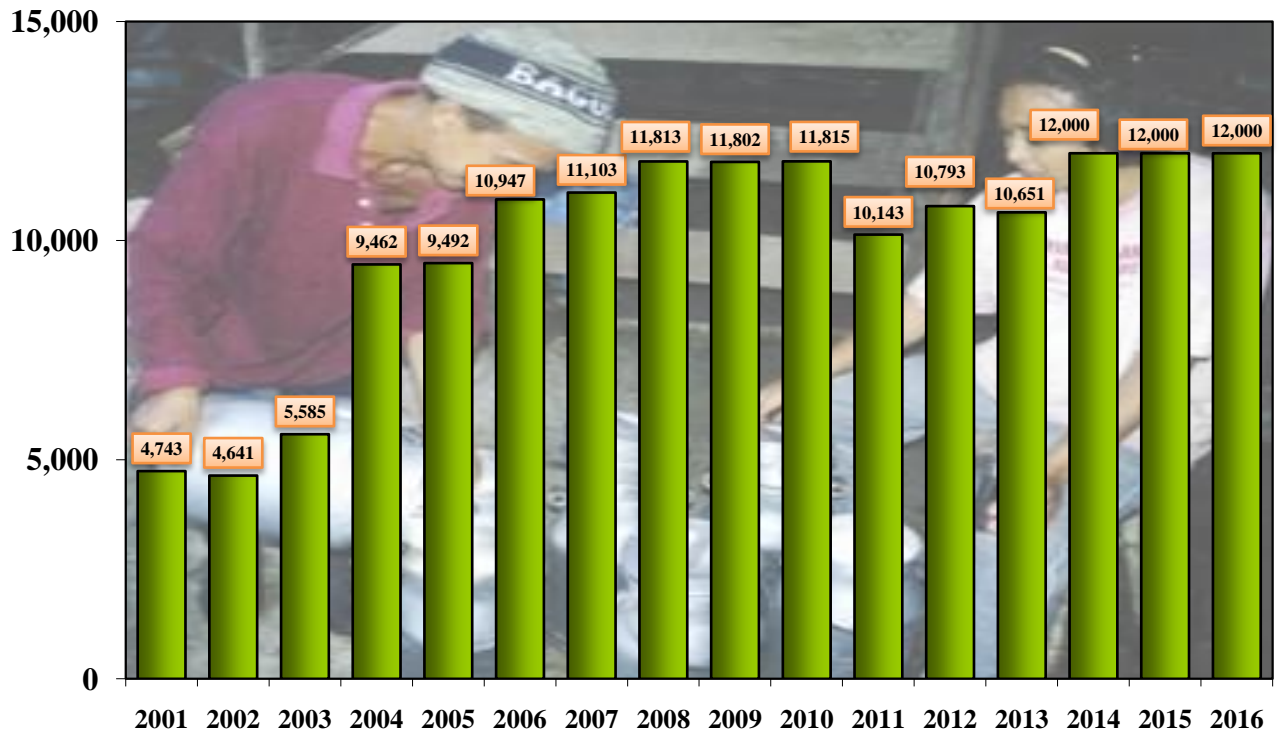


DAIRY PROGRAM UPDATE

NATIONAL DAIRY AUTHORITY

JOB SECURITY PROGRAM



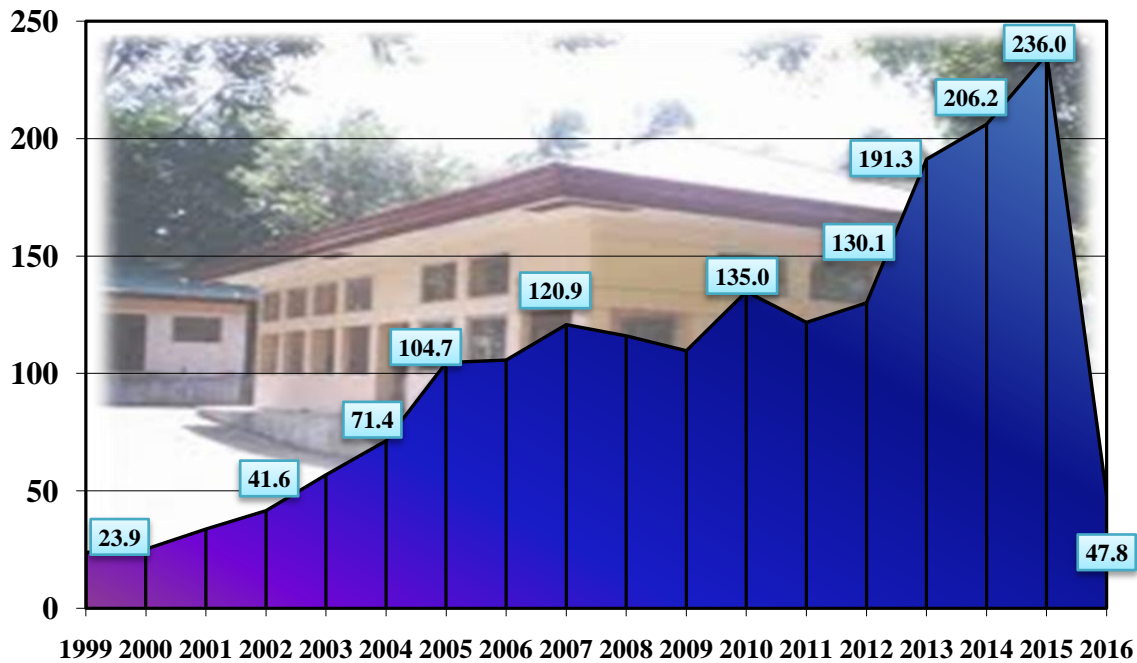
* 2016 -As of September

Dairying assures job in the countryside. More than 12,000 rural farmers and their families are now actively engaged in dairy production, processing and distribution. It has become a family enterprise that extends within and nearby communities as dairy related jobs and activities are stimulated and sustained. Dairying is indeed a real growth driver of rural economy.

DAIRY PROGRAM UPDATE

NATIONAL DAIRY AUTHORITY

ENTERPRISE DEVELOPMENT PROGRAM



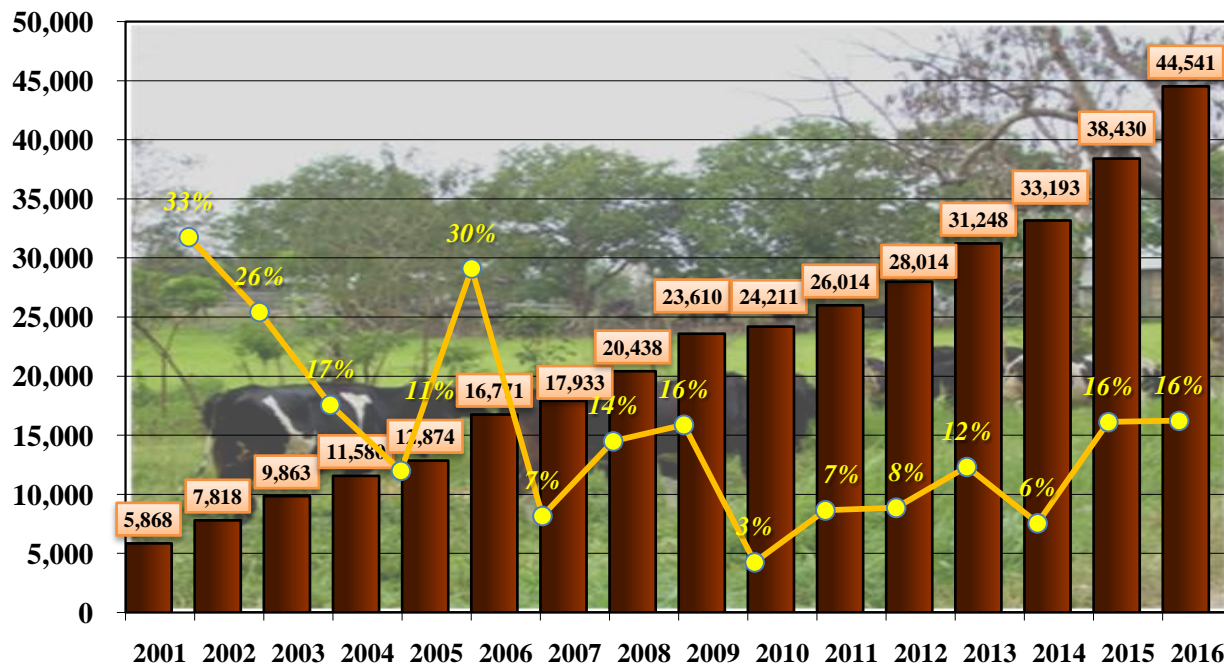
* 2016 -As of September

The growth of the business performances in terms of hundreds of millions milk sales is transforming the local federation of dairy cooperatives into maturing business entities. This is made possible through NDA's provision of continuous capacity building, business advisories and business skills development interventions.

DAIRY PROGRAM UPDATE

NATIONAL DAIRY AUTHORITY

HERD BUILD-UP PROGRAM



* 2016 -As of September

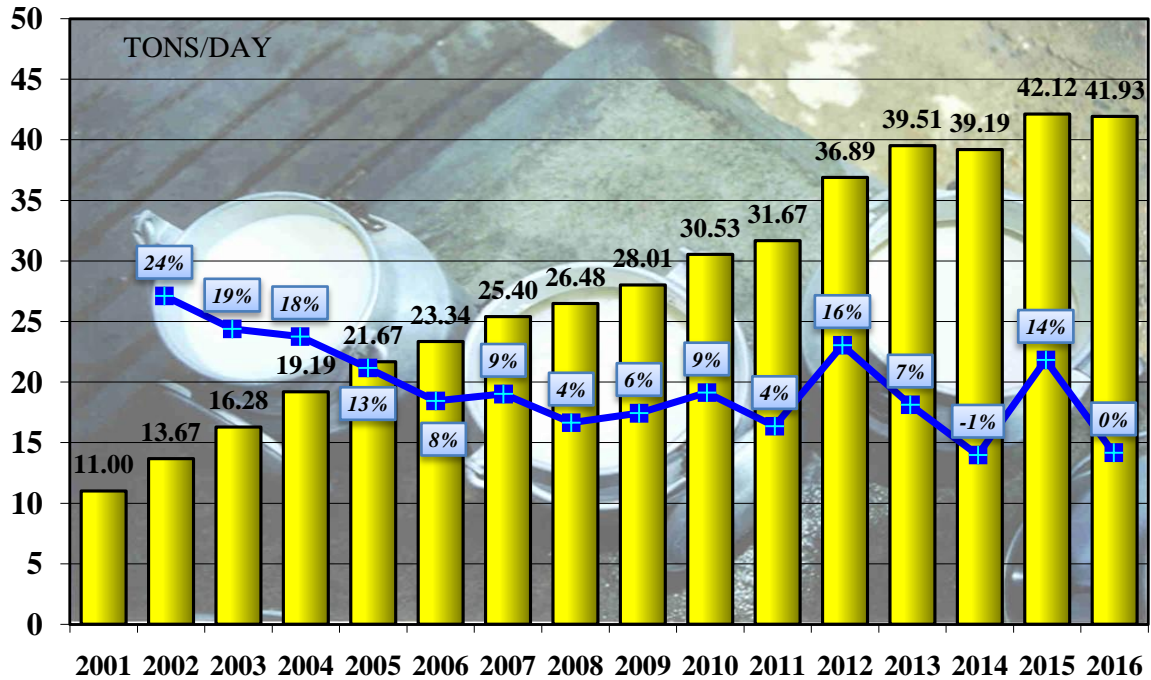
The establishment of dairy foundation stocks is the prime activity of local dairy development. Major strategies deployed were infusion via importation, upgrading of local stocks, crossbreeding of local beef cattle and saving the herd from slaughtering.

The herd build-up gains were more than 7x from barely 6,000 heads before to more than 44,000 heads now but remained few as compared against the rest of the Asian countries.

DAIRY PROGRAM UPDATE

NATIONAL DAIRY AUTHORITY

MILK PRODUCTIVITY PROGRAM



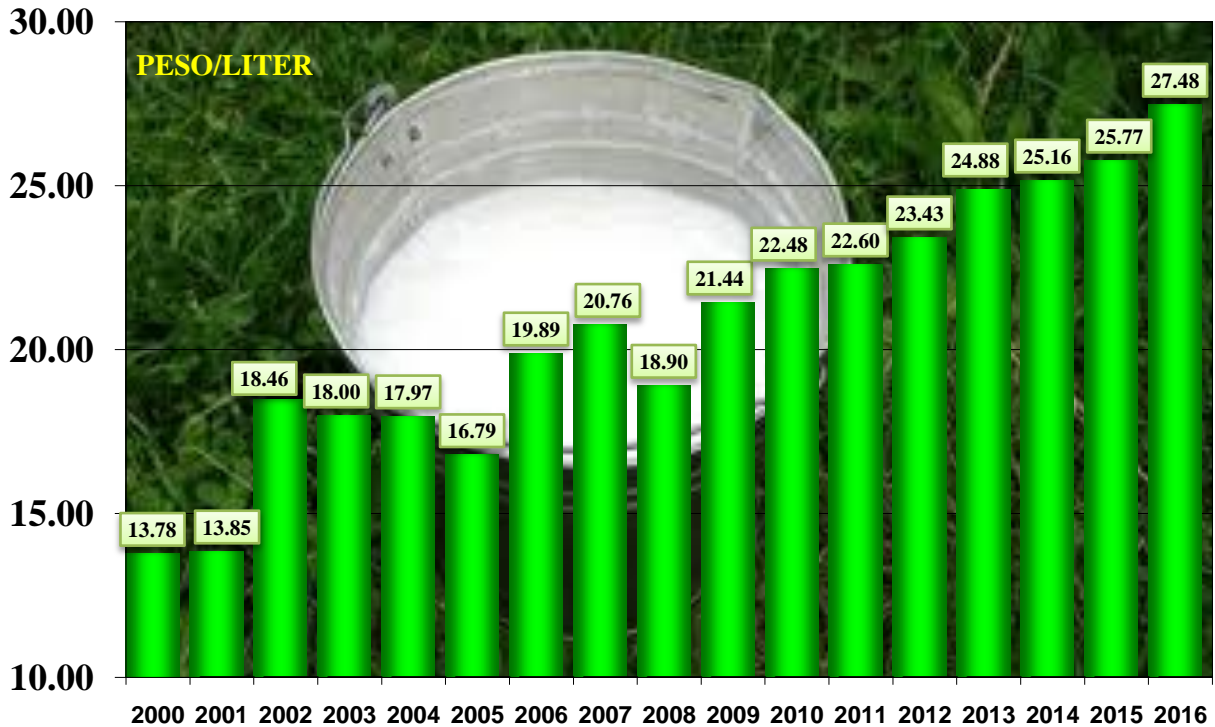
* 2016 -As of September

NDA is consistently striving for higher daily milk production available for value-adding activities. So far, it has successfully quadrupled the milk level to almost 45 tons per day. This transforms all NDA-assisted areas to become major milk contributors of the country accounting for more than 70% of the national milk production.

DAIRY PROGRAM UPDATE

NATIONAL DAIRY AUTHORITY

FARM GATE PRICE REVIEW PROGRAM



* 2016 -As of September

The notable increase in farm gate price of raw milk connotes improving milk quality and getting higher income; that good farming practices mean producing quality milk and getting premium price. Good milk and good income do motivate dairy farmers to continue in the business of dairying.

DAIRY PROGRAM UPDATE

NATIONAL DAIRY AUTHORITY

MILK FEEDING PROGRAM



Despite the very limited public fund, NDA manages to expand the coverage of children beneficiaries of its milk feeding program through cost-sharing arrangements with public and private organizations. To date, more than 1.10 million children milkfed have improved their nutrition status at above 90% rehab mark.

MILK FEEDING COVERAGE 1995-2015

1995-2015	LUZON	VISAYAS	MINDANAO	PHILS
CHILDREN MILKFED	481,263	311,251	323,617	1,116,131
%	43%	28%	29%	100%