

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 "DMN50" now produced and shown to David Michael Noonan at the time of signing his statement on 28 November 2013.

**Annexure DMN50
Saputo revised offer**

Filed on behalf of Murray Goulburn Co-Operative Co Limited
Prepared by:
Herbert Smith Freehills
Tel: +61 3 9288 1234 Fax: +61 3 9288 1567
Email: chris.jose@hsf.com Ref: CJ:ALM:82230139
Address for service
Level 43, 101 Collins Street
MELBOURNE VIC 3000

25369492



PRESS RELEASE

For immediate release

ASX ANNOUNCEMENT

SAPUTO ANNOUNCES A CONDITIONAL INCREASE IN ITS OFFER PRICE FOR WARRNAMBOOL AND FREES THE OFFER OF ALL CONDITIONS

(25 November 2013) – Saputo Inc. (“**Saputo**”) today announced a conditional increase in its all-cash off-market takeover offer (the “**Offer**”) for all the issued shares in Warrnambool Cheese and Butter Factory Company Holdings Limited (“**Warrnambool**”).

Conditional increase in Saputo’s offer price:

Saputo’s offer price is \$9.00 cash per Warrnambool share. However, Saputo will increase this offer price to **\$9.20** cash per Warrnambool share if Saputo reaches a relevant interest in Warrnambool of greater than 50% during the Offer period.

Saputo has also declared its Offer unconditional effective today. The Offer is scheduled to close at 7.00pm (Melbourne time) on Friday 13 December 2013 unless extended in accordance with the Corporations Act. Warrnambool shareholders who have already validly accepted the Offer as of today will receive payment of their consideration on 2 December 2013. Warrnambool shareholders who accept the Offer at any time after today will receive payment of their consideration within 5 business days after their valid acceptance is processed.

The Board of Warrnambool has reaffirmed its unanimous recommendation that Warrnambool shareholders accept the Offer in the absence of a superior proposal.

Warrnambool shareholders should note the following in relation to the conditional increase in Saputo’s offer price:

- If you accept Saputo’s Offer you will receive \$9.00 cash per Warrnambool share.
- If Saputo reaches a relevant interest in Warrnambool of greater than 50% during the Offer period, Saputo will increase its offer price to \$9.20 cash per Warrnambool share.
- All Warrnambool shareholders who accept, or have accepted, Saputo’s Offer will be able to participate in any increased offer price which will result if the greater than 50% threshold referred to above is reached, regardless of when they accepted the Offer.
- Saputo has previously announced that it will accelerate payment terms, so that Warrnambool shareholders who accept the Offer will be paid within 5 business days after a valid acceptance is processed. Shareholders who accept, or have accepted, Saputo’s Offer before the greater than 50% relevant interest threshold is reached will be paid the \$0.20 increase within 5 business days after the greater than 50% relevant interest threshold is reached and the increase is effective. Shareholders who accept Saputo’s Offer after the greater than 50% relevant interest threshold is reached will be paid the consideration of \$9.20 per share within 5 business days after a valid acceptance is processed.
- The Offer is scheduled to close at 7.00pm (Melbourne time) on Friday 13 December 2013 unless extended in accordance with the Corporations Act. However, if the conditional offer price increase occurs in the last seven days of the Offer period, Saputo’s offer will be automatically extended for a further period of 14 days.

For personal use only

No permitted dividends from Warrnambool:

At the request of Warrnambool, Saputo had previously agreed that Warrnambool could at its discretion declare and pay fully franked special dividends upon Saputo reaching specified relevant interest thresholds in Warrnambool to enable the distribution of franking credits (with any dividends so declared being deducted from the Offer consideration of \$9.00 cash per share). Warrnambool has announced today that it no longer intends to declare and pay any dividends during the Offer period.

Saputo believes that its decision today to declare the Offer unconditional and to announce the intention to increase the Offer price to \$9.20 per Warrnambool share if Saputo reaches a relevant interest in Warrnambool of greater than 50%, enables Warrnambool shareholders to have the benefit of Saputo's compelling unconditional Offer without delay.

The Warrnambool Board reaffirms its recommendation of Saputo's Offer:

In response to the revisions to Saputo's Offer, the Board of Warrnambool has reaffirmed its unanimous recommendation that Warrnambool shareholders accept the Offer in the absence of a superior proposal. Each Warrnambool director and executive¹ has also reaffirmed his/her intention to accept the Offer for all of the Warrnambool shares he or she holds or otherwise controls in the absence of a superior proposal.

The Warrnambool Board has also reaffirmed its rejection of Murray Goulburn's proposal and the Bega offer:

The Warrnambool Board has unanimously rejected the proposal from Murray Goulburn Co-operative Co. Limited ("**Murray Goulburn**"), as well as having unanimously rejected the offer of Bega Cheese Limited ("**Bega**"). Bega has declared its offer price final and that it will not be increased further.

Murray Goulburn has not lodged its Bidder's Statement in relation to its proposal, which was announced on 18 October 2013. Accordingly, there is currently no formal offer from Murray Goulburn which is capable of acceptance by any Warrnambool shareholder. Furthermore, Murray Goulburn's proposal remains highly conditional as it is subject to no objection by the Australian Competition and Consumer Commission or granting of authorization by the Australian Competition Tribunal in relation to its proposed transaction. Both the timing and outcome of that process are uncertain and likely to take several months.

Saputo continues to make available broker handling fees

As previously disclosed, Saputo will pay a handling fee to brokers in respect of valid acceptances received from retail Warrnambool shareholders, on the terms set out in the Bidder's Statement of 25 October 2013. The handling fee will be 0.50% of the offer consideration payable by Saputo based on the \$9.00 per share offer price (without any adjustment for the conditional offer price increase referred to above), with the maximum handling fee in respect of any acceptance being \$750.

Amended Bid Implementation Deed

The Bid Implementation Deed has been amended to enable Saputo to declare its Offer unconditional effective today.

Saputo Supplementary Bidder's Statement:

Full details of Saputo's Offer are set out in its Bidder's Statement, available from the announcements posted on the Australian Securities Exchange for Warrnambool at www.asx.com.au. A Second Supplementary Bidder's Statement will also be available once lodged.

Rothschild and Rabobank are acting as the financial advisers to Saputo, and Maddocks and Stikeman Elliott are its legal advisers.

¹ The members of the executive team as set out in Warrnambool's 2013 Annual Report.

For further information:

An Offer Information Line has been established by Saputo for Warrnambool shareholders:

1 300 397 230 (toll free) (for callers in Australia)

+61 3 9415 4292 (for callers outside Australia)

For media enquiries, please contact:

Sandy Vassiadis
Saputo
+1 514 328 3347
Email: sandy.vassiadis@saputo.com

Amanda Tait
FTI Consulting
+61 2 8298 6100
+61 410 774 618
Email: amanda.tait@fticonsulting.com

About Saputo

Saputo produces, markets, and distributes a wide array of dairy products of the utmost quality, including cheese, fluid milk, extended shelf-life milk and cream products, cultured products and dairy ingredients. We are one of the top ten dairy processors in the world, the largest in Canada, the third largest in Argentina and among the top three cheese producers in the United States. Our products are sold in more than 40 countries under well-known brand names such as *Saputo*, *Alexis de Portneuf*, *Armstrong*, *Baxter*, *Dairyland*, *Dragone*, *DuVillage 1860*, *Friendship*, *Frigo Cheese Heads*, *Great Midwest*, *King's Choice*, *Kingsey*, *La Paulina*, *Milk2Go*, *Neilson*, *Nutralait*, *Ricrem*, *Salemville*, *Stella* and *Treasure Cave*. We employ approximately 12,000 people and operate 53 manufacturing facilities. Saputo generates consolidated annual revenues of approximately \$8.9 billion². Saputo Inc. is listed on the Toronto Stock Exchange (TSX Code: SAP).

About Warrnambool

Warrnambool produces a range of dairy products for domestic and export markets. Its products include cheese, butter and butter blends, milk, cream and dairy ingredients. Warrnambool draws milk from some of the most productive dairying regions in Australia, including southwest Victoria, southeast South Australia and the Fleurieu Peninsula. Warrnambool operates two manufacturing sites and has over 420 employees. Warrnambool is a public company listed on the Australian Securities Exchange (ASX Code: WCB).

² Represents Saputo's *pro forma* consolidated revenues for the year ended 31 March 2013, had the acquisition on 3 January 2013 of Morningstar Foods, LLC taken place on 1 April 2012. All amounts in Canadian dollars are translated using an exchange rate of CAD1 = AUD1.04.