



Ridley Corporation

Camilleri Stockfeeds and the Rendering Industry

June 2011



Australian rendering production

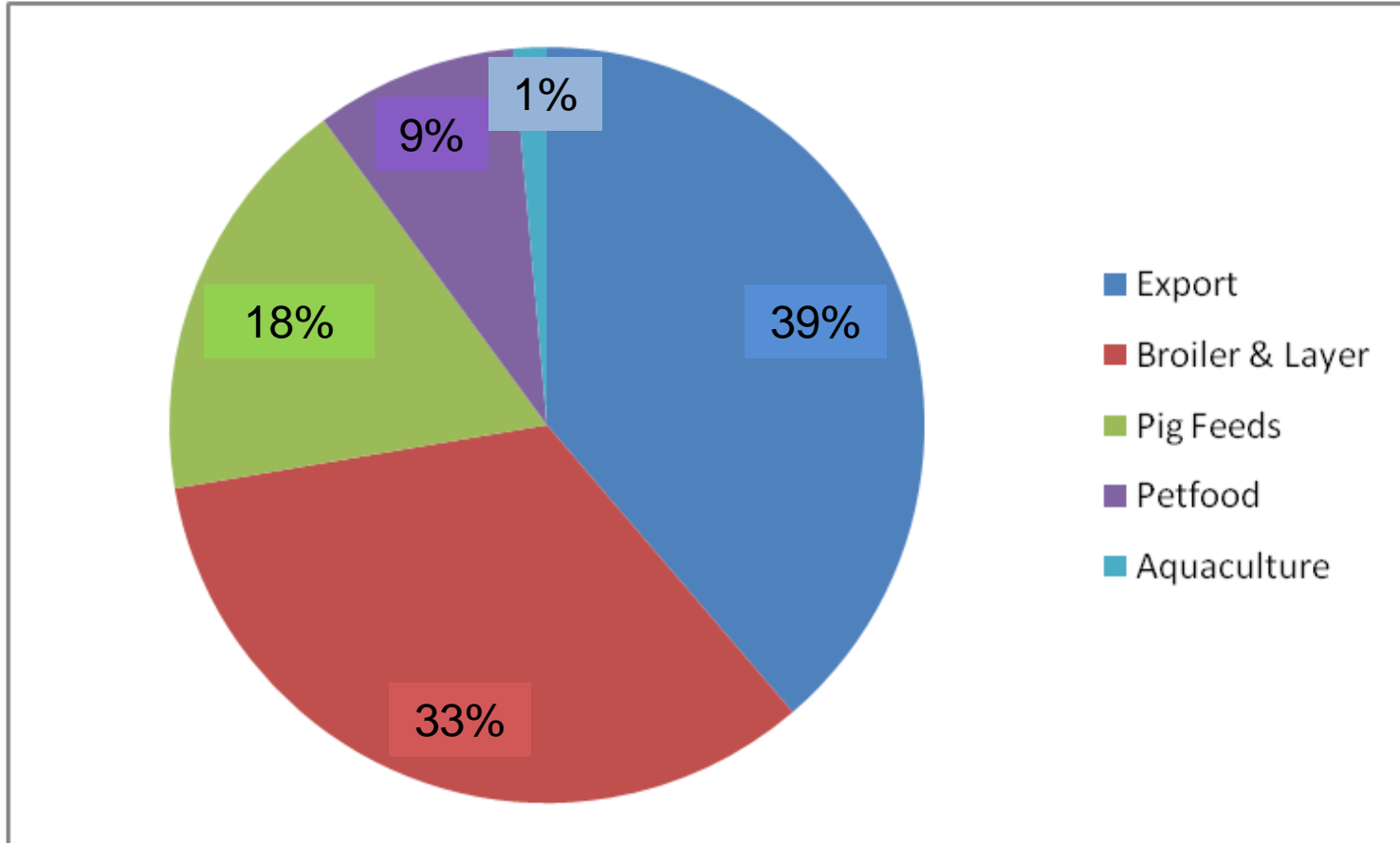
2009 kt	Red MBM	Poultry Meal	Feather Meal	Blood Meal	Fish Meal	Tallow	Poultry Oil	Fish Oil
Qld	153.0	10.0	5.0	10.3	-	202.0	9.8	1.1
NSW	113.0	27.0	14.0	8.0	1.7	135.0	26.0	-
Vic	105.0	15.5	6.3	7.5	-	101.0	15	-
SA	50.0	3.3	1.5	2.3	0.3	33.0	2.9	-
Tas	12.0	-	-	0.3	-	14.0	-	-
WA	37.0	4.2	2.3	2.6	0.3	36.0	4.1	-
Total	470.0	60.0	29.1	31.0	2.2	521.0	57.8	1.1

* Source: Guide only - Australian Rendering Association and Ridley estimates



Denotes where Camilleri competes

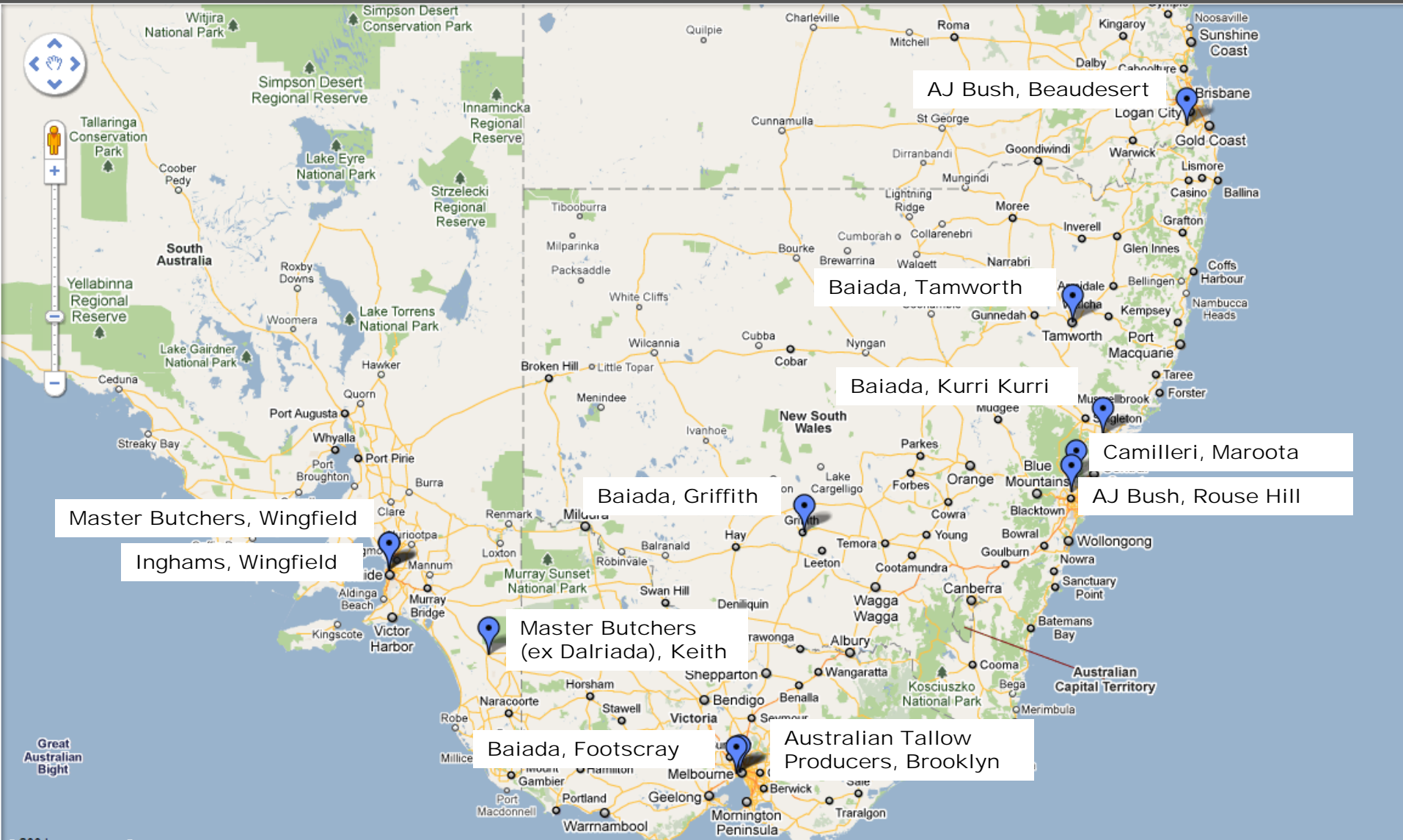
Australian sector usage



* Source: Guide Only - Australian Rendering Association and Ridley estimates



Poultry Rendering Locations



Camilleri Stockfeeds Pty Ltd (CSF) is both a renderer of poultry bones, blood, feathers, offal and fish offal, and a trader of protein and oil based products for the aquaculture, pet, poultry, and stockfeed industries



- ❑ Acquisition completed 1 March 2011
- ❑ CSF represents an ideal bolt on for Ridley:
 - Manageable size and wholly debt fundable
 - EPS accretive (at least 5%) with robust reliable earnings and opportunities for growth
 - Strong cash conversion
 - Synergies with our Ridley Aqua-Feed business
 - Good fit with Ridley's core competencies & value chain
 - Diversifies risk in a sector not exposed to seasonal conditions
- ❑ Similar EBIT to Aqua-feeds & Packaged Products with proven track record of earnings and cash conversion over 30 years
- ❑ A necessary industry expected to grow in line with food consumption and population growth trends
- ❑ Key management personnel retained within the business

Overview

- Poultry and fish only
- Blending capacity
- Finished product storage capabilities
- Export licences and only holder of EU licence
- AQIS accredited for importing
- Capacity to handle greater volumes and scalability potential
- No environmental problems
- Single site, compact to integrate

Acquisition metrics

❑ Acquisition consideration in \$'000:

➤ Cash	31,162 ¹
➤ Equity instruments	1,000 ²
➤ Contingent cash consideration	<u>2,860</u> ³
➤ Total consideration	<u>35,022</u>

❑ Fair values of net assets at acquisition of \$19.1m, ➡ goodwill of \$15.9m .

❑ Normalised EBIT in \$6-8m range.

❑ No take on debt and effective tax rate close to nominal rate of 30%.

1: Includes full allowance for higher than normal opening working capital position.

2: Fair value of 795,039 Ridley shares purchased on market based on 20 day VWAP immediately prior to acquisition.

3: Fair valued and assumed fully payable upon reaching performance targets for the first 12 months of Ridley ownership.