



23 March 2004

INTERIM REPORT TO SHAREHOLDERS IN SUGAR TERMINALS LIMITED

On behalf of the Board of Directors of Sugar Terminals Limited, I am pleased to report to shareholders on the financial position of your Company and the outlook for 2003/04.

Financial results

The profit after tax for the six months ended 31 December 2003 was \$7.747 million. This compares with a net profit after tax of \$7.73 million for the similar six month period of the previous year.

At this stage we expect the operating net profit for the year ending 30 June 2004 to be at or near budget for the year.

The half yearly financial report is available for inspection on the Newcastle Stock Exchange website.

Townsville Shed

While the construction of the shed is substantially complete, practical completion has yet to be given to the principal contractor. Despite this the facility is being used for the storage and export of sugar.

There have been cost overruns, and discussions relating to these are underway with the lead contractor.

Inactive Grower Shareholders

In accordance with the Company's constitution Inactive Grower Shareholders are required to dispose of their shareholdings otherwise the Company will dispose of the shares on the shareholders behalf.

Since the Annual General Meeting in 2003 there have been two disposals of shares on behalf of Inactive Grower shareholders:

Date	No of Shares	Disposal Price	Market Price
24 October 2003	1,753,039	40 cents	31 cents
19 February 2004	656,254	36 cents	27 cents

Newcastle Stock Exchange

With the required closing of the Exempt Market the Company's shares were successfully listed on the Newcastle Stock Exchange on 26 February 2004.

Our website has been updated and has links to the Newcastle Stock Exchange.

Proposed Changes to the Constitution

The share listing on the Newcastle Stock Exchange has required the company to make minor changes to its constitution.

Also, the proposal to dispense with Cane Production Areas from 1 January 2005 will cause changes to the Constitution. These changes are presently being investigated and your Directors anticipate bringing special resolutions to effect the changes to the shareholders annual meeting to be held in October 2004.

Directors and Management

Following upon some changes to the composition of the Board of Directors at the Annual General Meeting in 2003 the Directors of your Company are Michael Brown, Mark Day, Alfio Musumeci, Steve Guazzo and John Grasso. Following the retirement of John Desmarchelier, Richard Farquhar was appointed General Manager and Company Secretary on 24 October 2003.

On behalf of the Board of Directors of Sugar Terminals Limited

MD Brown
Chairman