



Annual Shareholder Report

Philip Gentry
Chief Financial Officer

10 February 2009
Annual General Meeting



2008 – A year of achievements

Corporate

- Reported NPAT up 137% to \$64.3m
- Legal issues – 2 Class Actions dismissed/provision for SCB
- Risk framework – Improved systems in place, continued progress
- Culture change – New Code of Conduct
- Constitutional reform – Shareholder approval in 2H08

Business

- Rural Services: Continuing momentum, leveraging brand and network
- Financial Services: Product extension and increased customer take-up of Financial Services products
- Commodities: Repositioning domestically, integrating international business

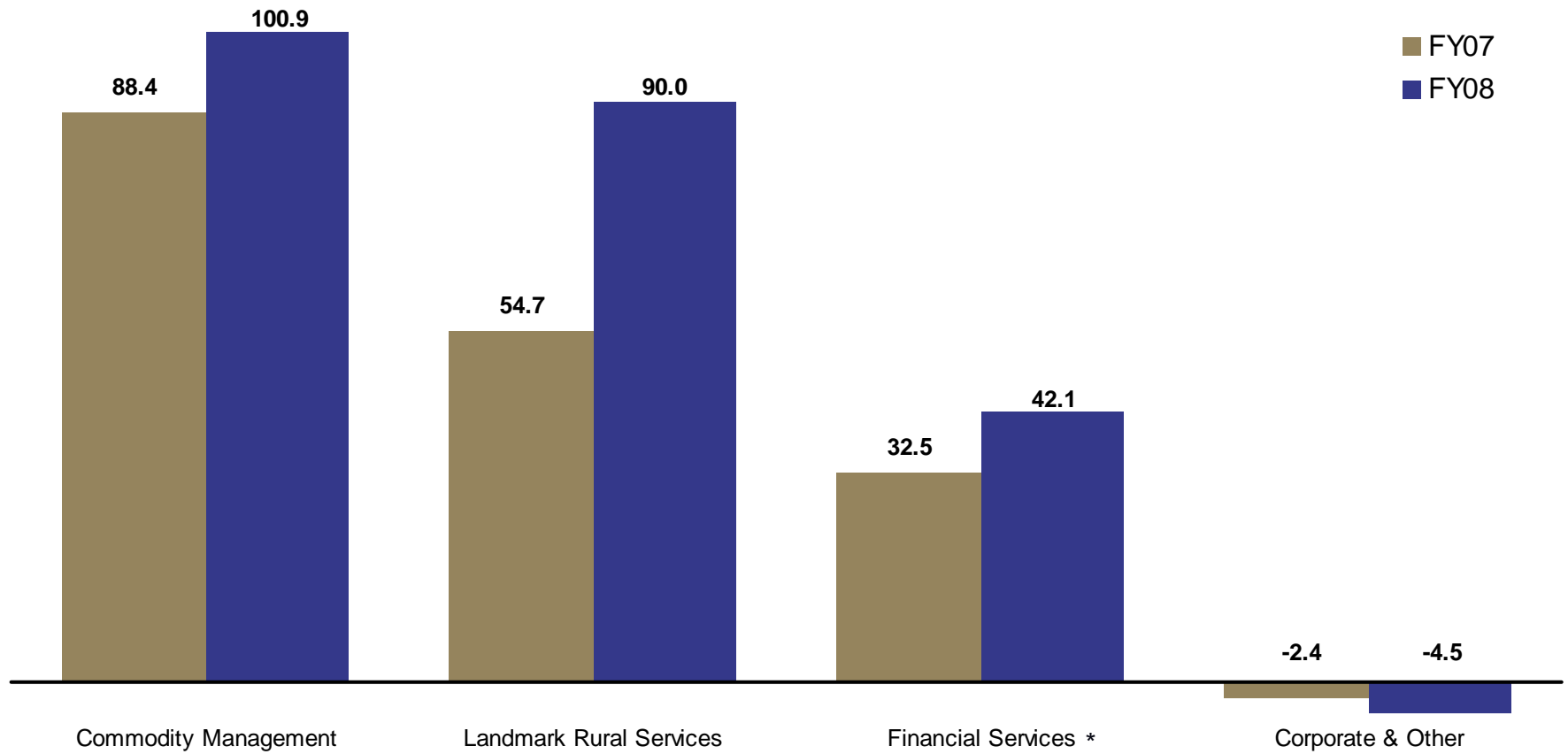
2007

2008

2009

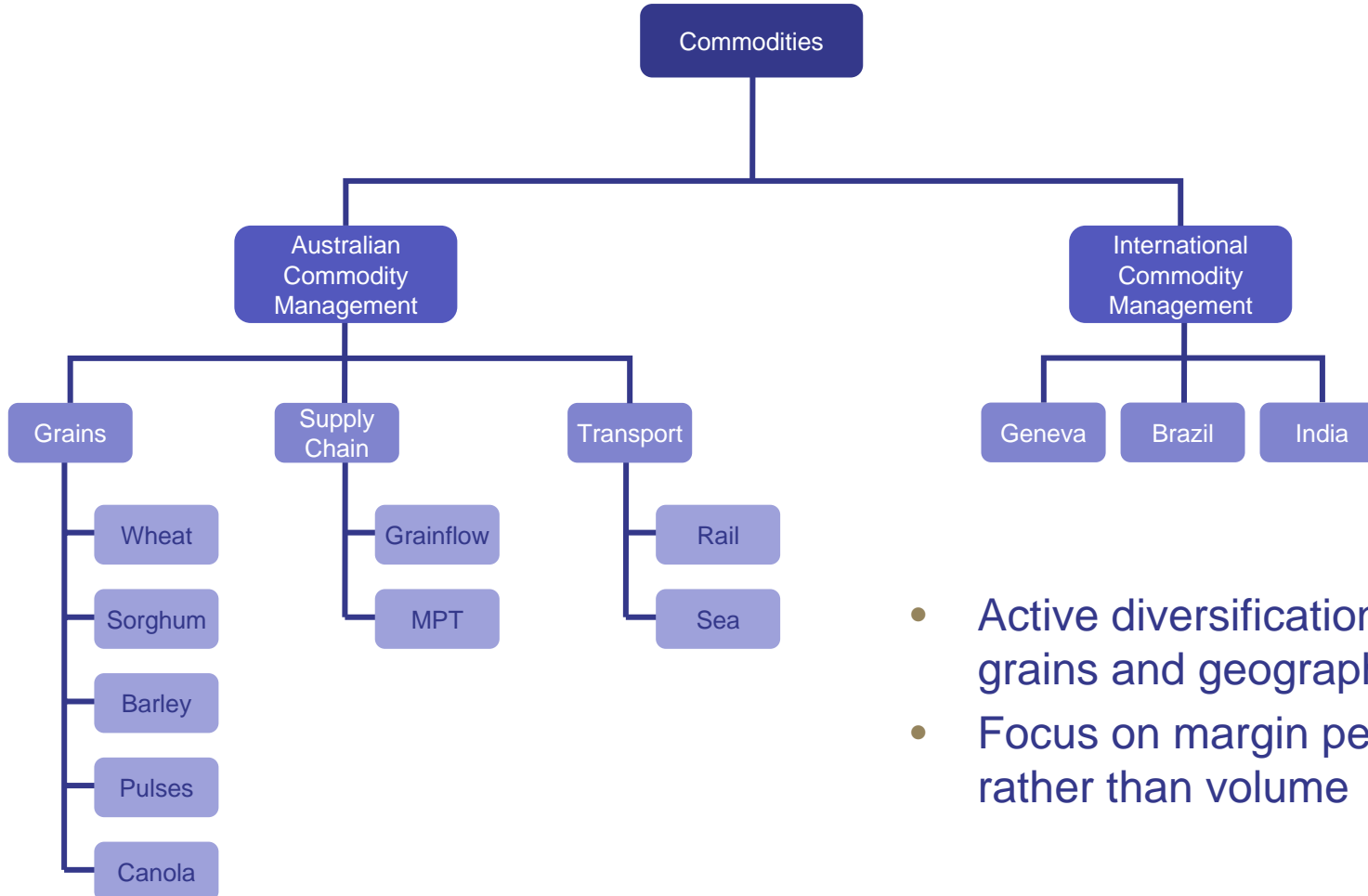
Better balanced business portfolio

EBITDA by business segment (\$m)



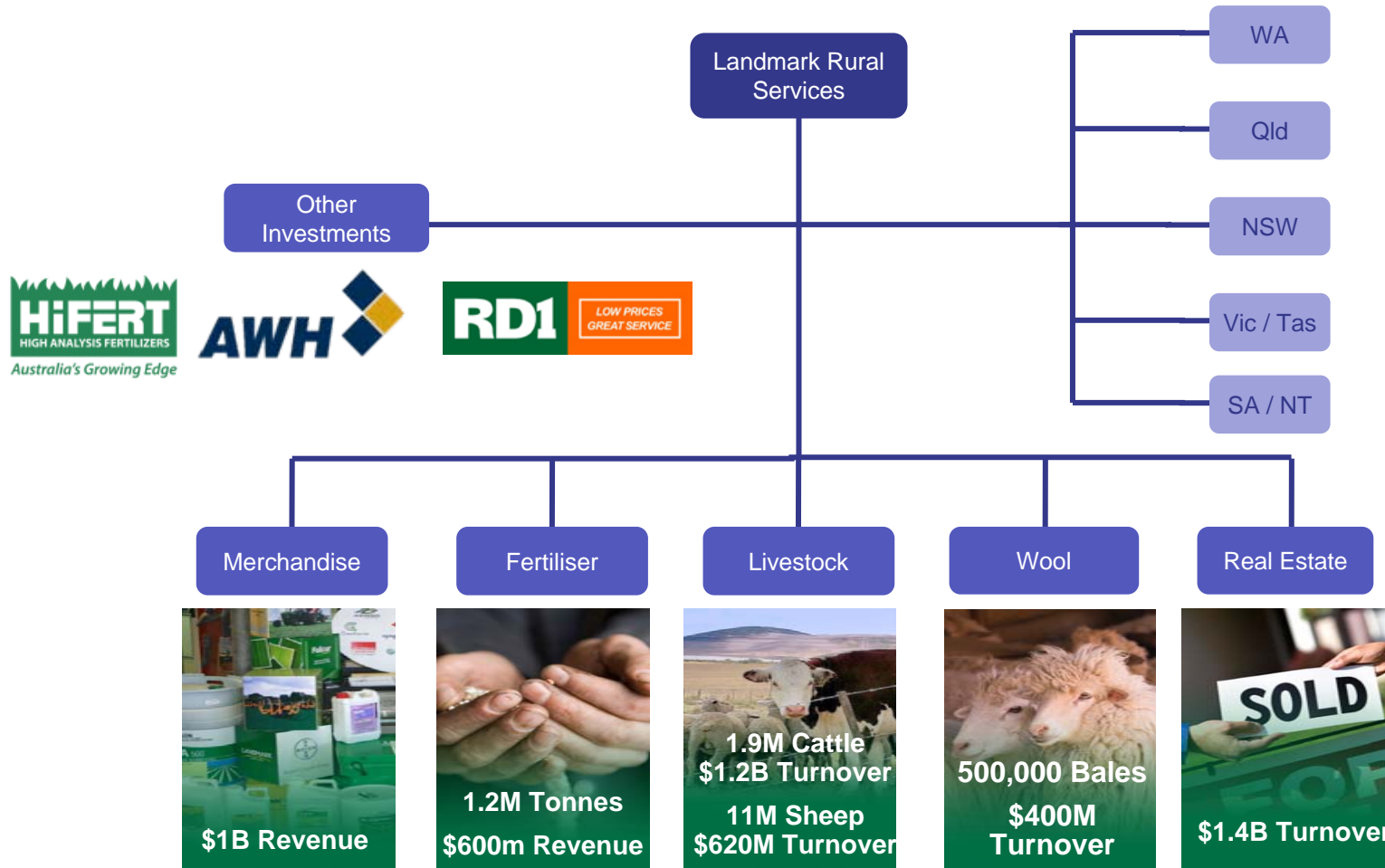
* Financial Services includes Landmark Financial Services and Harvest Finance

Commodities – More diversified grain trading business



- Active diversification to wider grains and geographies
- Focus on margin per tonne rather than volume

Landmark Rural Services – Diversified by Geography and Activity

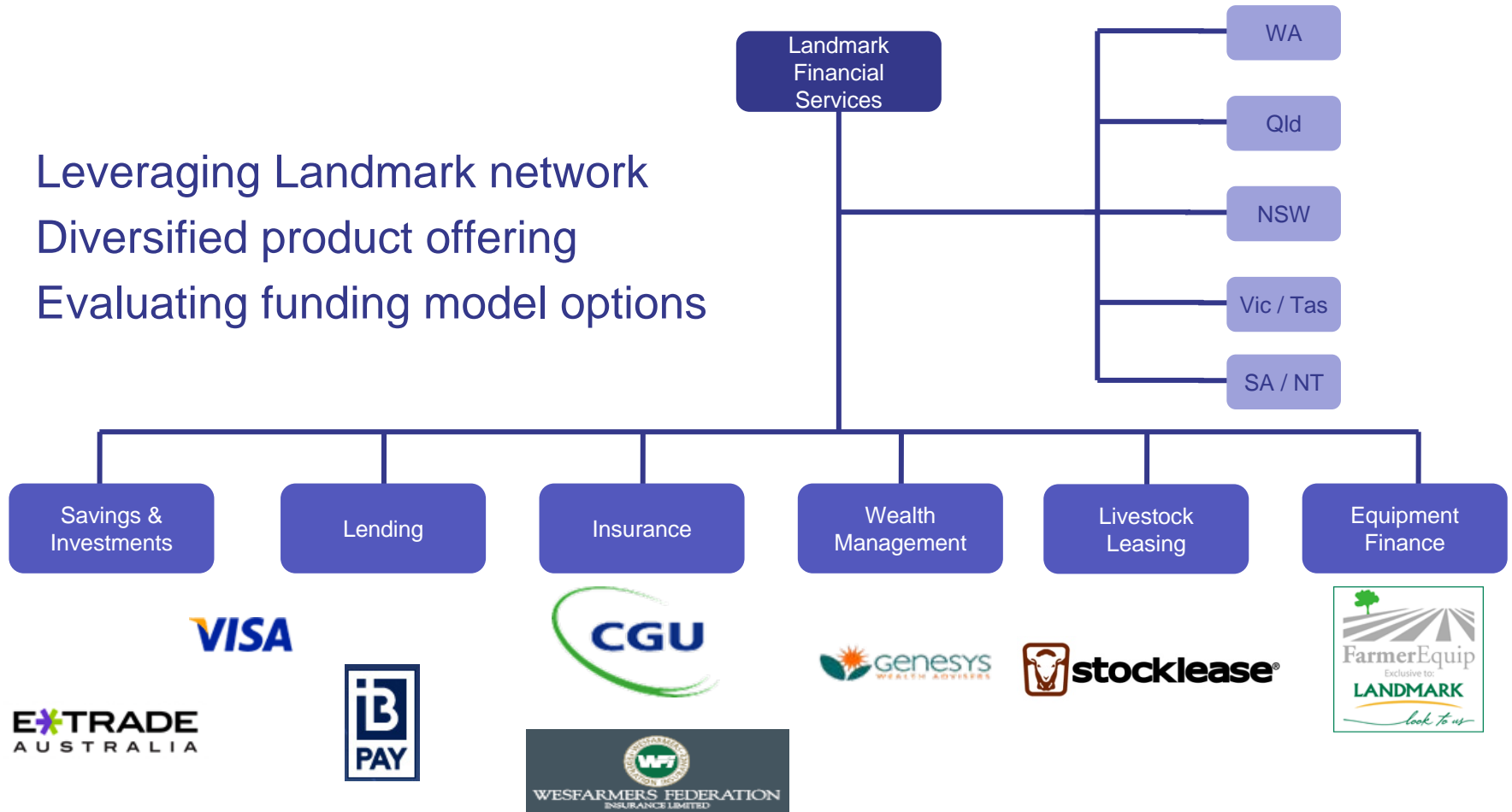


LANDMARK

finance insurance real estate wool farm services livestock fertiliser merchandise look to us

Landmark Financial Services – Leading distribution network

- Leveraging Landmark network
- Diversified product offering
- Evaluating funding model options



finance insurance real estate wool farm services livestock fertiliser merchandise **LANDMARK** *look to us*

2009 operating environment and priorities

- Challenging operating environment
 - Weather patterns, in particular drought in south eastern Australia
 - Changing grain marketing environment
 - Credit market constraints
 - Global slowdown
- Priorities to manage in this environment include:
 - Focus on cost control
 - Efficient working capital and inventory management
 - Rigorous margin management
 - Enhanced credit oversight
 - Continued focus on improving business processes and controls
 - Implementation of internal RAROC

Group update – Half year results expected to be lower

- Estimated 45 – 55% reduction on pcp NPAT (post significant items) of \$22.3m
 - Estimated 55 – 65% reduction on pcp PBT (pre significant items) of \$64.6m
 - Full year profit will depend in part on improved seasonal conditions in 2H
- No further material developments on legal matters
- Dividend policy remains 40 – 65% of NPAT post significant items

Business performance update

- **Rural Services**

- Slow start to the financial year
 - Weaker returns from investments (50/50 JV's)
 - Qld, WA and Nth NSW – solid
 - Vic, SA and Sth NSW – slow
- Awaiting breaking rains across southern Australia
- Well positioned for seasonal increase in activity
- 2H traditionally stronger than 1H

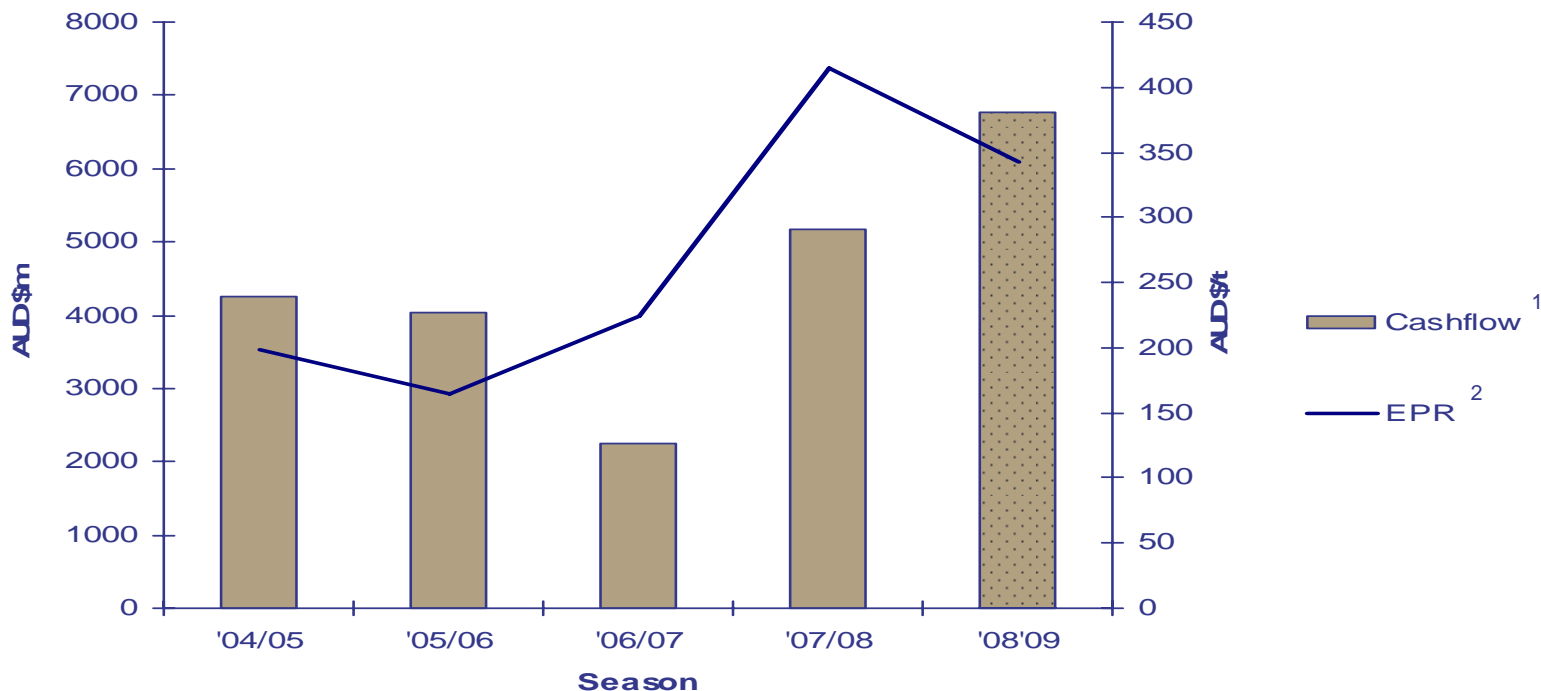
- **Landmark Financial Services**

- Lending margins maintained in difficult environment
- Credit quality has been maintained

- **Commodities**

- ACM:
 - Chartering and cash grain trading activity strong
 - AWB Pools – targeting 2.5 – 3m tonnes in AWB pools
 - Focus now on efficient export sales execution
 - Harvest Finance impacted by lower pool volumes
 - Southern Australia harvest disappointing, impacting Grainflow, however ahead of pcp
- ICM: ahead of expectations

However grains sector expect strong cashflows in 2009



- Despite a fall in wheat prices from a peak in 07/08, a larger crop, lower \$A and higher than average estimated price should result in 2008/09 season providing the largest ever revenue to growers
- Lower input prices for the 3 largest farm inputs (fertiliser, chemicals and fuel) will assist

1 – Cashflow is calculated by multiplying the total wheat crop by the EPR for the season.

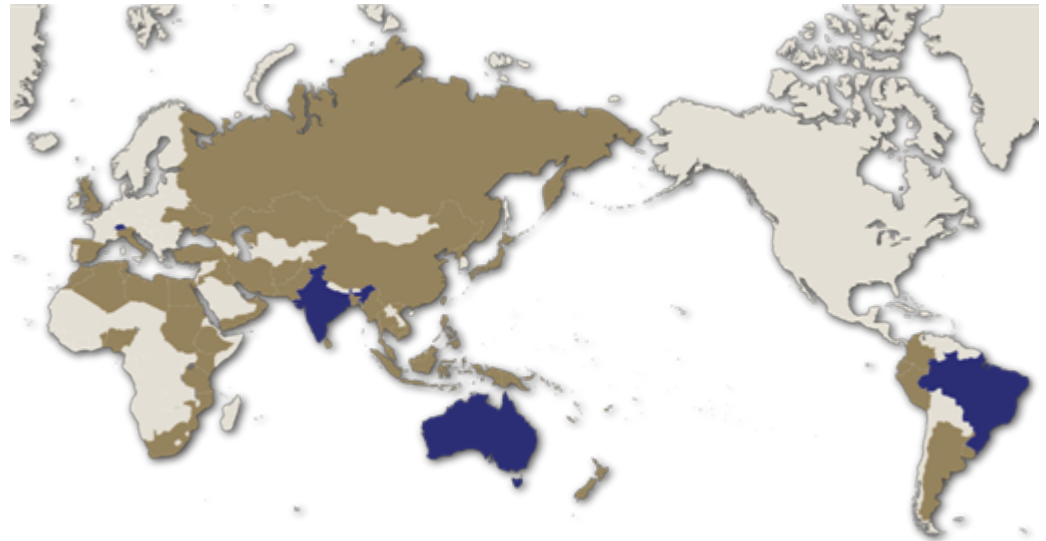
2 – EPR is the Estimated Pool Return. For seasons prior to 08/09 this was the EPR for the AWB National Pool. For 08/09 it is an average of the estimate the current AWB Pools. For 07/08 and 08/09 the EPR remains an estimate.

Long term view of agriculture is positive

1. Biofuels



2. Globalisation – Developing nations increasing wealth, changing food consumption patterns, population growth



Our strategic pillars

1. Customer-centric agribusiness
2. Relationship and knowledge based
3. Focus on activities with higher quality earnings
4. Selective hard asset investment
5. Targeted participation in geographies and agri-commodities
6. Active management, control of risks and financial performance

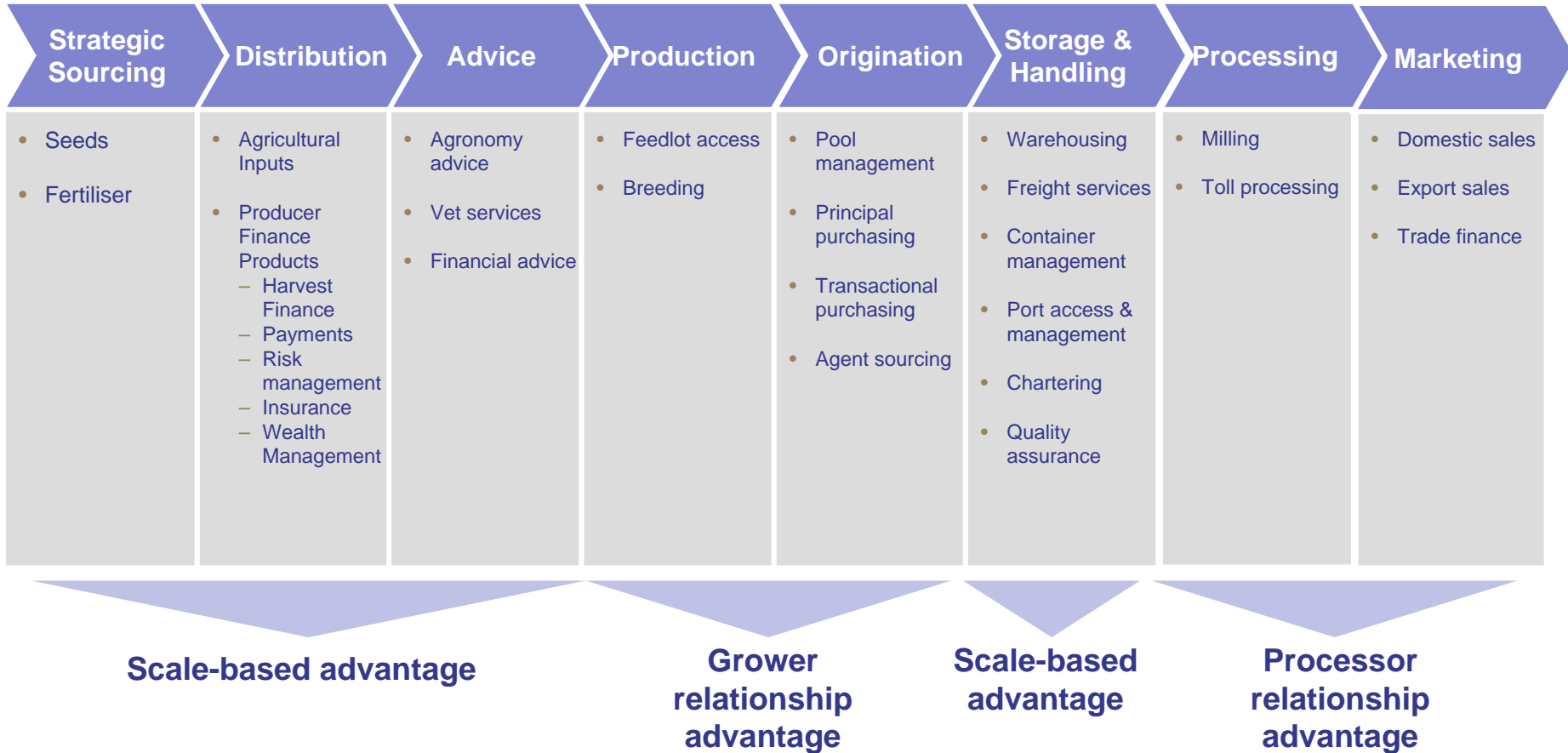


Vision

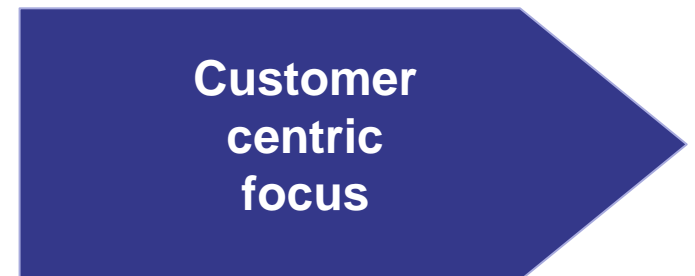
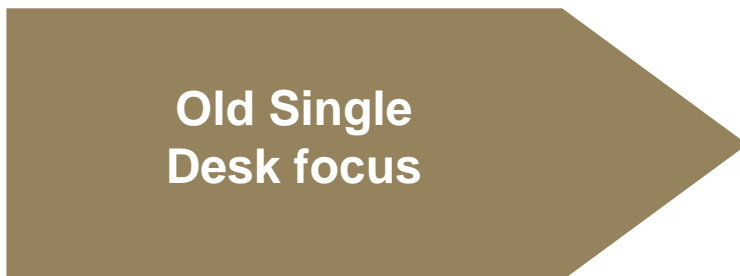
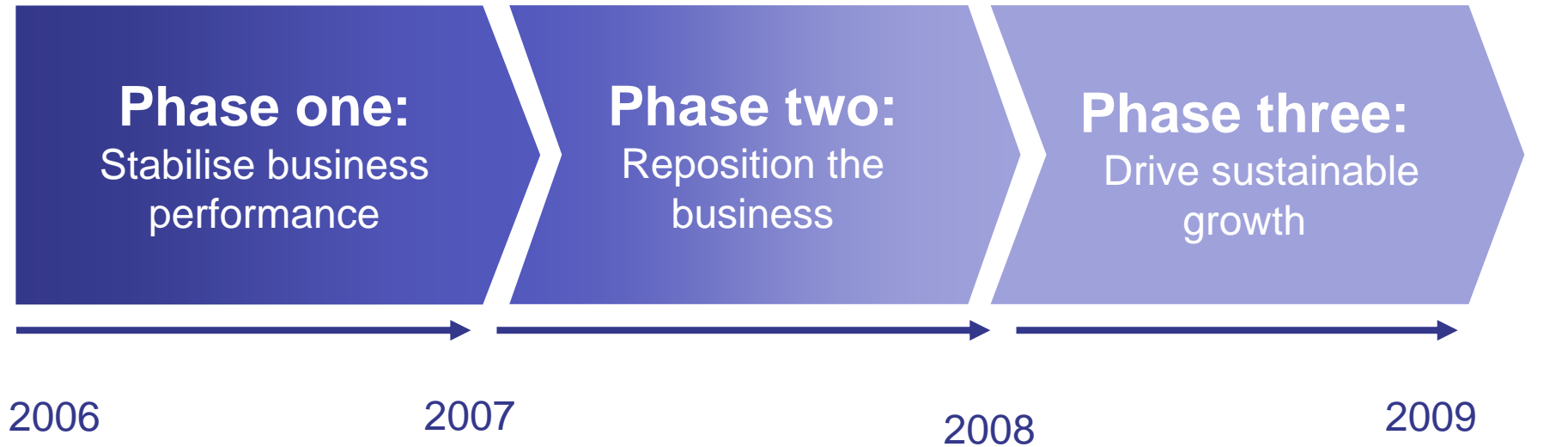
Strategy

**Business
Model**

Strong portfolio of businesses



Our new focus



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