



Media Release

MG lifts opening price further as Australian dollar falls

28 June 2013

Australia's farmer-owned dairy company Murray Goulburn Co-operative Co. Limited (MG) today advised its dairyfarmer suppliers that it had lifted the previously announced opening base price by \$0.13 per kilogram milk solids to an available weighted average of \$5.73 per kilogram milk solids. This represents a 27% increase on the 2012/13 opening price.

Monthly opening prices have been increased by \$0.09 per kilogram fat and \$0.19 cents per kilogram protein from the co-operative's initial opening circular on 5 June 2013.

MG Managing Director Gary Helou informed shareholders that the co-operative's forecast end-of-season milk price had increased to a range of \$5.80 to \$6.10 per kilogram milk solids.

"Since we completed our 2013/14 budget in May and subsequently announced opening prices in early June, we have seen further significant falls in the value and outlook for the Australian dollar. As Australia's primary dairy exporter, this recent major shift in the currency has added favourably to MG's farmgate price outlook and allowed this increase in opening base price," Mr Helou said.

"We were very pleased to have led on opening milk prices in early June with record high prices for fat and protein. This leadership provided much needed certainty for dairy farmers following a very tough 2012/13. We were also pleased to provide a component of our pricing as cash up front and many MG suppliers have already submitted their form to take up this option," Mr Helou said.

Mr Helou said that the offer to pay the special pre-paid step-up to existing and new suppliers in 2013/14 remained open until 31 July 2013.

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Contact Person: Fiona Davis
Phone: (03) 9040 5000
Email: Fiona.davis@mgc.com.au
Website address: www.mgc.com.au

Murray Goulburn Co-operative Co. Limited (MG) is Australia's largest dairy food company receiving and manufacturing approximately three billion litres per annum or one third of Australia's milk. MG was formed in 1950 and remains 100% dairy farmer owned. MG is Australia's largest dairy food exporter and its flagship Devondale brand is sold nationally.

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