

ASX/NZX ANNOUNCEMENT

27 September 2011

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GOODMAN FIELDER TO RAISE A\$259 MILLION IN NEW EQUITY THROUGH A PRO-RATA ENTITLEMENT OFFER

Goodman Fielder Limited ("Goodman Fielder") today announced a fully underwritten 5 for 12 pro-rata entitlement offer of new Goodman Fielder ordinary shares ("New Shares") at an offer price of A\$0.45 per New Share ("Offer Price") to raise approximately A\$259 million ("Entitlement Offer"). The Entitlement Offer will be conducted via an accelerated renounceable rights offer with retail rights trading.

The proceeds from the Entitlement Offer will be used to ensure greater balance sheet flexibility for Goodman Fielder so it can pursue medium and longer term value accretive initiatives, and provide for additional headroom under Goodman Fielder's financing facilities.

The company is progressing well with the Strategic Review first announced on 19 August 2011 and updated at the full year results on 29 August 2011. The Strategic Review is a medium to long term project with management's next update scheduled for 17 November. It is management's intention to action projects arising from the Review as they are assessed and ready for implementation. The first of these is the proposed restructure of the company's three New Zealand based retail divisions into a single market facing business. Ongoing cost savings with a minimum value of A\$15 million per annum¹ have been identified from this project, which will be fully realised within the next two years. Based on the progress of the Strategic Review, the Board believes that the Entitlement Offer is a prudent and necessary step to strengthen the company's balance sheet in expectation of future restructuring and operational initiatives.

Goodman Fielder also announced today that its previously announced DRP (and DRP underwriting) will not apply to the FY11 final dividend of 2.5 cps payable on 3 November 2011 in order to facilitate shareholders participating in the Entitlement Offer.

- 5 for 12 fully underwritten pro-rata renounceable Entitlement Offer to raise approximately A\$259 million
- Offer Price of A\$0.45 per New Share
- Institutional Entitlement Offer is accelerated
- Retail Entitlements may be traded on ASX from 30 September 2011 and on NZX² from 3 October 2011

¹ Before one off restructuring costs estimated at A\$4m – A\$5m.

² Application has been made to NZX for permission to quote the Retail Entitlements on the NZX Main Board and all the requirements of NZX relating thereto that can be complied with on or before the date of this announcement have been duly complied with. However, NZX accepts no responsibility for any statement in this announcement. The NZX Main Board is a registered market, regulated by NZX Limited which is a registered exchange under the Securities Markets Act 1988 (New Zealand).

Goodman Fielder's Chief Executive, Mr Chris Delaney said "This raising will strengthen our balance sheet so that we can drive potential restructuring and operational initiatives which may result from the Strategic Review that I announced in August 2011 as well as pursuing other value accretive initiatives as they emerge. Having the flexibility to pursue value accretive initiatives will be of benefit to all shareholders over the medium and longer term."

Entitlement Offer

The Entitlement Offer comprises an accelerated institutional entitlement offer and a retail entitlement offer that includes the ability to trade Retail Entitlements on ASX and NZX.

The Offer Price of A\$0.45 per New Share represents a 23.7% discount to the closing price of Goodman Fielder shares on 26 September 2011 and an 18.0% discount to the theoretical ex-rights price ("TERP")³.

Eligible shareholders will be able to purchase 5 New Shares for every 12 existing Goodman Fielder ordinary shares held on the Record Date of 7.00pm (Sydney time) on 30 September 2011 ("Entitlement").

New Shares issued under the Entitlement Offer will rank equally with existing Goodman Fielder ordinary shares from issue. The New Shares will not participate in the FY11 final dividend.

Key dates of the Entitlement Offer are provided in the Appendix to this announcement.

Institutional Entitlement Offer

Eligible institutional shareholders will be invited to participate in the institutional entitlement offer which will take place from 27 September 2011 to 28 September 2011 ("Institutional Entitlement Offer").

Eligible institutional shareholders can choose to take up all, part or none of their Entitlement.

New Shares in respect of renounced institutional Entitlements will be sold on behalf of renouncing institutional shareholders through the institutional shortfall bookbuild on 29 September 2011, with any proceeds in excess of the Offer Price remitted proportionally to those shareholders (net of any applicable withholding tax). Institutional Entitlements cannot be traded on ASX or NZX.

Retail Entitlement Offer

Eligible retail shareholders will be invited to participate in the retail entitlement offer at the same Offer Price and offer ratio as the Institutional Entitlement Offer ("Retail Entitlement Offer"). The Retail Entitlement Offer will open on 4 October 2011 and close at 5.00pm (Sydney time) on 21 October 2011.

Eligible retail shareholders will be allotted an Entitlement which can be traded on ASX from 30 September 2011 to 14 October 2011 and on the NZX from 3 October 2011 to 17 October 2011. This means that eligible retail shareholders who do not wish to take up all or part of their Entitlement can seek to sell all or part of their Entitlement on ASX or NZX (as relevant) in order to realise value for that Entitlement ahead of the retail shortfall bookbuild (discussed below).

New Shares in respect of Retail Entitlements which are not exercised by the close of the Retail Entitlement Offer, including the Entitlements of all ineligible shareholders, will be sold through the retail shortfall bookbuild on 26 October 2011. Any proceeds in excess of the Offer Price will be

³ TERP is the theoretical price at which Shares should trade immediately after the ex-date for the Entitlement Offer. The theoretical ex-rights price is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to the theoretical ex-rights price. TERP is calculated by reference to GFF's closing price of A\$0.59 on 26 September 2011.

remitted proportionally to those holders, net of any applicable withholding tax. There is no guarantee that there will be any proceeds in excess of the Offer Price.

The Entitlements may only be exercised by eligible shareholders, persons with a registered address in Australia or New Zealand and certain categories of investors in Belgium, Canada, Denmark, France, Germany, Hong Kong, Ireland, Japan, Luxembourg, the Netherlands, Norway, Singapore, Sweden, Switzerland, the United Arab Emirates and the United Kingdom. Persons in the United States and persons acting for the account or benefit of a person in the United States will not be eligible to purchase Entitlements on ASX or NZX, or take up Entitlements purchased on ASX or NZX or otherwise.

It is the responsibility of purchasers of Entitlements to inform themselves of the eligibility criteria for exercise. If holders of Entitlements after the end of the trading period do not meet the eligibility criteria, they will not be able to exercise the Entitlements. In the event that holders are not able to take up their Entitlements, those Entitlements will lapse and holders may receive no value for them.

Further details about the Retail Entitlement Offer, including restrictions on eligibility to exercise Entitlements, will be set out in the Retail Offer Booklet, which Goodman Fielder expects to lodge with ASX and NZX on 30 September 2011.

Business Update

Goodman Fielder's Strategic Review is progressing well. The Strategic Review is a medium to long term project which has three key areas of focus:

- Group structure renewal;
- Portfolio prioritisation; and
- Operations and supply chain optimisation.

The Strategic Review is designed to identify projects to improve the company's efficiency and effectiveness while delivering improved returns on capital for shareholders. Whilst the Review is still in its early stages, early progress has been made and the Board has endorsed a plan to transform the New Zealand business from three independent retail business units into a single market facing business. Ongoing annual cost savings with a minimum of A\$15 million⁴ have been identified to date, which will be fully realised within the next two years. Further upside is expected from improved revenue generation. This project remains subject to employee consultation pursuant to New Zealand labour law.

A further update on the progress of the Strategic Review, including final views on savings, costs and timelines for the New Zealand re-organisation, will be provided at the Analyst Day on 17 November 2011.

Shareholder Enquiries

Eligible retail shareholders will be sent further details about the Entitlement Offer via a shareholder letter to be despatched on or around 28 September 2011 and a retail offer booklet to be lodged with ASX and NZX on 30 September 2011 and despatched on or around 6 October 2011.

Retail shareholders who have questions relating to the Entitlement Offer should call the Goodman Fielder Offer Information line on 1800 178 254 (within Australia), 0800 150 013 (within New Zealand) or +61 2 8280 7995 (outside Australia or New Zealand) from 8.30am to 5.30pm (Sydney time) Monday to Friday before 21 October 2011 or go to our website.

⁴ Before one off restructuring costs estimated at A\$4m – A\$5m.

Further information in relation to the matters described in this announcement including important notices, key risks and key assumptions in relation to certain forward looking information in this document is set out in an investor presentation released today to ASX and NZX by Goodman Fielder. The information in the Important Notices section of that presentation applies to this announcement as if set out in full in this announcement.

Greenhill Caliburn and Freehills are Goodman Fielder's financial and legal advisers respectively.

ENDS

Issued by Goodman Fielder Limited ABN 51 116 399 430 www.goodmanfielder.com.au

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GOODMAN FIELDER is Australasia's leading listed food company. The company has an excellent portfolio of well known consumer brands in some of Australia's largest grocery categories, including Meadow Lea, Praise, White Wings, Pampas, Mighty Soft, Helga's, Wonder White, Vogel's (under licence), Meadow Fresh and Irvines. Our products cover every meal, including breakfast, lunch, dinner and snacks. We produce bread, milk, margarine, flour, dressings, condiments, mayonnaise, frozen pastry, cake mix, pies, savouries, smallgoods, chilled and frozen pizza, desserts, sauces, vinegar and cooking oils. Goodman Fielder is also the largest supplier of edible fats and oils to Australian and New Zealand food manufacturers and wholesalers and the largest supplier of flour to New Zealand commercial customers

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This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither the entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933 (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States, unless they have been registered under the Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Neither this announcement nor any other documents relating to the offer of New Shares may be sent or distributed to persons in the United States.

Stock Lending and Other Transactions

Eligible shareholders will be entitled to apply under the Entitlement Offer for 5 New Shares for every 12 existing Goodman Fielder shares held as at 7.00pm (AEST) on the Record Date. Goodman Fielder has been granted a waiver by ASX so that, in determining shareholder entitlements for the Entitlement Offer, it may ignore any changes in shareholdings that occurred after the announcement of the trading halt on Tuesday, 27 September 2011 (other than registrations of transactions that were effected through ITS before that announcement). Accordingly, a person who is a registered shareholder of Goodman Fielder at 7.00pm (AEST) on the Record Date as a result of a dealing after the announcement of the trading halt (other than the registration of a transaction effected through ITS before that announcement) may not receive an entitlement under the Entitlement Offer. This means, for example, that in the event a Goodman Fielder shareholder has existing Goodman Fielder shares out on loan, the borrower will be regarded as the shareholder for the purposes of determining the entitlement (provided that those borrowed shares have not been on-sold or used to cover a short sale).

Appendix – Key Dates for the Entitlement Offer

Event	Date
Trading halt commences on ASX and NZX Entitlement Offer announced Institutional Entitlement Offer opens	Tuesday, 27 September
GFF Dividend Record Date Send and release to ASX and NZX letters to eligible and ineligible shareholders Institutional Entitlement Offer closes	Wednesday, 28 September
Institutional bookbuild	Thursday, 29 September
Trading halt lifted following announcement of results of institutional bookbuild Existing shares recommence trading on ASX and NZX Retail Entitlements trading on ASX begins on a deferred basis Offer Record Date GFF releases copy of Retail Offer Booklet onto ASX and NZX	Friday, 30 September
Retail Entitlements trading on NZX begins on a normal settlement basis	Monday, 3 October
Retail Entitlement Offer opens	Tuesday, 4 October
Retail Offer booklet despatched Retail Entitlements allotted (prior to ASX/NZX market opening)	Thursday, 6 October.
Retail Entitlements trading commences on ASX on a normal settlement basis Settlement of the Institutional Entitlement Offer	Friday, 7 October
Issue and quotation of new shares under the Institutional Entitlement Offer	Monday, 10 October
Retail Entitlements trading on ASX ends	Friday, 14 October
Retail Entitlements trading on NZX ends New shares under the Retail Entitlement Offer commence trading on ASX only on a deferred settlement basis	Monday, 17 October
Retail Entitlement Offer closes	Friday, 21 October
Announce results of Retail Entitlement Offer Retail bookbuild	Wednesday, 26 October
Settlement of Retail Entitlement Offer by DvP	Wednesday, 2 November

Issue of new shares under the Retail Entitlement Offer and despatch of holding statements

Thursday, 3 November

New shares under the Retail Entitlement Offer commence trading on ASX and NZX on a normal settlement basis

Friday, 4 November

Notes:

1. All dates are indicative only. Goodman Fielder reserves the right to change these dates without prior notice
2. All times are Sydney, Australia times

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