



Landcorp Farming Profit and Dividend Update

28 July 2011

On 26 July 2011 the Board of Landcorp Farming provisionally agreed to increase the full year dividend to \$27.5 million, compared to an originally budgeted \$18 million.

This increased dividend is the product of a much stronger operating profit which is expected to be in the range of \$40 to \$45 million, greatly improved from the \$3 million budgeted. The final result is still dependent on final audit.

This improved financial performance results from industry-wide improvements in product prices which more than offset the adverse effects of climatic events. Spring storms negatively impacted drystock production causing livestock sales volumes to be below budget. Milk production recovered from early season dry conditions to finish the season slightly ahead of budget due to a very favourable summer and autumn.