowing for a transition of supply volumes away from lower return export and contract growing sales channels;
 - The marketing campaign was designed through research to address a long term behaviour change program that achieved Tassal's growth objectives over a 5 year period and lead to permanent increase in Tassal salmon domestic consumption on a per capita basis. We needed a big idea to meet our sustained growth objectives;
 - Market research demonstrated that Tassal needed to increase the frequency of purchase – which was low compared to other protein groups. Increasing frequency was about targeting the once a month, every few months and twice a year target group to purchase more frequently;
 - The creative design of the campaign was developed so that it could last over a 3 year period to ensure that consumers were receiving frequent and consistent messages to influence a change in their behaviour patterns;
 - The strategy for the first 12 months of the marketing campaign was to select TV as the primary media to commence the marketing campaign – then follow with other media mediums (i.e. magazines, newspaper advertisements etc.) – with a “blast” of TV again – and then finished with the other media mediums. Overall, the campaign keeps building on itself – spending upfront to get the real benefits 3 to 6 months later.
- Global best practice production costs
 - Tassal continued to work towards global best practice with respect to production costs. Critical to achieving this in FY2013 are:
 - the successful implementation of the NHS;
 - the successful implementation of the commercial SBP;
 - continued innovative fish husbandry practices;
 - Macquarie Harbour lease expansion;
 - achieving best practice processing returns;
 - implementing further sustainability initiatives; and
 - appropriate risk mitigation.
 - NHS is now fully implemented, with the aim of optimising average harvest fish size profiles, together with maximising survival and overall biomass growing costs. From an operational perspective:
 - all South East harvest fish for FY13 were removed by 8 January 2013 (previous year was 22 March 2012, with Summer 2012 resulting in significant mortality and ultimately biomass loss);
 - all Macquarie Harbour fish to be harvested to end of April 2013 – then the 2012 Year Class will be harvested from South East;
 - the focus in South East now shifts to new 2012 Year Class and maximising size, survival and overall biomass over summer months;

DIRECTORS' REPORT

Tassal Group Limited and its Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

- average fish size harvested in 1H13 was 4.18 Hog kg – within band of optimal average domestic size range for fish;
 - fish size for 2012 Year Class at 31 December 2012 is up 6.9% on last year; and
 - mortality levels are decreasing (i.e. survival increasing) significantly bucking previous trends.
- The commercial SBP has now been implemented. 59.2% of fish input for Tassal's 2012 Year Class (i.e. for harvest in FY2014) were from SBP fish – with 100% of fish input for Tassal's 2013 Year Class (i.e. for harvest in FY2015) forecast to be from SBP fish. The fundamental objectives of the SBP are for sustainable gains of about 3-5% to eventuate for both hog weight and AGD reductions.
 - Tassal is continuing to put in place innovative fish husbandry practices, with two important pieces of work that Tassal is in process:
 - implementing leading edge, economically effective diets that will drive both:
 - Biological Feed Conversion Ratio (**FCR**) - improvement in feed management strategy with focus diets and substitutions, underpinned by the mantra 'every pellet counts'; and
 - Economic FCR – improvement due to the improvement in Biological FCR and improving survival
 - genetic selection for AGD resilience is a fundamental piece in Tassal's AGD Strategy. The focus is to result in greater intervals between freshwater baths and therefore a reduced number of baths.
 - Tassal continues to move towards achieving best practice processing returns. Tassal's processing facilities continue to lower operating costs and increase yields/recoveries. With the previous capital investment on infrastructure allowing throughput and yield benefits on existing business, Tassal continued maximising of its direct supply for fresh salmon products to retail customers. This direct supply continues to allow Tassal salmon to present a premium product, in a premium condition.
 - Tassal continues to implement further sustainability initiatives. Tassal is now achieving best practice salmon production environmental practices which in turn have translated into operational certainty, competitive advantage in the market place and operational efficiencies.
 - Risk mitigation, particularly around operational risk in the marine environment is a constant focus. This risk mitigation is achieved through a combination of mitigation planning after considering both the consequence and likelihood of a series of events, and the expansion, risk mitigation and efficiency related capital investment programme that Tassal has implemented. Risk mitigation planning has to date avoided significant profit consequences from agricultural / aquaculture events, together with saving in excess of \$2 million per annum in insurance premium costs.

The Directors believe that it is important to acknowledge the following fundamentals as they apply to Tassal:

- Tassal's strategy is to maximise shareholder value by growing per capita Australian salmon consumption in consideration of the balance between an optimal sales and marketing plan and operational plan (production and processing plan). This balancing of Tassal's fish biomass is considered critical to ensure that we maximise both short and long term strategic, operational and financial growth, and therefore enabling sustainable earnings growth;
- While Tassal has had an evolving sales strategy, the core of this strategy has not changed. Management's core focus is to continue to grow per capita Australian salmon consumption;
- Like other aquaculture and agriculture businesses, salmon farming is a capital intensive industry. Salmon farming is a rolling process and in a steady state of production there will be at least three concurrent Year Class generations at different points in their lifecycle, together with a minimum level of capital expenditure required. With Tassal in a growth mode executing its Strategic Plan, funding has been required not only for the growth of the current production of fish and replacement capital expenditure, but also to fund expansionary fish production and capital expenditure on infrastructure assets;
- Given the production lifecycle of fish, there is a fundamental gap in the capital expenditure, working capital and profit cycles. Accordingly, it is important to apply Accounting Standard AASB 141 'Agriculture' in understanding Tassal's financial results and to ensure consistency in financial comparison and measurement with global aquaculture companies; and
- Tassal has robust risk mitigation strategies in place to manage risks in an operational and financial context, however it is still faced with agricultural risk. Risk mitigation, particularly around operational risk in the marine environment is a continuous focus at Tassal, with mitigation planning focussed on both the consequence and likelihood of risks.

DIRECTORS' REPORT

Tassal Group Limited and its Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

Strategic Plan

The overarching strategic focus for Tassal is to deliver sustainable long term returns to shareholders as the leader in salmon in Australia selling a highly recognised ethical valued brand and product to Australian consumers and retailers. Tassal will be recognised as the champion of the Australian sustainable salmon industry for consumers, customers and regulators. Tassal will value and be valued by our employees.

Tassal has a focused growth strategy in place to grow long term shareholder value, underpinned by the company's overarching vision of Zero Harm For Everyone, Everywhere.

To ensure that Tassal delivers on its Strategic Plan, management's number one focus for FY2013 and beyond is not only to maximise per capita consumption in the Australian market, but to also focus on improving margins by:

- reducing exposure to sustained price campaigns in retail;
- returning to seasonal based promotions and pricing;
- increasing salmon awareness and consumption via national marketing; and
- commencing the diversification of sales into other sustainable seafood.

Tassal will grow domestic per capita consumption in collaboration with retailers. Overall Tassal needs to build a strong Tassal brand, continue to lead innovation, and be responsive to consumer and customer needs. Tassal's focus will remain on ensuring we achieve global best practice with respect to fish growing costs and maintaining global best practice processing costs and yields.

The strategic priorities for Tassal are as follows:

- Maximise cashflow
 - growing cash returns to shareholders;
 - substantial infrastructure spend now complete – and planning on a steady state of production, together with achieving per capital consumption growth – should generate increasing net cash from operations; and
 - receivables purchasing facility allows effective management of working capital requirements.
- Optimise the business
 - global cost competitiveness in aquaculture production (growing and processing);
 - SBP
 - AGD reductions
 - innovative fish husbandry practices
 - leading edge diets
 - best practice processing equipment and facilities
 - growing domestic per capita consumption, by building a strong Tassal brand, leading innovation, and being responsive to customer and consumer needs;
 - recognised as champion of sustainable salmon industry; and
 - with a best on ground team.
- Deliver acceptable returns
 - Through a Long Term Incentive (LTI) plan, the Tassal Executive Team is incentivised on delivering the following targets by FY15:
 - Statutory Return on Assets of 15% to 17%
 - Compounding earnings per share average annual growth rate of 10% to 20% over the three year period

Overall, Tassal is focused on significantly improving Return on Assets through the delivery of the Strategic Plan.

4. SUBSEQUENT EVENTS

Other than as outlined in note 2 in the notes to the condensed consolidated financial statements, there has not arisen in the interval between the end of the half-year and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of Tassal, to affect significantly the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in subsequent financial periods.

5. BUSINESS DEVELOPMENT

The Company has and continues to examine a number of business development opportunities to grow the business organically.

6. INDEPENDENCE DECLARATION BY AUDITOR

The auditor's independence declaration made under section 307C of the Corporations Act 2001 is set out on page 10 and forms part of this Directors' Report for the half-year ended 31 December 2012.

DIRECTORS' REPORT

Tassal Group Limited and its Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

7. ROUNDING OFF OF AMOUNTS

The Company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the Directors' Report and the half-year financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of Directors made pursuant to Section 306 (3) of the Corporations Act 2001.

On behalf of the Directors



A. McCallum
Chairman
Hobart, 14 February 2013

AUDITOR'S INDEPENDENCE DECLARATION

Tassal Group Limited and its Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

Deloitte.

The Board of Directors
Tassal Group Limited
2 Salamanca Square
Battery Point TAS 7004

Deloitte Touche Tohmatsu
A.B.N. 74 490 121 060

Level 8
22 Elizabeth Street
Hobart Tas 7000
GPO Box 777
Hobart Tas 7001 Australia

Tel: +61 3 6237 7000
Fax: +61 3 6237 7001
www.deloitte.com.au

14 February 2013

Dear Board Members

Tassal Group Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Tassal Group Limited.

As lead audit partner for the review of the financial statements of Tassal Group Limited for the half-year ended 31 December 2012 I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Carl Harris
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.
Member of Deloitte Touche Tohmatsu Limited

CONDENSED CONSOLIDATED INCOME STATEMENT

Tassal Group Limited and its Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

| | Note | Half-Year Ended 31 Dec 2012 | Half-Year Ended 31 Dec 2011 |
|--|-------|--------------------------------|--------------------------------|
| | | \$'000 | \$'000 |
| Revenue | 3 (a) | 132,087 | 125,369 |
| Other income | 3 (b) | 2,492 | 2,075 |
| Fair value adjustment of biological assets | | 5,186 | 2,900 |
| Share of profits / (losses) of associates accounted for using the equity method | 5 | 387 | 106 |
| Changes in inventories of finished goods and work in progress | | 2,747 | 21,051 |
| Raw materials and consumables used | | (77,257) | (91,531) |
| Employee benefits expense | | (23,454) | (22,338) |
| Depreciation and amortisation expense | 3 (c) | (8,108) | (7,943) |
| Finance costs | 3 (c) | (3,124) | (3,042) |
| Other expenses | | (8,877) | (8,673) |
| Profit before income tax expense | | 22,079 | 17,974 |
| Income tax expense | | (6,252) | (5,012) |
| Profit for the period | | 15,827 | 12,962 |

| | Half-Year Ended 31 Dec 2012 | Half-Year Ended 31 Dec 2011 |
|---|--------------------------------|--------------------------------|
| Net tangible asset backing per ordinary share (cents per share) | 181.87 | 168.54 |
| Earnings per ordinary share (EPS) * | | |
| Basic (cents per share) | 10.82 | 8.86 |
| Diluted (cents per share) | 10.74 | 8.81 |
| * Weighted average numbers of ordinary shares on issue used as the denominator in the calculation of EPS | | |
| Number for Basic EPS | 146,304,404 | 146,304,404 |
| Number for Diluted EPS | 147,320,458 | 147,145,096 |

Notes to the condensed financial statements are included on pages 16 to 22.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Tassal Group Limited and its Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

| | Note | Half-Year Ended 31 Dec 2012 \$'000 | Half-Year Ended 31 Dec 2011 \$'000 |
|---|------|--|--|
| Profit for the period | | 15,827 | 12,962 |
| Other comprehensive income | | | |
| Gain/(loss) on cash flow hedges taken to equity | | - | 33 |
| Gain/(loss) on revaluation of property | | - | (315) |
| Income tax (expense)/ benefit relating to components of other comprehensive income | | - | 85 |
| Other comprehensive income for the period (net of tax) | | - | (197) |
| Total comprehensive income for the period attributed to owners of the parent | | 15,827 | 12,765 |

Notes to the condensed financial statements are included on pages 16 to 22.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Tassal Group Limited and its Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

| | Note | As at 31 Dec 2012 \$'000 | As at 30 June 2012 \$'000 | As at 31 Dec 2011 \$'000 |
|---|------|--------------------------------|---------------------------------|--------------------------------|
| Current Assets | | | | |
| Cash and cash equivalents | | 14,525 | 15,830 | 12,353 |
| Trade and other receivables | | 8,985 | 8,677 | 9,803 |
| Inventories | | 62,977 | 60,230 | 69,397 |
| Biological assets | | 147,367 | 145,411 | 140,540 |
| Other financial assets | | 11 | 511 | 544 |
| Other | | 5,564 | 1,376 | 1,156 |
| Total Current Assets | | 239,429 | 232,035 | 233,793 |
| Non-Current Assets | | | | |
| Investments accounted for using the equity method | 5 | 7,335 | 6,948 | 6,760 |
| Other financial assets | | 87 | 92 | 97 |
| Property, plant and equipment | | 216,552 | 212,106 | 207,342 |
| Goodwill | | 14,851 | 14,851 | 14,851 |
| Other intangible assets | | 24,184 | 24,184 | 24,184 |
| Other | | 477 | 492 | 507 |
| Total Non-Current Assets | | 263,486 | 258,673 | 253,741 |
| Total Assets | | 502,915 | 490,708 | 487,534 |
| Current Liabilities | | | | |
| Trade and other payables | | 40,721 | 39,822 | 45,425 |
| Borrowings | | 38,901 | 42,258 | 42,519 |
| Provisions | | 4,537 | 4,272 | 4,206 |
| Other | | 3,039 | 4,060 | 821 |
| Total Current Liabilities | | 87,198 | 90,412 | 92,971 |
| Non-Current Liabilities | | | | |
| Borrowings | | 47,999 | 48,984 | 57,385 |
| Deferred tax liabilities | | 61,754 | 55,501 | 50,886 |
| Provisions | | 849 | 753 | 671 |
| Total Non-Current Liabilities | | 110,602 | 105,238 | 108,942 |
| Total Liabilities | | 197,800 | 195,650 | 201,913 |
| Net Assets | | 305,115 | 295,058 | 285,621 |
| Equity | | | | |
| Issued capital | 6 | 154,027 | 154,027 | 154,027 |
| Reserves | | 10,015 | 9,933 | 9,769 |
| Retained Earnings | 7 | 141,073 | 131,098 | 121,825 |
| Total Equity | | 305,115 | 295,058 | 285,621 |

Notes to the condensed financial statements are included on pages 16 to 22.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Tassal Group Limited and its Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

| | Ordinary shares | Asset revaluation reserve | Hedging reserve | Equity- settled employee benefits reserve | Retained earnings | Total attributable to owners of the parent |
|---|--------------------|---------------------------------|--------------------|---|----------------------|---|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance as at 1 July 2011 | 154,027 | 9,515 | - | 350 | 111,789 | 275,681 |
| Profit for the period | - | - | - | - | 12,962 | 12,962 |
| Gain/(loss) on cash flow hedge (net of any related tax) | - | - | 23 | - | - | 23 |
| Gain/(loss) on revaluation of property (net of any related tax) | - | (220) | - | - | - | (220) |
| Total comprehensive income for the period | - | (220) | 23 | - | 12,962 | 12,765 |
| Payment of dividends | - | - | - | - | (2,926) | (2,926) |
| Issue of shares pursuant to Dividend Reinvestment Plan | - | - | - | - | - | - |
| Issue of shares pursuant to underwriting agreement relating to Dividend Reinvestment Plan | - | - | - | - | - | - |
| Share issue costs | - | - | - | - | - | - |
| Issue of shares pursuant to Executive Long Term Incentive Plan | - | - | - | - | - | - |
| Recognition of share-based payments | - | - | - | 101 | - | 101 |
| Balance as at 31 December 2011 | 154,027 | 9,295 | 23 | 451 | 121,825 | 285,621 |
| Balance as at 1 July 2012 | 154,027 | 9,294 | - | 639 | 131,098 | 295,058 |
| Profit for the period | - | - | - | - | 15,827 | 15,827 |
| Gain/(loss) on cash flow hedge (net of any related tax) | - | - | - | - | - | - |
| Gain/(loss) on revaluation of property (net of any related tax) | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | - | 15,827 | 15,827 |
| Payment of dividends | - | - | - | - | (5,852) | (5,852) |
| Issue of shares pursuant to Dividend Reinvestment Plan | - | - | - | - | - | - |
| Issue of shares pursuant to underwriting agreement relating to Dividend Reinvestment Plan | - | - | - | - | - | - |
| Share issue costs | - | - | - | - | - | - |
| Issue of shares pursuant to Executive Long Term Incentive Plan | - | - | - | - | - | - |
| Recognition of share-based payments | - | - | - | 82 | - | 82 |
| Balance as at 31 December 2012 | 154,027 | 9,294 | - | 721 | 141,073 | 305,115 |

Notes to the condensed financial statements are included on pages 16 to 22.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Tassal Group Limited its and Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

| | Note | Half-Year Ended 31 Dec 2012 | Half-Year Ended 31 Dec 2011 |
|--|----------|--------------------------------|--------------------------------|
| | | \$'000 | \$'000 |
| Cash Flows from Operating Activities | | | |
| Receipts from customers | | 147,513 | 138,025 |
| Receipts from government grants | | 720 | - |
| Payments to suppliers and employees | | (123,106) | (114,903) |
| Interest received | | 123 | 111 |
| Interest and other costs of finance paid | | (3,022) | (4,131) |
| Net cash provided by operating activities | | 22,228 | 19,102 |
| Cash Flows from Investing Activities | | | |
| Payment for property, plant and equipment | | (13,340) | (16,310) |
| Proceeds from sale of property, plant and equipment | | - | 38 |
| Net cash (used in) investing activities | | (13,340) | (16,272) |
| Cash Flows from Financing Activities | | | |
| Proceeds from borrowings | | 9,810 | 27,264 |
| Repayment of borrowings | | (14,151) | (22,775) |
| Dividends paid to members of the parent entity | | (5,852) | (2,926) |
| Net cash (used in) / provided by financing activities | | (10,193) | 1,563 |
| Net increase / (decrease) in cash and cash equivalents | | (1,305) | 4,393 |
| Cash and cash equivalents at the beginning of the Half-Year | | 15,830 | 7,960 |
| Cash and cash equivalents at the end of the Half-Year | 8 | 14,525 | 12,353 |

Notes to the condensed financial statements are included on pages 16 to 22.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

Tassal Group Limited its and Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

1. Summary of accounting policies

a) Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include all the notes of the type normally included in an annual financial report and should be read in conjunction with the annual financial report for the financial year ended 30 June 2012, together with any public announcements made by Tassal Group Limited and its controlled entities during the half-year ended 31 December 2012, in accordance with the continuous disclosure requirement of the Listing Rules of the Australian Securities Exchange.

The half-year financial report was authorised for issue by the Directors on 14 February 2013.

b) Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except if relevant, for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The Company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the Directors' Report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

c) Significant accounting policies

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2012 annual financial report for the financial year ended 30 June 2012, other than as detailed below. Where appropriate figures for the comparative period have been restated to make them comparable with the disclosures adopted for the half-year ended 31 December 2012. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

d) Adoption of new and revised Accounting Standards

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year. New and revised Standards and amendments thereof and interpretations effective for the current half-year that are relevant to the Group include:

- Amendments to AASB 1, 5, 7, 101, 112, 120, 121, 132, 133 and 134 as a consequence of AASB 2011-9 'Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income'

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported or the disclosures in the current or prior half-years.

2. Subsequent events

Interim dividend declared

On 14 February 2013 the Directors declared an interim dividend of \$6.584 million (4.50 cents per ordinary share) in respect of the half-year ended 31 December 2012. The interim dividend will be unfranked. The interim dividend has not been recognised in this Half-Year report because the interim dividend was declared subsequent to 31 December 2012. The record date for determining entitlements to this interim dividend is 8 March 2013. The interim dividend will be paid on 3 April 2013.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

Tassal Group Limited its and Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

| | Note | Half-Year Ended 31 Dec 2012 | Half-Year Ended 31 Dec 2011 |
|--|------|--------------------------------|--------------------------------|
| | | \$'000 | \$'000 |
| 3. Profit from operations | | | |
| Profit from operations before income tax expense includes the following items of revenue and expense: | | | |
| (a) Revenue | | | |
| Revenue from the sale of goods | | 131,953 | 125,250 |
| Interest revenue | | 123 | 111 |
| Rental revenue | | 11 | 8 |
| Total revenue | | 132,087 | 125,369 |
| (b) Other Income | | | |
| Gain/(loss) on disposal of property, plant and equipment | | - | 38 |
| Government grants received | | 1,539 | 1,122 |
| Other | | 953 | 915 |
| Total other income | | 2,492 | 2,075 |
| (c) Expenses | | | |
| Depreciation of non-current assets | | 8,093 | 7,928 |
| Amortisation of non-current assets | | 15 | 15 |
| Total depreciation and amortisation | | 8,108 | 7,943 |
| Interest – other entities | | 1,939 | 1,632 |
| Finance lease charges | | 1,185 | 1,410 |
| Total finance costs | | 3,124 | 3,042 |
| Cost of sales | | 126,540 | 117,266 |

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

Tassal Group Limited its and Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

| | Half-Year Ended 31 December 2012 | | Financial Year Ended 30 June 2012 | | Half-Year Ended 31 December 2011 | |
|--|--|-----------------|---|-----------------|--|-----------------|
| | Cents per share | Total \$'000 | Cents per share | Total \$'000 | Cents per share | Total \$'000 |
| 4. Dividends | | | | | | |
| (a) Recognised amounts | | | | | | |
| Fully paid ordinary shares: | | | | | | |
| Interim dividend paid in respect of current financial year (Unfranked) | - | - | 4.00 | 5,852 | - | - |
| Final dividend paid in respect of prior financial year (Unfranked) | 4.00 | 5,852 | 2.00 | 2,926 | 2.00 | 2,926 |
| | 4.00 | 5,852 | 6.00 | 8,778 | 2.00 | 2,926 |

On 23 August 2012, the Directors declared a final unfranked dividend of \$5.852 million (4.00 cents per ordinary share) in respect of the financial year ended 30 June 2012. The dividend was paid on 11 October 2012.

(b) Unrecognised amounts

Fully paid ordinary shares:

| | | | | | | |
|---|-------------|--------------|-------------|--------------|-------------|--------------|
| Interim dividend in respect of current financial year (Unfranked) | 4.50 | 6,584 | - | - | 4.00 | 5,852 |
| Final dividend in respect of current financial year (Unfranked) | - | - | 4.00 | 5,852 | - | - |
| | 4.50 | 6,584 | 4.00 | 5,852 | 4.00 | 5,852 |

On 14 February 2013, the Directors declared an interim dividend of \$6.584 million (4.50 cents per ordinary share) in respect of the half-year ended 31 December 2012. The interim dividend will be unfranked. The record date for determining entitlements to this dividend is 8 March 2013. The interim dividend will be paid on 3 April 2013.

The interim dividend in respect of ordinary shares for the half-year ended 31 December 2012 has not been recognised in this Half-Year report because the interim dividend was declared subsequent to 31 December 2012.

No portion of the interim dividend declared for the half-year ended 31 December 2012 constitutes Conduit Foreign Income.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

Tassal Group Limited its and Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

5. Investments accounted for using the equity method

| Name of Entity | Principal activity | Ownership Interest | | Contribution to Net Profit | | Carrying Value of Investment | |
|--|--------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|-----------------------------|
| | | Half-Year Ended 31 Dec 2012 | Half-Year Ended 31 Dec 2011 | Half-Year Ended 31 Dec 2012 | Half-Year Ended 31 Dec 2011 | Half-Year Ended 31 Dec 2012 | Half-Year Ended 31 Dec 2011 |
| | | % | % | \$'000 | \$'000 | \$'000 | \$'000 |
| Associates: | | | | | | | |
| Salmon Enterprises of Tasmania Pty Ltd | Atlantic salmon hatchery | | | | | | |
| (i) | | 68.94 | 68.94 | 387 | 106 | 7,335 | 6,760 |
| | | | | 387 | 106 | 7,335 | 6,760 |

- (i) The Consolidated entity owns 68.94% (2011: 68.94%) of the issued capital and 61.22% (2011: 61.22%) of the voting shares of Salmon Enterprises of Tasmania Pty Ltd ("Saltas"). Saltas supplies smolt to the Tasmanian aquaculture industry. Saltas is an Associate of the Company, however the Board does not consider it appropriate to consolidate Saltas as the nature of the voting powers of the Board members as detailed in the Constitution of Saltas is such that the consolidated entity does not have the capacity to control Saltas.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

Tassal Group Limited its and Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

| | As at 31 December 2012 | | As at 31 December 2011 | |
|--|------------------------------|----------------|------------------------------|----------------|
| | Number | \$'000 | Number | \$'000 |
| 6. Issued capital | | | | |
| (a) Ordinary share capital (fully paid) | | | | |
| Ordinary shares | 146,304,404 | 154,027 | 146,304,404 | 154,027 |
| (b) Movements in ordinary share capital | | | | |
| Balance as at the beginning of the half-year | 146,304,404 | 154,027 | 146,304,404 | 154,027 |
| Balance as at the end of the half-year | 146,304,404 | 154,027 | 146,304,404 | 154,027 |

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

Tassal Group Limited its and Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

| | Note | As at 31 December 2012 \$'000 | As at 30 June 2012 \$'000 | As at 31 December 2011 \$'000 |
|---|------|--|------------------------------------|--|
| 7. Retained earnings | | | | |
| Balance at the beginning of the period | | 131,098 | 111,789 | 111,789 |
| Profit attributable to members of the parent entity | | 15,827 | 28,087 | 12,962 |
| Dividends provided for or paid | 4 | (5,852) | (8,778) | (2,926) |
| Balance at the end of the period | | 141,073 | 131,098 | 121,825 |

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

Tassal Group Limited its and Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

8. Notes to the condensed consolidated statement of cash flows

Reconciliation of cash

For the purposes of the Condensed Consolidated Statement of Cash Flows, cash includes cash on hand and at bank and short-term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the period as shown in the Condensed Consolidated Statement of Cash Flows is reconciled as follows:

| | As at 31 December 2012 \$'000 | As at 31 December 2011 \$'000 |
|-----------------|--|--|
| Cash | 14,525 | 12,353 |
| Bank overdrafts | - | - |
| | 14,525 | 12,353 |

9. Contingent liabilities and contingent assets

There are no contingent liabilities or contingent assets at the date of this half-year report.

10. Seasonality

The consolidated entity's principal activities, being the farming, processing and marketing of Atlantic Salmon are not generally subject to material or significant seasonal fluctuations.

11. Segment information

AASB 8 '*Operating Segments*' requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. Tassal's system of internal reporting to key management personnel is such that there is only one reportable segment as defined in AASB 8, this being the sale of finfish.

DIRECTORS' DECLARATION

Tassal Group Limited its and Controlled Entities Financial Report for the Half-Year Ended 31 December 2012

The Directors declare on 14 February 2013 that:

- a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the Directors made pursuant to Section 303(5) of the Corporations Act 2001.

On behalf of the Directors



A. McCallum
Chairman
Hobart, 14 February 2013

INDEPENDENT REVIEW REPORT

Tassal Group Limited its and Controlled Entities Financial Report for the Half-Year Ended 31 December 2012



Deloitte Touche Tohmatsu
A.B.N. 74 490 121 060

Level 8
22 Elizabeth Street
Hobart TAS 7000
GPO Box 777
Hobart TAS 7001 Australia

Tel: +61 3 6237 7000
Fax: +61 3 6237 7001
www.deloitte.com.au

Independent Auditor's Review Report to the Members of Tassal Group Limited

We have reviewed the accompanying half-year financial report of Tassal Group Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2012, and the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 11 to 23.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Tassal Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Tassal Group Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Tassal Group Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Carl Harris
Partner
Chartered Accountants
Hobart, 14 February 2013

Liability limited by a scheme approved under Professional Standards Legislation.
Member of Deloitte Touche Tohmatsu Limited