PGG Wrightson Limited
2011 Annual Shareholders Meeting
Hawke's Bay Opera House (Cushing Foyer)
Hastings Street South, Hastings

Wednesday 2 November 2011 at 2.30pm

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Welcome

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Before we begin the business of the meeting, I am pleased to introduce the other members of the board of directors, who are seated in the front row of the meeting. I would ask that each of you stand up when mentioned:

Sir Selwyn Cushing
Bruce Irvine
Alan Lai
Keith Smith
Bill Thomas, and
Tao Xie (XT).

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Seated next to me are members of PGG Wrightson's senior management team. To my immediate left is Managing Director George Gould. To his left are Chief Financial Officer Rob Woodgate and General Counsel and Company Secretary Julian Daly.

I would also acknowledge the other members of the senior and regional management team who are in attendance. These include Stephen Guerin, our GM of Rural Supplies and Fruitfed, Cedric Bayly, GM of PGG Wrightson Wool, Nigel Thorpe, our head of Livestock, Brent Sycamore, GM of our Grain operations and Tom Mowat our Regional Manager for this area. Our external auditors KPMG and other advisors are also in attendance.

Apologies

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Notice of Meeting

Minutes

Proxies

Annual Financial Statements

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We now move to the main business of the meeting. My role will be to lay the groundwork with a high level review of the past financial year – including events post balance date and our strategic intent as we move forward into the current year.

Rob Woodgate, our CFO, will then run through the financial performance of the group with George Gould finishing with some operational insight into the underlying businesses and how they are tracking into the current financial year.

At that point there will be an opportunity for questions and general discussion and I will outline the procedure for that part of the meeting when we reach it.

Following our general discussion, the business of the meeting comprises six resolutions, which were outlined in the Notice of Meeting. Voting on the resolutions will be by voice unless inconclusive in which case I may call for a show of hands or a poll.

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The past financial year came with its fair share of challenges. For PGG Wrightson, the 2010 / 2011 financial year represented a defining period for the company, not least of which was related to the partial takeover led by Agria, which was completed in May.

The board and management applied itself to getting the company back to an even keel, motivated by a desire to get back to commercial basics while ensuring PGG Wrightson businesses are well positioned to take advantage of market opportunities as they present themselves.

This is particularly important given the opportunities that can be brought on board with our new major shareholder, Agria.

Our priority during the past year was to get the right people in the right places in our business – focused on supporting our farming clients throughout the country. A first step in this direction was taken in December last year with the appointment of George Gould as Group Managing Director. The board is pleased with the progress of the group under his management.

Following George's appointment several other key management changes took place in Livestock, Wool, and Rural Supplies and Fruitfed, which are now being well run by highly experienced managers and leaders in their field. George will elaborate further on this in this presentation.

There were some notable transactions during the year including:

- the sale of PGG Wrightson's shareholding in NZ Farming Systems Uruguay
- continued expansion of AgriTech in New Zealand and Australia and progress in important and growing South America markets
- formation of PGG Wrightson Wool following the unsuccessful capital raise by WPI. I would note that we have subsequently now transferred Wools of NZ into a grower owned Trust ; and
- the sale of our stake in New Zealand Merino to grower owners.

While George will talk a little bit more about our operational strategy, the divestment of NZ Farming Systems Uruguay and New Zealand Merino had a beneficial impact on our balance sheet, serving to substantially reduce overall bank core debt to $125 million by the end of the financial year.

However the most significant transaction, which occurred after balance date, was the sale of PGG Wrightson Finance to Heartland New Zealand on 31 August this year. That sale transformed PGG Wrightson's financial position yet, through the establishment of a distribution arrangement with Heartland, we have further enhanced our ability to provide finance to our farming clients.

The sale of PGG Wrightson Finance was the subject of a shareholder's meeting, with full explanation and disclosure of all pertinent details, back in June. Part of the consideration from the transaction is still to be collected. The CFO will elaborate in more detail shortly however; the key point here is that it's now up to this company to collect approximately $67 million of loans retained by PGG Wrightson as part of the sale to Heartland. Collection of those loans is continuing as a priority and good progress has been made.

The company's bottom line result for the year ended 30 June 2011 was a loss of $30.7 million but much of the loss arose from confronting a number of legacy items that needed to be dealt with and the CFO will cover these in more detail shortly. From the board's perspective it was essential that we get these items behind us so that the company is capable of making quality earnings moving forward.

Finally, there has been interest around payments made to the former Managing Director, Tim Miles, following his resignation in October last year.

I wish to comment briefly on this, given that there has been some misreporting of the nature of the payment made by the company. The payment should not have been described as "ex gratia", rather the payment was a severance payment authorised by the board after taking into account the relevant circumstances, including contractual entitlements under Mr Miles' terms of employment entered into in 2008.

Appropriate advice was received by the board and payment was made in accordance with PGG Wrightson's contractual obligations.

This matter was completed more than a year ago, and has been disclosed in the annual report. I trust this explanation will clarify any confusion as to the basis for the payment.

I will now hand you over to Rob Woodgate to provide an overview of the Group's financial position.

Slide 8 – FINANCIAL REVIEW, CFO

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As we noted in our annual financial statements our trading results for 2011 reflected mixed operating conditions across the Group. Positive performances from Livestock and Rural Supplies businesses were diluted by unseasonal weather conditions in Australia.

EBITDA was reported at $49.4 million, with net profit after tax being a loss of $30.7 million.

The post-tax result takes into consideration a number of impairments and provisions relating to the integration of Wool Partners International, Silver Fern Farms and restructuring costs amongst other items. These items are one-off in nature and with the exception of the restructuring costs are non-cash with respect to this year's results.

On 31 August we finalised the sale of our Finance business to Heartland Building Society. The sale was effectively at the net tangible assets (NTA) value of approximately $99 million. In the original transaction there were no cash flows predicted on the day of the transaction, however changes made to the loan book between the announcement and sale meant that we realised approximately $15 million of cash on the day the sale concluded. As of today, we have 12 loans with a net value of $67 million held in a 'special purpose vehicle' – PGG Wrightson Rural Capital Limited. We are working to exit the majority of these loans within the next year.

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The results of AgriServices businesses were supported by positive performances from Livestock which reported improved EBITDA of $16.4 million and Rural Supplies – up to $24.2 million - with the heightened dairy payout and high sheep and beef prices continuing to support spending confidence. This spilled over into areas such as Real Estate and Irrigation and Pumping. We were also pleased with returns from South America despite NZ dollar currency strength toward the end of the fiscal year.

AgriTech's historical trend was upset by weather conditions in Australia, flooding in Victoria and New South Wales in the run up to Christmas which provided for a cool summer. Allied with the rain falls, this resulted in feed being available without the need to re-pasture, something we had never seen in this part of the world. To some extent this offset what was otherwise a positive season for Brassica sales in New Zealand. The September earthquake did result in some disruption to our distribution infrastructure and there were costs associated with our distribution and coating facility at Rolleston, just outside Christchurch. Agri-feeds, our animal nutrition business, showed a positive year on year performance built on the roll out of new product ranges and good underlying molasses volumes.

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Increases in trade receivables to $230.0 million are related to the inclusion of our Wool business into the group numbers and higher debtor balances in South America, while the rest of the Group was similar in performance to last year. The situation is similar with inventories which are at $230.3 million, with the Group holding approximately $10.0 million of wool at the end of the year. The increase in fixed assets relates to acquisitions during the year – notably of Keith Seeds, Corson Maize and South Edge Seeds. These factors, inventory and debtor increases along with the acquisitions led to a comparatively lower cash flow from operating activities.

I will now hand over to George Gould who will provide the operational detail and some insight into our expectations for the year ahead.

Slide 12 – MANAGING DIRECTOR'S ADDRESS

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As the chairman made clear in his presentation the past financial year has been a defining one for PGG Wrightson.

Our objective is to excel in our core businesses. These are Seed and Grain, Rural Supplies and Fruitfed, Livestock, Wool, Real Estate, Irrigation and Pumping and consulting through Agriculture New Zealand. As a rural servicing company, PGG Wrightson needs to deliver a quality service to its clients. That means a high degree of responsiveness with the right priced quality service on a timely basis.

In Livestock that means agents that look after their clients with good pricing options, preferably ahead of market trends, so as to add value to our farmer clients' businesses. In Seeds, it is primarily about producing high performance cultivars that deliver superior grazing outcomes. With Rural Supplies it means well stocked and right priced stores with expert reps in the field who understand their clients' needs and have the expertise to back it up. In Real Estate, obviously, it's having a network second to none in this country, to get the top price for vendors and the best properties for buyers.

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As Managing Director I am helping to build a culture throughout the company, from the board down to reps, which delivers good outcomes for farmers. On my watch, we'll be sticking to our knitting, and it was on that basis that I was appointed to the job.

With the board's support I have now put in place a management team to run business units which deliver these outcomes.

I am proud to say that the new faces on the leadership team represent some of the country's leading industry specialists in their fields. Nigel Thorpe and Cedric Bayly, who head up Livestock and Wool respectively, bring a combined 60 years expertise while Stephen Guerin, who until recently headed up Fruitfed, where he spent 23 years in various roles, has now taken over responsibility for our retail operations through both PGG Wrightson Rural Supplies and Fruitfed.

John McKenzie, head of our AgriTech division, encompassing grain seed and Agri-feeds, which together produce the largest percentage of the group's profits, blends an understanding of science and managerial acumen and has recently been recognised as one of the key influencers in New Zealand agriculture (*Primary Magazine, June 2011).*

Carlos Miguel de Leon, who joined PGG Wrightson in 1999 as business development manager for Wrightson Pas in Uruguay, has been an instrumental part of our growth on that continent.

Stuart Cooper, who heads our Real Estate company, has done a good job steering our real estate business through some troubled waters since the market peaked in 2007 prior to the Global Financial Crisis.

John Parker, GM of Irrigation and Pumping and Colin Spence of Agriculture New Zealand are both experts in their fields helping to contribute meaningfully to the group's earnings.

The managerial team is fortunate to have first class financial and legal expertise in CFO Rob Woodgate and General Counsel and Company Secretary Julian Daly and their respective teams.

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In order to keep close to our client's needs, we have in place a team of regional managers. This map represents PGG Wrightson's view of New Zealand. We currently have 98 stores supported by several offices and distribution centres. 10 regions are managed by a team of Regional Managers supported by a national sales manager. During the year there were some changes at this regional level with an overriding focus to ensure that the right management was in place.

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Rural Supplies and Fruitfed improved profitability in the past financial year, tracking spending confidence but also improving market share in certain key categories.

We are paying a great deal of attention to this part of our business. Stephen Guerin, our GM of Rural Supplies and Fruitfed is clearly focused on lifting the capability of our people and our processes, ensuring we get our logistics and supply chain in order while getting the right products in store for our customers, at the right time.

Our Livestock business is in growth mode, particularly with dairy. The team is well run by career specialist Nigel Thorpe. We are pleased that we have further expanded our operations in Manawatu and Taranaki.

Agonline, New Zealand's only dedicated livestock auction channel, continues to gain traction as livestock farmers start to realise the convenience of nationwide trading opportunities from the comfort of their computer. We have also successfully fulfilled the terms of a live dairy heifer export contract into Vietnam and we see good growth in that space.

Our wool division is tracking well, on the back of higher wool prices and we remain committed to enhanced profitability on the strength of our brokering and handling businesses run by wool career specialist Cedric Bayly.

Irrigation and pumping continues to trade ahead of plan and the focus has been on increasing capacity of that business while managing costs.

It's a similar story with real estate, which continues to improve performance and retain the number one position in this market space.

We are also exploring opportunities in Uruguay, where high international commodity and agricultural product pricing has seen capital inflow into the country and heightened on-farm expenditure into irrigation and supplies. Results through the first quarter look promising.

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Our New Zealand seeds business suffered substantial damage during the September 2010 earthquake, principally to storage systems at our key distribution and coating facility at Rolleston. Ultimately the financial impact was limited by the swift action and resourcefulness of the seeds team. I would acknowledge the effort made by not only our team but also the many suppliers and clients who helped out in what was a difficult situation.

In Australia our seed business was impacted by an unusually wet year, with reduced demand from farmers. The South American business, for its part, did well with results meeting or exceeding expectations. In that area we are placing an increased focus on the pasture seed category as the prospects for pastoral farming improve in that market category.

Our grain business continues to record good growth on strong sales of cereal planting seed during both spring and autumn seasons, the successful introduction of new wheat and cultivars to the market and completion of a new silo at our Walton maize processing and storage site in the Waikato.

Agri-feeds, the leading importer of cane molasses as a liquid feed supplement in the dairy sector, made good progress during the year with the rollout of RumenX, a calf rearing system from Argentina. Agri-feeds also distribute Time Capsule, a treatment for facial eczema which we are confident will help underpin growth in this business.

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While it is difficult to give any firm profit guidance at this stage of the year, particularly as seasonal impacts can change things very quickly, we can say that first quarter trading has been positive.

Overall the board and management remain committed to the goal of long term profitability and sustainable returns for shareholders.

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We now come to the business of the meeting.

The proposed resolutions will now be considered by the meeting, with all resolutions to be determined by voice unless inconclusive in which case I may call for a show of hands or a poll. The company's auditors, KPMG will act as scrutineers. The resolutions and accompanying explanatory notes are set out in the Notice of Meeting.

Business – Election of Directors

(Resolutions 1 – 5)

Authorisation to fix auditor's remuneration

(Resolution 6)

General Business

Closing