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## **Advancing strategic initiatives to drive revenue growth ASX dual listing flagged**

The a2 Milk Company™ (a2MC) is making a positive start to the 2015 financial year with strong growth in revenues in Australia, imminent launches of a2 Milk™ brand into the premium supermarket chains of J Sainsbury and Wholefoods in the UK and plans well progressed for the resumption of infant formula sales into China.

In addition, a2MC has confirmed the USA as the next priority growth initiative and selected a West Coast region for the launch of the a2 Milk™ brand into the fresh milk market during the second half of financial year 2015. A wholly owned US subsidiary has been established and an experienced local management team engaged.

At the Company's annual meeting of shareholders today, a2MC Managing Director & CEO Geoffrey Babidge said the strength of the Australian business continues to underpin the implementation of the company's strategic growth initiatives as it builds its market position in the UK, China and soon the United States.

"a2 Milk™ is one of the fastest growing dairy brands in Australia with year on year brand growth of 38% for the four months ending October 2014 compared to the prior corresponding period. a2MC is leveraging its market position to achieve higher than forecast sales of a2 Platinum® infant formula and intends to extend into other a2 Milk™ branded dairy products." The success of a2 Platinum® in Coles, the Independents chain and the pharmacy channel since its launch in October 2013 will be aided by a listing soon to take place in Woolworths.

In the UK a reset of the business model is progressing, aligning it more closely with the initial positioning adopted in Australia in 2007. a2Milk™ is now available in new 1 litre bottles and will be positioned in the speciality milk sections of supermarkets where it will offer consumers a real milk experience when compared to other speciality alternate milks.

"The new product and brand positioning has been accepted by existing customers Tesco, and Ocado (the leading online supermarket), and will be available in over 200 stores of the premium supermarket chain J Sainsbury from tomorrow (November 19) and the emerging Wholefoods chain of stores from January," Mr Babidge said.

In China, a2MC is rebuilding momentum after regulatory changes to infant formula importation by Chinese authorities introduced in May 2014, temporarily disrupted supply. Confirmation in September of the registration of a2MC's manufacturing partner Synlait Milk by Chinese authorities has enabled a2MC to develop new marketing plans to commence from early 2015.

"Despite lower than expected sales to China, total sales of a2Platinum® infant formula for financial year 2015 are ahead of forecast due to growth in Australia exceeding expectations."

The Board of a2MC has today resolved to pursue a dual listing of the Company's shares on the ASX, whilst maintaining its NZSX listing, with a target to achieve this during the first quarter 2015.

"With a significant part of our earnings and growth coming from Australia, seeking an ASX listing is a logical strategic move for the company. Dual listing on the ASX will enable more Australian investors to participate in the Company's growth and will increase the attractiveness and liquidity of its shares. The Board believes that this will benefit all shareholders. We have no intention of raising new capital at the time of the listing." Mr Babidge said.

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