



NEWS RELEASE

16th October 2009

MARKET UPDATE AND PROFIT GUIDANCE FOR THE YEAR ENDING 30 JUNE 2010

In advance of various investor meetings to be held today and over the next week, MSF provides the following update for the current financial year.

- The 2009 crushing season is drawing to a close with more than 80% of the crop harvested; crushing is expected to be completed early in November 2009. Total throughput for the company's two mills is expected to be 1.8 million tonnes of cane.
- The company has completed pricing for 90% of its forecast 2009 season sugar production at \$408 per tonne IPS.

MSF advises that it is now forecasting a net profit after tax in the range between \$5.5 million and \$6.5 million for the year ending 30th June 2010.

There are several reasons for the forecast increase in net profit after tax for the year ending 30th June 2010 (compared to the loss after tax of \$0.8 million reported for the year ended 30th June 2009). The major contributing factors to the improved outlook are:

- The company expects cane crushed for the 2009 season (YEJ10) to increase by 80,000 tonnes over the 2008 season (YEJ09), a good outcome when compared to crop declines in many other parts of the Australian sugar industry.
- Global sugar prices have materially increased. The final MSF sugar price is expected to be approximately \$420 per tonne IPS (\$436 per tonne actual).
- Operational performance has been very good with improved factory efficiencies and sugar recoveries being recorded for the 2009 season compared to the 2008 season. The milling EBITDA for the year ending 30th June 2010 is expected to be in the range between \$11 million and \$12 million.
- Sugar Terminals Limited (STL) announced on 22 September 2009 that it had completed the sale of the Brisbane bulk sugar terminal and that, as a result of this sale, it will pay on 16 October 2009 a special dividend of 5.8 cents (50% franked) per share to shareholders. MSF owns 46.2 million STL shares.

Further information :

Mike Barry

CEO

The Maryborough Sugar Factory Limited

Mobile : 0401 896 999