

PRICES IN EURO PER 100 KG STANDARD MILK WITH 4.2% FAT, 3.4% PROTEIN, 1,000,000 KG PER YEAR, TBC 24,999 PER ML AND SCC 249,999 PER ML, VAT EXCLUDED

| COMPANY | | prices (€/kg) ¹ | | bonuses/deductions (included) ² | | | | MILK PRICE this month | av. last 12 month. ³ | recent suppl. payment ⁴ | |
|-------------------------------|----|----------------------------|---------|--|----------|--------|----------------|-----------------------|---------------------------------|------------------------------------|------------|
| | | fat | protein | quality | quantity | season | sustainability | | | | Milk flows |
| Milcobel | BE | 5.13 | 5.13 | 0.73 | 0.85 | | 0.78 | | 41.09 | 50.85 | 0.35 |
| DMK Deutsches Milchkontor eG | DE | 4.74 | 4.74 | | 0.20 | | 0.50 | 1.00 | 37.84 | 53.89 | |
| Hochwald Milch eG | DE | 2.50 | 5.00 | 1.00 | | | 0.60 | 1.00 | 45.06 | 55.44 | 1.60 |
| Arla Foods DK | DK | 4.74 | 5.21 | 1.08 | | | 1.00 | 1.00 | 39.70 | 52.94 | 1.63 |
| Capsa Food | ES | 3.00 | 3.00 | | | | | | 54.34 | 54.63 | |
| Valio | FI | 5.50 | 7.00 | | | | 1.94 | | 50.34 | 50.89 | 1.84 |
| Savencia (Basse Normandy) | FR | 2.95 | 5.43 | 1.04 | | | | | 44.16 | 46.35 | |
| Danone (Pas de Calais) | FR | 2.96 | 5.39 | | | | | | 45.33 | 46,11 | |
| Lactalis (Pays de la Loire) | FR | 2.60 | 6.60 | | 0.39 | | 0.07 | | 43.16 | 45.83 | |
| Sodiaal (Pas de Calais) | FR | 2.96 | 5.39 | 0.58 | | | 0.15 | | 44.65 | 45.79 | |
| Saputo Dairy UK (Dairy Crest) | UK | 3.95 | 7.90 | -1.13 | 0.79 | -2.26 | | | 39.58 | 50.56 | |
| Dairygold | IE | 4.21 | 6.89 | 0.39 | | | 0,10 | | 38.66 | 49.72 | |
| Glanbia (Tirlan) | IE | 3.52 | 7.03 | | | | 0.50 | | 39.22 | 50.34 | 0.18 |
| Kerry Agribusiness | IE | 4.46 | 6.69 | | | | 0.10 | | 37.66 | 48.26 | |
| FrieslandCampina | NL | 4.40 | 6.61 | | | | 0.25 | 0.66 | 41.69 | 53.40 | 0.60 |
| AVERAGE MILK PRICE | | | | | | | | | 42.65 | 49.13 | |
| Emmi | CH | 4.10 | 5.12 | | | | 2.08 | | 69.48 | 70.72 | |
| Fonterra | NZ | 4.52 | 4.52 | | | | | | 34.38 | 36.75 | 0.86 |
| United States Class III | US | 5.61 | 3.08 | 0.16 | | | | | 35.15 | 46.49 | |

1) Payment per % fat and % protein above or below 4.2% and 3.4% respectively. France and US true protein and not in crude protein as in most European countries.

2) These premiums and deductions are included in the milk price, but it is not a complete list. There may also be other premiums and deductions included.

3) Weighted average based on the basis of national monthly deliveries exclusive of most recent supplementary payment.

4) The most recent supplementary payment is stated to give an indication of a possible supplement to the monthly milk prices after the calendar year.

5) Arithmetic average.

MILK PRICES

The calculated advance milk prices in June 2023 amount to an average of € 42.65 per 100 kg of standard milk. This is a decrease of € 1.10 compared to the previous month. The average milk price in June 2023 is € 7 lower than in the same month last year. This month, the milk price of Danone is not included in the calculated average, because it is from the month of May.

Despite the fact that the average milk price fell again in June, the declines are less substantial than in the past month and there are also more dairy companies where the milk price was the same as the previous month. Outside Europe, the price of the American class III milk price is still falling and Fonterra has started the new season with a lower expectation milk price than the one they ended the previous season with.

PRICE CHANGES IN JUNE 2023 AND ADDITIONAL INFORMATION

(€ per 100 kg compared to the previous month)

Milcobel: unchanged

The milk price includes an (average) sustainability premium of € 0.78 per 100 kg. The most recent back payment of € 0.35 is from January 2022.

DMK Deutsches Milchkontor eG: -2.1

DMK's milk price fell again by € 2.05 in June, and a decrease is also expected in July. The milk price includes an (average) bonus of € 0.50 for participation in the Milkmaster sustainability program. The calculated milk price also includes the surcharge for the use of GMO-free milk.

Hochwald eG: -3.0

The milk price includes a sustainability bonus (Cool Farm Tool) of € 0.60 and € 1 per 100 kg for the use of GMO-free feed (VLOG certified). All milk is VLOG. As of January, Hochwald has started with a bonus for the reduction of CO₂, which has not yet been included in the milk price calculation. In March 2023, the board of Hochwald eG decided that additional payment for 2022 will be € 1.60. This additional payment has been included in the milk price comparison from 1 January 2022.

Arla: -2.0

The calculated milk price includes a sustainability surcharge of € 1 for the climate check and a surcharge for GMO-free milk of € 1 per 100 kg. The most recent back payment for 2022 is € 1.63 per 100 kg of milk delivered.

Capsa Food: unchanged

The milk price also includes the contribution for agricultural services. The calculated milk price of Capsa is based on an average of an A- (70%) and a B-price (30%). Since November 2022, the milk price of Capsa Food has remained unchanged. This price level is mainly determined by the special surcharges that are not listed separately but are included in the calculated milk price.

Valio: unchanged

Milk prices of Valio are based on milk statements of one of its member coops. The base price is a weighted average of the A-, B- and C-price.

Savencia: unchanged

This month, it is unchanged from the previous month, after a monthly decline over the past 4 months.

Danone (A-price): unchanged

This month it was not possible to calculate the milk price of Danone and the milk price of May was assumed. Milk prices are based on a contract, whereby 50% of the A- milk price development is determined by market indicators and 50% by the cost price development on the farm. The milk price has been corrected since 1 January after the disappearance of the basic milk price. The basic milk price is now calculated on the basis of 80% of the reference price for the French market and 20% for that of the export market.

Lactalis: -1.2

The milk price includes a premium of € 0.07 per 100 kg for participation in the national programme Carte des Bonnes Pratiques d'Élevage (CBPE). The contribution from the Scamark tripartite is € 0.50.

Sodiaal (A-price): 0.5

Last month, Sodiaal's milk price rose compared to the previous. Unlike before, an average basic price is calculated and no longer an A and a B price per 1000 litre. The milk price includes a premium of € 0.15 per 100 kg for participation in the sustainability program La Route Du Lait (LRDL).

Saputo Dairy UK: -1.7, July -1.1

The calculated milk price includes a seasonal premium of -2 ct. The calculated milk price of Saputo Dairy UK is based on dairy farmers supplying the Davidstow cheese factory.

Dairygold: -2.0

At the beginning of this year, Dairygold started a new bonus system Grass roots. The milk price includes a bonus of € 0.10 for the national sustainability program SDAS (Sustainable Dairy Assurance Scheme).

Glanbia Ingredients Ireland (Tirlan): -2.0

This month's milk price includes the Agri input support Payment.

Kerry: unchanged

The calculated milk price includes a bonus of € 0.10 for participation in the sustainability program SDAS. No additional surcharge was paid this month. Over 2022 an additional payment has been made of € 0.82.

FrieslandCampina: unchanged

The calculated milk price includes an (average) payment of € 0.25 per 100 kg for the quality and sustainability program Foqus planet and an average premium for outdoor grazing (meadow milk) of € 0.66 per 100 kg. The most recent supplementary payment is based on the 13th month payment for 2022 deliveries, this has been corrected from € 0.91 to € 0.60. As part of a 3-yearly evaluation, the milk price system has been adjusted from 2023. For example, the payment for the milk components protein, fat and lactose is now done in a fixed ratio of 6:4:0. This was 10:5:1.

AVERAGE: -1.1

The average is based on all calculated milk prices in June. Danone's milk price is not included in the average, because this is the milk price for May.

Emmi: unchanged

Emmi's milk price is based on a weighted average of an A -(66%) and a B- price (34%). Emmi's milk price includes the bonus for the sustainability program 'gruner Teppich' (green carpet). The Emmi milk price is adjusted seasonally, this month there is no surcharge. In the past 4 months the milk price was reduced by 4 CHF, this discount was not included in the published milk price in recent months and has been adjusted. The milk money statements come from a dairy farmer who is a member of a producer organization that supplies milk to Emmi.

Fonterra: -1.3

For the new 2023/2024 season, Fonterra will start the milk price forecast with an amount of NZD 8 per kg of milk solids (fat and protein). The lower expectation of milk prices is caused by a decrease in Chinese demand. The most recent back payment relates to the dividend paid for milk price year 2021/22 of NZD 0.20 per kg of milk solids.

USA Class III: -2.5

The USA milk price has also fallen this month. Expressed in dollars, the U.S. Class III milk price has fallen from \$16.10 in May to \$14.91 per cwt (hundredweight (46.56 kg) in June.

MARKET SITUATION

(Source: [ZuivelNL www.zuivelnl.org](http://www.zuivelnl.org))

Official Dutch dairy price quotations (€ per 100 kg)

| | 26/7/23 | 28/6/23 | avg. 2022 |
|----------------------------|---------|---------|-----------|
| Butter | 435 | 472 | 662 |
| Whole milk powder | 335 | 351 | 473 |
| Skimmed milk powder | 220 | 237 | 364 |
| Whey powder | 52 | 63 | 112 |

The Dutch milk supply has recovered strongly since June last year. However, the rate of increase levelled off. In both May and June, growth was below 2%. Milk prices fell sharply in the first half of 2023, which means that the growth of the milk supply is increasingly dampened. Cumulatively, the level in the first half of 2023 was 3.1% higher than in the same period of 2022.

EU growth rate below 1%

EU milk supply increased by 0.7% in May. Since February, the growth rate has been below 1%. The picture within the EU remains diverse. On the one hand, there is an increase in Northwest Europe (Belgium, Germany and the Netherlands). On the other hand, the drought in southern Europe (especially in France and Italy) caused declining volumes. Irish milk supply remained virtually stable in May after two months of decline. On balance, the EU milk supply increased by 0.8% in the period up to and including May 2023.

Milk production in the other world-important dairy exporting countries developed mostly positively in May. The US again achieved modest growth (+0.6%). New Zealand showed a substantial increase for the second month in a row (+7.4%). Australia recorded an increase for the first time in almost two years (+1.6%). The volume also grew in Uruguay (+3.0%), after more than half a year of contraction. Argentine milk production continued to show an erratic pattern, falling by 2.4%. The aggregate volume of major dairy exporters (including the EU) was on balance 0.9% (1.17 billion kg) higher in the period up to May 2023 than in the same period in 2022.

Disappointing demand leads to falling prices

The dairy market rebounded somewhat in May and early June after the decline in March and April. After that, the market came under increasing pressure again, which was mainly the result of disappointing demand. On the butter market, a lack of buying interest and large stocks since the second half of June have led to lower prices. Prices for skimmed milk powder also fell from mid-June. Ample inventories and lower demand on both the internal market and the world market led to negative sentiment. Buyers are currently only purchasing the most necessary and are waiting quietly in this declining market.

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