



## **ASX RELEASE**

**Wednesday 25 May 2016**

### **AACo announces net profit of \$67.8 million**

- Operating earnings of \$14.8 million, up \$18.4 million
- Net operating cash inflow of \$21.8 million, up \$97.7 million
- Statutory net profit after tax of \$67.8 million, up \$58.2 million

The Australian Agricultural Company today announced a full-year statutory net profit after tax of \$67.8 million for the 12 months to March 31, 2016, a \$58.2 million increase on the previous financial year.

The company reported operating EBITDA (earnings before interest, tax, depreciation and amortisation) of \$14.8 million, an \$18.4 million increase. Net operating cash inflows increased \$97.7 million to \$21.8 million.

AACo Managing Director Jason Strong said total kilograms of beef sold was up by 96 per cent, with total sales revenue increasing by 44.7 per cent to \$489 million.

"The increased volumes included production growth at our Livingstone Beef processing facility at Darwin as well as a 15 per cent increase in the sales volumes of our premium Wagyu brands," Mr Strong said.

"Our strategic decision to own cattle right through our supply chain has increased revenue and margin.

"In the past year our premium Wagyu brands have been recognised as some of the best in the world – including being named as Grand Champion at the World Wagyu Conference.

"We're going to step up our differentiated branding strategy to tell the story of why AACo beef is so good – sharing the experience from our iconic cattle properties in the North to some of the world's finest restaurants.

"We are also investing in cutting edge technological innovation to improve the consistency and predictability of beef production through data analytics, pasture mapping, grazing management and genetics."

While the board has not declared a dividend, the company remains committed to the reinstatement of dividends and has previously indicated that on a return to sustainable and significant positive operational cashflows, directors will review dividend policy and payments.

**Media contact:** Matthew Horan 0403 934958