

# NEWS RELEASE



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## GrainCorp strengthens relationship with key international customer

GrainCorp announces it has taken a 10% equity stake in leading Egyptian flour miller Five Star Flour Mills.

GrainCorp's stake has a value of approximately AUD\$10 million and will be funded from existing cash reserves. The stake provides GrainCorp the right to appoint a director to Five Star's Board.

Executive Chairman and Interim CEO of GrainCorp, Mr Don Taylor, said there was a strong strategic rationale for building upon GrainCorp's relationship with one of its largest international customers.

"We have been working in close partnership with the Management team at Five Star Flour Mills over a number of years, and have been in discussions for some time about how we can strengthen our relationship for the benefit of both our companies and the growers who use our network," Mr Taylor said.

"Five Star is Egypt's leading private flour miller and one of our longest-standing customers. We have great respect for their professionalism, innovation and the high quality of their milling assets.

"GrainCorp's stake in Five Star is in line with our stated strategy of providing a direct connection between Australian grain growers and the processor of that grain. It also maintains GrainCorp's firm focus on playing to its strengths, the storage & handling, marketing and processing of wheat."

Chairman & Managing Director of Five Star Flour Mills, Mr Mahmoud el Shorbaji said:

"We are very pleased to consolidate our positive relationship with GrainCorp and to have our supplier of choice firmly on board. We have proudly built our business around Australian wheat in particular and are a major buyer of the high quality hard, white wheat grown in eastern Australia. I have visited Australia myself on several occasions and have always been very impressed by the dedication to quality by grain growers and GrainCorp."

### FOR FURTHER INFORMATION

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### ABOUT FIVE STAR FLOUR MILLS

Five Star Flour Mills is Egypt's leading flour miller and one of the most recognised names in the milling world. The company offers 30 specialized and ready-mixed products and is known for product and service excellence, backed by a high-technology milling operation, outstanding technical support and a portfolio that includes a comprehensive range of flours and mixes.

Furthermore, Five Star owns a dedicated berth at Adabiya port in Suez, fitted with a grain unloader capable of processing 600 tons/hour from panamax size vessels and grain silos with storage capacity of 125,000 metric tons, (the largest in Egypt).

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