
Press Release

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Flood assistance package for MG dairy farmers

While visiting Northern Victoria this week, MG Managing Director Gary Helou announced flood assistance support for MG suppliers severely impacted by the recent flood event.

“MG suppliers in the region north of Shepparton to the Murray River have been affected by local flooding and there are currently forty-two MG farms that have been assessed in the *severely impacted* category,” Mr Helou said.

“Unfortunately this is the second year in a row that MG has had to respond to this type of event with the severe floods between Rochester and Swan Hill and in Western Victoria in January 2011.”

Mr Helou said that MG’s response to this year’s flood event had been guided by the experience in the northwest last year - when shareholders were very appreciative of the MG response.

“Initially transport and field services have sought to support farmers through the immediate crisis. However, once the immediate flood passes we understand that cash flow, fodder and milk quality issues remain.”

Accordingly we have announced the following measures to directly assist those severely impacted farm businesses:

- The early payment of part of the productivity incentive for FY12 (paid to all MG suppliers and bringing forward \$16 million in payments)
- Assistance payments relating to milk that MG was unable to pick up due to the flooding
- Leeway on milk quality levels for the period following the flood event
- The doubling of the provision of interest free finance to affected farm businesses
- The availability of additional trading terms at MG Trading stores for key items such as pasture seed to replace lost pasture.

Mr Helou said that MG Field Services would continue to discuss any other individual needs of our shareholders and work with other agencies in ensuring the recovery from this event is as swift as possible.

“We also welcome the \$25,000 clean up and restoration grants provided by the Victorian Government. This was a very effective program in the northwest last year.”

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