

News release



3 July 2015

MG UNIT TRUST LISTS ON THE ASX

Murray Goulburn Co-Operative Co. Limited (MG) today successfully completed the implementation of its new capital structure, with the listing of the MG Unit Trust (ASX code MGC) on the Australian Securities Exchange (ASX).

MG has now raised \$500 million to fund capital investments as part of its growth and value creation strategy to sustainably maximise farmgate milk prices and future earnings. The MG Unit Trust will contribute approximately \$438 million through the issue of units, with more than \$62 million raised through the issue of shares to suppliers under the Supplier Share Offer and the Supplier Priority Offer. The new units and shares have commenced trading on a conditional and deferred settlement basis today.

Commenting on the implementation of the new capital structure, MG Chairman, Philip Tracy, said: "The listing of the MG Unit Trust marks the beginning of a new era for MG following a two year journey to develop and implement the capital structure. The initial public offering attracted interest from a diverse range of high quality institutional and retail investors, and we are delighted to welcome in excess of 6000 new investors to share in MG's future success."

MG Managing Director, Gary Helou, said: "Over the last month I have had the opportunity to meet with dozens of institutional investors and brokers to discuss MG's vision to become a first choice dairy foods company with global reach. It is fantastic that so many investors share our enthusiasm for creating value by furthering MG's strategic shift towards premium value-add dairy foods and reducing our exposure to the volatility of the dairy commodity price cycle. Importantly, the capital structure strongly aligns the interests of our supplier shareholders and MG Unit Trust investors. As we move forward we will be working hard to deliver for all our stakeholders."

"While today's successful listing is a historic day in the 65 year history of MG, we now, importantly, have the capital to invest in key projects to deliver world leading manufacturing and supply chain capabilities to better connect with domestic and international customers. Over the coming months we will move with speed to activate the planned capital projects – a key driver behind MG's growth and value creation strategy to support sustainably higher farmgate milk prices and returns for MG shareholders and MG Unit Trust unitholders," Mr Helou said.

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About the MG Unit Trust

The MG Unit Trust is a special purpose funding vehicle which provides its unitholders with an economic exposure to the business of MG. The MG Unit Trust invests in notes and convertible preference shares issued by MG. The Responsible Entity of the MG Unit Trust is MG Responsible Entity Limited, a wholly-owned subsidiary of MG.

Unitholders are entitled to receive distributions equivalent to any dividends paid to the ordinary shareholders of MG. Dividends paid on ordinary shares will be determined by Murray Goulburn in accordance with the Profit Sharing Mechanism described in Section 6 of the Product Disclosure Statement dated 29 May 2015. Units do not confer a direct interest in MG.

MG is Australia's largest dairy foods company. Through its co-operative structure, MG has more than 2,500 supplier shareholders. MG manufactures and markets a full range of dairy and nutritional products such as cheese, milk powder, butter and fat, drinking milk and liquid milk products, nutritionals and value-added products, such as infant formula. MG supplies the grocery, foodservice and ingredients channels domestically and around the world, particularly in Asia, with its flagship Devondale, Liddells and Murray Goulburn Ingredients brands.