

Market Announcement

8 NOVEMBER 2018

FONTERRA ISSUE SIZE AND INTEREST RATE DETERMINED

Following the successful bookbuild process for its bond offer, Fonterra Co-operative Group Limited announced today that the offer had closed and NZ\$100,000,000 of unsubordinated, unsecured fixed rate bonds (**Bonds**) had been allocated to the participants (or their clients) in the bookbuild process. There was no public pool for the offer.

The interest rate for the fixed rate bonds will be 4.15 per cent per annum, which reflects a margin of 1.35 per cent over the underlying 7 year swap rate. The Bonds will be issued on 14 November 2018 and will mature on 14 November 2025. The Bonds are expected to be quoted on the NZX Debt Market under the ticker code FCG050.

The final Terms Sheet will follow.

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