



This letter is important and requires your immediate attention. This letter should not be forwarded or transmitted, in whole or in part, in or into any jurisdiction where to do so would constitute a violation of the relevant laws or regulations of that jurisdiction.

To:

22 February 2019

Dear Sirs/Madams

Statement regarding recommended offer

We are writing to you to inform you of recent developments relating to Dairy Crest Group plc ("**Dairy Crest**") as required in accordance with Rule 2.11 of the City Code on Takeovers and Mergers (the "**Code**").

Further to the joint announcement made by Dairy Crest and Saputo Dairy UK Limited ("**Saputo**"), a subsidiary of Saputo Inc., on 22 February 2019 concerning the recommended acquisition of the entire issued and to be issued ordinary share capital of Dairy Crest by Saputo at a price of 620 pence per ordinary share in Dairy Crest in cash under Rule 2.7 of the Code (the "**Firm Offer**"), to be effected by way of a scheme of arrangement under Part 26 of the Companies Act 2006 (the "**Scheme**") (the "**Firm Offer Announcement**"), we enclose a copy of the Firm Offer Announcement.

This letter and a copy of the Firm Offer Announcement have also today been made available on Dairy Crest's website at <https://www.dairycrest.co.uk/investors>.

This letter is not a summary of the Firm Offer Announcement and should not be regarded as a substitute for reading the Firm Offer Announcement in full. Your attention is drawn, in particular, to the section of the Firm Offer Announcement headed "Pensions".

The formal Scheme documentation (the "**Scheme Document**") providing further information about the Scheme (including notices of a court meeting and a general meeting to be convened to propose certain resolutions required to be passed in order to effect the Scheme) will be posted to shareholders in due course.

You are hereby informed of the right of pension scheme trustees under Rule 25.9 of the Code to have a separate opinion on the effects of the Scheme on the Dairy Crest Group Pension Fund appended to the Scheme Document, when published, provided that such opinion is received in good time before publication of such Scheme Document.

If your opinion is not received in good time, it will be published promptly on Dairy Crest's website and Dairy Crest will announce via a regulatory information service that it has been so published.

Dairy Crest will bear responsibility for any costs of publication of your opinion.

Please be aware that addresses, electronic addresses and certain other information provided by you for the receipt of communications from Dairy Crest may be provided to Saputo during the offer period as required under Section 4 of Appendix 4 of the Code.

Yours faithfully

Mark Allen
Chief Executive Officer



Encl.

The directors of Dairy Crest accept responsibility for the information contained in this letter and, to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the import of the information.

This document is being sent in accordance with Rule 2.11 of the Code.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) of the Code applies must be made by no later than 3.30 p.m. (London time) on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s), except to the extent that these details have previously been disclosed under Rule 8 of the Code. A Dealing Disclosure by a person to whom Rule 8.3(b) of the Code applies must be made by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3 of the Code.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0) 20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.