



Media Release

MG invests \$19.1 million in Leongatha UHT

3 April 2013

- \$19.1 million Leongatha investment to meet immediate increased demand for UHT milk
- The upgrade will increase the plant's UHT capacity by approximately 70 million litres each year
- MG's strategy for the full \$200 million investment will be released mid-year

Australia's largest dairy food company today announced that it would make an immediate \$19.1 million investment in its Leongatha facilities, lifting the site's UHT manufacturing output by approximately 70 million litres of additional capacity each year.

The Leongatha upgrade is part of Murray Goulburn Co-operative Co. Limited's (MG) planned \$200 million investment in leading-edge dairy food manufacturing facilities for UHT milk, butter/spreads and cheese announced by MG Managing Director Gary Helou in August.

According to Mr Helou, MG is making the significant investment in its Leongatha plant to help meet immediate increased demand for UHT milk.

"The demand for Australian dairy products is growing rapidly. To meet the demand for UHT milk, we realised we had to make the upgrade at Leongatha now."

Mr Helou said the expansion and upgrade of MG's UHT manufacturing footprint had been prioritised as the business was currently operating at capacity.

"The Leongatha upgrade will help MG meet immediate demand for UHT milk from world markets, particularly Asia, while the long term strategy is confirmed," he said. "It will also help us to lift our supplier-shareholder returns."

The Leongatha investment involves the installation of two new leading-edge production lines.

"It will increase our ability to supply growth markets and improve our productivity," Mr Helou said. "The upgrade will also mean new opportunities for employees."

Work on the Leongatha upgrade will begin later this month and is expected to be completed by December 2013.

The Leongatha upgrade is being implemented in parallel to MG developing its longer term investment manufacturing strategy to meet future domestic and international demand, and to increase MG's returns to its supplier-shareholders. A progress report on the project and other investment plans will be confirmed later this year.

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[Murray Goulburn Co-operative Co. Limited](http://www.mgc.com.au) (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.

1/1