



SYNLAIT MILK LIMITED

ANNOUNCEMENT

10 July 2013

Synlait Milk Limited Initial Public Offer - Final Price Determined

Synlait Milk Limited ("Synlait Milk") has set a Final Price of \$2.20 per ordinary share to be offered to institutions and selected NZX firms in its Initial Public Offering ("IPO") which opens on Wednesday 10 July 2013. The Final Price has been set following a bookbuild to institutional investors and NZX Firms on 8 and 9 July 2013. At this Final Price, Synlait Milk will have a market capitalisation of approximately NZ\$322 million on completion of the IPO.

Synlait Milk Chairman Graeme Milne said the response from New Zealand and international institutions and New Zealand retail brokers had been extremely positive.

"We have had an excellent response to our recent roadshow and bookbuild process, and as a result the Final Price has been set at \$2.20 per share. There was strong support from a wide range of investors, comprising New Zealand and international institutional investors and New Zealand retail brokers. This is a strong market endorsement for the compelling fundamentals of the New Zealand dairy industry and in particular Synlait Milk's growth initiatives to accelerate the development of our Infant Formula and Nutritional products business."

The IPO comprises \$75 million in new capital to repay debt and fund Synlait Milk's growth initiatives and a secondary offer of \$38.7 million being 17.6 million existing shares originating from participating shareholders of Synlait Limited.

Bright Dairy and Food Co., Ltd¹ will hold approximately 39.1% shareholding in Synlait Milk following completion of the IPO.

The Offer will open on 10 July 2013 with the Broker Firm Offer closing on 19 July 2013. There will be no general public offer. Investors are encouraged to contact their broker should they wish to participate. Trading of the shares (under the stock code 'SML') on the NZX Main Board is expected to commence at 11.00am (NZST) on 23 July 2013².

Synlait Milk Managing Director and co-founder John Penno said the successful completion of the IPO would be another important milestone in the company's history and would assist Synlait Milk's growth as a niche producer of higher value dairy ingredients and nutritional products.

"We now look forward to the support of a wider pool of shareholders as we build on the reputation of our staff and suppliers to deliver excellence every step of the way from pasture to some of the world's leading milk-based health and nutrition companies."

Synlait Milk has registered a combined Investment Statement and Prospectus dated 24 June 2013 in relation to the IPO, a copy of which can be obtained at www.synlait.com. Applications for shares can only be made using the application form included in the Investment Statement and Prospectus. For further information on Synlait Milk please visit www.synlait.com.



First NZ Capital Securities Limited and Goldman Sachs New Zealand Limited are Joint Lead Managers and Bookrunners to the IPO.

ENDS

1. Bright Dairy and Food Co., Ltd does not guarantee the shares of Synlait Milk Limited. Synlait Milk will bear a “Non Standard” designation on the NZX Main Board to reflect Synlait Milk’s governance arrangements, and, in particular, the special rights Bright Dairy will have if it holds on listing between 37% and 50% of the ordinary shares in Synlait Milk.
2. Application has been made to NZX Limited (NZX) for permission to list Synlait Milk, and to quote the ordinary shares of Synlait Milk on the NZX Main Board. All requirements of NZX relating to that application that can be complied with on or before the date of this announcement have been duly complied with. However, NZX accepts no responsibility for any statement in this announcement. The NZX Main Board is a registered market operated by NZX, which is a registered exchange, regulated under the Securities Markets Act 1988.

About Synlait Milk Limited

Synlait Milk is focused on becoming a trusted supplier of choice to some of the world’s leading milk-based health and nutrition companies. The Company collects milk from approximately 155 farms in Canterbury, in the South Island of New Zealand, and manufactures a range of value added ingredient products and infant formula and nutritional products.

For further information see www.synlait.com

For more information please contact:

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