

Market Announcement

4 FEBRUARY 2016

FONTERRA AND BEINGMATE AUSTRALIAN JOINT VENTURE FORMALISED

Fonterra Co-operative Group Limited and China's leading infant food manufacturer Beingmate Baby and Child Food Company Limited have formalised their joint venture to purchase Fonterra's Darnum plant in Australia.

The joint venture sees Beingmate take a 51 per cent stake in Australia's premier paediatric powder plant at Darnum, with Fonterra retaining a 49 per cent stake, and control of operations at the plant.

Subject to final regulatory approvals, the first product destined for Beingmate's Chinese customers is expected to roll off the Darnum line in the second half of 2016.

The Darnum joint venture is a key component of Fonterra's partnership with Beingmate to create a fully integrated global supply chain from the farm gate direct to China consumers, using Fonterra's milk pools and manufacturing sites in New Zealand, Australia and Europe.

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