



ASX ANNOUNCEMENT

Response to Bellamy's Announcement

Bega Cheese Ltd (ASX: BGA) today issued the following reaction to Bellamy's ASX announcement this morning requesting an extension to their suspension.

Bega Cheese is a key supplier to Bellamy's (ASX: BAL) and has been and continues to discuss supply arrangements and volume forecasts with them.

Bega Cheese supplies infant formula to a number of customers with product destined for both Australian and international markets.

There continues to be strong consumer demand for infant formula in China and in other Asian markets. Moreover, as a sub category the consumer demand for organic infant formula which Bega Cheese produces is also strong.

Bega Cheese Chairman Mr. Barry Irvin said "at our AGM and in our ASX release on 25 October I spoke about regulation change in China, a global supplier response to demand, the evolution of supplier channels to market, which now sees significant price discounting and signs of short term oversupply of infant formula and growing up milk powders".

Mr. Barry Irvin said "Whilst infant formula is important to us, Bega is a large multi-product dairy company with a strong ongoing profitable business in multiple categories". He went on to say "The guidance I gave on earnings at the Bega Cheese AGM is still our position".

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For further information please contact

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