

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 "DMN43" now produced and shown to David Michael Noonan at the time of signing his statement on 28 November 2013.

**Annexure DMN43  
WCB letter to shareholders**

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Filed on behalf of Murray Goulburn Co-Operative Co Limited  
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**YOUR DIRECTORS UNANIMOUSLY  
RECOMMEND SAPUTO'S REVISED \$9.00  
CASH OFFER AND REJECT THE OFFERS  
FROM BEGA AND MURRAY GOULBURN**



18 November 2013

Dear WCB Shareholder

On 15 November 2013 Warrnambool Cheese and Butter Factory Company Holdings Limited (**WCB**) Directors announced their unanimous support for Saputo Inc.'s increased takeover offer for WCB, absent a superior proposal (**Revised Saputo Offer**).

This followed careful consideration of the Revised Saputo Offer and the revised highly conditional offer announced by Murray Goulburn Co-operative Co. Limited (**MG**) on 13 November 2013 (**Revised MG Offer**) and the revised part scrip part cash offer announced by Bega Cheese Limited (**Bega**) on 14 November 2013 (**Final Bega Offer**).

***Revised Saputo Offer provides cash certainty***

Saputo intends to declare its offer unconditional on 28 November 2013 and will shorten its payment terms to 5 business days. **That means WCB shareholders who ACCEPT the Revised Saputo Offer on or before the 28 November 2013 will be paid their offer consideration on 5 December 2013.** There is potential additional value of up to \$0.56 per share from the distribution of franking credits for some WCB shareholders.

***Revised Saputo Offer provides supplier benefits, certainty for employees, and growth***

Saputo has made commitments to job security and the payment of a leading competitive milk price. It has the balance sheet strength to invest in WCB and has also stated that WCB will become an important part of Saputo's global operations and its main platform from which it would service the demand for dairy products in the Australian market and the Asia Pacific region.

**REJECT BEGA'S OFFER**

Bega's current share price does not reflect underlying fundamental value since it is inflated by takeover speculation and is being driven higher by the rise in the share price of WCB in which Bega has an 18.4% shareholding. The value of Bega shares that WCB shareholders would receive under the Final Bega Offer is uncertain, subject to market volatility and there is no guarantee that the price of Bega shares will continue to trade at current levels.

**REJECT MG'S OFFER**

Although both Saputo and MG have offered the same price of \$9.00 cash per share, your Directors consider that **the Revised Saputo Offer is superior in terms of timing and execution certainty.** The Revised Saputo Offer will not have any of the delays and execution uncertainties associated with the Revised MG Offer, which is subject to numerous conditions including authorisation from the Australian Competition Tribunal. Both the timing and outcome of this authorisation process are uncertain.

In addition, MG has given little detail of its intentions for the WCB business in the future and your Directors are concerned that it may lessen competition for milk supply in the region.

**Further information**

If you need more information on the above matters please refer to our website at [www.wcbf.com.au](http://www.wcbf.com.au)

Thank you for your continuing support.

Yours sincerely,

Terry Richardson

Chairman

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