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News release format

PGG WRIGHTSON REFINANCING COMPLETE

PGG Wrightson has today completed documentation for bank facilities announced in February this year, along with additional funding for the settlement announced today with Silver Fern Farms Limited.

The bank facilities, announced on 26 February, provide funding of \$475 million through ANZ, BNZ and Westpac. This is not affected by the additional funding for the Silver Fern Farms settlement, but the banking documentation completed today includes approvals for this change in the group's overall funding structure.

The additional funding announced today is for up to \$25 million of subordinated debt, through South Canterbury Finance Limited. Under this arrangement, the subordinated debt (or \$10 million of the subordinated debt) can be converted within 90 days to ordinary shares in PGG Wrightson, at \$1.50 per share.

The banking package includes a \$125 million amortising facility to be paid down over the period to December 2010 through operating cash flow, working capital initiatives and the sale of some non-core assets.

The Managing Director of PGG Wrightson, Tim Miles, said the certainty provided by the new funding arrangements would enable the company to move forward quickly following the settlement with Silver Fern Farms.

Mr Miles said the immediate financial impact of the subordinated debt and associated expenses would be to increase the group's interest expense by approximately \$2.5 million for the current financial year. The effect in future years would be significantly less as PGW would benefit from the current fall in interest rates, whereas this year that benefit is not being realised due to interest rate hedges that are still to expire.

For further information:

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