



Media release

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Ballance foresees a return to normalcy

Ballance Agri-Nutrients chairman David Graham believes the worst is behind the co-operative as global fertiliser prices return to more traditional levels.

He told the co-operative's annual meeting in Invercargill yesterday (Wednesday 30 September) that farmers could once again start to act in their own best agronomic interests.

'Overall, I feel optimistic about where things are going for farmers. The future for food production is still good and will hopefully push up the prices you receive in the medium term,' he told shareholders.

'I feel the scales are now tipping towards the emphasis being on making the correct agronomic decision, as opposed to acting based on price alone.'

He forecast that total sales volumes would remain around the one million tonne mark for the fertiliser co-operative in its current financial year to the end of May 2010.

'Our first quarter of the current financial year suggests things are returning to a more normal environment. Looking forwards, we should return to long-run average profit levels.'

Ballance wrote down the value of its fertiliser stock at balance date by \$36.7 million, enabling it to start the new financial year with a clean slate.

Two new directors joined the Ballance Board at the AGM. Retirement by rotation occurred in three Wards and ballots were necessary in each of them.

Gray Baldwin was elected in Ward B (western North Island) and Murray Taggart in Ward D (South Island). David Hurst was re-elected in Ward C (eastern North Island).

Ward D director Peter Macdougall retired after 13 years as a director. Richard Jolly, who had represented Ward B for six years, leaves the Board.

'For Ballance, 2010 will be a year of rebuilding equity within the co-operative and improving the balance sheet,' Mr Graham said.

'We will continue to work hard to keep your co-operative healthy and viable.'