

An aerial photograph of a lush green valley with a winding river. In the foreground, a large, 3D, metallic-looking logo of the letters 'PGGG' is visible. Overlaid on the center of the image is a dark green banner with the text 'PGGG Pyne Gould Guinness' in white. The 'PGGG' part of the banner is in a red box.

**PGGG** *Pyne Gould Guinness*

# Today's Objectives

- *Annual profit*
- *Financial ratios*
- *Divisional analysis*

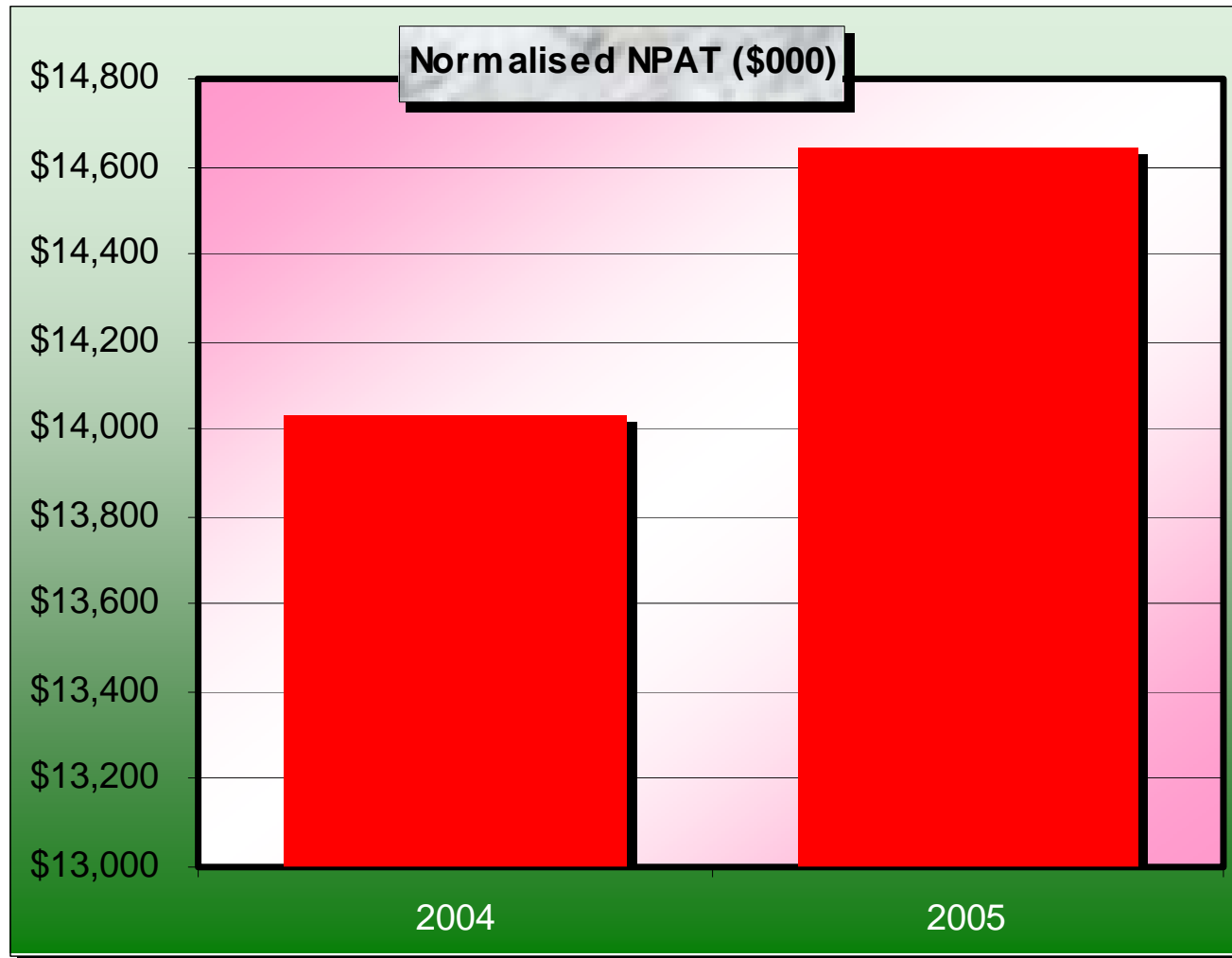
# 2005 Result

## STATEMENTS OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2005

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	Note	Group 2005 \$000	Group 2004 \$000
OPERATING REVENUE		<u>308,311</u>	<u>289,211</u>
SURPLUS BEFORE TAXATION	2	24,770	25,913
Income Tax Expense	3	<u>(7,728)</u>	<u>(8,159)</u>
NET SURPLUS FOR THE YEAR		<u>\$ 17,042</u>	<u>\$ 17,754</u>

# Normalised 2005 Result



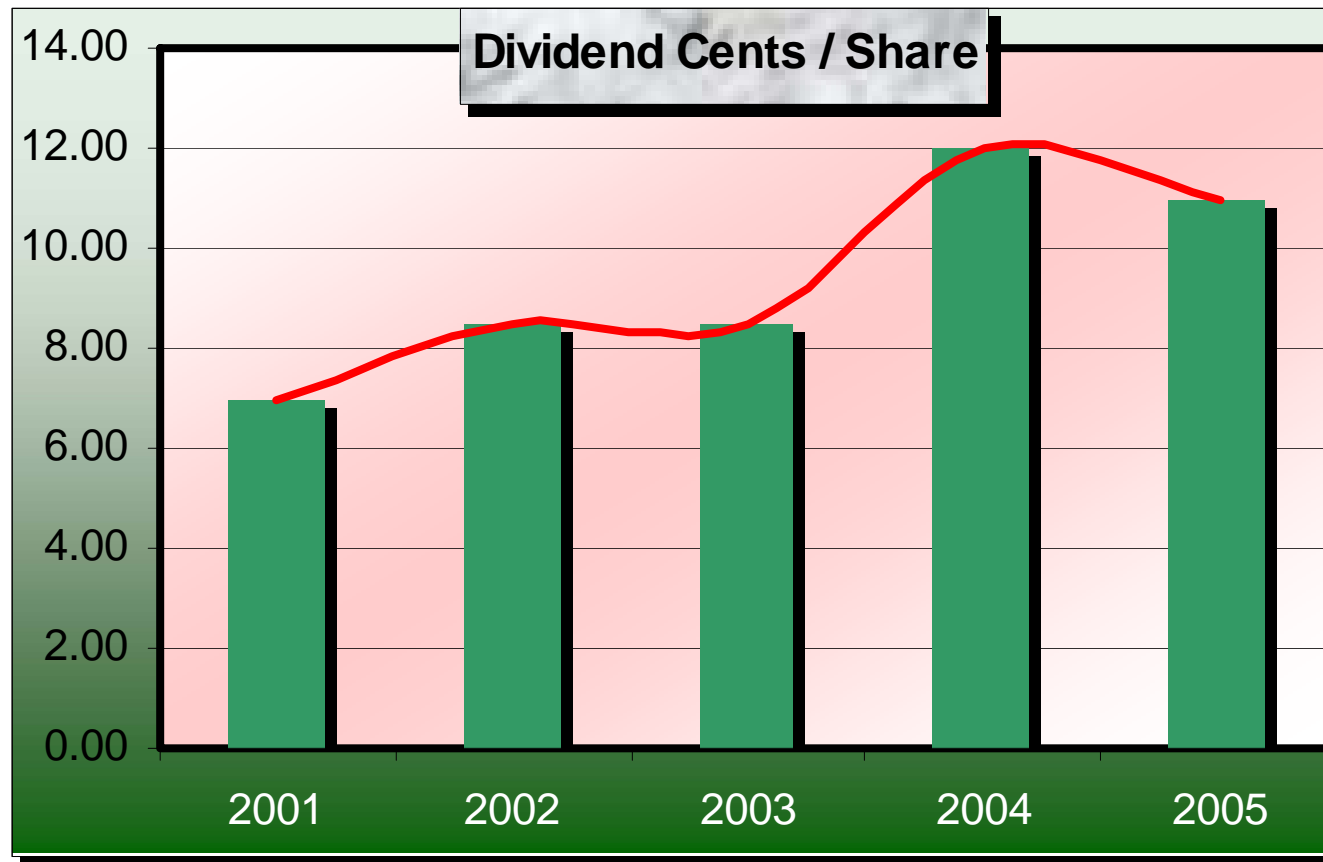
# Result highlights

- *Normalised result of \$14.6m up 4.3% on previous year*
- *Results severely affected by Irrigation & Pumping loss*
- *6 of the 8 divisions ahead of the previous year, 4 divisions with record contributions*
- *9 cents per share ordinary dividend and a special dividend of 2 cents per share*
- *Focus on cross divisional business*
- *Significant merger activity*

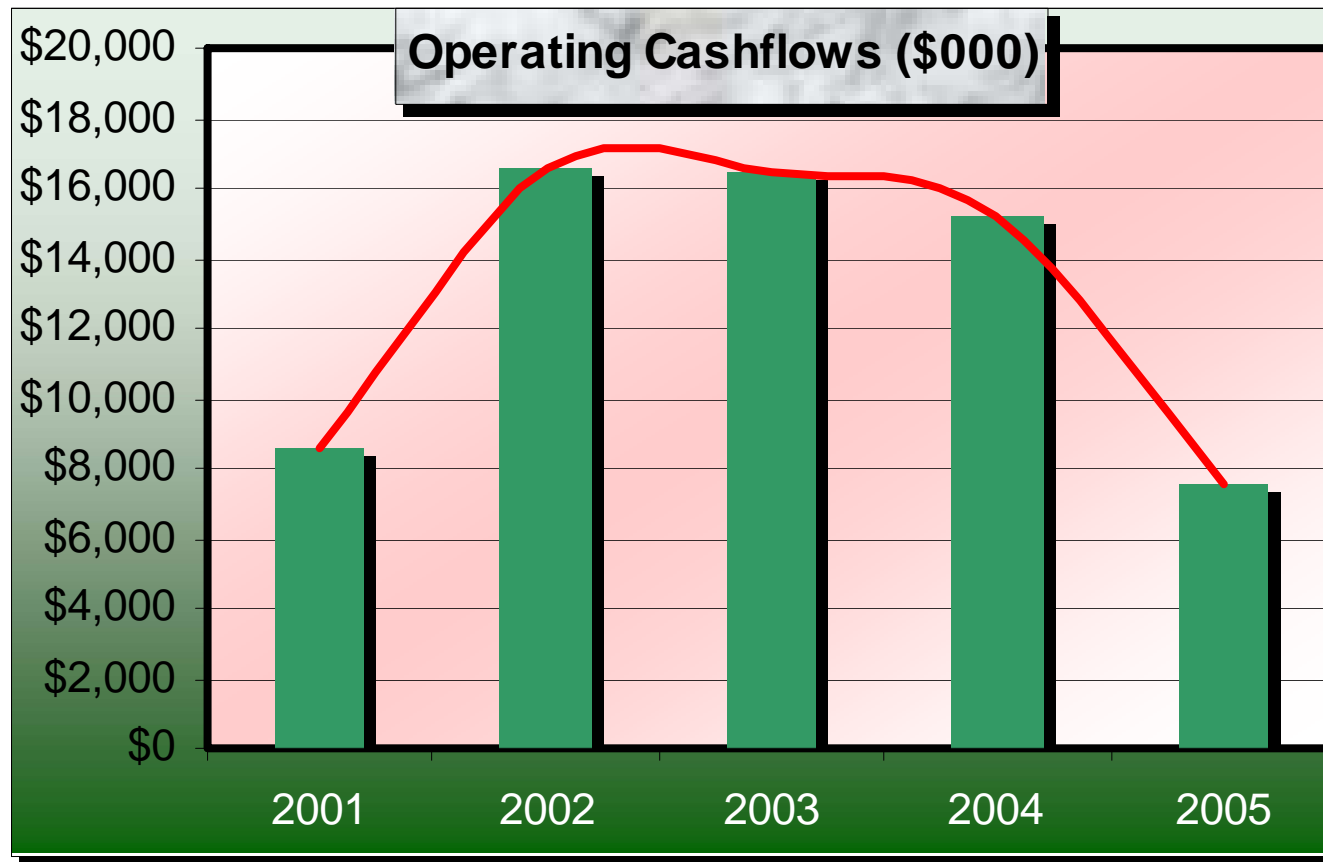
# 5 Year KPI's



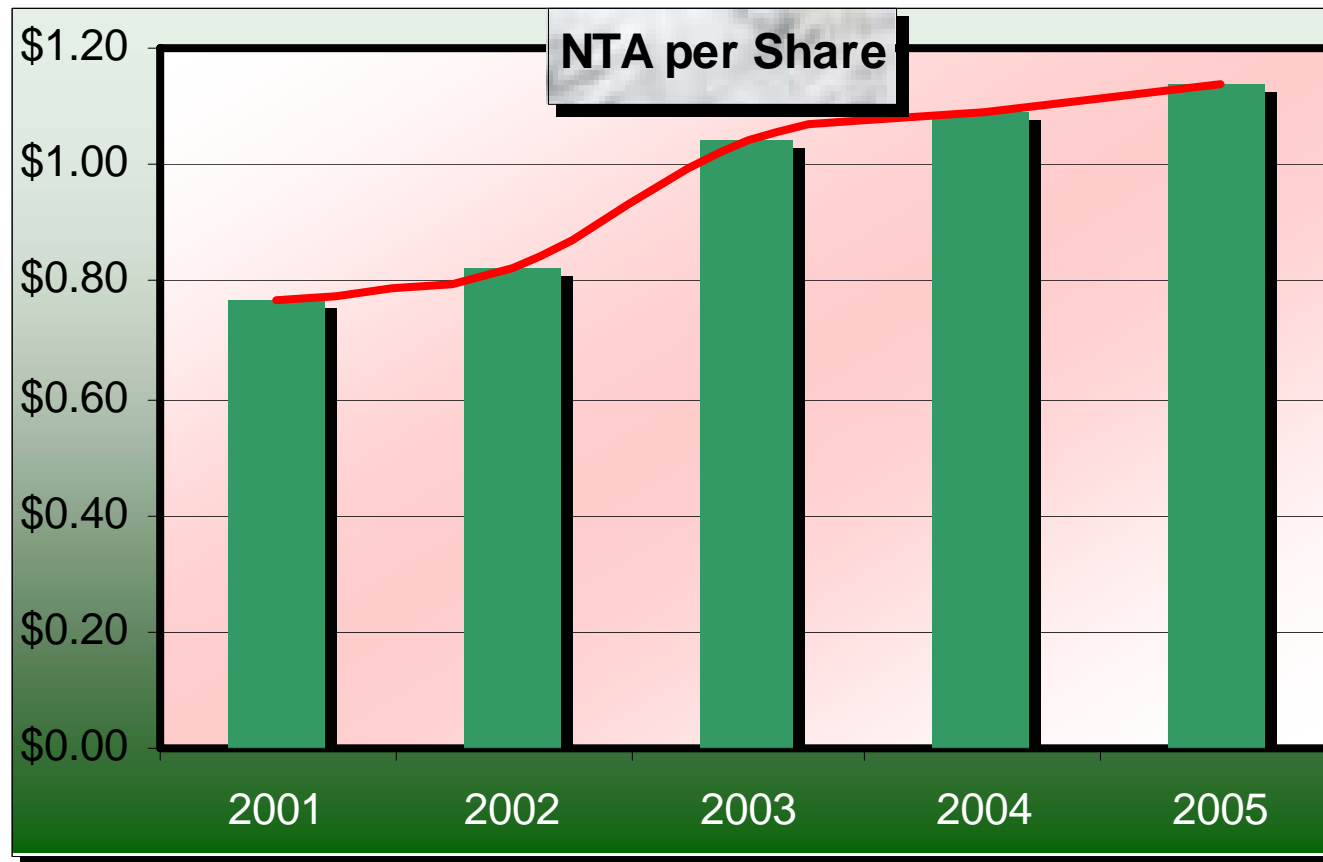
# 5 Year KPI's



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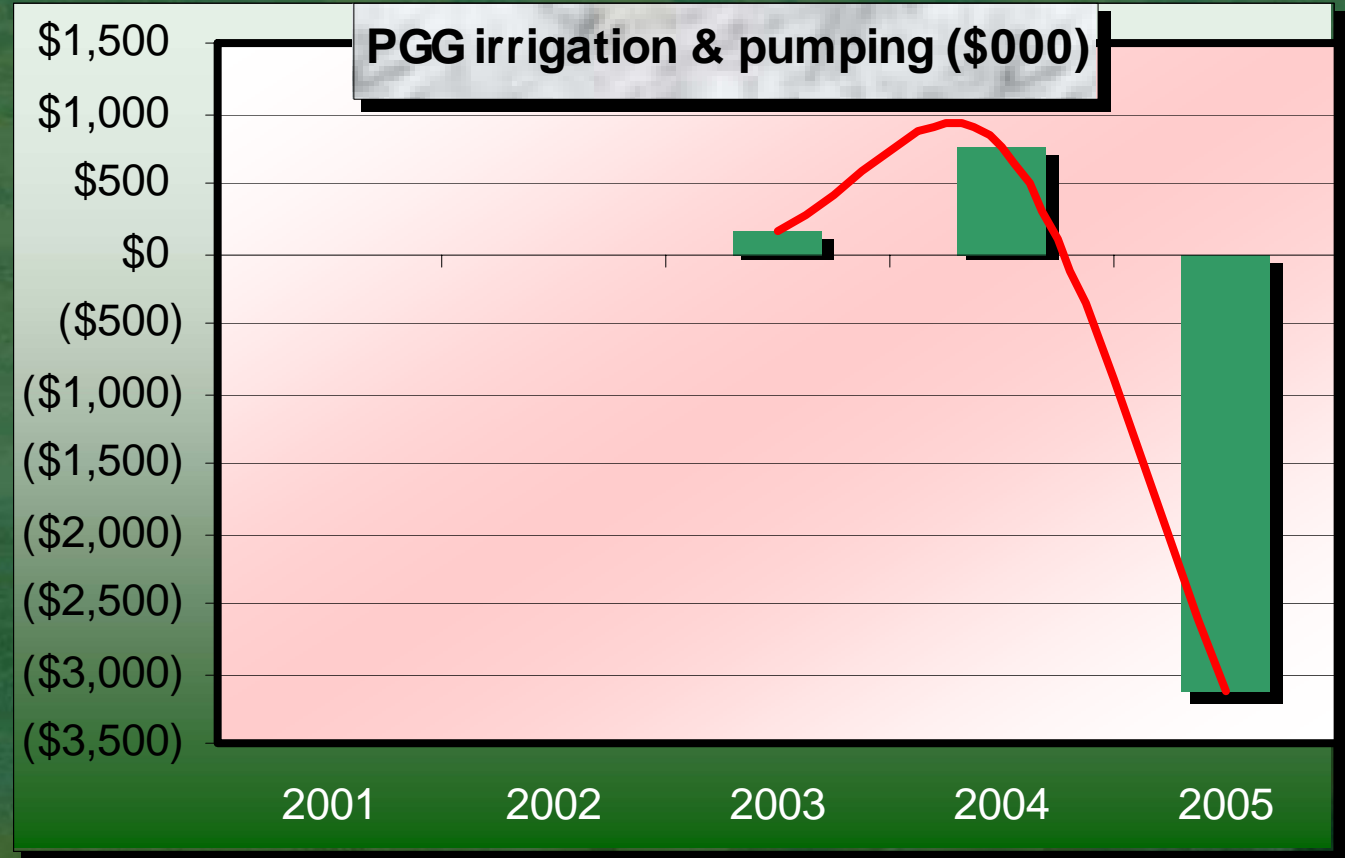




## Divisional Overview



*Grant Bunting  
Irrigation and  
Pumping*



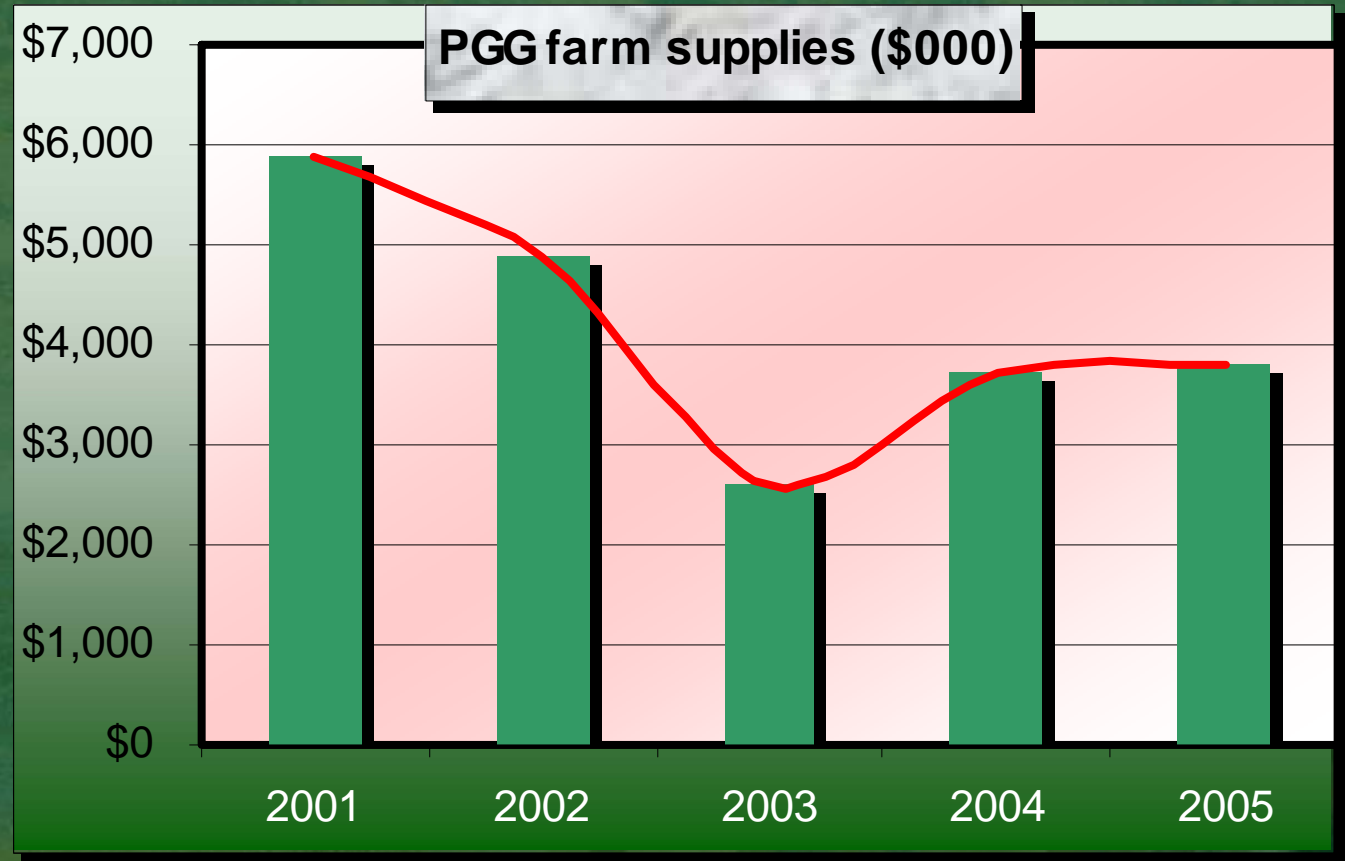


*Grant Bunting  
Irrigation and  
Pumping*

- *Extremely disappointing year*
- *Clean up of historical issues*
- *Margin pressure*
- *Much improved service performance*
- *Considerably improved systems and processes*
- *Better controls now in place*
- *05/06 much improved*



*John McWhirter*  
*Farm Supplies*



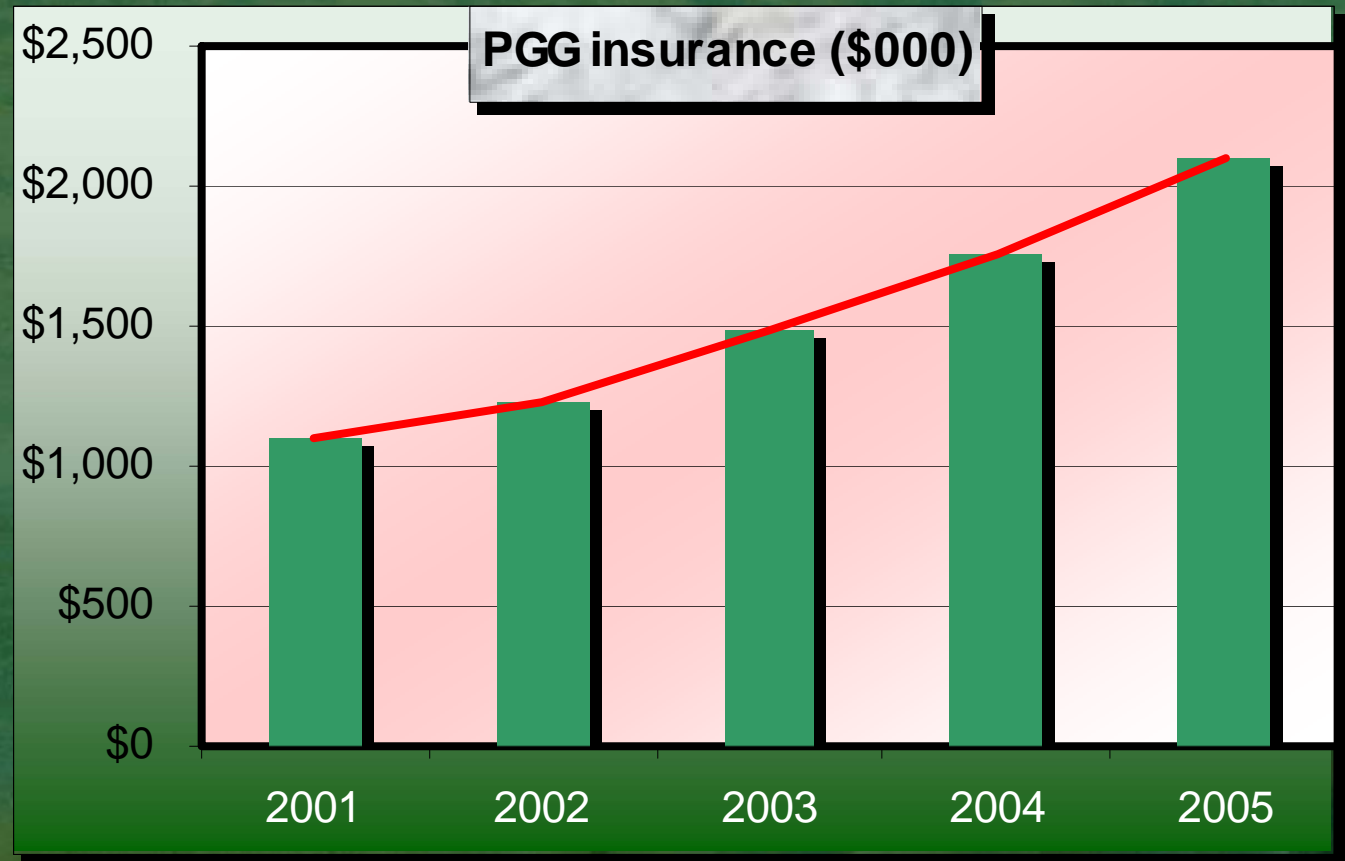


*John McWhirter*  
***Farm Supplies***

- *Contribution steady*
- *Sales increased, especially in second six months*
- *Margin largely held*
- *New structure and process giving significant traction in sales growth and margin retention*
- *Improved on farm performance*
- *Improvement in retail offering*



*Allan Turnbull  
Insurance*





- *Record contribution*
- *Improved loss ratio*
- *Ongoing growth in Otago*
- *Growth in clients and risk counts*

*Allan Turnbull*  
***Insurance***



*Grant Edwards*  
**Wool**



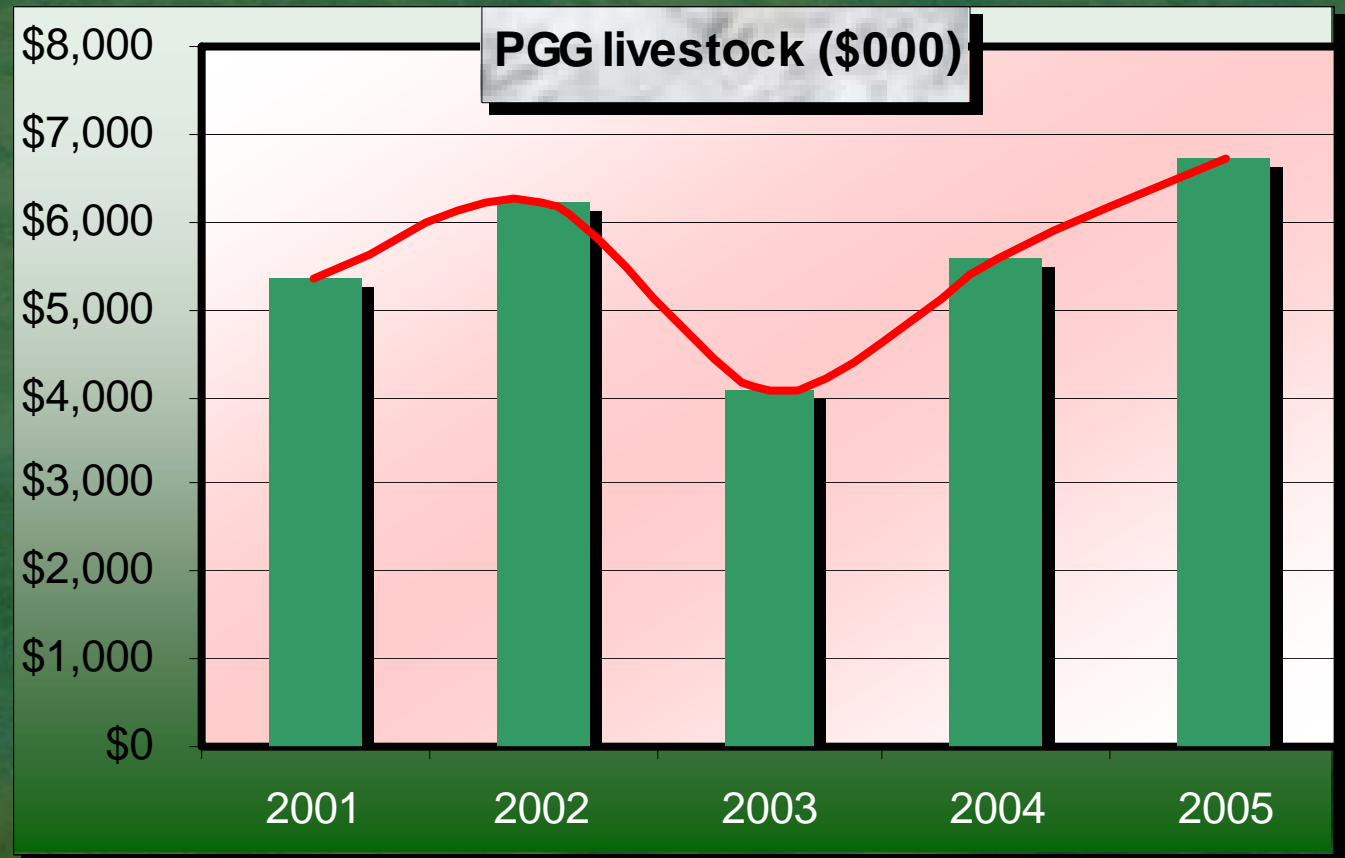


*Grant Edwards*  
**Wool**

- *Improved contribution*
- *Increased market share*
- *Market decline continues*
- *Further benefits expected from NZWH*



*Nigel Thorpe*  
***Livestock***



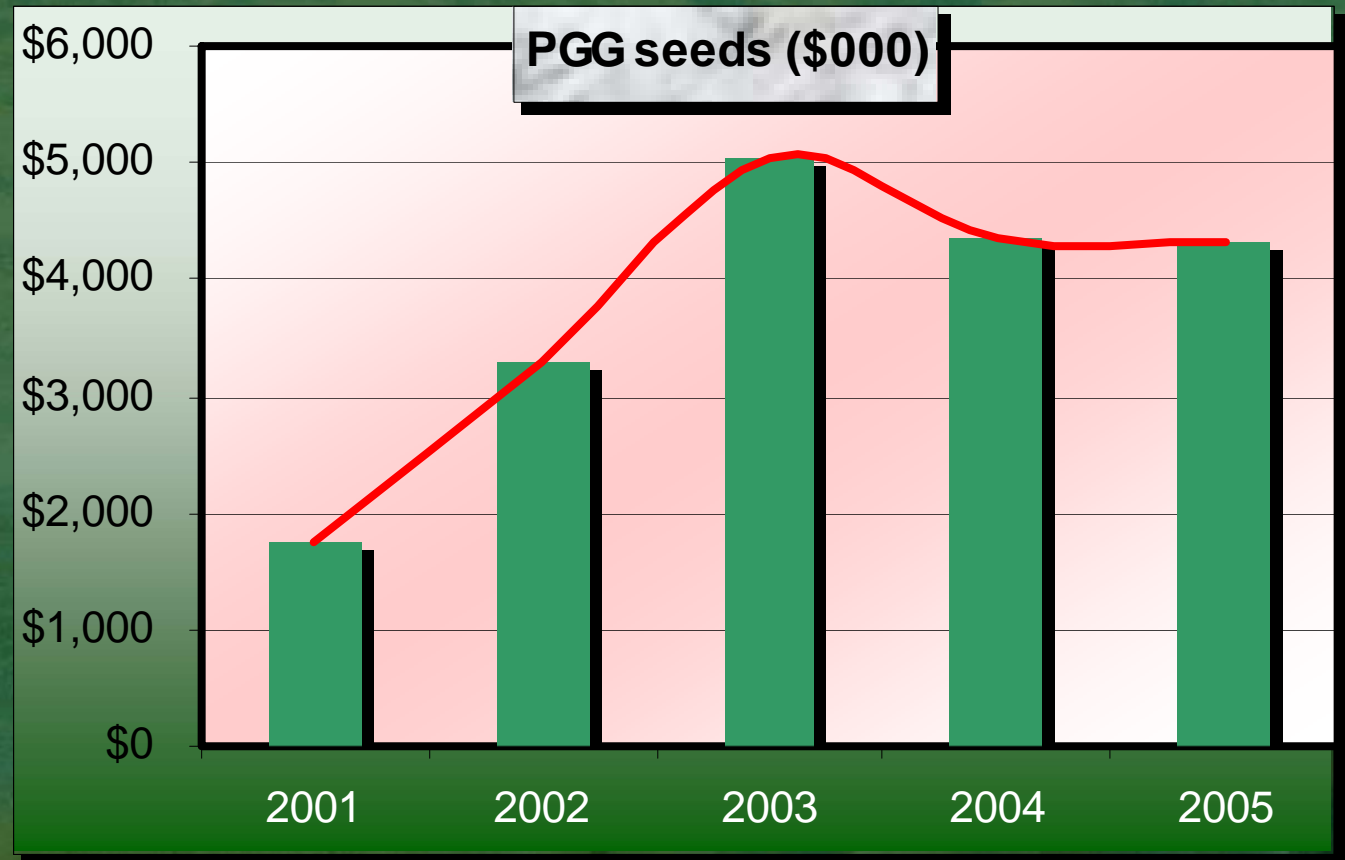


*Nigel Thorpe*  
***Livestock***

- *Record contribution*
- *Improved market share in most areas*
- *Reduced volumes to market but buoyant pricing*
- *Record Standardbred result*
- *Record Velpool intakes*



*John McKenzie*  
**Seeds**



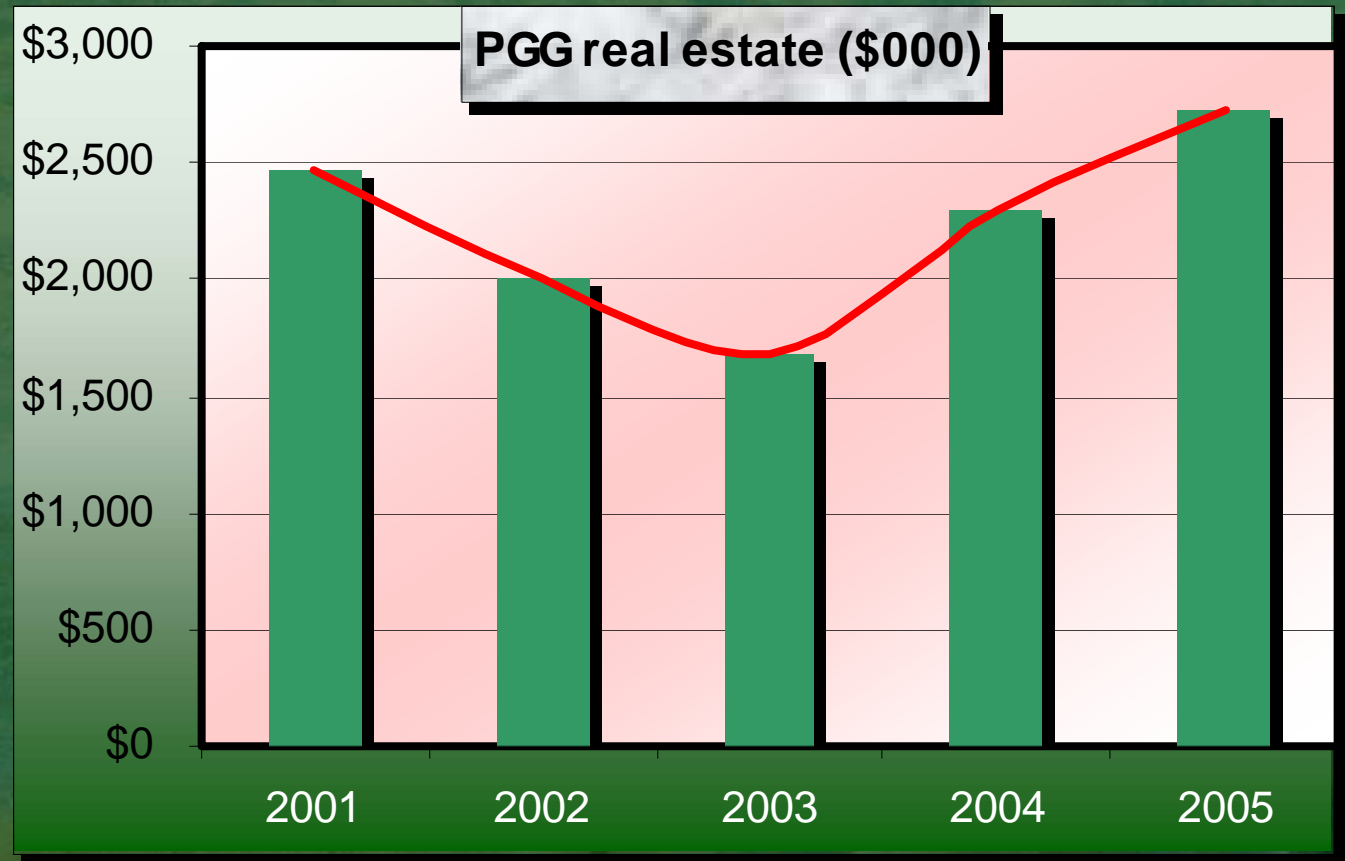


*John McKenzie*  
**Seeds**

- *Steady contribution*
- *Impacted again by Australian drought*
- *Good growth in Turf contribution*
- *Increased volume of overseas multiplications*
- *Investment in Ceres Farm*
- *Agricom acquisition*



*Peter Engel*  
**Real Estate**



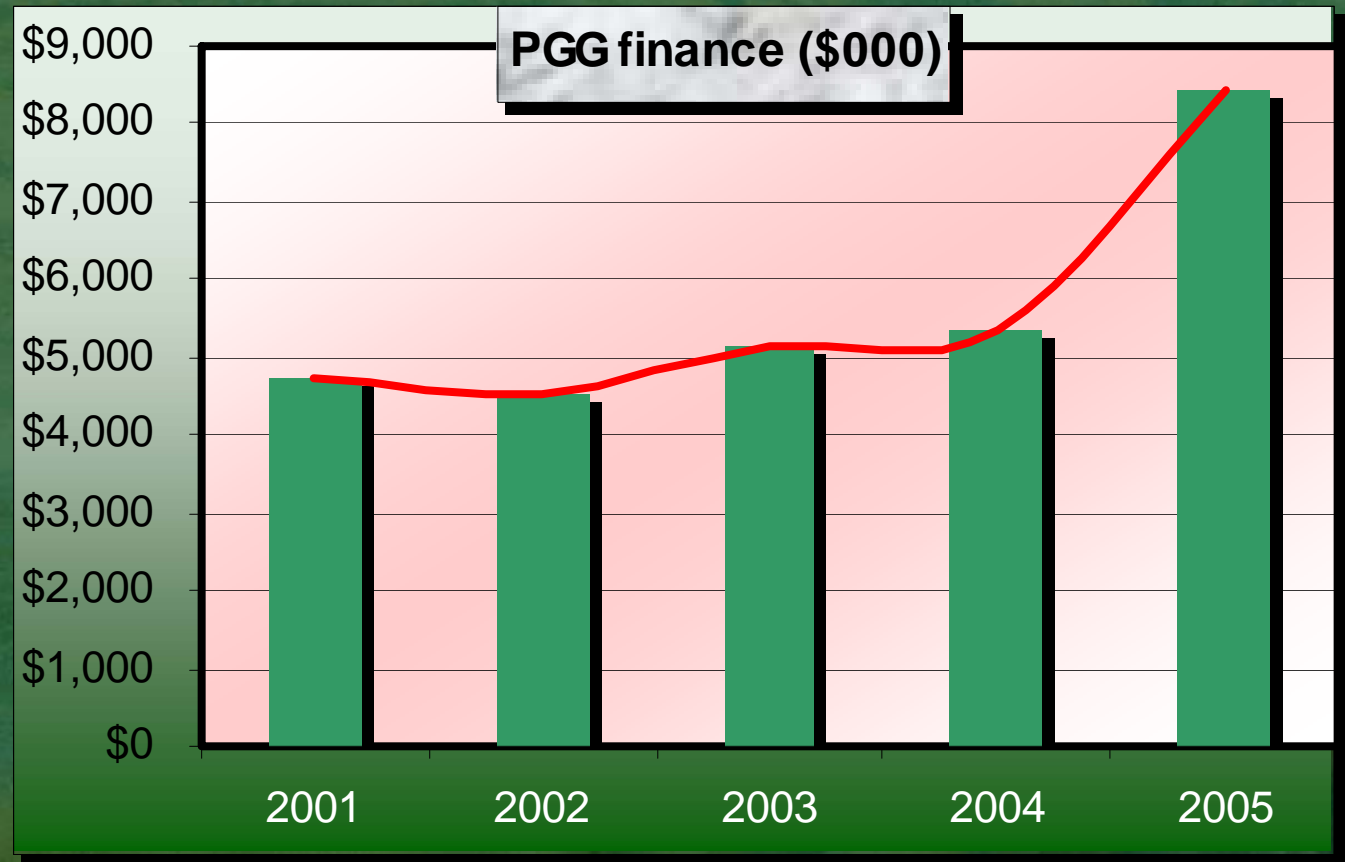


*Peter Engel*  
***Real Estate***

- *Record contribution*
- *Growth in team numbers*
- *Good success in high value properties*
- *Improved marketing performance*
- *Improved web site*



*Peter Engel*  
***Rural Finance***





*Peter Engel*  
***Rural Finance***

- *Increased contribution*
- *Vital component of our offering*
- *Steady growth in the book*
- *Solid margins*
- *Internet banking rolled out this year*
- *Improved quality of finance book allowed provision release*

The logo graphic consists of two curved lines. The top line is white and the bottom line is green, both curving upwards from left to right.

***PGG Wrightson***