

PRODUCER POOLING INFORMATION REPORT
June 2016

| Milk Blend Price @ 3.5% BF | | | |
|-------------------------------|----------|-------------------|--------------|
| Quota / Excess Prices | (\$/cwt) | Butterfat (\$/lb) | Skim (\$/lb) |
| Quota Price | \$13.15 | \$1.9525413 | \$0.0654601 |
| Excess Price | \$11.65 | \$1.9375413 | \$0.0504601 |

| Milk Blend Price @ 3.5% BF | | | |
|-------------------------------|----------|-------------------|--------------|
| Announced Prices | (\$/cwt) | Butterfat (\$/lb) | Skim (\$/lb) |
| Class I | \$15.69 | \$2.3163 | \$0.0786 |
| Class II | \$13.39 | \$2.1500 | \$0.0608 |
| Class III | \$11.31 | \$1.7532 | \$0.0536 |

| Production | Milk (lbs) | Butterfat (lbs) | Skim (lbs) | Butterfat (%) |
|--|------------|-----------------|------------|---------------|
| Quota Production (lbs) | 22,666,220 | 821,544 | 21,844,676 | 3.62% |
| Excess Production (lbs) | 1,257,864 | 45,322 | 1,212,542 | 3.60% |
| Total Production (lbs) | 23,924,084 | 866,866 | 23,057,218 | 3.62% |
| Excess Production (as % of Total Production) | 5.3% | 5.2% | 5.3% | |

| Utilization of Production | Milk (lbs) | Butterfat (lbs) | Skim (lbs) | Milk (% of Production) | Butterfat (% of Production) | Skim (% of Production) |
|---------------------------|------------|-----------------|------------|------------------------|-----------------------------|------------------------|
| Class I | 11,889,817 | 224,916 | 11,664,901 | 49.70% | 25.95% | 50.59% |
| Class II | 1,076,315 | 114,587 | 961,728 | 4.50% | 13.22% | 4.17% |
| Class III | 10,957,952 | 527,363 | 10,430,589 | 45.80% | 60.84% | 45.24% |
| | 23,924,084 | 866,866 | 23,057,218 | 100.00% | 100.00% | 100.00% |

| Out-of-State Sales (fulfilled using Production, Bulk Imports, Bulk Inventory) | Milk (lbs) | Butterfat (lbs) | Skim (lbs) | Milk (% of Production) | Butterfat (% of Production) | Skim (% of Production) |
|---|------------|-----------------|------------|------------------------|-----------------------------|------------------------|
| Out-of-State Package Sales | 7,956,932 | 156,096 | 7,800,836 | 33.26% | 18.01% | 33.83% |
| Out-of State Bulk Sales | 3,625,740 | 130,661 | 3,495,079 | 15.16% | 15.07% | 15.16% |
| Bulk Cream Sales | 697,640 | 293,446 | 404,194 | 2.92% | 33.85% | 1.75% |

| Imports | Milk (lbs) | Butterfat (lbs) | Skim (lbs) |
|------------------------------------|------------|-----------------|------------|
| Out-of-State Bulk Milk Imports | 1,625,723 | 55,982 | 1,569,741 |
| Out-of-State Packaged Milk Imports | 195,254 | 3,779 | 191,475 |

| GAIN / LOSS BREAKDOWN FOR OUT-OF-STATE SURPLUS MILK SALES | | | | | | |
|---|-----------------|-----------------|----------------------|---------------|--------------------|-------------------|
| | Packaged Milk | | | Packaged | | |
| | (\$) | Bulk Milk (\$) | Combined (\$) | Milk (\$/cwt) | Bulk Milk (\$/cwt) | Combined (\$/cwt) |
| Value Received | \$ 586,533.84 | \$ 394,882.95 | \$ 981,416.79 | \$ 9.26 | \$ 12.76 | \$ 10.41 |
| Montana Value (Class III) | \$ (550,448.14) | \$ (356,081.67) | \$ (906,529.82) | \$ (8.69) | \$ (11.51) | \$ (9.62) |
| Out-of-State Haul Costs | \$ - | \$ (87,864.72) | \$ (87,864.72) | \$ - | \$ (2.84) | \$ (0.93) |
| | \$36,085.70 | (\$49,063.44) | (\$12,977.75) | \$ 0.57 | \$ (1.59) | \$ (0.14) |
| In-State Haul Costs | | | (\$30,707.78) | | | |
| Gain / (Loss) on Sale of Surplus Milk | | | (\$43,685.53) | | | |

**UTILIZATION OF PRODUCER MILK
DELIVERED TO MONTANA POOL PLANTS
By Weight (lbs)
June 2016**

| Pool Plant | Class I | Class II | Class III | Total Milk Delivered | Percent of Usage |
|--|-------------------|------------------|-------------------|---------------------------------|-----------------------------|
| Darigold - Bozeman | 5,457,529 | 252,945 | 7,450,828 | 13,161,302 | 55.01% |
| Meadow Gold - Billings | 1,003,119 | 4,648 | 409,445 | 1,417,212 | 5.92% |
| Meadow Gold - Great Falls | 5,352,726 | 788,311 | 3,095,414 | 9,236,451 | 38.61% |
| MT Correctional Ent. | 76,443 | 30,411 | 2,265 | 109,119 | 0.46% |
| Totals: | 11,889,817 | 1,076,315 | 10,957,952 | 23,924,084 | 100.00% |
| Percent of Total Delivered Milk Utilized by Class | 49.70% | 4.50% | 45.80% | | |

**UTILIZATION OF PRODUCER MILK
DELIVERED TO MONTANA POOL PLANTS
By Percentage of Class
June 2016**

| Pool Plant | Class I | Class II | Class III | Total Milk Delivered | Percent of Usage |
|-------------------------|----------------|-----------------|------------------|---------------------------------|-----------------------------|
| Darigold | 45.90% | 23.50% | 67.99% | 13,161,302 | 55.01% |
| Meadow Gold-Billings | 8.44% | 0.43% | 3.74% | 1,417,212 | 5.92% |
| Meadow Gold-Great Falls | 45.02% | 73.24% | 28.25% | 9,236,451 | 38.61% |
| MT Correctional Ent. | 0.64% | 2.83% | 0.02% | 109,119 | 0.46% |
| Class Totals | 100.00% | 100.00% | 100.00% | 23,924,084 | 100.00% |

June 2016 Quota & Excess Prices Determination for Montana

| | Quota Delivered (lbs) | Excess Delivered (lbs) | Total Delivered (lbs) |
|-----------------------|--------------------------|---------------------------|--------------------------|
| Skim | 21,844,676 | 1,212,542 | 23,057,218 |
| Butterfat | 821,544 | 45,322 | 866,866 |
| Milk | 22,666,220 | 1,257,864 | 23,924,084 |
| % of Total Production | 94.74% | 5.26% | 100.00% |

| SKIM | | | | | | |
|---|-----------------|---|-----------------------------|--------------------------------|--|---------------------------------------|
| | Skim Value (\$) | Additional Value of Reclassified Pool Milk - Skim (\$) | Skim Utilization Value (\$) | Skim - Announced Price (\$/lb) | Utilization of Month's Production - Skim (lbs) | % of Total Production Utilized - SKIM |
| Class I | \$ 916,625.57 | \$0.00 | \$ 916,625.57 | \$ 0.0785798 | 11,664,901 | 50.59% |
| Class II | \$ 58,451.14 | \$0.00 | \$ 58,451.14 | \$ 0.0607772 | 961,728 | 4.17% |
| Class III | \$ 559,230.81 | | \$ 559,230.81 | \$ 0.0536145 | 10,430,589 | 45.24% |
| | \$ 1,534,307.51 | | | | 23,057,218 | 100.00% |
| Calculation of Poolwide Value of Skim: | | | | | | |
| | \$ 1,534,307.51 | Skim Value | | | | |
| | \$ 74,886.97 | Gain / Loss on Out-of-State Sale of Surplus before Hauling | | | | |
| | \$ (87,864.72) | Out-of-State Surplus Hauling | | | | |
| | \$ (30,707.78) | In-State Surplus Hauling | | | | |
| | \$ 1,490,621.99 | Poolwide Value of Skim | | | | |
| | \$ 27,720.48 | 1/2 of Prior Month's Settlement Fund Balance | | | | |
| | \$ (27,199.46) | Less: Quota Milk Delivered * \$0.12/cwt | | | | |
| | \$ 1,491,143.00 | Adjusted Poolwide Value of Skim | | | | |
| | | 23,057,218 Total Skim Delivered (lbs) | | | | |
| | \$ 0.0646714 | Poolwide Value of Skim (\$/lb) | | | | |
| Quota Skim Price Calculation: | | | | | | |
| | \$ 0.0150000 | Quota/Excess Differential (\$/lb): \$1.50/cwt / 100 lbs/cwt | | | | |
| | 5.25773% | Excess % of Total Production | | | | |
| | \$ 0.0007887 | Quota Differential for Skim (\$/lb) | | | | |
| | \$ 0.0646714 | Poolwide Value of Skim (\$/lb) | | | | |
| | \$ 0.0654601 | Quota Blend Price for Skim (\$/lb) | | | | |
| Excess Skim Price Calculation: | | | | | | |
| | \$ (0.0150000) | Quota/Excess Differential (\$/lb): \$1.50/cwt / 100 lbs/cwt | | | | |
| | 94.74227% | Quota % of Total Production | | | | |
| | \$ (0.0142113) | Excess Differential (\$/lb) | | | | |
| | \$ 0.0646714 | Poolwide Value of Skim (\$/lb) | | | | |
| | \$ (0.0142113) | Less: Excess Differential (\$/lb) | | | | |
| | \$ 0.0504601 | Excess Blend Price for Skim (\$/lb) | | | | |

| Blend Prices @ 3.5% butterfat test | |
|------------------------------------|--|
| \$ 6.3169 | Quota Value for Skim Portion of cwt of milk testing 3.5% butterfat * |
| \$ 6.8339 | Quota Value for Butterfat Portion of cwt of milk testing 3.5% butterfat * |
| \$ 13.1508 | Quota Blend Price (\$/cwt for milk testing 3.5% butterfat) * |
| \$ 4.8694 | Excess Value for Skim Portion of cwt of milk testing 3.5% butterfat * |
| \$ 6.7814 | Excess Value for Butterfat Portion of cwt of milk testing 3.5% butterfat * |
| \$ 11.6508 | Excess Blend Price (\$/cwt for milk testing 3.5% butterfat) * |

| BUTTERFAT | | | | | | |
|--|----------------------|---|----------------------------------|-------------------------------------|---|--|
| | Butterfat Value (\$) | Additional Value of Reclassified Pool Milk - Butterfat (\$) | Butterfat Utilization Value (\$) | Butterfat - Announced Price (\$/lb) | Utilization of Month's Production - Butterfat (lbs) | % of Total Production Utilized - BUTTERFAT |
| Class I | \$ 520,973.15 | \$ - | \$ 520,973.15 | \$ 2.3163 | 224,916 | 25.95% |
| Class II | \$ 246,362.05 | \$0.00 | \$ 246,362.05 | \$ 2.1500 | 114,587 | 13.22% |
| Class III | \$ 924,572.81 | | \$ 924,572.81 | \$ 1.7532 | 527,363 | 60.84% |
| | \$ 1,691,908.01 | | | | 866,866 | 100.00% |
| | \$ 1,691,908.01 | Poolwide Value of Butterfat | | | | |
| | | 866,866 Total Butterfat Delivered (lbs) | | | | |
| | | 1.951752644 Poolwide Value of Butterfat (\$/lb) | | | | |
| Quota Butterfat Price Calculation: | | | | | | |
| | \$ 0.0150000 | Quota/Excess Differential (\$/lb): \$1.50/cwt / 100 lbs/cwt | | | | |
| | 5.25773% | Excess % of Total Production | | | | |
| | \$ 0.0007887 | Quota Differential for Butterfat (\$/lb) | | | | |
| | \$ 1.9517526 | Poolwide Value of Butterfat (\$/lb) | | | | |
| | \$ 1.9525413 | Quota Blend Price for Butterfat (\$/lb) | | | | |
| Excess Butterfat Price Calculation: | | | | | | |
| | \$ (0.0150000) | Quota/Excess Differential (\$/lb): \$1.50/cwt / 100 lbs/cwt | | | | |
| | 94.74227% | Quota % of Total Production | | | | |
| | \$ (0.0142113) | Excess Differential (\$/lb) | | | | |
| | \$ 1.9517526 | Poolwide Value of Butterfat (\$/lb) | | | | |
| | \$ (0.0142113) | Less: Excess Differential (\$/lb) | | | | |
| | \$ 1.9375413 | Excess Blend Price for Butterfat (\$/lb) | | | | |

* Rounded to four decimal places