



4 March 2019

Sale of Australian Bulk Liquid Terminals

GrainCorp Limited (“GrainCorp” or “the Company”) today announced it has entered into an agreement to sell its Australian Bulk Liquid Terminals business to ANZ Terminals Pty Ltd (“ANZ Terminals”) for a total enterprise value of approximately \$350 million (representing ~13.0 times EBITDA¹).

The Australian Bulk Liquid Terminals business was acquired by GrainCorp in 2012 as part of the acquisition of Gardner Smith. It operates eight liquid terminals sites across Australia, with a combined storage capacity of approximately 211,000m³. The sites specialise in the storage and handling of bulk liquid fats & oils, fuels and chemicals for a range of customers, including GrainCorp Oils. As part of the transaction, GrainCorp Oils will enter into a long-term storage agreement with ANZ Terminals.

GrainCorp Managing Director and CEO Mark Palmquist said: “Since we acquired the assets in 2012, the Australian Bulk Liquid Terminals business mix has evolved substantially and is increasingly serving other sectors, in addition to the edible oils commodities that are more closely aligned with GrainCorp’s core business. Divesting the assets to another experienced operator, while also putting in place a long-term storage agreement, allows us ongoing and secure access to the storage needed to support our oils business, whilst releasing capital and unlocking significant value for our shareholders.”

Sam Tainsh, Group General Manager, GrainCorp Oils said: “ANZ Terminals is an established and respected bulk liquid terminals operator. We will work with ANZ Terminals to ensure a smooth transition for our customers and our people and through the long-term storage agreement we will have the access required for our trading and liquid feeds businesses.”

The transaction is subject to a number of conditions, including GrainCorp not entering into a change of control transaction or material alternative transaction before 10 May 2019, no material adverse change, regulatory approvals from the Foreign Investment Review Board and Australian Competition and Consumer Commission, lessors’ consents and finalisation of agreements required for the transition of the business.

GrainCorp has retained ownership of its New Zealand bulk liquid terminals, which are more fully integrated into its supply chain, however, it is independently reviewing options for this business as part of the ongoing Portfolio Review.

Blackpeak Capital acted as financial adviser and Gilbert + Tobin acted as legal advisers on the transaction.

Portfolio Review Update

The sale of the Australian Bulk Liquid Terminals is an outcome of GrainCorp’s ongoing Portfolio Review and highlights the value within the Company’s portfolio. GrainCorp will keep shareholders informed as appropriate as further initiatives are progressed.

¹ Implied multiple is based on Australian Liquid Terminals FY19 expected EBITDA on a normalised basis.



GrainCorp

100 YEARS OF GROWTH

About ANZ Terminals

ANZ Terminals is a leading independent provider of bulk liquid storage terminals across Australia and New Zealand. Its 12 strategically located operating assets have a total storage capacity of approximately 426,000m³.

For over 50 years, ANZ Terminals has provided bulk liquid supply chain solutions to its diverse and high quality customer base. Its high profile clients operate in the refining, trading, manufacturing and distribution industries, and entrust ANZ Terminals to deliver solutions for a broad range of bulk liquid products.

ANZ Terminals is a privately owned company with a highly experienced institutional shareholder base.

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