

16 June 2017

NZX/ASX Market Release

## Trading Update

The a2 Milk Company Limited (“a2MC” or the “Company”) provided its last update on the Group’s full year FY17 outlook on 26 April 2017. As part of that update, the Company advised that, in response to continuing strong demand for a2 Platinum® infant formula, a2MC had been working closely with its infant formula manufacturing partner, Synlait Milk, to uplift the production schedule for the remainder of FY17.

Based on a review of its unaudited financial results to 31 May 2017, and production deliveries of a2 Platinum® infant formula being achieved in June consistent with the revised production schedule, the Company has determined it appropriate to further revise its full year outlook upwards. Group revenue is now forecast to be approximately NZ\$545 million for the 2017 financial year, an increase of approximately NZ\$20 million on the previous update.

As part of the commentary given at the time of release of the Company’s first half results on 15 February 2017, a2MC advised that its investment in marketing would likely be higher in the second half by up to NZ\$15 million, based on the planned phasing of communication and development activities across the year. Due to changes in the phasing of the marketing investment, primarily in China, marketing expenditure in the second half is now expected to be approximately NZ\$10 million higher than the first half of the 2017 financial year.

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