



30 August 2016

MEDIA RELEASE

Landcorp releases 2015/16 financial results

Landcorp has recorded a net profit after tax of \$11.5 million and a net operating loss of \$9.4 million on revenue of \$209 million for the year ended 30 June 2016.

Landcorp chief executive Steven Carden said the result largely reflects higher livestock valuations, a \$7.4 million profit on land sales, and lower milk revenue. There was an overall reduction in milk revenue of \$12.9 million (8.5%) as the pay out to commodity producers fell to its lowest level for 10 years.

“It’s been tough for the entire dairy sector, so our result is solid in that context,” Mr Carden said. “The result would have been lower without the progress already made to strengthen our farming systems and our position in the marketplace for Pāmu products.”

The focus on cost control and improving productivity saw a 9.2% reduction in farm working expenses through the year.

Landcorp’s total assets increased to \$1.79 billion in 2015/16, an increase of \$11.6 million on the previous year. Bank debt has increased marginally over the year from \$210.7 million to \$219.6 million.

Landcorp had announced an \$8.9 million operating loss for the half-year to December 2015 and at that time forecast a full-year loss of between \$8-12 million.

| Key financial data | | |
|--|----------------|----------------|
| | <i>2015/16</i> | <i>2014/15</i> |
| Total revenue | \$209.0 M | \$224.3 M |
| Net operating profit/(loss) before tax | (\$9.4 M) | \$4.9 M |
| Net profit/(loss) after tax | \$11.5 M | (\$20.0 M) |
| Total shareholder return | (\$2.9 M) | (\$8.4 M) |

ENDS

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