

Market Announcement

30 OCTOBER 2015

Fonterra sells Bega shareholding

Fonterra Co-operative Group Limited has announced the sale of its nine per cent shareholding in Bega Cheese Limited.

The Co-operative purchased its shareholding in 2013.

Chief Financial Officer Lukas Paravicini said: "We are focused on investing in higher value add dairy products that deliver the best returns for our shareholders. Releasing capital, such as through this sale, for future growth is the best use of our shareholders' funds."

The sale of Fonterra's shareholding has no implications for its long-standing relationship with Bega, which includes a license on the Bega brand and a supply contract for cheese.

"The Bega brand has an important role in our cheese portfolio where we are a market leader, and we will continue to build on our relationship with Bega which goes back more than a decade."

Fonterra's shareholding has been sold for AU\$74 million.

-ENDS-

For further information contact:

Simon Till

Director Capital Markets

Phone: +64 21 777807

For personal use only