

IN THE AUSTRALIAN COMPETITION TRIBUNAL

of 2013

MURRAY GOULBURN CO-OPERATIVE CO LIMITED

**RE: PROPOSED ACQUISITION OF WARRNAMBOOL CHEESE
AND BUTTER FACTORY COMPANY HOLDINGS LIMITED**

Certificate identifying annexure

This is the annexure marked "DMN19" now produced and shown to David Michael Noonan at the time of signing his statement on 28 November 2013.

**Annexure DMN19
WCB letter to shareholders**

Filed on behalf of Murray Goulburn Co-Operative Co Limited

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18 September 2013

Dear Shareholder

**TAKE NO ACTION IN RELATION TO BEGA CHEESE'S OFFER FOR YOUR
SHARES IN WARRNAMBOOL CHEESE & BUTTER**

As you may be aware, Bega Cheese Limited (**Bega**) announced on 12 September that it intends to make an unsolicited and conditional takeover bid for all of the shares in Warrnambool Cheese and Butter Factory Company Holdings Limited (**WCB**) for consideration of 1.2 Bega shares plus \$2.00 cash for every WCB share (**Offer**).

The Board of WCB is currently reviewing the Offer and the Bidder's Statement lodged by Bega, with the assistance of our financial and legal advisers.

While the takeover bid process will take some time to unfold, everyone at WCB remains focused on implementing our business improvement initiatives, a number of which were highlighted in our FY13 results presentation, which are contributing to an improving product mix, higher margins and earnings diversification.

These initiatives, as well as an expected improvement in short to medium term fundamentals in global dairy markets, including a substantial weakening of the AUD, provide a positive outlook for WCB's future growth and profitability and will create significant value for shareholders. Further details of these matters will be set out in WCB's Target's Statement response to Bega's Offer.

WCB Directors will assess these factors as we consider whether Bega's Offer adequately reflects the value of the WCB business today, the expected future earnings uplift from the initiatives currently underway and the improving market conditions. Given the highly favourable outlook for WCB, we consider the timing of the Offer to be highly opportunistic.

As Australia's oldest dairy processor, thanks to the support of our shareholders, suppliers, staff, customers and the community, WCB has grown to become a leading innovator in the dairy industry and a strongly positioned competitor in the domestic and international dairy markets. It is for these reasons that WCB's assets are keenly sought by our competitors.

You will receive a copy of the Bidder's Statement from Bega in the coming weeks.

Until WCB Directors have issued their formal recommendation regarding the Offer, you are advised to take no action in relation Bega's Offer.

You will receive WCB's Target's Statement with WCB's formal response to the Offer, including the WCB Directors recommendation, around mid-October.

As the Offer must remain open for at least one calendar month from when it opens (which can be no earlier than 26 September), WCB shareholders will have ample time to make a decision in respect of the Offer.

Your Board will keep you updated throughout this process, but if you have any questions, please contact the WCB shareholder information line on 1300 880 732.

Thank you for your continuing support.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Terry Richardson', written in a cursive style.

Terry Richardson
Chairman

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