

Market Announcement

14 APRIL 2016

NOTICE OF STRIKE PRICE FOR DIVIDEND REINVESTMENT PLAN

(FSM Release)

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 2016 interim dividend payable on 20 April 2016 has been set at NZD **\$5.528** 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 7 April 2016 to 13 April 2016.

Correspondingly, under the terms of the Fonterra Shareholders' Fund distribution reinvestment plan, FSF Management Company Ltd advises that the same strike price of NZD **\$5.528** per unit has been set for the units issued under the distribution reinvestment plan operating in respect of the 2016 interim distribution payable on 20 April 2016.

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