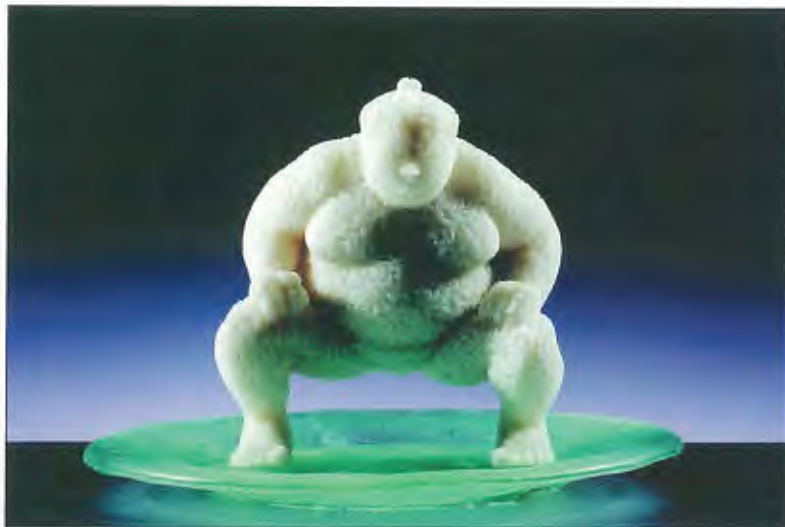




The Rice Food Experts



THE MARKET

Rice enjoys a wide reputation as a nutritious and healthy food. This reputation is richly deserved. Rice, as an excellent source of carbohydrate, is a good energy supply, is low in fat and low in salt, contains no cholesterol, is low in sugar and contains no gluten, additives or preservatives.

Australians are health conscious and active people who are becoming increasingly well educated about nutrition. These factors have certainly played their part in the increase of rice consumption in Australia over the past few years. On average, each Australian eats over ten kilograms of rice annually.

SunRice is Australia's leading rice food company and has experienced a decade of aggressive growth and value creation. Wholly owned by NSW rice farmers, SunRice exports 80 per cent of its production, representing 4 per cent of world trade. With annual export sales of \$400 million, SunRice is Australia's largest exporter of branded food products and the fourth largest rice food company in the world. Australian rice is marketed to over 60 countries with Papua New Guinea, Japan, Hong Kong and Saudi Arabia as the major markets.

ACHIEVEMENTS

Consumption of rice has doubled in Australia over the past ten years, and SunRice can take much of the credit for this. SunRice has played a major role in raising the awareness of the Australian public to the benefits of rice as a high energy food. A stream of new products and new flavours, the result

of intensive breeding programs and market research, has helped to promote public interest and to keep up with changing tastes and fashions. Today there is a greater interest than ever before in international rice-based foods, particularly Asian, Middle Eastern and Mediterranean dishes.

Rice in Australia is grown in southern New South Wales where conditions for the crop are close to perfect. The limited size of the crop's geographical spread helps SunRice to maintain a product of consistent quality. At the same time the excellence of Australian growing conditions means that quality is not simply uniform, but consistently among the best in the world. Yields are spectacular. Australian rice farmers achieve an average yield of 10 tonnes per hectare, which is one of the highest in the world.

SunRice is leading the way with the development of innovative value-added rice based products in the area of quick-cooking rice meal solutions and rice based snack foods. SunRice now produces quick-cooking flavoured rice side dishes, three minute rice snacks and flavoured rice cakes.

HISTORY

Rice was introduced in Australia in the 20th century, and was first cultivated by Isaburo (Jo) Takasuka, a Japanese immigrant who arrived in 1905 with his family and 15 bags

of medium grain Japonica rice. In 1914 Jo grew Australia's first successful commercial crop near Swan Hill, Victoria. After hearing about the developing Murrumbidgee Irrigation Area (MIA), he sent his eldest son Sho to the Yanco experiment farm in New South Wales with bags full of grain from the crop. The seed was grown in rice trials in the MIA and this was the beginning of the Australian rice industry.

Today, Australian rice is still grown in the Murrumbidgee Irrigation Area and the Murray Valley, both in New South Wales. Nowadays more than 2500 Australian ricegrowers produce an annual crop of some 1.3 million tonnes from 152,000 hectares. SunRice is Australia's most successful producer co-operative and the largest of its type in the world.

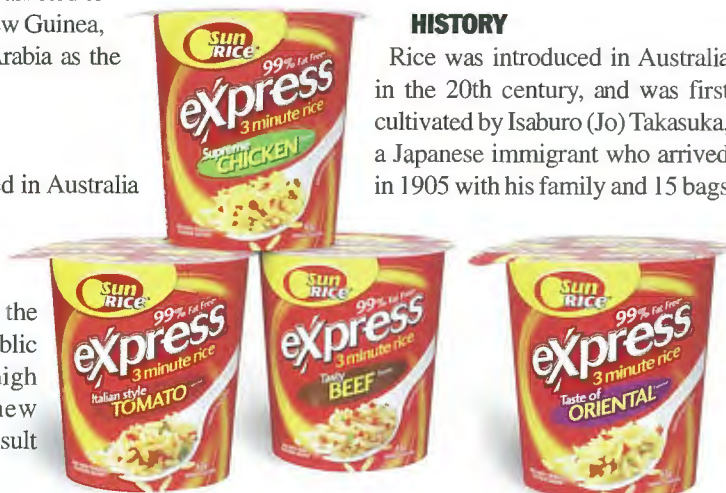
THE PRODUCT

SunRice offers a rice for every occasion as well as a wide range of value-added rice products. Core rice products include long-grain, medium grain, white and brown, Parboiled, Jasmine, Arborio, Japanese-style sushi rice, Basmati, Doongara, Wild Blend and quick-cooking brown rice.

SunRice value-added products include snacks and meal solutions. SunRice Rice Cakes and flavoured rice cakes, rice side dishes and eXpress 3 minute rice packs and cups. SunRice rice is also widely used in breakfast cereals, most notably in Kellogg's Rice Bubbles, and in the manufacture of snack foods, frozen meals, convenience foods and rice 'milk'.

RECENT DEVELOPMENTS

The Australian rice industry invests in a large amount of research to develop new and more





efficient varieties of rice. SunRice now cultivates almost all varieties of rice in Australia, which are developed after several years of testing to ensure the rice has precisely the right flavour, combined with high nutrition and ease of cooking.

Australians are experimenting with and eating a larger variety of cuisines, and this trend continues to grow. This has also meant an increase in usage of “specialty” rice varieties. In particular Basmati, Jasmine and Arborio rice are becoming more and more popular, as consumers’ palates take to Indian, Asian and Mediterranean cuisines. The key to success for many international dishes is the right rice for the right dish – therefore, the SunRice World Rices range assists in completing the perfect meal. SunRice World Rices help the consumer choose the “right rice” and this helps to enhance and complement the flavour of the meal.

SunRice Basmati aromatic long grain rice is well suited to Indian and Middle Eastern dishes such as curries. SunRice Jasmine fragrant long grain rice is ideal for Asian dishes such as stir-fries. SunRice Arborio medium grain rice is used mainly for Mediterranean dishes such as risotto. SunRice Japanese-style sushi rice, a short grain rice, is perfect for creating authentic Japanese dishes.

SunRice innovation has focused on improving and further developing its product offerings, keeping quality, convenience and taste all at the top of mind. In the meal solutions and convenience food categories, 2002 saw the successful re-launch of the SunRice Rice Side Dishes and the SunRice eXpress 3 minute rice range. More recently SunRice has extended its rice cake product portfolio and has launched a range of flavoured rice cakes. SunRice has led innovation in this category by offering the first product of its kind into the Australian grocery market. SunRice has also launched “SunRice Pour & Store” which is Australia’s favourite Premium White Long Grain rice, in a convenient bottle pack. The lid also acts as a ½ cup measure, making it easier to cook the right amount of rice every time.

PROMOTION

The original SunRice rice sculptures campaign ran for ten years from 1989–1999. Over the course of the campaign rice consumption doubled in



Australia. The campaign was a major success for the brand and is recognised as having made SunRice famous. In 2002, SunRice re-visited the rice sculptures creative idea and re-vamped this campaign, in order to get rice at the top of consumers’ minds once again. Three new rice sculpture ads were produced highlighting the health benefits of rice, the different varieties of rice SunRice produces and offering rice as an easy substitute for the sometimes labour intensive mash potatoes.

The re-launched SunRice eXpress products and rice side dishes were supported to achieve maximum awareness and communicate the key benefits of all the products. The campaign, which took place early 2003, was titled “Perfect” which showed people doing not-so-perfect things with the message that “No-one’s perfect, but SunRice eXpress cups/rice side dishes come close” This campaign communicated the key benefits of each product in a relevant, and slightly humorous way, helping to continually build SunRice as a contemporary food brand.



The eXpress campaign was also extended to outdoor media and more recently (September 2003) a magazine campaign was run for the eXpress cup range demonstrating why SunRice eXpress cups are a better way to fill gaps between meals, over common higher-fat noodle and pasta products.

The launch of SunRice flavoured rice cakes was supported by an outdoor campaign, which was executed to generate awareness of the new product offering from SunRice. This campaign highlighted the flavour hit you get from the flavoured rice cakes and that “you just can’t get enough”.

BRAND VALUES

SunRice, the Australian icon in rice, has historically been renowned for the marketing of SunRice Calrose Medium Grain Rice. Today, the SunRice range includes a rice suited not only to many cuisines but also to many eating occasions, including snacks. Although the SunRice brand has extended its range beyond regular pillow bags of rice, the brand remains familiar and highly trusted across its entire range of products.

The vibrant yellow and red ‘sun colours’ of the SunRice logo are synonymous with wholesome, natural and pure food. SunRice, ‘The Rice Food Experts’, is a long established yet contemporary food brand. Steeped in the tradition of quality Australian rice, SunRice now embodies both quality and innovation to suit the needs of the modern food market.



THINGS YOU DIDN'T KNOW ABOUT SUNRICE

- SunRice was awarded the prize for Best Regional Exporter of the year in 2003.
- The United Nations proclaimed 2004 International Year of Rice (IYR) at the fifty-seventh session of the United Nations General Assembly noting that rice is the staple food of more than half the world’s population.
- In 2001/02, approximately 589 million tonnes of paddy rice was produced worldwide. China and India were the largest producers.
- Up to 40 million people eat Australian rice around the world each day.
- Australian rice growers have improved their water use efficiency by 60 per cent in the past 10 years.