

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 2014

For announcement to the market

Revenue	up	9.5%	to	<u>\$A,000</u> 606,731
Profit (loss) for the period (after tax)	up	38.8%	to	22,692
Profit (loss) for the period attributable to members of the parent	up	40.0%	to	19,490

Commentary on results for the period

Consolidated revenue of \$607 million for the half year was higher than the corresponding period by 9.5%. This was mainly attributed to higher prices and volumes being achieved in the Australian and Global rice milling and marketing businesses.

The strong revenue growth, improved product mix, cost containment and a lower effective tax rate resulted in a profit after tax for the half year of \$22.7 million compared to \$16.3 million which is a 38.8% increase on the same period last year.

In light of the year to date performance, the profit after tax for the full year is currently forecast to be around \$47m, which equates to an increase of 40% versus last year.

Dividends	Current period	Previous corresponding period
Special dividend 5c per B class share, 100% Franked	\$2,788,000	N/A
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market: N/A		
Details of associates and joint venture entities 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 2014: 28.85%)		
Controlled entities Other than, the registering of Sunshine Rice Pty Ltd as a 100% subsidiary of Ricegrowers Limited to acquire the assets of Blue Ribbon Rice Group's rice assets, no control was gained or lost over controlled entities during the period.		

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

**Interim financial report
for the half year ended
31 October 2014**

**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 2014.

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 (Chairman)
LJ Arthur (Chairman, effective 19 December 2014)
NG Graham
G Andreazza
R Gordon
GL Kirkup
GF Latta AM
PM Margin
DM Robertson
AD Walsh

GF Lawson AM has announced his retirement and will resign effective 19 December 2014 as a director and Chairman.

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 \$22,692,000 (2013: \$16,345,000). Excluding non-controlling interests, profit after income tax was \$19,490,000 (2013: \$13,925,000).

5 Review of operations

At the half year, 31 October 2014, consolidated profit before income tax amounted to \$33,155,000 (2013: \$26,360,000).

6 Dividends

A final dividend of \$12,825,000 was declared on 26 June 2014 and paid on 31 July 2014 for the year ended 30 April 2014.

A special dividend of \$2,788,000 was declared on 11 December 2014 and will be paid on 15 January 2015.

7 Events subsequent to the balance sheet date

On 11 November 2014 Ricegrowers Limited completed the acquisition of the Blue Ribbon Rice Group's rice assets for \$5.1m.

Other than this acquisition and the special dividend above in note 6, the Directors are not aware of any other matter or circumstance, since the end of the financial half year, 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.

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

Directors' Report (continued)

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 19.

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

11 December 2014



NG Graham
Deputy Chairman

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

**Income statement
For the half year ended 31 October 2014**

	Note	Half year October 2014 \$000's	Half year October 2013 \$000's
Sales revenue	2	602,665	550,555
Other revenue	2	4,066	3,788
Revenue from continuing operations		<u>606,731</u>	<u>554,343</u>
Other income	3	828	2,436
Changes in inventories of finished goods		16,025	16,440
Raw materials and consumables used		(363,304)	(325,416)
Freight and distribution costs		(81,385)	(76,080)
Employee benefits expense		(56,838)	(55,252)
Depreciation and amortisation expenses		(9,794)	(9,868)
Finance costs		(6,924)	(8,025)
Asset impairment		(2,021)	(458)
Other expenses	4	<u>(70,163)</u>	<u>(71,760)</u>
Profit before income tax		<u>33,155</u>	<u>26,360</u>
Income tax expense		<u>(10,463)</u>	<u>(10,015)</u>
Profit for the half year		<u>22,692</u>	<u>16,345</u>
Profit for the half year is attributable to:			
Non-controlling interests		3,202	2,420
Ricegrowers Limited shareholders		<u>19,490</u>	<u>13,925</u>
		<u>22,692</u>	<u>16,345</u>
Earnings per share for profit attributable to B class shareholders			
Basic and diluted earnings (cents per share)	12	<u>35.0</u>	<u>25.0</u>

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

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

**Statement of comprehensive income
As at 31 October 2014**

	October 2014 \$000's	October 2013 \$000's
Profit for the half year	22,692	16,345
Items that may be reclassified to the profit or loss		
Changes in fair value of cash flow hedges	(7,780)	(137)
Exchange differences on translation of foreign operations	7,785	(3,553)
Income tax relating to items of other comprehensive income	<u>2,334</u>	<u>41</u>
Other comprehensive income for the half year, net of tax	<u>2,339</u>	<u>(3,649)</u>
Total comprehensive income for the half year	<u>25,031</u>	<u>12,696</u>
Total comprehensive income for the half year is attributable to:		
Non-controlling interests	5,396	2,555
Ricegrowers Limited shareholders	<u>19,635</u>	<u>10,141</u>
	<u>25,031</u>	<u>12,696</u>

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

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

**Balance sheet
As at 31 October 2014**

	Note	October 2014 \$000's	April 2014 \$000's
Current assets			
Cash and cash equivalents		52,425	84,810
Receivables	6	146,095	127,111
Inventories		391,565	403,648
Current tax receivable		5,078	2,101
Derivative financial instruments		874	5,105
Total current assets		<u>596,037</u>	<u>622,775</u>
Non-current assets			
Other financial assets		46	52
Property, plant and equipment		207,423	194,854
Investment properties		1,150	1,150
Intangible assets		7,124	7,638
Deferred tax assets		13,271	12,470
Investments accounted for using the equity method		1,739	1,468
Total non-current assets		<u>230,753</u>	<u>217,632</u>
Total assets		<u>826,790</u>	<u>840,407</u>
Current liabilities			
Payables		97,980	83,524
Grower payables		90,752	140,245
Borrowings	7	150,661	107,872
Current tax liabilities		13,873	12,061
Provisions		15,596	15,853
Derivative financial instruments		7,008	2,391
Total current liabilities		<u>375,870</u>	<u>361,946</u>
Non current liabilities			
Payables		6,069	7,243
Grower payables		-	34,918
Borrowings	7	107,165	109,835
Provisions		2,687	2,445
Total non-current liabilities		<u>115,921</u>	<u>154,441</u>
Total liabilities		<u>491,791</u>	<u>516,387</u>
Net assets		<u>334,999</u>	<u>324,020</u>
Equity			
Contributed equity	8	107,819	107,819
Reserves		12,928	12,783
Retained profits		198,108	191,443
Total parent entity interest		<u>318,855</u>	<u>312,045</u>
Non-controlling interests		16,144	11,975
Total equity		<u>334,999</u>	<u>324,020</u>

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

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

**Statement of changes in equity
For the half year ended 31 October 2014**

	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 2014	107,819	12,783	191,443	312,045	11,975	324,020
Profit for the half year	-	-	19,490	19,490	3,202	22,692
Other comprehensive income	-	145	-	145	2,194	2,339
Total comprehensive income for the half year	-	145	19,490	19,635	5,396	25,031
Transactions with owners in their capacity as owners:						
Dividends paid	-	-	(12,825)	(12,825)	(1,227)	(14,052)
	-	-	(12,825)	(12,825)	(1,227)	(14,052)
Balance as at 31 October 2014	107,819	12,928	198,108	318,855	16,144	334,999

	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

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

**Ricegrowers Limited
& Controlled Entities
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**Cash flow statement
For the half year ended 31 October 2014**

	Half year October 2014 \$000's	Half year October 2013 \$000's
Cash flows from operating activities		
Receipts from customers (inclusive of goods and services tax)	605,662	567,177
Payments to suppliers	(324,697)	(320,403)
Payments to growers	(242,028)	(136,165)
Payments of wages, salaries and on-costs	(56,852)	(55,679)
Interest received	626	2,299
Other revenue	1,684	383
Interest paid	(6,149)	(7,920)
Income taxes paid	(11,227)	(13,447)
Net cash (outflow)/inflow from operating activities	<u>(32,981)</u>	<u>36,245</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(20,624)	(11,720)
Proceeds from sale of property, plant and equipment	326	18
Payments for intangibles	-	(245)
Net cash outflow from investing activities	<u>(20,298)</u>	<u>(11,947)</u>
Cash flows from financing activities		
Proceeds from borrowings	144,790	728,300
Repayment of borrowings	(105,730)	(725,454)
Repayment of finance leases	(459)	(392)
RMB equity redemptions	(2,787)	(2,347)
Dividends paid	(12,825)	(12,825)
Net cash inflow/(outflow) from financing activities	<u>22,989</u>	<u>(12,718)</u>
Net (decrease)/increase in cash and cash equivalents	(30,290)	11,580
Cash at the beginning of the financial year	64,461	134,413
Effect of exchange rate changes on cash	(2,500)	(817)
Cash and cash equivalents at period end	<u><u>31,671</u></u>	<u><u>145,176</u></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	52,425	164,262
Deduct bank overdraft	(20,754)	(19,086)
	<u>31,671</u>	<u>145,176</u>

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

**Ricegrowers Limited
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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 2014 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 2014 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 2014 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 2014 \$000's	Half Year October 2013 \$000's
2 Revenue		
Sale of goods	601,402	550,041
Services	1,263	514
Sales revenue	602,665	550,555
Interest received	633	2,341
Dividends received	-	2
Other sundry items	3,433	1,445
Other revenue	4,066	3,788
Revenue from continuing operations	606,731	554,343
3 Other income		
Net gain on disposal of property, plant and equipment	-	45
Foreign exchange gains	828	2,391
Total other income	828	2,436

**Ricegrowers Limited
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Notes to the financial statements

	Half Year October 2014 \$000's	Half Year October 2013 \$000's
4 Expenses		
Profit before income tax includes the following expense items:		
Other expenses		
Energy	14,719	16,064
Advertising and artwork	12,212	10,388
Contracted services	8,703	8,797
Operating lease expenditure and equipment hire	6,126	6,374
Repairs and maintenance	4,562	4,895
Motor vehicle and travelling expenses	3,607	3,784
Insurances	2,915	2,222
Research and development	1,507	1,932
Internet, telephone and fax	1,352	1,101
Training	454	505
Capital restructuring costs	163	1,757
Net loss on disposal of property, plant and equipment	133	-
Other	13,843	13,941
	<u>70,163</u>	<u>71,760</u>

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.

	October 2014 \$000's	April 2014 \$000's
6 Receivables		
Current		
Trade receivables	122,031	103,782
Other receivables	6,335	3,433
GST receivables	5,480	8,897
Prepayments	12,249	10,999
	<u>146,095</u>	<u>127,111</u>

**Ricegrowers Limited
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Notes to the financial statements

7 Borrowings	October 2014 \$000's	April 2014 \$000's
Current		
Secured		
Bank overdrafts	20,754	20,349
Bank loans	129,494	87,684
Lease liability	614	705
Net accumulated interest and capitalised borrowing costs	(201)	(866)
	<u>150,661</u>	<u>107,872</u>
Non current		
Secured		
Bank loans	106,769	109,118
Lease liability	396	717
	<u>107,165</u>	<u>109,835</u>
Total borrowings	<u>257,826</u>	<u>217,707</u>
Bank loans		
Details of the Group's bank loans include:		
Seasonal debt	128,000	87,000
Core debt	66,263	65,802
AGS debt	42,000	44,000
	<u>236,263</u>	<u>196,802</u>
Representing:		
Current bank loans	129,494	87,684
Non-current bank loans	106,769	109,118
	<u>236,263</u>	<u>196,802</u>

The group manages its cash and borrowings on a net basis. At 31 October 2014, the Group had total borrowings of \$257,826,000 (30 April 2014: \$217,707,000) and amounts owing to Rice Marketing Board (RMB) for equity certificates of \$5,724,000 (30 April 2014: \$8,517,000) within payables. The Group also had \$52,425,000 (30 April 2014: \$84,810,000) in cash and cash equivalents. The Group considers net debt to be total borrowings plus amounts owing to RMB for equity certificates less cash and cash equivalents. At 31 October 2014 Net Debt was \$211,125,000 (30 April 2014: \$141,414,000).

Significant terms and conditions of bank facilities

The Australian seasonal syndicated debt facility limit is \$189m and the maturity date is 31 March 2015. Core debt includes an Australian facility with limit of \$105m with \$58m maturing 2 December 2016 and \$47m maturing 2 December 2018. The total Australian facility limit is \$294m. Core debt also includes a PNG amortizing loan facility of \$2.86m as at 31 October 2014. The PNG banking facilities are secured by registered mortgages over real property and a registered equitable mortgage over all Trukai assets.

Ricegrowers Limited also has a \$5m money market lending facility expiring 31 March 2015 which was not drawn down at 31 October 2014.

The Australian bank loans, including overdrafts and other facilities, are secured by registered mortgages over all property, registered equitable mortgages over all assets of the Obligor Group, and a cross-guarantee between Ricegrowers Limited and Riviana Foods Pty Ltd. In addition, debt covenants apply to the bank loans.

The AGS debt represents loans to Australian Grain Storage Pty Ltd related to the acquisition of RMB storage assets from the RMB. The facility expires 29 November 2016 and is secured by a fixed and floating charge over all Australian Grain Storage Pty Ltd assets.

**Ricegrowers Limited
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Notes to the financial statements

	October 2014	April 2014
	\$000's	\$000's
8 Contributed equity		
(a) Share capital		
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 2014 & 31 October 2014 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 2014, 1,014 A Class shares were on issue (30 April 2014: 1,045).

(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 plus amounts owing to RMB equity certificates less cash and cash equivalents. Total equity is calculated as 'equity' as shown in the balance sheet (including non-controlling interests).

The increase in paddy price and early grower payment has been the primary contributor to higher gearing at the half year. The average gearing for the 6 months to 31 October 2014 was 67% (actual at 31 October 2014 - 63%) compared to the average for the 6 months to 31 October 2013 of 61% (actual at 31 October 2013 - 59%).

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 Chief Operating Decision Maker which is determined to be 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 economics of the business. All profits are paid to growers through the final paddy price.

Rice Marketing Global (RM Global)

The marketing and distribution of rice from all other sources except the USA 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 not included above and beneath the disclosure threshold. This includes the US operating segment (including the SunFoods operation), rice foods group and corporate.

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.

Changes from prior periods

In light of the continuing under performance of the SunFoods operating segment the Corporate Management Team has determined that the economic characteristics differ sufficiently from other members of RM Global segment to warrant disaggregation from the former RM&M Global segment. As the segment is below disclosure thresholds prescribed by AASB 8 it has been included in "All other segments" in both the current and prior year (the comparative has been restated).

**Ricegrowers Limited
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Notes to the financial statements

9 Segment information (continued)

The following table sets forth the segment results for the half year ended 31 October 2014.

	RM&M Au					All other	Total
	Rice	RM Global	Riviana	AGS	CopRice	segments	Total
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Total segment revenue	289,045	201,251	74,760	30,719	62,749	79,015	737,539
Inter-segment revenue	(100,758)	(3,395)	-	(30,719)	-	(2)	(134,874)
Revenue from external customers	188,287	197,856	74,760	-	62,749	79,013	602,665
Other revenue							4,066
Total revenue from continuing operations							606,731
Contributed EBIT	15,592	32,167	6,063	5,679	6,136	6,337	71,974
Finance expense (net)	(4,150)	(480)	(537)	(1,120)	(728)	679	(6,336)
Centralised corporate services	(12,604)	(10,696)	(710)	(922)	(2,863)	(2,193)	(29,988)
Capital restructuring costs	-	-	-	-	-	(163)	(163)
Asset impairment	-	-	(2,021)	-	-	-	(2,021)
Other (expenses)/income	1,162	1,549	(1,043)	(976)	(474)	3,875	4,093
Contributed NPBT	-	22,540	1,752	2,661	2,071	8,535	37,559
Intersegment eliminations							(4,404)
Profit before income tax							33,155
Segment assets	405,670	127,358	82,903	86,450	40,137	88,988	831,506
Cash and cash equivalents							52,425
Intersegment eliminations							(75,490)
Current tax receivable							5,078
Deferred tax assets							13,271
Total assets							826,790

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

	RM&M Au					All other	Total
	Rice	RM Global	Riviana	AGS	CopRice	segments	Total
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Total segment revenue	278,647	182,583	75,230	39,566	61,026	62,855	699,907
Inter-segment revenue	(103,352)	(6,397)	-	(39,566)	-	(37)	(149,352)
Revenue from external customers	175,295	176,186	75,230	-	61,026	62,818	550,555
Other revenue							3,788
Total revenue from continuing operations							554,343
Contributed EBIT	18,757	23,832	5,457	13,195	7,338	3,972	72,551
Finance expense (net)	(3,988)	(312)	(760)	(1,302)	(577)	1,182	(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)	5,575	(3,079)
Contributed NPBT	-	16,848	(632)	3,947	3,738	7,263	31,164
Intersegment eliminations							(4,804)
Profit before income tax							26,360
Segment assets	376,036	98,305	89,047	101,083	32,288	70,127	766,886
Cash and cash equivalents							164,262
Intersegment eliminations							(65,762)
Deferred tax assets							14,887
Total assets							880,273

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

Notes to the financial statements

10 Dividends

During the period to 31st Oct 2014

On 26 June 2014 a fully franked final dividend of 23.0 cents per share was declared for the year ended 30 April 2014. The amount of \$12,825,000 was paid on 31 July 2014.

After balance date

On 11 December 2014 the Directors declared a fully franked special dividend of 5.0 cents per share. The financial impact of this dividend will be recognised in the April 2015 financial statements. The dividend will be paid 15 January 2015.

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 2014 are:

	October 2014 \$000's	April 2014 \$000's
Letters of credit	3,705	261
Guarantee of bank advances	2,178	2,690
	<u>5,883</u>	<u>2,951</u>

12 Earnings per share

(a) Basic and Diluted earnings per share

	October 2014 Cents	October 2013 Cents
Basic and Diluted earnings per share	<u>35.0</u>	<u>25.0</u>

(b) Reconciliation of earnings per share

	October 2014 \$000's	October 2013 \$000's
Profit for the half year	<u>19,490</u>	<u>13,925</u>

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

	October 2014 000's	October 2013 000's
Weighted average number of B Class shares	<u>55,762</u>	<u>55,762</u>

13 Net tangible assets

	October 2014	October 2013
Net tangible asset backing per B Class share	<u>\$ 5.88</u>	<u>\$ 5.43</u>

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

Notes to the financial statements

14 Events occurring after the balance sheet date

On 11 November 2014 Ricegrowers Limited completed the acquisition of the Blue Ribbon Rice Group's rice assets for \$5.1m. Full business combination disclosures have not been included in the half year financial statements as no material goodwill or potential intangible assets are expected to arise on acquisition.

Other than this acquisition and the special dividend (Note 10), the Directors are not aware of any matter or circumstance, since the end of the half year, 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 3 to 15 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 2014 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

11 December 2014



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 (the Company), which comprises the balance sheet as at 31 October 2014, the income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the half-year ended on that date, selected explanatory notes and the directors' declaration for Ricegrowers Limited (the consolidated entity). The consolidated entity comprises the company and the entities it controlled during that 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 Australian 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 2014 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*.

PricewaterhouseCoopers, ABN 52 780 433 757
Darling Park Tower 2, 201 Sussex Street, GPO BOX 2650, SYDNEY NSW 1171
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

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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 2014 and of its performance for the half-year ended on that date;
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

PricewaterhouseCoopers

PricewaterhouseCoopers

Paddy Carney

Paddy Carney
Partner

Sydney
11 December 2014



Auditor's Independence Declaration

As lead auditor for the review of Ricegrowers Limited for the half-year ended 31 October 2014, 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 black ink, appearing to read 'P Carney', is written over the printed name.

Paddy Carney
Partner
PricewaterhouseCoopers

Sydney
11 December 2014