

## Froneri acquires Tip Top at \$380 million

13 May 2019 | News

**Fonterra has agreed to divest its New Zealand ice cream business Tip Top to Froneri in a deal worth NZD 380 million (\$250.2 million).**



**New Zealand's iconic ice cream company has a new owner, after global ice cream company Froneri purchased Tip Top from Fonterra for \$380 million**

Fonterra has agreed to divest its New Zealand ice cream business Tip Top to Froneri in a deal worth NZD 380 million (\$250.2 million).

Fonterra CEO Miles Hurrell confirmed the sale, saying it was a bittersweet moment for Fonterra.

"Since we took ownership of Tip Top in 2001, a lot of work has gone into ensuring it remained New Zealand's leading ice cream company. Over that time, we've had strong support from New Zealanders, and I want to recognise and thank them for that.

"One of the big attractions for Froneri is the fact that Tip Top and Kāpiti ice cream both use fresh milk and cream, from New Zealand grass-fed cows. We've signed an agreement with the new owners to supply milk which ensures that Fonterra farmers will continue to be part of the Tip Top story.

"We will also retain full global ownership of the Kāpiti brand and will be licencing its use for ice cream to Froneri. This means our popular Kāpiti cheese isn't going anywhere.

Froneri is the third largest ice cream manufacturer in the world, selling a staple of well-known ice cream brands in 20 countries. Froneri brings leadership and global expertise in ice cream, reach into new ice cream markets, and new consumer products.

Froneri CEO Ibrahim Najafi says the Tip Top name and its operations, including the Auckland based factory site at Mount Wellington will be maintained.

"We have always admired Tip Top as New Zealand's favourite and most trusted ice cream brand. The acquisition enhances our scale and supports our vision to build the world's best ice cream company."

The agreed settlement date is 31 May 2019. While there will be a transition period over a number of months, it will be very much business as usual, and Tip Top employees will transfer across to become part of Froneri.