



Media release
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Ballance announces a minimum \$24 a tonne return to shareholders

Continued performance growth at Ballance Agri-Nutrients has enabled the company to advise that shareholders will receive an annual rebate and dividend this year that is at least as high as the \$24 distributed last year.

The major fertiliser cooperative runs a 31 May financial year and makes its formal rebate announcement in July, but its Chairman, David Graham, says it is already clear that this year's average return to shareholders will again be very strong.

'While we don't yet have our full results for the financial year, by analysing our third-quarter figures we can predict with reasonable confidence that our transacting shareholders will get a market-leading payout again this year.

'We want our shareholders to know it now, to assist them with their autumn fertiliser decision-making.'

For its 2006/07 financial year, Ballance's average return to shareholders was a combined total distribution of \$24.20 a tonne for fully paid-up shareholders.

Based on current figures, the company's payout scheme will return more than \$25 million to its shareholders for the 2007/08 year. Ballance's shareholder base has grown to about 18,400, Mr Graham said.

'Once again, favourable supply arrangements and good cost control, along with our Kapuni urea manufacturing facility, have been the key contributors to our overall performance.

'When rising international prices forced us to increase the price of our core products in February, we were able to soften the blow for loyal shareholders by offering a credit of \$30 per tonne on any urea purchased before 31 May 2008, redeemable against any subsequent purchase of manufactured phosphate product before the end of November 2008.

'This is a real point of difference for Ballance shareholders. This latest return to shareholders is proof to them that they have made a wise choice in supporting Ballance.'

Formal notification of the full extent of the 2008 payout and dividend, and its composition and terms, will be made in July.

Mr Graham signalled that Ballance would have to review its fertiliser pricing structure very soon.

'Our international sourcing costs have continued to rise substantially, and there is no way we can absorb them. Prices for all our leading products will be moving up shortly.'

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