

The background of the slide is a photograph of a cow in a grassy field. The cow is dark-colored and is looking towards the left. The field is filled with tall green grass, and there are trees in the background under a bright sky.

# **PGG Wrightson Limited Annual Meeting 2012**

**Ellerslie Events Centre  
Auckland  
24 October 2012**



## Agenda

*Bruce Irvine*

1. Welcome & Introductions
2. Formalities
3. Chairman's Address

*George Gould*

4. Operational Review

*Rob Woodgate*

5. Financial Review

*George Gould*

6. Outlook

*Bruce Irvine*

7. Questions & Discussion
8. Business Resolutions





## Directors

### Present

- Bruce Irvine
- Sir Selwyn Cushing
- Alan Lai
- Wah Kwong Tsang (WK)
- Bill Thomas

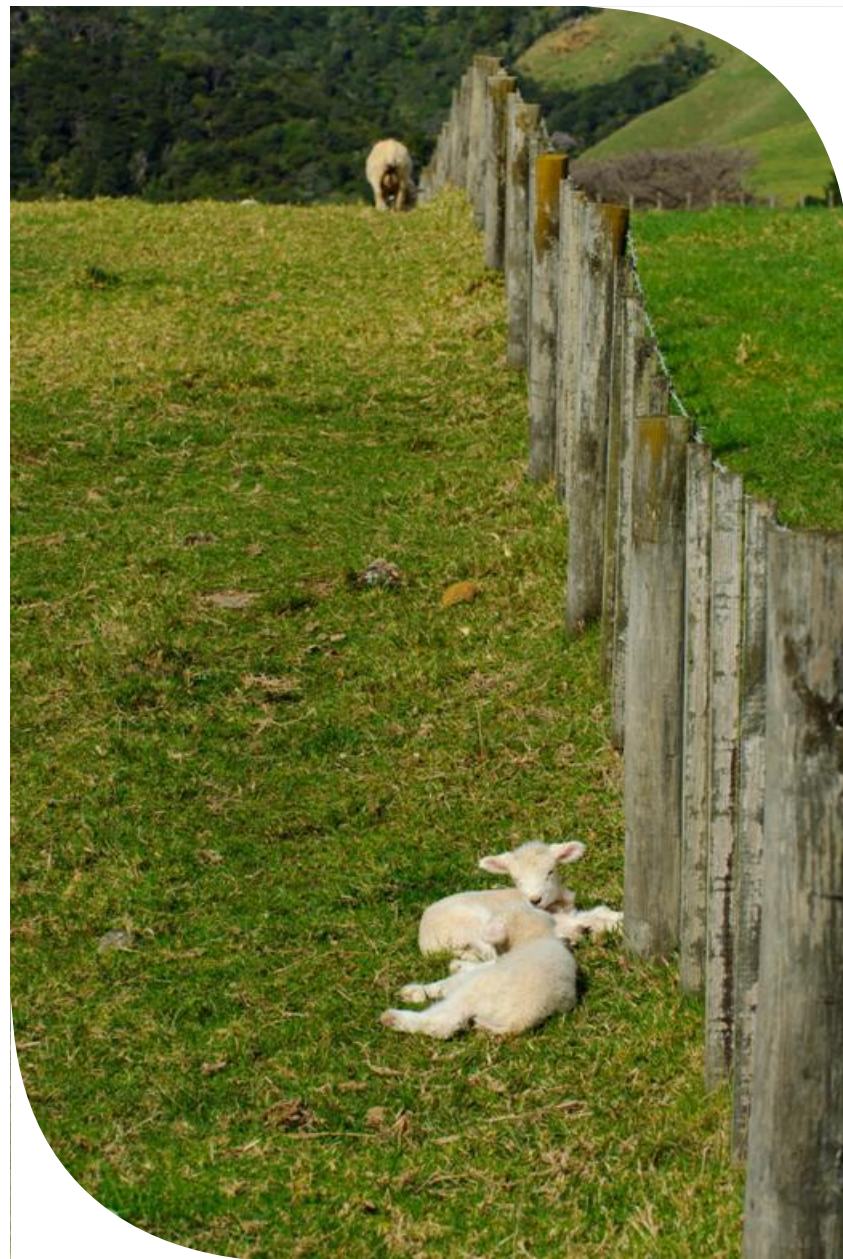
### Apologies

- Sir John Anderson
- Tao Xie (XT)
- Dr Zhi-Kang Li



# Senior Management

- George Gould  
Managing Director
- Rob Woodgate  
Chief Financial Officer
- Julian Daly  
General Counsel &  
Company Secretary





## Formalities

- Notice of Meeting
- Minutes
- Proxies
- Annual Financial Statements





# **Chairman's Address**

## **Bruce Irvine**

# Overview



- \$24 million net profit after tax
- Return to core business
- Divestment of PGG Wrightson Finance
- Collecting outstanding loans – Crafar Farms on track

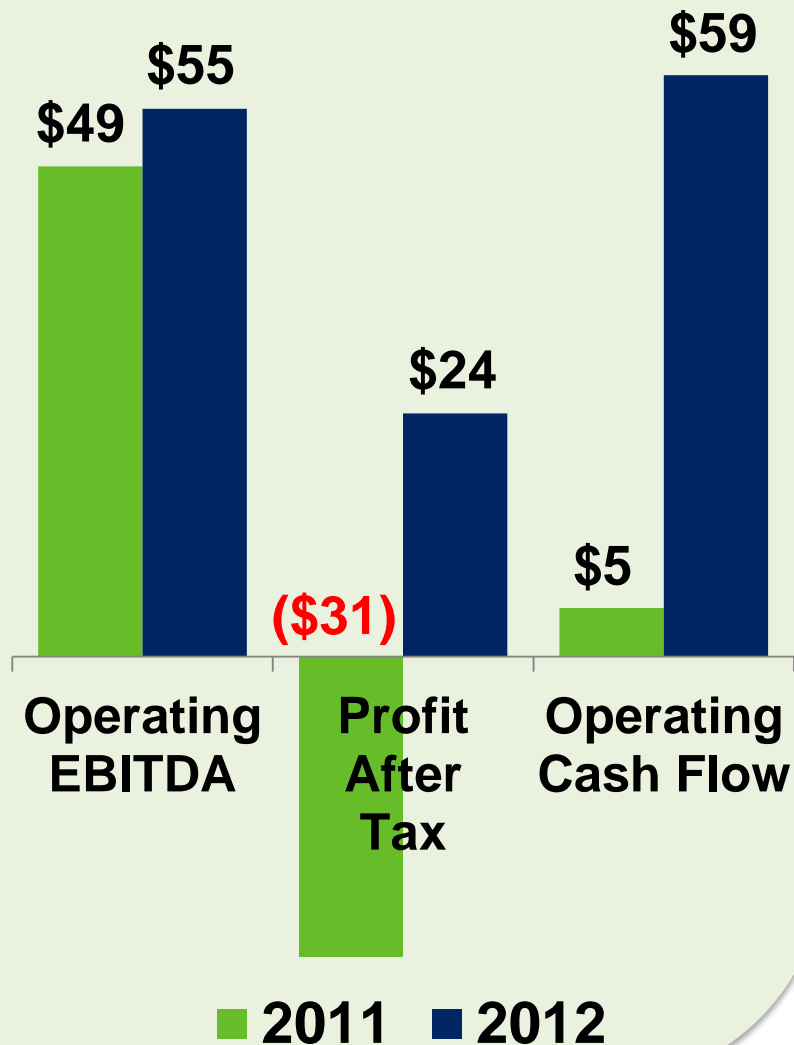


A large flock of sheep is gathered in a lush green field. In the background, there are rolling hills and mountains under a cloudy sky. A wooden fence runs across the middle ground. The text "Operational Review George Gould" is overlaid on a semi-transparent green banner in the upper center of the image.

# **Operational Review George Gould**



## Financial Highlights (\$M)



## Operational Performance

- Operating EBITDA **\$55m**
- Net profit after tax **\$24m**
- Net cash flow from operating activities **\$59m**

# AgriServices

## Livestock

Strong values, improved dairy volumes

## Rural Supplies

Positive spring/summer growing conditions

## Fruitfed Supplies

Challenging time for many growers

## Real Estate

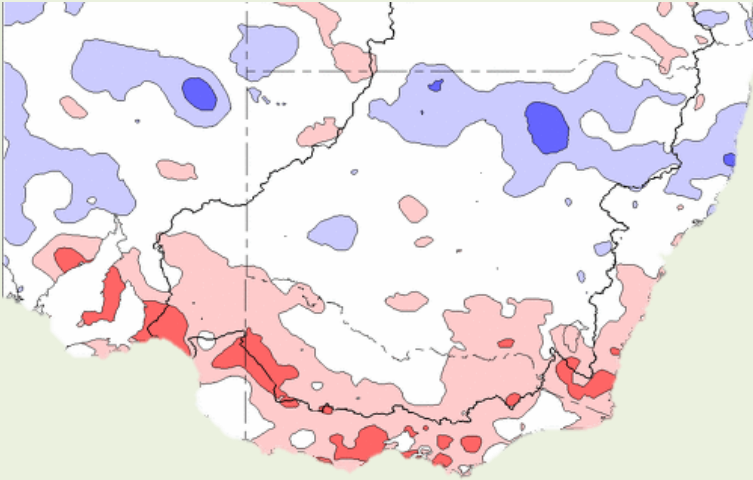
Renewed market confidence



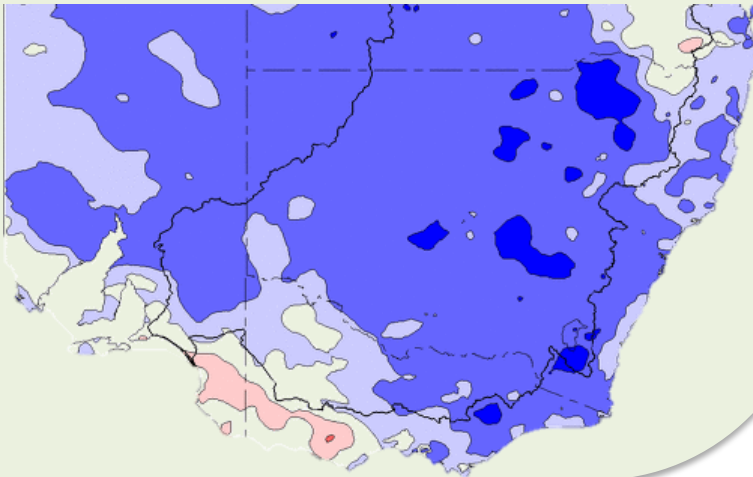


## Rainfall – Variation to Average Australia (Murray Darling Basin)

Oct 2008 – Mar 2009



Oct 2011 – Mar 2012



# AgriTech

**Australian Seeds**  
Challenging weather

**New Zealand**  
Delayed harvest but result  
in line with expectations

**South America**  
Continued growth in  
Uruguay



# **Financial Review**

## **Rob Woodgate**



## Financial Performance

June Year  
(NZ \$M)

FY12 FY11

|                                       |           |             |
|---------------------------------------|-----------|-------------|
| <b>Operating EBITDA</b>               | <b>55</b> | <b>49</b>   |
| Depreciation & amortisation           | (8)       | (10)        |
| Non-operating items & fair value adj. | (4)       | (48)        |
| Net interest & finance costs          | (14)      | (28)        |
| Income tax                            | (3)       | 1           |
| Discontinued operations               | (1)       | 5           |
| <b>Profit for the year</b>            | <b>24</b> | <b>(31)</b> |

## Financial Performance

- Fully consolidated Wool business resulting in \$47m increase in revenue
- Operating costs up \$13m due to wool, additional livestock agents and prior year acquisitions
- Interest costs roughly halved

# Cash Flow

- \$59m cash from operating activities
- \$25m improvement in debtors

| Cash Flow                   |             |           |
|-----------------------------|-------------|-----------|
| June Year<br>(NZ \$M)       | FY12        | FY11      |
| <b>Net Cash flow from:</b>  |             |           |
| Operating activities        | 59          | 5         |
| Investing activities        | (33)        | 123       |
| Financing activities        | (82)        | (80)      |
| <b>Net increase in cash</b> | <b>(56)</b> | <b>48</b> |

| Financial Position  |      |       |
|---------------------|------|-------|
| 30 June<br>(NZ \$M) | FY12 | FY11  |
| Total Assets        | 980  | 1,449 |
| Total Liabilities   | 402  | 845   |
| Total Equity        | 578  | 604   |

# Balance Sheet

- Finance company sale



# Outlook

## AgriServices

- Tougher operating environment than last year
- 7% up on same period last year

## AgriTech

- Cooler spring in Australia and NZ
- Slower start to the year

## Overall

- First half earnings generally 30% of total year





## Business of the Meeting

1. To re-elect Alan Lai as a director
2. To authorise the directors to fix the remuneration of the auditors



**Thank you  
for attending**