

Austock Agribusiness Conference

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- Strategy snapshot
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- Next steps

Strategy snapshot



**Phase one:
Manage our
business
performance**

- Operational performance
- Culture change
- Governance
- Reputation



**Phase two:
Consolidate and
reshape our
business**

- Communication and reputation
- Efficiency
- People and organisation
- Strategy

**Phase three:
Our sustainable
growth
agenda**

- Mitigate seasonal and cyclical volatility
- Proactive capital allocation
- Grow the business

- World economic growth forecast under 4% annually; economic growth for Australia at around 3%
- World wheat production to rebound in 2007/08; minor increase in consumption; forecast decline in wheat prices
- Australian dollar to be around US75c in 2007/08; depreciating to US68c by 2010/11

Australian agriculture outlook



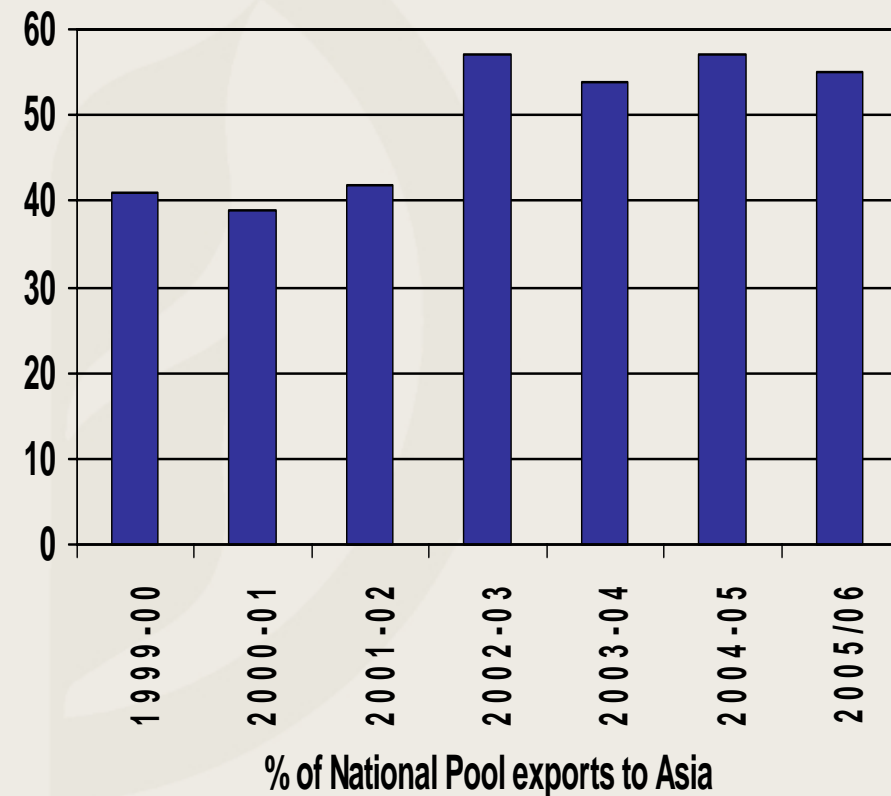
	2006/07	2007/08	2008/09	2009/10
Wheat				
- production (mt)	9.8	24.9	25.8	26.5
- price (A\$/tonne)	242	216	211	227
Sheep				
- numbers (million)	94	94	96	98
- saleyard price (c/kg)	324	370	350	340
Cattle				
- numbers (million)	27.7	28.2	28.6	29.1
- saleyard price (c/kg)	299	330	310	290
Wool (greasy)				
- production (kt)	472	465	475	491
- auction price (c/tonne)	526	523	516	513

Sustainable growth agenda - Asia



- Total export for 2005/06 was just over 17mt
- Sales in excess of 1mt achieved in Japan and South Korea
- Other customers include – Indonesia, Malaysia and Vietnam
- Retaining supply in drought Pool
- Met with international customers in Asia

Increasing sales to Asia



India

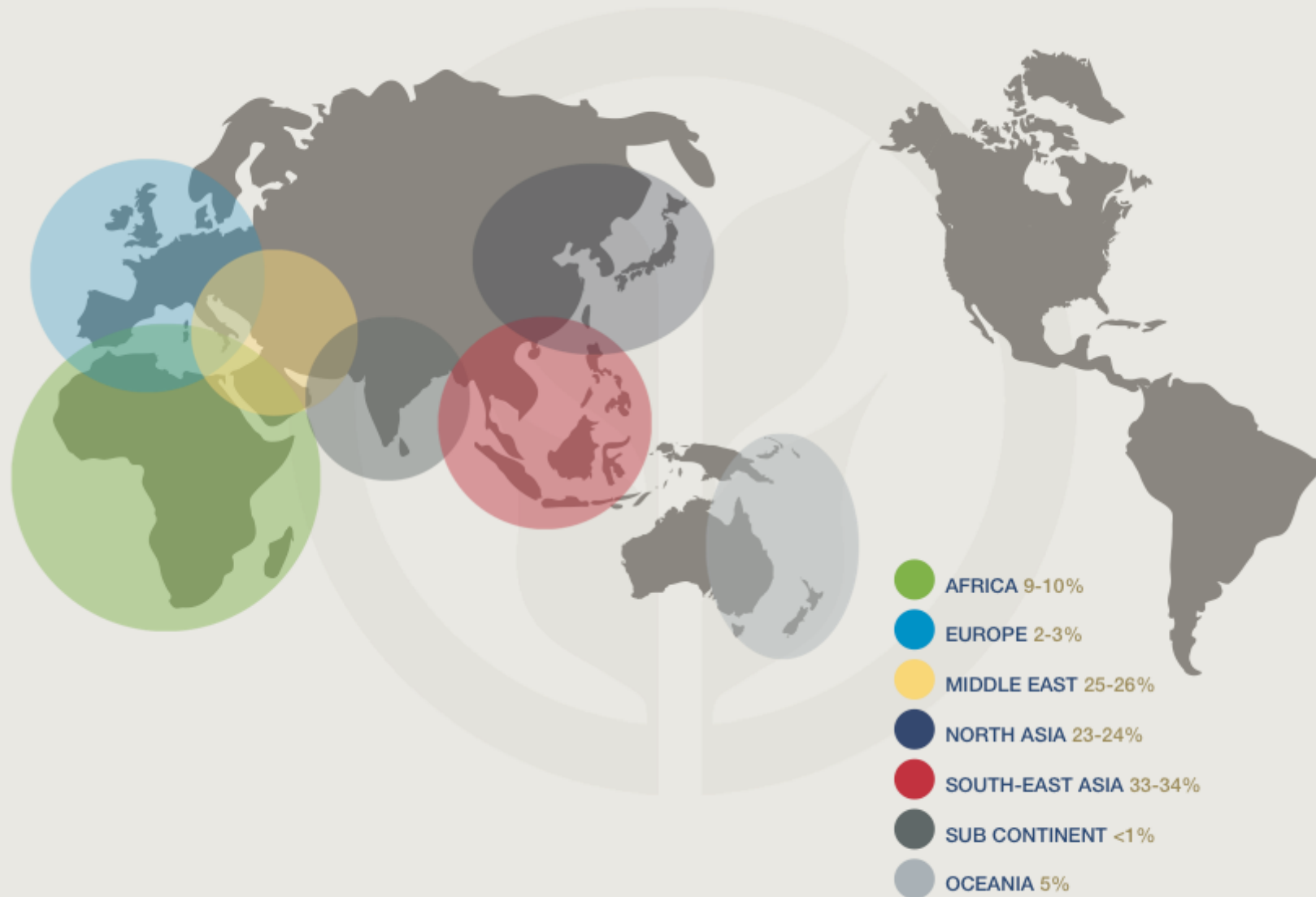
- Total export for 2005/06 was 1.6mt
- Wheat production forecast to increase by 7% in 2007/08
- Consumption estimated to be in line with production
- Established AWB India
 - integrated supply chain from farm gate to retail distribution
 - Domestic wheat and trading of other grains
 - Turnover >\$US200m



AWB India warehouse in Kota, Rajasthan

- Total export for 2005/06 was over 8mt
- Key customers include:
 - Sudan
 - Egypt
 - Yemen
 - Iran
- Strong support from customers

National Pool exports - share by region



- Continue to build long-term customer relationships
- Leverage and build existing local presence
- Develop accumulation strategies to meet customer needs
- Capture high-value wheat opportunities

- Business planning for future wheat marketing arrangements
 - Crop forecast
 - Impact on the 2007/08 Pool
- Ongoing discussions with all key customers
- Improving business performance
 - Ongoing focus on business efficiencies
 - Continued work on capital returns
- Consolidate operating model
 - Accountability
 - Culture and values