

24 April 2009

ITC CEO reaffirms MIS sustainability

We acknowledge that Timbercorp Limited has appointed voluntary administrators to the company.

ITC and Timbercorp jointly own a company known as Plantation Pulpwood Terminals Pty Ltd (PPT). This company operates and manages the Albany woodchip loading terminal, handling woodchip from both companies and third parties. The facility is fully commissioned and does not require further capitalisation. ITC has pre-emptive rights in respect of Timbercorp's 50% ownership of the joint venture.

ITC is a specialist diversified forest products company and a subsidiary of Futuris Corporation Limited. ITC generates revenue from timber and sawmilling; forestry management on behalf of private investors and the sale of managed investment schemes (MIS) to retail investors.

This means that ITC is not reliant on a single revenue stream to sustain its business operations.

ITC does not hold any debt on its own balance sheet. ITC benefits from the financial backing of Futuris. Less than ~30% of Futuris' total finance facilities are scheduled to be refinanced in the coming months. Given the complexities of refinancing Futuris have appointed Goldman Sachs JB Were to assist with the process. In addition to this, Futuris are in the midst of finalising the sale of AACo. Completion of this transaction will further enhance Futuris' balance sheet.

ITC and Futuris are committed to the ongoing expansion of plantation forestry via the sale of managed investment schemes to retail investors. To further diversify ITC's business model, ITC is also considering alternative wholesale and institutional forestry investment opportunities.

On 1st December 2008, Futuris CEO Malcom Jackman, outlined a comprehensive action plan for Futuris moving into the future. The plan, titled "Agenda for Change", outlined Futuris' desire to focus on core Australian Agricultural and the Primary Industry Sector and to exit its other non-core businesses. Mr Jackman confirmed that ITC is included as one of Futuris' core assets.

Three months into the implementation of the plan and Futuris has already achieved;

- Shareholder endorsement of Agenda for Change;
- Shareholder endorsement of name change to Elders Limited (effective 30/04/2009);
- Divestment of several non-core assets including AACo (in progress), Amcom Telecommunications and Websters; and
- Balance sheet strengthened with ~\$140 million of assets divested with further sales in progress.

Please feel free to call any of our Regional Sales Managers for further clarification or information regarding ITC and its project offerings.

Thank you for your continued support of ITC.

Best wishes,

Vince Erasmus
CEO - ITC Limited