

ALL ABOUT AUSTRALIAN ALMONDS



ALL ABOUT AUSTRALIAN ALMONDS

1. World almond consumption is at an all time high
2. Developing countries are driving almond consumption growth
3. Global almond supply, restricted by access to suitable growing conditions, will not meet future demand
4. Australia has successfully marketed increased tonnages into rapidly expanding markets
5. Australia will become the world's second largest almond producer as existing plantings mature
6. Australian almonds are enjoyed by more than 40 countries around the world
7. Australia is world competitive in both quality and cost
8. Almonds are one of Australia's most high value, efficient, environmentally friendly water converters
9. Almonds are a valuable contributor to the Australian economy
10. Almonds are a healthy, versatile, natural food that has been consumed since ancient times

World almond consumption is at an all time high and has more than doubled over the past decade at price levels attractive to both consumers and growers

Consumer demand for almonds has increased globally. This trend is expected to continue due to increased awareness of the positive health message and rapidly growing demand from developing markets.

Worldwide almond consumption has more than doubled over the past decade, with consumption growth averaging 9% per annum during this period.

The international almond industry has a proven track record of building supply commensurate with demand at pricing levels attractive to both growers and consumers.



2 Developing countries such as India, China and the Middle East are driving almond consumption growth

Almonds are in high demand in many developing countries and Australia is well positioned to service these markets.

MIDDLE EAST

The Middle East has an ancient tradition of almond consumption, with almonds playing a key role in breaking of the Ramadan fast.

Over the past 12 months, this region has been Australia's fastest growing almond export market, experiencing a seven-fold sales increase.

INDIA

India is Australia's largest almond export destination, with Australia currently holding approximately 12% market share of the Indian almond imports. India's domestic production of almonds is limited.

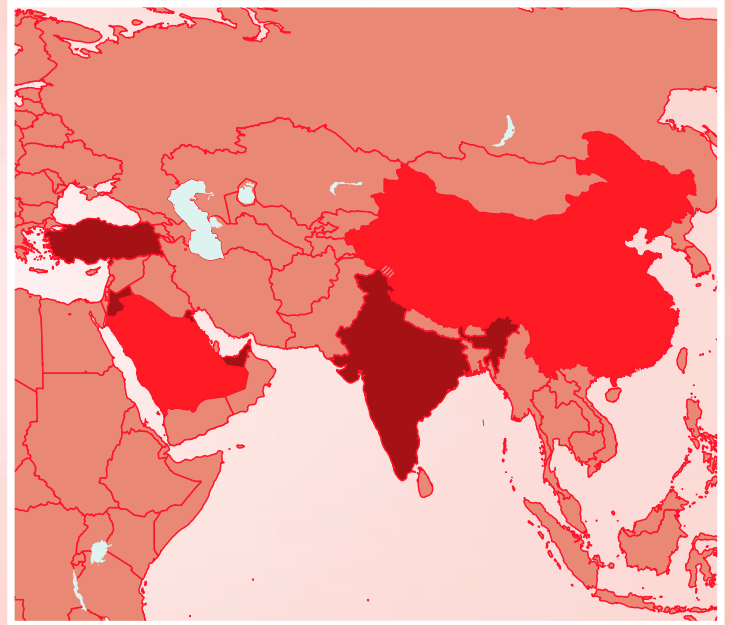
Almonds have long been an integral part of India's cultural heritage, especially during festive periods and weddings. Traditionally, Indian parents feed their children almonds, believing that almond consumption improves mental perception.

CHINA

China is an extremely promising export market in terms of long-term growth potential.

Almonds are primarily consumed as a roasted, salted snack, either shelled or in-shell, particularly in the winter season surrounding Chinese Lunar New Year.

Retail stores in major cities are increasing their range of almond snack products, with increasing usage in bakery.



3 Global almond supply, restricted by limited access to suitable growing conditions, will not meet future demand driven by population growth

Almonds are commercially produced in very few locations around the world, requiring a Mediterranean climate: cold winters during dormancy and warmer summers to develop the nut. Producing areas are further restricted by the need for suitable land and water availability.

Australia's Murray Darling Basin, provides the perfect combination of growing conditions, with four major producing regions:

Sunraysia (Victoria)

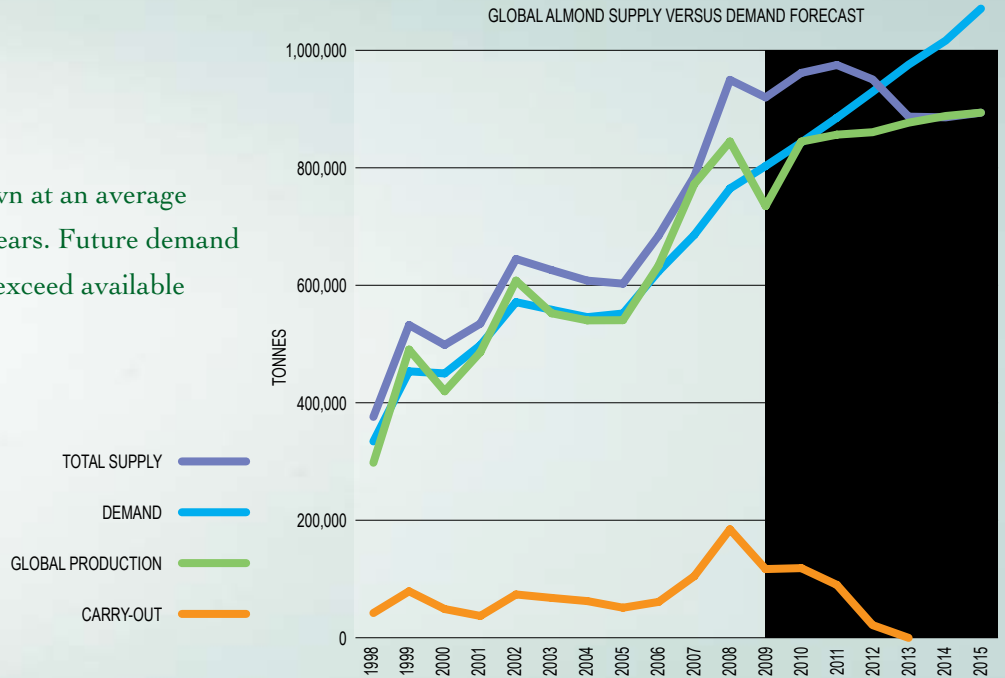
Riverland (South Australia)

Riverina (New South Wales)

Adelaide (South Australia)



World consumption of almonds has grown at an average rate of 9% per annum over the past 10 years. Future demand growth of 5% per annum is expected to exceed available supply by 2012.



4 Australia has a long-standing track record of successfully marketing increased tonnages into rapidly expanding domestic and international markets



Australia has successfully marketed increasing almond tonnages into both existing and newly established markets.

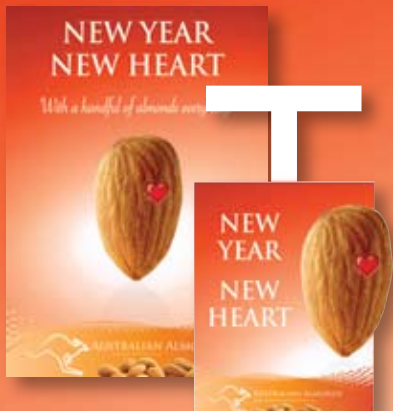
Key to this success is an understanding of the importance of building strong customer relationships, both in Australia and around the world. These relationships have been further strengthened by targeted marketing initiatives.

Increased international demand has led to a 60% growth in the value of Australian almond exports this year.

And Australian's are eating more almonds, with domestic consumption increasing by 10%. Today more than 90% of almonds sold in Australia are grown and produced by Australian farmers.

NEW YEAR NEW HEART

January



NEW SEASON AUSTRALIAN ALMONDS

March - April



AUSTRALIAN ALMONDS IN BLOSSOM

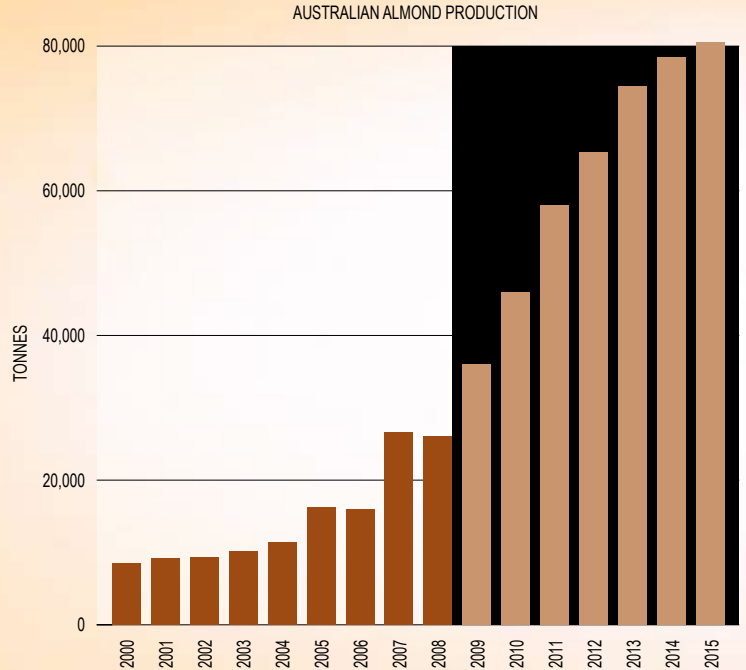
August



5 Australia will become the world's second largest almond producer as existing plantings mature

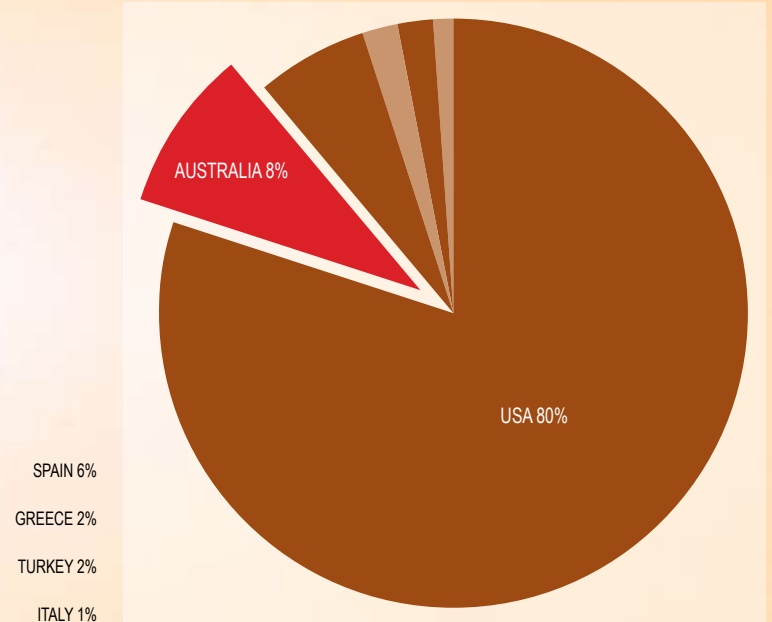
Australian almond plantings have increased more than seven-fold over the past eight years to a current total of 27,300 hectares.

Future production increases will occur as these young plantings reach maturity, bringing productive capacity up from 36,000 tonnes to 80,000 tonnes by 2015.



Industry turnover will double, equating to more than \$500 million a year, servicing increasing demand both locally and overseas. This growth will see Australia's contribution to global almond production increase from 3% in 2008 to an expected 8% in 2012, to become the world's second largest almond producing nation.

AUSTRALIA'S SHARE OF GLOBAL ALMOND PRODUCTION BY 2012

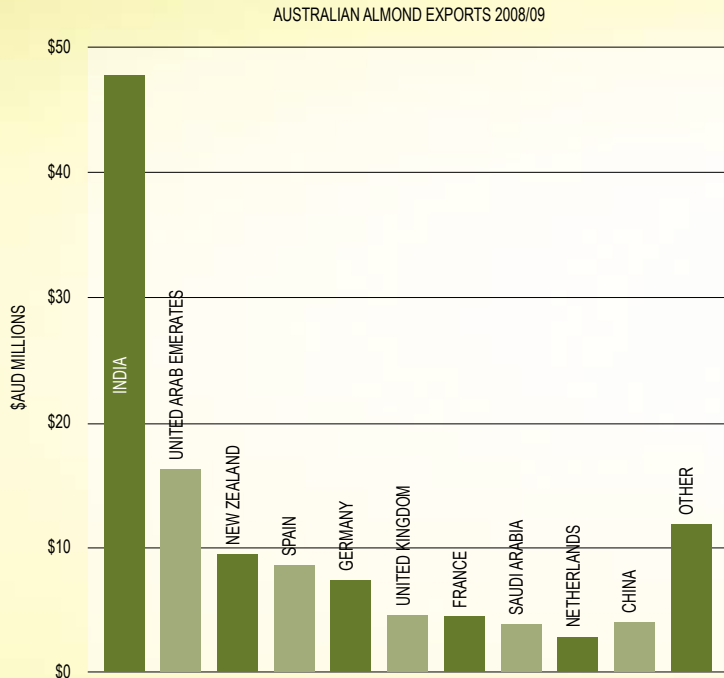


6 Australian almonds are enjoyed by more than 40 countries around the world

Almonds are now Australia's third largest horticultural export, totalling \$120 million in 2008-2009. Almonds are a significant contributor to the recent growth in Australian horticultural exports.

60% of the Australian almond crop is exported to more than 40 countries around the world. Continued export growth is anticipated with heightened international recognition of Australian almonds, combined with Australia's increasing ability to service this demand.

By 2015, it is expected that Australian almond exports will represent greater than 70% of total sales, with an associated value of \$350 million.



7 Australia is world competitive in both quality and cost

Australia is known for its natural advantages in agriculture, including favourable climatic conditions and low incidence of pest and disease, delivering; cost advantages, high yields, product quality and integrity.

The importance of quality is recognised throughout the entire supply chain, from nursery to grower through to processor/ marketer, with professional on-farm management practices, biosecurity and quarantine, and implementation of industry quality standards and testing programs.

Australia's product quality and counter-seasonality allows access to higher priced market segments.

Australia's almond growing season commences with the magnificent almond blossom in August. Harvest takes place in February and March, with produce ready for the market in April and May.



8 Almonds are one of Australia's most high value, efficient and environmentally friendly water converters

Almonds are a naturally efficient converter of water to food.

Historically almonds have a demonstrated track record of producing a high value return per megalitre of water applied. Sophisticated irrigation systems ensure that water application matches tree requirements and minimises environmental impact. Irrigation technology used throughout the industry is of the highest standard and latest design, with in excess of 90% of plantings under drip irrigation.

The major expansion of almond orchards has occurred in the past decade, with an appreciation that water is a limiting factor.



9 Almonds are a valuable contributor to the Australian economy

The Australian almond industry contributes significantly to the economic wellbeing of regional towns throughout Victoria, South Australia and New South Wales. The industry directly employs over 1,200 people in regional Australia, with additional indirect employment of a further 5,000 people.

The Australian almond industry is one of the most efficient in the world, competing in international markets and operating without any production or export subsidies. Australia does not impose any tariffs on imported almonds.

The long-term outlook for the continuation of an economically viable, internationally competitive almond industry in Australia is extremely positive.



10 Almonds are a healthy, versatile, natural food that has been consumed around the world since ancient times

Demand for almonds has been strong for thousands of years. They were a valuable commodity on the “Silk Road” between Asia and the Mediterranean, into Greece, Turkey and the Middle East.

Across the centuries, people have enjoyed the taste of almonds. One of the most popular ways of eating almonds is in its natural form.

Almonds offer a unique matrix of nutrients and have been clearly linked with improved heart health.

Not only are almonds healthy and great tasting, but they are also one of the most versatile foods in the world. Almonds are a key ingredient in a vast array of products including: snack foods, confectionery, baking goods, breakfast cereals, and desserts.



Almond Board of Australia, 9 William Street, Berri SA 5343. PO Box 2246, Berri SA 5343.

Ph: +61 8 8582 2055 Fax: +61 8 8582 3503

www.australialmonds.com.au