

FONTERRA'S FORECASTS FOR SEASON ENDING 31 May 2024  
Clauses 24(1) to (3) Dairy Industry Restructuring (Raw Milk) Regulations 2012

As at 18 December 2023, Fonterra forecasts the following figures in respect of the 2023/24 season ending 31 May 2024:

<i>Supply by shareholding farmers:</i> (Cl. 24(1)(a))	The total quantity of raw milk to be supplied by shareholding farmers in the 2023/24 season is forecast to be 15.7 billion litres
<i>Total cost of milk:</i> (Cl. 24(1)(b))	The total cost of milk for the 2023/24 season is forecast to be \$10,688 million
<i>Farm gate milk price:</i> (Cl. 24(1)(c))	The farm gate milk price for the 2023/24 season is forecast to be \$7.53/kgMS*
<i>Kilograms of milksolids:</i> (Cl. 24(1)(d))	The milksolids supplied by shareholding farmers in the 2023/24 season are forecast to be 1,420 million kgMS
<i>Winter milk:</i> (Cl. 24(1)(e))	The additional cost of winter milk (being raw milk supplied in June and July 23) is forecast to be: <i>North Island</i> <b>\$1.61/kgMS</b> <i>South Island</i> <b>\$2.06/kgMS</b>
<i>Organic milk:</i> (Cl. 24(1)(f))	The additional cost of organic milk for the 2023/24 season is forecast to be: <b>\$1.97/kgMS</b>
<i>Raw milk:</i> (Cl. 24(2))	The aggregate of the volume limits of raw milk that Fonterra is contracted to supply to independent processors is 350 million litres and Fonterra estimates that it is actually likely to supply above this amount for the 2023/24 season.

The total volume of raw milk that Fonterra is contracted to supply to independent processors for the following 5 seasons is:

- 2023/2024 season - 350 million litres
- 2024/2025 season - 350 million litres
- 2025/2026 season - 350 million litres
- 2026/2027 season - 350 million litres
- 2027/2028 season - 350 million litres

Fonterra will publish revised forecasts and actual information for this season in accordance with the Dairy Industry Restructuring (Raw Milk) Regulations 2012.

\*Due to the way the farm gate milk price is defined in the Dairy Industry Restructuring (Raw Milk) Regulations 2012 and the impact of Fonterra's fixed milk price offer, the forecast above may differ to the midpoint of the forecast "Farmgate Milk Price" range Fonterra announces to the market.