



PRESS RELEASE
For immediate release

ASX ANNOUNCEMENT

***SAPUTO ANNOUNCES LAST AND FINAL OFFER WILL CLOSE ON 22 JANUARY 2014
WARRNAMBOOL SHAREHOLDERS SHOULD ACCEPT NOW***

(10 January 2014) – Saputo Inc. ("Saputo") today announced that it has extended its offer period until 22 January 2014 and has declared its unconditional all-cash takeover offer for all the issued shares in Warrnambool Cheese and Butter Factory Company Holdings Limited ("Warrnambool") as its **LAST and FINAL offer**. The offer will now close at 7.00pm (Melbourne time) on Wednesday, 22 January 2014. Other than where required under the Corporations Act 2001 (Cth), there will be no further extensions to the offer period.¹

Saputo encourages Warrnambool shareholders to act now and ACCEPT Saputo's highly attractive offer

Many shareholders have already accepted the offer, including all of the Warrnambool Directors, such that Saputo is now the largest shareholder in Warrnambool with a relevant interest of 21.392% as of 7.00pm yesterday.

The time has come for remaining shareholders to **TAKE ACTION IMMEDIATELY and ACCEPT SAPUTO'S OFFER**.

- If Warrnambool shareholders accept Saputo's offer, they will receive **\$9.00 cash** per Warrnambool share within 5 business days after the processing of their valid acceptance.
- If Saputo obtains a relevant interest in Warrnambool shares of greater than 50% during the offer period, Saputo will increase its offer price by \$0.20 to **\$9.20 cash** per Warrnambool share.
- If Saputo obtains a relevant interest in Warrnambool shares of greater than 75% during the offer period, Saputo will increase its offer price by a further \$0.20 to **\$9.40 cash** per Warrnambool share.
- If Saputo obtains a relevant interest in Warrnambool shares of greater than 90% during the offer period, Saputo will increase its offer price by a further \$0.20 to **\$9.60 cash** per Warrnambool share.
- All Warrnambool shareholders who accept Saputo's offer will participate in any offer price increases shown above, regardless of when they accept, with the offer price increase also paid within 5 business days of reaching the relevant interest threshold.

Acceptances must be received on or before 7.00pm (Melbourne time) on Wednesday, 22 January 2014, if Warrnambool shareholders wish to be paid Saputo's offer consideration.

The Warrnambool Directors unanimously recommend shareholders ACCEPT Saputo's offer

On 20 December 2013, the Warrnambool Directors reaffirmed their unanimous recommendation that Warrnambool shareholders should **ACCEPT** Saputo's unconditional offer, in the absence of a superior proposal, and should reject Murray Goulburn's highly conditional offer.

The Warrnambool Directors have also stated that: *"The certainty of receiving a minimum of \$9.00 cash per share from Saputo within 5 business days of your acceptance represents a superior proposal to the uncertainty of potentially receiving \$9.50 cash per share from Murray Goulburn in at least eight weeks, noting that if the Competition Tribunal Condition and/or the 50% Minimum Acceptance Condition are not satisfied, any acceptance of Murray Goulburn's offer will be void. In those circumstances, shareholders who have accepted*

¹ An automatic extension will occur if, within the last 7 days of the offer period, Saputo's offer consideration is increased because it achieves any of the specified relevant interest thresholds that trigger an increase in the offer consideration or Saputo's relevant interest in Warrnambool increases to greater than 50%. If any of these events occur, Saputo's offer period is automatically extended so that it ends 14 days after the relevant event occurs.

Murray Goulburn's offer would receive nothing by way of payment from Murray Goulburn." Furthermore, the Warrnambool Directors highlighted in relation to Murray Goulburn's offer that there is a "*material risk that a number of the Conditions may not be satisfied*" and that Murray Goulburn cannot unilaterally waive the Competition Tribunal Condition or the 50% Minimum Acceptance Condition, both of which require the consent of Murray Goulburn's financiers.

Broker handling fees

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 Saputo Bidder's Statement. The handling fee will be 0.50% of the consideration payable by Saputo based on the \$9.00 offer price, with the maximum handling fee in respect of any acceptance being \$750.

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

For further information:

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

1300 397 230 (toll free) (for callers in Australia)

+61 3 9415 4292 (for callers outside Australia)

For media enquiries, please contact:

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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, Nutrilait, Ricrem, Salemville, Stella and Treasure Cave*. We employ approximately 12,000 people and operate 53 manufacturing facilities. Saputo generates consolidated annual revenues of approximately \$9.0 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 = AUD1.05.