



**Allied Farmers Ltd**  
201 Broadway, Stratford, 4332  
PO Box 304, Stratford 4352

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## **UPGRADED GUIDANCE DRIVEN BY STRONG LIVESTOCK PERFORMANCE**

Allied Farmers Ltd (ALF) is nearing the end of its 2017 Financial Year (FY17), and will shortly commence preparation of its Audited Financial Statements for the year ended 30 June 2017, for release to the market by the end of August 2017.

Due to the extremely strong performance of its Livestock division in May 2017, the directors consider it appropriate to update the earnings guidance provided to the market in February 2017. Very buoyant cattle prices, favourable seasonal conditions, firm sheep prices and high dairy livestock sale tallies have driven this performance above expectations.

As stated in the February 2017 guidance, typically the Livestock business has ongoing livestock sales which earn commissions with two significant seasonal impacts: calf business performance in the Spring which impacts the first half result; and dairy herd sales in the Autumn which impact the second half result.

In the February 2017 guidance ALF predicted that, for the full FY17, strong dairy herd sales would recover the revenue impact of the challenging calf business season in the six months ended 31 December 2016. However, ALF is pleased to advise that the dairy sales and buoyant livestock activity generally through the period not only recovered the impacted revenue, but has materially exceeded expectations. Livestock trading has been materially stronger than for the prior year, and benefited from strong farmer support, the ongoing growth of the livestock team, a solid NZ Farmers Livestock reputation, and now established MyLivestock web and app digital tools.

Accordingly, subject to completion and audit of the FY17 financial statements, ALF anticipates FY17 NPBT will be at least 40 percent higher than last year's NPBT of \$1.57 million.

**Garry Bluett**

A handwritten signature in black ink, appearing to read "G. Bluett", with a horizontal line underneath.

**Chairman**