

SE **Business**
 HD **Bega ups supply for Asian markets**
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ASIA'S appetite for Australian **dairy** is showing no signs of being satisfied as Bega **Cheese** outlines plans to up exports to the orient.

Asian demand for Bega's **dairy** products already accounts for 28 per cent of sales, which the **company** says will be a platform for future expansion.

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Domestic customers made up 65 per cent of sales revenue.

As part of its marketing, the **company** initiated a "chef-led-selling program" in **China** and South East Asia which helps teach local pastry chefs how to bake with cream **cheese**.

Bega chief executive Aidan Coleman said despite Australian wholesale **milk** prices being driven up due to competition, the Asian market remains ripe for the long term.

"There does remain a strong underlying demand for **dairy** products in Asia," Mr Coleman said.
 "There is a very good base for expansion."

Bega said it will spend \$25 **million** to increase its **milk** supply by 25 per cent in the next three years to meet forecast growth.

But other geopolitical factors cloud the **company's** future.

Mr Coleman said it was still too early to say how Russia's trade sanctions on Australian produce would impact Bega's **business**.

The outlook came as Bega unveiled its full year results, reporting a \$66 **million** profit in 2013/14, up by 160 per cent on last year.

Net profit was inflated by the **sale** of Bega's holdings in Warrnambool **Cheese** and **Butter** which was **sold** to Canadian **company** Saputo. Bega's **stake** was worth around \$66 **million** after tax and transaction costs. AAP

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