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MARKET UPDATE

Allied Farmers Limited (NZX:ALF) is pleased to advise that, with full visibility of the impact of the highly-influential herd sales during May 2019, it can now project that its operating earnings for the year ending 30 June 2019 are likely to be generally consistent with 2018's strong operating earnings.

In commenting on the projection, Chairperson Mr Mark Benseman said "given the livestock business remains challenging and with farmer caution related to Mycoplasma bovis, climatic challenges in the earlier part of the second half and some late softening of cattle pricing, to project a repeat of such strong operating earnings, in a far more difficult year, is very pleasing and a credit to the management and staff".

Allied Farmers Limited's livestock agency business, New Zealand Farmers Livestock Limited, continues to build its national presence and to develop its supporting MyLivestock digital platform, and to work with farmers for farmers.

The Directors highlight that the reported financial result for the year ended 30 June 2018 included a one-off gain which will not be repeated. A lower level of abnormal items is anticipated in the financial result for the year ending 30 June 2019, meaning the reported result after abnormal items is currently projected to be lower than the equivalent 2018 result.

It is anticipated that audited financial result for the year ending 30 June 2019 will be released in late August.

Mark Benseman

Chairperson