

FONTERRA'S FORECASTS FOR SEASON ENDING 31 May 2027
Clauses 24(1) to (3) Dairy Industry Restructuring (Raw Milk) Regulations 2012

As at 1 September 2026, Fonterra forecasts the following figures in respect of the 2026/27 season ending 31 May 2027:

<i>Supply by shareholding farmers:</i> (Cl. 24(1)(a))	The total quantity of raw milk* to be supplied by shareholding farmers in the 2026/27 season is forecast to be 16.4 billion litres				
<i>Total cost of milk:</i> (Cl. 24(1)(b))	The total cost of milk for the 2026/27 season is forecast to be \$14,311 million				
<i>Farm gate milk price:</i> (Cl. 24(1)(c))	The farm gate milk price for the 2026/27 season is forecast to be \$9.27/kgMS**				
<i>Kilograms of milksolids:</i> (Cl. 24(1)(d))	The milksolids supplied by shareholding farmers in the 2026/27 season are forecast to be 1,543 million kgMS				
<i>Winter milk:</i> (Cl. 24(1)(e))	The additional cost of winter milk (being raw milk supplied in June and July 26) is forecast to be:<table><tr><td><i>North Island</i></td><td>\$1.44/kgMS</td></tr><tr><td><i>South Island</i></td><td>\$1.87/kgMS</td></tr></table>	<i>North Island</i>	\$1.44/kgMS	<i>South Island</i>	\$1.87/kgMS
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<i>Organic milk:</i> (Cl. 24(1)(f))	The additional cost of organic milk for the 2026/27 season is forecast to be:<table><tr><td></td><td>\$4.65/kgMS</td></tr></table>		\$4.65/kgMS		
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<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 400 million litres and Fonterra estimates that it is actually likely to supply above this amount for the 2026/27 season.				

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

- 2027/2028 season - 400 million litres
- 2028/2029 season - 400 million litres
- 2029/2030 season - 400 million litres
- 2030/2031 season - 400 million litres
- 2031/2032 season - 400 million litres

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

*Under DIRA, "raw milk" is untreated milk from a cow (including untreated organic milk), but excluding milk or a component of milk from a cow if the milk or component is produced under special conditions by, for example, the use of specialised herd selection, specialised farming practice, specialised feeding practice, or new technology; or colostrum.

**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 price risk management contracts, the forecast above may differ to what Fonterra announces to the market in the forecast "Farmgate Milk Price" range.