

1 July 2005

## COMPANY ANNOUNCEMENT

### Woodlot sales reach \$42.1 million in FY05. 18% increase on previous year

Willmott Forests Limited (ASX: WFL) is pleased to announce that Woodlot sales for the financial year ending 30 June 2005 have reached \$42.1 million. This result is an 18% increase on the previous years' Woodlot sales result of \$35.7 million.

Willmott Forests' Chief Executive Officer, Mr. Marcus Derham said..."This is another positive result for the Company that recognises the high rating that our products have received from independent research houses and the continued expansion of our distribution network. This result will enable us to establish a further 6,000 hectares of valuable long-rotation softwood plantation resource for future value adding and will assist in reducing Australia's \$2 billion a year trade deficit in forest products."

Of the \$42.1 million Woodlot sales revenue \$7.1 million will be recognised as income at 30 June 2005 and the balance of \$35 million will be carried forward to FY06. In accordance with the Company's stated revenue recognition policy, revenue from Woodlot sales is recognised in line with plantation established works.

### Profit Forecast

With strong revenue growth, a stable cost base and predictable earnings Willmott Forests expects to record NPAT in excess of \$13 million in FY05.

### About Willmott Forests

Willmott Forests Limited is an integrated forestry company that produces a wide range of landscape and structural timber products from its softwood processing operations in Bombala NSW.

A Quality Endorsed Company, with a market capitalisation in excess of \$130 million, Willmott Forests manages its commercial long-rotation softwood plantations on behalf of more than 1,500 individual growers. The majority of these plantations are located in south-east NSW and north-east Victoria.

Over the last 10 years Willmott Forests has delivered sustained growth in excess of 15% per annum in the key areas of Woodlot sales, plantation resources, assets and profit.

PLANT

MANAGE

HARVEST

PROCESS

SUPPLY

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