



SYNLAIT MILK LIMITED  
ANNOUNCEMENT

NZX: SML  
ASX: SM1

30 MAY 2017

## SYNLAIT PURCHASES THE NEW ZEALAND DAIRY COMPANY

Synlait Milk (NZX: SML; ASX: SM1) has today announced it has purchased 100% of the shares of The New Zealand Dairy Company (NZDC).

NZDC is based in Auckland, and is currently constructing a blending and canning operation at a site in Mangere. This site will now be owned by Synlait.

The facility will be infant formula capable, and will enable Synlait to substantially lift its blending and canning capacity. The acquisition will also provide Synlait with a high specification sachet packaging line suitable for infant formula and milk powders.

The Managing Director and CEO of Synlait, John Penno, says “this purchase will allow us to meet current demand, as well as provide some room to grow with our customers’ needs.”

“Having a second blending and packaging site will also begin to mitigate some risk we have faced as a single site manufacturing company.”

The capital investment includes a gross payment of \$33.2M on acquisition, with Synlait expecting to spend a total of \$56.5M once the plant is commissioned.

An associated company which owns the land and buildings in which NZDC operates, is also included in the deal.

Synlait will be seeking both MPI (Ministry for Primary Industries) and CNCA (Certification and Accreditation Administration of the People's Republic of China) registration for the new facility

“The production line will be very similar to the blending and canning plant already in operation at Synlait’s Dunsandel site, with the same scale, high standards, equipment and build specifications”, says Dr. Penno.

Commissioning of the new facility is scheduled for October 2017.

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For more information about Synlait, visit or [www.synlait.com](http://www.synlait.com) or contact:



Jessica Horne  
Communications Advisor, Synlait Milk  
P: +64 3 373 3353  
E: [jessica.horne@synlait.com](mailto:jessica.horne@synlait.com)