



Private Bag 3016
Hamilton 3240
New Zealand

0800 651 156
www.lic.co.nz

Market statement

12 April 2018

LIC receives Ministerial approval for share simplification proposal

The Board of Livestock Improvement Corporation Limited (NZX: LIC) (LIC) has received Ministerial approval from the Minister of Agriculture to proceed with the proposed changes to the co-operative's constitution as part of its proposal to simplify LIC's share structure.

The proposal will bring the farmer owned co-operative's existing two classes of shares together into a single class. LIC's shareholders voted strongly in support of the proposal in March 2018. Of the votes received, 87.69% of co-operative shares and 83.39% of investment shares were voted in favour of the proposal.

Under the Dairy Industry Restructuring Act, LIC was also required to seek Ministerial consent for the proposed changes to LIC's constitution that will enable the proposal to be implemented.

LIC Chairman, Murray King said the Board had now received a letter from the Minister of Agriculture, Hon Damien O'Connor giving his consent for the changes.

"The Board would like to thank Minister O'Connor for his consent. LIC is an important part of the New Zealand dairy industry and the simplification of LIC's share structure is an important step to future-proof our co-op for farmers."

Murray King said LIC would now proceed with the next steps in implementing the simplified share structure.

"The Board intends to carry out the implementation of the proposal over July 2018 with the aim to have trading in the new single class of Ordinary Shares open on 23 July 2018.

"We will keep shareholders and the market updated on progress towards this and all shareholders will shortly receive further information on the next steps in the implementation process," said Murray King.

ENDS

Media contact: Ashleigh Sattler 027 617 1942

For any shareholder enquiries please phone 0800 264 632

About LIC

LIC is a farmer-owned co-operative that provides a range of services and solutions to improve the productivity and prosperity of farmers. This includes dairy genetics, information technology, herd testing, DNA parentage verification and farm advisory services through FarmWise. Subsidiary business LIC Automation also provides integrated automation systems and unique milk testing sensors that present real-time data while a cow is being milked. With origins dating back to 1909, LIC has a long history of world-leading innovations for the dairy industry. Today the New Zealand-based co-operative employs more than 700 permanent staff, swelling to 2000 during the peak dairy mating season. LIC also has offices in the United Kingdom, Ireland and Australia. All LIC profit is returned to its farmer owners/shareholders in new solutions, dividends or re-invested for research and development or dividends. www.lic.co.nz