

# SunRice Update

February 2011

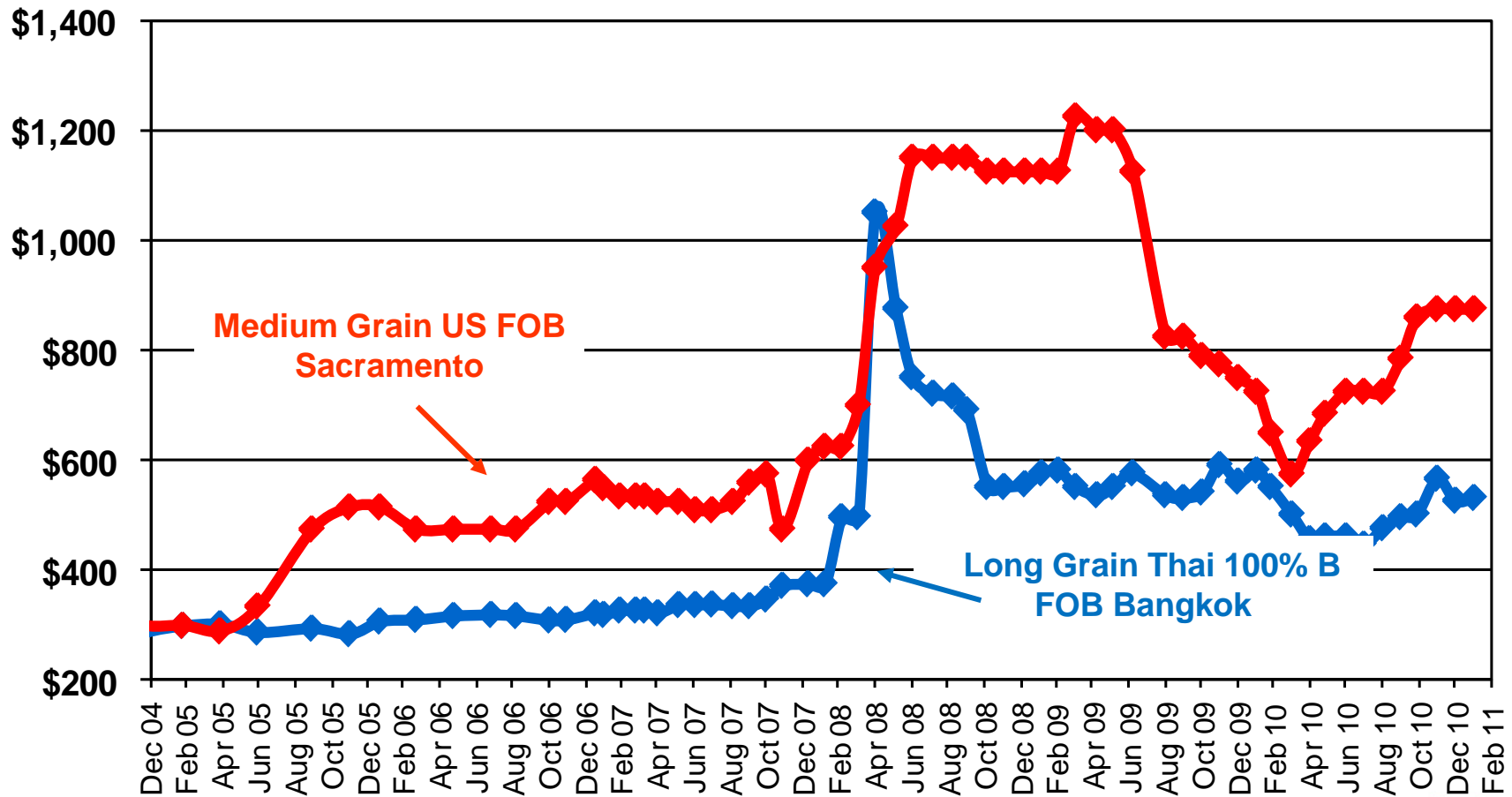


The Rice Food Experts

# Market Update

- Global rice market conditions continue to be challenging due to:
  - Increasing competition from US medium grain sources
  - Cheaper alternative long grain sources
  - The rising strength of the Australian dollar

# Global Rice Markets: Processed Medium and Long Grain Prices



Source: Creed Reports

# 2009/10 Pool Pricing

- The 2009/10 Premium Pool paddy return is \$550 p/tonne (medium grain)
- The No. 2 Pool, on current indications, is likely to be in the range of \$315 - \$340 p/tonne
- This is significantly below the indicative price given at planting time, when the:
  - World market price outlook; and
  - AUD \$ was more favourable
- We are doing everything we can to achieve the highest possible return for growers

# 2010/11 Crop Budget

- We are now preparing the 2010/11 Crop Budget, which will determine the indicative price for the current crop
- The indicative price will be released in line with our commitment to provide the price prior to shareholders considering the Ebro offer
- At this stage we envisage this will be in April, when the Scheme Booklet is sent to shareholders

# Ebro Offer Update

- You will receive the Scheme Booklet, including the Independent Expert's Report, in April 2011
- Shareholder meetings will follow across the regions
- At this stage, we expect shareholders to vote on the proposed offer in May
- This is a little later than originally planned due to delays in documentation and approvals, which is not uncommon in transactions of this size and nature, especially given the Christmas-New Year break
- The Scheme Booklet will confirm the date for the vote

# Ebro Offer Update

- It is important that all shareholders are in a position to make an informed decision on the offer
- We encourage you to carefully read the Scheme Booklet and attend one of the shareholder meetings
- Please contact one of the Directors or Grower Services with any questions

# Marketing Highlights

- Strong SunRice market share in Australia – YTD Jan 2011 basis:
  - Retail Table Rice market share: 62% (Volume) and 60% (Value)
  - Microwave Rice market share: 61% (Volume) and 64% (Value)
  - Rice Cakes market share: 63% (Volume) and 64% (Value)
  - Ready to Go Meals market share: 53% (Volume) and 50% (Value)

