Attention: Milk processors, milk producers and other interested parties,

**TRENDS OF MONTHLY UNPROCESSED (RAW) MILK PURCHASES IN THE RSA: 2013 TO DEC 2015**

Milk purchases for December 2015 was 3,47% lower than the amount bought in December 2014.

The total milk purchases reported for 2015 (up until December) is 3,146 million tonnes, versus 2,983 million tonnes in 2014 (for the same period), which is an increase of 5,48% for the year-to-date.

* Source: Milk SA Statistics (from monthly return forms).
* Note: 2013 - 2014 Reviewed, based on total figures declared to Milk SA.
* The composition of the sample (to determine the preliminary figures for the last two months) was amended because of changes in market participants' market shares of milk purchases.

Yours sincerely

Nico Fouché

CEO: Milk SA

2016.01.23

TT002