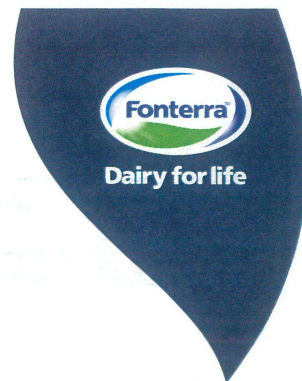


Fonterra's Actuals for Season Ending 31 May 2020



23 November 2020

Please note that there are two Notices for "Fonterra's Actuals For The Season Ending 31 May 2020".

The Actuals statement was originally published in September, but due to an oversight it referenced Regulations 24(1) to (3) rather than Regulation 24(4). As a result, it contained the total volume of raw milk that Fonterra is contracted to supply independent processors for the following 5 seasons (which is not required under Regulation 24(4)) and was missing the total winter milk premium for the 2019/20 season (which is required under Regulation 24(4)(g)).

A subsequent Actuals statement amending the above was published in November. Importantly there are no other changes to the Actuals information published in September.

FONTERRA'S ACTUALS FOR SEASON ENDING 31 May 2020
Clause 24(4) Dairy Industry Restructuring (Raw Milk) Regulations 2012

As at 23 November 2020, Fonterra's actual information in respect of the 2019/2020 season ending 31 May 2020:

Supply by Shareholding farmers: The total quantity of raw milk actually supplied by shareholding farmers in the 2019/2020 season was 16.4 billion litres
(Cl. 24(4)(a))

Total Cost of Milk: Fonterra's total cost of milk for the 2019/2020 season was \$10,462 million
(Cl. 24(4)(b))

Farm gate Milk Price: Fonterra's farm gate milk price for the 2019/2020 season is \$7.13/kgMS*
(Cl. 24(4)(c))

Milksolids: The milksolids supplied by shareholding farmers in the 2019/2020 season totalled 1,467 million kgMS
(Cl. 24(4)(d))

Winter Milk: The additional cost of winter milk (being raw milk supplied in June and July 2019) was:
(Cl. 24(4)(e))
North Island **\$1.61/kgMS**
South Island **\$2.07/kgMS**

Organic Milk: The additional cost of organic milk for the 2019/2020 season was: **\$2.78/kgMS**
(Cl. 24(4)(f))

(Cl. 24(4)(g)) The total winter milk premium for the 2019/2020 season was: **\$54.0 million**

* Due to the way the farm gate milk price is defined in the Dairy Industry Restructuring (Raw Milk) Regulations 2012 and the impact of the fixed milk price offer Fonterra launched for the 2019/20 season, this differs to the "Farmgate Milk Price" Fonterra announced to the market.

FONTERRA'S ACTUALS FOR SEASON ENDING 31 May 2020
Clauses 24(1) to (3) Dairy Industry Restructuring (Raw Milk) Regulations 2012

As at 21 September 2020, Fonterra's actual information in respect of the 2019/20 season ending 31 May 2020:

<i>Supply by shareholding farmers:</i> (Cl. 24(1)(a))	The total quantity of raw milk supplied by shareholding farmers in the 2019/20 season was 16.4 billion litres
<i>Total cost of milk:</i> (Cl. 24(1)(b))	Fonterra's total cost of milk for the 2019/20 season was \$10,462 million
<i>Farm gate milk price:</i> (Cl. 24(1)(c))	Fonterra's farm gate milk price for the 2019/20 season is \$7.13/kgMS*
<i>Kilograms of milksolids:</i> (Cl. 24(1)(d))	The milksolids supplied by shareholding farmers in the 2019/20 season totalled 1,467 million kgMS
<i>Winter milk:</i> (Cl. 24(1)(e))	The additional cost of winter milk (being raw milk supplied in June and July 2019) was : <i>North Island</i> \$1.61/kgMS <i>South Island</i> \$2.07/kgMS
<i>Organic milk:</i> (Cl. 24(1)(f))	The additional cost of organic milk for the 2019/20 season was: \$2.78/kgMS
<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 250 million litres

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

- 2020/2021 season - 250 million litres
- 2021/2022 season - 21 million litres**
- 2022/2023 season - no volume contracted
- 2023/2024 season - no volume contracted
- 2024/2025 season - no volume contracted

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 the fixed milk price offer Fonterra launched for the 2019/20 season, this differs to the "Farmgate Milk Price" Fonterra announced to the market.

** Estimated volume. Fonterra has contracted to supply 250m litres during the 12 months ending 30 June 2021