Goodman Fielder Limited
ABN 51 116 399 430

T2, 39 Delhi Road North Ryde NSW 2113 Australia
Locked Bag 2222 North Ryde NSW 2113 Australia
Tel: 61 2 8899 7000 Fax: 61 2 8026 4200
www.goodmanfielder.com.au

16 February 2012

Announcements Officer
ASX Market Announcements
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Listed Company Relations
New Zealand Exchange Limited
Level 2, NZX Centre
11 Cable Street
WELLINGTON
NEW ZEALAND

Goodman Fielder Limited 31 December 2011 Half Year Report

As required by ASX Listing Rule 4.2A, I attach the following documents in relation to the half year ended 31 December 2011:

- Appendix 4D – Half Year Report;
- Commentary on results for the period (ASX/NZX Release); and
- Half Year Financial Report, including the Directors' Report, Financial Report and Independent Auditor's Review Report.

The attached information should be read in conjunction with the Goodman Fielder Limited 2010/11 Annual Report.

The analyst briefing in connection with the half year results will follow shortly.

The attached information will be posted to Goodman Fielder's website once released to the market.

Yours sincerely,

JONATHON WEST
Company Secretary

GOODMAN FIELDER LIMITED

ABN 51 116 399 430

Appendix 4D

Half year financial report

Including additional Appendix 4D disclosures

Period ended 31 December 2011

ASX/NZX Code: GFF

HALF YEAR REPORT
PERIOD ENDED 31 DECEMBER 2011

RESULTS FOR ANNOUNCEMENT TO THE MARKET

(All comparisons are to half year ended 31 December 2010)

Name of entity

GOODMAN FIELDER LIMITED

ABN 51 116 399 430

Reporting period: Half year ended 31 December 2011

	Direction of movement	% Change	**2011 $A Million**	2010 $A Million
Revenue from ordinary activities	Down	3.7%	**1,288.0**	1,336.8
Profit from ordinary activities after tax attributable to members	Down	76.9%	**21.5**	93.1
Net profit for the period attributable to members	Down	76.9%	**21.5**	93.1

DIVIDENDS

	Amount per security	Australian franked amount per security	New Zealand imputation amount per security
Dividends on ordinary shares			
Interim dividend FY12	Nil	Nil at 30%	Nil at 30%
Final dividend FY11	2.50¢	1.125¢ at 30%	Nil at 30%
Interim dividend FY11	5.25¢	1.575¢ at 30%	Nil at 30%

No FY12 interim dividend will be paid in order to maintain financial flexibility. The Company's dividend policy will be re-assessed at year-end.

EXPLANATION OF RESULTS

Please refer to the attached ASX/NZX Announcement for an explanation of the results.

This information should be read in conjunction with the Goodman Fielder Limited 2011 Annual Report.

This report and the attached half year financial report (including the directors' report and the independent auditor's review report) contain all the information required by ASX listing rule 4.2A.

OTHER NZX DISCLOSURES

There have been no major changes or trends in the Company's business subsequent to the end of the financial period. There have been no significant changes in the value of assets.

ASX/NZX ANNOUNCEMENT

Goodman Fielder Limited
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GOODMAN FIELDER INTERIM RESULT F'12

RESULTS	H1 FY12	H1 FY11	Variance
NORMALISED[1]			
EBITDA	**$148.4m**	$212.1m	-30.0%
EBIT	**$114.3m**	$180.2m	-36.6%
NPAT	**$42.9m**	$94.3m	-54.5%
SIGNIFICANT ITEMS			
Pre-tax[2]	**-$30.5m**	-$1.7m	
Post-tax[3]	**-$21.4m**	-$1.2m	
REPORTED			
Revenue	**$1,288.0m**	$1,336.8m	-3.7%
EBITDA	**$117.9m**	$210.4m	-44.0%
EBIT	**$83.8m**	$178.5m	-53.1%
NPAT	**$21.5**	$93.1m	-76.9%
EPS	**1.4c**	6.3c	-77.8%
Free cash flow[4]	**$83.0m**	$195.9m	-57.6%
Net debt[5]	**$769.7m**	$893.5m	-13.9%
Leverage ratio (Net debt/EBITDA)	**2.58 times**	2.13 times	+21.1%
Interest cover	**3.09 times**	4.63 times	-33.3%

1 Normalised excludes significant items. Refer to last page for basis of preparation of non-IFRS financial information.
2 Pre-tax significant items include restructuring costs ($26.4m) and unrealised FX losses ($4.1m).
3 Post-tax significant items include restructuring costs ($18.5m) and unrealised FX losses ($2.9m).
4 Net free cash flow represents receipts from customers less payments to suppliers and employees
5 Net debt excludes an unrealised FX gain of $56m (HY11: $57m) relating to the revaluation of the company's US dollar private placement debt. This calculation is in accordance with the group's debt covenants

KEY POINTS[6]

- **As forecast, the company delivered a weak performance versus prior corresponding period.**
- **Weak 1st quarter, but expected improvement in 2nd quarter as business improvement initiatives gain traction.**
- **Compared to the previous period (H2 FY11) revenue increased by 5.7% and normalised EBIT by 4.6%, signalling the beginning of the company's turnaround.**
- **Many external factors are combining to make the external environment very difficult. The company is building a multi-initiative program to meet this challenge.**
- **A business restructure is well advanced, and a costs-out program (Project Renaissance) is delivering early benefits. New organisational structure adopted in New Zealand and Australia with new senior leadership appointments made.**
- **Successful capital raising and refinancing during the period.**
- **Strategic Plan progressing on schedule.**
- **Balance sheet strengthened, with further reduction of debt.**
- **Interim dividend suspended to maintain financial flexibility.**
- **Full year normalised Earnings Before Interest and Tax guidance range of $230m to $245m.**

RESULT[6]

Revenue for the six months to 31 December 2011 was $1,228 million, down 3.7% on the prior corresponding period.

Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) decreased by 44.0% over the prior corresponding period to $117.9 million (Normalised EBITDA: $148.4 million).

Earnings Before Interest and Tax was down 53.1% on the prior corresponding period to $83.8m (Normalised EBIT: $114.3 million).

On a reported basis Net Profit After Tax for the six months to 31 December 2011 was $21.5 million, down by 76.9% from $93.1 million in the prior corresponding period (Normalised NPAT: $42.9 million).

There were significant items of $21.4 million (post tax) comprising restructuring and redundancy charges relating to the company's costs-out program (Project Renaissance) and unrealised foreign exchange losses.

[6] All financials are on a Reported basis unless otherwise stated.

Interest was slightly higher at $50.9 million, while the company's effective tax rate was 25.5% compared to 27.1% in the prior corresponding period.

Net debt reduced to $769.7 million, with a conservative leverage ratio (Net debt/EBITDA) of 2.58 times.

KEY TRENDS/INFLUENCES

Goodman Fielder Limited experienced a very difficult half year to 31 December 2011 with the weak trading conditions that were experienced in the fourth quarter of the previous financial year continuing into the first quarter of the current year.

Goodman Fielder CEO, Chris Delaney, said, "While the result is disappointing, normalised EBITDA is in line with the market's expectations for the half.

"The improving trends, which were expected in the second quarter, materialised with early signs of stabilisation in product volumes and pricing, and more favourable raw material costs in the company's Dairy division. Project Renaissance, the company's costs-out program, also began delivering early benefits. Encouragingly, our Baking market shares and pricing, which were impacted in H2 FY11 were recovering as we exited this reporting period.

"Compared to the prior half (H2 FY11), the company's revenue and normalised EBIT both showed significant increases (5.7% and 4.6% respectively) signalling the start of our turnaround journey.

"Nevertheless we recognise that the financial performance of the company is still unacceptable, but we are confident that we are beginning to work our way back towards providing acceptable returns for shareholders."

During the period subdued consumer confidence, heavy discounting, home brand resurgence, and business disruption resulting from natural disasters combined to create volume reduction, a less favourable product mix, margin decline and a very difficult cost recovery environment.

The company has responded by embarking on a multi-initiative program to change the business model to compete more effectively in the new market dynamic.

"The organisation is being restructured to create more effective scale, and a costs-out program (Project Renaissance) will deliver a reduction in the company's cost base. This Project is well advanced and on target and will deliver the $40 million of annualised savings that we promised the market we would achieve by FY13. We remain confident that we will reach the total amount of $100 million by FY15," Mr Delaney said.

"But while the trading environment remains very tough we are working hard to turn the business around and we now have some early indications that the efforts of our great team of people are having an effect."

Project Renaissance

The company's costs-out program, Project Renaissance, was introduced during the period to reduce the company's overall cost base by $100 million by FY15, with $40 million in annualised savings targeted to be delivered by FY13.

Project Renaissance comprises four major programs: Baking Australia overhead reduction; New Zealand organisational restructure; Australian organisational restructure; and manufacturing and supply chain efficiency gains.

Significant early benefits have been achieved, reflecting annualised savings of circa $20 million. Restructuring costs of $21.7 million were incurred in the period.

The integration of the company's three retail-facing divisions in New Zealand (Baking, Dairy and Home Ingredients) was successfully implemented during the period, and subsequent to the end of the period the company commenced the integration of Baking and Home Ingredients in Australia.

A number of new senior appointments have been made to provide leadership within the new structure. These include Andrew Hipperson, Managing Director Australia; Peter Reidie, Managing Director New Zealand; Pankaj Talwar, Baking Category Managing Director; Aaron Canning, Grocery Category Managing Director (effective July); Shane Gannon, Chief Financial Officer; and Ross O'Brien, Chief Human Resources Officer.

Overhead reduction in the company's Australian Baking operations has delivered $8 million in savings during the period, with a total of $14 million to be realised for the full FY12 year.

DIVISIONAL PERFORMANCE

Baking

	H1 FY12	H1 FY11	Variance
Revenue	**$490.1m**	$534.0m	-8.2%
EBITDA(Normalised)*	**$43.1m**	$81.6m	-47.2%
EBITDA Margin*	**8.8%**	15.3%	-6.5pts
Free cash flow	**$16.1m**	$81.6m	-80.3%

Note: (*) Represents EBITDA before restructuring costs as per note 2 'segment information' in the 31 December 2011 half year financial report

Revenue declined by 8% during the period reflecting the loss of a major private label contract, the effect of pricing reductions for supermarket private label bread and the resulting lower proprietary branded volumes.

Margins were substantially impacted during the period with normalised EBITDA down by 47%. The result was influenced further by increases in flour costs over the prior corresponding period which were not able to be passed on in the current industry environment, and the company was unable to recover the fixed costs associated with the loss of contracted bread volumes.

Nevertheless, despite the initial impact of price reductions on private label bread, the company has been able to recover Australian market share as a result of stronger ranging merchandising and improved pricing. The company remains the clear market leader in fresh loaf bread and market share has increased 4.9 points since July 2011.

In New Zealand market share remains strong at 47.5%, recovering since supply was restored following the Christchurch earthquake in early 2011.

Home Ingredients

	H1 FY12	H1 FY11	Variance
Revenue	**$237.0m**	$246.2m	-3.7%
EBITDA (Normalised)*	**$42.2m**	$53.0m	-20.4%
EBITDA Margin*	**17.8%**	21.5%	-3.7pts
Free cash flow	**$29.4m**	$59.0m	-50.2%

Note: (*) Represents EBITDA before restructuring costs as per note 2 'segment information' in the 31 December 2011 half year financial report

Revenue in the Home Ingredients business was down by 4% during the period, a reflection of unfavourable market conditions in Australia and New Zealand. Overall volumes across the business were down by 6%. These influences were partially offset by a price rise that was successfully implemented across a number of categories and which delivered a partial recovery of increased commodity cost inputs. Gross margins were impacted by the need for higher promotional investment in Australia.

Normalised EBITDA reduced by 20% over the prior corresponding period to $42.2 million. The major influences were increased commodity costs (particularly in flour and oils), adverse product mix, and promotional pricing pressure. These effects were partially offset by improvements in manufacturing and logistics costs.

The company continues to hold the number one or two brand position in almost all the categories in which it competes and is growing its shares well ahead of category growth.

Dairy

	H1 FY12	H1 FY11	Variance
Revenue	**$214.8m**	$223.0m	-3.7%
EBITDA (Normalised)*	**$23.6m**	$30.9m	-23.6%
EBITDA Margin*	**11.0%**	13.9%	-2.9pts
Free cash flow	**$12.4m**	$21.4m	-42.1%

Note: (*) Represents EBITDA before restructuring costs as per note 2 'segment information' in the 31 December 2011 half year financial report

Revenue in the company's Dairy business in New Zealand was down by 4%, impacted by lower volumes and adverse product mix resulting from a decline in the milk category, and lower volumes in other categories including meat and higher margin cheese.

Higher milk and cheese input costs which were not fully recovered contributed to a reduction in normalised EBITDA of 24%, as did higher overheads.

The business has shown significant improvement from a weak first quarter with second quarter metrics looking more robust. Gross margin, cost of goods sold as a proportion of sales, and EBIT/Sales have all improved in the latter period. More favourable raw material costs also began to flow though towards the end of the period. Market shares remained stable during the period.

Integro

	H1 FY12	H1 FY11	Variance
Revenue	**$174.3m**	$177.0m	-1.5%
EBITDA(Normalised)*	**$15.6m**	$24.3m	-35.8%
EBITDA Margin*	**9.0%**	13.7%	-4.7pts
Free cash flow	**$25.1m**	$6.2m	+304.8%

Note: (*) Represents EBITDA before restructuring costs as per note 2 'segment information' in the 31 December 2011 half year financial report

In the company's commercial oils division, Integro Foods, revenue was broadly flat during the period with pricing growth reflecting partial recovery of higher oil costs.

This also impacted margins resulting in a 36% decline in normalised EBITDA to $15.6 million.

Free cash flow improved significantly compared to the prior corresponding period due to the delayed timing of raw material shipments.

Asia Pacific

	H1 FY12	H1 FY11	Variance
Revenue	**$171.8m**	$156.6m	+9.7%
EBITDA(Normalised)*	**$33.5m**	$31.2m	+7.4%
EBITDA Margin*	**19.5%**	19.9%	-0.4pts
Free cash flow	**$15.6m**	$30m	-48%

Note: (*) Represents EBITDA before restructuring costs as per note 2 'segment information' in the 31 December 2011 half year financial report

The company's Asia Pacific business returned a strong result with revenue up by 10% and normalised EBITDA up by 7% over the prior corresponding period.

The business successfully implemented price increases during the period and gross margins improved through the second quarter as reductions in commodity pricing became effective. Strengthening local currencies also contributed favourably to the good result.

The business has five strong brands in the region and a renewed focus on these core brands delivered solid growth during the period. The company's increasing confidence in the strength of the Asia Pacific business resulted in increased investment in sales, marketing and logistics during the period with the expectation of further strong growth.

STRATEGIC PLAN

The company's Strategic Plan review is a medium to long term project. Good progress has been made since the last update in November 2011 and the Plan is on track. The ongoing portfolio prioritisation project has resulted in a decision to progress exploration of divestment of the Integro and NZ Milling businesses. As well plans are currently being finalised to deliver benefits in the manufacturing and supply chain. Project Renaissance, the company's costs-out program, has confirmed the $100 million FY15 target for ongoing cost savings, with $40 million of that total to be delivered in FY12/13.

BALANCE SHEET AND CAPITAL MANAGEMENT

Significant capital management activity has been completed in the last six months and the balance sheet has been strengthened with a $259 million capital raising and the successful refinancing of $500 million of syndicated debt in 2011.

Net debt at 31 December 2011 was $769.7 million. The company's average debt maturity profile is five years and the company's unused debt funding capacity is now circa $330 million. The company now has no refinancing needs until FY14.

Goodman Fielder maintains a strong balance sheet, with a leverage ratio (Net debt/EBITDA) of 2.58 times (2.13 times for the prior corresponding period) and interest cover of 3.09 times (4.63 times for the prior corresponding period).

DIVIDEND

No FY12 interim dividend will be paid to maintain financial flexibility. The company's dividend policy will be re-assessed at the full year.

OUTLOOK

Trading conditions and the external environment remain challenging, however offsetting this is the recent stabilisation of the business and the progress of the Strategic Plan which allows management to resume guidance for FY12. Normalised EBIT for FY12 is expected to be in the range $230 million to $245 million.

* * * * * * *

For further information contact:
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Director Corporate Affairs
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Basis of Preparation: Normalised EBIT, EBITDA and NPAT are non-IFRS measures that reflect, in the opinion of the Directors, the ongoing operating activities of Goodman Fielder in a way that appropriately presents its underlying performance. The non-IFRS underlying profit measures exclude restructuring expenses and unrealised foreign exchange losses. The non-IFRS financial information has not been audited or reviewed.

Goodman Fielder is Australasia's leading listed food company. The company has an excellent portfolio of well known consumer brands in some of Australia's largest grocery categories, including Meadow Lea, Praise, White Wings, Pampas, Mighty Soft, Helga's, Wonder White, Vogel's (under licence), Meadow Fresh and Irvines. Our products cover every meal, including breakfast, lunch, dinner and snacks. We produce bread, milk, margarine, flour, dressings, condiments, mayonnaise, frozen pastry, cake mix, pies, savouries, smallgoods, chilled and frozen pizza, desserts, sauces, vinegar and cooking oils. Goodman Fielder is also the largest supplier of edible fats and oils to Australian and New Zealand food manufacturers and wholesalers and the largest supplier of flour to New Zealand commercial customers.

Goodman Fielder Limited

ABN 51 116 399 430

Half year financial report for the period ended 31 December 2011

Contents

Directors' Report

The Directors of Goodman Fielder Limited (the Company) present their report together with the consolidated financial report for the half year ended 31 December 2011.

Directors

The Board of Directors of the Company currently consists of seven Directors - the Chairman, five independent non-executive Directors and the Managing Director. The following persons were Directors of the Company holding office during the financial period and until the date of this report:

Non-Executive

M G Ould	*Chairman* (Executive Chairman between 30 April 2011 and 4 July 2011)
C J Froggatt	
S Gregg	
P R Hearl	
C A Hooke	
I D Johnston	

Executive

C R Delaney	*Managing Director and Chief Executive Officer* (appointed 4 July 2011)

Review of operations

Key Points

- **As forecast, the Company delivered a weak performance versus prior corresponding period**
- **Weak 1st quarter, but expected improvement in 2nd quarter as business improvement initiatives gain traction**
- **A business restructure is well advanced, and a costs-out program (Project Renaissance) is delivering early benefits. New organisational structure adopted in New Zealand and Australia with new senior leadership appointments made**
- **Successful capital raising and refinancing during the period**
- **Strategic Plan progressing on schedule**

The Company experienced a very difficult half year to 31 December 2011, with the weak trading conditions that were experienced in the fourth quarter of the previous financial year continuing into the first quarter of the current year. However the improving trends, which were expected in the second quarter, materialised with early signs of stabilisation in product volumes and pricing and more favourable raw material costs in the Company's Dairy division.

Revenue for the six months to 31 December 2011 was $1,228 million, down 3.7% on the prior corresponding period.

Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) decreased by 44.0% over the prior corresponding period to $117.9 million.

Net Profit After Tax for the six months to 31 December 2011 was $21.5 million, down by 76.9% from $93.1 million in the prior corresponding period.

There were significant items of $21.4 million (post tax) comprising restructuring and redundancy charges relating to the Company's costs-out program (Project Renaissance) and unrealised foreign exchange losses. Project Renaissance was introduced during the period to reduce the Company's overall cost base by $100 million by the 2015 financial year.

Net debt reduced to $769.7 million, with a conservative leverage ratio (net debt/EBITDA) of 2.58 times. The balance sheet has been strengthened with a $259 million capital raising and the successful refinancing of $500 million of syndicated debt in November 2011.

No interim dividend will be paid in order to maintain financial flexibility. The Company's dividend policy will be re-assessed at year-end.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 3 and forms part of this report.

Rounding of amounts
The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and, in accordance with that Class Order, amounts in the financial report and Directors' Report have been rounded off to the nearest tenth of a million dollars, unless otherwise stated.

Signed in accordance with a resolution of the Directors.

Max Ould	Chris Delaney
Chairman	Managing Director and Chief Executive Officer
Sydney	Sydney
16 February 2012	16 February 2012

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Goodman Fielder Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2011 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Kevin Leighton
Partner

Sydney

16 February 2012

	Notes	**2011 $m**	2010 $m
Revenue			
Sale of goods		**1,288.0**	1,336.8
Other income		**4.9**	1.5
Cost of sales		**(849.9)**	(820.3)
Warehousing and distribution expenses		**(178.9)**	(184.1)
Selling and marketing expenses		**(84.5)**	(93.3)
General and administration expenses		**(95.8)**	(62.1)
Expenses, excluding finance costs		**(1,209.1)**	(1,159.8)
Net financing costs		**(50.9)**	(47.3)
Profit before income tax		**32.9**	131.2
Income tax expense	3	**(8.4)**	(35.6)
Profit for the half year		**24.5**	95.6
Attributable to:			
Owners of Goodman Fielder Limited		**21.5**	93.1
Non-controlling interest		**3.0**	2.5
Profit for the half year		**24.5**	95.6
		Cents	Cents
Earnings per share for profit attributable to the owners of Goodman Fielder Limited:			
Basic and diluted earnings per share	11	**1.4**	6.3

The above income statement should be read in conjunction with the accompanying notes.

	2011 $m	2010 $m
Profit for the half year	**24.5**	95.6
Other comprehensive income, net of tax		
Changes in the fair value of cash flow hedges	**2.2**	1.4
Foreign exchange translation differences	**3.6**	(67.7)
Exchange differences on non-controlling interest	**1.2**	(1.2)
Other comprehensive income for the half year, net of tax	**7.0**	(67.5)
Total comprehensive income for the half year	**31.5**	28.1
Attributable to:		
Owners of Goodman Fielder Limited	**27.3**	26.8
Non-controlling interest	**4.2**	1.3
Total comprehensive income for the half year	**31.5**	28.1

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Goodman Fielder Limited
Statement of Financial Position
As at 31 December 2011

	31 December 2011 $m	30 June 2011 $m
Assets		
Current assets		
Cash and cash equivalents	**127.1**	79.9
Trade and other receivables	**254.9**	246.1
Inventories	**191.9**	196.2
Derivative financial instruments	**0.4**	0.4
Current tax receivables	**1.5**	8.9
Other current assets	**18.0**	3.8
Total current assets	**593.8**	535.3
Non-current assets		
Receivables	**3.0**	3.6
Investments in jointly controlled entities	**3.4**	2.8
Property, plant and equipment	**601.2**	608.3
Deferred tax assets	**82.8**	60.0
Intangible assets	**1,580.1**	1,571.2
Other non-current assets	**2.2**	1.9
Total non-current assets	**2,272.7**	2,247.8
Total assets	**2,866.5**	2,783.1
Liabilities		
Current liabilities		
Trade and other payables	**291.5**	313.1
Borrowings	**1.4**	51.1
Derivative financial instruments	**26.6**	23.2
Current tax liabilities	**12.2**	17.6
Provisions	**55.8**	49.9
Total current liabilities	**387.5**	454.9
Non-current liabilities		
Payables	**0.3**	-
Borrowings	**839.1**	912.3
Derivative financial instruments	**62.4**	82.1
Deferred tax liabilities	**19.6**	17.9
Provisions	**14.8**	15.6
Total non-current liabilities	**936.2**	1,027.9
Total liabilities	**1,323.7**	1,482.8
Net assets	**1,542.8**	1,300.3
Equity		
Contributed equity	**2,062.9**	1,812.2
Reserves	**(253.5)**	(259.5)
Accumulated losses	**(273.3)**	(260.3)
Capital and reserves attributable to the owners of Goodman Fielder Limited	**1,536.1**	1,292.4
Non-controlling interest	**6.7**	7.9
Total equity	**1,542.8**	1,300.3

The above statement of financial position should be read in conjunction with the accompanying notes.

Goodman Fielder Limited
Statement of Changes in Equity
For the half year ended 31 December 2011

	Attributable to owners of Goodman Fielder Limited							
	Contributed Equity $m	**Hedging reserve $m**	**Foreign currency translation reserve $m**	**Share based payment reserve $m**	**Accumulated losses $m**	**Total $m**	**Non-controlling interests $m**	**Total equity $m**
Balance at 1 July 2011	**1,812.2**	**(23.8)**	**(236.2)**	**0.5**	**(260.3)**	**1,292.4**	**7.9**	**1,300.3**
Profit for the half year	-	-	-	-	21.5	21.5	3.0	24.5
Other comprehensive income for the half year	-	2.2	3.6	-	-	5.8	1.2	7.0
Total comprehensive income for the half year	**-**	**2.2**	**3.6**	**-**	**21.5**	**27.3**	**4.2**	**31.5**
Transactions with owners in their capacity as owners:								
Issue of ordinary shares (net of transaction costs)	250.7	-	-	-	-	250.7	-	250.7
Dividends paid to shareholders	-	-	-	-	(34.5)	(34.5)	(5.4)	(39.9)
Share based payment transactions	-	-	-	0.2	-	0.2	-	0.2
Balance at 31 December 2011	**2,062.9**	**(21.6)**	**(232.6)**	**0.7**	**(273.3)**	**1,536.1**	**6.7**	**1,542.8**

	Attributable to owners of Goodman Fielder Limited							
	Contributed Equity $m	**Hedging reserve $m**	**Foreign currency translation reserve $m**	**Share based payment reserve $m**	**Retained earnings $m**	**Total $m**	**Non-controlling interests $m**	**Total equity $m**
Balance at 1 July 2010	**1,812.2**	**(26.6)**	**(185.9)**	**1.7**	**57.4**	**1,658.8**	**9.2**	**1,668.0**
Profit for the half year	-	-	-	-	93.1	93.1	2.5	95.6
Other comprehensive income for the half year	-	1.4	(67.7)	-	-	(66.3)	(1.2)	(67.5)
Total comprehensive income for the half year	**-**	**1.4**	**(67.7)**	**-**	**93.1**	**26.8**	**1.3**	**28.1**
Transactions with owners in their capacity as owners:								
Dividends paid to shareholders	-	-	-	-	(75.9)	(75.9)	(0.1)	(76.0)
Share based payment transactions	-	-	-	(0.4)	-	(0.4)	-	(0.4)
Balance at 31 December 2010	**1,812.2**	**(25.2)**	**(253.6)**	**1.3**	**74.6**	**1,609.3**	**10.4**	**1,619.7**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Goodman Fielder Limited
Statement of Cash Flows
For the half year ended 31 December 2011

	Notes	**2011 $m**	2010 $m
Cash flows from operating activities			
Receipts from customers		**1,333.2**	1,419.6
Payments to suppliers and employees		**(1,250.2)**	(1,223.7)
Insurance proceeds		**3.6**	-
Interest received		**0.5**	1.3
Interest paid		**(51.1)**	(55.8)
Income taxes paid		**(24.5)**	(18.0)
Net cash inflow from operating activities		**11.5**	123.4
Cash flows from investing activities			
Payments for property, plant and equipment		**(44.4)**	(39.9)
Proceeds from sale of property, plant and equipment		**1.4**	0.3
Net cash outflow from investing activities		**(43.0)**	(39.6)
Cash flows from financing activities			
Proceeds from issue of share capital		**250.7**	-
Proceeds from borrowings		**357.8**	1,509.5
Repayment of borrowings		**(491.9)**	(1,476.5)
Finance lease payments		**(0.6)**	(0.6)
Dividends paid (net of Dividend Reinvestment Plan)	6	**(34.5)**	(75.9)
Dividends paid to non-controlling interest		**(5.4)**	(0.1)
Net cash inflow (outflow) from financing activities		**76.1**	(43.6)
Net increase in cash and cash equivalents		**44.6**	40.2
Cash and cash equivalents at the beginning of the half year		**79.9**	73.3
Effects of exchange rate changes on cash and cash equivalents		**2.6**	(5.6)
Cash and cash equivalents at end of the half year		**127.1**	107.9

The above statement of cash flows should be read in conjunction with the accompanying notes.

Contents of the Notes to the Financial Statements

1 Summary of significant accounting policies

Goodman Fielder Limited is a Company domiciled in Australia.

This consolidated interim financial report comprises the financial statements of Goodman Fielder Consumer Foods Pty Limited, as the accounting parent, and its deemed subsidiaries (together referred to as the Group) for the six months ended 31 December 2011. The financial report is presented in the Australian currency.

The consolidated interim financial report was authorised for issue by the Directors on 16 February 2012.

(a) Basis of preparation of half year financial report

(i) Statement of compliance with IFRS

This consolidated interim financial report for the half year reporting period ended 31 December 2011 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001.*

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2011 and any public announcements made by Goodman Fielder Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001.*

The accounting policies adopted are consistent with those applied by the Group in its financial report as at and for the year ended 30 June 2011.

(ii) Basis of measurement

These financial statements have been prepared under the historical cost basis except for derivative financial instruments which are stated at their fair value.

(iii) Accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Australian equivalents to International Financial Reporting Standards (AIFRS) requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; or in the period of the revision and future periods if the revision affects both current and future periods. There have been no significant changes since 30 June 2011 in the bases upon which estimates have been determined.

2 Segment information

(a) Description of segments

Operating segments

The Fresh Baking division has a portfolio of leading food brands with three of the top five proprietary bread brands in Australia and six of the top 10 proprietary brands in New Zealand. It is one of the largest bakers in the Australasian region, with leading market shares in most of the market segments in which it competes.

The Fresh Dairy division is a major participant in the New Zealand dairy and smallgoods industries with some of the country's most recognised brands in fresh and flavoured milk, yogurt, dairy desserts, specialty cheese, cultured products and meats. The business distributes fresh dairy products to almost 13,000 customer points every day.

The Home Ingredients division is a leading supplier of consumer food products to supermarkets in Australia and New Zealand. It has a diverse portfolio of iconic market leading brands focused on the retail channel and manufactures at four sites in Australia. Its product range covers spreads and dips, cooking oil, sauces, dressings, vinegar, mayonnaise, flour, pastry, baking ingredients, biscuits and baked snacks.

The Asia Pacific division is the largest food supplier in the Pacific islands with some of the best known brands in the region, primarily focused on flour, chicken and snacks. The business has an emerging presence in the East Asian region with a core focus on China, the Philippines and Indonesia, and also exports to over 20 countries. Its Asian product range covers bakery ingredients, dairy and spreads.

The Integro Foods division is the leading Trans Tasman processor of edible oils. The business supplies edible oils to the Australian and New Zealand food industries and specialises in the development and production of complex, higher value oil blends. The business has four manufacturing plants and, as well as supplying in bulk, the business also supplies packed products under a number of leading brands.

(b) Information about reportable segments

For the six months ended 31 December 2011	**Fresh Baking**	**Fresh Dairy**	**Home Ingredients**	**Asia Pacific**	**Integro Foods**	**Total**
	$m	**$m**	**$m**	**$m**	**$m**	**$m**
Segment revenue						
Sales to external customers	490.1	214.8	237.0	171.8	174.3	1,288.0
Intersegment sales	31.7	8.4	13.5	3.7	71.4	128.7
Total segment revenue	**521.8**	**223.2**	**250.5**	**175.5**	**245.7**	**1,416.7**
Intersegment elimination						(128.7)
Other income						4.9
Total revenue						**1,292.9**
Segment result						
EBITDA before restructuring costs	43.1	23.6	42.2	33.5	15.6	158.0
Depreciation, amortisation and impairment expense	(14.5)	(6.9)	(6.7)	(2.1)	(3.9)	(34.1)
EBIT before restructuring costs	28.6	16.7	35.5	31.4	11.7	123.9
Restructure costs	(15.8)	(1.8)	(1.6)	-	(2.8)	(22.0)
Segment EBIT	**12.8**	**14.9**	**33.9**	**31.4**	**8.9**	**101.9**
Net unallocated unrealised foreign exchange loss						(4.1)
Net unallocated restructure costs						(4.4)
Net unallocated expenses						(9.6)
Net interest expense						(50.9)
Profit before income tax						**32.9**
Income tax expense						(8.4)
Profit for the half year						**24.5**

2 Segment information (continued)

For the six months ended 31 December 2010	**Fresh Baking**	**Fresh Dairy**	**Home Ingredients**	**Asia Pacific**	**Integro Foods**	**Total**
	$m	**$m**	**$m**	**$m**	**$m**	**$m**
Segment revenue						
Sales to external customers	534.0	223.0	246.2	156.6	177.0	1,336.8
Intersegment sales	34.1	8.6	15.1	3.4	69.2	130.4
Total segment revenue	**568.1**	**231.6**	**261.3**	**160.0**	**246.2**	**1,467.2**
Intersegment elimination						(130.4)
Other income						1.5
Total revenue						**1,338.3**
Segment result						
EBITDA before restructuring costs	81.6	30.9	53.0	31.2	24.3	221.0
Depreciation and amortisation expense	(13.2)	(5.6)	(7.2)	(1.7)	(4.2)	(31.9)
EBIT before restructuring costs	68.4	25.3	45.8	29.5	20.1	189.1
Restructure costs	-	(0.5)	-	-	(0.2)	(0.7)
Segment EBIT	**68.4**	**24.8**	**45.8**	**29.5**	**19.9**	**188.4**
Net unallocated restructure costs						(1.0)
Net unallocated expenses						(8.9)
Net interest expense						(47.3)
Profit before income tax						**131.2**
Income tax expense						(35.6)
Profit for the half year						**95.6**

3 Income tax expense

The Group's effective tax rate for the six months ended 31 December 2011 was 25.5% (2010: 27.1%).

Amounts treated as non-deductible or assessable in determining income tax expense at 31 December 2011 remain consistent with 30 June 2011.

4 Financing activities

During the period, the Company successfully completed a $259 million capital raising and refinanced a $500 million bank facility.

At the end of September 2011, the Company undertook a fully underwritten equity capital raising of $259 million by way of an accelerated renounceable rights offer with retail rights trading to existing shareholders. The equity capital raising was undertaken to ensure greater balance sheet flexibility to pursue medium and longer term accretive initiatives, including potential restructuring and operational initiatives, as well as to provide additional head room under the Company's financing facilities. The 5 for 12 accelerated renounceable rights offer resulted in the issue of 575 million new ordinary shares at an offer price of 45 cents per share.

The new $500 million multi-currency, revolving syndicated loan facility replaces an existing facility that was due to mature in October 2012. The early refinancing in November 2011 was undertaken to take advantage of favourable borrowing conditions. The new facility consists of a $300 million 3 year tranche maturing in November 2014 and a $200 million 5 year tranche maturing in November 2016.

5 Net tangible asset backing

	31 December 2011 cents per share	30 June 2011 cents per share
Net tangible asset backing per ordinary share	**(1.9)**	(19.6)

6 Dividends

	2011 $m	2010 $m
(a) Ordinary shares		
Final dividend for the year ended 30 June 2011 of 2.5 cents (2010: 5.5 cents) per fully paid ordinary share paid on 3 November 2011 (2010: 28 October 2010) Australia: 45% franked (2010: 20% franked) amount of 1.125 cents at 30% (2010: 1.1 cents at 30%) New Zealand: nil imputation (2010: nil imputation) amount of nil cents at 30% (2010: nil cents at 30%)	**34.5**	75.9
(b) Dividends not recognised at the end of the half year		
It is not proposed to pay an interim dividend in connection with the reporting period (2011: 5.25 cents per fully paid ordinary share). The aggregate amount of the proposed dividend payable subsequent to the half year end, but not recognised as a liability at half year end, is nil (2011: $72.5m).	**-**	72.5

7 Contingent liabilities

There were no significant changes to contingent liabilities as disclosed in the most recent annual report.

8 Commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

	31 December 2011 $m	30 June 2011 $m
Payable:		
Within one year	**1.3**	10.7

9 Jointly controlled entities

The Group has a 50% interest (2010: 50% interest) in PT Sinar Meadow International Indonesia (incorporated in Indonesia). PT Sinar Meadow International Indonesia operates a margarine manufacturing and distribution business in Indonesia. The Group's investment in the company, together with loans made to the company, were written off in prior years.

During the current period, an impairment reversal of $1.0m of the Group's investment in PT Sinar Meadow International Indonesia was recognised. The impact of the impairment reversal was partly offset by a $0.4m reduction in the Group's investment in PT Sinar Meadow International Indonesia on translation of the Group's share of net assets.

	31 December 2011 $m	30 June 2011 $m
Investment in jointly controlled entity	**3.4**	2.8

10 Events occurring after the reporting period

There have been no events subsequent to balance date which would have a material effect on the Group's financial statements as at 31 December 2011.

11 Earnings per share

(a) Reconciliation of earnings used in calculating basic and diluted earnings per share

	2011 $m	2010 $m
Profit for the half year	**21.5**	93.1

(b) Weighted average number of shares used as the denominator

	2011 millions	2010 millions
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share	**1,576.7**	1,484.0

In accordance with AASB133 *Earnings Per Share,* 2010 earnings per share has been restated to reflect the issue of additional ordinary shares during the six months to 31 December 2011.

In the opinion of the Directors of Goodman Fielder Limited (the Company):

(a) the financial statements and notes of the Group set out on pages 4 to 14 are in accordance with the *Corporations Act 2001,* including:

(i) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting*, and the *Corporations Regulations 2001*; and

(ii) giving a true and fair view of the Group's financial position as at 31 December 2011 and of its performance for the half year ended on that date; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

Max Ould
Chairman

Sydney
16 February 2012

Chris Delaney
Managing Director and Chief Executive Officer

Sydney
16 February 2012

Independent auditor's review report to the members of Goodman Fielder Limited

We have reviewed the accompanying half-year financial report of Goodman Fielder Limited, which comprises the consolidated statement of financial position as at 31 December 2011, consolidated income statement and consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes 1 to 11 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

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 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/interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2011 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Goodman Fielder 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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

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 Goodman Fielder Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

KPMG

Kevin Leighton
Partner

Sydney

16 February 2012