To: The Manager
Announcements
Company Announcements Office

Fax: 1300 300 021

Public Announcement 2006 – 100

Full Year Results – ended 30 September 2006 (Presentation)

Please find attached for immediate release a copy of the presentation for a briefing to analysts and media regarding the Full Year Results ended 30 September 2006.

Peter Patterson
Company Secretary

Wednesday, 22 November 2006

Full Year Results 2006

22 November 2006

Content

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Overview - Gordon Davis, MD

Overview

- Underlying profit* of $147 million in line with July guidance
  - Core businesses proving resilient and profitable
- Profit impacted by:
  - Seasonal challenges
  - Poor performance in Australian trading conditions
  - One-off charges including Oil for Food Inquiry costs and write down of Grainflow assets
- Initiatives to mitigate risks from seasonal and cyclical volatility are underway

* Before tax, amortisation and one-off significant items

Management action to date

1. Management renewal
   - Change in leadership
2. Project Simplicity
   - Reducing cost base and business complexity and improving organisational effectiveness
3. Project Focus
   - Improving the profitability of the rural services network focusing on customer management, business unit structure and reducing cost base
4. Values program
   - Engaging over 600 staff to develop and commit to a set of values that will guide employees in interactions with stakeholders and with each other

Strategic progress

- Expansion of international trading
  - Strong first year result in AWB India with over 500k tonnes traded
  - Opened AWB Brazil
- Continued growth in rural finance division
  - Rural Trust funding vehicle established
  - Rural loan book acquired from Adelaide Bank
- Ongoing geographic expansion
  - 50/50 joint venture and strategic dairy alliance with Fonterra

Ongoing challenges

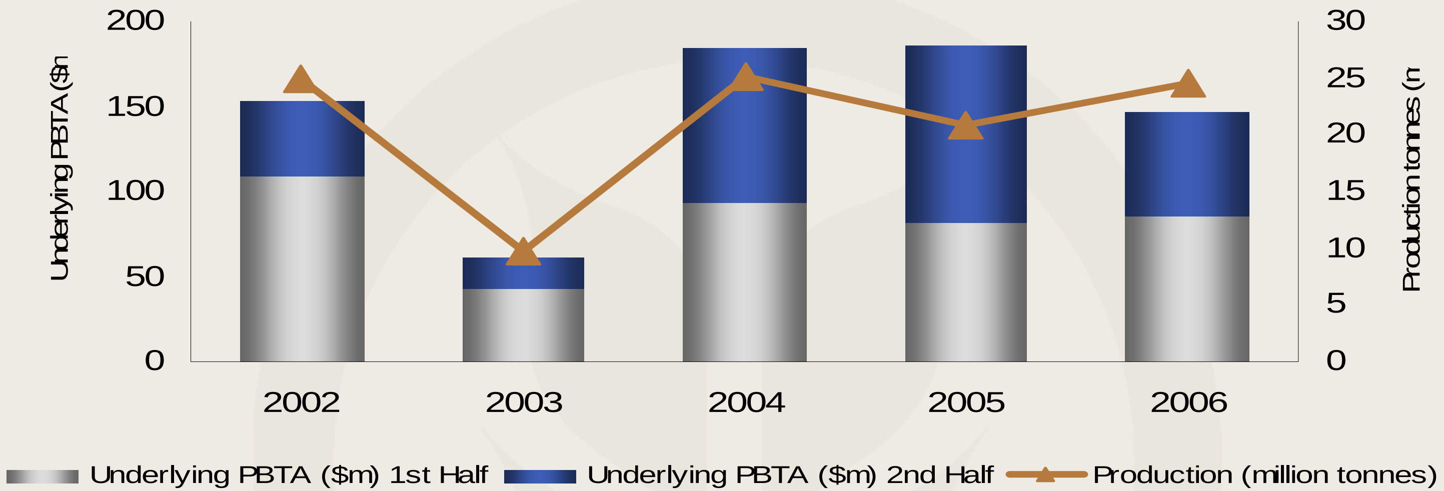
- Unsustainable cost base
- Complex business structure
- Lack of transparency and accountability
- Leverage network franchise
- Focus on business priorities
- Strategy execution

Dividends

- The Board has resolved to pay a fully franked final dividend of 4 cents per share reflecting:
  - the one-off costs and its impact on the reported result;
  - the ongoing effect of the drought; and
  - the substantially lower 2006/07 National Pool
- The annual dividend of 20 cents compares with 29 cents paid last year

Financial performance - James Hatherley, Acting CFO

Underlying profit

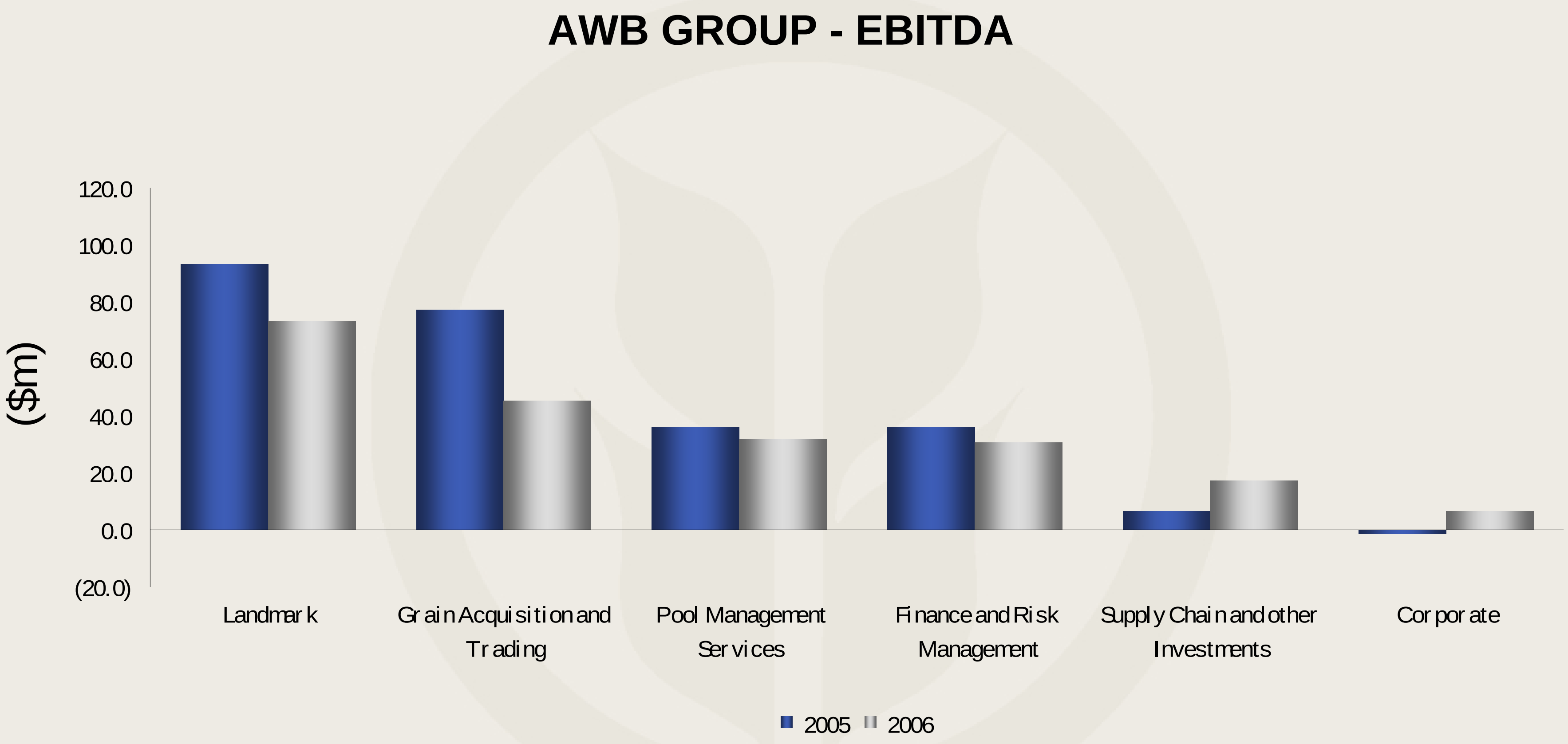


	Financial result – full year ended 30 September		
	2005	**2006**	**Change (%)**
Underlying PBTA ($m)	185.1	147.1	(21)
Underlying NPAT ($m)	142.3	105.8	(14)
Reported NPAT ($m)	184.1	58.1	(68)
Dividend (cents per share)	29	20	(31)

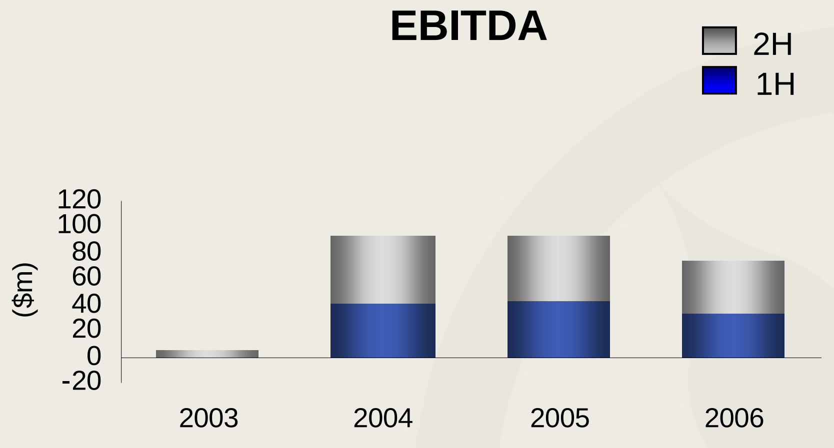
Significant items

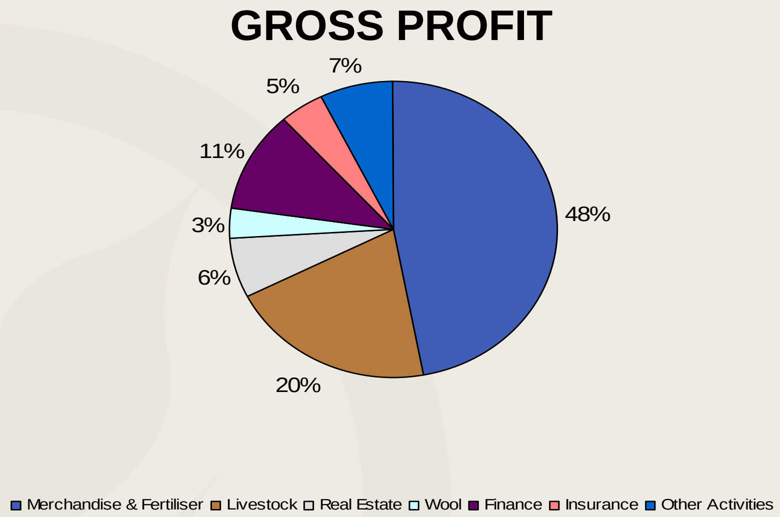
	PBTA impact ($m)	PAT impact ($m)
Hi-Fert acquisition benefit –Profit realised on the acquisition of remaining 33% of Hi-Fert	10.4	7.3
Redundancies and restructuring	(10.2)	(7.1)
Oil for Food Inquiry costs	(23.7)	(16.6)
Asset impairment adjustments –AWB Grainflow	(19.3)	(13.5)
Total non recurring items - 2005/06	(42.8)	(29.9)
A-IFRS transition adjustment –Carry forward mark-to market positions	(22.9)	(17.7)
TOTAL SIGNIFICANT ITEMS - 2005/06	**(65.7)**	**(47.6)**

Underlying resilience in a tough environment



Business stream overview - Landmark



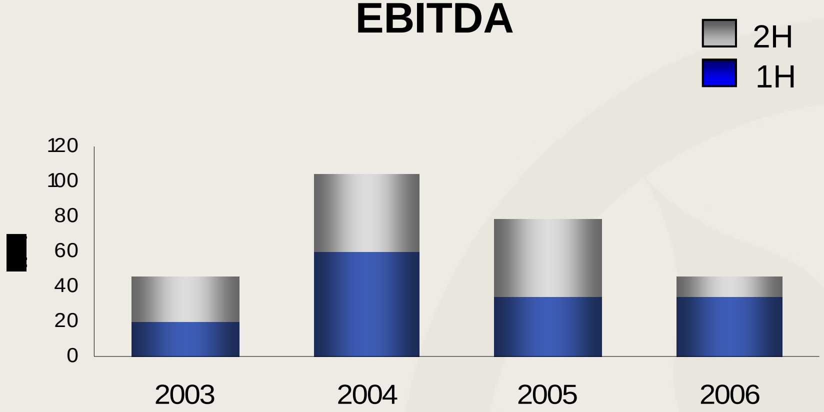


- Biggest contributor to the group's result
- Adverse seasonal conditions significantly impacted gross profit growth this year
- Gross profit up 3.2% (excluding other income) with strong performance from Finance, Insurance, Wool and Real Estate
- EBIT down by 19% on pcp to $64.3 million, mainly due to other income (one-off items) in the pcp and an increase in overheads this year, being addressed by Project Focus

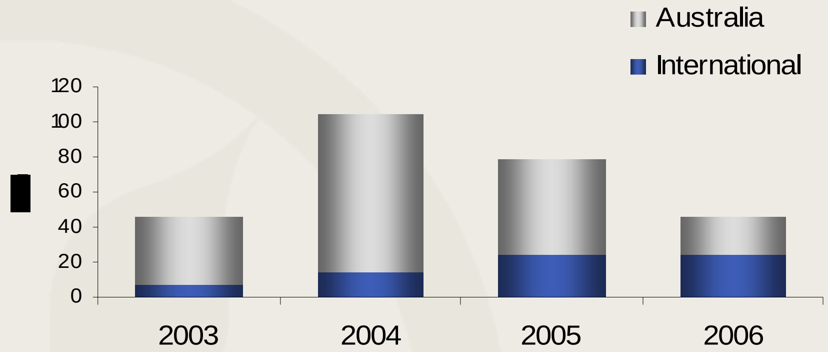
- Strong market share maintained in merchandise and fertiliser; this foundation will be used to leverage growth in our customer base, in associated activities such as Finance and Insurance and Real Estate
- Landmark Financial Services focussed on growth, by increasing the penetration of the existing Landmark 100,000 plus customer base, and attracting new clients with complete financial solutions

Business stream overview - Grain Acquisition and Trading

EBITDA



EBITDA – Australia vs. International



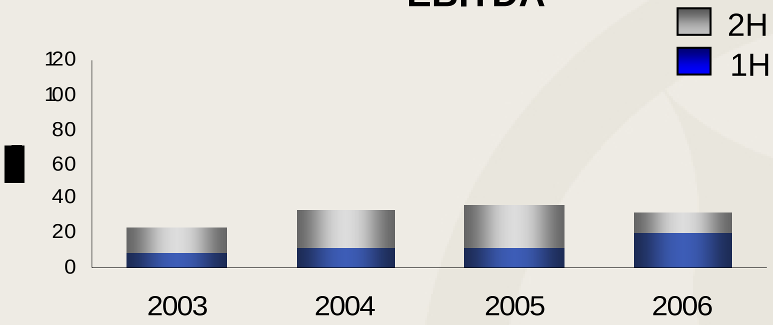
- Grain Acquisition & Trading contributed EBIT of $45.2 million, down 41%
- Of this total, Australia Trading contributed EBIT of $20.8 million (down 60%) while International Trading's EBIT contribution was $24.5 million, consistent with last year
- AWB's international trading activities continued to provide strong earnings for the Group
- Chartering continued to perform strongly in a less volatile freight market

- AWB India progressing well. Investment in storage and warehousing activity has created a platform to expand both the scale of existing commodity business as well as branch into new commodities in the forthcoming year
- AWB Brazil operations launched, positioning AWB to participate in one of the fastest growing commodity origination markets in the world. A range of activities in grains, livestock and related infrastructure will provide significant opportunities for AWB to build upon in the South American region in future years

Business stream overview (contd)

Pool Management Services

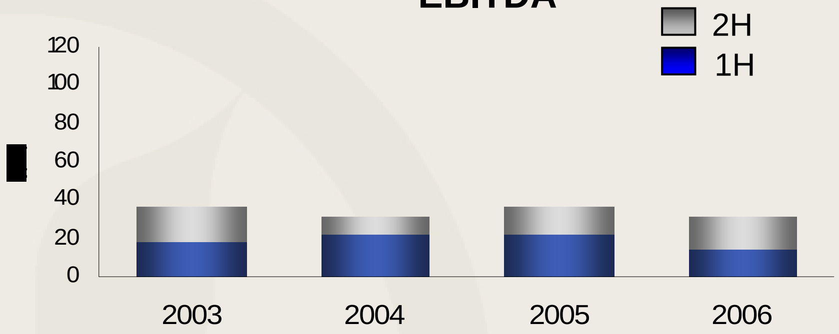
EBITDA



- Pool Management Services contributed an EBIT of $31.4 million for the year, down 13%
- Revenue decreased by 8% due to the lower interim out-performance result achieved for the 2005/06 Pool, although $89 million of value was still added above the Wheat Industry Benchmark (WIB)
- Costs allocated to Pool Management Services were 6% lower

Finance and Risk Management

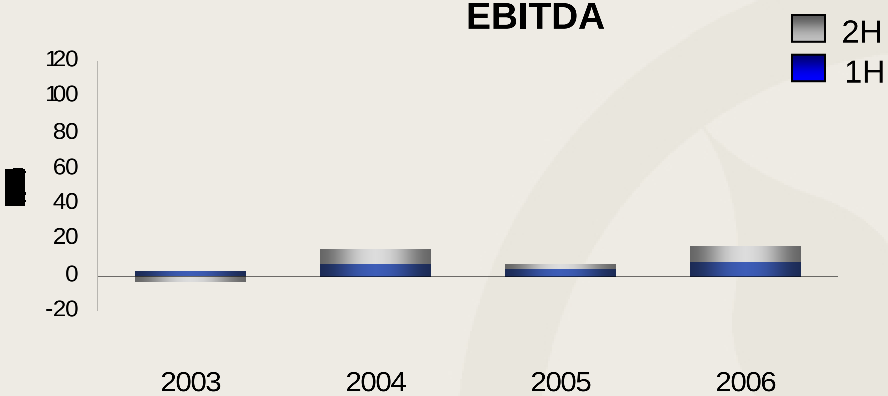
EBITDA



- Finance & Risk Management Products contributed EBIT of $31.1 million, compared with $36.6 million in the pcp
- The Harvest Finance loan book peaked at $1.3 billion, up 18% on the pcp
- Losses were experienced in the over the counter (OTC) desk in Portland, USA, which led to a decision to close the business

Business stream overview (contd)

Supply Chain and Other Investments



- EBIT contribution from the business was $6.4 million for the period, higher than the $3.8 million loss in the pcp
- Grain Centre receivals were 1.9 million tonnes received during the 2005/06 winter crop, up 0.6 million tonnes on 2004/05
- Melbourne Port Terminal's earnings were in line with the pcp

Balance sheet

	30 September 2005	30 September 2006	Landmark	Grain Acq. & Trading - Overseas	Grain Acq. & Trading - Australia	Finance & Risk Management	Supply Chain & Other Inv.	Corporate / Eliminations
Working Capital and Other Current Balances	625.2	735.6	288.4	203.4	213.4	(11.1)	5.2	36.3
Investments & Available for Sale Assets	69.5	116.2	90.2	-	-	3.8	-	22.2
Intangible Assets	566.0	560.1	546.0	1.2	-	-	-	12.9
Property, Plant, and Equipment	202.6	165.8	38.0	1.1	-	-	98.7	28.0
Funds Employed (excluding Finance)	*1,463.3*	*1,577.7*	*962.6*	*205.7*	*213.4*	*(7.3)*	*103.9*	*99.4*
Landmark Loans (incl Rural Trust)	-	2,003.4	2,003.4	-	-	-	-	-
Grower Loan Receivables	410.9	590.6	-	-	-	590.6	-	-
Advanced & Deferred Payment Products	167.0	324.4	-	-	-	324.4	-	-
Total Loans & Grower Receivables	*577.9*	*2,918.4*	*2,003.4*	-	-	*915.0*	-	-
Total Funds Employed	**2,041.2**	**4,496.1**	**2,966.0**	**205.7**	**213.4**	**907.7**	**103.9**	**99.4**
Interest Bearing Deposits (Landmark)	(535.4)	(442.6)	(442.6)	-	-	-	-	-
Deposits - AWB National Pools	(565.9)	(511.9)	-	-	-	(511.9)	-	-
Net Interest Bearing Debt	190.1	(2,416.3)	(2,069.6)	(97.7)	-	(247.0)	2.9	(4.9)
Net Intercompany Balances	-	-	279.0	(18.0)	(197.0)	(128.0)	(170.0)	234.0
Net Debt	*(911.2)*	*(3,370.8)*	*(2,233.2)*	*(115.7)*	*(197.0)*	*(886.9)*	*(167.1)*	*229.1*
Shareholders' Equity	*(1,130.0)*	*(1,125.3)*	*(732.8)*	*(90.0)*	*(16.4)*	*(20.8)*	*63.2*	*(328.5)*
Total Sources of Funds	**(2,041.2)**	**(4,496.1)**	**(2,966.0)**	**(205.7)**	**(213.4)**	**(907.7)**	**(103.9)**	**(99.4)**

Cash flow

Full Year Ended 30 September ($m)	2005	2006
Profit before tax	230.3	71.4
Adjustment for non cash items	5.0	138.4
Cash earnings	**235.3**	**209.8**
Increase in working capital balances	(71.7)	(110.4)
Income taxes paid (net)	(63.2)	(40.1)
Cash flows from operating activities	**100.4**	**59.3**
Proceeds from / (purchases of) non current assets (net)	140.8	(33.7)
Purchase of loan book	0.0	(1,771.1)
Cash flows from investing activities	**140.8**	**(1,804.8)**
Grower Products (Loans, Grower Advanced / Deferred Payments)	270.4	(337.2)
Customer Loans	0.0	(284.4)
Proceeds / (placements) - Other	130.9	381.0
Net increase in interest bearing liabilities	(543.5)	2,059.0
Dividends paid	(93.1)	(100.5)
Cash flows from financing activities	**(235.2)**	**1,718.0**
Net increase / (decrease) in cash held	**6.0**	**(27.5)**

Key issues and priorities - Gordon Davis, MD

Key issues

- Respond appropriately to outcomes of the Oil for Food Inquiry
- Manage any changes to the current wheat marketing arrangements
- Mitigate seasonal volatility
  – Lower, sustainable cost base
  – More efficient organisation
- Proactive capital allocation

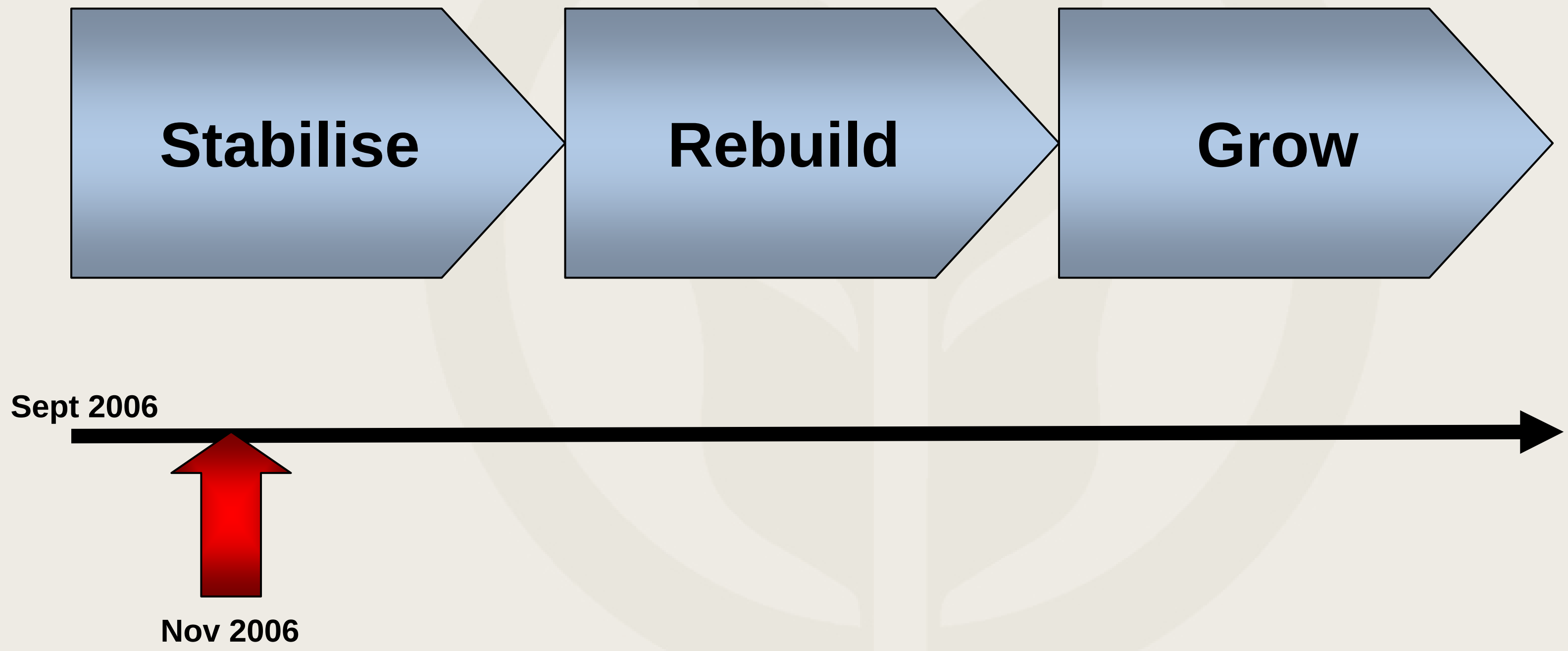
Key priorities

1. Financial Performance
   - Reduce cost base
   - Focus on return on capital
2. Organisation and culture
   - Simplify the operating model and processes
   - Clear lines of accountability
3. Execution of strategies
   - Delivering on initiatives e.g. Project Simplicity & Project Focus
4. Communication and Reputation
   - Improve transparency
   - Proactive and balanced stakeholder management

Outlook

- AWB’s forecast for domestic wheat production for 2006/07 is 9 to 11 million tonnes, with domestic consumption estimated at 6 million tonnes
- The company does not intend to issue profit guidance given uncertainty, mainly due to the duration of drought

Looking forward



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For more information contact:

Delphine Cassidy
Head of Investor Relations
Ph: +61 3 9209 2404
Email: dcassidy@awb.com.au