

STANDARDIZED MILK PRICE CALCULATIONS for MARCH 2013 deliveries

(for standardized milk (1) and based on payment systems of the companies; all prices in euro / 100kg)

| Company | | Quality adjustment | Quantity adjustment | Seasonal adjustment | MILK PRICE this month | Most recent supplementary payment | Rolling average last 12 month (4) |
|--|----|--------------------|---------------------|---------------------|-----------------------|-----------------------------------|-----------------------------------|
| Milcobel | BE | 0.73 | 1.37 | | 34.79 | 0.10 | 31.53 |
| Alois Müller | DE | 0.51 | | | 33.94 | 0.38 | 31.78 |
| Humana Milchunion eG | DE | | 0.15 | | 33.11 | 0.00 | 31.24 |
| Nordmilch | DE | | 0.15 | | 33.11 | 0.00 | 31.28 |
| Arla Foods | DK | 0.66 | | | 33.61 | 2.48 | 34.33 |
| Hämeenlinnan Osuusmeijeri | FI | | | | 41.28 | 2.82 | 44.23 |
| Bongrain CLE (Basse Normandie) | FR | 0.74 | | | 33.19 | none | 33.28 |
| Danone (Pas de Calais) | FR | | | | 33.74 | none | 33.31 |
| Lactalis (Pays de la Loire) | FR | | | | 33.55 | none | 32.40 |
| Sodiaal | FR | 0.58 | | | 33.48 | none | 33.52 |
| Dairy Crest (Davidstow) | GB | 0.11 | 0.34 | | 34.88 | 0.00 | 35.33 |
| First Milk | GB | 0.57 | 2.12 | | 31.33 | 0.00 | 32.04 |
| Glanbia | IE | | | | 35.04 | 0.00 | 31.00 |
| Kerry | IE | | | | 34.98 | none | 30.54 |
| Granarolo (North) | IT | 1.15 | 3.42 | | 41.21 | none | 40.62 |
| DOC Kaas | NL | 0.05 | 0.34 | | 32.52 | 1.94 | 33.38 |
| Friesland Campina | NL | 0.05 | 0.75 | -2.30 | 31.20 | 2.34 | 35.11 |
| AVERAGE MILK PRICE THIS MONTH (2) | | | | | 34,41 | | 33,82 |
| Emmi A.G. | CH | | 2.86 | -3.18 | 43.92 | none | 46.59 |
| Fonterra (5) | NZ | | | | 29.74 | 0.00 | 29.56 |
| United States of America (3) | US | 0.14 | | | 32.20 | none | 33.84 |

Remarks:

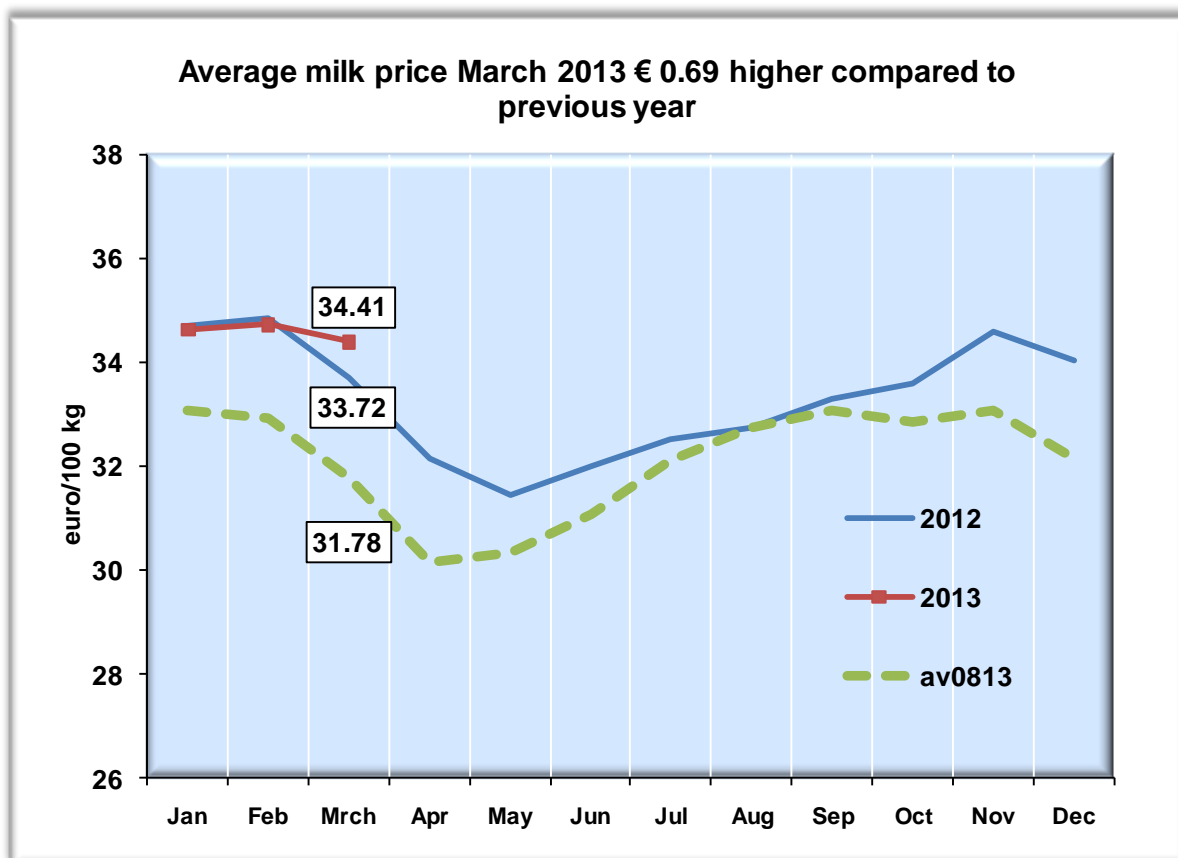
- (1) All prices are VAT excluded, paid to producers and assuming milk collected every other day.
Price per 100 kg standard milk with 4.2% fat, 3.4% (crude) protein, 500,000 kg per year, total bacterial count 24,999 and somatic cell count 249,999 per ml.
- (2) Arithmetic average.
- (3) Based on USDA announcement, adjusted for 4.2% fat, 3.4% protein and somatic cell count 249,999 per ml.
- (4) Including most recent supplementary payment.
- (5) Based on payout forecast, adjusted for 4.2% fat and 3.4% protein.

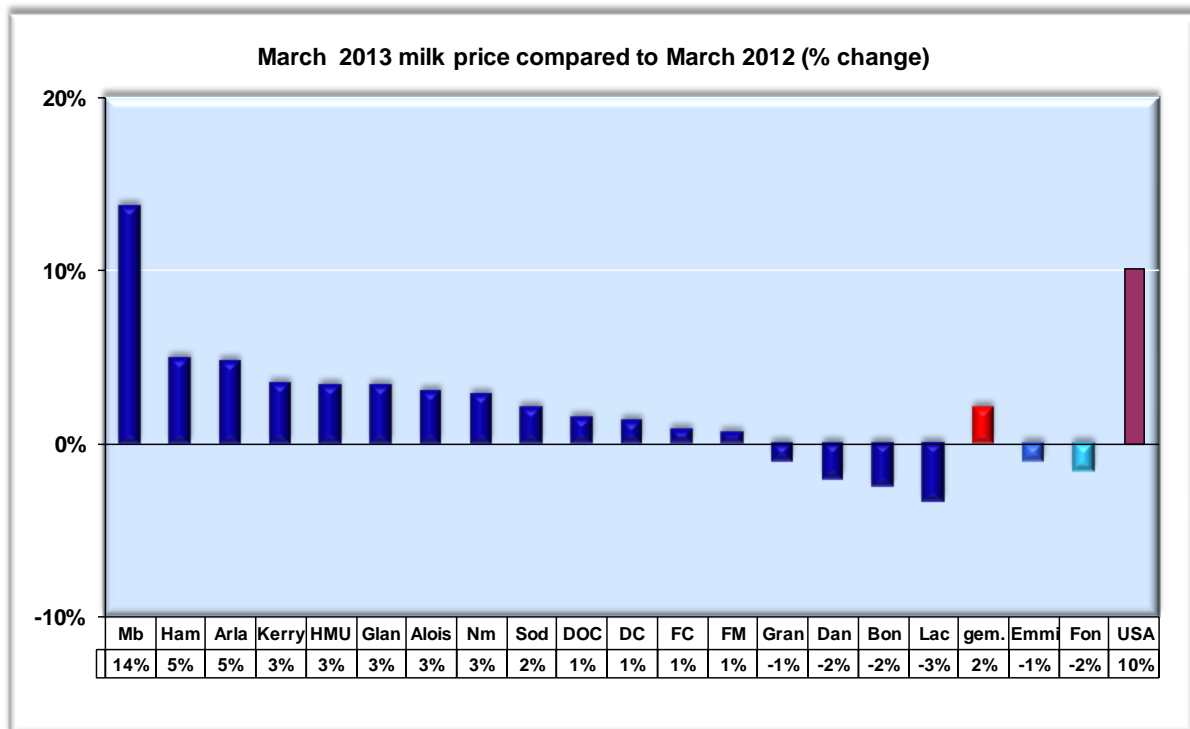
ADDITIONAL REMARKS MILK PRICES MARCH 2013

MILK PRICES

The average calculated milk price for the March 2013 deliveries is € 34.41 per 100 kg standard milk. This is an increase of 2.1% compared to March 2012 (+ € 0.69).

Milk prices are remarkably stable in the first quarter of 2013. For most companies, milk prices have hardly changed since December 2012. With the exception of the Irish dairies, with an increase of 3 euros per 100 kg milk and the Dutch dairies, where the decline in the same period was about 2 euros on average. The calculated milk price of the German companies and the Belgian Milcobel have not changed for the fourth month in a row.





Based on various announcements, prices will rise in the coming months. In addition, 2013 is expected to be a special year (read: a year with relatively high milk prices) in terms of milk prices.

After a stable start in 2013, milk prices will start to rise from April, although April is a month with the lowest average milk prices in general. Several companies have already announced price increases, such as Arla (+ € 1.31 from May), Dairy Crest (+1 pence or about € 1.18 per liter from June), DOC Kaas (+ € 0.71 from April) and FrieslandCampina (+ € 1.44 from April).

In addition, in France an agreement has been made under the leadership of a government-appointed mediator including representatives of the dairy farmers and dairy industry on a milk price increase of € 2.50 per 100 liters from April and for the year 2013.

Another crisis measure is an advance payment by some French dairy companies. Due to the financial crisis, in spring, dairy farmers received an advance payment of payments to be received in the months of July / September. This measure has not been taken into account while calculating the milk prices, because this advance payment will be deducted again from the monthly milk price payment.

Additional comments milk prices March 2013

Milcobel

Again, the calculated milk price of Milcobel has remained stable in March at € 34.79

Germany

The basic milk price of DMK remained unchanged compared to February. This results in a calculated milk price of € 33.11 for both companies. Alois Müller's basic milk price remained stable as well in March. The calculated milk price is € 33.94. With the milk price invoice of November 2012, the members of Humana have received an additional payment of € 0.47 per 100 kg of the delivered milk over the months January thru June. This additional payment is retroactively included in the calculated milk prices.

Scandinavia

The calculated milk price of the Swedish / Danish Arla Foods results at € 33.61, which is an increase of € 0.66 compared to previous month. From April the milk price will increase by € 0.04. From May it will increase by € 1.31.

The preliminary calculated milk price of Hämeenlinnan Osuusmeijeri is € 41.28 in February.

France

The calculated milk prices of the French companies Danone, Bongrain and Sodiaal fell slightly compared to previous month. This results in the calculated milk price for these three companies at € 33.74, € 33.19 and € 33.48 respectively. The milk price of Lactalis has increased by € 0.21 and is € 33.55.

United Kingdom

The calculated milk price of First Milk is € 31.33 in March, which is € 0.60 lower compared to February. This decrease is due to a seasonal adjustment. From April the milk price of First Milk will increase by 0.4 ppl or € 0.47 per 100 liters.

The calculated milk price of Dairy Crest rose slightly in March and results at € 34.88. Dairy Crest has announced a milk price increase for June by 1 ppl, or € 1.17 per 100 liters.

Ireland

The Irish company Glanbia has increased the fat and protein prices. The calculated milk price for March is € 35.04.

Kerry has also increased its milk price compared to previous month and results in March at € 34.98.

The Netherlands

FrieslandCampina has reduced the guaranteed milk price in March by € 0.50, the calculated milk price is € 31.20. In April, the guaranteed price will increase by € 2.50 to € 37.00. The final post-payment of FrieslandCampina 2012 was set at € 2.32 for a standard company. This additional payment is based on a performance fee of 4.154% and a registered reservation of 2.77%.

DOC Kaas has not changed the advance price in March. The calculated milk price of DOC is still excluding the grazing fee of € 0.50 per 100 kg milk. Currently, the farmers are asked to indicate whether they are eligible for this allowance. When the fee is paid, it will retroactively be included in the calculated milk price from January 2013 onwards.

Granarolo

The calculated milk price for the Italian Granarolo in March is € 41.21.

Emmi

The calculated milk price of the Swiss Emmi decreased by € 0.77 in March and is € 43.92.

New Zealand

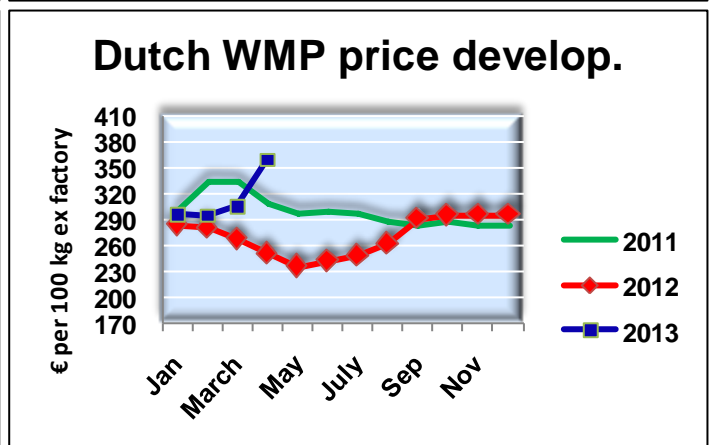
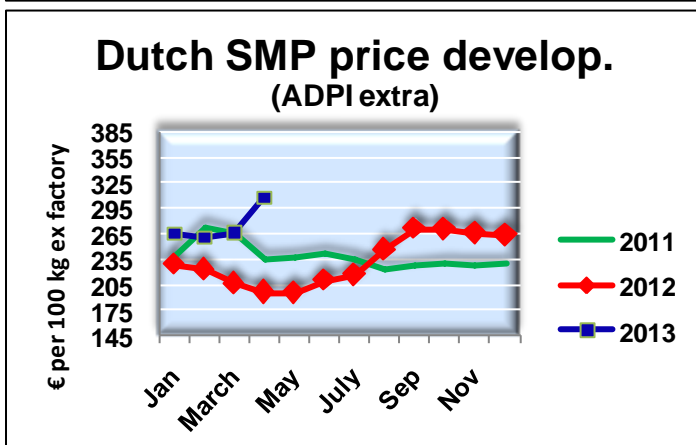
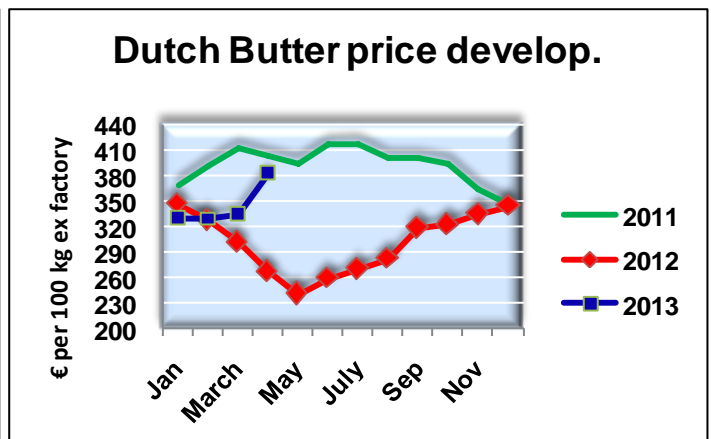
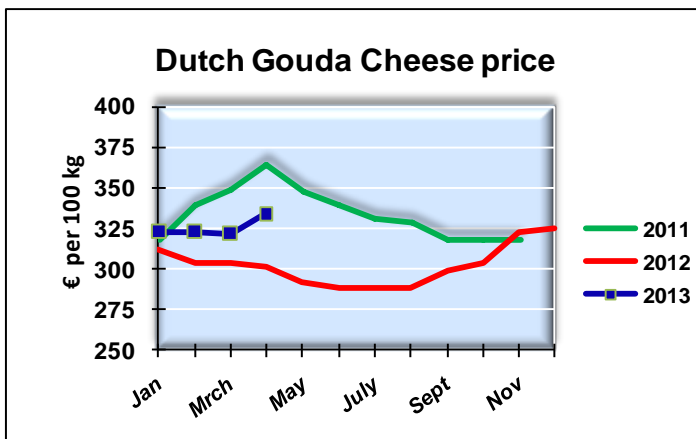
Fonterra's calculated milk price for March is € 29.74 per 100 kg standard milk. This is an increase of € 0.53 compared to February because of the decline of the euro against the dollar NZD.

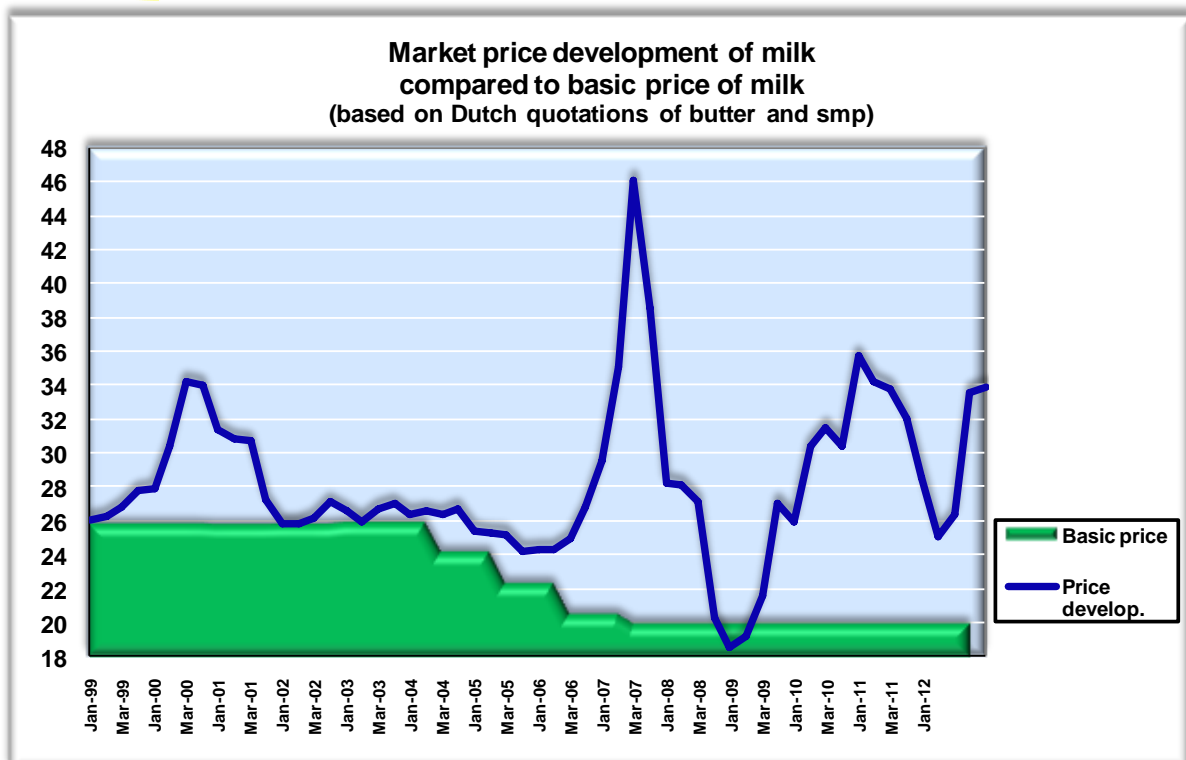
USA

The USA Class III price decreased from \$ 18.23 cwt to \$ 16.93 in March and results in, converted into Euros, € 32.20.

MARKET SITUATION

| Dutch Quotations | | | | € per 100 kg |
|---------------------|----------------|------------|-------|--------------|
| | 1 January 2013 | 1 mei 2013 | index | trend |
| Butter | 342 | 407 | 119.0 | ↑ |
| Whole milk powder | 296 | 375 | 126.6 | ↑ |
| Skimmed milk powder | 264 | 324 | 122.7 | ↑ |
| Whey powder | 101 | 101 | 100.0 | → |
| Gouda cheese | ± 320 | ± 335 | 104.7 | ↑ |





Market comments

Since late March, prices on the world market have risen sharply. Supply reduction on the world market, partly due to the ongoing drought combined with the ending of production season in New Zealand were the main cause. This resulted in a decrease in the quantities made available on the GDT auction of March and early April. It took prices of some dairy commodities up sharply in that period. The firmer mood which ensued, also affected the local EU market in a positive way, especially since in Europe milk deliveries, partly due to the prolonged winter has lagged behind expectations.

As a consequence market prices of milk powder and butter has quickly moved in an upward direction. This development initially not consistent with the prevailing view in the market on the eve of a new production season, gave ammunition for an unprecedented fierce price increase as most buyers were only short covered and want to secure product. The quotation for the products mentioned before rose in tight one month with more than 22%. On the world market even higher increases were achieved.

Meanwhile, there are some signs that suggest that the market is past its current peak. In Europe, the weather gradually improved and the milk production, although with difficulty and at a disadvantage in the usual seasonal pattern, is running again. The drought that plagued Oceania in recent months, seems to be over now. Dairy prices are now starting to pull back from their record high levels, as recent rain has eased concerns about the drought and as attention turns to next season's supply.

This resulted during the latest GDT auction (May 1) for the first time in months, that prices fell (on average by about 7.5%).

In addition, there are growing doubts about the extent to which global economic growth will continue. Now that the price increases are behind us, the market will further flatten in the coming months and start looking for a new balance.