

Market Announcement

13 OCTOBER 2017

NOTICE OF STRIKE PRICE FOR DIVIDEND REINVESTMENT PLAN

Fonterra Co-operative Group Limited advises that the strike price for the shares issued under the dividend reinvestment plan (DRP) operating in respect of the 2017 final dividend payable on 20 October 2017 has been set at NZD **\$5.966** per share and confirms that it is aware of no material adverse information at this time.

This strike price will apply in calculating the number of shares to be issued to participants who have elected to receive additional shares rather than cash.

The strike price has been determined in accordance with the terms of the DRP and is calculated inclusive of a 2.5% discount to the average of the individual daily volume weighted average sale prices on all price-setting trades of units in the Fonterra Shareholders' Fund for the five trading day period from 6 October 2017 to 12 October 2017.

Correspondingly, under the terms of the Fonterra Shareholders' Fund distribution reinvestment plan, FSF Management Company Ltd advises that the same strike price of NZD **\$5.966** per unit has been set for the units issued under the distribution reinvestment plan operating in respect of the 2017 final distribution payable on 20 October 2017.

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Company Secretary

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