

11 February 2021

GrainCorp provides FY21 earnings guidance

GrainCorp Limited (**GrainCorp** or the **Company**) (ASX: GNC) expects to report FY21 Underlying EBITDA¹ in the range of \$230 million to \$270 million (FY20: \$108 million) and FY21 Underlying NPAT² of \$60 million to \$85 million (FY20: \$16 million loss).³ This includes the maximum payment of \$70 million, payable by GrainCorp, under the Crop Production Contract. GrainCorp's earnings guidance is subject to several market variables, as outlined at the conclusion of this statement.

Managing Director and CEO Robert Spurway said the outlook reflects the strong turnaround in cropping conditions in east coast Australia and the continued delivery of GrainCorp's operational initiatives.

"We experienced near optimal conditions across much of eastern Australia during the recent winter cropping season and this has translated into one of the largest crops in recent history."

"Our combined intake across harvest has totalled 13.8 million tonnes of receivals year-to-date⁴, eclipsing the 12.9 million⁵ tonnes of receivals at the same stage during the last bumper harvest in 2016/17."

"Pleasingly, at the start of the harvest, we were well positioned to optimise our network of country and port assets, notwithstanding the last three years of drought. This ensured the efficient management of the much larger crop."

"Our focus now turns to the first major export program in years, with 1.7 million tonnes shipped out since October 2020, and our port bookings nearing capacity through to September 2021."

The scale of FY21 receivals will also benefit FY22, due to the higher level of carry-over grain.

In the Processing segment, GrainCorp expects an increased supply of canola seed to support strong oilseed crush margins, despite some pressure on meal values.

GrainCorp's FY21 guidance remains subject to a range of variables, including:

- Second half grain volumes, including the sorghum crop;
- Timing of grain exports; and
- Oilseed crush margins.

¹ Underlying EBITDA is a non-IFRS measure representing earnings before interest, tax, depreciation and amortisation, before significant items.

² Underlying NPAT is a non-IFRS measure, representing net profit after tax, before significant items. Excludes revaluation impact from UMG holding.

³ FY20 comparatives are for continuing operations (excludes earnings from Malt business).

⁴ Grain received up-country and direct-to-port from 1 October 2020.

⁵ Total grain received at date of AGM on 24 February 2017.

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About GrainCorp

GrainCorp is an integrated grain and edible oils business with a market leading presence on the East Coast of Australia (ECA). It is the largest grain storage and handling business in ECA and the leading edible oil processor and oilseed crusher in Australia and New Zealand.

Over its 100+ year history, GrainCorp has created a global supply chain with high quality infrastructure assets that store, process and facilitate the transportation of grains and edible oils.

For further details, please visit the Investors & Media section of our website at www.graincorp.com.au

This announcement is authorised by the GrainCorp Board.

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