



Metcash Limited

ABN 32 112 073 480
50 Waterloo Road
Macquarie Park
NSW 2113 Australia

27 August 2015

Market Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir/ Madam

METCASH LIMITED 2015 ANNUAL GENERAL MEETING

In accordance with Listing Rule 3.13.3 we attach the following documents that will be delivered at the Metcash Limited 2015 Annual General Meeting later today:

- Chairman's Address
- CEO Presentation

Yours faithfully

A handwritten signature in black ink, appearing to read "G. Watson", is written over a large, stylized, looped signature line that extends from the bottom left.

Greg Watson
Company Secretary



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2015 Annual General Meeting Chairman's Address

Ladies and Gentlemen

2015 was the first year of Metcash's strategic long-term Transformation Plan. The Plan aims to position Metcash in a market which is going through a period of rapid structural change.

The Plan, which Ian will expand on in his address, is focussed on key aspects of our business and its successful implementation will better position Metcash, and its independent retail network, to meet the needs of consumers in a highly competitive and changing market.

This year saw sales revenue for the Group grow by 1.7% to \$13.6 billion. However, the Group's underlying results were disappointing. Group underlying profit after tax fell 17.4% to \$193.0 million. Underlying earnings per share was 21.3 cents, a decline of 19.6%.

The non-food Pillars of Liquor and Hardware & Automotive performed well with underlying earnings growth of 13.2%. These businesses are successfully executing their strategic initiatives, aimed at driving network growth and consolidation within their respective markets.

The core Food & Grocery business was however impacted by challenging market conditions, intensifying competition and the investment in transformation initiatives.

The Board and Management have taken a number of steps to ensure a strong financial base to support the Transformation Plan. This included resetting the balance sheet to reflect the current difficult trading conditions with non-cash goodwill impairments and asset write downs of \$640 million. As a result, the Group reported a full year loss inclusive of significant items of \$384.2 million after tax.

In addition, in June 2015, the Company announced the sale of its Automotive Division for a total consideration of \$283 million which valued the business at approximately 10x its earnings before interest and tax. Funds from this sale are being used to reduce debt and to invest in the businesses.

In order to maintain a prudent capital structure, and to ensure management has access to the appropriate levels of capital required to invest in future growth, the Board announced it would not pay a final FY2015 dividend and that it also intends to suspend dividend payments in FY2016.

Your Board believes these initiatives provide Metcash with a strong financial foundation for the future.

Board renewal has continued during the year. Dudley Rubin, a long standing director, retired in August 2014 following last year's AGM.

Mick McMahon resigned from the Board in June this year. Mick had been a member of the Board for 18 months, providing retail and supply chain experience to the Board's deliberations. His contributions were considerable, however, his recently expanded business commitments have reduced his available time and created some conflicts with his Board responsibilities at Metcash.

After 17 years as a Metcash Board member as well as being a past CFO of the Company, Edwin Jankelowitz is retiring at today's meeting. Edwin has served the Company not only as a Director but as an executive, a member of the leadership team and a confidant to many in the Company. His outstanding knowledge and comprehension of Metcash operations are recognised by all. On behalf of all his colleagues, I thank Edwin for his service and contribution to Metcash.

There have been a number of new Board appointments in the last financial year. Tonianne Dwyer joined the Board in June 2014. Tonianne has had a successful career in both investment banking and real estate.

As previously announced, I am retiring from the Board today and Rob Murray will be assuming the role of Chairman going forward. Rob joined the Board as Chairman Elect in April 2015.

Rob was selected as my successor as Chairman of the Board following an extensive search by the Non-executive Directors, and he will commence in that role from the conclusion of this meeting. Rob's experience in retail, fast moving consumer goods and executive leadership will be a great asset for Metcash as it continues its transformation journey. Rob will lead a Board whose support and dedication I have greatly appreciated.

To you, our shareholders, your continued support throughout a year in which Metcash's operational outcomes and Food and Grocery market uncertainty has resulted in a substantial decline in market capitalisation, is greatly appreciated.

Please be assured that your Board and Management team are firmly focused on delivering sustainable operational performance and shareholder value.

Finally to the staff at Metcash, its independent retailers and suppliers, the Board acknowledges and thanks you for your hard work and commitment in a year of significant challenge and disruption.

Thank you



ANNUAL GENERAL MEETING, 27 AUGUST 2015



IAN MORRICE – GROUP CHIEF EXECUTIVE OFFICER

Addressing tough market conditions

- Group Underlying EBIT of \$325.1m is in line with guidance
- The Group reported a net loss after tax, inclusive of significant items, of \$384.2m
- Increasing headwinds in Food & Grocery
 - Intense competition and discount players impacting the market
 - Consumer trends impacting sales mix
 - Deflationary environment continuing
- Asset impairment reflects tough trading conditions and competitive industry dynamics
- Implementing capital and asset management initiatives to provide a sustainable financial foundation
- Sale of Automotive business
 - Sale completed on 31 July 2015
 - Generating net proceeds of \$225m (before tax)
 - Represents a multiple of ~10 times
 - Proceeds will be invested into business and pay down debt



Early results from strategy positive

- Grocery transformation initiatives implemented progressively through 2H15
- Grocery transformation at early stage, but initial results are encouraging
 - DSA¹ implemented and first year target of 50 stores achieved
 - Competitive pricing implemented in ~1,100 supermarkets
 - IGA Retail sales² improved by 180bp to 0.7% year on year
- ALM, Mitre 10 and Automotive trading well and delivered double-digit EBIT growth
- Strengthening the core business drivers
- Management team strengthened



1. Diamond Store Accelerator refurbishment program

2. Scan data from 902 IGA stores

Profit & Loss

	FY15 \$m	FY14 \$m	Change
Group Sales	13,626.2	13,392.7	1.7%
MF&G	216.8	293.4	(26.1%)
Liquor	57.6	52.1	10.6%
Hardware & Automotive	57.9	49.9	16.0%
Corporate	(7.2)	(5.1)	(41.2%)
Underlying EBIT	325.1	390.3	(16.7%)
Net finance costs	(55.1)	(57.2)	3.7%
Tax	(75.6)	(97.9)	22.8%
Non-controlling interests	(1.4)	(1.5)	6.7%
Underlying profit after tax	193.0	233.7	(17.4%)
Significant items after tax	(577.2)	(54.0)	
Discontinued operations after tax	-	(10.5)	
Reported (loss)/profit after tax	(384.2)	169.2	
Underlying EPS ¹	21.3c	26.5c	
Underlying ROFE ²	15.8%	16.7%	

1. Underlying earnings exclude significant items

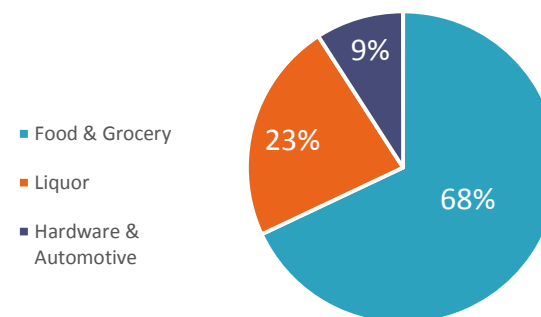
2. Underlying ROFE based on average of opening and closing funds employed. Excluding impact of impairment charges on the balance sheet FY15 ROFE is 13.7%

Results - overview by pillar

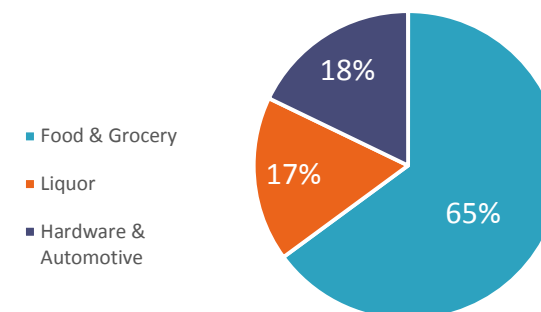
Sales Revenue	FY15 \$m	FY14 \$m	Change
Food & Grocery	9,217.8	9,072.4	1.6%
Liquor	3,103.6	3,160.8	(1.8%)
Hardware & Automotive	1,304.8	1,159.5	12.5%
Metcash Group	13,626.2	13,392.7	1.7%

EBIT	FY15 \$m	FY14 \$m	Change
Food & Grocery	216.8	293.4	(26.1%)
Liquor	57.6	52.1	10.6%
Hardware & Automotive	57.9	49.9	16.0%
Business Pillar Total	332.3	395.4	(16.0%)
Corporate	(7.2)	(5.1)	
Metcash Group	325.1	390.3	(16.7%)

Sales Revenue (%)



EBIT (%)

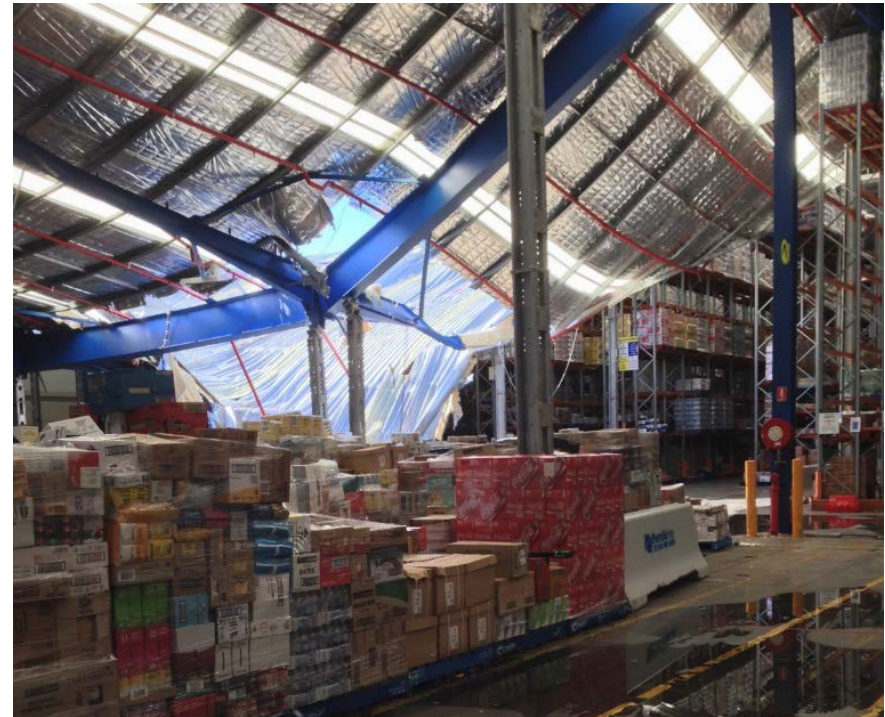


Balance Sheet

	30 April 2015 \$m	30 April 2014 \$m
Trade receivables and prepayments	989.1	1,009.1
Inventories	712.5	743.8
Trade payables and provisions	(1,695.4)	(1,697.3)
Net working capital	6.2	55.6
Intangible assets	1,284.5	1,765.7
Property, plant and equipment	276.0	308.4
Equity accounted investments	102.1	99.5
Customer loans and assets held for resale	90.6	134.0
Total funds employed	1,759.4	2,363.2
Net debt	(667.8)	(766.9)
Tax, put options and derivatives	65.0	(2.3)
NET ASSETS/EQUITY	1,156.6	1,594.0
Gearing ratio (%)	36.6%	32.5%
Weighted average debt maturity	3.7 years	3.1 years

Huntingwood Distribution Centre, NSW

- Huntingwood Distribution Centre (DC) was impacted by a severe hail storm on 25 April 2015
- Roof was breached in two places making the warehouse inoperable
- Business continuity plans were activated immediately
- NSW customers are being serviced from DCs in Victoria, Queensland and the ACT
- Full occupation is now expected in the first quarter of 2016
- Comprehensive insurance coverage, business continuity costs largely covered by insurance



We defined our purpose - Successful Independents

Our values

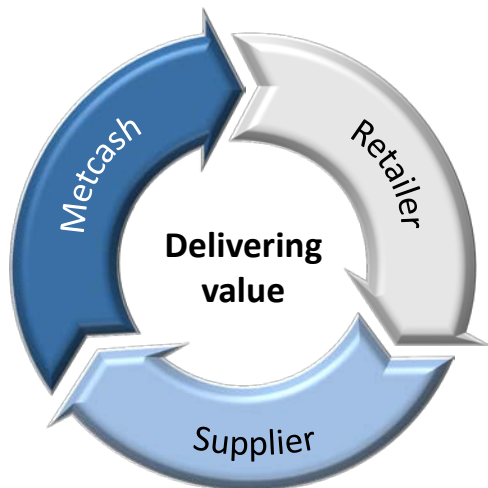
Integrity is the foundation of our values:

- Supporting our customers and suppliers
- Our people are empowered and accountable
- Adding value in our community

Our vision

- Growing our markets and delivering value to our stakeholders
- Distribution and merchandising excellence
- Retailer and consumer champions
- Successful and passionate independents
- Great place to work

Our model



Our markets



Food & Grocery



Liquor



Hardware

Our strategic priorities



1. TRANSFORMATION OF METCASH FOOD & GROCERY



2. CONSOLIDATION & SUSTAINABLE NETWORK GROWTH



3. WORLD CLASS SUPPLY-CHAIN



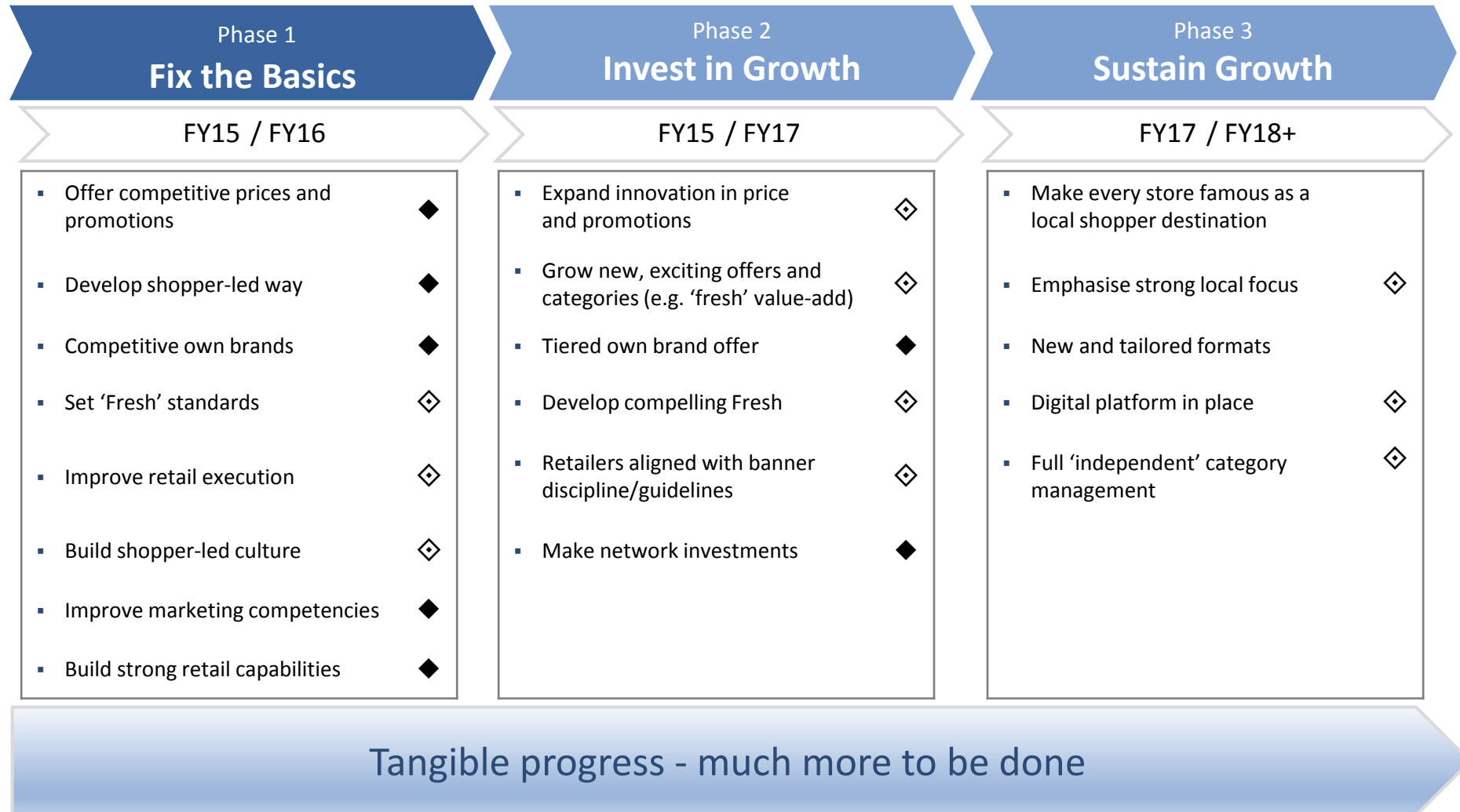
4. SUPPORTING INDEPENDENTS

Transformation Plan responding to market conditions

- Retail competition intensifying
- Discounters continue to expand
- Deflationary environment likely to continue
- Consumer trends impacting sales mix with increasing shift to Fresh Food and Private Label
- Metcash is under-indexed in Fresh Food and Private Label

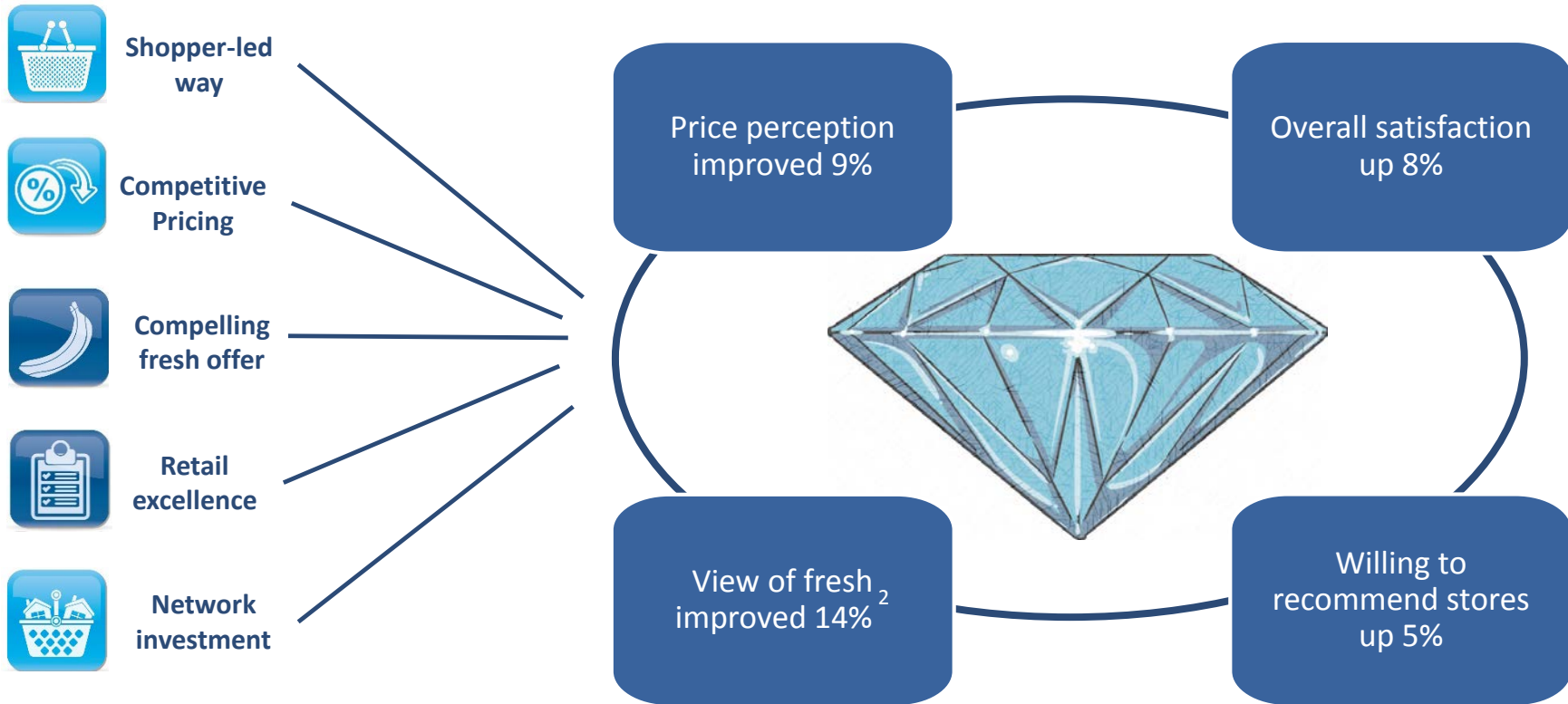
Investment to become more competitive and lift performance

Transition to a customer focused wholesaler



◆ Significant progress ◇ Initiatives underway

Diamond initiatives changing shopper perceptions¹



Shoppers responding to Diamond Store Improvements

1. Movement in shopper perception scores from surveys completed at a sample of DSA stores in Jun-14 and May-15

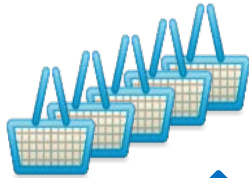
2. Average improvement in perception score across Fruit & Veg, Bakery, Meat and Deli categories

Initial Diamond stores delivering good results

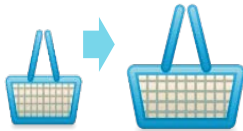
DSA store results



Basket data



↑
basket
numbers
up



↑
basket
size up

Total retail store sales



↑
retail sales
up ~16%¹

Total wholesale core grocery sales



↑
warehouse sales
also up ~16%¹

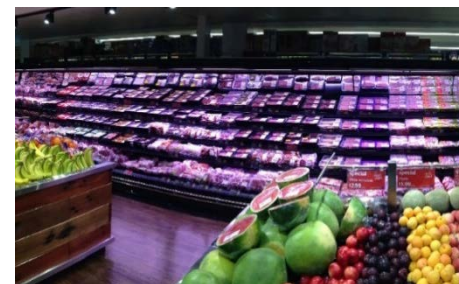
Target to complete an additional ~100 DSA stores in FY16

1. Represents LfL sales growth achieved in DSA stores since launch. Based on a sample of stores which had traded for 24+ months and had 4+weeks trading post launch date with comparable prior period sales.



Engaging Independent Retailers

- Retail sales up 180bp year on year
- Scan Data now provided by ~1,200 stores
- ~1,100 stores participating in Price Investment programs
- Total of 70 stores refurbishments complete with next 100 planned
- Private Label participation now growing at high double-digits
- Ready-prepared Fresh already in one-third of the network
- ~300 stores enrolled in Training Academy in first four months of opening
- National IGA TV advertising campaign launched on 14 June



Initiatives supported by IGA National Retail Council

Key focus – to build momentum in FY16

- Accelerate Diamond Store initiative
- Scale up Fresh supply across the network
- Expand Private Label program; more new products in more stores
- Target key growth categories (e.g. health and beauty)
- Strengthen the core business; focus on income generation and further operating efficiencies



Group outlook

- Difficult trading conditions experienced in Food & Grocery are expected to continue in FY16
- Transformation Plan addresses market and business model challenges
- Balance Sheet has been strengthened as a result of capital initiatives
- Key programs such as Price Match, Private Label and Diamond Store refurbishments have received strong support from the retail network and are delivering positive results and momentum
- Non-food Pillars performed strongly in FY15 and are expected to continue to grow in FY16
- Adapting to address tougher market conditions, accelerating key initiatives and reducing the cost base
- However, the improved performance from strategic initiatives in Food & Grocery, together with growth opportunities in other Pillars, is not expected to offset Food & Grocery headwinds in FY16
- 1H16 includes costs associated with the Group's price investment programs. The pricing initiatives were progressively launched from September 2014 and therefore did not significantly impact the 1H15 comparative
- Confident the strategy will prove effective and beneficial to shareholders



SUCCESSFUL INDEPENDENTS