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# ASX Release

31 October 2017

## FY2017 Annual General Meeting

### Chairman's Address

Ladies and gentlemen, I am pleased to report that the Company's performance for the 2017 financial year met or exceeded all of our expectations including the forecasts laid out in the November 2016 prospectus.

Our result also reflects our successful transition from a private to a public company, and I would like to commend the management team on the hard work in making this transition so smoothly.

On a pro forma basis, relative to financial year 2016, Ingham's total poultry volumes increased 11.5% to 495.3 kt, revenue increased 3.3% to \$2,383.9 million, whilst Net Profit after Tax increased 22.8% to \$102.0m.

In addition to the fully franked interim stub dividend of 2.6 cents per share, the Board is pleased to deliver a fully franked final dividend of 9.5 cents per share, bringing the total fully franked dividend for FY17 to 12.1 cents per share. This is at the top of the prospectus forecast range of 65-70% of pro forma NPAT.

These results have been supported by good progress on implementing our strategy and reflect continued strong demand for Ingham's quality products supported by consumer preference for great value, healthy and versatile poultry products.

Our CEO, Mick McMahon will provide more detail in relation to the financial results and operational highlights in his presentation.

The 2017 financial year saw continued progress on the implementation of our transformation program. Project Accelerate delivered benefits in line with expectations and the capital investment program proceeded as planned. We commissioned the hatchery expansion and greenfield breeder farms in South Australia and commenced construction of a new feedmill at Murray Bridge, also in South Australia. We are also in the final stages of planning for an expansion of our New Zealand breeder network, and considering options for hatchery expansion.

We have continued to make progress on extending key customers contractual coverage, with more than 60 percent of our chicken volumes now subject to agreements that include feed cost pass through mechanisms and other cost adjustments.

We recognise the importance of ensuring our existing and new operations are sustainable. We maintain our commitment to animal welfare and environmental sustainability, with continued improvement throughout the year in areas like farming practices, water usage and energy management. As an example, Ingham's Te Aroha primary processing plant recently became the first New Zealand site to achieve certification from the international Alliance for Water Stewardship.



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During the year we also formalised our partnership with the Ingham Institute for Applied Medical Research, an independent not-for-profit founded by Mr Bob Ingham AO and Mr Jack Ingham AO – the sons of Ingham's founder Walter Ingham. The Institute is a world-class, state-of-the-art precinct for medical research into areas that impact Australians, including cancer, diabetes, mental health and autism. We look forward to supporting the Institute carry on its vital research.

I mentioned in my introduction that the Company has successfully transitioned from a private to a public environment. This is reflected in the strong culture where our core values of integrity, safety, quality, operational excellence, customer service and high performing people always come to the fore.

The management team and all 8,000 staff across Australia and New Zealand are to be congratulated for their commitment to ensuring that the Company delivered not only its prospectus forecasts, but also continued to establish a strong foundation for future growth and sustainable value creation. Your Board are confident we are well placed for continued improvement and growth.

I also want to acknowledge the valuable contribution of my Board colleagues and also note the appointees to the Board during the year of Ms Helen Nash, Mr Joel Thickins and Ms Jackie McArthur. I would also like to thank Mr Simon Harle, who has resigned from the Board, for his contribution and service to the company prior to and through its successful first year of listing.

I would now like to ask our CEO, Mick McMahon, to speak in more detail about our achievements and activities over the past financial year and the outlook for the 2018 financial year.

Thank you.

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