

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONT

For the three months ended 31 March 2013

## 9. INCOME TAX (CONTINUED)

### (f) Tax consolidation

Australian Agricultural Company Limited and its 100% owned subsidiaries are a tax consolidated group. Members of the tax consolidated group have entered into a tax sharing arrangement in order to allocate income tax expense to the wholly-owned subsidiaries based on individual tax obligations. In addition, the agreement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. At the reporting date, the possibility of default is remote. The head entity of the tax consolidated group is Australian Agricultural Company Limited.

## 10. DIVIDENDS PAID AND PROPOSED

### *Dividends declared and paid during the period*

No final or interim dividends were declared and paid during the three months to 31 March 2013 (twelve months to 31 December 2012: nil; three months to 31 March 2012: nil).

### *Franking credits*

There are no franking credits available for the subsequent financial year (31 December 2012: nil; 31 March 2012: nil).

## 11. EARNINGS PER SHARE

The following reflects the income/(loss) used in the basic and diluted earnings/(loss) per share computations:

	3 months to 31 Mar 2013 \$000	12 months to 31 Dec 2012 \$000	3 months to 31 Mar 2012 \$000 (reviewed)
<b>Earnings/(loss) used in calculating basic and diluted earnings per share</b>			
Net loss attributable to ordinary equity holders of the parent for basic and diluted earnings	(46,477)	(8,409)	(5,073)
	<b>Number</b>	<b>Number</b>	<b>Number</b>
<b>Weighted average number of ordinary shares used as denominator</b>			
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	312,905,085	312,894,038	312,861,135
Adjustments for calculation of diluted earnings per share:			
- Options and rights		-	-
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	312,905,085	312,894,038	312,861,135

There were 2,197,281 share options and 1,019,876 performance rights excluded from the calculation of diluted earnings per share that could potentially dilute basic earnings per share in the future because they are antidilutive for the current period presented.

There have been no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements

### (a) Information concerning the classification of securities

#### *Options*

Options granted to employees (including Key Management Personnel) as described in note 27 are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent they are dilutive. These options have not been included in the determination of basic earnings per share.