



**THE MARYBOROUGH
SUGAR FACTORY LIMITED**

PRESENTATION TO SHAREHOLDERS

MSF ANNUAL GENERAL MEETING

19 November 2009



2008/09 Activity and Results

2008/09 was a watershed year impacted by a number of significant factors

- Acquisition of The Mulgrave Central Mill Co. Ltd.
- Significant strengthening in world sugar prices
- Global financial crisis
- Continuing weather related crop yield issues in the Maryborough district



2008/09 financial results reflected a growth phase for MSF

- 1,597,833 tonnes cane harvested (excluding 99,932 tonnes pre-30 June) – up 953,560 tonnes
- 227,879 tonnes sugar produced (excluding 13,258 tonnes pre-30 June) – up 148,109 tonnes
- Revenue – up 457% to \$150.4m
- EBITDA \$1.9m (earnings) – up from \$4.8m (loss)
- NPAT \$0.8m (loss) – up from \$4.7m (loss)

MSF's balance sheet comprises a spread of quality assets and low gearing

Assets (as at 30 June 2009)

Land and Water

- 5,838 ha
- 7,575ML of water rights
- Farm P&E
- Mary Harbour project

\$61.7m

Milling Assets

- Maryborough
- Mulgrave

\$53.6m

STL Shares

- 46.2m shares

\$36.3m

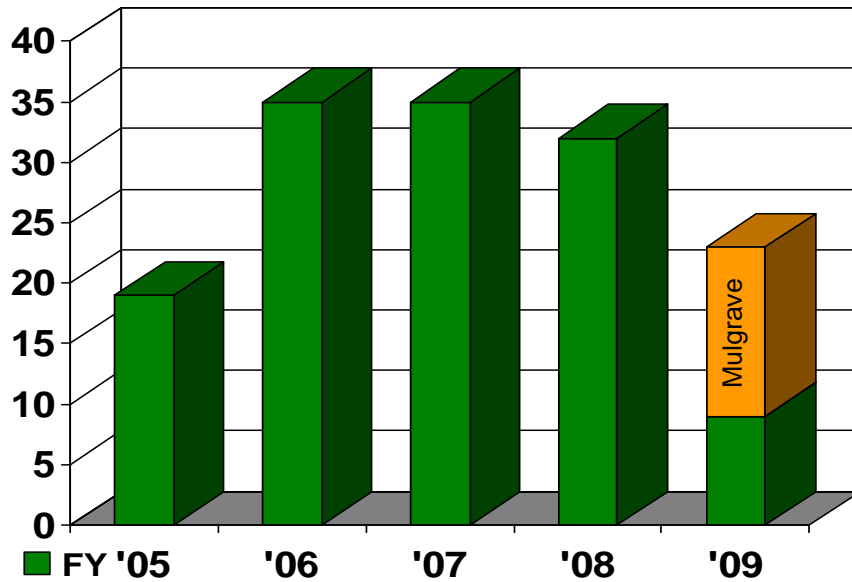
- Net core debt of \$35.7m



Safety

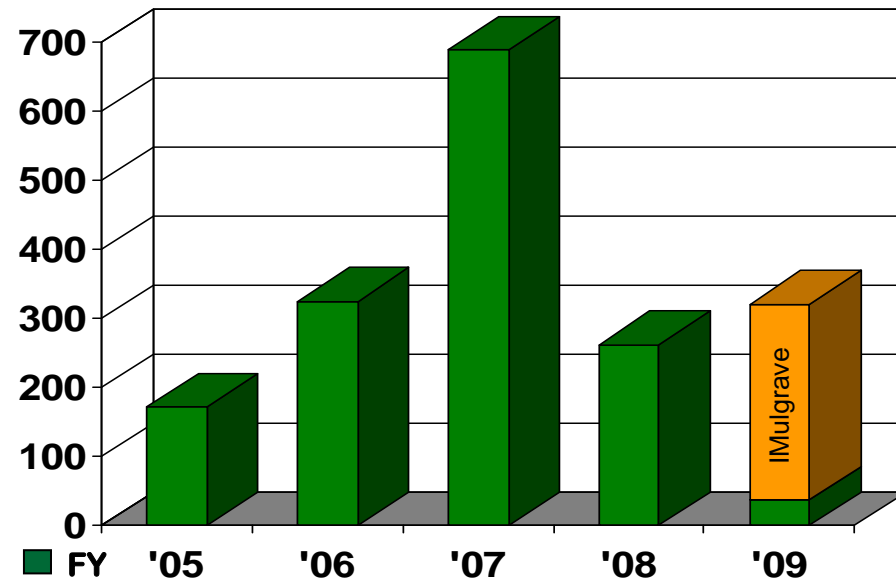
MSF's safety performance shows improvement

Lost time injury frequency rate (LTIFR)*



* Number of injuries per 1 million hours worked

Severity Rate*



* Days lost per 1 million hours worked



Land and Water

Security of land and water resources is fundamental to our sustainability model

Some important facts:

- Current land holdings of 5,838 hectares
- Current water allocations totalling 7,575 megalitres
- Clear strategy to unlock value
- Strategy to lease land



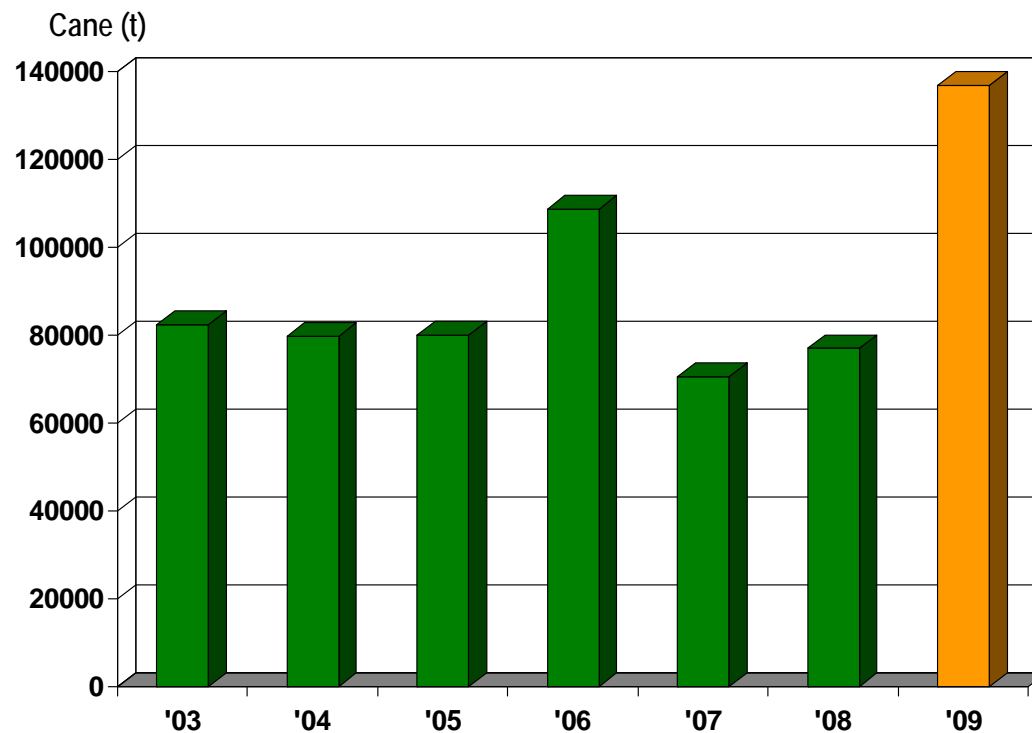
Good progress continues to be made on the proposed Mary Harbour development





Farming Operations

Cane harvested from MSF's owned and operated farms increased significantly in the '09 season with record plantings of 779ha and an even larger tonnage is expected for the 2010 season

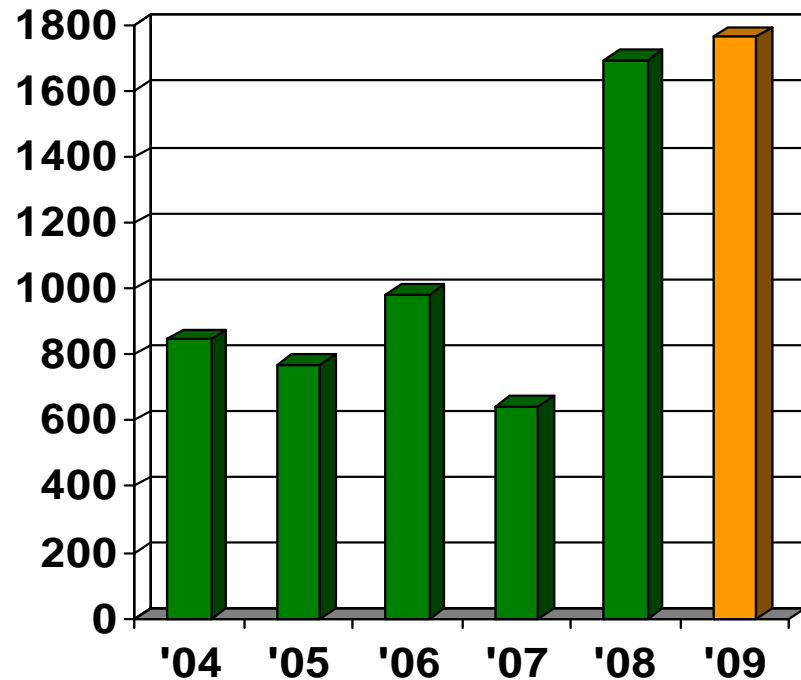


Milling Operations

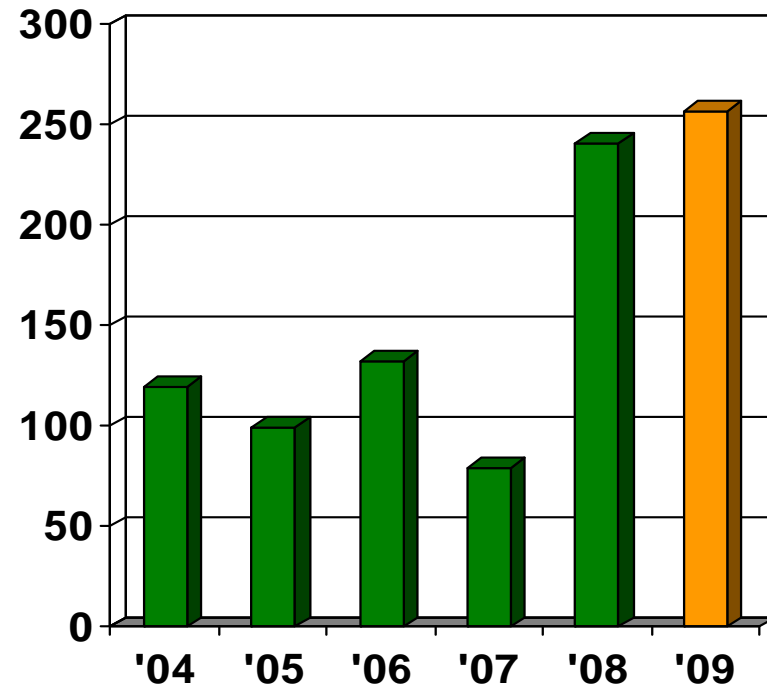


The acquisition of the Mulgrave Mill has been a key element of our expansion plans

Cane Processed ('000t)



Sugar Produced ('000t)



A range of initiatives have been employed in order to increase cane supply in the Maryborough region

- Planting incentives to maximise area of cane planted – record planting of approximately 1,900ha in Maryborough region
- Acquisition and development of suitable farming land – 290ha currently under development
- Increasing productivity through farm management systems – potential to increase average yield by 5-10t/ha
- Ongoing program to acquire water allocations in the LMIS – 813ML since June 2008



Marketing and Pricing

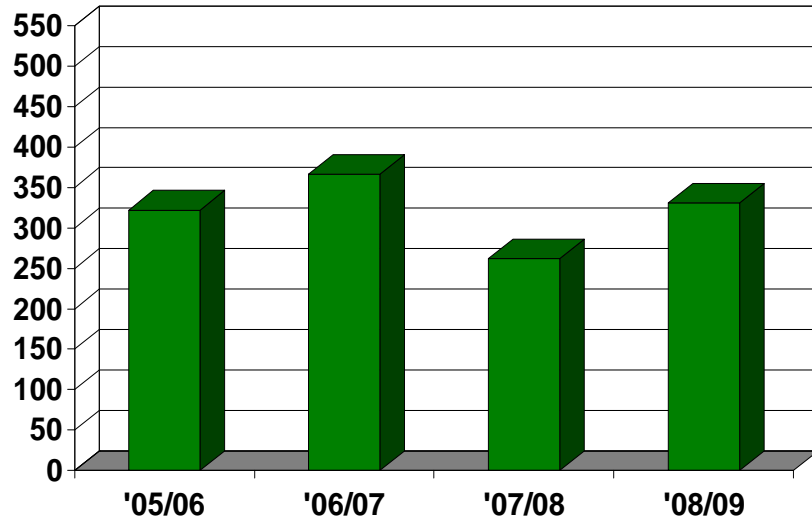
IMO 9191761

NO SMOKING

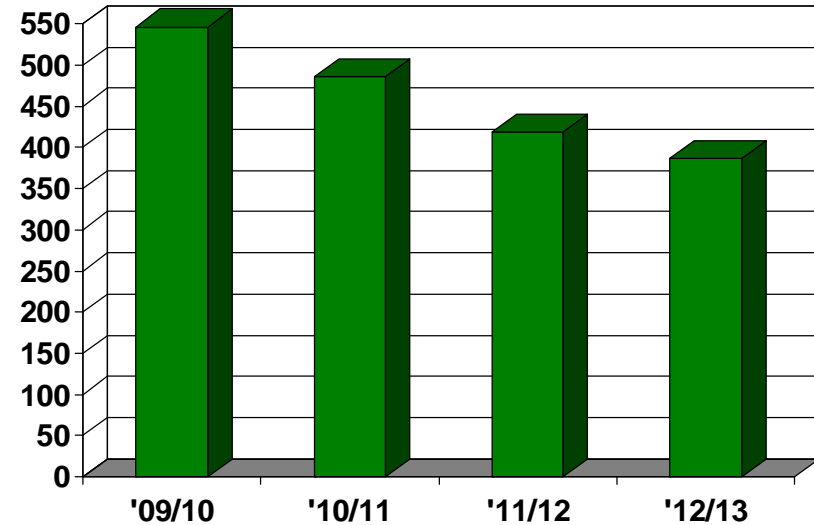
SAFETY + FIRST

MSF has a strong forward pricing profile

MSF's sugar price AUD/t IPS



Weighted av. of avail. futures contracts (AUD/t IPS equivalent) as at 3rd Nov '09

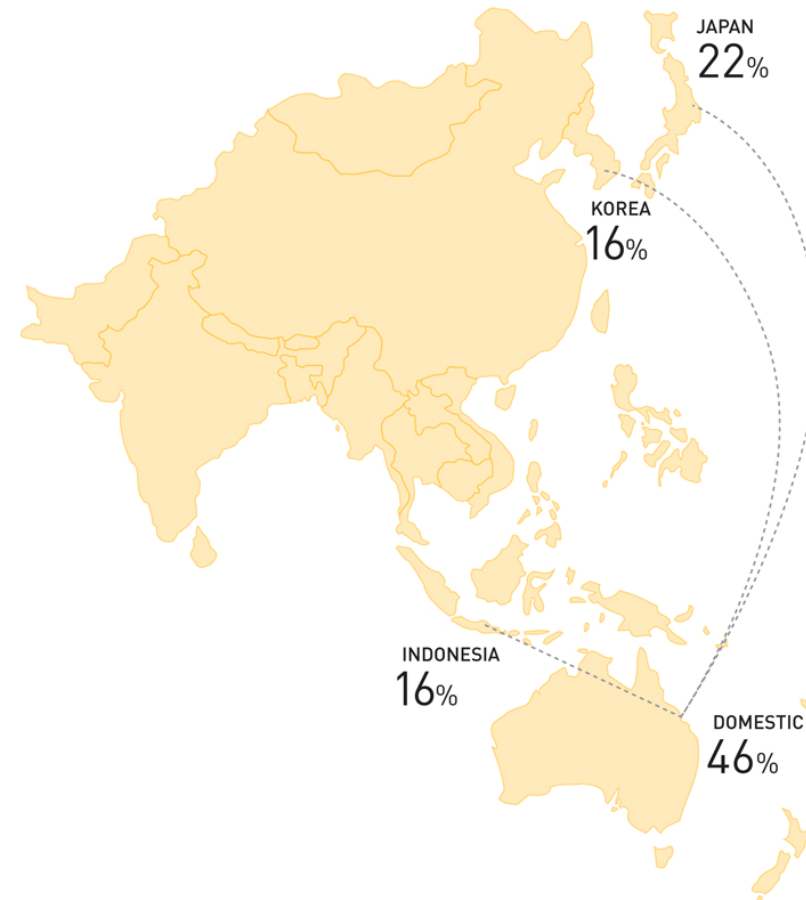


MSF's future pricing positions

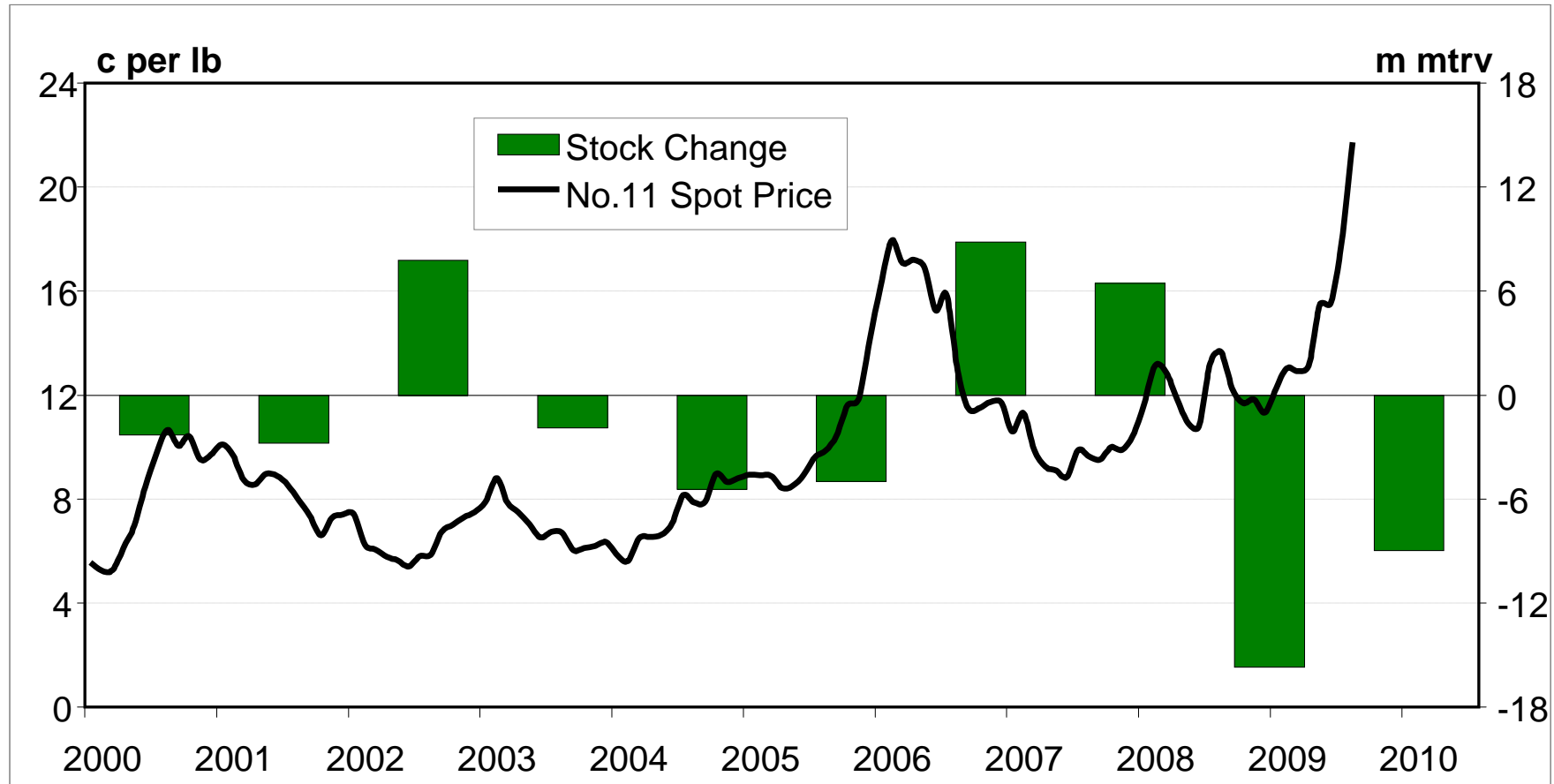
Season	Group	Approx. AUD/t IPS
2009	91%	405
2010	65%	433
2011	40%	405
2012	21%	452

MSF is the only Australian raw sugar producer who is currently directly managing its own marketing and logistics activities

- Marketing experience and expertise
- Strong customer relationships
- Forward pricing capabilities
- Strong market risk framework
- Strong world market environment



Forecasts of raw sugar production deficits have underpinned strong forward sugar prices



Source: Czarnikow

An aerial photograph of an industrial port facility. In the foreground, a large black and red cargo ship is docked at a pier, with two tugboats assisting it. The ship has a red deck with yellow railings and a white superstructure. Behind the ship, there are several large white cylindrical storage tanks and two long, low industrial buildings with grey roofs. To the left, a marina is filled with numerous sailboats. The background shows a dense residential or commercial area with many houses and buildings. A semi-transparent yellow rectangular box is overlaid on the left side of the image, containing the word "Investments" in white text.

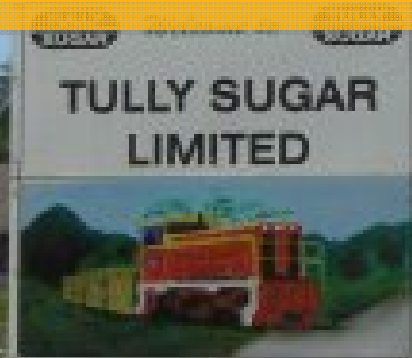
Investments

MSF has built a strategic holding in Sugar Terminals Limited (STL)

- MSF holds 12.8% of the issued capital in STL
- STL has signed a 5-year lease with Queensland Sugar Limited
- STL has foreshadowed annual dividends of 5.5 cents per share
- STL has sold its Brisbane Bulk Terminal for \$34 million
- STL has paid a special dividend of 5.8 cents per share on 16 October 2009 (50% franked)
- STL has announced a 3.5 cents per share return of capital

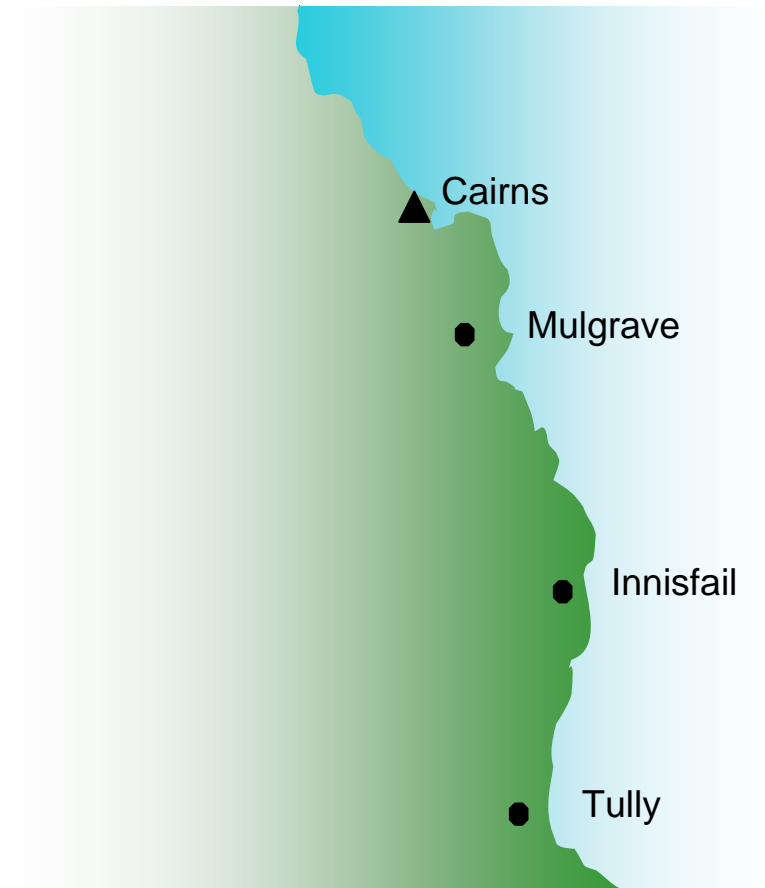


Strategic Developments



MSF has made an offer for Tully Sugar Limited (TSL)

- The offer comprises 13 MSF shares for each TSL share
- The offer values TSL at \$90.4 million
- The offer closes on 18 December 2009 (unless extended)
- The offer is conditional on 80% acceptance



Outlook



On the 16th of October MSF released profit guidance for the year ended 30th June 2010

- Cane crushed expected to be 1.8 million tonnes (1.76 million actual)
- Final sugar price expected to be approximately \$420 per tonne IPS (\$436 per tonne actual), compared with \$331 per tonne for the prior year
- Milling EBITDA is expected to be in the range of \$11m and \$12m
- Forecast net profit after tax to be in the range of \$5.5m and \$6.5m for the year ended 30th June 2010, compared with an after tax loss of \$0.8m for the prior year



**THE MARYBOROUGH
SUGAR FACTORY LIMITED**

Growing a Sustainable Future

