

Arla Foods amba
Aarhus, Denmark



INVESTOR ANNOUNCEMENT

23-05-2016

Arla successfully issues 1 billion SEK bonds

Arla Foods Finance A/S has today successfully priced an issuance of 5-year SEK bonds for a principal amount of 1 billion SEK maturing on 31 May 2021 guaranteed by Arla Foods amba.

The bonds are split into two tranches:

SEK 500 million fixed with a coupon of 1.875%.

SEK 500 million floating rate with a coupon of STIBOR 3 month plus 1.75%

The notes will be issued under the company's 750 million euro European Medium Term Note (EMTN) programme, which is listed on the Irish Stock Exchange. Danske Bank and Nordea are lead managers.

The issue refinances elements of Arla's existing bank debt.

"This is the fourth time Arla issues bonds in the Swedish market since our inaugural issue in 2011. We have today issued a fixed rate bond with the lowest coupon ever. Arla seeks to have a well-diversified funding base and the Swedish bond market is an important part of our funding portfolio," says Arla Foods CFO, Natalie Knight.

The issue is targeted professional investors.