

Introduction

Having evolved from the Australian Wheat Board, which operated as a statutory marketing authority for 60 years, AWB Limited (“AWB”) is now a listed, S&P/ASX 100 Australian company.

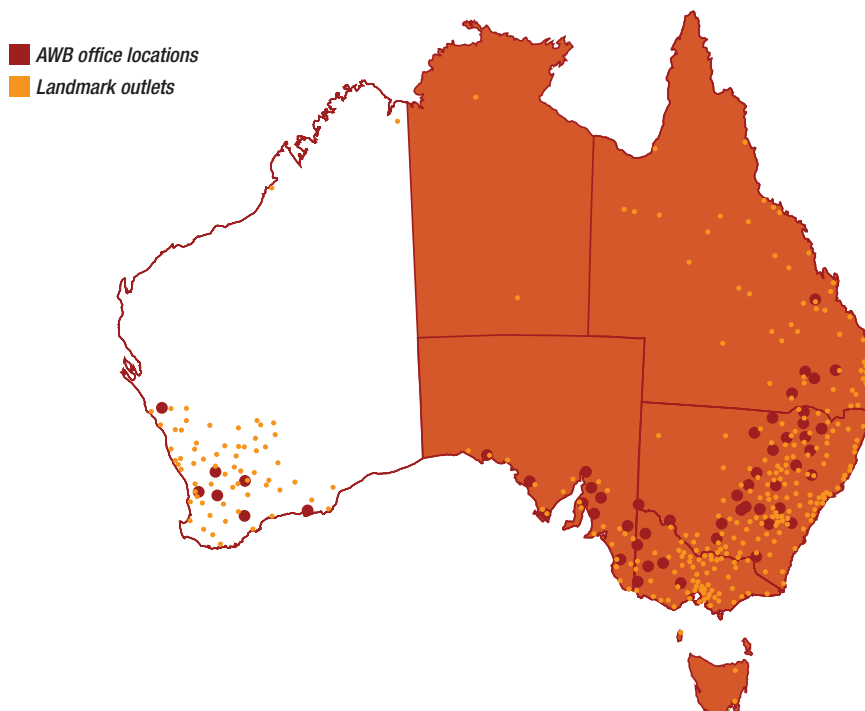
merchandising supplier, handling approximately 20% of the national wool clip and 20% of livestock trading and supplying a significant amount of the country’s fertiliser, through an extensive network of 430 outlets.

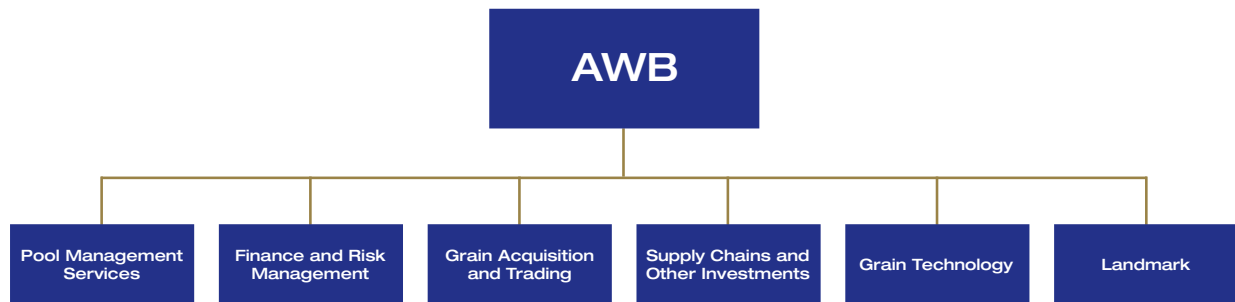
2003	↑	Acquisition of Landmark
2001		Listed on the ASX (22 August 2001)
1999		Privatised - Wheat Industry Fund converted to <i>B class</i> shares - <i>A class</i> shares issued to wheat growers - Government guarantee of AWB borrowings removed
1998		Corporatised
1989		Domestic market deregulated and Wheat Industry Fund established
1939		Australian Wheat Board established as a statutory authority

AWB is the exclusive manager and marketer of all Australian bulk wheat exports through what is known as the Single Desk system. It also markets and trades a range of other grains including barley, sorghum and oilseeds.

However, AWB is now more than just a grain marketer. The acquisition of Landmark in August 2003 was clearly a major milestone for AWB. Landmark is Australia’s largest supplier of farm inputs and rural

It has an earnings base that is diversified across all agricultural regions of Australia and across all major rural industries – broadacre cropping, wool, beef, sheep and prime lambs, cotton, viticulture, sugar and horticulture. It is also a major provider of finance and insurance packages to primary producers. The acquisition creates a unique platform for future growth and makes AWB Australia’s leading agribusiness.





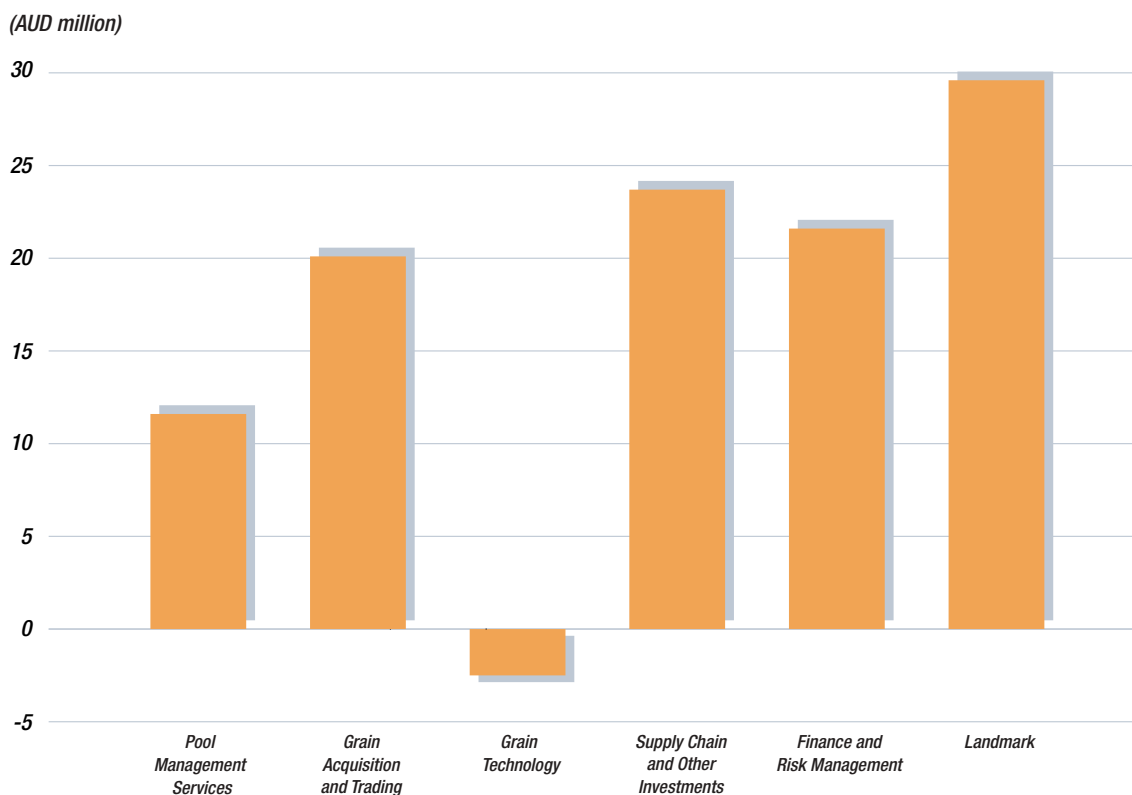
AWB is also one of Australia’s primary providers of financial services and risk management to rural Australia, providing a range of competitive cash flow, finance and underwriting products tailored to suit domestic and international customers.

Additionally, the Grain Acquisition and Trading Division operates in the competitive domestic market, running the largest grain trading book in Australia and through AWB GrainFlow Pty Limited, AWB operates grain storage and handling centres in 21 locations across the eastern seaboard. There are six key business streams that represent the AWB business:

- **Pool Management Services**
primarily involves the aggregation, management and global marketing and distribution of Australian export wheat
- **Finance and Risk Management**
provides finance and risk management products to growers and end users

- **Grain Acquisition and Trading**
consists of trading, as principal, of grains and grain related trading flow
- **Supply Chain and Other Investments**
consists of the development of, and direct investment in, supply chain infrastructure and end use grain businesses
- **Grain Technology**
consists of the development and Australian application of leading edge grain related technologies
- **Landmark**
provides customers with rural merchandise, fertiliser, livestock, wool, agronomy, insurance, real estate and financial services.

2003-04 half year profit before tax by business stream



Source: AWB, May 2004.

AWB National Pool

A pool is a system by which grain is acquired, managed, marketed and accounted for separately according to its specified quality and variety for the purposes of sale. Wheat pools give growers the ability to aggregate their production with that of other growers, to provide a more consistent quality supply to customers and to facilitate consistent market access and more stable returns. Based on a 2003-04 estimate of world wheat trade, AWB is the second largest wheat exporter holding approximately 16% of global market share.

(Source: USDA, 2004)

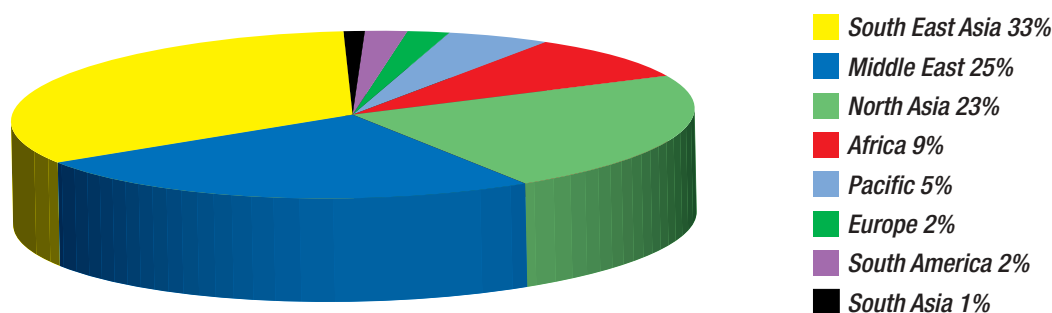
AWB manages the AWB National Pool on behalf of AWB International Limited ("AWBI").

The AWB National Pool is the only entity in Australia that may export bulk wheat overseas without the approval of the Wheat Export Authority under the terms of the Wheat Marketing Act 1989. This operation of the AWB National Pool and its monopoly position for Australia's export of bulk wheat are commonly referred to as the Single Desk system.

The role of managing the AWB National Pool, which is similar to that of an asset manager, is designed to maximise net pool returns for growers who deliver wheat into the AWB National Pool. A management fee is paid to AWB for specific and integrated services provided to AWBI which are needed to operate the AWB National Pool.

The 2001-02 AWB National Pool exported approximately 17 million tonnes of wheat, worth almost AUD5 billion. This equates to around 3% of the total value of Australian exports.

Estimate of 2001-02 AWB National Pool contribution by region



Source: AWB, March 2004.

Note: Estimate only. Middle East includes Egypt.

Dual class share structure

AWB's corporate structure consists of *A class* and *B class* shares.

A Class shares

A class shares can only be owned by current wheat growers and specifically exclude dividends. They confer on *A class* shareholders a number of rights, including the right to elect a majority of the AWB Board of Directors. To be eligible for an *A class* share, growers must produce at least 100 tonnes of wheat on a three year rolling basis. Only one *A class* share is issued to each qualified grower, however, voting entitlements are proportionate to wheat tonnage delivered to the AWB Group.

B Class shares

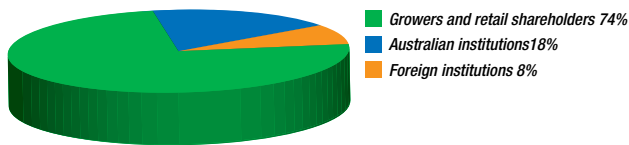
In contrast, *B class* shares can be owned by either wheat growers or non-growers. *B class* shares carry rights to receive dividends and the right to elect a minority of the AWB Board of Directors. It is AWB's *B class* shares which are quoted on the ASX.

In 1999, growers were issued with *B class* shares on the basis of their equity in the Wheat Industry Fund ("WIF") monies collected from wheat growers over the preceding decade.

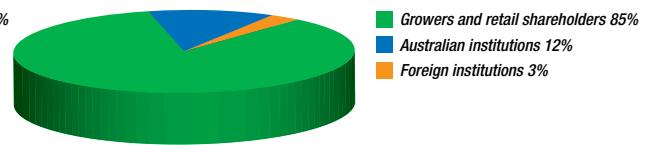
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Ownership of AWB

As at April 2004



As at April 2003

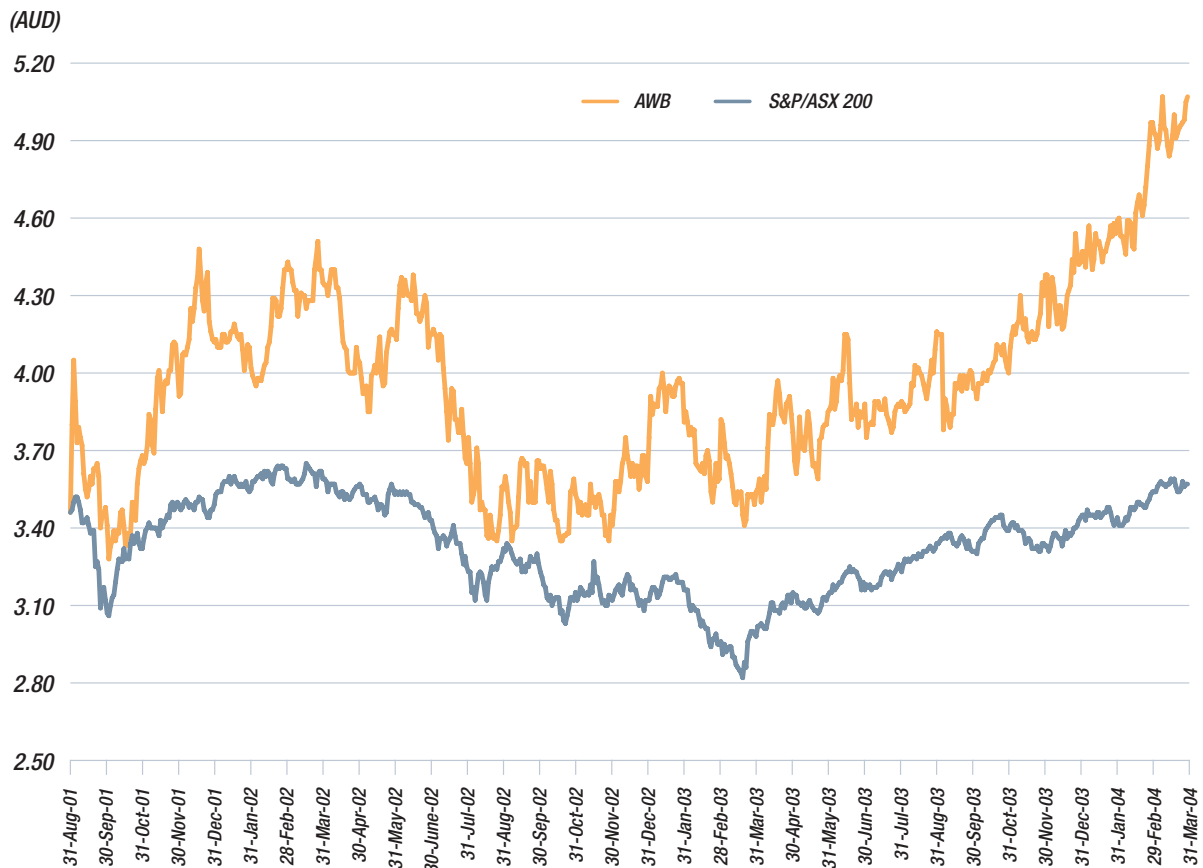


Source: AWB, May 2004.

Note: Shareholders of greater than 100,000 B class shares are considered institutional investors.

Market summary

AWB has consistently out performed the S&P/ASX 200 since listing on the ASX on 22 August 2001.



Source: AWB, April 2004.

Market summary for B Class shares

Market capitalisation:	As at 31-March-04 (share price of AUD5.07)	AUD1,713.7 million
Issued capital:	As at 31-March-04	338 million shares
Number of B class shareholders:	As at 31-March-04	63,527
Index inclusions:	For the quarter commencing 1-April-04	S&P/ASX 100 (75% IWF)
52 week high*:	11-Mar-04	AUD5.12
52 week low*:	2-Apr-03	AUD3.51
Highest closing price since listing:	31-Mar-04	AUD5.07
Lowest closing price since listing:	24-Sep-01	AUD3.28
Weighted average share price:	From listing to 31-March-04	AUD3.95
Average daily trading volume:	From listing to 31-March-04	415,000 shares
Earnings per share:	As at 31-March-04	16.3 cents per share
Dividends per share:	Based on 2002-03	25.0 cents per share
Dividend yield:	As at 31-March-04 (based on 2002-03)	4.90%
Net tangible assets backing per share:	As at 31-March-04	AUD1.35

* = Intra-day. IWF = Investible Weight Factor. Source: AWB, May 2004.

Dividend policy

The AWB Board of Directors expects to continue to declare dividends in subsequent years and it is intended that dividend payments will be maintained at a relatively stable level. The actual level of dividends payable in any given year and the associated level of franking may vary and will depend on a number of factors, including changes in taxation legislation, AWB's earnings and its cash requirements at the time.

It is intended that future dividends for each financial year will be paid in two instalments. It is likely that an interim dividend will be payable in July and a final dividend will be payable in December.

It is anticipated that the interim dividend will generally be larger than the final dividend, reflecting the fact that a higher proportion of AWB's profit is earned in the first half of the financial year.