

The a2 Milk Company Limited (previously A2 Corporation Limited)

**Results for announcement to the market**

Reporting Period	12 months 1 July 2013 to 30 June 2014
Previous Reporting Period	12 months 1 July 2012 to 30 June 2013

	Amount (000s)	Percentage change
Revenue from ordinary activities	\$NZ 110,621	+17.3%
Profit (loss) from ordinary activities after tax attributable to security holder.	\$NZ 10	-99.8%
Net profit (loss) attributable to security holders.	\$NZ 10	-99.8%

Interim/Final Dividend	Amount per security	Imputed amount per security
N/A	N/A	N/A

Record Date	N/A
Dividend Payment Date	N/A

Comments:	See accompanying announcement
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**PRELIMINARY FULL YEAR REPORT ANNOUNCEMENT**

**The a2 Milk Company Limited (previously A2 Corporation Limited)  
For the year ended 30 June 2014**

Preliminary full year (12 month) report on consolidated results (including the results for the previous corresponding full year) in accordance with Listing Rule 10.4.2.

This report has been prepared in a manner which complies with generally accepted accounting practice and gives a true and fair view of the matters to which the report relates and is based on unaudited financial statements.

The audit of the 2014 Annual Report is currently in progress.

Prior year annual figures have been updated to reflect the reported audited position as at 30 June 2013.

The Listed Issuer has a formally constituted Audit Committee of the Board of Directors.

[PLEASE REFER TO ATTACHED NOTES WHEN COMPLETING THIS FORM]

<b>*Consolidated Statement</b>			
<b>Financial Performance</b>			
<b>1 CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE</b>	Current Full Year \$NZ'000	*Up/Down %	Previous corresponding Full Year \$NZ'000
<b>1.1 OPERATING REVENUE</b>			
(a) Trading Revenue	110,621	17.3%	94,304
(b) Other Revenue	679	3.2%	658
(c) Total Operating Revenue	111,300	17.2%	94,962
<b>1.2 OPERATING *SURPLUS (DEFICIT) BEFORE TAXATION</b>	720	(86.1%)	5,164
(a) Less taxation on operating result	710	(32.0%)	1,044
<b>1.3 OPERATING *SURPLUS (DEFICIT) AFTER TAX</b>	10	(99.8%)	4,120
(a) Extraordinary Items after Tax [detail in Item 3]	nil		nil
(b) Unrealised net change in value of investment properties	nil		nil
<b>1.4 NET *SURPLUS (DEFICIT) FOR THE YEAR</b>	10	(99.8%)	4,120
(a) Net *Surplus (Deficit) attributable to minority interests	nil		nil
<b>1.5 NET SURPLUS (DEFICIT) ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER</b>	10	(99.8%)	4,120

<b>*Consolidated Statement of</b>		
<b>Financial Performance</b>		
<b>2 DETAILS OF SPECIFIC RECEIPTS/OUTLAYS, REVENUES/ EXPENSES FOR FULL YEAR</b>	Current Full Year \$NZ'000	Previous corresponding Full Year \$NZ'000
<b>2.1 INCLUDED IN CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE</b>		
(a) Interest revenue included in Item 1.1(b)	455	288
(b) Unusual items for separate disclosure gain/(loss) (detail - Item 3)	nil	( 824)
(c) Equity earnings (gain/loss) (detail - Item 16)	( 1,361)	( 3,719)
(d) Interest expense included in Item 1.2 (include all forms of interest, etc)	( 40)	( 114)
(e) Leasing and renting expenses	( 576)	( 170)
(f) Depreciation	( 1,064)	( 1,035)
(g) Diminution in the value of assets (other than depreciation)	nil	nil
(h) Amortisation of goodwill	nil	nil
(i) Amortisation of other intangible assets	( 836)	( 72)
(j) Impairment of goodwill	nil	nil
(k) Impairment of other intangible assets	nil	nil

2.2 SUPPLEMENTARY ITEMS

- (a) # Interest costs excluded from Item 2.1(d) and capitalised
- (b) # Outlays (other than those arising from the acquisition of an existing business) capitalised in intangibles
- (c) Unrecognised differences between the carrying value and market value of publicly traded investments

#Items marked in this way need to be shown only there their inclusion as revenue or exclusion from expenses has had a material effect on reported \*surplus (deficit)

Consolidated Statement of Financial Performance	
Current Full Year \$NZ'000	Previous corresponding Full Year \$NZ'000
nil	nil
( 2,042)	( 2,071)
nil	nil

3 DISCONTINUED, UNUSUAL (INCLUDING NON RECURRING), AND EXTRAORDINARY ITEMS OF THE GROUP

Group - Current Full Year

DETAILS AND COMMENTS

Discontinued Activities

TOTAL DISCONTINUED ACTIVITIES

Material Unusual (including Non Recurring) Items (included in 1.2)

Description:

**Net settlement proceeds from a former licensee**

Settlement proceeds

Less expenses incurred

**Other Material Non Recurring Items**

Costs associated with group strategic review

TOTAL MATERIAL NON RECURRING ITEMS

Extraordinary Items (Ref. Item 1.3(a))

Description:

TOTAL EXTRAORDINARY ITEMS

Operating Revenue \$NZ'000	Operating Surplus \$NZ'000
nil	nil
nil	nil
nil	nil
nil	nil
nil	nil
nil	nil
nil	nil
nil	nil
nil	( 824)
nil	( 824)
nil	nil
nil	nil
nil	nil

Statement of Movements In Equity

4 STATEMENT OF MOVEMENTS IN EQUITY

4.1 \*NET SURPLUS (DEFICIT) ATTRIBUTABLE TO MEMBERS OF LISTED ISSUER

- (a) \*Net Surplus (Deficit) attributable to minority interest

4.2 OTHER RECOGNISED REVENUE AND EXPENSES

- (a) \*Increases (decreases) in revaluation reserves
- (b) Current Translation Differences
- (c) Minority interest in other recognised revenue and expenses

4.3 TOTAL RECOGNISED REVENUES AND EXPENSES

4.4 OTHER MOVEMENTS

- (a) Contributions by Owners
- (b) Distributions to Owners
- (c) Other

4.5 EQUITY AT BEGINNING OF FULL YEAR\*

4.6 EQUITY AT END OF FULL YEAR

Current Full Year \$NZ'000	Previous corresponding Full Year \$NZ'000
10	4,120
nil	nil
nil	nil
( 4,497)	( 2,316)
nil	nil
( 4,487)	1,804
2,011	20,499
nil	nil
1,190	279
59,930	37,348
58,644	59,930

5 EARNINGS PER SECURITY	Earnings Per Security	
	Current Full Year \$NZ'000	Previous corresponding Full Year \$NZ'000
Calculation of basic and fully diluted, EPS in accordance with IAS33: Earnings Per Share		
(a) Basic EPS	nil	0.70
(b) Diluted EPS (if materially different from (a))	nil	0.66

  

6 MATERIAL ACQUISITIONS OF SUBSIDIARIES (See Note (VII) attached):	
(a) Name of subsidiary or group of subsidiaries	The a2 Milk Company Limited (UK)
(b) Percentage of ownership acquired	50%
(c) Contribution to consolidated net *Surplus (Deficit) (Item 1.4)	( 2,178,443)
(d) Date from which such contribution has been calculated	1 January 2014
(a) Name of subsidiary or group of subsidiaries	n/a
(b) Percentage of ownership acquired	
(c) Contribution to consolidated net *Surplus (Deficit) (Item 1.4)	
(d) Date from which such contribution has been calculated	

  

7 MATERIAL DISPOSALS OF SUBSIDIARIES (See Note (VII) attached)	
(a) Name of subsidiary or group of subsidiaries	n/a
(b) Contribution to consolidated net *Surplus (Deficit) (Item 1.4)	n/a
(c) Date from which such contribution has been calculated	n/a
(d) Contribution to consolidated net *Surplus (Deficit) (Item 1.4) for the previous corresponding half year/full year	n/a
(e) Contribution to consolidated net *Surplus (Deficit) (Item 1.4) from sale of subsidiary	n/a

**8 REPORTS FOR INDUSTRY AND GEOGRAPHICAL SEGMENTS**

Information on the industry and geographical segments of the Listed Issuer is to be reported for the \*full year in accordance with the provisions of NZIFRS 8 Operating Segments. Because of the differing nature and extent of segments among Listed Issuers, no complete proforma is provided, and the segment information should be completed separately and attached to this report. However, the following shows a suitable list of items for presentation and indicates which amounts should agree with items included elsewhere in the \*full year report:

**SEGMENTS**

**Industry**

- Operating revenue:
  - \* Sales to customers outside the group
  - \* Intersegment sales
  - \* Unallocated revenue
- Total revenue [consolidated total equal to Item 1.1(c) above]
- Segment result
- Unallocated expenses
- Operating surplus (Deficit) after tax (Item 1.3)
- Segment assets
- Unallocated assets
- Total assets (Equal to Item 9.3)

**Geographical**

\_\_\_\_\_please refer to attachment\_\_\_\_\_

- Operating revenue:
  - \* Sales to customers outside the group
  - \* Intersegment sales
  - \* Unallocated revenue
- Total revenue [consolidated total equal to Item 1.1(c) above]
- Segment result
- Unallocated expenses
- Operating surplus (Deficit) after tax (Item 1.3)
- Segment assets
- Unallocated assets
- Total assets (Equal to Item 9.3)