30 April 2014

Presentation to Agribusiness Conference

Attached is a copy of the presentation to be given by Mark Allison to the PAC Partners Agribusiness Conference today in Melbourne.

Peter Hastings
Company Secretary

Elders Now – Pure Play Agribusiness

Presentation to PAC Partners Agribusiness Conference

Mark Allison, Chairman, Elders Limited

30 April 2014

175 YEARS

Agenda

- Business profile
- Strategic direction
- FY14 business priorities
- FY14 business progress
- Market outlook



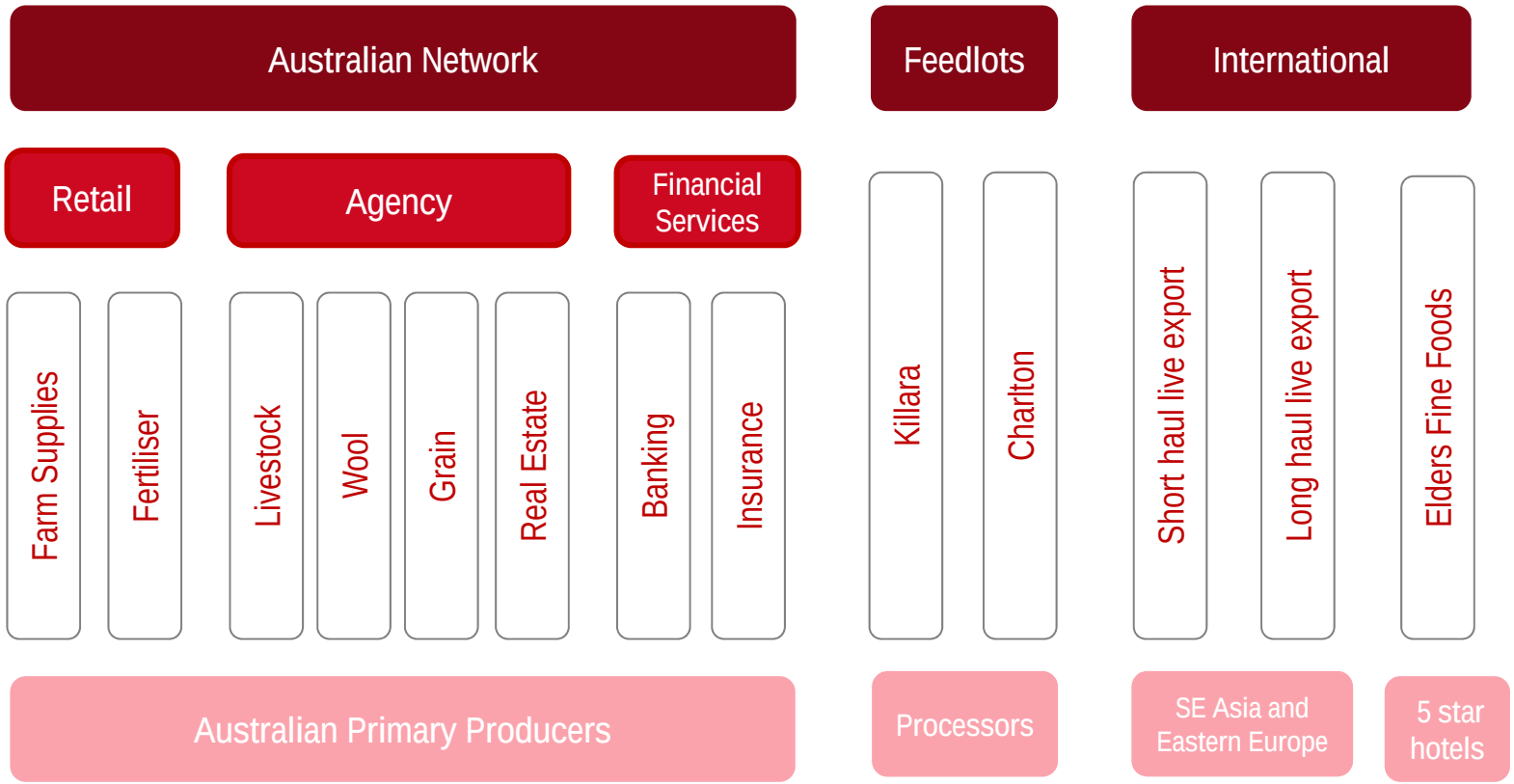






Elders 175 YEARS

Business profile



Elders 175 YEARS

Elders now

Board of directors

- Board with single industry focus
- Every director with experience in agribusiness/agriculture

Corporate

- CEO experienced in agribusiness
- Smaller corporate office, overheads $5 million lower pa

Operations

- Flatter structure, forecast savings $20 million pa lower
- Leadership renewal, distribution channel optimisation

FY14 Priorities

- Business performance must improve
- 4 Key priorities stated for FY14

- **Safety performance**
- **Operational performance**
- **Leadership renewal**
- **Capital restructure**

Commencing a 3 year plan

- Focused on sustainable EBIT and return on capital that attracts and rewards investment

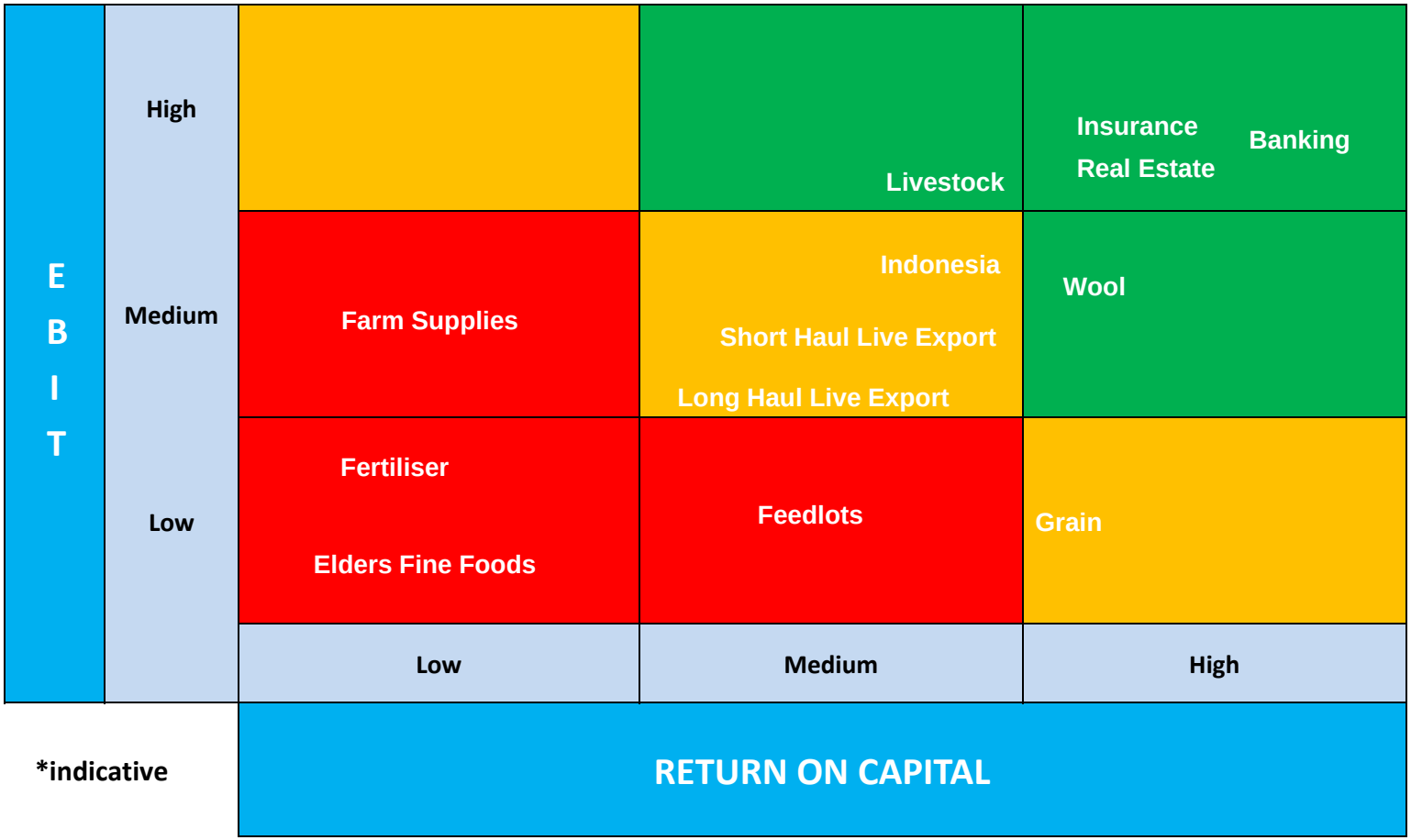
Elders 175 YEARS

Strategic direction

- A culture that is values, safety and performance-based and which maximises Elders' brand and positioning
- Distribution channels: strengthen, expand through combination of branch location and ownership innovation and rationalisation
- Business improvement in retail products of farm supplies and fertiliser, including capital-light model adoption
- Wool, Livestock, Real Estate and Grain: strengthen and expand
- Banking, insurance and financial services: strengthen and expand
- Controlled growth of live export and feedlot businesses
- Improve and expand international businesses
- Continuous efficiency and cost reduction

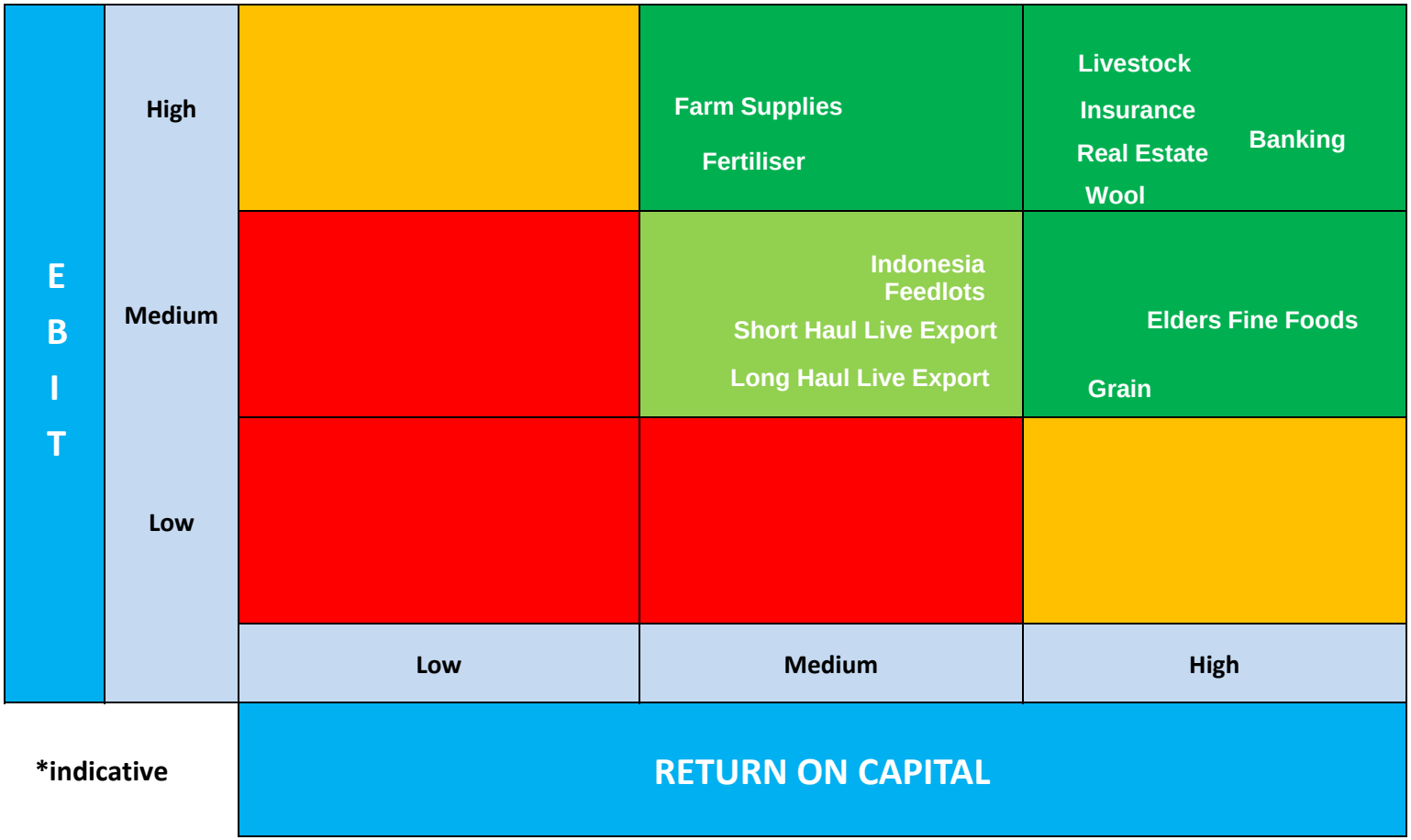
Elders 175 YEARS

Current business model



Elders 175 YEARS

Future business model



Elders 175 YEARS

FY14 business priorities

- Safety performance
- Operational performance
- Leadership renewal
- Capital restructure







Elders 175 YEARS

FY14 business progress

- **Safety Performance**
  - LTIs almost halved
  - Strong broad based improvement
- **Operational Performance**
  - Solid financial performance
  - Strong improvement in ROC
- **Leadership Renewal**
  - Two strong agribusiness NEDs appointed
  - Executive Committee management process
  - CEO/MD appointment
  - GM – Trading appointment
- **Capital Restructure**
  - Significant debt reduction



Elders 175 YEARS

Market Outlook

- Good east coast winter crop break
- Cattle prices firming
- Sheep prices strengthening
- Feedlot demand high
- Short haul live export strong
- Long haul live export strong
- Strong demand for EFF




Elders
175
YEARS