

Comparison: CME Butter Prices / Audited California Butter Sales - REVISED

24-Month Period: September 2005 through August 2007

- Data were collected and audited from six California butter plants. The plants reported monthly sales volume and sales revenue for salted bulk butter for the 24-month period, representing 100% of the salted bulk butter sold by these audited California plants.
- The Chicago Mercantile Exchange (CME) butter prices are the simple average of the daily butter price per pound, released by the CME, using the 26th of the prior month through the 25th of the current month.
- The weighted average California butter prices represent the calendar monthly price per pound received by each plant and then weighted by sales volume.

Breakdown of CME Butter Prices and Audited California Butter Sales September 2005 through August 2007

| Date | CME Butter Prices | California Weighted Average Prices | Difference: Calif. Weighted Less CME |
|-----------------------------|-------------------|------------------------------------|--------------------------------------|
| <i>In Dollars Per Pound</i> | | | |
| Sep-05 | \$1.7098 | \$1.6751 | -\$0.0347 |
| Oct-05 | \$1.6427 | \$1.6181 | -\$0.0246 |
| Nov-05 | \$1.4627 | \$1.4251 | -\$0.0376 |
| Dec-05 | \$1.3648 | \$1.3359 | -\$0.0289 |
| Jan-06 | \$1.3553 | \$1.3210 | -\$0.0343 |
| Feb-06 | \$1.2092 | \$1.1908 | -\$0.0184 |
| Mar-06 | \$1.1690 | \$1.1478 | -\$0.0212 |
| Apr-06 | \$1.1580 | \$1.1315 | -\$0.0265 |
| May-06 | \$1.1767 | \$1.1477 | -\$0.0290 |
| Jun-06 | \$1.1698 | \$1.1367 | -\$0.0331 |
| Jul-06 | \$1.1516 | \$1.1206 | -\$0.0310 |
| Aug-06 | \$1.2742 | \$1.1900 | -\$0.0842 |
| Sep-06 | \$1.3319 | \$1.2839 | -\$0.0480 |
| Oct-06 | \$1.3265 | \$1.2800 | -\$0.0465 |
| Nov-06 | \$1.2900 | \$1.2485 | -\$0.0415 |
| Dec-06 | \$1.2558 | \$1.2394 | -\$0.0164 |
| Jan-07 | \$1.2153 | \$1.1914 | -\$0.0239 |
| Feb-07 | \$1.2250 | \$1.1980 | -\$0.0270 |
| Mar-07 | \$1.3048 | \$1.2673 | -\$0.0375 |
| Apr-07 | \$1.3580 | \$1.3309 | -\$0.0271 |
| May-07 | \$1.4657 | \$1.4249 | -\$0.0408 |
| Jun-07 | \$1.5088 | \$1.4782 | -\$0.0306 |
| Jul-07 | \$1.4871 | \$1.4738 | -\$0.0133 |
| Aug-07 | \$1.4618 | \$1.4763 | \$0.0145 |

Summary of Comparison: California Weighted Less CME

| Time Period | Average Differences | | |
|----------------------------|---------------------|--|--|
| | Simple | Weighted: ^{1/} Differences Reflected in the Monthly | Weighted: ^{2/} Differences over Entire Period |
| All 24 months | -\$0.0309 | -\$0.0308 | -\$0.0408 |
| 12 months ending Aug. 2006 | -\$0.0336 | -\$0.0337 | -\$0.0479 |
| 12 months ending Aug. 2007 | -\$0.0282 | -\$0.0287 | -\$0.0395 |

^{1/} The monthly differences are weighted by the monthly volumes.

^{2/} The simple average CME price for the entire period is subtracted from the weighted average California Price for entire period

Comparison: CME Cheddar Cheese Prices / Audited California Cheddar Cheese Sales

24-Month Period: September 2005 through August 2007

- Data were collected and audited from four California Cheddar cheese plants. The plants reported monthly sales volume and sales revenue for 40-pound block Cheddar cheese for the 24-month period, representing 99% of the 40-pound block Cheddar cheese sold by these audited California plants.
- The Chicago Mercantile Exchange (CME) Cheddar cheese prices are the simple average of the daily block Cheddar cheese price per pound, released by the CME, using the 26th of the prior month through the 25th of the current month.
- The weighted average California Cheddar cheese prices represent the calendar monthly price per pound received by each plant and then weighted by sales volume.

Breakdown of CME Cheddar Cheese Prices and Audited California Cheddar Cheese Sales September 2005 through August 2007

| Date | CME Cheese Prices | California Weighted Average Prices | Difference: Calif. Weighted Less CME |
|--------|-------------------|------------------------------------|--------------------------------------|
| | | | |
| Sep-05 | \$1.5384 | \$1.4824 | -\$0.0560 |
| Oct-05 | \$1.4849 | \$1.5000 | \$0.0151 |
| Nov-05 | \$1.3808 | \$1.3945 | \$0.0137 |
| Dec-05 | \$1.4304 | \$1.4063 | -\$0.0241 |
| Jan-06 | \$1.3581 | \$1.3709 | \$0.0128 |
| Feb-06 | \$1.2146 | \$1.2575 | \$0.0429 |
| Mar-06 | \$1.1586 | \$1.1486 | -\$0.0100 |
| Apr-06 | \$1.1667 | \$1.1591 | -\$0.0076 |
| May-06 | \$1.1775 | \$1.1533 | -\$0.0242 |
| Jun-06 | \$1.2011 | \$1.1879 | -\$0.0132 |
| Jul-06 | \$1.1643 | \$1.1606 | -\$0.0037 |
| Aug-06 | \$1.2091 | \$1.1654 | -\$0.0437 |
| Sep-06 | \$1.3041 | \$1.2671 | -\$0.0370 |
| Oct-06 | \$1.2383 | \$1.2395 | \$0.0012 |
| Nov-06 | \$1.3490 | \$1.2766 | -\$0.0724 |
| Dec-06 | \$1.3318 | \$1.3448 | \$0.0130 |
| Jan-07 | \$1.3161 | \$1.3089 | -\$0.0072 |
| Feb-07 | \$1.3376 | \$1.3085 | -\$0.0291 |
| Mar-07 | \$1.3715 | \$1.3343 | -\$0.0372 |
| Apr-07 | \$1.4381 | \$1.3880 | -\$0.0501 |
| May-07 | \$1.6835 | \$1.5532 | -\$0.1303 |
| Jun-07 | \$1.9824 | \$1.8249 | -\$0.1575 |
| Jul-07 | \$1.9427 | \$1.9732 | \$0.0305 |
| Aug-07 | \$1.9242 | \$1.8946 | -\$0.0296 |

Summary of Comparison: California Weighted Less CME

| Time Period | Average Differences | | |
|----------------------------|---------------------|--|--|
| | Simple | Weighted: ^{1/} Differences Reflected in the Monthly | Weighted: ^{2/} Differences over Entire Period |
| All 24 months | -\$0.0252 | -\$0.0267 | -\$0.0246 |
| 12 months ending Aug. 2006 | -\$0.0082 | -\$0.0095 | -\$0.0043 |
| 12 months ending Aug. 2007 | -\$0.0421 | -\$0.0451 | -\$0.0381 |

^{1/} The monthly differences are weighted by the monthly volumes.

^{2/} The simple average CME price for the entire period is subtracted from the weighted average California Price for the entire period.