



Thursday, 14 March 2019

FY19 Update

Elders Limited (ASX:ELD) announces that despite challenging conditions experienced with the ongoing drought in the eastern states and flooding in northern Queensland, it expects, having regard to publicly available forecasts from the Australian Bureau of Meteorology and the Australian Bureau of Agricultural and Resource Economics and Science (ABARES), to deliver underlying earnings before interest and tax (EBIT) for the 12 months to 30 September 2019 in the range of \$72m to \$75m (compared to FY18 underlying EBIT of \$74.6m).

Underlying net profit after tax (NPAT) for the 12 months to 30 September 2019 is expected to be in the range of \$61m to \$64m (compared to FY18 NPAT of \$63.7m).

Elders expects the 2019 first half result for the 6 months to 31 March 2019 to be materially lower than the prior corresponding period (pcp) EBIT of \$45.7m. This is due to lower wool volumes and increases in costs associated with footprint growth and continued Eight Point Plan investment. Retail earnings for the first half are expected to be consistent with the pcp, with reduced summer cropping offset by growth initiatives including backward integration through Titan.

Elders' Chief Executive Officer and Managing Director, Mark Allison, said that "the forecast results reflect the Company's commitment to the Eight Point Plan and the resolve to achieve continuous high quality growth, despite the very difficult trading conditions being experienced by the Australian agriculture sector, including many of Elders' clients. We believe Elders remains well placed to achieve our target of 5-10% EBIT growth, from 2017, through the agricultural cycle to 2020".

Further information

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