

# MURRAY GOULBURN CO-OPERATIVE CO LIMITED

ACN 004 277 089

## SUPPLEMENTARY PROSPECTUS

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### About this document

This document (“supplementary prospectus” or “document”) is dated 6 April 2011 and was lodged with the Australian Securities and Investments Commission (“ASIC”) on that date. This supplementary prospectus supplements the prospectus dated 25 January 2011 issued by Murray Goulburn Co-operative Co Limited (“Murray Goulburn” or “company”), which was lodged with ASIC on that date (“prospectus”).

This document must be read in conjunction with the prospectus. It has been issued voluntarily by Murray Goulburn to supplement the disclosures made in the prospectus. If there is any inconsistency between the prospectus and this document, this document will prevail.

ASIC takes no responsibility for the contents of this document or the prospectus.

Some definitions appear in the body of this document (refer to bold type). Unless defined herein or otherwise indicated, certain other words and expressions used in this document have the same meanings as given to them in part 12 (Glossary) of the prospectus.

### Accessing this document

Murray Goulburn has issued both a printed and an electronic version of this document, and the electronic version of it may be accessed at <http://www.mgc.com.au/index.php/publications/mg-supplementary-prospectus-2011>.

A printed version of this document will be mailed to all eligible suppliers.

### Reason for issuing this document

#### *31 December 2010 Half Yearly Financial Report now available*

As a disclosing entity under the Corporations Act, Murray Goulburn is required to comply with the “disclosing entity provisions” of the Corporations Act, insofar as those provisions require Murray Goulburn to prepare a half yearly financial report.

On 11 March 2011, Murray Goulburn lodged with ASIC its financial report for the half year ended 31 December 2010 (**Half Yearly Financial Report**).

In the prospectus, Murray Goulburn indicated that it would prepare and lodge with ASIC a supplementary prospectus which included a summary of the key information contained in the Half Yearly Financial Report and included by reference the whole of the Half Yearly Financial Report. As a consequence, that document has been prepared and lodged with ASIC on 11 March 2011.

#### *Relationship between this document and the prospectus*

The following information is required to be provided by law. The Half Yearly Financial Report is incorporated by reference into, and as a consequence forms part of, this document. A brief summary of the contents of the Half Yearly Financial Report is included below for your information.

This is a supplementary prospectus dated 6 April 2011, intended to be read with the prospectus dated 25 January 2011 relating to 2 share offers by Murray Goulburn Co-Operative Co Limited ACN 004 277 089.

You should also note that the provisions of the Act rendering Murray Goulburn liable for the contents of the prospectus (which includes this document) will extend also to the constitution, the Annual Report and the Half Yearly Financial Report, because the contents of these documents are incorporated by reference into the prospectus.

Other than the information set out in this document, all other details in relation to the prospectus remain unchanged.

*Copies of documents available to eligible suppliers on request*

You should note that the level of disclosure required by law for the purposes of making an informed investment decision is satisfied only by reading this document in conjunction with the prospectus, the Half Yearly Financial Report, the Annual Report and the constitution.

Copies of each of these documents are available to any eligible supplier, free of charge by contacting either Ian Bird or George Anastasiou on (03) 9389 6400 during the period that any shares can be offered under the prospectus.

**Summary of key information contained in Half Yearly Financial Report**

*Introduction* – The financial information included in this document is information extracted from the Half Yearly Financial Report (a summary of which is also included below). The Half Yearly Financial Report was reviewed by Murray Goulburn's auditors, Deloitte Touche Tohmatsu. The Independent Auditor's Review Report is unqualified.

*Type of financial information* – The half year to 31 December 2010 is a discrete reporting period. The Half Yearly Financial Report comprises a condensed consolidated balance sheet as at 31 December 2010, a condensed consolidated statement of changes in equity, a condensed consolidated income statement, a condensed consolidated statement of comprehensive income, and a condensed consolidated cash flow statement (each for the half year ended 31 December 2010). It also includes selected explanatory notes and the directors' declaration of the consolidated entity comprising Murray Goulburn and the entities it controlled at the end of the half year or from time to time during the half year, dividends declared and paid during that period in relation to the financial year ending 30 June 2010 and not recognised as at 30 June 2010, and earnings per share.

*Specific financial information* – The consolidated entity profit before income tax was \$99.59 million for this period, total assets of the consolidated entity were \$1,628 million, total liabilities of the consolidated entity were \$806.5 million and net assets of the consolidated entity were \$822 million.

*Profit before income tax* – The consolidated entity recorded a profit before income tax of \$99.59 million for the half year ended 31 December 2010. This result includes the impact of all milk price adjustments including an accrual for the step up in milk price announced on 2 February 2011, subsequent to the half year end. The seasonality of milk flow throughout the year results in favourable production efficiencies during the first half of the year which are not typically achieved in the second half of the year. Therefore, the result for the first half of the year is not an accurate indication of the result expected for the second half of the year.

The profit before income tax is determined after recognising adjustments to the milk price based on Murray Goulburn's best estimate of its obligation to milk suppliers for deliveries during the first half of the year to 31 December 2010. The amount of the adjustment is determined in accordance with Murray Goulburn's practice of maximising the returns to its milk suppliers and making profits in each financial year sufficient to meet its dividends and funding needs. The milk price adjustment is recorded as a liability.

Depending on financial circumstances and favourable business conditions, Murray Goulburn's practice is to continue to adjust the price paid by it to its suppliers for milk supplied to 31 December 2010 from time to time during the period up to 30 September 2011.

*Subsequent events* - Subsequent to the half year ended 31 December 2010 Murray Goulburn's factory in Rochester was inundated by flood waters. The assets impacted by this flood are insured against physical loss and damage, including damage caused by flood. The insurance policy also provides indemnity for all necessary, fair and reasonable costs incurred to minimise interruption to the business. In accordance with accounting

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standards, the insurance policy deductible will be recognised during the second half of the financial year. Murray Goulburn does not anticipate any material impact on its result as a consequence of the flooding.

No other matters or circumstances have arisen since the end of the half year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity subsequent to the financial half year ended 31 December 2010.

#### Interests of experts and consents

Deloitte Touche Tohmatsu, Chartered Accountants, have given, and have not prior to the lodgement of this supplementary prospectus with ASIC, withdrawn their consent to the issue of the prospectus and this supplementary prospectus incorporating by reference the Half Yearly Financial Report and the Annual Report (with their names and the Independent Auditor's Report on page 71 of the Annual Report and the Independent Auditor's Review Report on page 10 of the Half Yearly Financial Report), in the form and context in which they appear. Deloitte Touche Tohmatsu take no responsibility for any part of the prospectus or this supplementary prospectus, the Annual Report or the Half Yearly Financial Report other than any reference to their name and their Independent Auditor's Report and the Review Report referred to above.

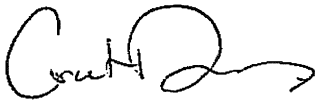
Deloitte Touche Tohmatsu has performed a review of the Half Yearly Financial Report, and provided other consultancy and advisory services to Murray Goulburn. Murray Goulburn has paid, or agreed to pay, approximately \$3,000 for services relating to the preparation of this supplementary prospectus.

#### Directors' consent

This document is issued by Murray Goulburn and is authorised by a resolution of its directors. Each of the directors of Murray Goulburn has consented to the lodgement of this supplementary prospectus with ASIC, and have not withdrawn their respective consents before this document was lodged with ASIC.

Signed for the purposes of section 351 of the Corporations Act on behalf of Murray Goulburn:

Date: 6 April 2011



Grant Davies  
Chairman