



Media Release

For Immediate Release

AGRI MIS STRIDES ON

Australian Agribusiness Group's (AAG) sixth annual Survey of Funds Raised in the agribusiness Managed Investment Scheme (MIS) industry will be released later today.

The headline number of \$1,139 million raised in 2006/07 was almost identical to the previous year (2005/06 – \$1,141 million) and is a good result for the industry.

Timber (-4%) and horticultural (-7%) offerings received slightly lower inflows than last year but specialty timbers (+56%) and wine/grape (+24%) sectors showed a noticeable increase.

AAG's Managing Director, Marcus Elgin, commented on the survey saying "this is an outstanding result for this now established and resilient part of Australia's agricultural sector. Despite drought, concerns over water, interference by government and ATO review, the Agri MIS companies have maintained their performance".

Highlights from the AAG report include:

- There were 48 new investments released in 2006/07 (2005/06: 56)
- Timber investments received \$672 million or 59% of the investment funds (2005/06: 61%) while horticultural offerings received \$237 million or 21% (2005/06: \$254 million or 22%).
- The funds invested will generate \$6.13 billion of future assessable gross income at farm gate (2005/06: \$5.5 billion) with the equivalent gross income to be generated from the past six years of projects equating to \$22.5 billion.
- The average project investment was \$55,500 per investor a large increase from the prior year (2005/06: \$44,000)
- 65% of investors geared their investment (2005/06: 69%)
- Approximately 82,000 hectares (2005/06: 84,300 ha) of trees will be planted for timber production of which approximately 56,000 hectares will be for woodchip (e.g. blue gum type species) (2005/06: 69,000)
- Approximately 2,150 people are employed directly by the operators of the 2006/07 projects with more than 150 new jobs being created as a result of this year's fund raising in MIS

"MIS projects are **not** tax rorts: they will clearly produce massive future tax revenues for government, while they generate very significant regional development activity. In a year when much of the traditional agriculture underperformed and leveraged billion dollar subsidies, the MIS sector instead raised over a billion dollars and will generate over \$6 billion in farm gate income " AAG Director, Tim Lee said.

The full report will be available later today by contacting AAG.

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About Australian Agribusiness Group

Australian Agribusiness Group (AAG) was formed in 1997. It provides agribusiness, research, investment and management skills to smart agribusinesses.

AAG is the market leader in research into the agri MIS sector. In alliance with William Buck, it provides detailed research and rates product offerings and supports the sector with a range of decision making tools. Its research reaches over 140 financial planning groups, covering some 9,000 financial planners. AAG's ratings are also distributed by Standard & Poor's.

AAG provides research to other high growth agribusinesses, manages Stocklease Pty Ltd, provides investment and management services and operates a national consulting practice.

AAG also produces the Agri Index, a measure of the relative performance of ASX to listed agribusiness.

For more information about AAG please visit www.ausagrigrp.com.au, or contact:

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