

MEDIA RELEASE

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SunRice looks to the future and growing global markets

Leading Australian branded food business, SunRice has focused on the future direction of the company today, at its Annual General Meeting in Jerilderie.

SunRice Chairman, Mr Gerry Lawson AM, told shareholders that 2010/11 was a year of contrasts for the business, which had performed well despite the volatile Australian dollar and fluctuating global rice prices. However he noted that spiralling electricity prices and the pending carbon tax had the potential to create an uneven playing field for an export-oriented food manufacturing business like SunRice.

“Global forces beyond our control have put pressure on SunRice, particularly as the industry emerges from a decade of drought. We have managed to navigate our way through this difficult climate so far, and we will continue to do so going forward,” Mr Lawson said.

“SunRice’s consolidated revenue for the 2010/11 financial year was \$809 million – a reduction of just 1% on the previous year. The company posted a \$13.1 million dollar profit after tax, which was an 11.5% increase on the 2009/10 result. A medium grain paddy price of \$550 per tonne was paid for the Premium Pool and \$320 per tonne for the Number 2 Pool.

“We delivered a fully franked dividend of 18.0 cents per B Class Share, which was 4.5 cents lower than the previous year. This allowed us to direct \$2.8 million dollars towards our capital raising program and our goal of reducing SunRice’s gearing.”

Mr Lawson added that SunRice had increased its shareholder capital by \$6.4 million as a combined result of profit retention, the dividend reinvestment program and a share offer prospectus.

Chief Executive Officer, Mr Gary Helou, said it was exciting to see SunRice re-establishing itself in global markets such as Japan, the Pacific and the Middle East.

“On the back of an 800,000 tonne harvest in Australia, we’ve been able to target markets lost during the drought and are making real progress. Our subsidiaries have also performed very well this year, and we’ve seen huge growth in Ready-to-Go meals and Microwave rice - particularly with the launch of Quick Cups and our new Indian meals range.”

Today’s AGM was the last for Mr Helou, who is leaving SunRice after 11 years. “I’ve been proud to be a part of the company’s growth during the last decade and have confidence in the future of SunRice, its growers and shareholders,” Mr Helou said.

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Mr Lawson paid tribute to Mr Helou's dedication, highlighting his focus on diversification of supply sources, brands, innovation and his achievements in building the business.

"Gary's talent and insight have brought the company much success, as well as steered it through the toughest of drought years. We're sure the dairy industry will benefit greatly from his experience," he said.

Shareholders also farewelled long-serving Director Norm McAllister, who retired from the Board after 14 years.

"Norm has brought a wealth of experience to the role of Director, remaining committed to the company during periods of adversity and prosperity. He has made a significant contribution to the industry during that time and we wish him all the best in his future endeavours," said Mr Lawson.

New Grower Director Glen Andreazza was also introduced at the AGM, following last week's election, in which current Directors Laurie Arthur, Mark Robertson and Alan Walsh were also re-elected to the SunRice Board for a further four year term.

Mr Lawson commended all the outstanding candidates who offered themselves for election, and said the result was a clear vote of confidence in the Board.

"We have always had a strong and cohesive Board that works incredibly hard to do what's best for our company, our shareholders and the regional communities that rely on us," he said. "We will continue this path – of that you can be assured."

In closing, Mr Lawson commented: "Growing an 800,000 tonne crop this year has ignited excitement across our industry, from staff and customers, to growers and shareholders. We're proud to boast that Australian rice is back, and that we're in a position once again, to feed millions of people, the world over."

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About SunRice

Ricegrowers Limited, trading as SunRice, is Australia's leading branded rice food company, with products marketed in close to 60 countries around the globe. SunRice has annual sales of approximately AUD800 million. Information – www.sunrice.com.au

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