

## OPERATING AND FINANCIAL REVIEW (CONTINUED)

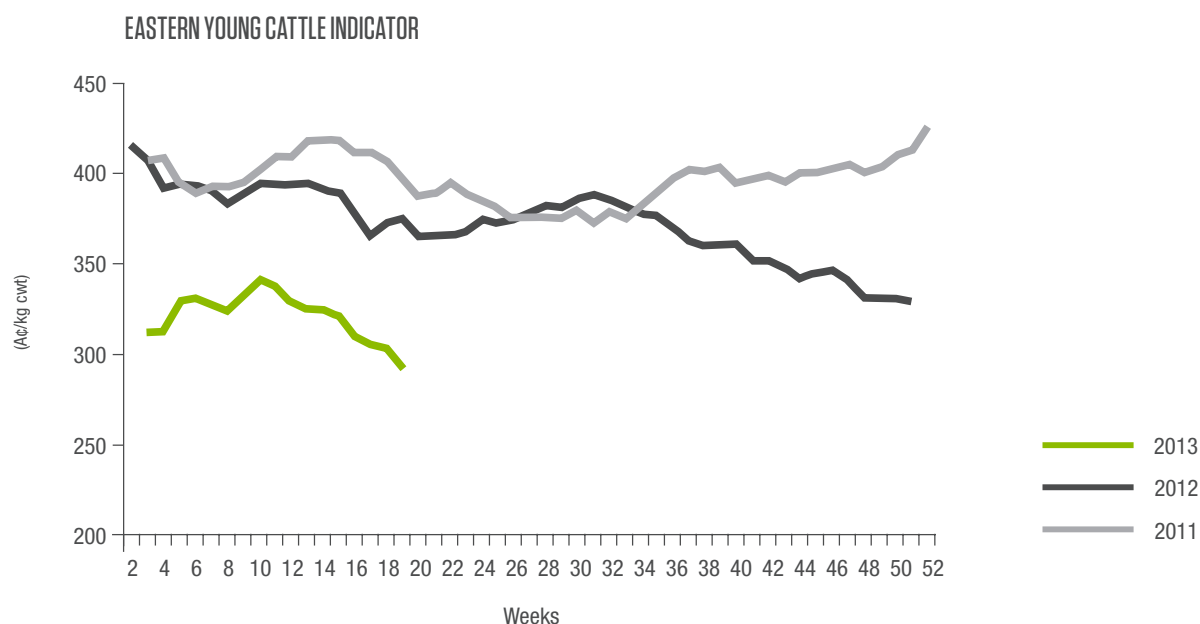
### 3. Cattle Operations (continued)

#### Market conditions

The weather continued to affect domestic cattle prices, with the benchmark Eastern Young Cattle Indicator (EYCI) tracking well below 2012 prices due mainly to a decline in demand for re-stocking cattle.

Prices also continue to be affected by the Federal Government's 2011 suspension of live exports to Indonesia and Indonesia's subsequent reduction in live cattle import permits, together with the adverse impact of the continued high Australian dollar. Cattle which would have been destined for Indonesia are continuing to pressure the domestic market. All market categories have fallen significantly in value.

Market conditions for all market categories of cattle apart from longfed Wagyu have declined in value over the three month period. Slaughter cattle prices also declined and have been driven by increased supply due to dry conditions. The negative market value movement was also exacerbated by the dry conditions and reduced numbers able to be exported to Indonesia.



The tables below summarise the potential impact of market price moves on the trading herds and the breeding herds.

Trading Herd (Branded Cattle)	Eastern Trading Herd	Northern Trading Herd	Feedlot	Total Trading Herd
Head at 31 March 2013 ('000)	115	82	39	236
Average Weight at 31 March 2013	344 LW kg	313 LW kg	522 LW kg	363 LW kg
Average Book Value at 31 March 2013	\$1.54 /LW kg	\$1.37 /LW kg	\$3.43 /LW kg	\$1.94 /LW kg
<b>Sensitivity value to change in price per kg:</b>	<b>\$ mil</b>	<b>\$ mil</b>	<b>\$ mil</b>	<b>\$ mil</b>
\$0.10 /LW kg	\$4.0	\$2.6	\$2.1	\$8.7
\$0.20 /LW kg	\$7.9	\$5.2	\$4.1	\$17.2
\$0.50 /LW kg	\$19.8	\$12.9	\$10.3	\$43.0

Breeding Herd (Branded Cattle)	Breeding Herd
Head at 31 March 2013 ('000)	316
Average Book Value at 31 March 2013	\$778 /Head
<b>Sensitivity value to change in price per head:</b>	<b>\$ mil</b>
\$100 /Head	\$31.6