

IN THE AUSTRALIAN COMPETITION TRIBUNAL

of 2013

**MURRAY GOULBURN CO-OPERATIVE CO LIMITED**

**RE: PROPOSED ACQUISITION OF WARRNAMBOOL CHEESE  
AND BUTTER FACTORY COMPANY HOLDINGS LIMITED**

### **Certificate identifying annexure**

This is the annexure marked RAP26 now produced and shown to Robert Arthur Poole at the time of signing his statement on 28 November 2013.

**Annexure RAP26**  
**Extracts from ITOCHU website regarding Burra Foods**

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## News Releases 2009

### ITOCHU Launches Milk Powder Business with Australian Dairy Manufacturer, Burra Foods

August 7, 2009

ITOCHU Corporation and ITOCHU Australia Ltd (based in New South Wales) have decided to invest AUD31.5 million (about 2.4 billion yen) in BFA Holdings Pty Ltd (based in Victoria), the 100% holding company of Australian dairy manufacturer, Burra Foods Pty Ltd, and provide finance of AUD6.75 million (about 0.5 billion yen) to the Group to acquire 45% shares of the company.

Both companies have agreed to establish new milk powder facilities, leading ITOCHU to operate the milk powder business jointly with Burra in Australia.

ITOCHU and the existing owners, the Crothers family, will construct new milk powder facilities for skim milk powder, whole milk powder, and other products, with production capacity estimated at 24,000 tons per year of milk powder in the current factory location in Korumburra in Victoria. The factory is slated to commence operating in July 2010.

With rising demand for dairy products in the Chinese and Asian markets, accompanied by a growing population and improving income levels, and augmented by attention to safety and confidence in food following the food poisoning problems of recent years, there is a growing need for initiatives in production. In Japan, while self-sufficiency in dairy products is relatively high at around 60%, some imports are required and there is a strong need for a stable supply of high-quality products. Burra is an Australian manufacturer with understanding and experience in Japanese requirements, given that it has been dealing with Japan in dairy products for about 15 years. The company is thought to be capable of supplying products suitable to the Chinese, Asian, and Japanese markets targeted by ITOCHU.

As ITOCHU pursues a Strategic Integrated System (SIS) strategy to establish a global value chain, this business is positioned as part of the upstream food resources supply system. ITOCHU sees this business as making an excellent contribution to the establishment of a global value chain as it offers a stable supply of dairy products and food safety, earning the confidence of users in Asian markets such as Japan and China.

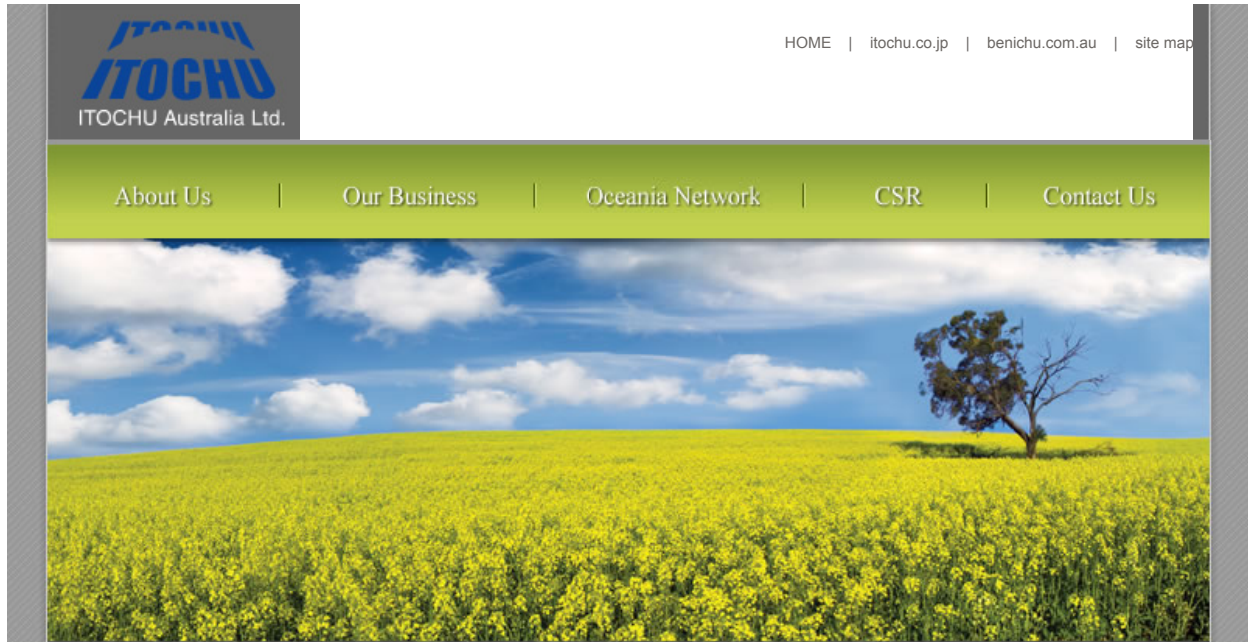
#### Company Overview

<b>Company name</b>	BFA Holdings Pty Ltd
<b>Representative</b>	Grant Crothers (Managing Director)
<b>Headquarters location</b>	182 Stawell St. Burnley, Victoria, 3121 Australia
<b>Establishment</b>	May 26, 1994
<b>Capital</b>	A\$13,838,000
<b>Shareholders</b>	Towawg (55%), ITOCHU Group (45%)
<b>Company name</b>	Burra Foods Pty Ltd
<b>Representative</b>	Grant Crothers (Managing Director)
<b>Headquarters location</b>	182 Stawell St. Burnley, Victoria, 3121 Australia
<b>Establishment</b>	December 6, 1988
<b>Business description</b>	Manufacture and sales of natural cheese, cream cheese, concentrated cream, concentrated milk and milk powder
<b>Capital</b>	A\$13,838,000

#### Burra Foods Factory image



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Coal
Metals & Mineral Resources
Energy
Machinery
General Merchandise
Chemical
Foods (Wool)
New Zealand
Papua New Guinea

## Foods

### ITOCHU Food Company

ITOCHU Corporation Japan is a leading global trading company with seven major division companies.

The Food Company is one of the largest and most traditional divisions of ITOCHU Corporation and boasts being one of the leading companies in the Japanese domestic food industry. From raw material trading, manufacturing, wholesale, distribution and supply to foodservice and retail sectors, ITOCHU Corporation has working capital and infrastructure throughout the entire food supply chain (upstream to downstream) all over the world. "Strategic, Integrated System" (SIS) on a global scale ensures that vertical integration remains a key factor in the success of ITOCHU Food Company. ITOCHU Australia is a key player within this global system.



Australia is one of the largest countries in the world for natural resources and primary industry production. Therefore it is only natural that ITOCHU Australia is a major source for raw materials and early stage manufactured products for the ITOCHU Food Company in Japan.

### Grains, Oilseeds and Grain Products



ITOCHU Australia (IAL) is closely aligned with major growers and accumulators of Wheat, Barley, Rice, Canola and other major grains & seeds which are exported to Japan and other Asian countries for further stage processing. IAL is also engaged in export of grain products such as wheat gluten, starch and premix as well as import of Vital gluten, starch, modified starch, white sugar and sweetener products such as dextrose or maltodextrin..

### Beef

As part of a working "SIS" example, ITOCHU has teamed up with TEYS BROS (largest Australian owned meat processor) and PRIMA HAM (One of the largest meat packers in Japan) to create a joint venture in a beef cattle feedlot in Condamine, Queensland. This working relationship provides high levels of communication and supply chain visibility from "paddock to plate".

### Marine / Seafood

Australia as a country is a net importer of seafood – mainly supplied by large aquaculture industries in South East Asia. However Australia is also one of the main countries for producing premium quality seafood such as Lobster, Tiger Prawns, Salmon, Oysters, Black lip Abalone and one of the best sashimi fish in the world - the Southern Blue Fin Tuna. ITOCHU is fully involved in exporting many varieties of high quality seafood products.





### Dairy

Products in the dairy industry are diverse and are all gaining rapid growth in demand on a global scale. ITOCHU Australia is involved in exporting a variety of products such as cheese, butter and milk powder products to name a few. ITOCHU is looking to develop involvement within the dairy industry even further. As a part of this development, ITOCHU obtained 45% of shareholding in Burra Foods (Victoria) in 2009. Global supply is limited and demand is increasing (especially in developing countries) for all kinds of dairy products.

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