



5 November 2015

**ASX Announcement**

**Appendix 4D and Half Year accounts for period ended 30 September 2015**

Please find attached the following documents for release to the market:

1. Appendix 4D
2. Half Year Accounts

Yours faithfully

A handwritten signature in black ink that reads "Paul Moloney". The signature is written in a cursive style with a large initial 'P'.

Paul Moloney  
Company Secretary

**Warrnambool Cheese & Butter Factory Company Holdings Limited**  
**Half Year ended 30 September 2015**



Warrnambool Cheese & Butter Factory Company Holdings Limited  
ABN: 15 071 945 232  
5331 Great Ocean Road  
Allansford VIC 3277

Ph. (03) 5565-3100 Fax. (03) 5565-3156

**ASX Appendix 4D**  
**Half Year Financial Report**  
**30 September 2015**

Lodged with ASX under listing rule 4.2A

**Warrnambool Cheese & Butter Factory Company Holdings Limited**  
**Half Year ended 30 September 2015**

1. The reporting period is the half-year ended 30 September 2015 with the previous corresponding period to 30 September 2014.
2. Results for announcement to the market:

Appendix 4D Item No.	Particulars		6 months to Sept 2015	6 months to Sept 2014	Increase/ (Decrease)	% Change	Up/ Down
2.1	Revenue from Ordinary Activities	\$'000	307,128	293,313	13,815	4.7%	up
2.2	Profit/(Loss) after Tax attributable to Members	\$'000	(1,154)	16,963	(18,117)	-106.8%	down
2.3	Net Profit/(Loss) attributable to Members	\$'000	(1,154)	16,963	(18,117)	-106.8%	down
2.4	Dividends/distributions						
	Final dividend - 31 March 2015	Cents per security	0.00	0.00	0.00	0.0%	-
	Directors have not declared a half year interim dividend for 30 September 2015	Cents per security	0.00	0.00	0.00	0.0%	-
2.5	Record date	N/A					
2.6	Result explanation		The decrease in profits is mainly due to the declines in the international commodity prices and a high raw milk cost relative to market conditions, partially offset by the depreciation in the Australian dollar.				

3. Net tangible assets per security:

Appendix 4D Item No.	Particulars		6 months to Sept 2015	6 months to Sept 2014	Increase/ (Decrease)	% Change	Up/ Down
3	Net tangible assets	\$ per security	3.65	3.62	0.03	0.9%	up

4. Changes in controlled entities:

There were no changes to controlled entities during the half-year ended 30 September 2015.

5. There have been no dividends or distributions declared or paid during or subsequent to the half-year ended 30 September 2015:
6. Details of associates or Joint ventures:

Appendix 4D Item No.	Associates or Joint Ventures	Holding %	Profit share %	Profit contribution 6 months to Sept 2015	Profit contribution 6 months to Sept 2014	Increase/ (Decrease)	% Change	Up/ Down
7	Great Ocean Ingredients Pty Ltd	50%	50%	\$2,502,912	\$1,642,611	\$860,301	52.4%	up
	Warrnambool Cheese & Butter Japan Company Limited	49%	49%	\$349,330	\$748,051	\$(398,721)	-53.3%	down
	COI result has improved due to improved margins and a favourable exchange rate. The lower Warrnambool Japan results reflects lower margins and an unfavourable exchange rate.							

**Warrnambool Cheese & Butter Factory Company Holdings Limited**  
**Half Year ended 30 September 2015**

7. Foreign Accounting Entities:

Not applicable.

8. Auditors review:

This report is based on accounts which have been reviewed by independent auditors, Deloitte Touche Tohmatsu, refer to the attached Warrnambool Cheese and Butter Factory Company Holdings Limited 30 September 2015 Half-Year report. There is no audit qualification or dispute.

*Warrnambool Cheese and Butter Factory  
Company Holdings Limited*

*A.C.N. 071 945 232  
Group Accounts  
5331 Great Ocean Road, Allansford, 3277*



*Interim Report*

*for the half-year ended 30 September 2015*

## **DIRECTORS REPORT FOR THE HALF YEAR ENDED 30 SEPTEMBER 2015**

Your directors present their report on the consolidated entity consisting of Warrnambool Cheese and Butter Factory Company Holdings Limited and the entities it controlled during the half-year ended 30 September 2015.

### **Directors**

The following persons were directors of Warrnambool Cheese and Butter Factory Company Holdings Limited during the whole of the half-year and up to the date of this report unless otherwise indicated.

Lino A. Saputo, Jr.  
Louis-Philippe Carrière  
Neville Fielke  
Terry Richardson  
Bruce Vallance

### **Review of operations**

The principal activities of the consolidated entity during the half-year ended 30 September 2015 were:

- the manufacture and sale of cheese, milk powders, butter, cream, whey protein concentrate and lactoferrin;
- raw and processed milk sales;
- manufacture and sale of consumer goods – packaged milk and retail cheeses; and
- manufacture and sale of galacto-oligosaccharides (GOS) through joint venture company Great Ocean Ingredients Pty Ltd.

During the half-year, on 25 May 2015, the Company acquired the everyday cheese business of Lion-Dairy & Drinks Pty Ltd, for a total cash consideration of \$137.5 million, subject to closing adjustments, which are yet to be finalised. The acquisition was financed by new bank term loan facilities. This transaction has allowed WCB to increase its presence in the consumer branded everyday cheese products segment in Australia.

Total Revenue for the half-year amounted to \$307.3 million.

The net operating loss after tax of the consolidated entity for the half-year ended 30 September 2015 was \$1.2 million.

As reported previously, the Company has changed its financial year end to March 31. As such the effective WCB financial half year end reporting date has been changed to 30 September each year commencing 30 September 2015.

The Statement of Comprehensive Income for the half-year ended 30 September 2015 does not normally reflect the proportional full year result of Warrnambool Cheese and Butter Factory Company Holdings Limited. During the balance of the financial year Warrnambool Cheese and Butter Factory Company Holdings Limited's performance may be subject to:

- (a) variations in milk prices that are retrospective from 1 July and cannot be accurately estimated as at 30 September 2015;
- (b) seasonal milk flow variations that result in less effective utilisation of plant;
- (c) variations in international commodity pricing; and
- (d) movements in foreign exchange rates between the US dollar and Australian dollar as the Company exports a significant amount of product.

**Dividend**

No interim dividend was declared for HY15 and the Board does not intend to declare any as the Directors have decided to retain cash to deleverage its balance sheet and for investment into the business for growth, investment and development.

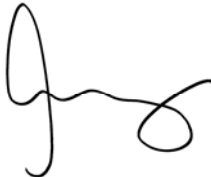
**Auditors' independence declaration**

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001, is set out on page 4.

**Roundings**

All amounts quoted in the financial report have been rounded to the nearest thousand dollars in accordance with Class Order 98/0100 issued by the Australian Investment and Securities Commission.

Signed in accordance with a resolution of directors made on the date stated below.



.....  
Lino A. Saputo, Jr.  
Chairman

Montreal  
4 November 2015



.....  
Neville Fielke  
Independent Director

Allansford  
5 November 2015

The Board of Directors  
Warrnambool Cheese and Butter Factory Company Holdings Limited  
5331 Great Ocean Road  
Allansford, Victoria 3277

5 November 2015

Dear Board Members

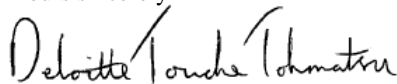
**Warrnambool Cheese and Butter Factory Company Holdings Limited**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Warrnambool Cheese and Butter Factory Company Holdings Limited.

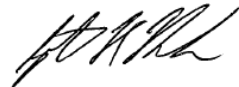
As lead audit partner for the review of the financial statements of Warrnambool Cheese and Butter Factory Company Holdings Limited for the half year ended 30 September 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review;  
and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Stephen Roche  
Partner  
Chartered Accountants



## Consolidated statement of profit and loss and other comprehensive income for the half-year ended 30 September 2015

Notes	30 September 2015 \$'000	30 September 2014 \$'000
<b>Revenue from continuing operations</b>	307,128	293,313
Other income	202	61
Changes in inventories of finished goods and work in progress	6,148	(6,302)
Raw materials and consumables used	(244,808)	(209,619)
Employee benefits expense	(34,166)	(25,665)
Depreciation and amortisation expense	(7,668)	(6,360)
Finance costs	(2,392)	(1,737)
Distribution expense	(13,851)	(10,288)
Other expenses	(16,455)	(12,342)
Share of net profits/(losses) of joint ventures accounted for using the equity method	2,852	2,391
<b>Profit/(Loss) before income tax expense</b>	(3,010)	23,452
Income tax benefit/(expense)	1,856	(6,489)
<b>Profit/(Loss) for the half-year</b>	(1,154)	16,963
Changes in the fair value of cash flow hedges, net of tax	-	(234)
Revaluation of Investment	11,033	-
<b>Other comprehensive income for the half-year, net of tax</b>	11,033	(234)
<b>Total comprehensive income for the half-year</b>	9,879	16,729
<b>Profit attributable to equity holders of Warrnambool Cheese and Butter Factory Company Holdings Limited</b>	(1,154)	16,963
<b>Total comprehensive income attributable to equity holders of Warrnambool Cheese and Butter Factory Company Holdings Limited</b>	9,879	16,729
<b>Earnings per share for profit attributable to the ordinary equity holders of the company</b>	Cents	Cents
Basic earnings per share	(2)	30
Diluted earnings per share	(2)	30

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Warrnambool Cheese and Butter Factory Company Holdings Limited  
**Consolidated statement of financial position as at 30 September 2015**

	Notes	30 September 2015 \$'000	31 March 2015 \$'000
<b>Current Assets</b>			
Cash and cash equivalents		10,426	9,125
Trade and other receivables		127,986	109,105
Inventories		218,633	110,585
Current Tax Assets		3,287	-
<b>Total Current Assets</b>		<b>360,332</b>	<b>228,815</b>
<b>Non-Current Assets</b>			
Investments accounted for using the equity method		35,746	33,452
Other financial assets		11,039	5
Property, plant & equipment		106,983	94,084
Investment properties		5,048	9,168
Deferred tax assets		10,110	10,578
Intangible assets		23,259	1,628
<b>Total Non-Current Assets</b>		<b>192,185</b>	<b>148,915</b>
<b>Total Assets</b>		<b>552,517</b>	<b>377,730</b>
<b>Current Liabilities</b>			
Trade and other payables	5	86,974	84,610
Borrowings	5	110,598	53,038
Current tax liabilities		-	4,444
Provisions		10,125	7,839
<b>Total Current Liabilities</b>		<b>207,697</b>	<b>149,931</b>
<b>Non-Current Liabilities</b>			
Borrowings	5	110,736	2,615
Provisions		978	730
Deferred tax liabilities		4,942	6,169
<b>Total Non-Current Liabilities</b>		<b>116,656</b>	<b>9,514</b>
<b>Total Liabilities</b>		<b>324,353</b>	<b>159,445</b>
<b>Net Assets</b>		<b>228,164</b>	<b>218,285</b>
<b>Equity</b>			
Contributed equity		73,856	73,856
Reserves		23,269	12,236
Retained profits		131,039	132,193
<b>Total Equity</b>		<b>228,164</b>	<b>218,285</b>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity for the half-year ended 30 September 2015

	Attributable to owners of Warrnambool Cheese and Butter Factory Company Holdings Limited				
	Notes	Contributed equity \$'000	Reserves \$'000	Retained earnings \$'000	Total equity \$'000
<b>Balance at 1 April 2015</b>		73,856	12,236	132,193	218,285
Profit for the half-year		-	-	(1,154)	(1,154)
Revaluation of investment		-	11,033	-	11,033
<b>Total comprehensive income for the half-year</b>		-	11,033	(1,154)	9,879
<b>Balance at 30 September 2015</b>		73,856	23,269	131,039	228,164
<b>Balance at 1 April 2014</b>		73,856	12,331	91,748	177,935
Profit for the half-year		-	-	16,963	16,963
Cash flow hedges (net of tax)		-	(234)	-	(234)
<b>Total comprehensive income for the half-year</b>		-	(234)	16,963	16,729
<b>Balance at 30 September 2014</b>		73,856	12,097	108,711	194,664

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Warrnambool Cheese and Butter Factory Company Holdings Limited  
**Consolidated cash flow statement for the half-year ended 30 September 2015**

Notes	30 September 2015 \$'000	30 September 2014 \$'000
<b><i>Cash Flows from Operating Activities</i></b>		
Receipts from customers (inclusive of goods and services tax)	289,699	293,463
Payments to suppliers and employees (inclusive of good and services tax)	(300,872)	(273,842)
Interest received	19	28
Interest paid	(2,392)	(1,737)
Income tax paid	(5,471)	(6,247)
<b>Net Cash Inflow (Outflow) from Operating Activities</b>	<b>(19,017)</b>	<b>11,665</b>
<b><i>Cash Flows from Investing Activities</i></b>		
Proceeds from sale of property, plant & equipment	2	13
Payments for acquisition	(137,500)	-
Payments for property, plant & equipment	(7,865)	(9,663)
<b>Net Cash Inflow (Outflow) from Investing Activities</b>	<b>(145,363)</b>	<b>(9,650)</b>
<b><i>Cash Flows from Financing Activities</i></b>		
Proceeds from borrowings	173,034	20,939
Repayment of borrowings	(7,353)	(2,262)
<b>Net Cash Inflow (Outflow) from Financing Activities</b>	<b>165,681</b>	<b>18,677</b>
<b>Net Increase (Decrease) in Cash, Cash Equivalents and Overdrafts</b>	<b>1,301</b>	<b>20,692</b>
Cash, cash equivalents and overdrafts at the beginning of the financial half-year	9,125	2,374
<b>Cash, Cash Equivalents and Overdrafts at the End of the Financial Half-Year</b>	<b>10,426</b>	<b>23,066</b>

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

**Note 1. Basis of preparation of half-year report**

This general purpose financial report for the interim half-year reporting period ended 30 September 2015 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 March 2015 and any public announcements made by Warrnambool Cheese and Butter Factory Company Holdings Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the item below.

At 31 March 2015 the company previously had an available for sale financial asset, classified as 'Other financial assets', carried at cost as the shares in the asset were not traded in an active market and no other basis of a reliable measure of fair value had been determined. For the period ended 30 September 2015 it has been determined that appropriate information is available from which the fair value of the asset can be reliably measured. Therefore, the asset has been reclassified in the financial statements for the period ended 30 September 2015 to reflect the asset at fair value rather than cost, in accordance with AASB139.

The following line items have been affected:

Investment balance as at 30 September 2015 has increased by \$11.033 million  
Investment revaluation reserve at 30 September 2015 has increased by \$11.033 million

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For the half year ended 30 September 2015 no impairment has been recognised.

On 25 May 2015, the company's wholly-owned subsidiary, The Warrnambool Cheese and Butter Factory Company Limited acquired the Australian everyday cheese business and assets ("EDC Business") from Lion-Dairy & Drinks Pty Ltd, Dairy Farmers Pty Ltd and LD&D Australia Pty Ltd (collectively referred to as "Lion"). Refer to note 6 for further information.

A review of accounting standards was undertaken in preparation of the half year financial statements for 30 September 2015 and the following accounting standards changes are not mandatory for the 30 September 2015 reporting period:

- (i) AASB 9 Financial Instruments (effective on or after 1 January 2015)
- (ii) AASB 2014 - 1 Amendments to Australian Accounting Standards (Part E - Financial Instruments) (effective on or after 1 January 2015)
- (iii) IFRS 15 Revenue from Contracts with Customers (effective on or after 1 January 2017).

There was no requirement for the company to early adopt any changes to the standards.

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**Note 2. Segment information**

(a) The board has determined the operating segments based on the reports reviewed by the board and executive that are used to make strategic decisions. The board and executive meet regularly to discuss, review and plan strategic initiatives.

The board and executive considers the business from a product group perspective and has identified three reportable segments. Commodities consist of dairy products, cheese, skim milk powder, butter, cream, whey protein concentrate and lactoferrin which are manufactured in Australia and sold in domestic and export markets to wholesale customers. Consumer goods consists of branded products sold for retail sale, namely Sungold and Great Ocean Road (packaged milk), Enprocal (nutritional products), Coon, Cracker Barrel, Millel and Warrnambool and Great Ocean Road (cheese products). Other consists of minor revenue generating units that do not relate to either commodities or retail segments.

**Note 2. Segment Information (cont.)**

**(b) Strategic information provided to the board and executive**

The segment information provided to the board and executive for the reportable segments for the half-year ended 30 September 2015 is as follows:

	<b>Commodities \$'000</b>	<b>Consumer Goods \$'000</b>	<b>Other \$'000</b>	<b>Total \$'000</b>
<b>30 September 2015</b>				
Total segment revenue	444,040	81,300	10,119	535,459
Inter-segment revenue	(225,017)	(41)	(3,090)	(228,148)
Revenue from external customers	219,023	81,259	7,029	307,311
Adjusted EBITDA	2,416	3,202	(1,440)	4,178
Share of joint venture partnerships profits/(losses)				2,852
Effects of exchange rate changes gains/(losses)				-
EBITDA				7,030
<b>30 September 2014</b>				
Total segment revenue	448,109	32,336	10,005	490,450
Inter-segment revenue	(194,585)	(51)	(2,469)	(197,105)
Revenue from external customers	253,524	32,285	7,536	293,345
Adjusted EBITDA	29,996	(2,052)	588	28,532
Share of joint venture partnerships profits/(losses)				2,391
Effects of exchange rate changes gains/(losses)				596
EBITDA				31,519

**(c) Other segment information**

(i) Segment revenue

Sales between segments are carried out at arm's length and are eliminated on consolidation. The revenue from external parties reported to the board and executive is measured in a manner consistent with the income statement.

Revenues from external customers are derived from the sale of dairy commodities on a wholesale basis and consumer goods on a wholesale and retail basis. A breakdown of revenue and results is provided in the table above.

Segment revenue reconciles to total revenue as follows:

	<b>30 September 2015 \$'000</b>	<b>30 September 2014 \$'000</b>
Total segment revenue	535,459	490,450
Intersegment eliminations	(228,148)	(197,105)
Interest revenue	20	29
<b>Total revenue</b>	<b>307,330</b>	<b>293,374</b>

**Note 2. Segment Information (cont.)**

(ii) Adjusted EBITDA

The board and executive assess the performance of the operating segments based on a measure of EBITDA. This measure excludes effects of any non-recurring expenditure from the operating segments such as restructuring costs. Furthermore, the measure excludes the effect of equity-settled share based payments, unrealised gains/(losses) on financial instruments and equity accounted share of profits/(losses) from joint venture partnerships. Interest income and expenditure are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the group.

A reconciliation of adjusted EBITDA to operating profit before income tax is provided as follows:

	<b>30 September 2015 \$'000</b>	<b>30 September 2014 \$'000</b>
Adjusted EBITDA	4,178	28,532
Interest revenue	20	29
Finance costs	(2,392)	(1,737)
Depreciation & Amortisation	(7,668)	(6,360)
Share of joint venture partnership profits/(losses)	2,852	2,391
Effects of exchange rate changes gains/(losses)	-	596
<b>Profit/(loss) before income tax (expense)/benefit</b>	<b>(3,010)</b>	<b>23,452</b>

**Note 3. Seasonal and industry factors**

The Statement of Comprehensive Income for the half-year ended 30 September 2015 does not normally reflect the proportional full year result of Warrnambool Cheese and Butter Factory Company Holdings Limited. Due to industry and other seasonal factors, it is normal for the half-year operating results to exceed those of the full year. During the balance of the financial year Warrnambool Cheese and Butter Factory Company Holdings Limited will be subject to:

- (a) variations in milk prices that are retrospective from 1 July and cannot be accurately estimated as at 30 September 2015,
- (b) seasonal milk flow variations that result in less effective utilisation of plant
- (c) variations in international commodity pricing, and
- (d) foreign exchange rates between the US dollar and the Australian dollar as approximately 60% of the company's product is exported.

**Note 4. Events occurring after the balance sheet date**

At the date of signing, there were no events occurring after balance sheet date that would affect the financial report.

**Note 5. Borrowings**

At 30 September 2015, contractual maturities of the Group's non-derivative financial liabilities were as follows:

<b>Group - At 30 September 2015</b>	<b>Less than 6 months \$'000</b>	<b>6 - 12 months \$'000</b>	<b>Between 1 and 2 years \$'000</b>	<b>Between 2 and 5 years \$'000</b>	<b>Total contractual cash flows \$'000</b>	<b>Carrying amount \$'000</b>
Non-derivatives						
Non-interest bearing	86,974	-	-	-	86,974	86,974
Variable rate	98,188	14,175	27,580	85,685	225,627	217,391
Fixed rate	1,056	1,056	2,041	-	4,153	3,943
	186,218	15,230	29,621	85,685	316,754	308,309

<b>Group - At 31 March 2015</b>	<b>Less than 6 months \$'000</b>	<b>6 - 12 months \$'000</b>	<b>Between 1 and 2 years \$'000</b>	<b>Between 2 and 5 years \$'000</b>	<b>Total contractual cash flows \$'000</b>	<b>Carrying amount \$'000</b>
Non-derivatives						
Non-interest bearing	84,610	-	-	-	84,610	84,610
Variable rate	50,607	-	-	-	50,607	50,607
Fixed rate	1,325	1,325	1,983	750	5,383	5,046
	136,542	1,325	1,983	750	140,600	140,263

The Group has access to the following undrawn borrowing facilities at 30 September 2015:

	<b>30 September 2015 \$'000</b>	<b>31 March 2015 \$'000</b>
Bank overdrafts	103,161	124,287
Bank loans and bills	15,039	7,686
<b>Total undrawn facilities</b>	<b>118,200</b>	<b>131,973</b>



**Note 6. Acquisition of subsidiary**

On 25 May 2015, the company's wholly-owned subsidiary, The Warrnambool Cheese and Butter Factory Company Limited acquired the Australian everyday cheese business and assets ("EDC Business") from Lion-Dairy & Drinks Pty Ltd, Dairy Farmers Pty Ltd and LD&D Australia Pty Ltd (collectively referred to as "Lion"). The everyday cheese business is engaged in the cutting, wrapping, distribution and marketing activities of retail cheese and was acquired with the objective of achieving vertical integration synergies and growth opportunities.

<b>Consideration transferred</b>	<b>\$'000</b>
Cash (excl. GST)	137,500
	<hr/>
	<b>137,500</b>
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Acquisition-related costs amounting to \$1,859,214 have been excluded from the consideration transferred and have been recognised as an expense in profit or loss in the half-year, within the 'other expenses' line item.

**Assets acquired and liabilities assumed at the date of acquisition**

	<b>\$'000</b>
<b>Current assets</b>	
Trade and other receivables (i)	8,089
Inventories	101,911
<b>Non-current assets</b>	
Plant & equipment	8,582
Deferred Tax Asset	1,163
Trademarks	21,632
<b>Current liabilities</b>	
Employee entitlements	3,735
<b>Non-current liabilities</b>	
Employee entitlements	142
	<hr/>
<b>Fair value of identifiable net assets acquired</b>	<b>137,500</b>
	<hr/>

(i) Trade and other receivables represent the best estimate of the amount owed by Lion due to the post acquisition inventory valuation being less than the purchase valuation. The final amount to be received is yet to be determined.

The initial accounting for the acquisition of the EDC Business has only been provisionally determined at the end of the half-year. At the date of finalisation of this half-year financial report, the necessary valuations and other calculations had not been finalised and fair values of the inventory and trademarks noted above have therefore only been provisionally determined based on the directors' best estimate of the likely fair value.

**Goodwill arising on acquisition**

There is no goodwill on acquisition, based on provisional accounting.

**Impact of acquisition on the results of the Group**

Included in the profit/(loss) for the half-year is a \$101,760 profit attributable to the EDC Business, excluding acquisition costs. Revenue from continuing operations for the half-year includes \$47,491,421 in respect of the EDC Business.


**Warrnambool Cheese and Butter Factory Company Holdings Limited**

**Directors' Declaration**

In the directors' opinion:

1. The financial statements and notes as set out on pages 5 to 13 are in accordance with the *Corporations Act 2001*, including
  - (a) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (b) giving a true and fair view of the consolidated entity's financial position as at 30 September 2015 and of its performance for the half-year ended on that date, and
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



.....  
Lino A. Saputo, Jr.  
Chairman

Montreal  
4 November 2015



.....  
Neville Fielke  
Independent Director

Allansford  
5 November 2015

## Independent Auditor's Review Report to the Members of Warrnambool Cheese and Butter Factory Company Holdings Limited

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Warrnambool Cheese and Butter Factory Company Holdings Limited, which comprises the condensed Consolidated Statement of Financial Position as at 30 September 2015 and the condensed Statement of Profit or Loss and Other Comprehensive Income, the condensed Consolidated Statement of Cash Flows and the condensed Consolidated Statement of Changes in Equity for the half-year ended on that date, selected explanatory notes and, the Directors' Declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 5 to 14.

### Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Warrnambool Cheese and Butter Factory Company Holdings Limited's financial position as at 30 September 2015 and its performance for half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Warrnambool Cheese and Butter Factory Company Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Auditor's Independence Declaration


In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Warrnambool Cheese and Butter Factory Company Holdings Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

### Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Warrnambool Cheese and Butter Factory Company Holdings Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Consolidated entity's financial position as at 30 September 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

  
DELOITTE TOUCHE TOHMATSU

  
Stephen Roche  
Partner  
Chartered Accountants  
Melbourne, 5 November 2015