



11 May 2016

The Manager  
Company Announcements Office  
ASX Limited  
20 Bridge Street  
**SYDNEY NSW 2000**

**GrainCorp Limited: GNC**  
**Investor Presentation**  
**Financial Half Year Ended 31 March 2016**

Please find **attached** the Investor Presentation relating to the financial Half Year ended 31 March 2016.

GrainCorp is holding a briefing for investors and analysts commencing at 10:00am (Sydney time) to present the Half Year Results. The briefing will be webcast live and can be accessed from the following link: <http://goo.gl/SzDn25>. An archived version will also be available later in the day.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Gregory Greer", written over a light blue horizontal line.

Gregory Greer  
Company Secretary

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# HY16 Results

11 May 2016



GrainCorp



# Disclaimer



This presentation includes both information that is historical in character and information that consists of forward looking statements. Forward looking statements are not based on historical facts, but are based on current expectations of future results or events. The forward looking statements are subject to risks, stakeholder engagement, uncertainties and assumptions which could cause actual results, timing, or events to differ materially from the expectations described in such forward looking statements. Those risks and uncertainties include factors and risks specific to the industry in which GrainCorp operates, any applicable legal requirements, as well as matters such as general economic conditions.

While GrainCorp believes that the expectations reflected in the forward looking statements in this presentation are reasonable, neither GrainCorp nor its directors or any other person named in the presentation can assure you that such expectations will prove to be correct or that implied results will be achieved. These forward looking statements do not constitute any representation as to future performance and should not be relied upon as financial advice of any nature. Any forward looking statement contained in this document is qualified by this cautionary statement.



## Agenda

- Results Overview
- Segment Performance
- Balance Sheet & Capex
- FY16 Outlook
- Questions

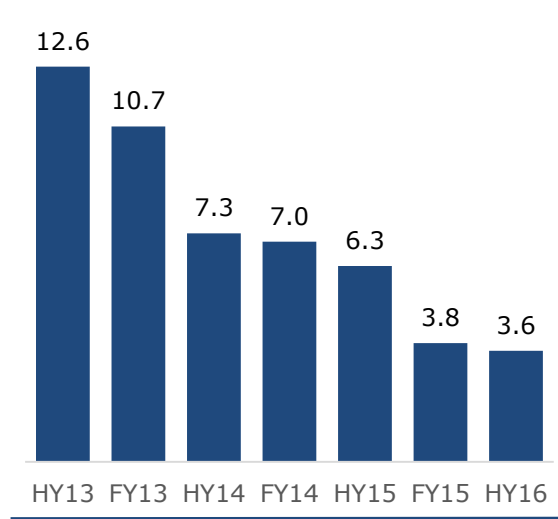
# Commitment to values driving positive outcomes



**Values**

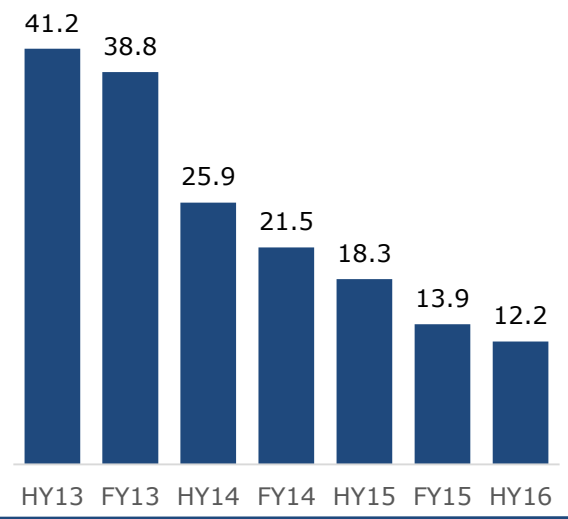
- SAFETY**
- OUR PEOPLE**
- CUSTOMERS**
- EXCELLENCE**
- SUSTAINABILITY**
- OUR COMMUNITY**
- INTEGRITY**

## LTIFR<sup>(1)</sup> performance



**Rolling 12-month average LTIFR 43% lower than HY15**

## AIFR<sup>(2)</sup> performance



**Rolling 12-month average AIFR 34% lower than HY15**

1. Lost Time Injury Frequency Rate ('LTIFR') calculated as the number of lost time injuries per million hours worked, on a rolling 12-month average. Includes permanent and casual employees and GrainCorp controlled contractors.  
 2. All Injury Frequency Rate ('AIFR') calculated as the number of injuries per million hours worked, on a rolling 12-month average. Includes permanent and casual employees and GrainCorp controlled contractors. Includes lost time injuries, medical and restricted work injuries.

# Continuing strong Malt result, challenging period for grains and Oils businesses



- HY16 earnings of \$134M underlying EBITDA<sup>(1)</sup> and \$32M underlying NPAT<sup>(2)</sup>.
- HY16 statutory NPAT of \$20M after significant items<sup>(3)</sup>.
- **Dividend:** fully franked HY16 interim dividend of 7.5 cents per share.
- **Malt:** strong result driven by ongoing growth in speciality customer segments, operational efficiency improvements and improved barley quality
- **Oils:** volumes stable but lower earnings as a result of weak global crush margins; weak New Zealand dairy sector impacting Feeds and Terminals businesses in NZ; timing of infant formula sales. Expect 2H Oils margins to improve.
- **Storage & Logistics:** higher receivals but low carry-in, deferral in grain export volumes and fixed take-or-pay rail costs
- **Marketing:** performed well despite reduced demand for east coast Australian grain

1. EBITDA is a non-IFRS measure representing earnings before interest, tax, depreciation and amortisation, before significant items.

2. Net profit after tax and before significant items.

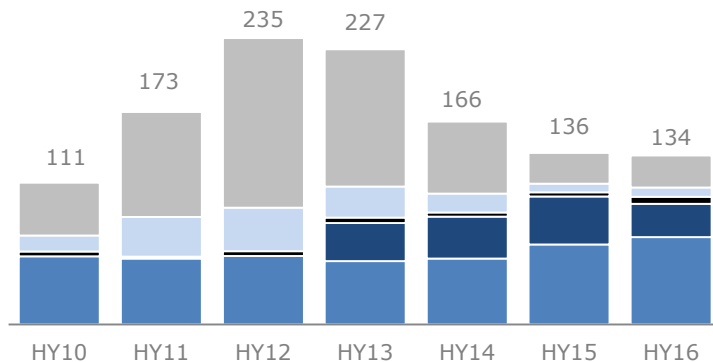
3. Significant items of \$11.8M after tax. See appendix for further detail.

# Earnings profile highlighting benefits of diversification



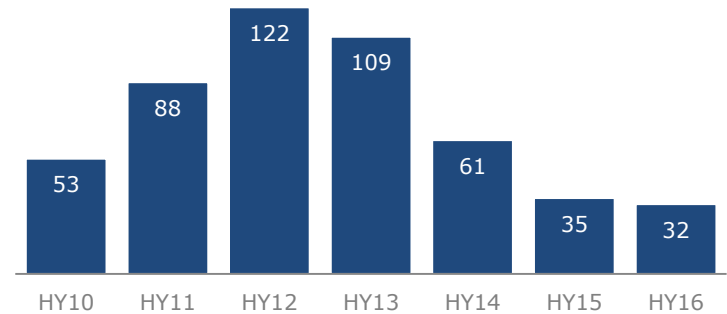
## Underlying EBITDA<sup>(1)</sup> \$M

■ Malt ■ Oils ■ Allied ■ Marketing ■ S&L



<b>1H</b>	112	173	235	227	166	136	<b>134</b>
<b>2H</b>	100	177	179	168	127	99	

## Underlying NPAT<sup>(1)</sup> \$M



<b>1H</b>	53	88	122	109	61	35	<b>32</b>
<b>2H</b>	28	84	83	66	34	10	

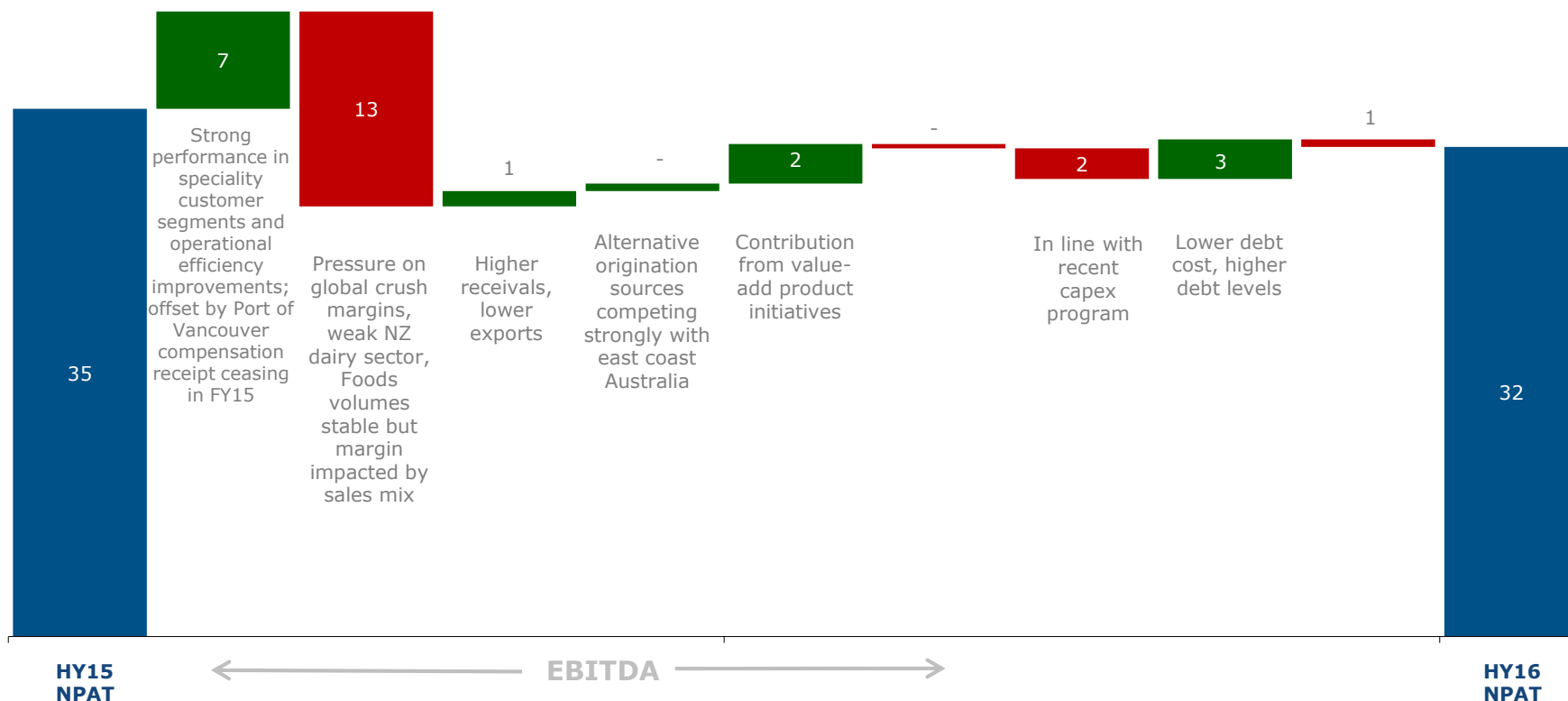
**Malt & Oils earnings platform demonstrating the importance of diversification**

1. Before significant items. EBITDA and NPAT reflect inclusion of Malt from FY10 and Oils from FY13.

# Stable earnings on prior half year



## HY15 to HY16 Earnings Bridge<sup>(1)</sup> \$M



	Malt	Oils	Storage & Logistics	Marketing	Allied Mills <sup>(2)</sup>	Corporate	D&A	Net Interest	Tax	
<b>HY16 (\$M)</b>	76	29	28	8	6	(13)	(69)	(19)	(14)	<b>32</b>
<b>HY15 (\$M)</b>	69	42	27	8	4	(13)	(67)	(22)	(13)	<b>35</b>

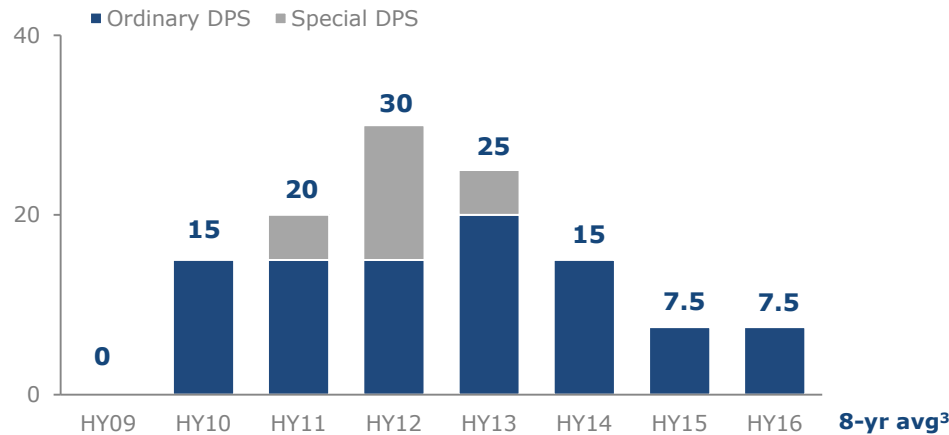
1. Excludes significant items - see appendix for further information.  
 2. 60% share of NPAT before significant item.



# Diversified earnings supporting dividend



## Dividends per share<sup>1</sup>



Payout ratio <sup>(2)</sup>	HY09	HY10	HY11	HY12	HY13	HY14	HY15	HY16	8-yr avg <sup>3</sup>
	n/a	55%	45%	49%	53%	56%	49%	53%	<b>48%</b>

- **HY16 interim dividend:** fully franked interim dividend of 7.5 cents per share
- **Payout ratio:** 53% of NPAT<sup>(2)</sup>
- **Dividend policy:** Payout 40-60% NPAT through the business cycle
- Targeting to pay an ordinary dividend each year

## HY16 Dividend Dates

- Record: 1 July 2016
- Payment: 15 July 2016

1. DPS is dividends per share shown in cents.  
 2. Payout ratio based on underlying NPAT.  
 3. Eight-year weighted payout ratio before significant items.

# Segment Performance



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# Financial summary



\$M	Revenue		EBITDA <sup>(1)</sup>	
	HY16	HY15	HY16	HY15
Malt	593	533	76	69 <sup>(2)</sup>
Oils	440	471	29	42
Storage & Logistics	213	209	28	27
Marketing	976	917	8	8
Allied Mills <sup>(3)</sup>	-	-	6	4
Corporate Costs	-	-	(13)	(13)
Eliminations and other	(152)	(155)	-	-
<b>Total</b>	<b>2,070</b>	<b>1,975</b>	<b>134</b>	<b>136</b>

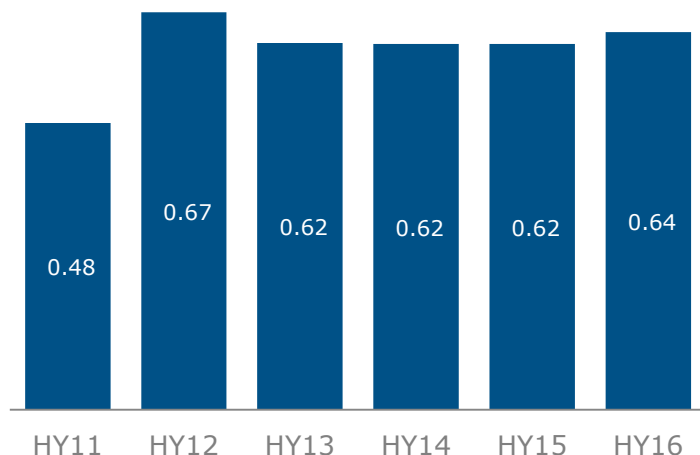
1. Before significant items – see appendix for further detail.
2. HY15 EBITDA includes final Port of Vancouver compensation receipt of \$5.3M.
3. Allied Mills 60% share of NPAT before significant items.

# Malt – continued operational improvements and high capacity utilisation



\$M	HY16	HY15 <sup>(1)</sup>
Revenue	593	533
EBITDA	76	69
EBIT	50	45
Capital Expenditure	29	16

**Malt Sales (mmt)**



- Sales of 0.64mmt<sup>(2)</sup>; continued high capacity utilisation of high 90's (%)
- Strong demand for speciality products in North American craft and global distilling markets
- Continuing operational efficiency improvements generated from strategic initiatives: energy and water usage, waste reduction, labour efficiency
- Improved barley quality enabling more efficient malt processing
- Final Port of Vancouver compensation receipt received in HY15
- Pocatello expansion on track

1. HY15 EBITDA and EBIT includes final Port of Vancouver compensation receipt of \$5.3M.  
 2. mmt = Million metric tonnes.

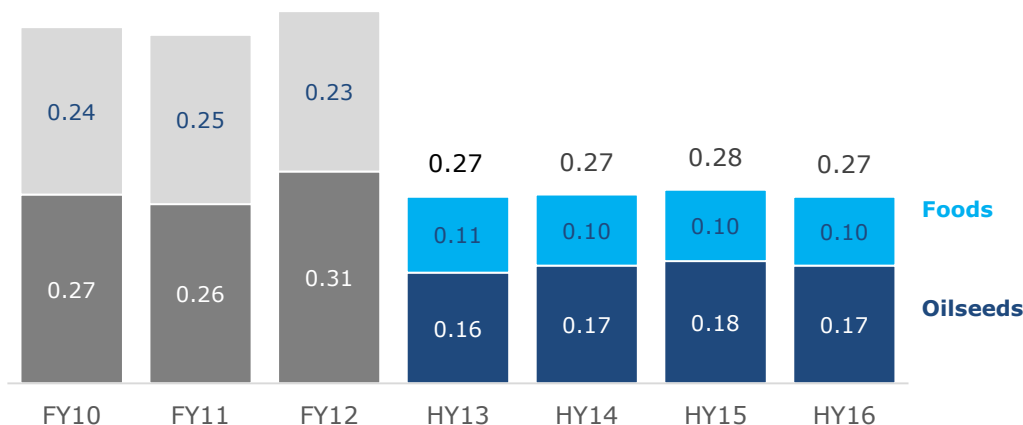
# Oils – challenging period for global crush margins; expansion projects near complete



\$M	HY16	HY15
Revenue	440	471
EBITDA	29	42
EBIT	14	27
Capital Expenditure	39	47

- **Oilseeds:** sales volumes of 0.17mmt
- **Foods:** sales volumes of 0.10mmt
- **Liquid Terminals:** capacity utilisation of 91%;
- Oilseeds earnings impacted by weaker global crush margins – tighter supply, increased procurement costs. Expect 2H margins to improve (as the cyclical costs are not replicated).
- Foods volumes stable but margins impacted by sales mix and timing of infant formula sales
- Weak dairy sector in New Zealand impacting Feeds and Terminals businesses in NZ
- Liquid Terminals – new tanks in Brisbane commissioned during half
- Expansion projects at Numurkah and West Footscray progressing well

## Crushing & Refining Sales (mmt) <sup>(1)</sup>



1. Sales volumes for GrainCorp Oilseeds (crushed oil and meal) and GrainCorp Foods (refined oil products).  
 2. FY10 to FY12 includes GrainCorp Oilseeds' sales volumes for each 12 months ended 31 March and GrainCorp Foods' sales volumes for each 12 months ended 30 June.

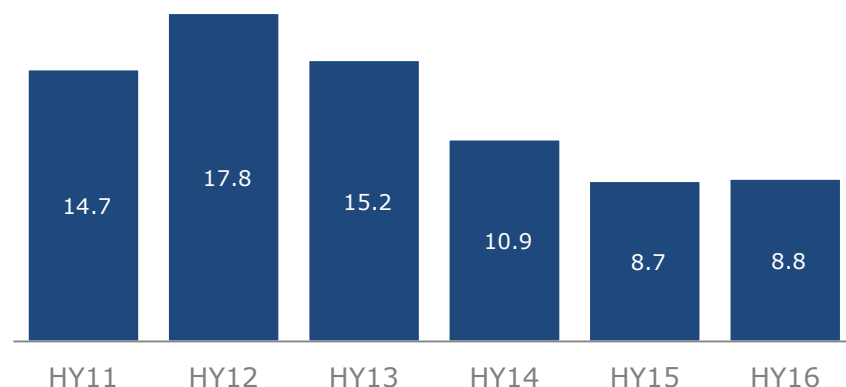
# Storage & Logistics – stable result despite lower export volumes



\$M	HY16	HY15
Revenue	213	209
EBITDA	28	27
EBIT	2	1
Capital Expenditure	30	23

- Stable earnings from receivals but pressure due to:
  - Low carry-in grain stocks
  - Estimated 20-25% of east coast Australian (ECA) grain unsold<sup>(1)</sup>
  - Deferred export volumes (potentially into next year) from low demand for ECA grain
  - Impact of fixed take-or-pay rail costs with low utilisation given deferred export volumes

## Storage & Logistic Throughput (mmt) <sup>(5)</sup>



- Volume drivers:**
  - Carry-in: 1.6mmt (HY15: 1.9mmt)
  - Country receivals: 7.5mmt<sup>(2)</sup> include 0.34mmt sorghum (HY15: 6.7mmt); ~45% share of winter crop<sup>(3)</sup>
  - Exports: grain<sup>(4)</sup> 1.2mmt (HY15: 1.4mmt); non-grain 1.4mmt (HY15: 1.2mmt)
  - Throughput<sup>(5)</sup>: 8.8mmt (HY15: 8.7mmt)
- Costs:** improved labour cost management on a per unit basis

1. ACF Supply & Demand Report – May 2016

2. All grains received up-country year to date to 31 March 2016

3. Based on eastern Australia's wheat, barley and canola production estimates, average of latest Australian Crop Forecasters and ABARES

4. Grain exports includes bulk and containers.

5. Average of country grain inload (carry-in + receivals) and outload (carry-in + receivals – carry-out) + grain and non-grain exports handled. See appendix for further detail.

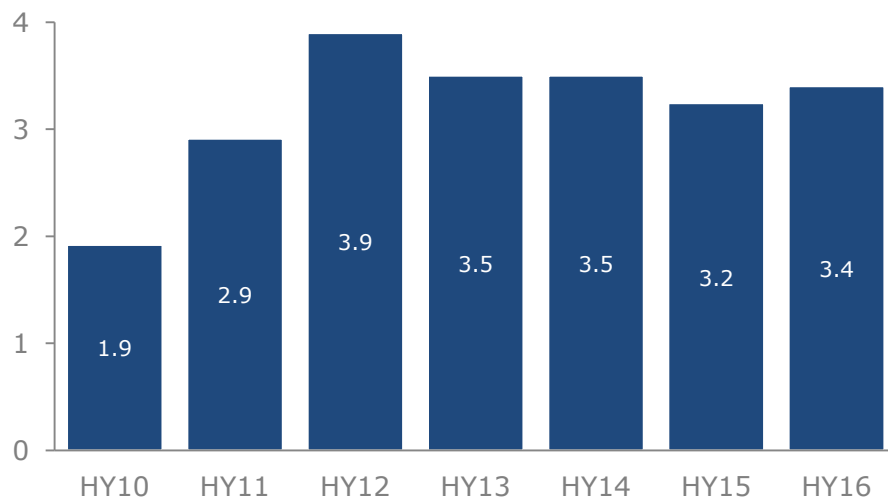
# Marketing – strong competition from alternative origination sources



\$M	HY16	HY15
Revenue	976	917
EBITDA	8	8
Interest expense <sup>(1)</sup>	(6)	(9)
PBTDA <sup>(1)</sup>	2	(1)
Marketing inventory <sup>(2)</sup>	437	439

- Performed well considering subdued market and low demand for ECA grain, as it remains relatively expensive in global markets
- Benefited from the growth in volumes from diversified grain sourcing from WA, SA, Europe and Canada
- The 50/50 Canadian joint venture with Zen-Noh was announced in December 2015 and planning and approvals are well underway
- Alternative origination sources competing strongly with Australian grain due to:
  - Abundant global supply;
  - Low ocean freight rates; and
  - Foreign exchange movements.
- 3.4mmt delivered sales<sup>(3)</sup> → 1.6mmt domestic, 1.8mmt export and international
- Marketing inventory of \$437M<sup>(2)</sup>

**Marketing Volumes (mmt) <sup>(3)</sup>**



1. Interest expense treated as part of cost of goods sold. Marketing's performance measured as PBTDA.  
 2. Marketing's grain inventory predominantly funded via separate short-term debt facilities. See slide 19 for further details.  
 3. Delivered tonnes including bulk and container sales, Pools and UK's Saxon Agriculture.

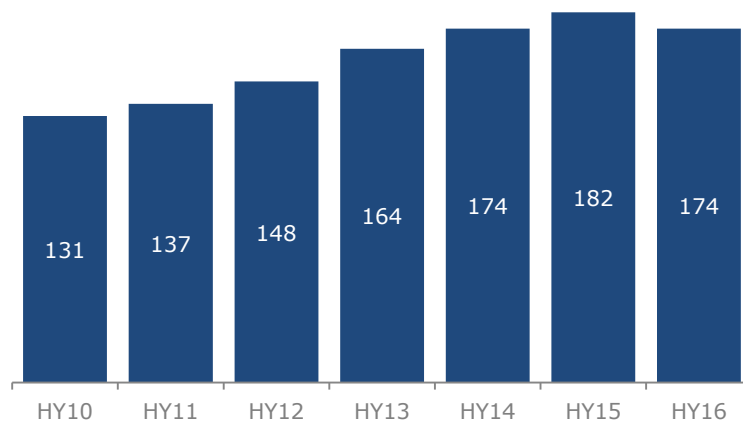
# Allied Mills



\$M (60%) JV Share <sup>(1)</sup>	HY16	HY15
EBITDA	15	11
Equity profit <sup>(1)</sup>	6	4
Shareholder loan interest received	-	1
Net Asset Value <sup>(2)</sup>	174	182

- Milling margins flat to declining
- Growing contribution from value-add product initiatives; strategy remains focused on this area
- GrainCorp’s share of net asset value \$174M
- Repayment to GrainCorp of \$19M shareholder loan in 2H15

## 60% Net Asset Value - \$M



1. Allied Mills 60% share of NPAT before significant item. Excludes shareholder loan interest received.  
 2. HY15 includes 60% of Shareholders Equity (\$163M) and Shareholder Loan (\$19M).



# Balance Sheet and Capex



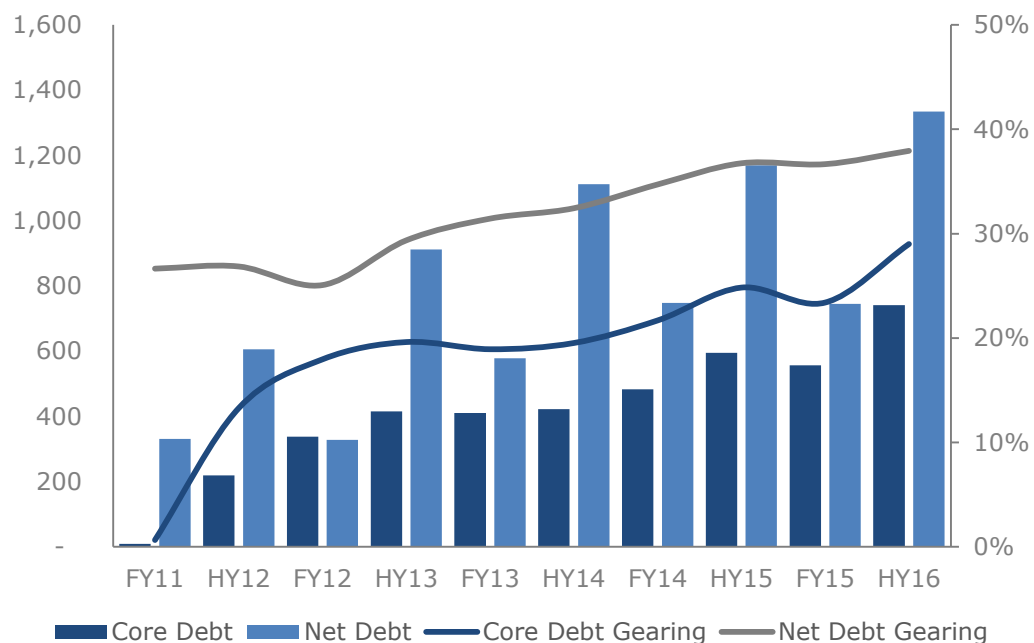
GrainCorp



# Increase in gearing in line with capital expenditure and seasonal turnover



Core Debt<sup>(1)</sup> and Net Debt<sup>(2)</sup>



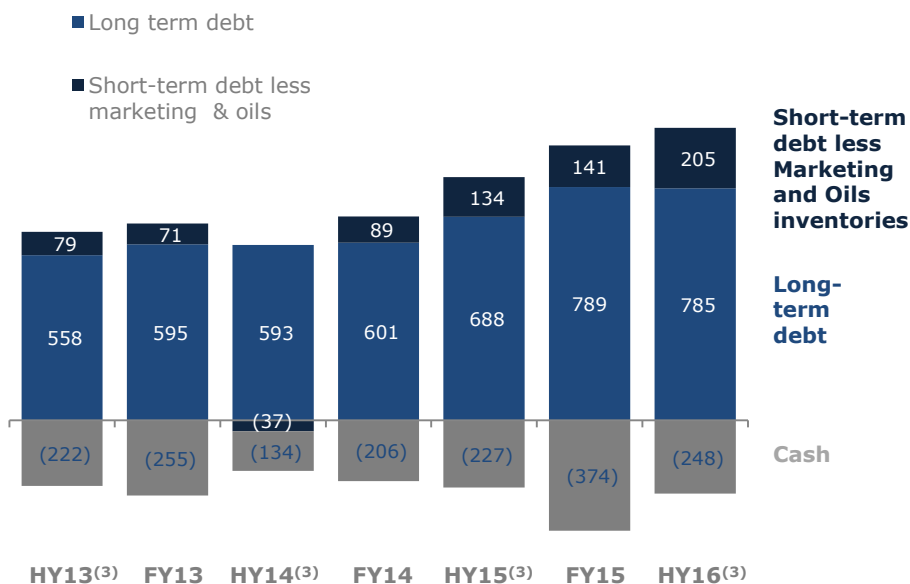
- 1H16 core debt at \$741M and Net Debt \$1,335M with the half year representing seasonal turnover
- Core debt gearing<sup>(3)</sup> at ~29% (or 25% excluding barley inventory) and Net debt gearing<sup>(4)</sup> at ~38% (rolling quarterly average)
- Net debt gearing<sup>(4)</sup> expected to peak in 1H17 → remaining below target of 45%
- Average tenure of term debt is 4.5 years (range 3.5 to 5.5 and with next renewal in November 2019)
- Barley inventory facilities now established for Malt - \$145M included in Core Debt (HY16).

1. Core Debt = Total Debt less Cash less Marketing, Oils grain and oilseed inventory.
2. Net Debt is total debt less cash.
3. Core Debt Gearing = Core Debt / (Core Debt + Equity)
4. Net Debt Gearing = Net Debt / (Net Debt + Net Assets) as quarterly rolling average.

# Strong and flexible balance sheet



## Core Debt<sup>(1)</sup> - \$M



- Core debt increasing as expected and in line with implementation of strategic initiatives, ahead of earnings
- Debt facilities matching asset life over a range of maturity dates
- Range of maturities on term debt from November 2019 to April 2022, with an average term debt of 4.5 years
- Barley inventory facilities now established for Malt - \$145M included in Core Debt (HY16).

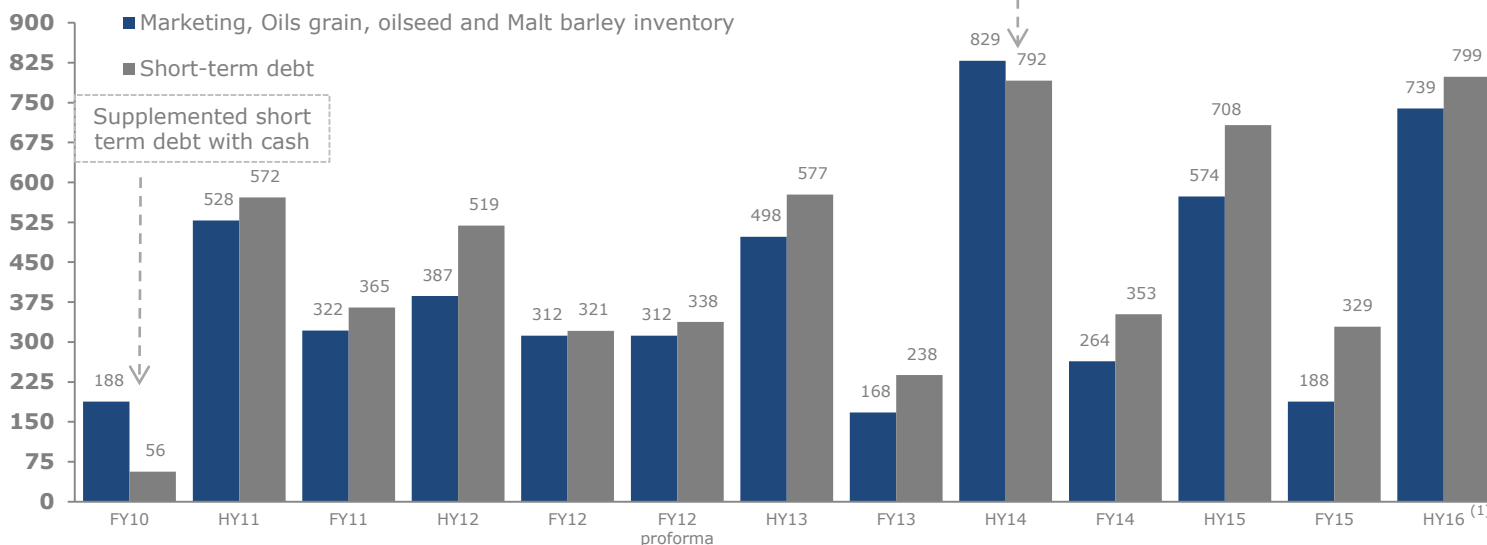
HY13 <sup>(3)</sup>	FY13	HY14 <sup>(3)</sup>	FY14	HY15 <sup>(3)</sup>	FY15	HY16 <sup>(3)</sup>	Core Debt <sup>(1)</sup>
415	411	422	483	595	556	741	Core Debt <sup>(1)</sup>
20%	19%	19%	22%	25%	23%	29%	Core Gearing <sup>(2)</sup>
0.91x	1.05x	1.25x	1.54x	2.03x	2.43x	2.78x	Core Debt <sup>(4)</sup> / EBITDA <sup>(3)</sup>

1. Core Debt = Total Debt less Cash less Marketing, Oils grain and oilseed inventory.
2. Core Gearing = Core Debt / (Core Debt plus Equity).
3. HY EBITDA based on underlying EBITDA for last twelve months ('LTM') ending 31-Mar.
4. Represents the six-monthly rolling average of the Core Debt

# Commodities inventory funded with specific commodity inventory facilities



## Commodities inventory<sup>(1)</sup> - \$M



### Marketing, Oilseed and Malt barley funding strategy

- Marketing's grain trading activities, Oils' oilseed and tallow positions and malting barley are predominantly funded with specific short term commodity inventory debt facilities:
  - Match debt with asset life
  - Fluctuates with seasonal grain purchases and underlying soft commodity prices

### Treatment

- Marketing's performance measured as PBTDA → interest treated as part of cost of goods sold
- Commodity inventory funding recognised as Operating Cash Flow → match funding purpose and seasonal working capital

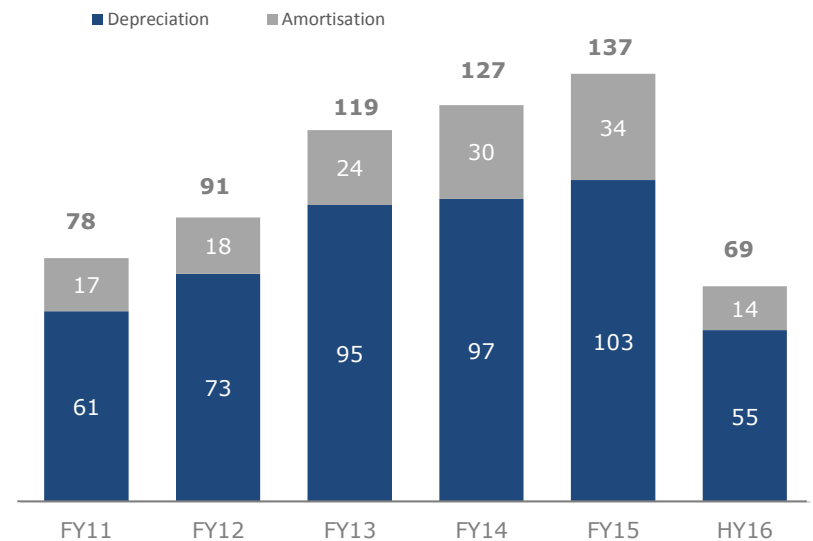
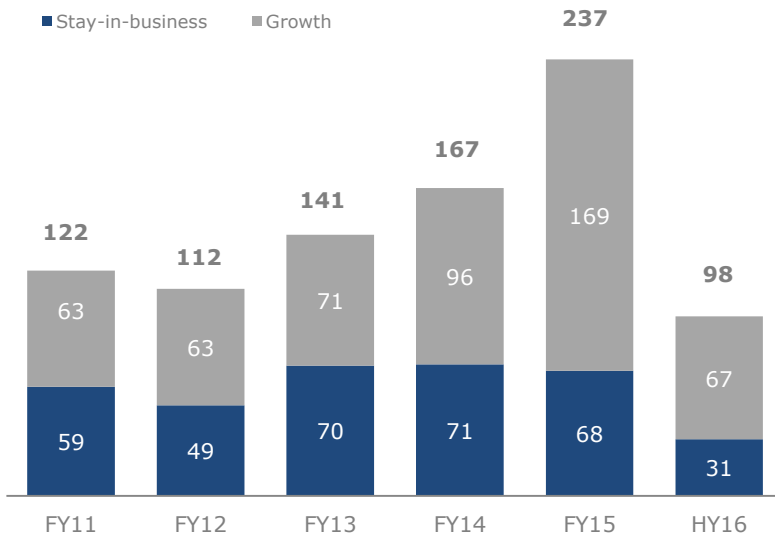
1. Commodities inventory in FY10 – FY15 includes Marketing, Oils grain and oilseed inventory. Malt Barley facilities were established in 1H16 and are included HY16 inventory.

# Capex supporting safety, network efficiencies and strategic initiatives



## Capex<sup>(1)</sup> \$M

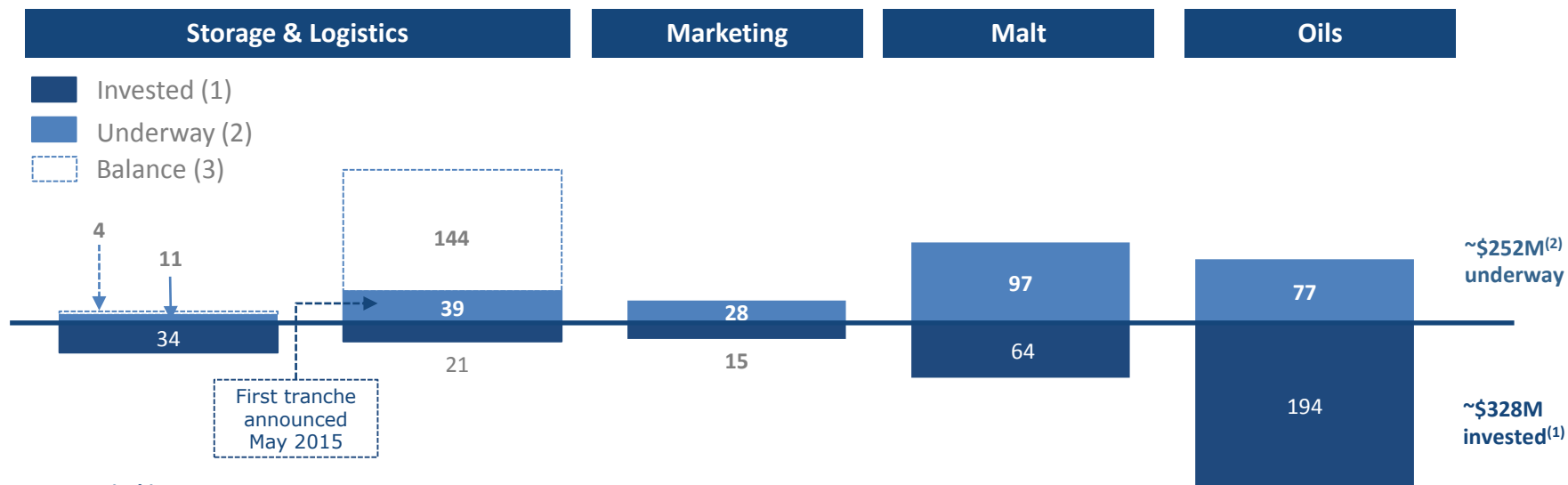
## Depreciation & Amortisation \$M



- FY16 capex will include ~\$195M – \$235M growth capex
- Strategic growth initiatives implementation on track
- Stay-in-business capex increased from FY12 due to inclusion of Oils
- Depreciation & amortisation higher from FY12 due to inclusion of Oils and recent capex program

1. Excluding acquisitions.  
 2. See Appendix for further details.  
 3. Excluding Project Regeneration.

# Capital investment for growth in more reliable earnings



- |   |   |  |   |   |
|---|---|--|---|---|
| <p><b>S&amp;L</b></p> <ul style="list-style-type: none"> <li>• Customer service</li> <li>• Non-grain opportunities</li> </ul> | <p><b>S&amp;L</b></p> <ul style="list-style-type: none"> <li>• Network revitalisation → rail loading infrastructure and capacity expansions (13 sites)</li> </ul> | <p><b>Marketing</b></p> <ul style="list-style-type: none"> <li>• Global trading and risk management platform</li> <li>• 50-50 Canadian Joint Venture with Zen-Noh</li> </ul> | <p><b>Malt</b></p> <ul style="list-style-type: none"> <li>• Operations excellence (energy, water, waste, labour)</li> <li>• Global model &amp; customer segmentation</li> <li>• Pocatello expansion (2H17)</li> </ul> | <p><b>Oils</b></p> <ul style="list-style-type: none"> <li>• Oils refinery relocation to Victoria in 2H16</li> <li>• Terminals (Fremantle, Port Kembla complete; Brisbane completed 1H16)</li> <li>• Numurkah expansion – oil &amp; meal (FY17)</li> </ul> |
|---|---|--|---|---|

**Hurdle rate of >12% IRR<sup>(4)</sup>**

1. Growth capex invested FY13 to HY16.
2. Growth capex projects announced and underway.
3. Growth capex announced but projects not yet underway.
4. Ungeared, after tax.

# FY16 Outlook



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# Grains outlook – subdued export demand for Australian grain continues



	Market fundamentals	GrainCorp FY16 outlook
Storage & Logistics (S&L)	<ul style="list-style-type: none"> <li>Eastern Australian crop production estimate of 17.6mmt<sup>(1)</sup> (FY15: 16.5mmt)</li> <li>Low carry → exportable surplus below normal</li> <li>Low demand for Eastern Australian grain → estimated 20-25% of grain remains unsold<sup>(5)</sup></li> <li>Global commodity conditions are limiting exports of grain → reduced port and rail bookings and slower velocity of grain</li> <li>New bulk export capacity now operating and strong container exports → increasing competition for exportable surplus</li> </ul>	<ul style="list-style-type: none"> <li><b>Carry-in:</b> 1.6mmt at historically low levels (FY15: 1.9mmt)</li> <li><b>Country receivals:</b> 7.7mmt – 8.0mmt<sup>(2)</sup> (FY15: 7.4mmt);</li> <li><b>Grain exports:</b> 2.4mmt – 3.0mmt (FY15: 3.5mmt); 1.2mmt YTD<sup>(3)</sup>; stem bookings year-to-go 2.3mmt<sup>(4)</sup> (2015: 2.8mmt)</li> <li><b>Non-grain handled:</b> ~2.8mmt (FY15: 2.5mmt)</li> <li><b>Carry-out:</b> 2.0mmt – 2.5mmt (FY15: 1.6mmt)</li> <li><b>Rail freight:</b> Impact of long-term take or pay arrangements continues. Below average exports resulting in lower rail freight utilisation → unrecoverable logistics costs</li> </ul>
Marketing	<ul style="list-style-type: none"> <li>Ample global supplies of grain impacting demand for Australian grain</li> <li>Strong competition to originate grain</li> <li>Reduced freight advantage to major export regions making Australian grain less competitive</li> <li>More typical marketing patterns across Australia and exports</li> </ul>	<ul style="list-style-type: none"> <li>Challenging given another low exportable surplus and continued low demand for grain in eastern Australia</li> <li>Strong growth in Western Australian origination and sales program</li> <li>Implementation of our international grain origination growth strategy continuing to gain traction → diversifying our origination and sales mix</li> </ul>

1. Eastern Australia’s wheat, barley, canola and sorghum production estimates, using the average of the Australian Crop Forecasters’ April 2016 Report and ABARES’ February 2016 Report.

2. All grains received up country year-to-date.

3. All grains exported year-to-date.

4. All grains shipping stem bookings year-to-go.

5. ACF Supply & Demand Report – May 2016



# Below normal grain stocks resulting in lower S&L volumes



	Drivers (mmt)	FY15	FY16 YTD <sup>(1)</sup>	FY16 Outlook	FY16 Outlook
<b>Storage &amp; Logistics</b>	Eastern Australia Grain Production	16.5		17.6 <sup>(2)</sup>	
	Grain carry-in (1-Oct)	1.9	1.6	1.6	<ul style="list-style-type: none"> <li>At historically low levels</li> <li>Limited early season export program</li> </ul>
	Country network receivals	7.4	7.5 <sup>(3)</sup>	7.7-8.0	<ul style="list-style-type: none"> <li>Market share in line with FY15</li> </ul>
	Grain exports handled	3.5	1.2 <sup>(4)</sup>	2.4-3.0	<ul style="list-style-type: none"> <li>2.3mmt<sup>(5)</sup> booked on the shipping stem (FY15: 4.6mmt)</li> <li>Delay in shipping program means low utilisation of rail freight obligations</li> </ul>
	Non-grain handled	2.5	1.4	~2.8	<ul style="list-style-type: none"> <li>Strong demand for woodchip exports continues</li> </ul>
	Carry-out	1.6		2.0-2.5	<ul style="list-style-type: none"> <li>Delay in shipping program increasing carry-out</li> </ul>
	Grain received at port	1.4	0.5	~0.8	<ul style="list-style-type: none"> <li>Grain received direct at port ex-farm and other bulk handlers</li> </ul>

1. YTD reflects Year-to-Date as at 31 March 2016.
2. Eastern Australia's wheat, barley, canola and sorghum production estimates, using the average of the Australian Crop Forecasters' April 2016 Report and ABARES' February 2016 Report.
3. All grains received up country year-to-date to 31 March 2016.
4. All grains exported year-to-date.
5. All grains shipping stem bookings year-to-go.

# Processing outlook – well placed through strong competitive position



	Market fundamentals	GrainCorp FY16 outlook
Malt	<ul style="list-style-type: none"> <li>Global barley crop production ~143.4mmt<sup>(1)</sup> (FY15: 141.5mmt)</li> <li>Beer demand in mature markets continues to soften and slower growth in developing markets</li> <li>Continued strong growth in North American craft beer segment</li> </ul>	<ul style="list-style-type: none"> <li>Forward sales of 1.3mmt</li> <li>Malt sales volume: ~1.3mmt (FY15: 1.25mmt)</li> <li>Continued benefits from strategic initiatives being realised</li> <li>Final Port of Vancouver compensation receipt was received in FY15: ~ A\$5M</li> </ul>
Oils	<ul style="list-style-type: none"> <li>Australian canola crop production estimate of 2.9mmt<sup>(2)</sup> (FY15:3.5mmt)</li> <li>Growing domestic and international demand for canola oil</li> <li>Continued competition in crushing and refining</li> <li>Continued demand for bulk liquid terminals capacity</li> <li>Early signs of infant formula growth in ANZ</li> </ul>	<ul style="list-style-type: none"> <li>High capacity utilisation for crushing with cyclical recovery of crush margin in 2H</li> <li>Foods affected by fluctuation in Chinese demand for ANZ complex oils (e.g. infant formula)</li> <li>Capacity utilisation across bulk liquid terminals remains high – Pinkenba to contribute modestly in 2H16</li> <li>Low volumes for NZ feed continue as a result of weak dairy sector</li> <li>Modest earnings uplift from completed strategic initiatives in 2H16 with full impact in FY17</li> </ul>

1. World barley production estimates. Source: United States Department of Agriculture’s website: accessed 2 February 2016.  
 2. Australian canola production estimate, using the average of the Australian Crop Forecasters’ April 2016 report and ABARES’ February 2016 Report.

# FY16 Earnings Guidance affirmed



	EBITDA	NPAT
Guidance	<ul style="list-style-type: none"> <li>• <b>Underlying EBITDA</b> (before significant items): \$240M – \$270M</li> <li>• Includes 60% share of Allied Mills NPAT before significant items</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Underlying NPAT</b> (before significant items): \$40M – \$55M</li> </ul>
Assumptions / Variables	<p><b>Variables</b></p> <ul style="list-style-type: none"> <li>• 2H16 volumes: sorghum receivals; direct to port receivals; port elevations</li> <li>• Global crush margins impact on edible oils margins</li> <li>• New season opportunities for Marketing in Q4</li> <li>• Level of AUD vs USD, CAD and GBP FX</li> <li>• Barley and oilseed procurement</li> </ul>	<ul style="list-style-type: none"> <li>• Depreciation &amp; Amortisation: ~\$140M</li> <li>• Tax: ~30%</li> <li>• Significant items totalling ~\$20M including Oils and S&amp;L optimisation.</li> </ul>

# Questions



# Appendix



GrainCorp



# Significant items



\$M	Segment	EBITDA	D&A	Net Interest	Tax	NPAT	Details
<b>Underlying</b>		<b>133.6</b>	<b>(68.5)</b>	<b>(19.3)</b>	<b>(13.6)</b>	<b>32.2</b>	
Restructuring costs	Oils	(8.0)	(2.2)		3.0	(7.2)	Relating to Oils network optimisation and crushing expansion.
Impairment of assets	S&L, Malt	(4.1)			1.3	(2.8)	Relating to assets in S&L and Malt.
Transaction related costs	Corporate	(3.2)			0.9	(2.3)	Comprises legal and consulting fees.
Gain on sale of assets		0.7			(0.2)	0.5	Net gain from the sale of assets in S&L.
<b>Total Significant Items</b>		<b>(14.6)</b>	<b>(2.2)</b>		<b>5.0</b>	<b>(11.8)</b>	
<b>Statutory</b>		<b>119.0</b>	<b>(70.7)</b>	<b>(19.3)</b>	<b>(8.6)</b>	<b>20.4</b>	

# Grain volumes HY15 and HY16



Volume driver (mmt)	HY15	HY16	Comments
Grain carry-in (1 Oct)	1.9	1.6	<ul style="list-style-type: none"> <li>Grain stored at start of period</li> <li>HY15 &amp; HY16 carry-in below average of ~3mmt</li> </ul>
Country network receivals	6.7	7.5	<ul style="list-style-type: none"> <li>~45% share of winter crop production<sup>(1)</sup></li> </ul>
Grain exports handled	1.4	1.2	<ul style="list-style-type: none"> <li>Lower exportable surplus resulting in lower grain exports</li> <li>Including bulk and containers</li> </ul>
Non-grain handled	1.2	1.4	<ul style="list-style-type: none"> <li>Exports include woodchips and cottonseed and mineral sands</li> <li>Includes imports (e.g. meals and fertiliser)</li> </ul>
Grain carry-out (31 Mar)	5.2	5.8	<ul style="list-style-type: none"> <li>Grain stored at period end</li> </ul>
<b>Throughput<sup>(2)</sup></b>	<b>8.7</b>	<b>8.8</b>	<ul style="list-style-type: none"> <li>Average of country sites in and out, and grain and non-grain exports handled</li> </ul>
Domestic grain outload	2.3	2.4	<ul style="list-style-type: none"> <li>Grain direct to domestic consumers and other</li> </ul>
Grain received at port	0.5	0.5	<ul style="list-style-type: none"> <li>Grain received direct at port ex-farm and other bulk handlers</li> </ul>

1. Based on eastern Australia's wheat, barley and canola production estimates, using the average of Australian Crop Forecasters' April 2016 report and ABARES' February 2016 report.

2. Average country grain inload (carry-in + receivals) and outload (carry-in + receivals - carry-out) + grain and non-grain exports handled.

## Upcoming event – Investor Day



GrainCorp will hold an investor day at GrainCorp Foods in West Footscray, Melbourne, on **Thursday 16 June 2016**. Investors wishing to attend can register by emailing Nicole Attard at [nattard@graincorp.com.au](mailto:nattard@graincorp.com.au)