



Company announcement

GrainCorp Limited ABN 60 057 186 035

Date: 5 June 2008
To: The Manager
Announcements
Company announcements office
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PUBLIC ANNOUNCEMENT

Contents for immediate release:

Please find attached a clarification statement on GrainCorp's announcement of 3 June 2008.

A handwritten signature in black ink, appearing to read "N. Hart".

Nigel Hart
Group Executive – Corporate Services and
Company Secretary

GrainCorp Limited
Level 17, Tower 1, Darling Park 201 Sussex Street, Sydney NSW 2000
PO Box A268, Sydney South NSW 1235
Telephone: (02) 9325 9100 Facsimile: (02) 9325 9180
www.graincorp.com.au



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Clarification of announcement made on 3 June 2008

GrainCorp refers to the ASX announcement made on 3 June 2008 containing information on key points from the GrainCorp half year results to GrainCorp shareholders for the year ending 31 March 2008 and the Ridley transaction. GrainCorp wishes to clarify the information relating to GrainCorp's normalised EBITDA under the heading "GrainCorp growth opportunities", namely:

"Normalised EBITDA

The above growth initiatives should generate in excess of \$20 million in underlying additional EBITDA.

GrainCorp's normalised EBITDA (at normalised, grain receipt is 10 million tonnes with a carry-in grain inventory of 3.5 million tonnes) taking into account the realised and target growth initiatives detailed, will be around \$160 million."

Information included in the announcement relating to normalised EBITDA does not represent a forecast or prospective financial information in relation to any specific period of GrainCorp's earnings.

Information discussing normalised EBITDA, and expected normalised EBITDA generated by the Strategic Plan growth initiatives, was intended to represent an indicative earnings profile based on certain volume assumptions. The various business initiatives under way, including those generated by the pending removal of the wheat export monopoly held by AWB, will generate opportunities for increased earnings. The volume assumptions, of 10 million annual grain receipts with a carry-in grain inventory of 3.5 million tonnes, are used for GrainCorp's internal planning purposes and represent the average grain receipts over the last 10 years.

The inclusion of normalised EBITDA information is not a representation of GrainCorp's possible future earnings. Given the inherent variability in grain volumes and the significant impact grain volumes has on GrainCorp's earnings, the GrainCorp Directors believe that the inclusion of a long term forecast would not be prudent. Hence, GrainCorp confirms previous public statements that the full year 2008 earnings is expected to be similar to that achieved in 2007.

GrainCorp further notes that the information discussing normalised EBITDA was released in the context of its half-yearly results only and in line with disclosures made historically in connection with its financial results from 30 September 2006.

GrainCorp, as announced on 29 May, expects to lodge its Bidder's Statement in relation to its takeover offer for Ridley by Tuesday 10 June 2008. The Bidder's Statement will contain all information which GrainCorp believes is material to Ridley Shareholders when deciding whether to accept the takeover offer.

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