

# Market Announcement

30 March 2017

## INTERIM REPORT CORRECTION

Subsequent to the release of the Fonterra Co-operative Group Limited Interim Report on 22 March 2017, it was identified that a portion of the “Australian ingredients” gross margin was incorrectly allocated to “Other gross margin” in the Ingredients gross margin table on page 19.

The “Total gross margin” figure allocated to the Ingredients business is correct. To accurately reflect the breakdown of the “Total gross margin”, the “Australian ingredients” gross margin reported figure has been changed from \$9 million to \$27 million and the “other gross margin” figure has been changed from \$148 million to \$130 million. There have been no other changes made.

An amended version of the Interim Report is appended to this announcement and will be sent to shareholders. The amended Ingredients gross margin table is also appended.

ENDS

### For further information contact:

Simon Till  
 Director Capital Markets  
 Phone: +64 21 777 807

NZD MILLION	SIX MONTHS ENDED 31 JANUARY 2017	SIX MONTHS ENDED 31 JANUARY 2016	CHANGE
Volume (LME, billion)	11.0	11.8	(7%)
Volume ('000 MT)	1,659	1,624	2%
Sales revenue	7,228	6,709	8%
Total gross margin	801	992	(19%)
– New Zealand product mix	644	836	(23%)
New Zealand reference products	246	351	(30%)
New Zealand non-reference products	398	485	(18%)
– Australian ingredients	27	9	200%
– Other gross margin	130	147	(12%)
Normalised EBIT <sup>1</sup>	510	617	(17%)
Gross margin per MT			
– Reference products (\$ per MT)	253	331	(24%)
– Non-reference products (\$ per MT)	1,178	1,412	(17%)

<sup>1</sup> Normalised EBIT for Ingredients excludes unallocated costs.