

# Wrightson Limited 11th Annual Meeting

# CHAIRMAN KEITH SMITH

# OUTLINE

- Ownership changes
- Last years's performance
- Board's current focus
- Share buyback

# RECENT CHANGES

- New strongly committed shareholder
- New Board with independent Chairman
- Smooth transition to new ownership
- Directors bring experience and expertise

## RECENT CHANGES (cont'd)

- Focus on improved profitability
- Comfortable with portfolio & structure - but not the way it was managed
- No strategy 'u-turns' proposed
- 'Back to basics' approach
  - refocus on clients
  - remove complexities
  - move decision-making closer to front line

# FINANCIAL OVERVIEW

- Disappointing 2003/04 result
- Underlying performance better than expected
- Prudent approach to 'one-offs'
- Net profit after tax \$10.3m (2003: \$18.5m)

# CURRENT FOCUS

- Refocus around our clients
- Improve the performance of Rural Supplies
- Build the Finance business
- CEO appointment

# SHARE BUYBACK

- \$1.56 per share
- Move to more cost effective capital structure
- Dependent on shareholder approval
- Will benefit all shareholders
- Not compulsory
- Will increase RPI shareholding
- Assessed as fair by Grant Samuel
- Supported by the independent Directors

# SUMMARY

- Valuable contribution from Directors
- Total commitment of staff
- Expect operating environment similar to 2003/04
- Confidence in Company's future
- Significant potential in business strategies

# ACTING CHIEF EXECUTIVE BARRY BROOK

# OVERVIEW

- Productive, open & honest working relationship
- Willingness of Directors to engage with staff
- Very positive staff morale
- Staff support for 'back to basics' approach
- Refocus around clients and front-line staff

# FINANCIAL OVERVIEW

- Disappointing result reflecting a challenging year
- Key strategies failed to get traction
- Under-performance in some areas

## FINANCIAL OVERVIEW (cont'd)

- Key focus on Rural Supplies
  - day-to-day interaction with clients critical
  - extend sales channels
  - Pasture Partners
  - actions will differ from area to area
- Strong year for Real Estate, Livestock Export, Grain & proprietary seeds
- Wool logistics rationalisation a highlight

# STRATEGIC PRIORITIES

- NPAT of \$16m a baseline to work from
- ‘Back to basics’ approach
  - refocus on clients
  - simplify our processes
  - more autonomy to front-line
- Focus on cost savings
- Improve performance of Rural Supplies
- Build the Finance business

# BUILD THE FINANCE BUSINESS

- Expand beyond transaction financing to farmers' total finance needs
- Wrightson Finance Limited structures in place
- Identified a niche in the \$20 billion rural finance market
- Ready to accept deposits later this month

## FOCUS FOR THE FUTURE

- Outlook for rural economy is generally positive
- A strong base for leveraging value
- Focus on serving all shareholders well
- Commitment to improved performance in 2004/05 and beyond

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