



Monday, 5 December 2016

Update on Mead Johnson Nutrition partnership

Dear Suppliers

Today we have announced that Mead Johnson Nutrition (MJN) and MG have mutually agreed that they intend to terminate negotiations (following a March 2016 framework agreement) regarding a strategic supply alliance for the supply of nutritional products.

We remain committed to a nutritionals strategy and MG and MJN will continue to explore new ways to work together. We will now review our strategy for our nutritionals investment to ensure MG is maximising value for its suppliers and owners, whilst exercising discipline with MG's capital. This is consistent with our announced approach to our beverages investment. Approximately 90% of MG's existing nutritional sales are destined for markets outside of China and MG's supply agreement with Indonesia's Kalbe Nutritionals remains in place.

MJN views MG as a valued business partner and we continue to have an excellent relationship with them. As part of this relationship we have agreed to continue to explore new ways to work together.

Yours sincerely,

David Mallinson
Chief Executive Officer (Interim)