

Farm Profit 2024-25



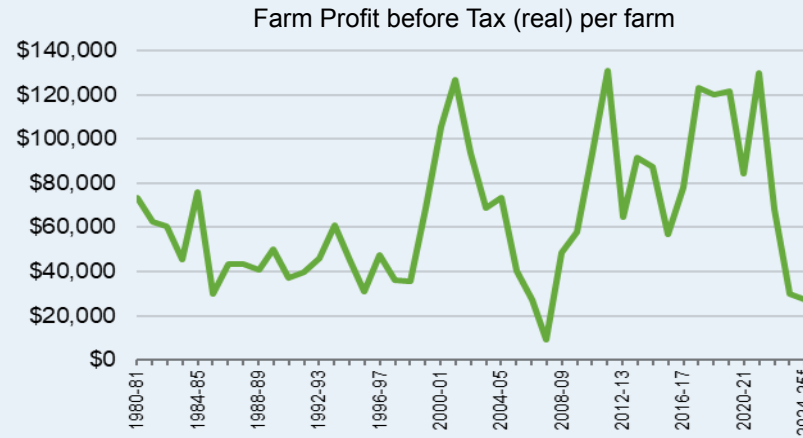
Down 7.4% to average \$45,200 per farm. Similar to the most challenging seasons in 1980s and 1990s.

-7.4%



Some possible upside if:

- supply constraints improve lamb prices.
- faster cuts in interest rates.



p provisional | f forecast
 'Adjusted to 2004-05 \$ terms
 Source: Beef + Lamb New Zealand Insights Team | Sheep and Beef Farm Survey

Gross Farm Revenue & Expenditure



Small increase in gross farm revenue +1.1%.



Larger increase in farm expenditure +1.8%.



Farm-gate prices for lambs and sheep similar to 2022-23.



Farm-gate prices for beef cattle improve 4.3% on 2023-24 prices).



Interest expenditure doubled between 2021-22 and 2024-25.



Sheep are important as they comprise 42% of revenue, on average, however cattle revenue is key this season.

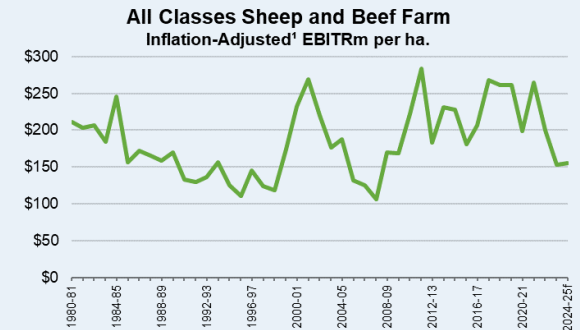
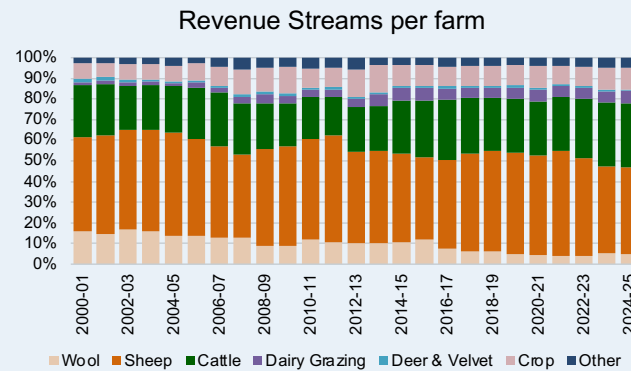
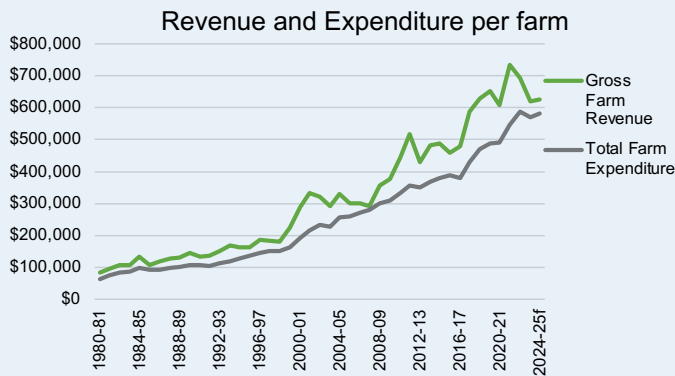
EBITRm*



Up 3.7% to average \$184,400 per farm or \$260/ha.



Farmers have cut farm working expenditure since 2022-23.



p provisional | f forecast | 'Adjusted to 2004-05 \$ terms
 Source: B+LNZ Economic Service | Sheep and Beef Farm Survey

*EBITRm = Earnings before Interest, Tax, Rent and Management wages. It allows farms to be compared on a debt-free, freehold, owner-operator basis.