

Murray Goulburn Co-operative Co. Limited
ABN 23 004 277 089

Freshwater Place, Level 15, 2 Southbank Boulevard,
Southbank VIC 3006
T: +61 3 9040 5000 F: +61 3 9040 5100
GPO Box 4307 Melbourne 3001



MEDIA RELEASE

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\$91m investment brings world leading technology to Cobram

Devondale Murray Goulburn's (MG) \$91 million investment in its Cobram facility will deliver state-of-the-art technology for processing and packaging a range of dairy foods destined for Asian and Australian consumers.

The Cobram investment is a large portion of the \$127 million capital investment, announced by Devondale Murray Goulburn Managing Director Gary Helou earlier this month.

Mr Helou said it was part of the company's five year plan to rejuvenate its manufacturing and supply chain infrastructure in the key product areas of nutritional powders, cheese and liquid milk.

"Customers and consumers value Australia's food safety standards, regulations and our natural production environment – they want to buy finished goods from Australia, in addition to bulk commodities," Mr Helou said.

"The products that are driving demand are nutritional milk powders (baby/toddler formula), dairy beverages and consumer cheese."

Amongst these investments will be a \$74 million investment to build a world class cheese cut and wrap facility at Cobram over the next 12-18 months.

He said investment in world-class equipment and automation will increase capacity across cheese portions and slices, as well as shredded cheese.

An additional \$17 million will be invested in optimising capacity for Nutritional products at Cobram. The investment will enable MG to produce a wider range of high value nutritional products.

"This investment supports MG's journey to become the first choice dairy food supplier to customers and consumers in Australia and overseas and represents an important step towards delivering on our commitment to significantly increase underlying farmgate returns for MG suppliers," Mr Helou said.

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Media Contact:

Lynn Semjaniv 0481 004 797

About Devondale Murray Goulburn

Devondale Murray Goulburn is Australia's largest dairy food company. In 2012/13 the company received and manufactured approximately 3.2 billion litres or one third of Australia's milk and generated sales revenue in excess of \$2.4 billion. Devondale Murray Goulburn was formed in 1950 and remains 100% dairy farmer controlled, with over 2500 farmer-shareholders and more than 2000 employees. Devondale 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. Devondale Murray Goulburn produces a range of ingredient and nutritional products, supplies the food service industries globally and its flagship Devondale brand is sold nationally.