



MEDIA RELEASE  
February 18, 2011

## Wellard welcomes Standard Chartered Private Equity investment

International agribusiness leader Wellard and Standard Chartered Private Equity Limited (SCPEL) are pleased to announce that SCPEL has invested in Wellard to grow the business through a number of identified agribusinesses opportunities throughout the wider Asian region.

The Wellard–SCPEL partnership will enhance Wellard’s ability to continue building its large, vertically integrated agricultural business to meet the increasing demand for protein from Wellard’s increasingly global operations in established and emerging markets across the Middle East, Eastern Europe, South East Asia and China.

SCPEL will invest \$83 million in Wellard via a convertible note. On conversion, SCPEL will become a significant minority shareholder in the company.

Wellard is the world’s largest livestock exporter; the owner of one of the world’s largest and most technologically advanced livestock shipping fleets; a significant in-country producer and distributor of livestock; and a large grain grower. It has operations throughout Australia, New Zealand, South East Asia, sub-continental Asia, China, Eastern Europe, the Middle East and South America.

Wellard Executive Chairman Mauro Balzarini said international demand for protein continued to increase and the resulting opportunities available to Wellard’s business partners, customers and suppliers were extensive. Wellard’s 10 year strategic plan is focussed on those opportunities.

“Wellard has built a substantial livestock and grain production, trading and distribution business, operating in the Asian, Middle Eastern, European and South American regions,” he said.

“The company has grown from a supplier of live sheep to the Middle East and live cattle to Indonesia to a large agricultural trading business with operations across five continents.

“Consumer demand for protein is increasing and Wellard is perfectly placed to utilise our international infrastructure, expertise, experience and extensive business partnerships to supply that increased demand. In addition, the strategic desire of some countries to build their domestic herds plays to our ability to source high quality breeding stock.

“The partnership with SCPEL provides an even greater capital base to invest in businesses, assets and a larger marketing footprint to achieve that goal.”

Mr Balzarini said that SCPEL’s investment is a significant financial vote of confidence in the Australian agribusiness industry and would provide even more marketing options for its primary producers.

“Wellard’s expansion will create an even greater range of opportunities for Wellard’s suppliers as the company continues to broaden its focus from live sheep and cattle to beef, sheepmeat and grain,” he said.

In addition to SCPEL’s equity investment, Standard Chartered Bank has been appointed as Wellard’s global banking provider.

Mr Balzarini said Standard Chartered’s large Asian network, extensive banking services and business connections would assist Wellard to realise its business growth ambitions.

“SCPEL is the perfect partner for Wellard to achieve both companies’ business goals. Through its investment in Wellard, SCPEL has assessed and endorsed Wellard’s 10 year business strategy, the strength of its balance sheet and the quality of its management. I would like to recognise our management for their professionalism and dedication to the company,” he said

Alastair Morrison, Global Head of Standard Chartered Private Equity commented that world demand for meat and grain, particularly from the high growth Middle East and Asian regions, would continue to grow, and the investment in Wellard would provide SCPEL with exposure to that growth.

“We target investments in fast growing companies with proven business models, run by highly capable and trustworthy management teams. Wellard fits every one of those criteria,” Mr Morrison said.

Upon conversion of the convertible notes, SCPEL will become Wellard’s second largest shareholder. The Balzarini family will remain the company’s majority shareholder through its current shareholding and a \$22 million convertible note issued on the same terms as SCPEL.

#### **Media contacts:**

Wellard  
Cameron Morse  
Phone: + 61 8 9386 1233  
Mobile: +61 433 886 8714  
Email: cameron.morse@fd.com

Standard Chartered  
Valerie Tay  
Phone: +65 6596 9284  
Email: Valerie.Tay@sc.com

Website: [www.wellard.com.au](http://www.wellard.com.au)

#### **About Wellard**

Wellard is a world leader in the production and distribution of livestock, meat and grain.

Its two largest subsidiaries are Wellard Rural Exports, Australia’s largest livestock exporter and ship owner, and Wellard Agri, a large mixed farming land owner and operator specialising in the production of grains, legumes and livestock.

Wellard Rural Exports has supplied quality dairy and beef cattle and sheep and goats to the world for 30 years, and its investment in the live export industry is without peer. Based in Fremantle, the company’s operations cover every aspect of the export chain, including feed milling, livestock aggregation, road transport, feedlot facilities throughout Australia and modern shipping.

The company's flagship carrier, the MV Ocean Drover (formerly the MV Becrux), is a purpose-built livestock carrier capable of carrying 75,000 sheep or 18,000 cattle from Australia to major markets around the globe. She was commissioned in 2002.

Its MV Ocean Shearer (formerly the MV Stella Deneb) can carry 125,000 sheep or 23,000 cattle, or a combination of both.

Two new, technologically advanced, purpose-built vessels, the MV Ocean Swagman and the MV Ocean Outback were launched in 2010.

Wellard Agri owns and operates eight farms covering 33,000 hectares across three agri-hubs. The two northern hubs are located at Dongara and Watheroo in Western Australia's central midlands and one is located at Kojonup in the Great Southern region of WA.

The Dongara hub is home to The Grange, a 14,500 hectare property which is considered one of Western Australia's blue chip farming properties.

The remaining landholding totals more than 18,000 hectares, of which 14,000 hectares is cropped to a variety of grains and legumes. The other 4000ha is devoted to sheep production, including the famous Hyfield Poll Merino stud at Kojonup. In addition, Wellard leases an additional 14,500ha for livestock and grain production.

Wellard Agri also has operations in the farm machinery sector, through management of the CLAAS Harvest Centres at Katanning and Esperance for the Landpower range of farm machinery.

### **About Standard Chartered Private Equity**

Standard Chartered Private Equity is a wholly-owned investment arm of Standard Chartered Bank. It has invested in over 40 companies primarily focused on mid-to late-stage companies whose principal operations and management are located in Asia, Africa and the Middle East.

Standard Chartered PLC is a leading international bank, listed on the London, Hong Kong and Mumbai stock exchanges. It has operated for over 150 years in some of the world's most dynamic markets and earns around 90 per cent of its income and profits in Asia, Africa and the Middle East. This geographic focus and commitment to developing deep relationships with clients and customers has driven the Bank's growth in recent years.

With 1,700 offices in 70 markets, Standard Chartered offers exciting and challenging international career opportunities for more than 80,000 staff. It is committed to building a sustainable business over the long term and is trusted worldwide for upholding high standards of corporate governance, social responsibility, environmental protection and employee diversity. The Bank's heritage and values are expressed in its brand promise, 'Here for good'.

For more information on Standard Chartered, please visit [www.standardchartered.com](http://www.standardchartered.com)