



MEDIA RELEASE

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CBH GROUP AND MEMBERS ADD \$3 BILLION P.A. TO WA ECONOMY

The CBH Group, Australia's largest co-operative responsible for Western Australian grain growers paying the lowest supply-chain costs in the sector, today released the results of an economic contribution study by independent advisor, Deloitte Access Economics.

Published after good early season rains have fallen across the State, setting Western Australian grain growers up for another above average year, the study highlights the CBH Group and its co-operative member's sizeable contribution to Western Australia's economy and its growing agriculture sector.

The study puts the contribution of the CBH Group and its members to the Western Australian economy at \$3 billion in the past financial year alone, and estimates that one in every four dollars generated by the State's agricultural sector originates from CBH and its members.

CBH Chief Executive Officer, Dr Andy Crane said the study confirmed the significance of the State's grains sector, and the vital economic and social benefits the CBH Group co-operative delivered to all Western Australians.

"The key metrics underscore the value of CBH and its member's social and economic contributions," Dr Crane said.

"Following decades of investment by generations of farmers, including capital investment in today's terms totalling \$1.2 billion since 2009, CBH is Australia's most efficient and cost effective grain supply-chain network.

"In the race to supply Asia's growing appetite for Australian grain, our network tips the field in favour of Western Australian growers."

"We are the country's lowest cost grain storage handling and freight provider, giving Western Australian growers supply-chain certainty and a competitive advantage to deliver into the world's biggest emerging grain markets in South East Asia."

"Recent studies including the Agricultural Competitiveness White Paper 2015 reinforce the importance of more equitable access to market supply chains for producers in Australia, and link

the loss of control of the supply chain as a significant risk factor for farm gate profitability as growers lose control of the end to end supply chain.”

The CBH Group is 100% owned by its 4,200 Western Australian grower members, handles more than 90% of the State’s grain production, and is Australia’s largest exporter, shipping grain to 250 customers across 30 countries.

CBH is also one of the Wheatbelt’s largest employers, with half of its 1,000 strong workforce based regionally and over 2,000 casual staff employed during harvest. Over and above the injection of capital into the regions via infrastructure investment, CBH also contributes \$1.5 million into regional community projects each year.

“Our sole reason for existence is to create and return value to growers,” Dr Crane said.

The CBH Group’s operations extend along the value chain from grain storage, handling, transport, marketing and processing. Its infrastructure and assets include a state-of-the-art rail fleet dedicated to the most efficient transfer of grain from country receival points to its four port terminals.

In addition to its network infrastructure and operations in Western Australia, the CBH Group has operations in eastern Australia, and offices in Hong Kong, Japan, Russia and the US. It also owns a 50% stake in Interflour which operates nine flour mills in Indonesia, Vietnam, Malaysia and Turkey, and a grain port terminal in Vietnam.

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