

| 2020 Dairy Farm Statistics | Owners average | Owners top 20% | 50/50 s/milkers average | 50/50 s/milkers top 20% | LOSM & c/milkers average | Owners with 50/50 s/milkers | Owners with LOSM & c/milkers |
|--|------------------|------------------|-------------------------|-------------------------|--------------------------|-----------------------------|------------------------------|
| PRODUCTION DATA | | | | | | | |
| Effective milking hectares | 227 | 258 | 167 | 130 | 253 | 187 | 247 |
| Runoff hectares | 114 | 163 | 32 | 45 | 43 | 31 | 77 |
| Cattle on hand at year end | 927 | 1,191 | 687 | 640 | 82 | 66 | 981 |
| Peak cows milked | 654 | 836 | 498 | 426 | 738 | 540 | 716 |
| Cows per milking hectare | 2.89 | 3.24 | 2.97 | 3.27 | 2.92 | 2.88 | 2.90 |
| Milk solids (kg) | 297,025 | 428,568 | 239,285 | 223,169 | 329,629 | 263,259 | 314,610 |
| Milk solids (kg/cow) | 454 | 513 | 481 | 524 | 447 | 488 | 440 |
| Milk solids (kg/ha) | 1,311 | 1,663 | 1,429 | 1,713 | 1,304 | 1,407 | 1,274 |
| Milk solids price (\$/kg) | 7.16 | 7.31 | 3.48 | 3.57 | 1.39 | 3.64 | 7.09 |
| Average calf price (\$) | 79 | 100 | 68 | 52 | 30 | 18 | 75 |
| Average cull cow price (\$) | 755 | 836 | 705 | 705 | 472 | 138 | 681 |
| Cattle account profit as % of GFI | 6% | 7% | 12% | 11% | 4% | 0% | 6% |
| Milk income as % of GFI | 93% | 92% | 87% | 88% | 92% | 97% | 91% |
| FINANCIAL ANALYSIS | | | | | | | |
| Per milking hectare | | | | | | | |
| Gross farm income | 10,111 | 13,254 | 5,726 | 6,954 | 1,962 | 5,262 | 9,872 |
| Farm working expenses | 6,339 | 7,725 | 3,805 | 4,300 | 1,115 | 2,549 | 6,527 |
| Operating surplus | 3,771 | 5,529 | 1,921 | 2,654 | 847 | 2,712 | 3,345 |
| Economic farm surplus | 3,215 | 5,127 | 1,472 | 2,109 | 497 | 2,499 | 3,044 |
| Per Cow | | | | | | | |
| Gross farm income | 3,503 | 4,089 | 1,926 | 2,126 | 672 | 1,825 | 3,406 |
| Farm working expenses | 2,196 | 2,383 | 1,280 | 1,315 | 382 | 884 | 2,252 |
| Operating surplus | 1,307 | 1,706 | 646 | 812 | 290 | 941 | 1,154 |
| Per Milk solids (kg) | | | | | | | |
| Gross farm income | 7.71 | 7.97 | 4.01 | 4.06 | 1.50 | 3.74 | 7.75 |
| Farm working expenses | 4.83 | 4.65 | 2.66 | 2.51 | .85 | 1.81 | 5.12 |
| Operating surplus | 2.88 | 3.33 | 1.34 | 1.55 | .65 | 1.93 | 2.63 |
| PROFITABILITY | | | | | | | |
| Milk sales income | 2,127,112 | 3,130,842 | 833,015 | 796,598 | 456,883 | 958,417 | 2,229,291 |
| Cattle trading ⁺ | 148,452 | 254,674 | 117,861 | 100,311 | 18,554 | (2,810) | 138,075 |
| Gross farm income | 2,290,217 | 3,416,154 | 958,720 | 905,801 | 495,829 | 984,834 | 2,437,689 |
| Farm working expenses | 1,435,946 | 1,991,145 | 637,144 | 560,076 | 281,678 | 477,154 | 1,611,702 |
| Interest | 315,953 | 371,065 | 57,484 | 49,310 | 19,895 | 148,910 | 348,301 |
| Net farm trading profit* | 538,319 | 1,053,944 | 264,092 | 296,415 | 194,256 | 358,769 | 477,686 |
| Personal expenses | 97,259 | 106,405 | 55,025 | 50,781 | 72,758 | 146,252 | 94,776 |
| Net plant purchases | 102,107 | 109,444 | 52,510 | 35,695 | 31,413 | 13,350 | 58,912 |
| EXPENSES (\$/kgms) | | | | | | | |
| Animal health | .22 | .25 | .23 | .17 | .01 | .00 | .23 |
| Breeding expenses | .13 | .10 | .16 | .15 | .00 | .00 | .15 |
| Contract, cultivation and regrassing | .18 | .23 | .10 | .14 | .01 | .09 | .11 |
| Dairyshed expenses | .07 | .05 | .05 | .05 | .03 | .04 | .05 |
| Electricity | .09 | .08 | .09 | .09 | .07 | .00 | .02 |
| Fertiliser | .54 | .52 | .13 | .09 | .01 | .27 | .50 |
| Freight | .04 | .04 | .03 | .04 | .00 | .01 | .04 |
| Grazing costs | .40 | .26 | .45 | .43 | .01 | .34 | .69 |
| Owned/Rented grazing block | .32 | .26 | .01 | .04 | .00 | .12 | .24 |
| Repairs & maintenance | .36 | .35 | .09 | .05 | .02 | .23 | .37 |
| Stock food costs | 1.08 | 1.38 | .47 | .54 | .04 | .43 | .86 |
| Vehicle costs | .21 | .15 | .15 | .14 | .08 | .02 | .10 |
| Wages | .74 | .59 | .46 | .36 | .47 | .00 | 1.32 |
| Administration | .09 | .06 | .07 | .07 | .04 | .06 | .11 |
| Insurance, rates and ACC | .16 | .12 | .05 | .06 | .03 | .12 | .14 |
| Farm working expenses | 4.83 | 4.65 | 2.66 | 2.51 | .85 | 1.81 | 5.12 |
| Farm working expenses as % of GFI | 63% | 58% | 66% | 62% | 57% | 48% | 66% |
| Interest | 1.00 | .80 | .14 | .11 | .02 | .61 | 1.08 |
| Interest paid as % of GFI | 13% | 10% | 3% | 3% | 2% | 16% | 14% |
| OTHER DATA | | | | | | | |
| Total farm assets (land, stock & plant) | 11,441,368 | 14,617,460 | 1,083,115 | 994,556 | 230,475 | 8,682,786 | 11,991,371 |
| Return on total farm assets | 6.9% | 9.9% | 22.2% | 27.8% | 230.2% | 5.4% | 6.7% |
| Increase (decrease) in term liabilities | 142,205 | 223,887 | (55,363) | (51,176) | (10,835) | (177,729) | (37,959) |
| Term liabilities per kgms | 21.02 | 15.11 | 2.16 | 2.03 | .39 | 12.92 | 24.50 |
| Min farm trading profit req. for viability | 543,029 | 634,246 | 107,278 | 98,039 | 103,291 | 375,927 | 615,263 |

* After allowance for depreciation on plant and machinery. + Including allowance for change in stock numbers on hand

Updated: 15/04/2021

M^cIntyre Dick

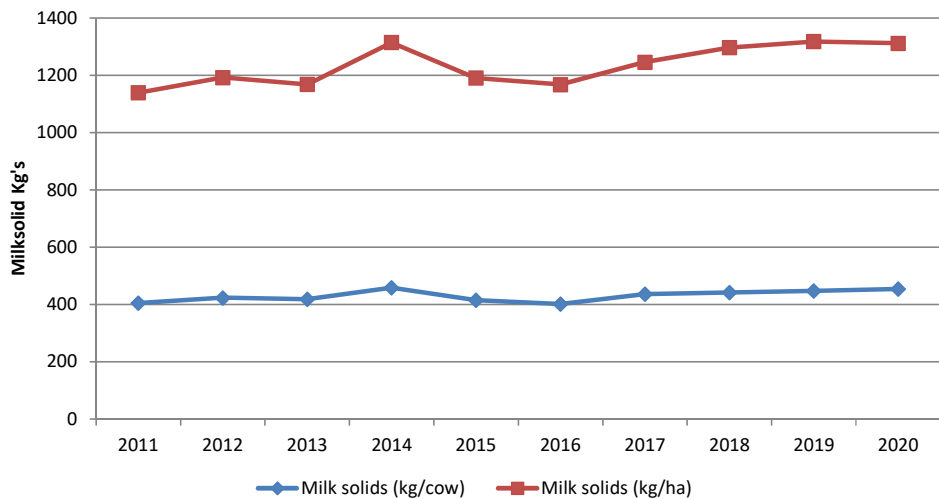
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Dairy Owner Operator - 10 Year Trend

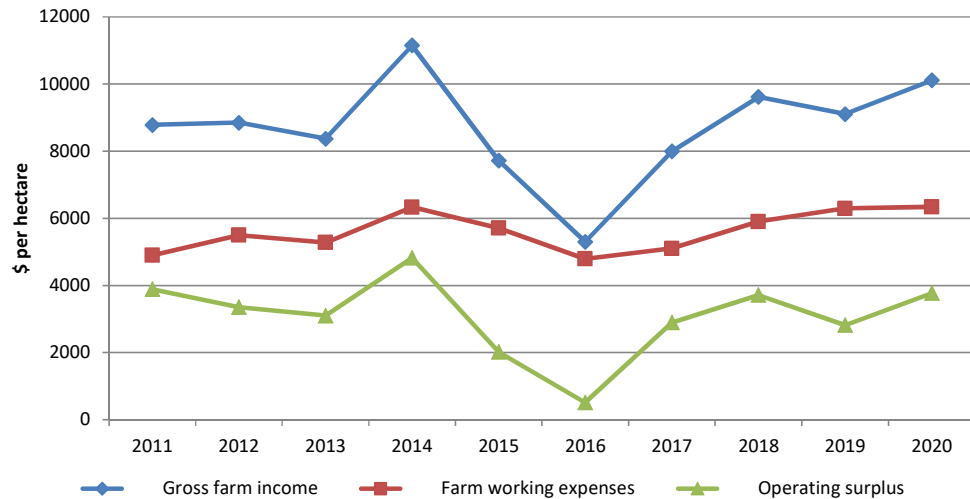
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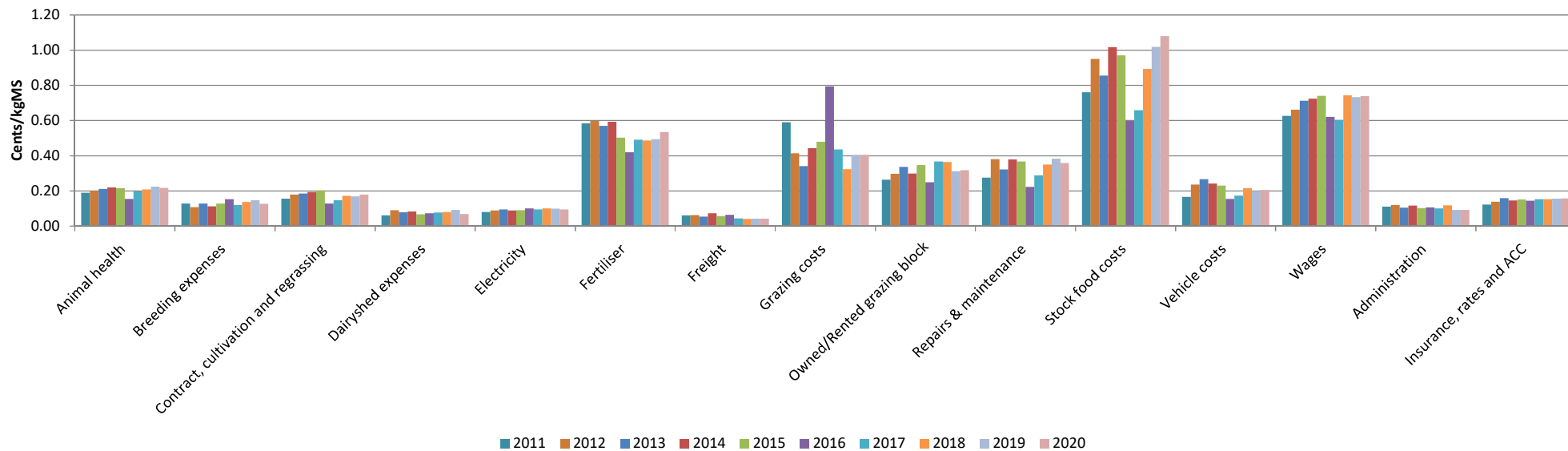
Production Trend



Income & Profitability



Farm Working Cost Trend

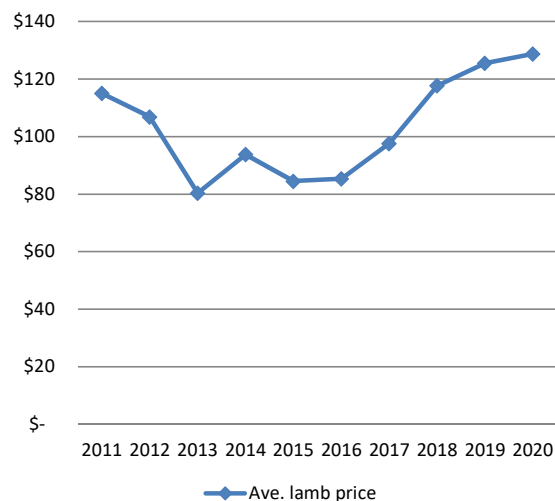


| 2020 Sheep, Beef & Deer Farm Statistics | Average < 3000 su | Top 20% < 3000 su | Average 3000 su > 5000 su | Top 20% 3000 su > 5000 su | Average > 5000 su | Top 20% > 5000 su |
|--|-------------------|-------------------|---------------------------|---------------------------|-------------------|-------------------|
| PRODUCTION DATA | | | | | | |
| Effective Area (ha) | 221 | 167 | 456 | 254 | 1,357 | 814 |
| Sheep on hand at year end | 1,816 | 1,257 | 3,423 | 3,370 | 8,316 | 7,735 |
| Cattle on hand at year end | 59 | 81 | 81 | 19 | 413 | 251 |
| Deer on hand at year end | 72 | 0 | 214 | 0 | 72 | 0 |
| Ave. stock units carried | 1,998 | 1,597 | 3,943 | 3,207 | 10,178 | 8,475 |
| Ave. stock units per ha | 9.1 | 9.6 | 8.6 | 12.6 | 7.5 | 10.4 |
| Lambing % | 151% | 164% | 145% | 148% | 139% | 149% |
| Ave. lamb price | 128.42 | 137.59 | 128.71 | 129.93 | 122.22 | 118.13 |
| Ave. ewe price | 154.39 | 164.29 | 142.84 | 157.25 | 138.48 | 147.08 |
| Total wool production (kg) | 6,953 | 5,856 | 9,026 | 3,337 | 32,115 | 36,369 |
| Wool production per sheep stock unit (kg) | 4.6 | 5.3 | 4.3 | 2.2 | 4.1 | 5.0 |
| Average wool price per kg | 1.74 | 1.57 | 2.18 | 6.28 | 2.22 | 1.84 |
| FINANCIAL ANALYSIS | | | | | | |
| Per hectare | | | | | | |
| Gross farm income | 1,747 | 2,550 | 1,423 | 2,582 | 1,020 | 1,591 |
| Farm working expenses | 887 | 1,084 | 722 | 1,241 | 577 | 856 |
| Operating surplus | 860 | 1,465 | 701 | 1,341 | 443 | 734 |
| Economic farm surplus | 499 | 957 | 628 | 1,011 | 391 | 619 |
| Per stock unit | | | | | | |
| Sheep - Gross Profit | 179.89 | 223.29 | 161.53 | 179.77 | 144.47 | 153.88 |
| Cattle - Gross Profit | 69.69 | 221.65 | 108.90 | 191.34 | 86.16 | 75.57 |
| Deer - Gross Profit | 33.24 | 0.00 | 41.91 | 0.00 | 22.01 | 0.00 |
| Gross farm income | 192.89 | 265.97 | 164.55 | 204.53 | 135.91 | 152.82 |
| Farm working expenses | 97.95 | 113.09 | 83.50 | 98.28 | 76.86 | 82.26 |
| Operating surplus | 94.94 | 152.88 | 81.05 | 106.25 | 59.05 | 70.56 |
| PROFITABILITY | | | | | | |
| Sheep trading ⁺ | 268,624 | 277,645 | 504,795 | 542,964 | 1,030,993 | 1,045,421 |
| Wool sales | 12,092 | 9,213 | 19,681 | 20,959 | 71,251 | 66,855 |
| Cattle trading ⁺ | 44,943 | 106,502 | 38,961 | 17,961 | 189,248 | 134,135 |
| Deer trading ⁺ | 15,384 | 0 | 34,200 | 0 | 7,774 | 0 |
| Grazing, cropping and other | 44,306 | 31,388 | 51,135 | 74,037 | 84,088 | 48,745 |
| Gross farm income | 385,350 | 424,748 | 648,772 | 655,921 | 1,383,354 | 1,295,155 |
| Farm working expenses | 195,689 | 180,598 | 329,213 | 315,188 | 782,288 | 697,158 |
| Interest and rent | 32,856 | 42,897 | 82,257 | 71,645 | 198,150 | 230,869 |
| Net farm trading profit* | 132,012 | 180,786 | 213,012 | 251,999 | 333,260 | 325,754 |
| Personal expenses | 58,546 | 38,444 | 80,651 | 41,082 | 136,285 | 150,846 |
| Net plant purchases | 46,951 | 43,035 | 30,617 | 43,670 | 84,645 | 60,873 |
| EXPENSES (\$/su) | | | | | | |
| Animal health | 7.45 | 9.47 | 6.77 | 8.56 | 6.58 | 7.84 |
| Fertiliser | 16.62 | 17.80 | 16.53 | 17.29 | 16.62 | 14.84 |
| Freight | 1.80 | 4.09 | .95 | .23 | .84 | 1.65 |
| Repairs & maintenance | 11.27 | 16.53 | 9.20 | 10.10 | 7.63 | 8.54 |
| Shearing | 6.76 | 7.62 | 7.88 | 6.92 | 9.19 | 10.75 |
| Stock feed | 9.85 | 13.50 | 3.35 | 1.29 | 1.67 | 1.66 |
| Vehicle | 10.33 | 8.37 | 6.53 | 9.01 | 6.27 | 5.60 |
| Wages | 6.49 | .00 | 9.90 | 19.86 | 8.00 | 6.24 |
| Administration | 6.29 | 9.01 | 5.04 | 4.49 | 2.70 | 2.52 |
| Insurance, rates and ACC | 8.23 | 7.56 | 5.22 | 7.06 | 4.15 | 4.49 |
| Farm working expenses | 97.95 | 113.09 | 83.50 | 98.28 | 76.86 | 82.26 |
| Farm working expenses as % of GFI | 51% | 43% | 51% | 48% | 57% | 54% |
| Interest & rent | 16.45 | 26.86 | 20.86 | 22.34 | 19.47 | 27.24 |
| Interest and rent paid as % of GFI | 9% | 10% | 13% | 11% | 14% | 18% |
| OTHER DATA | | | | | | |
| Total farm assets (land, stock & plant) | 4,219,202 | 3,686,348 | 5,331,836 | 4,457,629 | 13,251,433 | 10,111,606 |
| Return on total farm assets | 4.1% | 11.8% | 12.5% | 8.2% | 4.8% | 5.0% |
| Increase (decrease) in term liabilities | 14,724 | (46,525) | (41,676) | 137,359 | 32,108 | 36,926 |
| Term debt as % of total farm assets | 13% | 19% | 21% | 12% | 30% | 32% |
| Min farm trading profit req. for viability | 119,294 | 116,994 | 160,628 | 81,856 | 441,855 | 412,455 |

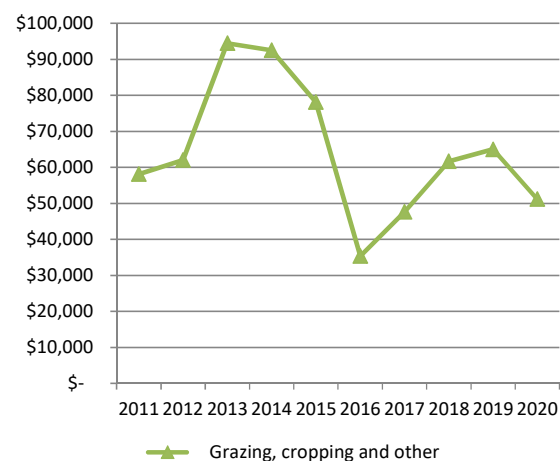
* After allowance for depreciation on plant and machinery. + Including allowance for change in stock numbers on hand.

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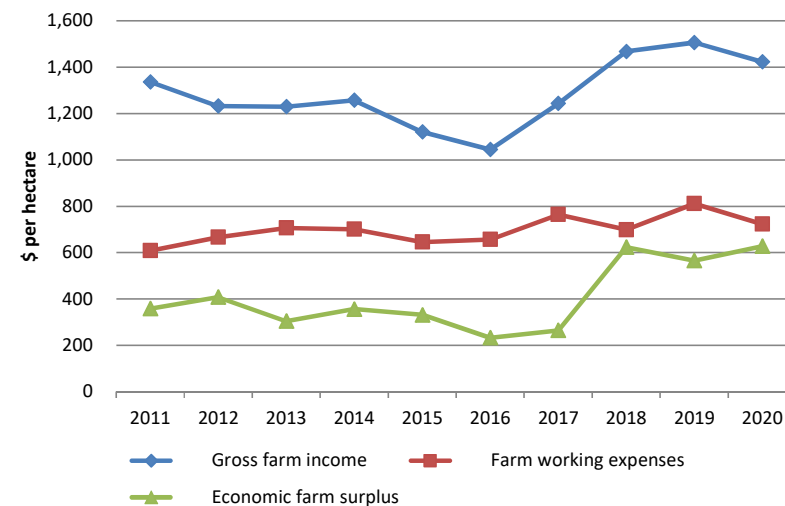
Lamb Price



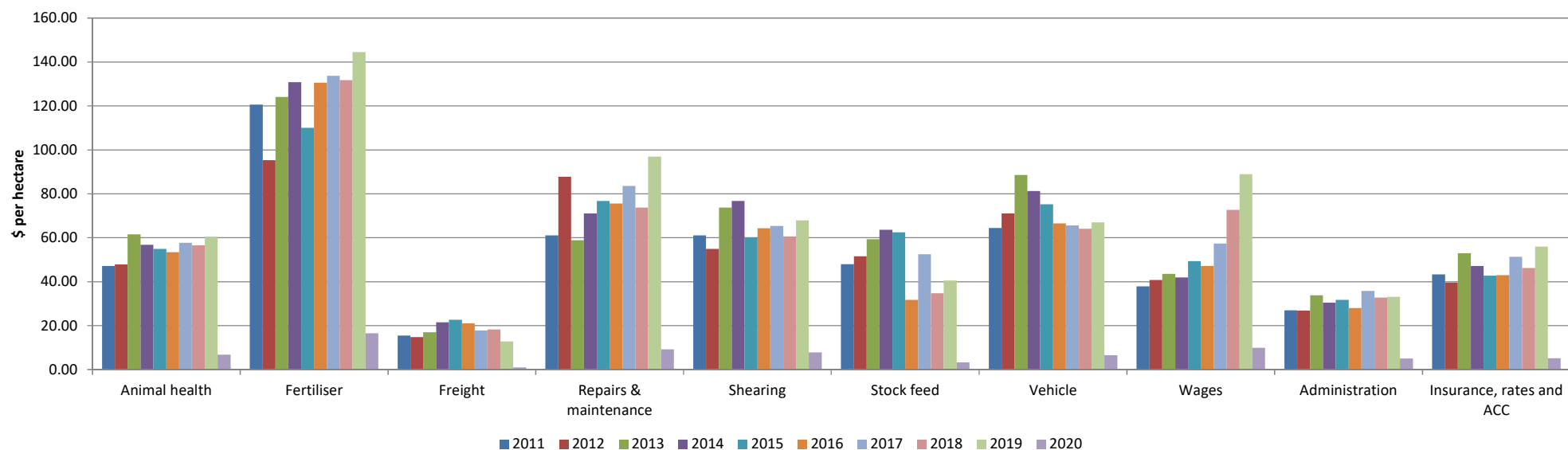
Grazing, Cropping & Other Income



Income & Profitability



Farm Working Cost Trend





Farm Stats Interpretation Guide

FINANCIAL ANALYSIS

Operating surplus = gross farm income – farm working expenses

Economic farm surplus = net farm trading profit – (interest and rent + labour adjustment)

- The labour adjustment is added when farmer is an owner operator and is included where working owners are not paid for their labour. It is calculated as follows:-

Peak cows milked x \$140 labour rate

If *less than* \$30,800 use \$30,800

If *between* \$30,801 and \$69,999 calculate peak cows milked x \$140

If *greater than* \$70,000 use \$70,000 as maximum labour adjustment

PROFITABILITY

Milk sales income = total milk income – Dairy NZ fee + Fonterra dividend (if any)

Cattle account surplus = cash surplus from accounts +/- change in value of livestock on hand

- Bear in mind this change in value is always based on herd values, never national standard cost which is why it could be different to accounts.
- Farm working expenses are as per accounts but not including depreciation or inter entity interest.
- Interest expenses should match up to accounts. If any inter entity interest is paid then this is backed out.

Net farm trading profit = gross farm income (GFI) – farm working expenses – interest – plant and machinery depreciation – owned runoff adjustment

- The owned runoff adjustment is calculated as if the runoff was leased so that it is comparable to other entities that lease their run off and there is a separate line for this in expenses section of our stats.

Owned runoff adjustment = market value of runoff land x 5%

Personal expenses = drawings + private share expenses

- Current account items that are non cash are not included in this line as it represents the actual money withdrawn from the entity throughout the year.
- Net plant purchases exclude land and land development asset purchases.

OTHER DATA

- Total farm assets – This is a combination of land, plant and stock valued at balance date.
 - Land – Current market value based on location and size
 - Stock – Herd value
 - Plant – Closing book value from asset schedule in accounts

Return on farm assets = (economic farm surplus per Ha x effective Ha) ÷ total farm assets

- Increase (decrease) in term liabilities is change from last year to this year in term liabilities not including inter entity loans.
- Minimum farm trading profit required for viability is calculated to show the profit before tax required so that the farm can meet tax of 25% and debt obligations over 20 years. It is calculated as follows:-

= [(Term liabilities ÷ 20 years) + total drawings] ÷ 75%