

The background of the slide is a high-angle aerial photograph of a vast agricultural landscape. The fields are a mix of golden-yellow and green, separated by dark lines representing roads or hedgerows. The horizon is visible in the distance under a clear sky.

2016 Annual General Meeting Meeting Opening & Chairman's Address Richard England



2016 Annual General Meeting Managing Director & CEO's Presentation

Agenda

Highlights

Financial overview

Strategy and trading update

Outlook

Highlights

FY15 highlights

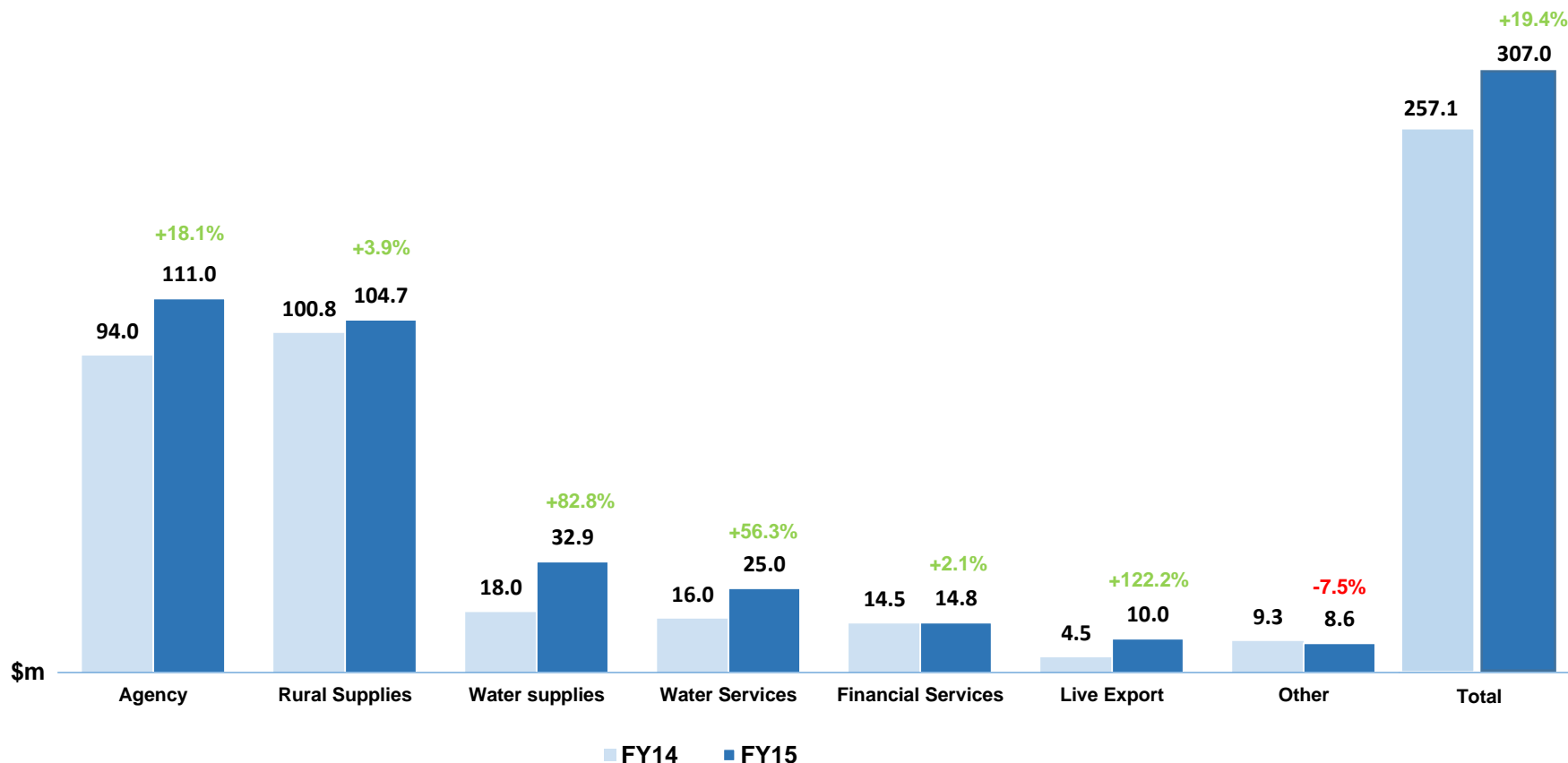
- Record full year earnings
- Quality and diversity of earnings base mitigates impact of prolonged dry seasonal conditions
- Continued focus on safety
- Investment in operational capability to support a scaleable business
- Funding flexibility
- Leadership team renewal and resetting of the strategic focus

Financial highlights

Financial highlights	Year ended 30 September			Change %	Commentary
	2015 \$m	2014 \$m			
Sales revenue	1,599.9	1,355.9	↑	18%	• Full year impact of Total Eden and Frontier contributed \$210m to revenue
Gross profit	307.0	257.1	↑	19%	• Agency and live export gross profits up \$23m from volume and livestock price increases
EBITDA underlying	51.2	43.5	↑	18%	• Result includes \$4.2m increase in bad debt expense and \$2m increase in corporate costs from increased investment in capability and IT
EBITDA reported	45.3	37.0	↑	22%	• Lower net significant items excluded from underlying results than prior year
NPAT underlying¹	18.7	15.5	↑	21%	• Impact of the above, ETR maintained at 33%
NPAT reported¹	14.1	10.6	↑	33%	• Record results driven by full year impact of strategic growth acquisitions, increased scale of live export business and strong agency market conditions
Operating cash flow	17.9	17.7	↑	1%	• Strong EBITDA growth offset by expansion growth in working capital
Working capital	117.8	102.2	↑	15%	• Improved working capital efficiency reflected in reduced average working capital as a % of sales to 8.8% (2014: 9.3%)
ROCE²	17.0%	15.2%	↑	1.8 ppt	• Strong operational results and growth in agency business, which is less capital intensive
Gearing³	21.0%	14.6%	↑	6.4 ppts	• Reflects the use of existing finance facilities to fund acquisitions and grow the existing network
EPS (cents)	18.03	15.27	↑	18%	• Growth in NPAT with only minor increase in shares from operation of Dividend Reinvestment Plan
Underlying EPS (cents)	24.10	22.40	↑	8%	• Growth in underlying NPAT and full year impact on weighted average number of shares from capital raising in FY14
Final dividend (cents)	7.0	8.0		(13%)	• Brings full year dividend 16 cents in total, consistent with prior year

Gross profit by activity

- 19% increase in gross profit reflects strong market conditions in livestock agency (price and volume) and full year impact of Total Eden and Frontier
- Stable rural supplies despite prolonged unfavourable seasonal conditions in some key markets



Vision, values and strategy

Leadership team renewal

- New management team in place with newly appointed Managing Director and CEO, Travis Dillon and CFO, Adrian Gratwicke
- GM People & Culture, Elizabeth Hardaker, GM Financial Services, Ian Perry, GM Rural Operations, Matt Pedersen, GM Total Eden & Rodwells, Peter Weaver, joining the Executive team
- Angie Somann-Crawford to step down as General Counsel & Company Secretary and appointment of Ilona Alsters



Travis Dillon

New Managing Director and Chief Executive Officer

Travis joined Ruralco in 2007 and has held several senior leadership roles including General Manager – Mainland Operations and General Manager – Rural Retail. During his tenure, Travis has overseen all rural operations including livestock, wool, merchandise, live export and real estate. Travis has been involved with the agribusiness industry for over 20 years and has extensive experience in all activities across the group.



Greg O'Neil
Exec General Manager CRT,
Group Marketing &
Communications



Peter Weaver
Exec General
Manager Total
Eden & Rodwells



Adrian Gratwicke
Chief Financial Officer



Rick Maybury
Exec General Manager
Rural Supplies



Ian Perry
Exec General Manager
Financial Services



Matt Pedersen
Exec General Manager
Rural Operations



Elizabeth Hardaker
Exec General Manager
People & Culture



Angie Somann-Crawford
General Counsel &
Company Secretary

What success looks like for Ruralco



To lead in our chosen agribusiness sectors and be the preferred partner and employer of choice in those sectors.

We champion Australian agriculture locally and globally and are known for our innovation, flexibility and service, delivering profitable outcomes for stakeholders.

Ruralco's values underpin our success

Our values serve as a compass for our actions and describe how we work and who we aspire to be

COMMON SENSE

Decisions based on sound reasoning



INTEGRITY

We're honest transparent and principled

ACCOUNTABILITY

We own and take responsibility for our actions



LEADERSHIP

Everyone leads by example

AIM HIGH

We challenge ourselves to exceed expectations



LOYALTY

To our people, partners and local communities

Strategy evolution, resetting the focus

1

Leveraging the network

- Maximise market share along the entire **protein supply chain**
- Build on market leading position in **water**, the most fundamental farming input
- Step change in **Financial services**, supporting our customers and the network
- Strategic investments along the **value chain** to support the network offer

2

Network growth

- Grow the high yielding **agency** business through acquisition and recruitment
- Leverage market leading **water** footprint as the industry consolidator
- Fill remaining gaps in the **retail network** through greenfield sites, acquisition and growth in CRT membership

3

Back office optimisation

- **Scalable platform for growth** achieving economies of scale through fit for purpose systems and processes
- **Trusted business partner** to the network

4

People and culture

- Embedding **safety** in everything we do
- Our **values** drive a winning **culture**
- **Retaining, attracting and developing** the best talent

Q1 update and outlook

Q1 update and outlook

- Good rainfall events across the country in January and early February, has brought some confidence back in rural supplies sales in some areas and is influencing trends in cattle volumes and price. However, challenging seasonal conditions remain in certain regions.
- The Agency business continues to perform strongly on the back of higher than expected livestock and real estate volumes and buoyant prices in the quarter. Livestock volumes were driven by dry conditions in the south, which continue to force higher turn off rates.
- Demand for water services remains strong following the continued dry conditions across the country during the first four months of trading.
- Momentum continues in the Group's strategy to grow and leverage the network with a full business development pipeline.
- The results of the Group's engagement survey have been rolled out across the business to embed the Group's vision and values and identify actions to address feedback.
- In November Ruralco committed to a three year corporate sponsorship with crisis support and suicide prevention organisation, Lifeline Australia. At the recent CRT conference another \$37,000 was raised for this initiative.
- The new CRT trading model went live on 1 January and the 27th Annual CRT Conference was held last week on the Gold Coast resulting in very strong member ordering volumes.

Lifeline corporate partnership

- In November Ruralco committed to a three year corporate sponsorship with crisis support and suicide prevention organisation, Lifeline Australia.
- It is our hope that this partnership will contribute to raising awareness of help-seeking behaviours, by engaging rural and remote communities, and our employees through a range of Lifeline activities and mental health awareness programs. In turn we hope this will help the communities we serve to be more resilient and suicide safe.
- We officially launched the partnership this week at the 2016 CRT National Conference – held at the Gold Coast



Proudly supporting
 Lifeline

Disclaimer


The information contained in this presentation is general background information about Ruralco and its activities, and is in summary form and does not purport to be complete. It is not financial product advice and does not take into account the investment objectives, financial situation or particular needs of individual investors. These should be considered, with or without professional advice, before deciding if an investment is appropriate.

The information contained in this presentation may include information derived from publicly available sources that has not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information in this presentation or any assumptions on which it is based.

All amounts are in Australian dollars unless otherwise indicated.

This presentation may contain forward-looking statements with respect to Ruralco's business and operations, market conditions, results of operations and financial condition, capital adequacy and risk management practices which reflect Ruralco's views held as at the date of this presentation. Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Ruralco. Readers are cautioned not to place undue reliance on any forward-looking statements. Actual results or performance may vary from those expressed in, or implied by, any forward-looking statements. Ruralco does not undertake to update any forward-looking statements contained in this presentation.

The financial results of Ruralco are reported under the International Financial Reporting Standards (IFRS). Throughout this document non-IFRS financial indicators are included to assist with understanding the Group's performance. The primary non-IFRS information is earnings before interest, tax, depreciation and amortisation (EBITDA). The EBITDA measure is useful in understanding the Group's core operational performance. This document has not been subject to review or audit by the Group's external auditors.

The background of the slide is a high-angle aerial photograph of a vast rural landscape. It shows a patchwork of green and golden-yellow agricultural fields, separated by dark green hedgerows and small clusters of buildings. The horizon is visible under a clear, light blue sky.

Annual General Meeting Ordinary Business Chairman – Richard England

Business of the Meeting

Ordinary Business

1. Financial Report

To receive and consider the Annual Financial Report of the Company and its controlled entities for the financial year ended 30 September 2015 including the report of the Directors, Directors' Declaration and Independent Auditors Report.

Questions in relation to the reports?

Business of the Meeting

Ordinary Business

2. **Adoption of the Remuneration Report for the Year ended September 2015**

To consider and, if thought fit, pass the following resolution as an advisory resolution:

“That the Remuneration Report for the year ended 30 September 2015 (set out on pages 31-48 of the Company’s Annual Report 2015) be adopted.”

- Proxies received in favour 6,412,254
- Proxies received against 347,915
- Open Votes 603,852
- Abstain 22,536,474

Business of the Meeting

Ordinary Business

3. Re-election of Directors

(a) John Tuskin

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That John Tuskin, who retires by rotation in accordance with clause 20.2 of the Company’s Constitution, being eligible, is re-elected as a Director of the Company.”

• Proxies received in favour	29,225,780
• Proxies received against	54,229
• Open Votes	619,744
• Abstain	48,191

Business of the Meeting

(b) Elizabeth Johnstone

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That Elizabeth Johnstone, who retires by rotation in accordance with clause 20.2 of the Company’s Constitution, being eligible, is re-elected as a Director of the Company.”

• Proxies received in favour	28,891,391
• Proxies received against	384,776
• Open Votes	619,744
• Abstain	52,033

Business of the Meeting

Ordinary Business

4. Approval of increase in Total Directors' Remuneration


That for the purposes of ASX Listing Rule 10.17, the Company's constitution and for all other purposes the maximum aggregate amount of fees that may be paid to all non-executive Directors as a whole be increased by \$150,000 to \$850,000 (per annum), such amount to be inclusive of superannuation guarantee charge contributions, effective from 1 March 2016.

For voting exclusion statements please refer to Explanatory Notes in the Notice of Meeting

• Proxies received in favour	27,261,681
• Proxies received against	1,462,048
• Open Votes	449,628
• Abstain	727,096



Annual General Meeting Other Business Chairman – Richard England

The background of the slide is an aerial photograph of a vast rural landscape. It shows a patchwork of green and golden-brown agricultural fields, separated by dark lines of trees and hedgerows. In the distance, a small town or village is visible, and the horizon is hazy under a clear sky.

Annual General Meeting Close Chairman – Richard England