



PRESS RELEASE

For immediate release

ASX ANNOUNCEMENT

SAPUTO ANNOUNCES TAKEOVER OFFER FOR WARRNAMBOOL

(30 January 2017) – Saputo Dairy Australia Pty Ltd (“**Saputo**”), a wholly owned Australian subsidiary of Saputo Inc., today announced its intention to make an all cash off-market takeover offer of \$8.85 per share for all the issued shares in Warrnambool Cheese and Butter Factory Company Holdings Limited (“**Warrnambool**”) in which it does not already have a relevant interest (the “**Offer**”). As at the date of this announcement, Saputo held 88.02% of the Warrnambool shares outstanding.

Offer price:

Saputo believes that the offer is highly compelling for Warrnambool shareholders:

- Saputo’s \$8.85 all cash consideration represents a substantial premium to Warrnambool’s historical trading price, being;
 - a 24.8% premium to Warrnambool’s closing price of \$7.09 per share on 27 January 2017; and
 - a 30.0% premium to Warrnambool’s six month volume weighted average share price to 27 January 2017 of \$6.81.
- There is very limited trading in WCB shares, meaning that this Offer is a rare opportunity and potential liquidity event for WCB shareholders who wish to exit their investment;
- This Offer from Saputo is the only offer currently available to WCB shareholders, and given Saputo’s relevant interest in WCB, there are limited prospects of any competing proposal emerging; and
- Saputo’s Offer is subject to only one condition.

Offer condition:

Saputo has already received Australian Foreign Investment Review Board approval (“**FIRB Approval**”) in respect of the Offer.

The Offer is conditional only on Saputo acquiring a relevant interest in at least 90% (by number) of Warrnambool shares on issue during, or by the end of, the Offer Period.

It is important that Warrnambool shareholders have a clear understanding of Saputo's intentions in making their decision on whether or not to accept the Offer. This includes understanding that Saputo intends to:

- (a) proceed to compulsory acquisition if it is entitled to do so; and
- (b) cause Warrnambool to delist if it is able to do so.

In relation to the latter, it is Saputo's intention to cause the delisting of Warrnambool whether that is a result of being in a position to proceed with the compulsory acquisition, or in accordance with the ASX guidance after the Offer period has ended should the threshold number of remaining shareholders for delisting be met. As such, whilst Saputo reserves all of its rights to waive the 90% condition pursuant to the Corporations Act, if the threshold number of remaining shareholders for delisting is met during the Offer Period, Saputo's current intention would be to waive this condition.

Offer funding:

Saputo will fund the acquisition from cash on hand and credit facilities available to it through Saputo Inc.

Indicative timetable:

Expected date for lodgement of Bidder's Statement with ASIC	end January 2017
Expected date for sending Bidder's Statement to Warrnambool shareholders	early February 2017
Expected closing date of Offer (unless extended)*	early March 2017

**The closing date for the Offer may change as permitted by the Australian Corporations Act.*

For further information:

Further details on the Offer are set out in Annexure A.

Rothschild is acting as financial adviser and Ash St. is acting as legal adviser to Saputo.

For media enquiries, please contact:

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About Saputo Inc.

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. Saputo is one of the top ten dairy processors in the world, the largest cheese manufacturer and the leading fluid milk and cream processor in Canada, the third largest dairy processor in Argentina, and the fourth largest in Australia. In the US, Saputo ranks among the top three cheese producers and is one of the largest producers of extended shelf-life and cultured dairy products. Our products are sold in several countries under well-known brand names such as *Saputo*, *Alexis de Portneuf*, *Armstrong*, *COON*, *Cracker Barrel**, *Dairyland*, *DairyStar*, *Friendship Dairies*, *Frigo Cheese Heads*, *La Paulina*, *Milk2Go/Lait's Go*, *Neilson*, *Nutralait*, *Scotsburn**, *Stella*, *Sungold*, *Treasure Cave* and *Woolwich Dairy*. Saputo Inc. is a publicly traded company and its shares are listed on the Toronto Stock Exchange under the symbol "SAP".

**Trademark used under licence.*

About Warrnambool

Warrnambool produces, markets and distributes a wide array of quality dairy products including cheese, packages milk, and dairy ingredients. These products are all made from Australian milk which has been sourced from our dedicated farmer partners in Victoria and South Australia. Warrnambool is the fourth largest dairy processor in Australia and is the Dairy Division (Australia) of Saputo Inc. Our products are sold in several countries and under well-known brand names in Australia such as *Coon*, *Cracker Barrel**, *Mil Lel*, *Great Ocean Road*, *Warrnambool Heritage*, *Enprocal* and *Sungold*. Warrnambool is a publicly traded company and its shares are listed on the ASX under the symbol "WCB".

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Annexure A: General Outline of the Offer

1. Price

Saputo's Offer is to pay \$8.85 in cash for each Warrnambool ordinary share on issue before the end of the Offer Period (including attaching rights) in which Saputo does not already hold a relevant interest.

2. Bidder

The Offer will be made by Saputo, a wholly owned Australian subsidiary of Saputo Inc. As at the date of this announcement, Saputo held 88.02% of the Warrnambool shares outstanding.

3. Funding Structure

Saputo will fund the acquisition from cash on hand and credit facilities available to it through Saputo Inc.

4. Indicative Timetable

Saputo expects that the Bidder's Statement will be lodged by the end of January 2017, with dispatch of the Bidder's Statement to Warrnambool shareholders to take place by early February 2017. Saputo expects that the closing date of the Offer, unless extended or changed as permitted by the Corporations Act, will be around early March 2017.

5. Offer Condition

The Offer is only subject to one condition, being that during or by the end of the Offer Period, Saputo has a relevant interest in at least 90% (by number) of Warrnambool shares.

Saputo has already obtained FIRB Approval in respect of the Offer.

6. Defined Terms

Terms used in this document and defined below have the meaning (if any) given to them in Chapter 6 of the Corporations Act unless that meaning is inconsistent with the context in which the term is used.

ASX	ASX Limited ACN 008 624 691 or, as the context requires, the financial market operated by it.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
FIRB Approval	confirmation that the Treasurer has no objection to the proposed acquisition by Saputo of Warrnambool shares under the terms of the Offer, for the purposes of the <i>Foreign Acquisitions and Takeovers Act 1975</i> (Cth).
Offer	the takeover offer by Saputo to acquire Warrnambool shares made by way of an off-market takeover bid under Chapter 6 of the Corporations Act, on the terms of the Offer (and for the avoidance of doubt include each other offer made by Saputo to Warrnambool shareholders in form of that offer), including, in each case, as varied in accordance with the Corporations Act.
Offer Period	the period that the Offer is open for acceptance.
Saputo	Saputo Dairy Australia Pty Ltd ACN 166 135 486.
Warrnambool	Warrnambool Cheese and Butter Factory Company Holdings Limited ACN 071 945 232