



YOUR MILK STATEMENT EXPLAINED



WELCOME



Seán Molloy
Chief Agribusiness
Growth Officer

Dear Supplier

I am pleased to introduce this guide to our new Milk Statement. The Milk Statement is the most important document in the communication relationship between Glanbia Ireland and its milk suppliers.

Based on feedback from the representative structure we reviewed our current milk statement and designed what we believe is a much improved replacement from a milk supplier perspective.

The background to the change is that, since 2011, Glanbia has launched a range of innovative schemes, including 11 Fixed Milk price Schemes, the Glanbia Advance Payment Scheme, Working Bands, Seasonality, Glanbia Loyalty Scheme and the Trading Bonus Scheme.

The new statement is designed to accommodate these schemes and also to be capable of handling new schemes that we might develop to add value to your business.

Other key features:

- Page 1 is designed to be a standalone summary page for the month, with all other pages offering more in-depth information;
- We have increased the emphasis on presenting information based on milk solids but will continue to present information on a per litre basis, as this is more widely understood;
- There is an effort to drive improved technical performance by highlighting benchmarking against peers in a similar production system;
- Supply versus forecast is a new metric given prominence - as Glanbia Ireland expands, this has increased importance for business planning.

I would like to express my thanks to the farmers who provided feedback during the development of the new Milk Statement. If you have any feedback, please contact your local Glanbia Ireland Farm Development Manager or hello@glanbiaconnect.com

Yours sincerely

A handwritten signature in black ink that reads "Seán Molloy". The signature is fluid and cursive.

Seán Molloy
Chief Agribusiness Growth Officer

YOUR MILK STATEMENT SUMMARY

MILK STATEMENT				 Glanbia Ireland DAC Glanbia House Killybegs Ireland		
A Farmer Address Line 1 Address Line 2 Address Line 3		Period: June 2018 Dates: 27/05/18 - 30/06/18 (5 weeks) Issue Date: 10/10/18 System: Creamery Farming as: Sole Trader		FD Manager: Tel: Email:		
Supplier No. 1234567 Herd no. ABC78910		VAT Registered: N VAT no.				
1. MILK VALUE INCLUDING VAT						
		Glanbia base price at 3.6% BF/3.3% Prot		Glanbia Creamery Average		
Milk Value	€/kg	4.363		4.343	4.463	
	cpl	31.00		32.43	37.50	
Butterfat value	€/kg	3.585				
Butterfat value per 0.1%	€	0.36920				
Protein value	€/kg	6.452				
Protein value per 0.1%	€	0.65430				
2. MILK VALUE SUMMARY INCLUDING VAT						
		Kgs	Litres	€/kg	CPL	Total (€)
(A) Protein		7,911.93	6.435	50,911.03		
(B) Butterfat		8,944.82	3.575	31,974.85		
(C) Volume adjustment		200,621		-4.22	-8,458.18	
		16,856.75	200,621	4.415	37.10	74,427.70
June 2018 COOP Constituent bonus on 68211 Litres June 2018 COOP-BONUS on 68211 litres Other Payments (Section 10)						
				0.18	120.16	
				1.00	682.99	
		16,856.75	200,621	4.463	37.50	75,230.85
Other Payments unrelated to period (Section 10)						
						0.00
Gross milk value						
						75,230.85
Leaves (Section 11a)						
						-533.64
Quality Deductions (Section 11b)						
						843.20
GI Adjustments (Section 11c)						
						0.00
Net milk value						
						75,540.41
Other Deductions (Section 11d)						
						0.00
Net Milk Payment After Deductions						
						75,540.41
3. MILK SUPPLY SUMMARY						
		Litres		(%)	(kgs)	
Total current period		200,621				
Butterfat		4.33			8945	
Glanbia Creamery average Butterfat		3.81				
Protein		3.83			7912	
Glanbia Creamery average Protein		3.37				
Milk Solids		8.16			16857	
Glanbia Creamery average Milk Solids		7.18				
4. YEAR TO DATE SUMMARY						
		Litres		(%)	Total	
Milk (litres)		686,978				
Milk Solids (kgs)		58,616				
Butterfat (%)		4.50				
Butterfat (kgs)		32,353				
Butterfat value (€)		110,991.39				
Protein (%)		3.65				
Protein (kgs)		26,263				
Protein value (€)		162,736.00				
Volume adjustment (€)		-28,696.75				
5. MILK SUPPLY BY SCHEME						
		Litres		Litres		
Glanbia Base Price	62,179	2016 Phase 7 Fixed Milk Scheme	8,700	2017 Phase 8 Fixed Milk Scheme	33,616	
2018 Phase 10 Fixed Milk Scheme	30,500	2018 Glanbia Loyalty Scheme 1	23,729	2018 Phase 11 Fixed Milk Scheme	12,088	
2018 Phase 12 Fixed Milk Scheme	29,809					

1 Milk Value Including / Excluding VAT

This is the key summary section showing the average price paid for your milk supplied this month. The Glanbia base price in euro per kilogramme of milk solids and cent per litre (cpl) is displayed. You can also compare your price with this month's average for milk suppliers in similar production systems.

2 Milk Value Summary

This is a key summary section showing how your milk payment for this month was generated. At the top of the column is the total gross value of the milk delivered, with a summary of any additional payments and any deductions. There is also a reference showing where you can find additional information on any deductions made.

3 Milk Supply Summary

This section summarises your milk supply for this month and the average constituents in that milk. It allows you to very quickly compare your constituents this month to the average of other Glanbia suppliers. Both litres and kilogrammes are displayed.

4 Year to Date Summary

This shows an overview of your total volume of milk supplied in the calendar year to date and its average constituents.

5 Milk Supply By Scheme

Displays the details of litres in each scheme supplied for the current period.

NEW SECTIONS ON YOUR MILK STATEMENT

SECTION 1 MILK VALUE INCLUDING VAT

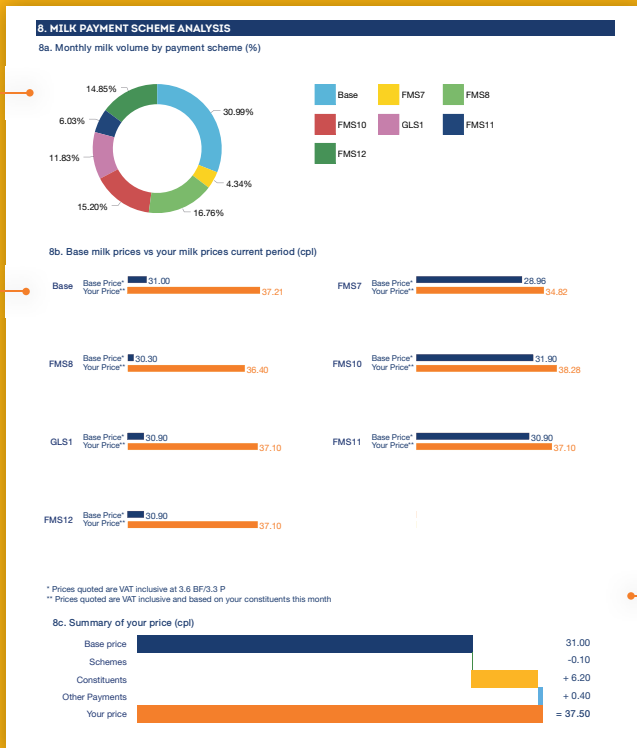
1. MILK VALUE INCLUDING VAT		Glanbia base price at 3.6% BF/3.3% Prot	Glanbia Creamery Average	Your Price
Milk Value	€/kg	4.353	4.343	4.463
	cpl	31.00	32.43	37.50
Butterfat value	€/kg	3.585		
Butterfat value per 0.1%	€	0.36920		
Protein value	€/kg	6.452		
Protein value per 0.1%	€	0.66430		

1
Your Price

SECTION 8 MILK PAYMENT SCHEME ANALYSIS

Additional analysis of litres supplied in the period, comparison of base price to your price and breakdown of your price.

1
Maps the % volume of litres supplied for each fixed milk scheme in the period.

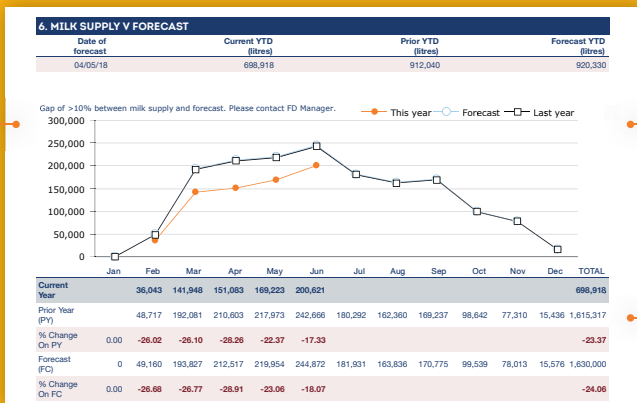


2
Cent per litre Base milk prices compared to Supplier price cent per litre milk prices on all schemes.

3
Summary of your price (cpl) – Breakdown of Supplier price looking at Supplier Base Price, Schemes, Constituent, Other Payments.

SECTION 6 MILK SUPPLY FORECAST

This new section shows your milk supply forecast. Please note if no forecast is displayed, you should contact your Farm Development Manager to submit a forecast.



1

Forecast overview
Gives a milk supply forecast overview.

2

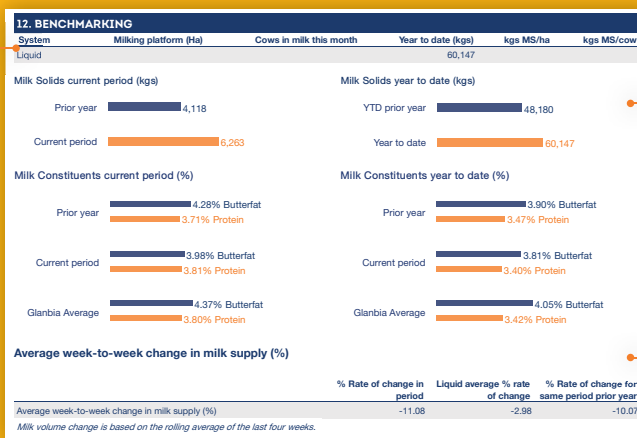
Forecast graph
Shows current year, prior year and forecast year to date in graph format.

3

Forecast table
Shows milk supply forecast by litres in tabular format.

SECTION 12 BENCHMARKING

The benchmarking section will now allow you to monitor milk performance month on month and current versus last year.



1

Milk Constituents current period (%)
Milk Constituents this period compared to same period last year and Glanbia average.

2

Milk Constituents year to date (%)
Milk Constituents YTD compared to prior year and Glanbia average.

3

Average week-to-week change in milk supply (%)

Please do not hesitate to contact your Glanbia Ireland Farm Development Manager should you have any queries on your new milk statement.

FAQS

Q. Why is such a long Milk Statement required - why can't it all be on one page?

A. Page 1 of your new Milk Statement is designed to provide a summary of all the key information that you need for this month. The additional pages provide more detail in all the relevant areas. Glanbia has introduced a range of schemes which make our Milk Statement more complex than others. The feedback from milk suppliers on these schemes – in terms of scheme uptake and survey responses – is that they are valued.

Q. I now view my Milk Statement each month on Glanbia Connect and no longer need a print version. Can I opt to discontinue receiving the postal version?

A. In the coming months we plan to give milk suppliers the option of receiving their Milk Statement only in electronic format. However, the print version will be retained for those who prefer that option.

Q. Where do I find my Milk Statement?

A. Sign in or register at www.glanbiaconnect.com Visit the secure “My Account” section.

Your Milk Statement can then be located by selecting “Milk Statements” from the dropdown menu in “My Dashboard”

Q. Who do I contact if I cannot understand the new Milk Statement?

A. Please contact your local Farm Development Manager. You can find their phone numbers on the new Milk Statement.

Q. Why is there an out of date milk forecast on my Milk Statement?

A. We do not have an up to date milk forecast on our system for each milk supplier. However, in order to plan for future milk capacity investment, we need to have up to date milk supply forecasts for our milk suppliers. Please contact your Farm Development Manager if your supply forecast needs to be updated.

Q. Why am I now receiving two documents?

A. You will now receive a VAT Invoice Statement and a Milk Statement. The VAT Invoice is a self-billing document required to comply with VAT regulations.

The Milk Statement is a detailed explanation of the milk value supplied for the period.

Help & Support

Email: hello@glanbiaconnect.com
Phone: 1890 100 017
Mon-Fri: 9am - 5.30pm

For further information
visit www.glanbiaconnect.com