

10 December 2003

COMPANY ANNOUNCEMENT**Willmott Forests Half-Year Result Outlook**

Due to existing agricultural conditions in the Bombala region Willmott Forests Limited (ASX: WFL) will be carrying over some plantation development activities into the second half of the financial year ended 30 June 2004.

In the corresponding first half for the 2003 financial year all plantation development was completed by 31 December 2002.

The effect of the agricultural conditions experienced is that a material amount of plantation development revenue will be deferred to the second half of the financial year.

As at 30 June 2003 the company had deferred plantation development revenue of \$14.6 million relating to its 2003 year woodlot sales. It is estimated that \$7.0 million of this will be recognised as revenue by the company at 31 December 2003 with the balance \$7.6 million being recognised in the half year ended 30 June 2004 when all activities are required to be completed in accordance with the 12 month rule of the Australian Taxation Law.

As a substantial proportion of the company's plantation development revenue will still be deferred at the half year (note: previous year NIL deferred) the net profit after tax for the half year will be above \$2.0 million but lower than the \$3.5 million announced for the corresponding half year in 2002.

Willmott Forests remains on target to achieve net profit after tax in excess of the level achieved in the 2003 financial year (\$5.4 million).

About Willmott Forests

Willmott Forests is a quality endorsed, fully integrated forestry company producing a wide range of landscape and structural timber products from its softwood processing operations in Bombala NSW. The Company manages over 16,000 hectares of commercial softwood plantations in the Bombala Supply Zone on behalf of more than 1,400 individual growers. Willmott Forests has been operating in this region since 1982 and has total assets in excess of \$118 million.

For further information please contact:

Jonathan Madgwick - Company Secretary
Willmott Forests Ltd Ph: 03 9696 1355.

PLANT

MANAGE

HARVEST

PROCESS

SUPPLY

**Head Office**
335 Ferrars Street
Albert Park VIC 3206
Telephone (03) 9696 1355
Facsimile (03) 9696 5567
Toll Free 1800 801 866**Timber Products**
1 Sandy Lane (PO Box 146)
Bombala NSW 2632
Telephone (02) 6458 3489
Facsimile (02) 6458 3756
Toll Free 1800 805 840**Forestry Operations**
Corrowidgen Road (PO Box 23)
Delegate NSW 2633
Telephone (02) 6459 8888
Facsimile (02) 6459 8899