

## MEDIA RELEASE



27 August 2013

### FONTERRA REVISES FORECAST FARMGATE MILK PRICE FOR 2014 SEASON

Fonterra Co-operative Group Limited today lifted its Forecast Farmgate Milk Price for the FY14 season by 30 cents to \$7.80 per kgMS.

Fonterra is required to consider its Farmgate Milk Price every quarter as a condition of the Dairy Industry Restructuring Act (DIRA).

The increase – along with a previously announced estimated dividend of 32 cents per share - amounts to a Forecast Cash Payout of \$8.12.

Chairman John Wilson said the higher Forecast Farmgate Milk Price reflected continuing strong international prices for dairy.

“Current market views support commodity prices remaining at historically high levels longer than previously forecasted.

“The two most recent GDT (GlobalDairyTrade) events have seen prices hold, and significant volumes sold. These factors have contributed to our updated forecast,” said Mr Wilson.

At this early stage in the season, however, Mr Wilson said there were a number of uncertainties – and that was why there would be no change to the current Advance Rate announced in July.

“We will provide an update on business performance when we announce our Annual Result on 25 September 2013,” said Mr Wilson.

- ENDS -

#### **For further information contact:**

Fonterra Communications  
Phone: +64 21 507 072

#### **About Fonterra**

*Fonterra is a global leader in dairy nutrition – the preferred supplier of [dairy ingredients](#) to many of the world's leading food companies. Fonterra is also a market leader with our own [consumer dairy brands](#) in Australia/New Zealand, Asia/Africa, Middle East and Latin America.*

*The [farmer-owned](#) New Zealand co-operative is the largest processor of milk in the world, producing more than two million tonnes of dairy ingredients, value added dairy ingredients, specialty ingredients and consumer products every year. Drawing on [generations of dairy expertise](#), Fonterra is one of the largest investors in dairy based [research and innovation](#) in the world. Our more than [16,000 staff](#) work across the dairy spectrum from advising farmers on sustainable farming and milk production, to ensuring we live up to exacting quality standards and delivering every day on our customer promise in more than 100 markets around the world.*

For personal use only



If this material is not relevant to your purpose, you may wish to prevent further deliveries via email. To opt-out, please [click here](#)

For personal use only