



ITC Project Management Limited  
Product Summary



# Diversified

## Forestry Project 2009

# ITC Project Locations

## Project Species

-  Sandalwood
-  Pulpwood
-  Red Mahogany
-  Teak

## Project Locations

- |                               |                    |
|-------------------------------|--------------------|
| <b>1</b> Kununurra            | <b>6</b> Portland  |
| <b>2</b> Far North Queensland | <b>7</b> Penola    |
| <b>3</b> Mackay               | <b>8</b> Esperance |
| <b>4</b> Gladstone            | <b>9</b> Albany    |
| <b>5</b> Hamilton             | <b>10</b> Bunbury  |



To find out more call  
 Adviser Services on **1300 732 822**  
 or visit **[www.itclimited.com.au](http://www.itclimited.com.au)**

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# Environmental excellence

## ITC, A SUSTAINABLE GROWTH INVESTMENT

IN MAY 2004, ITC LIMITED BECAME ONE OF THE FIRST RETAIL PLANTATION FORESTRY MANAGERS IN AUSTRALIA TO SECURE THE FOREST STEWARDSHIP COUNCIL CERTIFICATION, AS RECOMMENDED BY WWF-AUSTRALIA, FOR ITC'S PLANTATIONS IN SOUTHERN AUSTRALIA. ITC IS COMMITTED TO SECURING FSC CERTIFICATION FOR ALL OF OUR PLANTATIONS.



BUILDING ON ITC'S COMMITMENT IN SECURING FSC CERTIFICATION, IN DECEMBER 2005, WWF AND ITC LAUNCHED A PARTNERSHIP TO ENCOURAGE AUSTRALIAN BUSINESS TO SUPPORT RESPONSIBLE FOREST AND PLANTATION MANAGEMENT THROUGH THE CHOICE OF TIMBER AND PAPER THEY BUY.

For a truly diversified investment portfolio, the ITC Diversified Forestry Project offers a range of species, geographic locations and end products to satisfy strong demand for sustainable forest products.

## Why invest in forestry?

### Growing World Markets

World consumption of wood products is rising, especially in the Asia Pacific region. Improved standards of living and population growth will mean a greater demand for paper and wood based products (see Fig. 1).

### Forestry is an asset class

Investment in the agribusiness asset class offers investors the opportunity to diversify into a sector that is not correlated in terms of movements in market prices and returns with other asset classes such as equities and property.

### Environmental Advantages

Plantations protect native forests, help reduce salinity and soil erosion and create a sink for greenhouse gases.

### The Australian Advantage

With more than 700,000 hectares of hardwood plantation, Australia is well located to supply expanding Asian markets.

### Continued Government Support

The Australian Government encourages development of plantation forestry through its 'Plantations for Australia: 2020 Vision' statement.

## Why invest with ITC?

### Financial strength

ITC is a wholly owned subsidiary of Futuris, a Top 200 company listed on the Australian Securities Exchange. ITC has a strong mandate and backing to support its future growth. ITC manages investment assets in excess of \$670M on behalf of more than 17,000 investors.

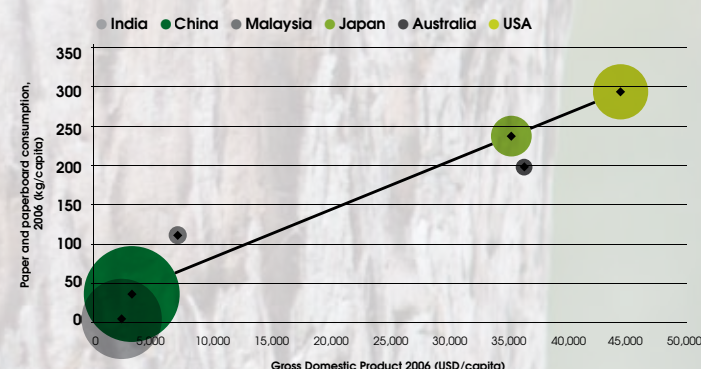
### Industry Leader

ITC is one of the largest hardwood plantation managers in Australia with more than 160,000 hectares under management across Australia. ITC Forestry has been an industry leader in the establishment and management of plantations for more than 15 years and now manages more than 50 forestry projects.

### Best practices

ITC Forestry has one of Australia's leading, advanced-generation eucalypt breeding and silvicultural programs. This work continues to be the subject of extensive trials with national and global collaborations to further improve the productivity of seedlings planted as part of ITC's estate.

**Fig.1** Comparison of paper and paperboard consumption and GDP for selected countries.



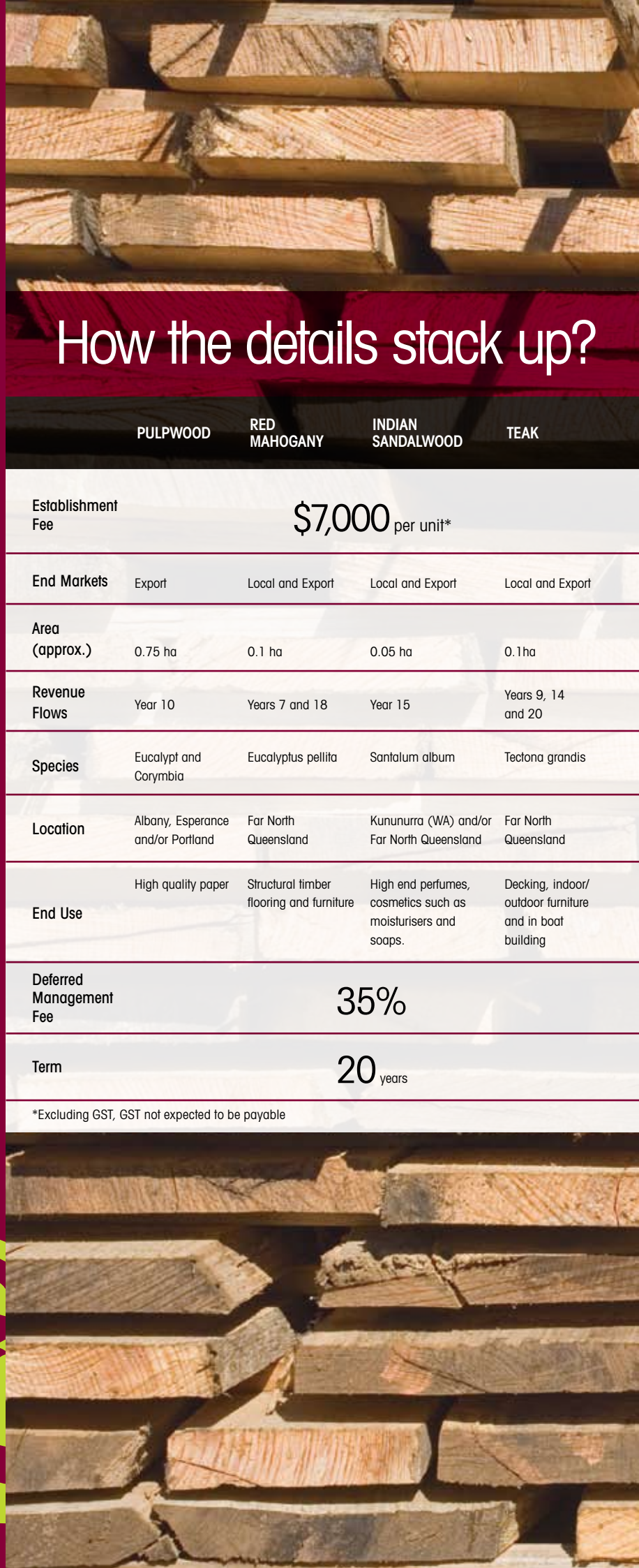
Note: area of circle indicates relative population.

# Benefits of the ITC Diversified Forestry Project

- 1 Higher risk adjusted returns within a diversified portfolio
- 2 Hedges against rising inflation
- 3 Multiple cash flow points throughout the term of the project
- 4 Diversification across species and geographic locations
- 5 Deferred fee structure aligning ITC's interests with investors
- 6 Single upfront payment with no annual lease or management fees

## How the details stack up?

	PULPWOOD	RED MAHOGANY	INDIAN SANDALWOOD	TEAK
Establishment Fee	\$7,000 per unit*			
End Markets	Export	Local and Export	Local and Export	Local and Export
Area (approx.)	0.75 ha	0.1 ha	0.05 ha	0.1 ha
Revenue Flows	Year 10	Years 7 and 18	Year 15	Years 9, 14 and 20
Species	Eucalypt and Corymbia	Eucalyptus pellita	Santalum album	Tectona grandis
Location	Albany, Esperance and/or Portland	Far North Queensland	Kununurra (WA) and/or Far North Queensland	Far North Queensland
End Use	High quality paper	Structural timber flooring and furniture	High end perfumes, cosmetics such as moisturisers and soaps.	Decking, indoor/outdoor furniture and in boat building
Deferred Management Fee	35%			
Term	20 years			
*Excluding GST, GST not expected to be payable				



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