



Consolidated Pastoral Company announces strong 2016 financial performance

FOR IMMEDIATE RELEASE
4 July 2016

Consolidated Pastoral Company (CPC), Australia's largest privately owned beef producer, today announces its financial results for the 12 months ended 31 March 2016.

Financial highlights:

- Revenue up 86% to \$164.8 million (2015: \$88.5 million) reflecting additional volumes and improved market pricing for beef and cattle
- Earnings Before Interest, Tax, Depreciation, Amortisation and Property Revaluations of \$37.8 million (2015: \$22.0 million) reflecting increased pricing and strong execution of productivity and operational efficiency initiatives
- Profit after tax of \$20.3 million (2015: \$0.1 million)
- Cash generation* of \$21.1 million (2015: \$2.2 million)
- Total assets at year-end of \$785.9 million (2015: \$734.7 million)

Operational highlights:

- Continued improvements in occupational health and safety, with workplace incident rate down 33% (2015: down 17%)
- Further investment in Indonesian joint venture (JJAA), taking ownership from 50% to 80% and moving the company closer to its end customers
- JJAA Indonesia named winner of Nutrition Service Associates Feedlot Competition, with feeding CPC cattle from Newcastle Waters rated 96/100, highlighting CPC's supply chain capability
- Sale of Humbert River Station completed in April 2016, with proceeds to be reinvested in a range of growth initiatives across the business
- Significant improvements in company productivity, reflecting investments in station assets including water and fencing infrastructure
- Expanded world class genetics program, with a strong focus on increasing profitability right through the value chain

Troy Setter, Chief Executive of CPC, commented:

"CPC's strong FY16 financial performance reflects the continued successful delivery of our strategy to move closer to our customers and add move value to our cattle whilst executing on a range of productivity improvements across the business.

"The significant improvement in cash generation reflects the management team's focus on cash returns and the rising prices for Australian cattle and beef and the continuing increase in demand for premium cattle and beef in Asian markets.



“In recent years we’ve made progress in further repositioning the business from being a cattle producer to an integrated global beef and cattle supplier and marketer to international markets. This transition continues to bring us closer to our customers and improves productivity and profitability through the value chain.

“Pleasingly FY16 has also seen a rejuvenation of our Board, with a number of new appointments bringing added diversity to the skill set amongst the company’s directors which is creating tangible benefits for the business.”

Looking to FY17, Setter added:

“We continue to invest in CPC’s operations for future growth. CPC’s focus on operational excellence and productivity, including a continued focus on nutrition and genetics, ensures it is well placed to benefit from rising demand for Australian beef, especially in Indonesia where on-the-ground presence and strong alignment with customers is driving outstanding opportunities for further growth.”

APPENDIX – CPC FINANCIAL RESULTS 2015/16

	FY16	FY15	Increase (%)
Revenue	\$164.8m	\$88.5m	86%
EBITDAR	\$37.8m	\$22.0m	72%
Profit after Tax	\$20.3m	\$0.1m	N/M
Cash generation *	\$21.1m	\$2.2m	859%
Total assets	\$785.9m	\$734.7m	7%

** Defined as Cash EBITDA adjusted for cattle purchases and maintenance capital expenditure*

Media enquiries

Stewart Harris
Nightingale Communications
0477 281 340

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