GDT Quarterly – March 2015

Insights from the world's leading online dairy trading platform

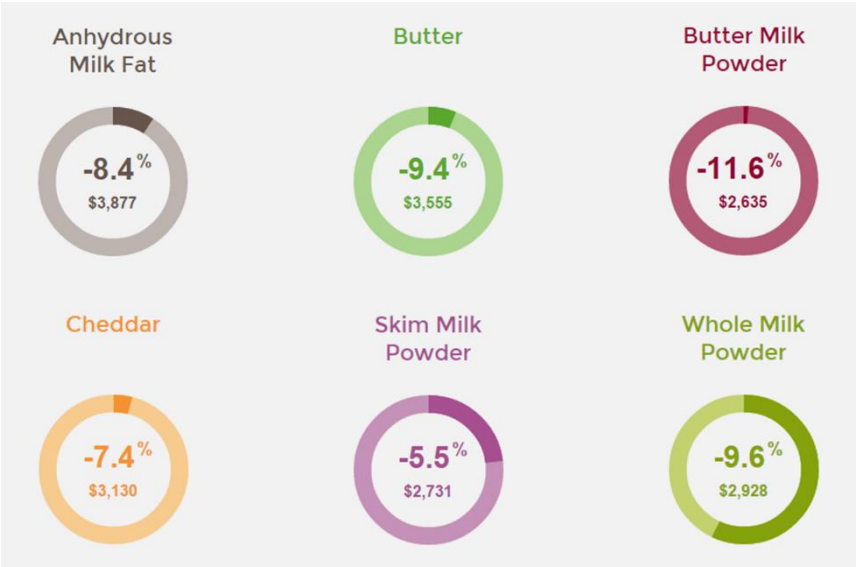
GDT provides globally recognised market-based benchmark prices for more than 40 dairy products. The GDT Quarterly is an analysis of dairy ingredient products over the three month period from January to March 2015 (quarter 1).

GDT Price Index

- From Jan – Mar 2015 (Q1) the GDT Price Index increased by 16%.
- This compares to a 7% decrease from Oct – Dec 2014 (Q4).
- The current Price Index at the last Trading Event on 17 March represents a 34% drop from 12 months ago March.

Latest Dairy Prices from Trading Event 136, on 17 March 2015

- 20,258 MT of product was sold to 110 buyers out of 134 auction participants
- Average winning price was US$3,136 per MT (FAS)
- The average price of the largest traded volume product, WMP, decreased by 9.6% from the previous auction.

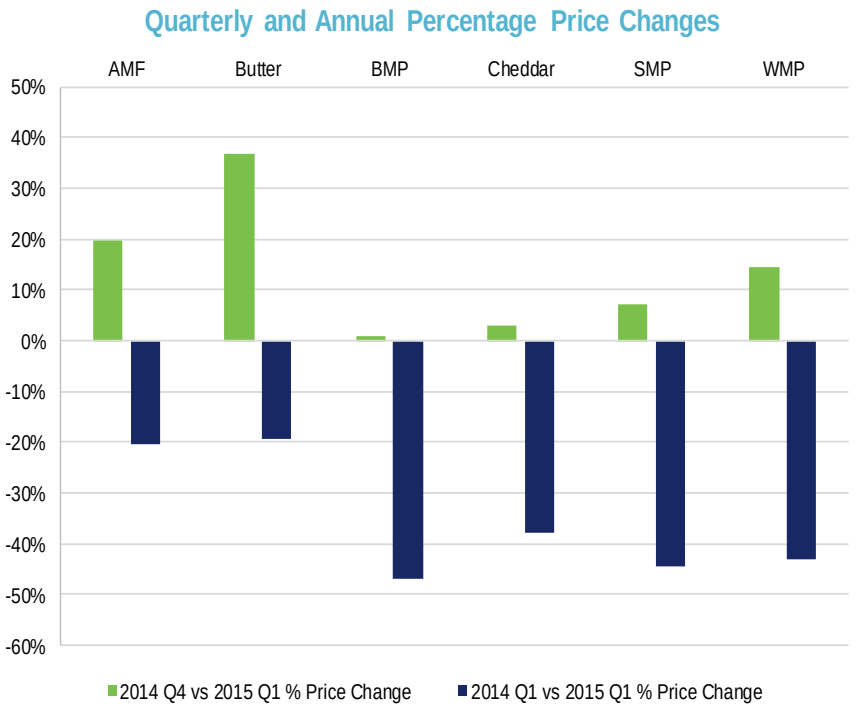


All information as at 17 March 2015. Latest dairy prices are the weighted average prices across all contract periods.

Quarterly Price Changes by Product

This analysis shows the change in average quarterly prices for six leading dairy products between Q1 2015 (Jan-Mar) vs Q4 2014 (Oct-Dec); and Q1 2015 vs Q1 2014.

- All six leading dairy commodities experienced a price increase in Q1 2015 compared to the previous quarter, Q4 2014
- Average prices for Whole Milk Powder and Skim Milk Powder, the largest traded GDT products, increased by 15% and 7%, respectively
- Butter and AMF experienced the largest increase in average prices of 37% and 20% respectively



- Over a 12 month horizon, however, all leading dairy commodities experienced a reduction in price ranging from 15% and 50%

Quarterly Product Group Comparison

Product Group	Last Traded Price (USD/MT)	Q1 2015 vs.Q4 2014 % Change	Q1 2015 vs Q1 2014 % Change	Total volume traded, last 12 months (USD)
AMF	$3,814	19.6%	-20.3%	$290 m
Butter	$3,531	36.9%	-19.4%	$181 m
BMP	$2,635	1.0%	-46.7%	$27 m
Cheddar	$3,119	3.0%	-37.7%	$126 m
SMP	$2,741	7.2%	-44.4%	$637 m
WMP	$2,895	14.5%	-43.1%	$1.53 bn
Total				$2.88 bn

All information as at 17 March 2015. Last Traded Price is the weighted average price across all contract periods.

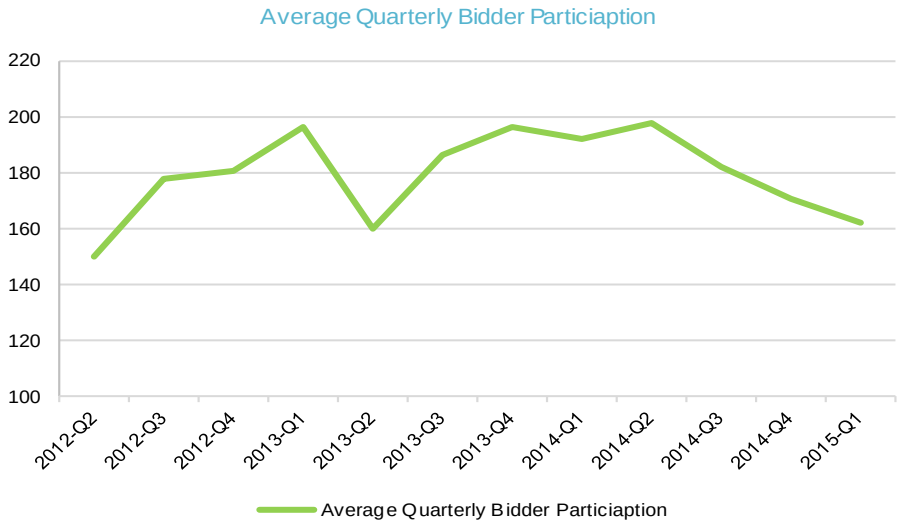
Bidder Participation

Participation analysis illustrates the number of bidders who placed bids, and the number who won product, in GDT Events.

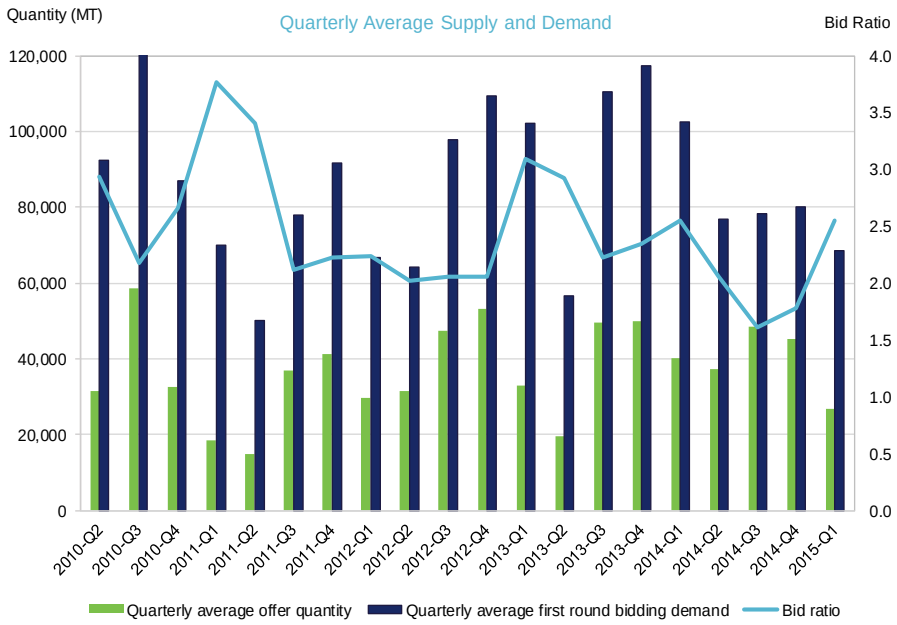
- Bidder participation is the number of bidders placing bids in round 1 of a Trading Event

Product Group	Number of Participating Bidders (Apr 2014 – Mar 2015)	Number of Winning Bidders (Apr 2014 – Mar 2015)
AMF	152	148
Butter	95	86
BMP	46	38
Cheddar	69	61
SMP	241	224
WMP	188	185

- Average participation per event has decreased by 5% in the last quarter
- Over the last 12 months, SMP & WMP attracted the highest number of participating and winning bidders, reflecting the substantial liquidity in both markets



Supply and Demand

This chart compares sellers' average offer quantities with the average demand (represented by first round bids placed).

- Average monthly demand this quarter has fallen 14% from Q4 2014,
- Available supply also reduced 40% in the last quarter
- Overall, the bid ratio has increased
- Bid ratios have reached the same level as 12 months ago and on average the total bids placed in the first round continue to outstrip offer quantities.