

Allied Farmers Limited Annual General Meeting

Tuesday, 29 November 2016

ALLIED FARMERS

Welcome & Introduction

ALLIED FARMERS

Annual Financial Statements

ALLIED FARMERS

Allied Farmers Limited

	2016	2015
	\$m	\$m
Income	16	15
Expenses	14	14
Taxation	.2	.5
Net Profit	<u>1.4</u>	<u>.7</u>
Parent Owners Share	0.7	0.1

Allied Farmers Limited

CONTINUING DIVISIONS

	2016	2015
	\$m	\$m
LIVESTOCK		
Revenue	15.9	14.7
Pre-Tax Profit	2.3	1.5
INVESTMENTS		
Revenue	0.1	0.2
Impairments	-	-
Profit (Loss)	0.1	0.2
CORPORATE		
Income	0.0	0.5
Costs	0.6	0.8
Interest	0.2	0.3
Profit (Loss)	(0.8)	(0.6)

Allied Farmers Limited

GROUP BALANCE SHEET

	2016	2015
	\$m	\$m
ASSETS		
Receivables	6	5
Cash	2	2
Fixed Assets	4	4
Other Assets	1	-
	<u>13</u>	<u>12</u>
LIABILITIES & EQUITY		
Borrowings	5	6
Other incl. Creditors	7	8
Equity	0.1*	- 1.5*
	<u>13</u>	<u>12</u>

* Does not include assessed value of investment in subsidiaries or increase in value of rural fixed assets

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Significant Milestones

Re-acquisition of NZ Farmers Livestock shares

Acquired share in Redshaws Livestock

Profit growth in NZ Farmers Livestock

Overhead cost efficiencies via Share sale programme

Lower audit and insurance costs reflecting ongoing simplification and risk reduction

Lower weighted average interest rate on Allied's secured debt.

Since Balance Date

Further tranche of Redshaws Livestock now 34%

Expansion in Northland and South Island

Finance subsidiary established

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Current Performance

Livestock ahead of last year

Bobby Calves tracking behind last year

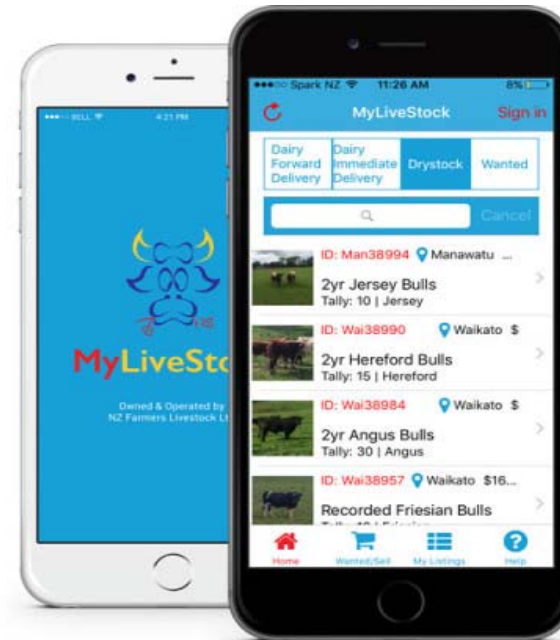
Corporate / AFIL in line with last year

Allied Farmers - Rural CEO - Steve Morrison

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NZ FARMERS LIVESTOCK

- NZ Farmers Livestock Agency
- MyLivestock platform and App
- Redshaw Livestock interest
- Farmers Meat Export Ltd
- Associated Auctioneers JV interests
- Livestock Finance subsidiary



REDSHAW LIVESTOCK LTD

Working with Farmers for Farmers

MyLivestock.co.nz

NZ FARMERS LIVESTOCK

- Experienced team
- Adding value for clients - every day
- Win-Win business
- Moving with (or ahead of) the times



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[MyLiveStock.co.nz](https://www.mylivestock.co.nz)

NZ FARMERS LIVESTOCK

Last Year & Today:

- Targeting Growth – recruitment, acquisition, Northland, South Island
- 2015/16 EBT 52% up on 2014/15
- Building equity
- Dairy challenges
- Very good livestock agency performance
- Good FMEL performance
- Redshaws in line with acquisition basis
- Targeting further growth & development
- Good 2016/17 YTD performances, despite FMEL challenge
- Good bank support
- Financially robust

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NZ FARMERS LIVESTOCK

- Building & supporting teams
- Developing new agents
- Building networks
- Robust contracting arrangements
- MyLivestock platform & App
- Refining FMEL business
- Building value



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NZ FARMERS LIVESTOCK

- Meeting all requirements – H & S, Consent, NAIT.....



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NZ FARMERS LIVESTOCK

The Future

- Sensible Growth
- Market share
- MyLivestock leadership
- Bottomline performance
- A platform and support for wider Allied Farmers progress



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Thank you



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Questions

Business Resolutions

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Resolution 1.
Re-election of Philip Luscombe
(retiring by rotation)

Resolution 2

Remuneration of Auditors

General Business

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