

The logo for TATUA, featuring the word "TATUA" in a bold, sans-serif font inside a rounded rectangular border with a small decorative flourish at the bottom center.

PRESS RELEASE

TATUA FINANCIAL RESULTS FOR THE YEAR ENDED 31 JULY 2010

The Board of Directors of The Tatua Co-operative Dairy Company met on 28 September 2010 to consider the financial results and decide on the final payout for the 2009/10 season to its 111 Suppliers.

Tatua generated Group revenue of NZ\$166 million for the 12 month period to 31 July 2010. The Board has declared a payout of NZ\$6.32 per kilogram of milksolids.

This is up on the NZ\$5.38 per kilogram of milksolids paid in 2008/09, but down on the NZ\$8.00 per kilogram of milksolids paid in 2007/08.

This highlights the extreme volatility of international dairy and financial markets in the last few years.

Cashflow was strong and the Company's gearing ratio (of debt divided by debt plus equity) reduced further to 27% from 30% the previous year.

Milk supply from Tatua Suppliers was 11.5 million kilograms of milksolids, down 5.8% from the previous year.

The 2009/10 season has again been a challenging one for the Company. While demand for our products has been stronger than the previous year, our product mix has been lower returning than other product mixes, especially milkpowder.

The NZ dollar began the year at 0.66 to the US dollar and rose to a peak of 0.76, then fell again to end the year at 0.72.

Tatua is coming through the Global Financial Crisis very well. We continue to reinvest in the business and we are confident that the underlying competitiveness of Tatua is continuing to improve.

We are positioning Tatua as best we can financially, operationally and strategically in the increasingly volatile international commodity and financial markets. Our aim is to ensure long-term confidence, stability and success for our customers, our shareholders and our staff.

Please contact either of us if you have questions or would like further comment on our results.

Kind regards

A handwritten signature in blue ink that reads "Steve Allen".

Steve Allen
CHAIRMAN
0274 719 791

A handwritten signature in blue ink that reads "Paul McGilvary".

Paul McGilvary
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