

Memorandum

To: Market Participants

From: NZX Product Operations

Date: Thursday, 9 August 2018

Subject: Fonterra Co-operative Group Limited ("FCG") and Fonterra Shareholders' Fund ("FSF") - Trading Halt of Securities

Message:

NZX Regulation ("NZXR") advises that, at the request of FCG and FSF, it has placed a trading halt on Fonterra Co-operative Group Limited ("FCG") and its debt securities ("FCG030", "FCG040", & "FCGHA"), and Fonterra Shareholders' Fund ("FSF"). The trading halt was placed at 11.11am today.

FCG has advised NZXR that FCG is currently preparing its annual financial statements for the financial year ended 31 July 2018. As a result of the work being undertaken, FCG has stated there may be a variation from the earnings guidance previously given by FCG to the market. FCG has stated it is working to determine whether this is the case and expects to be in a position to notify the market by the close of business on 10 August 2018. Accordingly, FCG and FSF requested a trading halt to allow FCG to determine this and to make any required announcement to the market.

The trading halt will remain in place until the earlier of:

- a) An announcement released by FSF and FCG in relation to FCG's FY18 earnings guidance; or
- b) Market open on Monday, 13 August 2018.

Please contact NZX Product Operations on +64 4 496 2854 or productoperations@nzx.com with any queries.

ENDS