

Murray Goulburn Co-operative Co. Limited
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MG announces fifth step up in farmgate milk price

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Australia's largest farmer-owned dairy company, Murray Goulburn Co-operative Co. Limited (MG) has today announced a fifth step-up in the farmgate price for the 2013/14 season of \$0.09 per kilogram butterfat and \$0.19 per kilogram protein. This step-up takes MG's weighted-average available price to \$6.66 per kilogram milk solids.

MG has also revised upward the forecast for the full year from its current price of \$6.66 up to \$6.85 per kilogram milk solids. External factors including fluctuating international commodity prices and currency movements may result in a final price that is higher or lower than this forecast.

This is the fifth step-up announced by MG this financial year and will deliver an additional \$31 million to MG dairy farmers to support business cashflow. When this is combined with the four previously advised step-ups, MG has added \$216 million to farmgate returns since announcing a record opening price for the 2013/14 season last July.

MG Managing Director, Gary Helou, said, "Global prices for dairy ingredients have decreased from their record highs in the past two months. The Australian dollar has also seen some recent strength but remains lower than the same time last year when it was well above parity with the US dollar."

"As we look towards the 2014/15 season, these market movements will influence our farmgate price. However, as the current year's production is now largely sold, their impact on our current season price is limited.

"Our continued focus on improving performance through reducing costs and investing to support innovation and value growth, has also contributed to this step-up," Mr Helou said.

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A copy of this release is available at www.mgc.com.au

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About Murray Goulburn

Murray Goulburn is Australia's largest dairy food company. Each year it receives and manufactures approximately 3.2 billion litres or one third of Australia's milk and generates sales revenue in excess of \$2.4 billion. Murray Goulburn was formed in 1950 and remains 100% dairy farmer controlled, with over 2500 farmer-shareholders and more than 2000 employees. Murray Goulburn is also Australia's largest dairy food exporter to the major markets of Asia, the Middle East and North Africa, and the Americas. Murray Goulburn produces a range of ingredient and nutritional products, supplies the food service industries globally and its flagship Devondale brand is sold nationally.