



## RESILIENT FULL YEAR EARNINGS FOR RIDLEY

**Melbourne Australia, 6 June 2011:** Ridley (ASX: RIC) today provides guidance on the result expectations for the 2011 financial year.

In an extraordinary year for extreme and unseasonal weather patterns, Ridley expects its after tax earnings for the year ended 30 June 2011 to be in the range of \$27 million to \$29 million<sup>1</sup>, which compares to last year's reported result of \$29.1 million. The final result will continue to be influenced among other things by the rate of recovery and restocking within the broader economy and the impact of pasture on the start of the new dairy season.

Ridley Managing Director, Mr John Murray, commented: "In reporting the half year results in early February 2011, we stated that our core operations, Ridley AgriProducts and Cheetham Salt, both delivered solid performances in the face of very trying circumstances and a series of weather events not experienced for up to fifty years. As a result, the full year EBIT guidance for 2011 is between \$45 and \$48 million<sup>1</sup>, which includes four months of Camilleri Stockfeeds contribution and compares to EBIT of \$52 million recorded in the prior year."

"The widespread flooding receded and most rural sectors returned to some degree of business normality by the end of February 2011, however the highly unusual rainfall patterns have continued through most of the second half of the year in many regions where Ridley is particularly active, and have resulted in an abundance of pasture."

The benefits which are expected to arise in respect of the four month period since the acquisition of Camilleri Stockfeeds are expected to be substantially offset by the associated loan interest costs and the accounting treatments which require the uplifting of opening inventory balances to realisable value (as opposed to traditional cost) to reflect the value-add contributed by the vendors prior to sale.

Mr Murray continued: "We mentioned at half year our focus on optimising our financing arrangements, and taking proper advantage of all available deductions and relevant tax concessions. The outcome of this work, and the impact of Camilleri post-acquisition earnings, should assist in making up some of the shortfall from the operating divisions this year."

---

<sup>1</sup> Note – forward-looking statements are not a guarantee of future performance and involve known and unknown risks, many of which are outside the control of Ridley.

Mr Murray added: "We have been keen to differentiate Ridley from other players in the agricultural sector whose fortunes are largely dependent upon the extent and quality of the grain harvest. Our financial performance has been, and remains, largely independent of these factors. What we have experienced this year however, has been so pervasive and persistent that we have been temporarily nudged off our long term growth trajectory. We started the financial year with high hopes of a third successive record stockfeed profit and a step up in Cheetham's result from the completion of the refinery rationalisation. We are ending the year with a result in the vicinity of last year's "turnaround" result but with a strength, resilience and confidence in our ability to generate a strong shareholder return in what we believe has been the toughest operating environment in the last 50 years."

For further information please contact:

John Murray  
Chief Executive Officer  
Ridley Corporation Limited  
+61 (03) 8624 6519