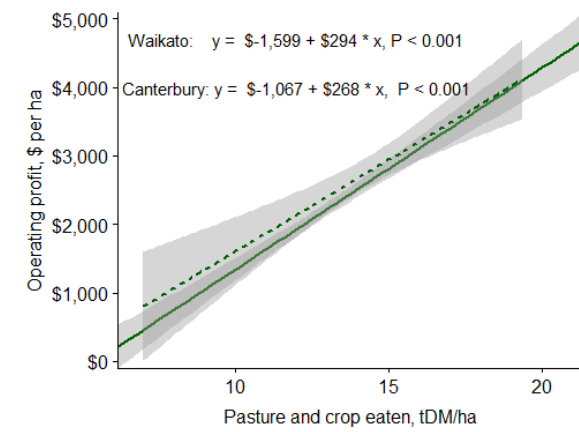


2005/06 to 2016/17	Top 25%	Others	Signif.
Operating Return on Assets	7%	4%	****
Pasture and Crop eaten	15.2	14.1	****
Stocking rate	3.7	3.6	**
MS per cow	430	420	*
Import & Grazing, kg/cow	1 220	1 290	n.s.
MS per ha	1 600	1 500	***
Opex per ha	\$6 500	\$7 200	**
Opex per kg MS	\$4.10	\$4.90	****
Gross farm revenue/kgMS	\$6.40	\$6.47	n.s.
Operating profit/kgMS	\$2.40	\$1.60	****
Asset value, \$/ha	\$51 000	\$57 300	**

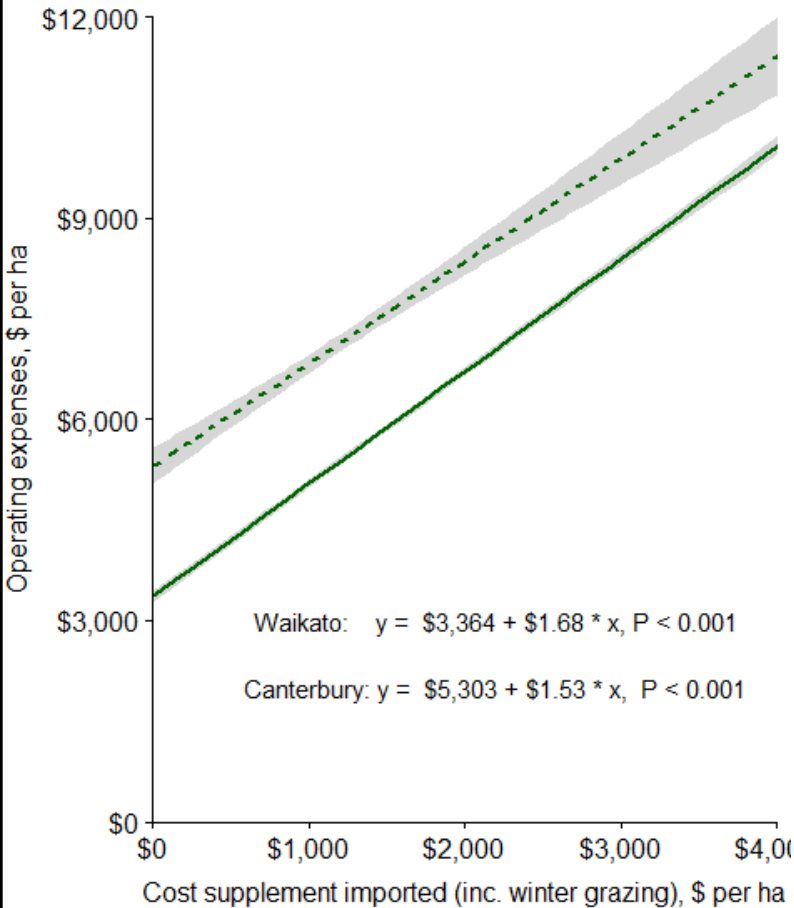
**An extra tDM  
Pasture and Crop  
Eaten associated with  
an extra ~\$300/ha  
profit**



**More supplement equals more milk:  
Does it equal more money?**

	MS/ha	Profit,ROA
Low (System 1 and 2)		
Medium (System 3)	+66	Not Signif.
High (Systems 4 and 5)	+149	Not Signif.

# Lessons from a decade of data

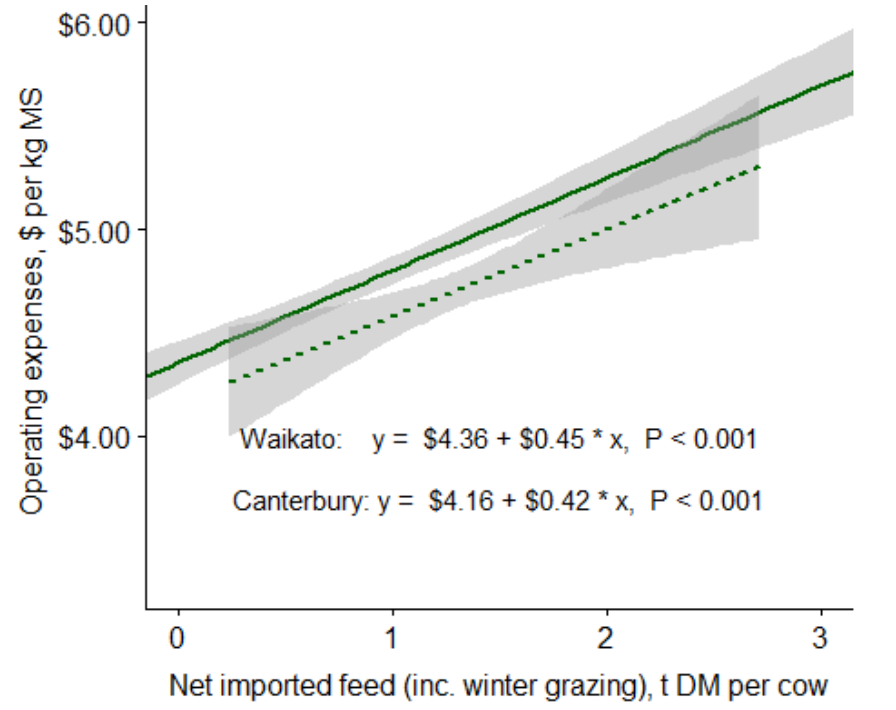


**When supplement expense increases, so do other expenses**

**Waikato: \$1.68**  
**Canterbury: \$1.53**  
**Ireland: \$1.53**  
**UK: \$1.62**

**Then the marginal cost of milk can exceed the marginal revenue!**

**When supplement expense increases, average Opex per kg MS increases**



**A higher Opex per kg MS reduces the businesses ability to weather downturns**