



SELECT HARVESTS

Annual General Meeting

25th October 2011

Curt Leonard, Chairman



Select Harvests Board

- Curt Leonard, Chairman
- Michael Iwaniw, Non-Executive Director, Appointed June 2011, standing for re-election
- Fred Grimwade, Non-Executive Director, Appointed July 2010
- Ross Herron, Non-Executive Director, Appointed January 2005
- Michael Carroll, Non-Executive Director, Appointed March 2009, standing for re-election
- John Bird, Chief Executive Officer, appointed January 1998



Operating environment

- Strategy has evolved to reflect structural changes in industry
- Select Harvests has transitioned from being a manager of almond orchards to being a manager and owner of almond orchards
- Expansion of Company Orchards enables access to entire almond value chain, requires more capital
- External pressures impacted company performance and share price
- We are confident that our strategy, underpinned by positive external factors, will deliver improvement in earnings



FY11 performance

- Strong progress despite challenging operating conditions
- External pressures included adverse climatic conditions, wet harvest, strong Australian dollar
- Net Profit After Tax \$17.7 million, \$12.5m excluding discount on acquisition
- Final fully franked dividend of 3c per share took dividend for the year to 13c per share
- Dividend reflects confidence in business and profit performance for year



Progress towards strategy

- Considerable progress made towards strategy to expand and diversify our orchard portfolio

- Now on track to almost quadruple our Company Orchards:
 - 3,400 acres in 2009
 - 13,100 acres upon completion of Stage 2, WA

- ” Three-year Olam contract gave us time to expand Company Orchards

- ” Strong position to transition earnings following expiry of Olam contract





Capital structure and cash generation

- Adapted capital structure to support Company Orchards strategy - orchard acquisition; investment in crop cycle
- Successfully completed \$45 million capital raising in September 2010
- Further strengthened capital structure with up to \$115m debt facility
- Investing cash flows reflect expansion of Company Orchards:
 - \$25 million acquisitions
 - \$20 million WA greenfield development
 - \$14 million tree development



- Capability across the almond value chain a key strength of Select Harvests
- Need to ensure appropriate pay and incentive structures are in place that aligns the executive team's interests with those of shareholders
- Board undertook a review of incentive plans and proposed some changes to remuneration structure
- Objective has been to put in place an incentive scheme which is effective at retaining and incentivizing our team and aligns their interests with those of shareholders



Outlook



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- Strong progress made in executing strategy, positioning company for long-term sustainable growth
- Almond market supply and demand fundamentals compelling
- Expanded and diversified Company Orchards portfolio in place
- Opportunity to leverage our integrated business model, processing capacity and established routes to international and domestic markets

