

Media Release



18 December 2013

Murray Goulburn Urges WCB Shareholders to Wait

Murray Goulburn Co-operative Co. Limited (MG) notes yesterday's announcement by Saputo Inc. (Saputo) in relation to its revised and final offer to acquire all the issued shares in Warrnambool Cheese and Butter Factory Company Holdings Limited (WCB), following the conclusion of Takeovers Panel proceedings initiated by MG on 26 November 2013.

MG's existing offer to acquire all the issued shares in WCB for \$9.50 (Offer) **remains the highest current value offer for WCB shareholders** (before accounting for any increase in offer price which is contingent on achieving certain ownership thresholds).

MG believes that there is a significant risk that Saputo will not achieve the 50%, 75% or 90% ownership level in WCB required to trigger an increase in total offer price to \$9.20, \$9.40 or \$9.60 cash per WCB share respectively (as described in Saputo's announcement yesterday). This risk is heightened due to the presence of a number of industry participants on WCB's share register, who currently own approximately 46% of WCB in total. MG notes that Saputo's latest offer is now 'last and final' and cannot be increased.

The Panel has required that Saputo offer withdrawal rights for those WCB shareholders who accepted Saputo's offer on or before 17 December 2013. MG suggests that all WCB shareholders who have accepted Saputo's offer on or before 17 December 2013 exercise their withdrawal right in order to keep their options open.

MG expects to be in a position to dispatch its Bidder's Statement in relation to its Offer (which contains additional information about MG and the Offer, and an acceptance form in respect of WCB shares) to all WCB shareholders by Monday 23 December 2013.

MG also notes that it has now filed its application for merger authorisation with the Australian Competition Tribunal (Tribunal) in connection with its Offer, and that the Tribunal is focused on delivering its decision on the merger authorisation process by the end of February, which is within the statutory time frame of three months. **MG remains confident in its approach to obtaining authorisation from the Tribunal.**

MG Managing Director, Gary Helou, said "We urge WCB shareholders to not rush their decision to sell their WCB shares. WCB shareholders should wait until the outcome of the merger application authorisation process has been determined so that MG's Offer can be considered on its merits. MG remains committed to acquiring WCB and believes the combination of WCB and MG will deliver an Australian owned and operated globally competitive dairy company."

###

Media

Murray Goulburn

Nicole Devlin: 0499 084 642

Hintons

Angus Urquhart: 0402 575 684

Page 1 of 2



A copy of this release is available at www.mgc.com.au

Murray Goulburn Co-operative Co. Limited (MG) is Australia's largest dairy food company. Each year it receives and manufactures approximately 3.2 billion litres or one third of Australia's milk and generates sales revenue in excess of \$2.4 billion. Murray Goulburn was formed in 1950 and remains 100% dairy farmer controlled, with over 2,400 farmer-shareholders and more than 2000 employees. Murray Goulburn is also Australia's largest dairy food exporter to the major markets of Asia, the Middle East and North Africa, and the Americas. Murray Goulburn produces a range of ingredient and nutritional products, supplies the food service industries globally and its flagship Devondale brand is sold nationally.

Ends