RIDLEY CORPORATION
2011 RESULTS PRESENTATION

RIDLEY

INTRODUCTION	AGRIPRODUCTS	CHEETHAM	FINANCIALS	ACQUISITION	OUTLOOK

RIDLEY AGRIPRODUCTS
High Performance Animal Nutrition.

Cheetham Salt
Pure Australian

RIDLEY RESILIENT

RIDLEY

- **$0.2 million uplift in NPAT -** lower operating result boosted by lower tax and with strong underlying cash generation preserved
- **Strong cash conversion -** $48.3 million before interest, tax and dividends paid
- **Robust operations in light of weather –** resilient result, affected in both halves of the year by the severe adverse weather patterns estimated to impact EBIT by $8.5 million, with Dairy and Supplements stockfeed businesses the most affected
- **Acquisition -** rendering business of Camilleri Stockfeeds acquired on 1 March 2011

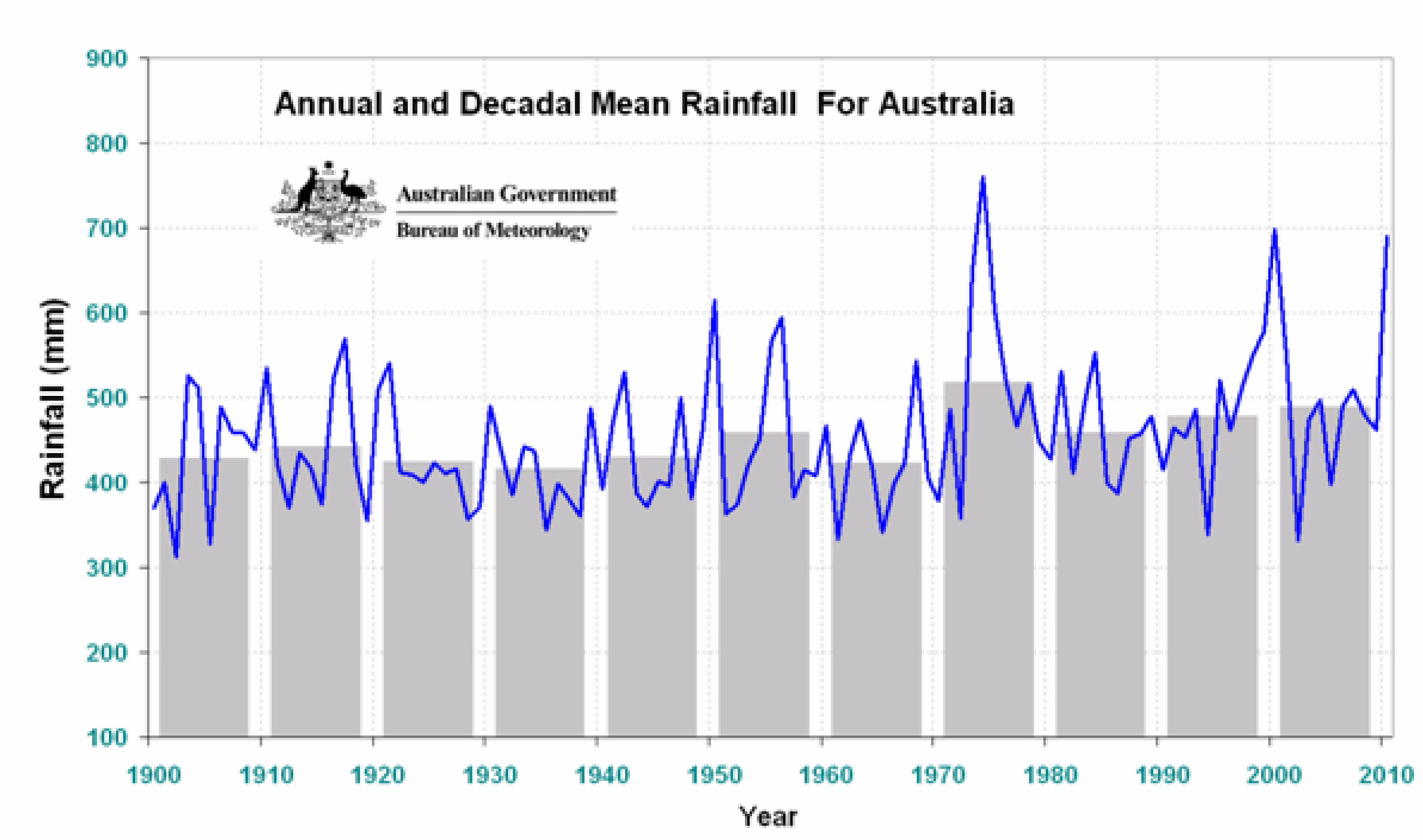
Unlocking of further growth potential remains a key focus

RIDLEY RESILIENT

RIDLEY

INTRODUCTION	AGRIPRODUCTS	CHEETHAM	FINANCIALS	ACQUISITION	OUTLOOK

- **Government rainfall chart for 2010 provides the backdrop for FY11 operations**
- **Sustained periods of rainfall in dry season led to highest levels recorded on east coast for up to 50 years prior to onset of widespread flooding around half year end**
- **Abundance of natural pasture for dairy, beef and sheep sectors**



RIDLEY RESILIENT

RIDLEY

Australian Government
Bureau of Meteorology

2010 Australian Climate Highlights

Northern Australia
- Wettest dry season (May-Oct) on record for top half of continent

NT
- Wettest year on record with 927mm rain

Southwest WA
- Driest year on record with 392mm rain

SA
- 3rd wettest year on record with 362mm rain

Australia
- Third wettest year on record with 690mm rain
- 10 years ending 2010 warmest decade on record
- Sea surface temperatures 0.54° C above average and warmest on record
- Sea surface temperatures warmest decade on record by 0.15° C
- Wettest spring on record for NSW, QLD and NT

Northern Tropics
Spring 2010 has the warmest sea surface temperatures on record

QLD
- Wettest year on record with 1110mm rain
- Major flooding in southern & inland areas

Murray-Darling Basin
- Wettest year on record
- Water storages up to 80% from 27% one year ago

NSW
- 3rd wettest year on record with 805mm rain
- Major flooding in inland areas

VIC
- Major flooding in northern area
- 5th wettest year on record with 858mm rain

TAS
- Near average rainfall

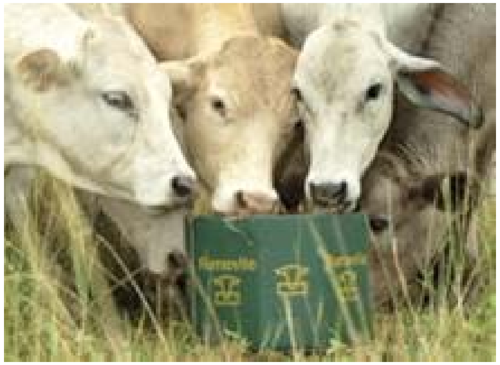
FINANCIAL HIGHLIGHTS

RIDLEY

Consolidated result - in $m	FY11	FY10
Sales Revenue	723.7	728.0
EBIT - AgriProducts	24.9	29.0
EBIT - Cheetham	14.2	16.8
Salt Joint Venture NPAT	7.0	7.2
Corporate Costs	(6.2)	(6.8)
Result from Operations	39.9	46.2
Net Finance Expense	(9.7)	(8.1)
Tax Expense	(0.9)	(9.0)
Net profit	29.3	29.1

- Group NPAT of $29.3m.
- EBIT result for AgriProducts of $24.9m includes:
  - $0.3m contribution from liquid feeds business up to and including its August 2010 sale; &
  - $2.6m from Camilleri Stockfeeds
- Cheetham impacted by severe weather events causing harvest delays and higher unit costs
- Reliable earnings and cash streams from joint ventures
- Corporate costs under budget
- Net interest up by $1.6m due to accelerated amortisation & higher interest rates
- Low tax expense largely due to prior tax adjustments

RIDLEY AGRIPRODUCTS RESULTS PRESENTATION



HIGHLIGHTS

- **EBIT result of $24.9m -** estimated weather-related impact of $6.6m, mostly in Dairy and Supplements, to generate a resilient result
- **Aqua-feeds -** although insulated from on-land adverse weather events, adversely affected by flooding impacts on supply chain
- **Packaged Products -** earnings stable despite pasture availability
- **Pig and Poultry -** loss of pig volume more than covered by poultry growth but earnings impact due to relative shift to lower margin poultry
- **Dairy sector -** recovery much slower than expected and impacted by pasture abundance
- **Supplements -** result down $1.8m on prior year despite increase in market share and adoption of cost minimisation strategies
- **Non-core liquids business divested -** two months of operations and sale transaction contributed $0.3m to the result
- **Entry into rendering –** 1 March 2011 acquisition of Camilleri Stockfeeds Pty Ltd (hereafter **Camilleri)**

SECTOR ANALYSIS

RIDLEY AGRIPRODUCTS
High Performance Animal Nutrition.

Sector	FY11 (kt)	FY10 (kt)	Outlook
Poultry	900	764	↑
Aqua-feed	50	47	—
Packaged	84	90	↑
Dairy	236	215	↑
Pig	224	325	—
Supplements	22	30	—
Beef & Sheep	24	35	↑
Other	53	64	—
Total Tonnes	**1,593**	**1,570**	↑

Excludes any rendering tonnage

- **Poultry: 18% growth from ramp up of long term customer contracts, market growth of chicken consumption, and growth in niche turkey and duck sectors**
- **Aqua-feed: prior year sales growth and market penetration maintained, with Ridley Aqua-feed looking to expand into new markets and secure new customers**
- **Packaged Products: volumes down primarily due to pasture availability and slower than anticipated dairy sector recovery, but earnings maintained through tight margin management**
- **Dairy: improvement in Dairy volumes of 10% and in margins as the sector recovers on the back of firmer milk prices despite widespread pasture availability**
- **Pig: continued producer profitability and stabilised pig numbers have maintained volumes except for loss of major customer as previously reported**
- **Supplements: increased market share recorded in a shrunken seasonal market due to widespread pasture availability**
- **Beef & Sheep: small sectors for Ridley but both affected by pasture abundance**

FINANCIAL SUMMARY

Agriproducts ($m)	FY11	FY10
Sales ($)	**616.4**	**620.0**
EBIT #	**24.9**	**29.0**
Add back dep'n & amort'n	8.6	7.6
EBITDA	**33.5**	**36.6**
Net Working Capital Change *	-	(2.5)
Operating Cash flow (1)	**33.5**	**34.1**
Maintenance Capex	(5.4)	(2.6)
Operating Cash flow (2)	**28.1**	**31.5**
Development Capex	(2.2)	(3.5)
ERP Capex	(0.7)	(5.5)
Asset Sales Proceeds	5.0	0.5
Net Cash flow pre interest & tax	**30.2**	**23.0**
Operating cash flow (2) : EBITDA	84%	86%
Working Capital #	39.4	32.5
Funds Employed #	167.4	135.7
Annualised ROFE (EBIT/Funds employed)	**14.9%**	**21.4%**

- **EBIT result of $24.9m, affected by adverse weather conditions with estimated impact of $3m in Dairy, $2m in Supplements, and $6.6m in total**
- **Result includes $2.6m 4 month EBIT contribution from Camilleri**
- **No year on year movement in working capital**
- **Total capex of $8.3m maintained within depreciation of $8.6m**
- **$5.0m asset sale proceeds from sale of 50% share of non-core liquid feeds business**
- **Continued high cash conversion with Operating cash flow (2) : EBITDA of 84% (FY10: 86%)**
- **High ROFE maintained of 14.9% despite Camilleri contribution for only 4 months (16.2% normalised to exclude Camilleri)**

* **Excluding Camilleri opening acquisition balances** # **Includes Camilleri**

CHEETHAM SALT
RESULTS PRESENTATION

Cheetham Salt
Pure Australian

HIGHLIGHTS

- EBIT result of $14.2m, down $2.6m on corresponding period excluding Joint Ventures.
- $1.9m adverse impact of severe weather events:
  - 27% volume fall in stockfeed sector
  - $0.6m in Queensland salt field inventory losses
  - Harvest deferral at Bowen and higher unit costs of salt production
  - Incremental manufacturing and supply chain costs
  - Positive impact on pool salt sales
- Joint Ventures continued solid performance:
  - $7.0m share of NPAT
  - Cash dividends of $4.9m received with balance again withheld to conclude NZ expansion
  - $10.3m of EBIT and $11.1m EBITDA
- Cost savings of $0.7m realised compared to prior period freight and start up costs
- Strong volume growth in Indonesia through new refinery

SECTOR ANALYSIS

Cheetham Salt
Pure Australian

Sector	FY11 (kt)	FY10 (kt)	Out-look
Soda Ash	529	567	↑
Chemical	132	165	↑
Food	93	94	—
Pool	79	64	—
Hide	56	57	—
Stockfeed	30	41	↑
Export	89	121	↑
Indonesia	91	70	↑
Other	39	93	↓
Total Tonnes (kt)	1,138	1,272	

- **Soda Ash volumes down due to an unscheduled plant shutdown at Penrice, coupled with reduced demand for soda ash**
- **Chemical reflects one less chlor-alkali water treatment bulk shipment**
- **Food reflects a slight reduction in retail volumes**
- **Pool volumes increased by 22% due to record rainfall along the eastern seaboard**
- **Hide volumes steady as slaughter rates remain low**
- **Stockfeed demand significantly reduced as a consequence of record rainfall in Qld and abundant pasture growth**
- **Export reflects one less bulk shipment and a slight reduction in volumes to Japan following the earthquake.**
- **Indonesia volumes up 30%, realising full impact of new refinery.**
- **Other reflects one off, low margin sales in 2010.**

FINANCIAL SUMMARY

Cheetham Salt
Pure Australian

Cheetham (A$m)	FY11	FY10
Sales ($)	**107.3**	**107.9**
EBIT (excl. JV NPAT)	**14.2**	**16.8**
Depreciation	5.6	4.5
EBITDA (excl. JVs)	**19.8**	**21.3**
Net Working Capital Change	(0.7)	0.2
Operating Cash flow (1)	**19.1**	**21.5**
Maintenance Capex	(4.3)	(3.3)
Operating Cash flow (2)	**14.8**	**18.2**
Development Capex	(0.5)	(7.3)
Asset Sales	-	2.5
Net Cash flow excl. JV's	**14.3**	**13.4**
Joint Venture Dividends	4.9	5.4
Net Cash flow pre interest & tax	**19.2**	**18.8**
Operating cash flow (2) : EBITDA	75%	85%
Working Capital (excl. JVs)	35.8	35.1
Funds Employed (excl. JVs)	187.5	188.2
Annualised ROFE - EBIT/Funds employed excluding JVs	**7.6%**	**8.9%**

- **Sales revenue maintained despite 10.5% volume decrease**
- **EBIT result before JV's of $14.2m, down $2.6m on FY10**
- **Higher depreciation and $6.8m reduction in development capex reflect completion of refinery rationalisation strategy**
- **Tight control over working capital such that operating cash flow of $19.1m achieved before maintenance capex**
- **JV dividends withheld to finalise Dominion Salt NZ expansion**
- **High cash conversion generated with Operating Cash flow (2) excl. JVs : EBITDA of 75% (2010: 85%)**
- **FY11 net cash flow higher given capex movements between periods**

JOINT VENTURES

Cheetham Salt
Pure Australian

Cheetham Joint Ventures (JVs) in A$m	FY11	FY10
EBITDA	**11.1**	**11.1**
Depreciation and amortisation	(0.8)	(0.6)
EBIT	**10.3**	**10.5**
Interest and Tax	(3.3)	(3.3)
NPAT equity accounted in Income Statement	**7.0**	**7.2**
Investment in JVs	50.2	48.2
Annualised ROFE - EBIT/Funds employed of JVs	**20.5%**	**21.8%**
Total Cheetham EBIT	**24.5**	**27.3**
Total funds employed	**237.8**	**236.4**
Annualised ROFE - EBIT/Funds employed of Cheetham inc JVs	**10.3%**	**11.5%**

- **JVs disclosed in Income Statement as equity accounted NPAT of $7.0m**
- **Income Statement conceals JV tax, interest and dep'n**
- **Aggregate of JV dep'n and amort'n charges is $0.8m**
- **Interest and tax for the year of $3.3m**
- **Strong return on JV funds employed of 20.5%**
- **When added to Cheetham wholly owned operations, 10.3% ROFE recorded**

DRY CREEK

- Redevelopment into a residential community is financially viable but not currently feasible due to current contractual commitments to Penrice
- Potential to create significant long term shareholder value
- In prime location with proximity to Adelaide CBD, included within SA Government's 30 Year Plan

Ridley confident that redevelopment will occur at an appropriate time

LARA

Cheetham Salt
Pure Australian

- 912 hectare site featured in Govt's "Melbourne @ 5 million" blueprint
- To benefit from expansion of Avalon airport and Port of Geelong
- Preliminary planning and investigations undertaken
- Redevelopment potential for employment-related uses

BALANCE SHEET

RIDLEY

Balance Sheet in $m	FY11	FY10
Total Current Assets	193.7	179.6
Total Current Liabilities	109.4	117.3
Net Current Assets	84.3	62.3
Property, plant & equipment (P,P&E)	233.4	225.2
Investments	52.5	50.3
Intangibles	44.4	29.2
Total Non Current Assets	330.3	304.7
Borrowings	114.4	76.9
Deferred Tax Liabilities	7.8	3.9
Provisions	1.3	1.0
Total Non Current Liabilities	123.6	81.8
Net Assets	291.0	285.2

- Working capital movements & P,P&E additions discussed on separate slides
- $12.2m of fair valued P,P&E acquired with Camilleri and $4.5m carrying value disposed with the sale of liquid feed business
- Investments increased due to JV retention of funds to complete Mount Maunganui profit-improving refinery expansion
- Goodwill intangible increased by $15.9m with the acquisition of Camilleri
- Level of borrowings consistent with last year once normalised for $32.2m outlay for Camilleri and increase in working capital

CASH FLOW

RIDLEY

Cash flow in $m	FY11	FY10
EBITDA (inc JV NPAT's)	54.2	58.5
Movement in working capital	(7.7)	(3.1)
Other net cash outflows	(4.2)	(6.5)
Capital expenditure	(13.1)	(23.4)
Net cash dividends	(17.9)	(16.0)
Net proceeds sale of assets	4.5	3.0
Net finance expense	(9.1)	(8.6)
Net tax payments	(4.1)	(6.8)
Cash flow for the period	2.6	(2.9)
Camilleri acquisition	(32.7)	-
Draw down of debt	(30.1)	(2.9)
Opening net debt as at 1 July	72.0	69.1
Closing net debt as at 30 June	102.1	72.0

- Strong EBITDA performance despite severity of adverse weather conditions
- Working capital and capex covered following
- Annual dividend increased from 7.25c to 7.5c per share, paid wholly in cash, offset by $4.9m of JV dividends received
- Non-core liquid feeds business sold for gross proceeds of $5.0m (FY10: Corio property)
- Net finance cost increased in line with interest rate rises and timing of loan maturity to change to new bank facility
- Tax paid for FY11 prior to finalisation of tax estimates and R&D tax concession
- Camilleri acquisition outlay prior to deferred consideration of $3m (NPV: $2.86m) payable in FY12 but including transaction costs

WORKING CAPITAL

RIDLEY

Working Capital in $m	FY11	FY10
Cash	13.2	7.0
Trade Debtors	85.9	77.7
Other Debtors and prepayments	3.1	4.4
Inventory	91.5	90.5
Total Current Assets	193.7	179.6
Trade Creditors	92.7	96.2
Provisions	14.3	10.6
Tax Liabilities	1.6	7.3
Borrowings	0.9	2.0
Derivative Financial Instruments	-	1.2
Total Current Liabilities	109.4	117.3
Working Capital (excl. Cash, Tax, Borrowings, Derivatives)	73.5	65.8
Net Movement in Working Capital	7.7	3.1

- Increase in cash only a timing issue in conjunction with borrowings
- Increase in trade debtors of $8.2m includes $5.9m of Camilleri debtors
- Continued focus on credit limit management , timely debt collection, & bad debt minimisation
- Inventory increase of $1.0m includes Camilleri closing stock of $4.1m.
- Reduction in creditors reflected in cash outflow for the year and includes $2.2m of Camilleri creditors at year end
- Tax liability reduction reflects low effective tax rate for FY11
- Interest rate hedging derivatives closed out by 30 June 2011

CAPITAL EXPENDITURE

Items in $m	Agri	Salt	FY11	FY10
Bajool & Indonesian Refineries	-	-	-	6.9
Other	2.2	0.5	2.7	3.9
ERP	0.7	-	0.7	5.5
Total Development Capex	2.9	0.5	3.4	16.3
Maintenance Capex	5.4	4.3	9.7	5.9
Inverell investment	-	-	-	1.2
Total Capex	8.3	4.8	13.1	23.4
Depreciation and amortisation	8.6	5.6	14.2	12.3

- **Completion of Cheetham refinery rationalisation strategy in prior year**
- **Except for $0.7m in FY11, ERP capitalisation largely concluded in FY10. Implementation costs of $0.8m expensed and incremental $1.5m of amortisation charged in FY11**
- **Achieved stated objective of maintaining capex within sum of depreciation and amortisation for FY11 and FY12 subject to profit enhancement opportunities**
- **Maintenance Capex of $9.7m for FY11 compares to $5.9m in FY10**

JOINT VENTURE GROSS UP

Financial KPI's	FY11	FY10	FY09
Result from Operations	39.9	46.2	37.6
JV Interest and tax	3.3	3.3	3.1
EBIT	43.2	49.5	40.7
DA excluding JVs	14.2	12.3	11.2
JV DA	0.8	0.6	0.5
EBITDA	58.2	62.4	52.4

- JV result reported in Income Statement at NPAT level as required by equity accounting standard
- Individual JV tax and net interest paid stable around the $3m mark
- True underlying EBIT of $43.2m for the year after JV gross up
- Increase in DA reflects commencement of amortisation of Ridley ERP system & completion of Mount Maunganui major capex expansion project for NZ JV.
- True underlying EBITDA of $58.2m after JV gross up

Financial Ratios

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Financial KPI's	FY11	FY10
Net Debt - in $m	102.1	72.0
Equity - in $m	291.0	285.1
Gearing (Net Debt / Equity)	35.1%	25.2%
EBIT* - in $m	43.2	49.5
EBITDA* - in $m	58.2	62.4
Net Debt / EBITDA*	1.75x	1.15x
EBIT* / Net Interest	4.45x	6.1x
Operating cash flow - before interest, tax & dividends paid	$48.3m	$54.7m
Operating cash flow / EBITDA*	83%	88%
Funds employed	$402.5m	$368.3m
ROFE (annualised EBIT/ Funds employed)	10.7%	13.4%
Earnings per share	9.5c	9.5c

- Gearing stable reduced to 26.2% pre- Camilleri acquisition (35.1% post) with strong debt servicing capacity
- * EBIT and EBITDA include Cheetham JV contributions grossed up from reported NPAT
- Continued high conversion of earnings to cash and strong debt servicing capacity
- Term loan facilities renegotiated to 29 December 2014
- ROFE includes only 4 moths of Camilleri EBITY but 100% of funds employed
- No movement in EPS given stability of capital structure and $0.2m increase in NPAT.

CAMILLERI ACQUISITION METRICS

RIDLEY

- Acquisition consideration in $'000:

Cash	**31,162** [1]
Equity instruments	**1,000** [2]
Contingent cash consideration	**2,860** [3]
Total consideration	**35,022**

- Fair values of net assets at acquisition of $19.1m, inc P,P&E of $12.2m, and goodwill of $15.9m.
- Contribution of $2.6m to FY11 consolidated Ridley earnings after $0.5m acquisition costs expensed (four months only).
- Normalised annual EBIT in $6-8m range.
- No take on debt and effective tax rate close to 30%.

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

2: Fair value of 795,039 Ridley shares purchased on market

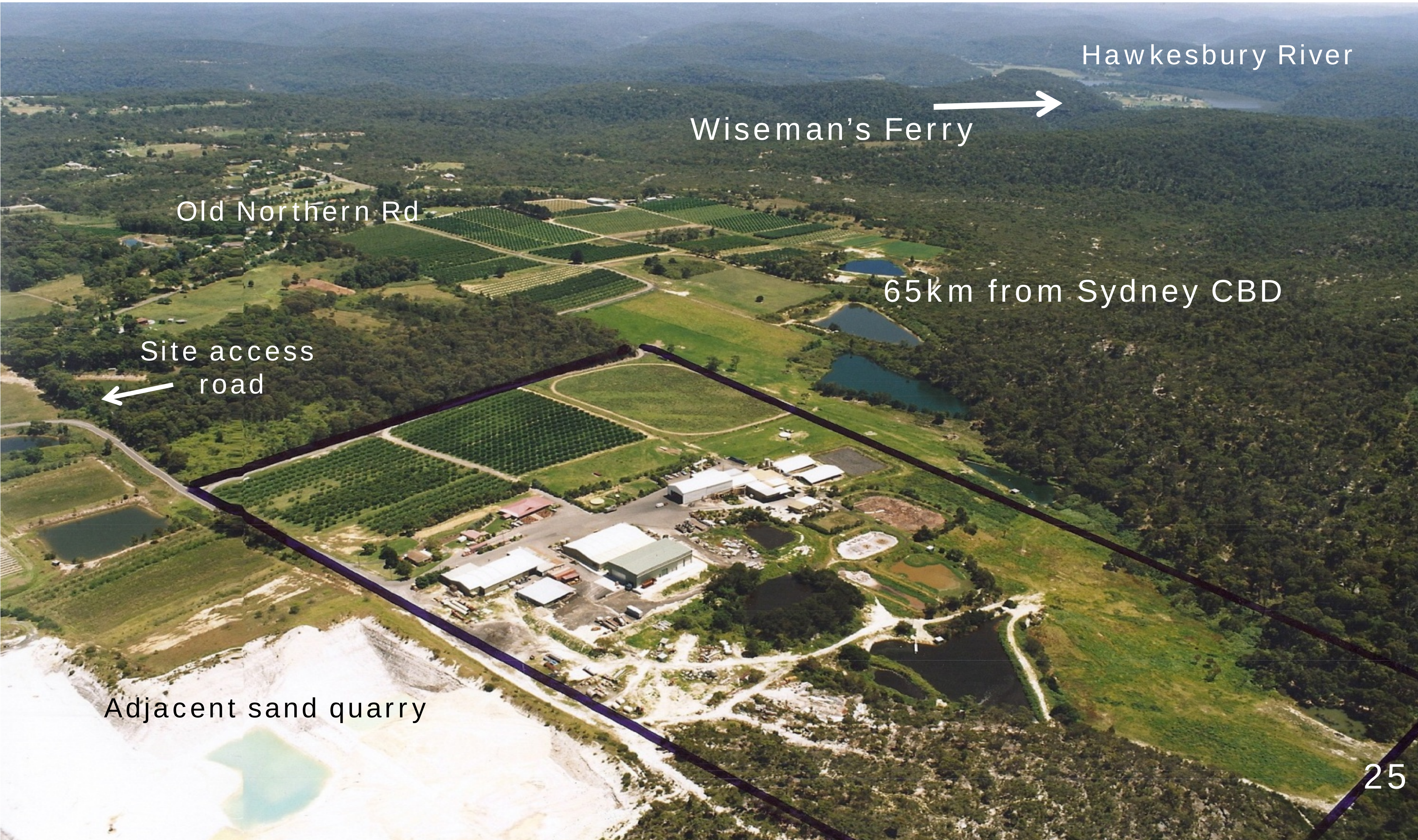
3: $3m fair valued and assumed company KPIs successfully achieved

CAMILLERI RATIONALE

RIDLEY

- Acquisition completed 1 March 2011
- Camilleri 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**
  - **Products are a key ingredient for the Ridley 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

CAMILLERI AERIAL SITE VIEW



STRATEGIC PRIORITIES

RIDLEY

- **2008 strategy to:**
  - **Sell Ridley Inc.** ✓
  - **Improve performance of Ridley Agriproducts** ✓ - asset rationalisation, overhead reduction, centralisation of key functions
  - 2 consecutive record results followed by weather-impacted $22.4m. #
  - **Unlock value in under-utilised land -** Dry Creek deferred, other long term prospects actively being pursued
- **2011 bolt-on acquisition of rendering business -** integration into supply chain, strong synergy and cash conversion
- **Board restructure and succession planning**
- **Stable, energetic new management team**

 # Exc Camilleri contribution

Ready for the next growth phase!

2011 priorities:

- Agribusiness consolidation
- Asian expansion
- Feedstock operational improvement
- Property redevelopment

AGRIBUSINESS CONSOLIDATION

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Against a backdrop of:

- **Playing a vital role in the global food supply chain**
- **Providing key inputs for food products for human and livestock consumption**
- **Agribusiness industry consolidation occurring with loss of domestic ownership**

Objectives to:

- **Continue to pursue bolt-on opportunities with the right fundamentals**
- **Actively participate in sector consolidation by securing long term supply chain or otherwise complementary businesses**
- **Maintain the discipline on acquisition metrics**
- **Broaden the scope of providing nutrient solutions**

Asian Expansion

RIDLEY

Against a backdrop of:

- **Existing salt refinery and business in Indonesia, locally staffed**
- **Large, growing, and increasingly middle class population in closest proximity to Australia**
- **Strong existing relationships with local business and Government bodies**
- **Huge reliance on imported salt and other raw materials**

Objectives to:

- **Expand into Asia through preferred entry point of Indonesia**
- **Establish commercial scale production salt field in partnership with Indonesian Government and with Australian salt quality attributes**
- **Exponentially change long term salt growth opportunity**
- **Secure stockfeed partnering opportunities to position for future increase in demand for protein**

FEEDSTOCK OPERATIONAL IMPROVEMENT

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Against a backdrop of:

- **Implementation of ERP system over the last 18 months**
- **Improved performance over the last three years but further gains achievable**
- **Program of mill and operations rationalisation in 2008/2009**

Objectives to:

- **Uplift operational performance to new levels, through:**
  - **Mill efficiency and restructure, commencing with a new low cost, state of the art, ruminant mill at Pakenham by August 2012**
  - **Consolidation of Supplements business**
- **New mills to be financed wherever possible by asset sales**

PROPERTY REDEVELOPMENT

RIDLEY

Against a backdrop of:

- **Dry Creek redevelopment deferral**
- **Another harvest loss at Bowen due to weather**
- **Completion of Cheetham refinery upgrade program**

Objectives to:

- **Undertake feasibility studies for Lara and Moolap salt fields no longer required for salt production**
- **Engage with local and state Government on commercial prospects in Victoria**
- **Review long term future for Bowen salt field**
- **Close the Dandenong mill and prepare for sale**

Ridley Corporation

A compelling proposition