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ASX Release

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Ingham's responds to AFR article (4 September 2017)

Inghams Group Limited (ASX: ING, Ingham's) notes the article published on page 21 in The Australian Financial Review on Monday 4 September 2017 (*Bulls and Bears: Why some investors are too chicken for Ingham's*) and is concerned that it contains potentially false and misleading claims, in that :

1. There is no price war in Victoria that we are aware of (or in any other state), and normal market conditions prevail consistent with commentary provided with the FY17 Full Year Results on 22 August 2017.
2. Ingham's is not currently subject to any significant dispute with growers or grower groups outside the normal course of business. With more than 225 contract growers across our operations, ongoing re-negotiation of grower contracts is a normal part of business and we are constantly finalising new agreements with growers.
3. In Victoria the vast majority of growers are contracted on multi-year contracts extending to at least mid-2019. Discussions with Victorian growers are expected to continue in the context of a Victorian market experiencing a surplus of broiler farm capacity as a result of a competitor plant closure and a reducing Victorian share of national production over the last decade. We remain committed to working with all stakeholders to establish a viable future for the Victorian industry.
4. We note that Mr Michael Vukadinovic, who is quoted in the article, is not a contracted Ingham's grower and to our knowledge has never been an Ingham's grower.
5. This matter will now be referred to the Australian Securities and Investment Commission.

ends

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