

# FORM: Half yearly

Name of issuer

Ricegrowers Limited

ACN or ARBN

55 007 481 156

Half yearly  
(tick)

✓

Preliminary  
final (tick)

Half year ('Current period')

31 October 2013

## For announcement to the market

Revenue	up	6.8%	to	<b>\$A,000</b> 554,343
Profit (loss) for the period (after tax)	up	8.53%	to	16,345
Profit (loss) for the period attributable to members of the parent	up	0.4%	to	13,925

## Commentary on results for the period

Consolidated revenue of \$554 million for the half year increased by 6.8% or \$35.4 million over the corresponding period. This was mainly attributed to higher volumes being achieved in the Australian and Global rice milling and marketing businesses and CopRice.

Solid performance in Subsidiary businesses and CopRice more than offset a challenging first half at Riviana, which experienced lower margins in its domestic retail and food service businesses. Consolidated Profit after Tax for the half year was \$16.3 million compared to \$15.1 million for the same period last year.

The net profit after tax outlook for the full year is consistent with prior guidance in the range of up to 15% below the prior year.

Dividends	Current period	Previous corresponding period
<b>Interim dividend</b>  Amount per <i>security</i> , Franked amount per <i>security</i>	N/A	N/A
<b>Short details of any bonus or cash issue or other item(s)</b> of importance not previously released to the market:  N/A		
<b>Details of associates and joint venture entities</b>  Trukai Industries Limited, who are 66.23% owned by Ricegrowers Limited, have the following associate:  <u>Name of associate or joint venture</u>  Pagini Transport (incorporated in Papua New Guinea) Principal Activity : Transport  <u>Reporting entities percentage holding</u>  Pagini Transport 28.85% (30 April 2013: 28.85%)		
<b>Controlled entities</b>  Bligh Funds Management Limited was acquired during the period. The only asset acquired was \$100 cash and no liabilities were assumed.		

**Ricegrowers Limited  
& Controlled Entities  
ABN 55 007 481 156**

**Interim financial report  
for the half year ended  
31 October 2013**

**Ricegrowers Limited  
& Controlled Entities  
ABN 55 007 481 156**

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**Ricegrowers Limited  
& Controlled Entities  
ABN 55 007 481 156**

**Directors' Report**

Your Directors present their report on the consolidated entity consisting of Ricegrowers Limited and the entities it controlled at the end of, or during the half year ended 31 October 2013.

**1 Directors**

The following persons were Directors of Ricegrowers Limited during the financial period and up to the date of this report:

GF Lawson AM  
NG Graham  
G Andrezza  
LJ Arthur  
R Gordon  
GL Kirkup  
GF Latta AM  
PM Margin  
DM Robertson  
AD Walsh

**2 Company Secretary**

Mandy Del Gigante

**3 Principal activities**

The principal activities of Ricegrowers Limited and its controlled entities consist of receipt and storage of paddy rice, milling of rice, manufacture of rice based products, marketing of rice and grocery products, research and development into the growing of rice, and the processing of rice and related products.

**4 Consolidated entity result**

The net profit of the consolidated entity for the period after income tax was \$16,345,000 (2012: \$15,060,000). Excluding outside equity interests, profit was \$13,925,000 (2012: \$13,868,000).

**5 Review of operations**

At the half year, 31 October 2013, consolidated profit before income tax amounted to \$26,360,000 (31 October 2012: \$27,111,000).

**6 Dividends**

A final dividend of \$12,825,350 was declared on 27 June 2013 and paid on 26 July 2013 for the year ended 30 April 2013.

**7 Events subsequent to the balance sheet date**

Ricegrowers Limited & Riviana Foods Pty Ltd refinanced \$105m of Term Debt with effect from 3 December 2013 (effective date). The facilities were separated into 2 tranches of 3 and 5 year debt which will mature on 3 December 2016 (\$58m) and 3 December 2018 (\$47m) respectively.

AGS refinanced \$44m of Term Debt on 29 November 2013 (effective date). The new maturity date of the AGS facility is 30 November 2016.

The Directors are not aware of any other matter or circumstance, since the end of the financial half year, not otherwise dealt with in the report that has significantly, or may significantly, affect the operations of the Group, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

**8 Auditor's independence declaration**

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 17.

**9 Rounding of amounts to the nearest thousand dollars (\$000's)**

The company is of a kind referred to in Class Order 98/100 issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report and Financial Report have been rounded off to the nearest thousand dollars in accordance with the Class Order.

This report is made in accordance with a resolution of the Directors.

For and on behalf of the Board.



GF Lawson AM  
Chairman  
19 December 2013



NG Graham  
Deputy Chairman

**Ricegrowers Limited  
& Controlled Entities  
ABN 55 007 481 156**

**Income statements  
For the half year ended 31 October 2013**

	Note	Half year October 2013 \$000's	Half year October 2012 \$000's
Sales revenue	2	550,555	516,355
Other revenue	2	<u>3,788</u>	<u>2,634</u>
<b>Revenue from continuing operations</b>		<b>554,343</b>	<b>518,989</b>
Other income	3	2,449	450
Changes in inventories of finished goods		16,440	13,300
Raw materials and consumables used		(325,416)	(310,458)
Freight and distribution costs		(76,080)	(65,321)
Employee benefits expense		(55,252)	(51,147)
Depreciation and amortisation expenses		(9,868)	(10,663)
Finance costs		(8,025)	(6,663)
Asset impairment		(458)	(2,600)
Other expenses	4	<u>(71,773)</u>	<u>(58,776)</u>
<b>Profit before income tax</b>		<b><u>26,360</u></b>	<b><u>27,111</u></b>
Income tax expense		<u>(10,015)</u>	<u>(12,051)</u>
<b>Profit for the half year</b>		<b><u>16,345</u></b>	<b><u>15,060</u></b>
Profit for the half year is attributable to:			
Non-controlling interests		2,420	1,192
Ricegrowers Limited shareholders		<u>13,925</u>	<u>13,868</u>
		<b><u>16,345</u></b>	<b><u>15,060</u></b>
Earnings per share for profit attributable to B class shareholders			
Basic and diluted earnings (cents per share)	12	<u>25.0</u>	<u>24.9</u>

The above income statements should be read in conjunction with the accompanying notes.

**Ricegrowers Limited  
& Controlled Entities  
ABN 55 007 481 156**

**Statements of comprehensive income  
As at 31 October 2013**

	<b>October 2013</b> \$000's	October 2012 \$000's
<b>Profit for the half year</b>	<b>16,345</b>	15,060
<b>Items that may be reclassified to the profit or loss</b>		
Changes in fair value of cash flow hedges	(137)	(775)
Exchange differences on translation of foreign operations	(3,553)	2,105
Income tax relating to items of other comprehensive income	<u>41</u>	<u>232</u>
<b>Other comprehensive income for the half year, net of tax</b>	<b><u>(3,649)</u></b>	<b><u>1,562</u></b>
<b>Total comprehensive income for the half year</b>	<b><u>12,696</u></b>	<b><u>16,622</u></b>
Total comprehensive income for the half year is attributable to:		
Non-controlling interests	<u>2,555</u>	1,880
Ricegrowers Limited shareholders	<u>10,141</u>	<u>14,742</u>
	<b><u>12,696</u></b>	<b><u>16,622</u></b>

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

**Ricegrowers Limited  
& Controlled Entities  
ABN 55 007 481 156**

**Balance sheets  
As at 31 October 2013**

	Note	October 2013 \$000's	April 2013 \$000's
<b>Current assets</b>			
Cash and cash equivalents		164,262	146,263
Receivables	6	149,740	150,326
Inventories		346,070	456,364
Derivative financial instruments		7,501	4,517
Total current assets		<u>667,573</u>	<u>757,470</u>
<b>Non-current assets</b>			
Other financial assets		52	65
Property, plant and equipment		187,369	185,210
Investment properties		1,150	1,150
Intangible assets		8,200	7,451
Deferred tax assets		14,887	14,520
Investments accounted for using the equity method		1,042	1,113
Total non-current assets		<u>212,700</u>	<u>209,509</u>
<b>Total assets</b>		<u>880,273</u>	<u>966,979</u>
<b>Current liabilities</b>			
Payables		89,048	87,080
Grower payables		96,564	128,233
Borrowings	7	256,487	183,467
Current tax liabilities		12,023	18,186
Provisions		14,615	16,100
Derivative financial instruments		5,145	1,324
Total current liabilities		<u>473,882</u>	<u>434,390</u>
<b>Non current liabilities</b>			
Payables		7,212	9,895
Grower payables		-	60,260
Borrowings	7	83,021	145,146
Deferred tax liabilities		1,156	-
Provisions		4,050	2,991
Total non-current liabilities		<u>95,439</u>	<u>218,292</u>
<b>Total liabilities</b>		<u>569,321</u>	<u>652,682</u>
<b>Net assets</b>		<u>310,952</u>	<u>314,297</u>
<b>Equity</b>			
Contributed equity	8	107,819	107,819
Reserves		13,231	17,015
Retained profits		175,638	174,538
Total parent entity interest		296,688	299,372
Non-controlling interests		14,264	14,925
<b>Total equity</b>		<u>310,952</u>	<u>314,297</u>

The above balance sheets should be read in conjunction with the accompanying notes.



**Ricegrowers Limited  
& Controlled Entities  
ABN 55 007 481 156**

**Statements of changes in equity  
For the half year ended 31 October 2013**

	Attributable to owners of Ricegrowers Limited				Non-controlling interests \$000's	Total \$000's
	Contributed equity \$000's	Reserves \$000's	Retained earnings \$000's	Total \$000's		
Balance as at 1 May 2013	107,819	17,015	174,538	299,372	14,925	314,297
Profit for the half year	-	-	13,925	13,925	2,420	16,345
Other comprehensive income	-	(3,784)	-	(3,784)	135	(3,649)
Total comprehensive income for the half year	-	(3,784)	13,925	10,141	2,555	12,696
Transactions with owners in their capacity as owners:						
Dividends paid	-	-	(12,825)	(12,825)	(3,216)	(16,041)
	-	-	(12,825)	(12,825)	(3,216)	(16,041)
Balance as at 31 October 2013	107,819	13,231	175,638	296,688	14,264	310,952

	Attributable to owners of Ricegrowers Limited				Non-controlling interests \$000's	Total \$000's
	Contributed equity \$000's	Reserves \$000's	Retained earnings \$000's	Total \$000's		
Balance as at 1 May 2012	107,819	19,118	152,310	279,247	13,677	292,924
Profit for the half year	-	-	13,868	13,868	1,192	15,060
Other comprehensive income	-	874	-	874	688	1,562
Total comprehensive income for the half year	-	874	13,868	14,742	1,880	16,622
Transactions with owners in their capacity as owners:						
Dividends paid	-	-	(10,037)	(10,037)	(2,957)	(12,994)
	-	-	(10,037)	(10,037)	(2,957)	(12,994)
Balance as at 31 October 2012	107,819	19,992	156,141	283,952	12,600	296,552

The above statements of changes in equity should be read in conjunction with the accompanying notes.

**Ricegrowers Limited  
& Controlled Entities  
ABN 55 007 481 156**

**Cash flow statements  
For the half year ended 31 October 2013**

	Half year October 2013 \$000's	Half year October 2012 \$000's
<b>Cash flows from operating activities</b>		
Receipts from customers (inclusive of goods and services tax)	567,177	521,340
Payments to suppliers	(320,403)	(277,171)
Payments to growers	(136,165)	(122,841)
Payments of wages, salaries and on-costs	(55,679)	(49,392)
Interest received	2,299	345
Other revenue	383	1,457
Interest paid	(7,920)	(6,323)
Income taxes paid	(13,447)	(14,032)
<b>Net cash inflow from operating activities</b>	<u>36,245</u>	<u>53,383</u>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(11,720)	(5,393)
Proceeds from sale of property, plant and equipment	18	113
Payments for intangibles	(245)	(329)
<b>Net cash outflow from investing activities</b>	<u>(11,947)</u>	<u>(5,609)</u>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	728,300	328,007
Repayment of borrowings	(725,454)	(342,490)
Repayment of finance leases	(392)	(368)
RMB equity redemptions	(2,347)	(7,878)
Dividends paid	(12,825)	(10,037)
<b>Net cash outflow from financing activities</b>	<u>(12,718)</u>	<u>(32,766)</u>
<b>Net increase in cash and cash equivalents</b>	11,580	15,008
Cash at the beginning of the financial year	134,413	11,003
Effect of exchange rate changes on cash	(817)	(409)
<b>Cash and cash equivalents at period end</b>	<u>145,176</u>	<u>25,602</u>

**Reconciliation to cash at end of half year**

Cash at the end of the period as shown in the statement of cash flows is reconciled to the related items in the balance sheets as follows:

Cash and cash equivalents	164,262	29,093
Deduct bank overdraft	(19,086)	(3,491)
	<u>145,176</u>	<u>25,602</u>

The above cash flow statements should be read in conjunction with the accompanying notes.

**Ricegrowers Limited  
& Controlled Entities  
ABN 55 007 481 156**

**Notes to the financial statements**

**1 Basis of preparation of half year report**

This interim financial report for the interim half year reporting period ended 31 October 2013 has been prepared in accordance with Accounting Standard AASB 134: Interim Financial Reporting and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 April 2013 and any public announcements made by Ricegrowers Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. The interim financial information has been prepared on a historical cost basis, except when assets and liabilities are stated at fair values in accordance with relevant accounting policies.

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 May 2013 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

	Half Year October 2013 \$000's	Half Year October 2012 \$000's
<b>2 Revenue</b>		
Sale of goods	550,041	514,589
Services	514	1,766
<b>Sales revenue</b>	<u>550,555</u>	<u>516,355</u>
Interest received	2,341	345
Dividends received	2	-
Other sundry items	1,445	2,289
<b>Other revenue</b>	<u>3,788</u>	<u>2,634</u>
<b>Revenue from continuing operations</b>	<u>554,343</u>	<u>518,989</u>
<b>3 Other income</b>		
Net gain on disposal of property, plant and equipment	58	-
Foreign exchange gains	2,391	450
<b>Total other income</b>	<u>2,449</u>	<u>450</u>
<b>4 Expenses</b>		
Profit before income tax includes the following expense items:		
Other expenses		
Net loss on disposal of property, plant and equipment	13	9
Energy	16,064	12,757
Contracted services	10,554	10,208
Advertising and artwork	10,388	7,484
Operating lease expenditure and equipment hire	6,374	5,028
Repairs and maintenance	4,895	4,680
Motor vehicle and travelling expenses	3,784	2,782
Insurances	2,222	2,041
Research and development	1,932	1,697
Internet, telephone and fax	1,101	1,049
Training	505	554
Capital restructuring costs	1,757	-
Other	12,184	10,487
	<u>71,773</u>	<u>58,776</u>

**Ricegrowers Limited  
& Controlled Entities  
ABN 55 007 481 156**

**Notes to the financial statements**

**5 Fair value measurement of financial instruments**

The Group's financial instruments that are carried at fair value are valued using observable market data as there is no price quoted in an active market for the financial instruments (level 2). The Group's financial instruments carried at fair value are limited to currency and interest rate derivatives. The valuation inputs are calculated in accordance with industry norms and the inputs include spot market exchange rates and published interest rates.

The Group does not have any financial instruments that are carried at fair value using inputs classified as level 1 or level 3 inputs.

The Group also has a number of financial instruments which are not measured at fair value in the balance sheet. The Directors consider the carrying amounts of these financial instruments approximates their fair value. These financial instruments include receivables, payables, bank overdrafts, bank loans and grower payables.

**Ricegrowers Limited  
& Controlled Entities  
ABN 55 007 481 156**

**Notes to the financial statements**

	October 2013 \$000's	April 2013 \$000's
<b>6 Receivables</b>		
<b>Current</b>		
Trade receivables	121,474	118,517
Other receivables	8,195	2,957
GST receivables	4,356	17,942
Prepayments	15,715	10,910
	<u>149,740</u>	<u>150,326</u>
<b>7 Borrowings</b>		
<b>Current</b>		
<b>Secured</b>		
Bank overdrafts	19,086	11,850
Bank loans	236,733	171,066
Lease liability	668	551
	<u>256,487</u>	<u>183,467</u>
<b>Non current</b>		
<b>Secured</b>		
Bank loans	82,491	145,010
Lease liability	530	136
	<u>83,021</u>	<u>145,146</u>
<b>Total borrowings</b>	<u>339,508</u>	<u>328,613</u>
<b>Bank loans</b>		
Details of the Group's bank loans include:		
Seasonal debt	173,856	170,055
Core debt	101,384	102,021
AGS debt	43,984	44,000
	<u>319,224</u>	<u>316,076</u>
Representing:		
Current bank loans	236,733	171,066
Non-current bank loans	82,491	145,010
	<u>319,224</u>	<u>316,076</u>

The group manages its cash and borrowings on a net basis. At 31 October 2013, the Group had total borrowings of \$339,508,000 (30 April 2013: 328,613,000) and the amounts owing to RMB for equity certificates of \$8,533,000 (30 April 2013: \$10,880,000). The Group also had \$164,262,000 (30 April 2013: \$146,263,000) in cash at bank and on deposit. This needs to be off-set against borrowings. At 31 October 2013 Net Debt was \$183,779,00 (30 April 2013: \$193,230,000).

*Refinancing*

Ricegrowers Limited & Riviana Foods Pty Ltd refinanced \$105m of Term Debt with effect from 3 December 2013 (effective date). The facilities were separated into 2 tranches of 3 and 5 year debt which will mature on 3 December 2016 (\$58m) and 3 December 2018 (\$47m) respectively.

AGS refinanced \$44m of Term Debt on 29 November 2013 (effective date). The new maturity date of the AGS facility is 30 November 2016.

*Seasonal debt*

Seasonal debt represents borrowings used for the purpose of funding working capital requirements.

*Core debt*

Core debt represents longer term borrowings primarily used to fund fixed assets and investments.

*AGS debt*

The AGS debt represents loans to Australian Grain Storage Pty Ltd to pay the Rice Marketing Board annually as part of the acquisition of the RMB storage assets.

**Ricegrowers Limited  
& Controlled Entities  
ABN 55 007 481 156**

**Notes to the financial statements**

	October 2013 \$000's	April 2013 \$000's
<b>8 Contributed equity</b>		
<b>(a) Share capital</b>		
Fully paid Ordinary B Class Shares	<u>107,819</u>	<u>107,819</u>

**(b) Movement in Ordinary B Class shares**

Date		Number of shares	\$000's
1 May 2013	Opening balance	<u>55,762,392</u>	<u>107,819</u>
31 October 2013	Closing balance	<u>55,762,392</u>	<u>107,819</u>

**B Class shares**

B Class shares are non-voting shares with dividend rights.

**A Class shares**

A Class shares are issued at nil value but are voting shares held by active growers only. At 31 October 2013, 1045 A Class shares were on issue (30 April 2013: 864).

**(c) Capital risk management**

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, continue to grow the business, provide returns for shareholders and to maintain an optimal capital structure.

The Group monitors capital on the basis of a gearing ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including 'borrowings' and 'RMB equity certificates') less cash and cash equivalents. Total equity is calculated as 'equity' as shown in the balance sheet (including non-controlling interests).

Recent volatility in global financial markets has encouraged the Board to review its capital structure and reduce its level of gearing to more conservative levels. To this end the business will look to reduce its average level of gearing to below 30%.

The increase in crop size has been the primary contributor to higher gearing at the half year. The average gearing for the 6 months to 31 October 2013 was 61% (actual at 31 October 2013 - 59%) compared to the average for the 6 months to 31 October 2012 of 54% (actual at 31 October 2012 - 53%).

**Ricegrowers Limited  
& Controlled Entities  
ABN 55 007 481 156**

**Notes to the financial statements**

**9 Segment information**

***Business segments***

The following reportable segments have been identified based on a product/service perspective determined by the Corporate Management Team.

*Rice Milling & Marketing Australian Rice (RM&M Au Rice - Paddy Pool)*

The milling, marketing and distribution of rice from Australian sources through intermediaries to consumers and directly to food service and processing customers where the supply of Australian rice is a key driver of the economies of the business.

*Rice Milling & Marketing Global (RM&M Global)*

The milling, marketing and distribution of rice, from all other sources plus non-Australian subsidiaries purchase of rice from the Rice Milling & Marketing Australian Rice segment, through intermediaries to consumers, food services and processing customers where the economics of the business reflects profit generated as a result of managing supply and demand.

*Riviana Foods (Riviana)*

The importation, manufacture, distribution and sales of consumer food products to intermediaries.

*Australian Grain Storage (AGS)*

The receipt and storage of paddy rice and non-rice grain in Australia.

*CopRice*

The manufacture, distribution and sales of petfood and stock feed products through intermediaries to consumers and primary producers.

*All other segments.*

Other includes operating segments beneath the disclosure threshold. This includes rice flour, rice cakes, microwave rice, microwave meals, interest income and asset finance charges.

The Corporate Management Team evaluates results based on contributed NPBT which is defined as net profit before tax and intersegment eliminations.

Interest allocations to CopRice, RM&M Global, RM&M Au Rice and the 'other' segment are based on a computation of working capital and fixed capital employed multiplied by Ricegrowers Limited's variable interest rate on seasonal borrowings. This finance charge is designed to reflect the true cost of capital employed in each segment.

Sales between segments are carried out at arms length and are eliminated on consolidation. The revenue from external customers, assets and liabilities are measured in a manner consistent with that of the financial statements. Other revenue refers to management fees, dividends and sale of corporate assets. The segment result includes an asset financing charge that is allocated to the appropriate segment.

**Ricegrowers Limited  
& Controlled Entities  
ABN 55 007 481 156**

**Notes to the financial statements**

**9 Segment information (continued)**

The following table sets forth the segment results for the half year ended 31 October 2013.

	<b>RM&amp;M Au Rice \$000's</b>	<b>RM&amp;M Global \$000's</b>	<b>Riviana \$000's</b>	<b>AGS \$000's</b>	<b>CopRice \$000's</b>	<b>All other segments \$000's</b>	<b>Total \$000's</b>
Total segment revenue	278,647	203,723	75,230	39,566	61,026	41,021	699,213
Inter-segment revenue	(103,352)	(5,703)	-	(39,566)	-	(37)	(148,658)
Revenue from external customers	175,295	198,020	75,230	-	61,026	40,984	550,555
Other revenue							3,788
Total revenue from continuing operations							554,343
Contributed EBIT	18,757	21,155	5,457	13,195	7,338	6,649	72,551
Finance expense (net)	(3,988)	(926)	(760)	(1,302)	(577)	1,796	(5,757)
Centralised corporate services	(11,881)	(8,555)	(4,097)	(1,187)	(2,907)	(1,709)	(30,336)
Capital restructuring costs	-	-	-	-	-	(1,757)	(1,757)
Asset impairment	-	-	(458)	-	-	-	(458)
Other (expenses)/income	(2,888)	1,883	(774)	(6,759)	(116)	1,021	(7,633)
Contributed NPBT	-	13,557	(632)	3,947	3,738	6,000	26,610
Intersegment eliminations							(250)
Profit before income tax							26,360
Segment assets	532,814	116,316	89,609	101,211	32,288	42,269	914,507
Intersegment eliminations							(49,121)
Deferred tax assets							14,887
Total assets							880,273

The following table sets forth the segment results for the half year ended 31 October 2012.

	<b>RM&amp;M Au Rice \$000's</b>	<b>RM&amp;M Global \$000's</b>	<b>Riviana \$000's</b>	<b>AGS \$000's</b>	<b>CopRice \$000's</b>	<b>All other segments \$000's</b>	<b>Total \$000's</b>
Total segment revenue	254,447	191,543	72,421	31,327	53,838	42,137	645,713
Inter-segment revenue	(95,266)	(2,885)	-	(31,207)	-	-	(129,358)
Revenue from external customers	159,181	188,658	72,421	120	53,838	42,137	516,355
Other revenue							2,634
Total revenue from continuing operations							518,989
Contributed EBIT	10,108	21,048	8,349	7,645	7,724	5,279	60,153
Finance expense (net)	(1,914)	(1,272)	(810)	(992)	(659)	(720)	(6,367)
Centralised corporate services	(11,782)	(7,152)	(3,134)	(940)	(2,135)	(968)	(26,111)
Asset writedowns	-	(2,600)	-	-	-	-	(2,600)
Other (expenses)/income	3,588	776	(107)	(2,935)	(21)	(463)	838
Contributed NPBT	-	10,800	4,298	2,778	4,909	3,128	25,913
Intersegment eliminations							1,198
Profit before income tax							27,111
Segment assets	393,098	95,675	89,659	92,586	31,540	49,570	752,128
Intersegment eliminations							(69,967)
Deferred tax assets							12,867
Total assets							695,028



**Ricegrowers Limited  
& Controlled Entities  
ABN 55 007 481 156**

**Notes to the financial statements**

**10 Dividends**

31 October 2013

No interim dividend has been declared for the half year.

On 27 June 2013 a fully franked final dividend of 23.0 cents per share was declared for the year ended 30 April 2013. The amount of \$12,825,350 was paid on 26 July 2013.

**11 Contingent liabilities**

The estimated maximum amounts of contingent liabilities not provided for in the accounts of Ricegrowers Limited and its controlled entities as at 31 October 2013 are:

	October 2013 \$000's	April 2013 \$000's
Letters of credit	1,482	2,069
Guarantee of bank advances	<u>1,648</u>	<u>1,650</u>
	<u><u>3,130</u></u>	<u><u>3,719</u></u>

**12 Earnings per share**

**(a) Basic and Diluted earnings per share**

	October 2013 Cents	October 2012 Cents
Basic and Diluted earnings per share	<u>25.0</u>	<u>24.9</u>

**(b) Reconciliation of earnings per share**

	October 2013 \$000's	October 2012 \$000's
Profit for the half year	<u>13,925</u>	<u>13,868</u>

**(c) Weighted average number of B Class shares used as a denominator**

	October 2013 000's	October 2012 000's
Weighted average number of B Class shares	<u>55,762</u>	<u>55,762</u>

**13 Net tangible assets**

	October 2013	October 2012
Net tangible asset backing per B Class share	<u>\$ 5.43</u>	<u>\$ 5.21</u>

**14 Events occurring after the balance sheet date**

Ricegrowers Limited & Riviana Foods Pty Ltd refinanced \$105m of Term Debt with effect from 3 December 2013 (effective date). The facilities were separated into 2 tranches of 3 and 5 year debt which will mature on 3 December 2016 (\$58m) and 3 December 2018 (\$47m) respectively.

AGS refinanced \$44m of Term Debt on 29 November 2013 (effective date). The new maturity date of the AGS facility is 30 November 2016.

The Directors are not aware of any matter or circumstance, since the end of the half year, not otherwise dealt with in the report that has significantly, or may significantly, affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

**Ricegrowers Limited  
& Controlled Entities  
ABN 55 007 481 156**

**Directors' Declaration**

In the directors' opinion :

(a) the financial statements and notes set out on pages 2 to 13 are in accordance with the *Corporations Act 2001* , including:

(i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the consolidated entity's financial position as at 31 October 2013 and of its performance, as represented by the results of its operations and its cash flows for the half year ended on that date;

(b) there are reasonable grounds to believe that Ricegrowers Limited will be able to pay its debts as and when they become due and payable.

The declaration is made in accordance with a resolution of the Directors.

For and on behalf of the Board.



GF Lawson AM  
Director



NG Graham  
Director

19 December 2013



## **Independent auditor's review report to the members of Ricegrowers Limited**

### **Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Ricegrowers Limited, which comprises the balance sheet as at 31 October 2013, and the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration for the Ricegrowers Limited (the consolidated entity). The consolidated entity comprises both Ricegrowers Limited (the company) and the entities it controlled during the half-year.

#### *Directors' responsibility for the half-year financial report*

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 October 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Ricegrowers Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### *Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

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*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Ricegrowers Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 October 2013 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

*Matters relating to the electronic presentation of the reviewed financial report*

This review report relates to the financial report of the Company for the half-year ended 31 October 2013 included on the Sunrice website. The company's directors are responsible for the integrity of the Sunrice website. We have not been engaged to report on the integrity of this website. The review report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on this web site.

A handwritten signature in blue ink, appearing to read 'PricewaterhouseCoopers', is written above the printed name.

PricewaterhouseCoopers

A handwritten signature in blue ink, appearing to read 'S J Bourke', is written above the printed name.

S J Bourke  
Partner

Sydney  
19 December 2013



## Auditor's Independence Declaration

As lead auditor for the review of Ricegrowers Limited for the half year ended 31 October 2013, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Ricegrowers Limited and the entities it controlled during the period.

A handwritten signature in blue ink, appearing to read 'S J Bourke', with a long horizontal flourish extending to the right.

S J Bourke  
Partner  
PricewaterhouseCoopers

19 December 2013