2013

ANNUAL REPORT

75 years of passion

agropur

TOGETHER
TO WIN

01 Dan Stearns
02 Renaud Moore
03 Myriam-Maïté Fortin
04 Robert Mason
05 Marcel Lamothe
06 Lucie Leclerc
07 Jean-Pierre Gosselin
08 Laval Lapointe
09 Daniel Grenier
10 Allen K. Bent
11 André Robert
12 Gary Rose
13 Brian Robson
14 Connie La Marca
15 David Bachand
16 June O'Reilly
17 Joel Blom
18 Andrée St-Hilaire
19 Peter Milinski
20 Jean Lagacé
21 Claire A. Bédard
22 Julie Côté
23 David J. Warzinski

75 YEARS OF PASSION

75 years ago, our founding members, visionaries who fully understood the power of cooperation, created the Société coopérative agricole du canton de Granby. They already shared a lofty vision for their new organization, stating: “The Cooperative has no borders”. Their primary objective was to ensure the longevity of their cooperative, and this value has remained entrenched in the organization. Every member, manager and employee of Agropur is aware of this heritage, and of the responsibility that goes with it. Our organization is now solidly anchored in North America, but we have no intention of stopping there. Now, more than ever, we must ensure that our cooperative will have no borders.

Therefore, this annual report is a reminder of 75 years of history, resolutely focused on the future. Above all else, Agropur is a story of men, women and large families, so we thought that it would be fitting to recount the stories of some of the passionate individuals who forged Agropur and others who are currently working just as passionately to build the Agropur of tomorrow, because no matter how you look at it, history revolves around people. Stories of families, individuals, professionals and major projects carried out by dedicated individuals are therefore at the centre of this annual report.

Backed by our 75 years of passion, experience and success, we have chosen to strive for nothing less than excellence for our future, and to pursue it every day and in everything we do, with the same focus on longevity that drove our founders.

COOPERATION IS IN OUR BLOOD

THE BEAUDRY FAMILY

A PASSION-FILLED HERITAGE PASSED DOWN THROUGH THE GENERATIONS

Passion drives Robert Beaudry in every aspect of his life. His farm trade, his family and his social commitments are all sources of inspiration for this well-rounded man. Robert Beaudry's maternal grandfather, Gédéas Parent, served as the Cooperative's first president from 1938 to 1940, and his father Rolland was among the first builders of Agropur. In the early days of the Cooperative, he made the decision to join the group because he was experiencing the same problems, and he believed that cooperation could be a viable solution. Robert Beaudry shares his father's philosophy, and believes in the strength of cooperation, which he regards as mutual support writ large.

Mr. Beaudry has five brothers and one sister, and like him, they have chosen farming as a career. He and his brother Daniel took over the family farm in Granby in 1977, where he settled down with his wife, France. Around 1990, Daniel decided on a career change, and offered to sell his share of the operation to Robert. Although this was a financial challenge, Robert agreed, and his wife, France, became his business partner. This decision proved to be a wise one, and made it possible for them to help out all of their children later on.

Robert Beaudry and his wife, who celebrated their 40th wedding anniversary in December of 2013, have four sons who are now in their 30s: Sébastien, Étiène, and twins Simon and Mathieu. They also

have 11 lively grandchildren who are the apples of their eyes. The four Beaudry sons are all driven by the same passion for farming. Upon completing their university studies, they returned to the farm, bringing with them their love of farming. Mr. Beaudry, intent on helping all of his children "get a start in life", purchased a second farm for them to operate. Two of his sons work with him on the first farm, while the other two work on the second, with his daughter-in-law, Mathieu's wife, Julie Cyr. Like the Beaudrys, she is passionate about farming, and shares many affinities with her father-in-law, namely a healthy dose of ambition and enthusiasm for a job well done.

MR. BEAUDRY CONSIDERS HIMSELF VERY FORTUNATE TO BE WORKING WITH HIS FAMILY AS EVERYBODY HELPS OUT. THEY OFTEN JOKE ABOUT THE FACT THAT THEY HAVE THEIR OWN COOPERATIVE, BECAUSE THEY SHARE EQUIPMENT AND WORK WITH THE SAME EMPLOYEES ON THE TWO FARMS. HE TAKES GREAT PRIDE IN SEEING HIS ENTIRE FAMILY EARN A DECENT LIVING THANKS TO THEIR ENTHUSIASM FOR AGRICULTURE. IN HIS OPINION, PEOPLE WHO ARE PASSIONATE KNOW WHERE THEY ARE GOING IN LIFE.

Unfortunately, the Beaudry family experienced a serious challenge in 2006, when a silo fell on the barn and it caught fire. However they tackled the problems head on, consulting with experts in order to determine how the family could best move forward, and they rebuilt. Demonstrating tremendous resilience and openness to change, Mr. Beaudry found a way to transform the tragedy into an opportunity for improvement. He opted for free stall barn for his cows, which until then had been in t-stall barn.

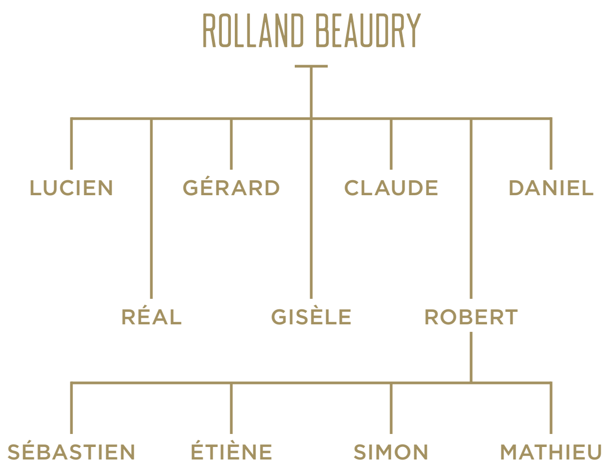
This decision meant he had to relearn his trade, because the genetics and the management of cows in free stall barn are completely different. He seized the opportunity to gradually step down from actively managing the operations and allowed his children to take over. He is still a member of the team, acting as a mentor and liaison between family members and handing down his knowledge. He trusts his children and his daughter-in-law to make their own decisions, while remaining available if they need advice. He has full confidence in them—just as his own father did when he passed the farm on to him.

AS MR. BEAUDRY PUTS IT: "YOU HAVE TO STEP OUT OF ONE ROLE AND INTO ANOTHER".

However he is not ready to retire yet. He is very active in his community. Among other things, he serves as a director of the *Syndicat des producteurs de lait de Saint-Hyacinthe*, the *UPA de la Haute-Yamaska* and the *Réseau Agriconseils*, and is a producer representative on the agricultural advisory committee of the *MRC de la Haute-Yamaska* and the City of Granby. He is also part of a 300-member agri–environment club that pays for the services of agronomists

that will help them implement initiatives aimed at preserving the environment. Mr. Beaudry and the other members of the club consider themselves to be "guardians of nature", entrusted with preserving it for future generations.

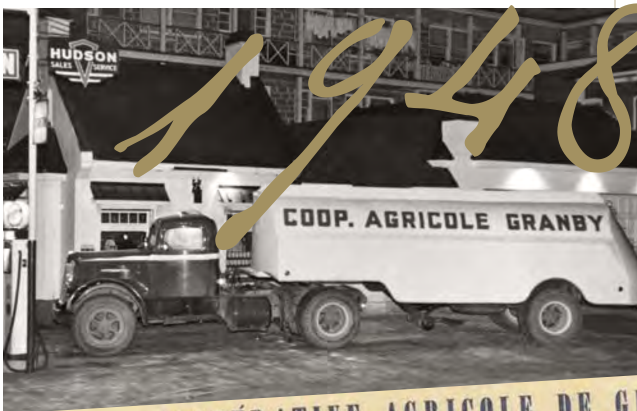
Robert Beaudry has every reason to be proud of his children. Every member of his family is inspiring and shows a passion that has been passed on from generation to generation. Even though technology continues to evolve and helps to facilitate and improve the efficiency of their work, these people understand that cooperation, mutual assistance, determination and openness to change are still the keys to their success. They know that they are stronger together, as are all of the members of Agropur, who draw their strength from cooperation.



700

IN 1938, TRACTORS
generally sold for $700 to $1,000 and had 15 to 25 HP.

1948



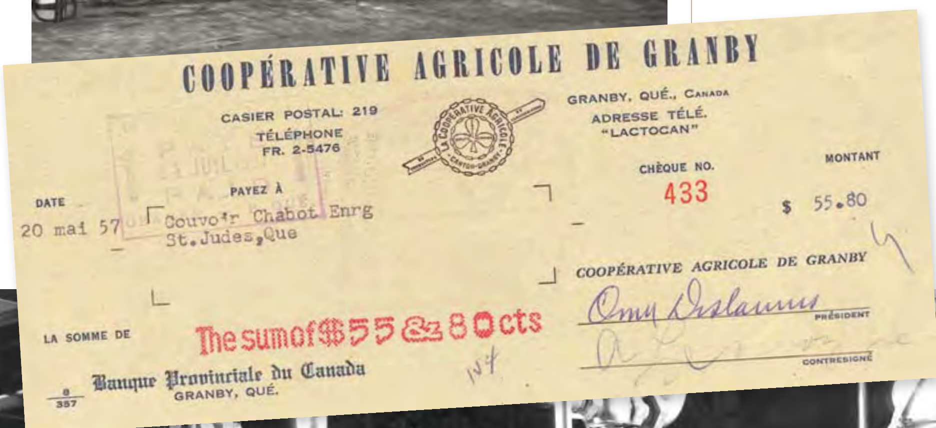
SPRING 1948
First tanker truck purchased to transport the milk produced by the co-op's members.

- SPECIAUX -
POUR FIN SEMAINE

FROMAGE Canadien	15c
Rôti boeuf filet	18c
Boeuf dans l'épaule	12c
Boeuf haut-côté	10c
Boeuf dans la côte	6c
Steak lard	17c
Rôti lard soc	16c
Rôti lard épaule	15c
Lard entrelardé	15c
Lard boeuf haché	10c
Epaule de jambon	19c
Saucisse, 3 lbs	25c
Beaux gros choux 2 p.	5c
Blé d'Inde jaune, doz.	5c
Tomates, 3 btes pour	20c
Biscuits a uchoix..	10c lbs

J. H. Leroux & Fils

181, Principale, Tél. 216



COOPÉRATIVE AGRICOLE DE GRANBY

CASIER POSTAL: 219
TÉLÉPHONE FR. 2-5476

GRANBY, QUÉ., CANADA
ADRESSE TÉLÉ. "LACTOCAN"

DATE 20 mai 57

PAYEZ À Couvoir Chabot Enrg St. Judes, Que

CHÈQUE NO. 433

MONTANT $ 55.80

LA SOMME DE The sum of $55 & 80 cts

COOPÉRATIVE AGRICOLE DE GRANBY

PRÉSIDENT

CONTRESIGNÉ

Banque Provinciale du Canada
GRANBY, QUÉ.

1938

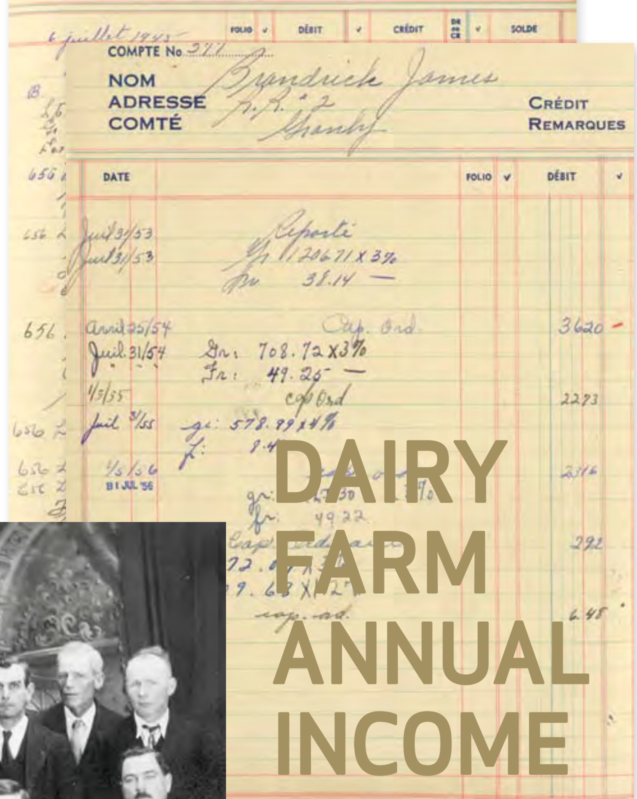
554
EMPLOYEES

72 MANAGERS
55 office workers
427 workers in 6 plants in 1968.

91

MEMBERS AS OF AUGUST 15

1939



DAIRY FARM ANNUAL INCOME

= $1,300

END OF THE 1930s

La meilleure laitière canadienne

"Calamiyt Nig", vache canadienne élevée par M. W. M. Davidson, de Maedowvale (Ont.), et aujourd'hui propriété de M. R. V. Rasmussen, de Deerfield (Ill.), a établi un record qui n'a jamais été atteint aux Etats-Unis et qui n'a été dépassé que deux fois au Canada par des Holsteins aujourd'hui mortes: à 8 ans et 7 mois, elle a produit 34 615.7 livres de lait et a donné 1,327.9 livres de gras dans 365 jours. C'est M. J.-M. Fraser, de Streetsville (Ont.), qui l'a entraînée et elle vient d'être vendue à la Vente nationale des Holsteins à

34,615.7 POUNDS OF MILK

BEST CANADIAN DAIRY COW

Produced 34,615.7 lbs (15,275.6 litres) of milk and 1,327.9 lbs (602 kg) of fat in 365 days in 1938.

QUALITY OKA CHEESE

WE DIDN'T HAVE TO REINVENT THE WHEEL

BRAND STRATEGY

THE OKA BRAND, SYNONYMOUS WITH TRADITION AND QUALITY, OCCUPIES A SPECIAL PLACE IN THE HEART OF CHEESE-LOVERS.

During the Agropur 2015 strategic review exercise, development of a brand strategy emerged as one of the essential drivers for the achievement of ambitious growth objectives that will lift the organization to world-class status. All of Agropur's brands are synonymous with quality, represent a level of knowledge and expertise that truly stands out in the industry, and deserve to be better known. Toward this end, Agropur has decided to make significant investments aimed at promoting its brands through major marketing offensives. The iögo brand, which was launched in August 2012, is a perfect example, proving that a well-planned and meticulously executed strategy can be highly effective. In only a few months, iögo made its way into Canadians' hearts and refrigerators.

Agropur 2015 focused on a few of our brands, like iögo, that have the potential to reach higher summits. We are investing in brands that we consider to be strong, profitable and popular, and that have tremendous growth potential. The most promising brands have been identified, and will be supported by massive marketing campaigns. OKA is one of the brands that has been chosen to be part of this select group of Agropur products.

THE STORY OF A UNIQUE CHEESE

In 1893, a new rind cheese with an exceptional aroma ranked first among the new products that were introduced at the *Salon Agri-culturel de Montréal*. This show was held at the site that later became the famous Atwater Market.

The creator of this unique cheese was Brother Alphonse Juin, a master cheesemaker who had recently come over from France to join the community of Trappist monks at Oka in the Deux-Montagnes region, and who began to distribute samples of his creation, which is now known under the brand name OKA. Brother Juin produced 50 wheels in the first year. He aged his cheese in the cellars beneath the Cistercian Abbey. OKA, Canada's first fine cheese, is a remarkable and unique product that has been part of Quebec's history and heritage for 120 years, and enjoys incomparable popularity. The Swiss have Emmental, the Spanish have Manchego and we have OKA!

For more than 30 years, our Cooperative has been the proud owner of the OKA brand. The Trappist monks made it their mission to ensure that their emblematic cheese continues to thrive and remains authentic. In order to accomplish this, they had to ensure that the cheesemakers who were entrusted with the task would devote the same attention to detail and fully master the recipe while preserving its characteristics. The monks oversaw this transition for a number of years, working in cooperation with Agropur's cheesemakers in order to convey their knowledge before passing on the torch for good.

A GEM TO BE DISCOVERED AGAIN AND AGAIN

OKA cheese is still aged in the cellars beneath the Abbey. It is a tremendous source of pride for Agropur, and a large part of our Quebec and Canadian identity. OKA cheese has a 97% brand awareness rate in Quebec, 61% in Ontario and 50% in Western Canada. Based on these impressive numbers, we have devised strategies adapted to each of the markets as part of the OKA project.

A number of studies have been conducted to obtain data to support the development of effective, targeted strategies. They show that the OKA brand's distinguishing features are its distinctive rind and aroma. Consumers also confirm that they love its unique flavour. The OKA brand is associated with Quebec's cultural heritage, which enjoys a positive perception across Canada. OKA embraces an extensive line of products and formats suited to a large variety of uses and has sales potential in multiple market segments. Analyses also revealed that the brand is enjoying strong growth in Quebec and in English Canada, particularly in Ontario.

With all these data at its disposal, the project team was able to ascertain that the OKA brand was poised to achieve higher summits through a major investment program, which will focus on the Quebec and Ontario markets for the time being. The brand awareness rate and consumer habits are different in these two markets, so two different growth strategies were developed. A number of tools will be used in order to achieve the objectives, including new packaging that better promotes the brand and a television advertising campaign adapted to the two different markets, which will air year-round from now on. Methods will include in-store offers and promotional material.

It was imperative to proceed with the expansion of the cheese plant in order to support the anticipated growth. A task force of internal experts was created with a view to identifying the necessary tasks and establishing schedules. Members included cheesemakers, the plant director, engineers and production personnel, with the support of external specialists.

THROUGHOUT THE COURSE OF ITS ANALYSIS, THE PRIMARY OBJECTIVE OF THE TASK FORCE WAS TO ENSURE THAT THE AUTHENTICITY OF THE PRODUCT WAS NEVER COMPROMISED.

If the past is any indication of the future, OKA will continue to rise. If he were still with us today, Brother Juin would certainly be proud of his creation's popularity.

1938

75 YEARS OF PRES

1971

1973

1986

1990

1991

Champfleury

Chevalier

FROMAGES FINS ANCO FINE CHEESE

2005

2007

2008

island FARMS

AGROPUR Grand Cheddar CANADIAN RESERVE™

TREGA FOODS GREAT PEOPLE. GREAT PRODUCTS.

SCHROEDER

Masters™ RESERVE

ISO CHILL®

Natrel BIOLOGIQUE

1955

1974

Québon

1978

Vaudreuil

1981

OKA

TIGIOUS

1993

Allégro

1997

Sealtest

1998

Natrel

1999

Natrel SANS LACTOSE

2004

Olympic

BRANDS

2011

DYNA MOO

2012

iÖGO

2013

Farmers

Central Dairies

PZ-44

milk 100% lait Damafro

agropur

AT THE CUTTING EDGE NOW

AND THEN

INNOVATION

INNOVATIVE PRODUCTS, HIGH-PERFORMANCE FACILITIES AND VISIONARY MANAGERS ARE AT THE HEART OF OUR INNOVATION STRATEGY.

In terms of innovation, Agropur focused its efforts mainly on important projects involving the expansion, modernization and capacity increase at its facilities. Our business environment is highly competitive, and it was necessary to optimize our facilities in order to achieve our lofty growth objectives for the coming years.

In light of this, we made significant investments, specifically at the Oka, Lethbridge and Luxemburg plants. See more detailed information concerning the Oka plant in the "Brand Strategy" section of this Annual Report.

LUXEMBURG: A FAMILY SUCCESS STORY

In the late 1800s, in a rural community in Wisconsin, USA, farmers would meet at around six o'clock every morning, delivering their own milk in horse-drawn wagons to be processed into drinking milk, butter or cheese at a local plant. Cheese was made in a wooden vat heated from underneath by a fire. Cheese plants that processed milk by this method provided farmers with substantial extra income, because cheese was sold for "9¼¢" per pound at that time! These were also the places where farmers gathered to discuss and share the latest news.

During this era, in 1892, Albert Gruetzmacher founded a small family business that produced cheese and butter in Montpelier, in Kewaunee County, Wisconsin. He built his facility on a property that cost him $1,400, which is now the site of Agropur's Luxemburg facility. One of the employees, Charles Krohn, married Mr. Gruetzmacher's niece in 1905, and purchased the facility for $3,300 two years later.

This marked the beginning of a family success story. The business underwent a number of expansions and upgrades over the decades. Charles' son, Leo, made a series of decisions during those years that allowed the family business to prosper. Sometime around 1960, seeing the increasing popularity of Italian cheeses, he focused production on mozzarella and provolone. This marked a critical turning point for the future of his business, because these two types of cheese represent 99% of the facility's production today. Many family members have worked at the plant, including Leo's sons, Roger and Carl, his daughter, Jean, and her husband, Arlie Doell. Roger continues to work there today, along with Arlie and Jean's sons, Pat and Tim Doell.

In 2000, Krohn Dairy was acquired by another operation which already included the plants in Weyauwega and Little Chute. The new entity became Trega Foods in 2003.

The Weyauwega and Little Chute facilities also have rich family histories dating back several generations, with Weyauwega having been owned by the Wagner family and Little Chute by the Simon family. Doug Simon, now President of the USA Cheese Business Unit of the Agropur Cheese and Ingredients Division, is the grandson of Art Simon, who purchased the plant in 1940. Between 2000 and 2008, Trega Foods built a whey protein isolate (WPI) production plant and a permeate plant.

IN 2008, AS PART OF ITS NORTH AMERICAN EXPANSION, AGROPUR ACQUIRED TREGA FOODS, AN ORGANIZATION THAT BOASTS A LENGTHY TRADITION BASED ON THE SAME VALUES OF QUALITY AND EXCELLENCE.

Its products are recognized across the country for their superior quality, garnering numerous awards every year, and they are extremely popular among consumers. As a result, the Luxemburg plant had been struggling to meet the demand in recent years, and its limitations were becoming more problematic.

In light of this, the Agropur Board of Directors approved its largest capital asset project to date in 2012, namely the expansion and modernization of the Luxemburg plant, at a total cost of $108 million. Thanks to this investment, the building will increase from 101,000 sq. ft. to 219,000 sq. ft., and cheese production capacity will rise from 43,000,000 to 108,000,000 pounds per year. The expansion of the WPI plant will make it possible to process additional whey solids. Other modern automated equipment, including high-efficiency vats and a new permeate dryer, will help optimize operations.

In terms of wastewater treatment, a new system is currently being installed that will convert waste into methane which will be used to fuel a generator supplying power to the plant. This is a major innovation that will help to protect the environment.

Employee enthusiasm and team spirit are high at the Luxemburg plant. They see the investments as testimony to Agropur's confidence in them, which is why they are working together toward a common goal that will enable them to make a significant contribution to the growth of the organization.

LETHBRIDGE EXPANSION

Phase 2 of the expansion project in Lethbridge began in May 2013. This phase, which is slated for completion during the fourth quarter of 2014, represents an investment of $22 million, and will make it possible to process a greater volume of milk. The key elements of the project include a new milk receiving facility, a new cooler and an aging space for Swiss-type cheeses, along with the expansion of the warehouse.

INNOVATIVE PRODUCTS AND PRESTIGIOUS AWARDS

In terms of products, Agropur continued to innovate this past year in order to meet the needs and expectations of clients and consumers.

iögo, which celebrated its first anniversary in August, introduced a number of new products and additions to its existing lines, including the brand-new 0% fat yogurt with stevia extract, a 100% natural calorie-free sweetener. Probio plain lactose-free yogurt also appeared on store shelves, along with a limited edition of Zip. The iögo L'original and Greko lines also welcomed additions in the form of new sizes and flavours.

Since its launch, iögo has garnered an impressive total of 24 awards in recognition of its originality and innovation. Among these were the Consumer's Choice Award, which was presented to iögo Nano in June of 2013 during the Canadian Grand Prix New Product Awards hosted by the Retail Council of Canada (RCC). In addition, Strategy magazine crowned iögo the "Brand of the Year" last October.

Division Natrel expanded the Natrel Baboo family with two new products, namely a 2 L format for Baboo Step 1 for children aged 12 to 24 months, and the brand-new Baboo DHA Step 2 for toddlers over the age of 2. Division Natrel also introduced its brand new Sealtest iced tea in the summer, and added a new and improved hazelnut flavour to its Natrel Café line. Last but not least, new flavors were added to the Island Farms ice cream line, and the Simply Natural line of yogurt products was relaunched. It now sports new packaging, accompanied by updated recipes. The content is also new, because the Island Farms brand now offers probiotic yogurts made from 100% natural ingredients with no gelatine or preservatives.

The Fine Cheese Business Unit of the Cheese and Ingredients Division updated the packaging of its ANCO line, which now has a distinct image that is retro and appealing. The new ANCO website, which is fun and practical, was also launched during the year.

Our outstanding cheeses garnered a number of awards at a variety of national and international cheese competitions.

Agropur posted a spectacular performance during the British Empire Cheese Show in November 2013, winning nine awards, including three first-place finishes for our cheese plants in Saint-Hyacinthe and Notre-Dame-du-Bon-Conseil for Rondoux Triple Crème in the "Soft rind cheese" category, Chevalier Pepper in the "Flavoured soft type" category, and Cheddar in the "Medium coloured" category. Agropur also received the "Reserve Champion" trophy, which recognizes the producer with the second highest total number of points in the fine cheese categories.

The 2013 Sélection Caseus contest, which promotes and provides exposure for Quebec cheeses, rewarded our Rondoux Washed Rind and our OKA l'Artisan. The American Cheese Society rewarded Agropur with seven prizes, including two first-place finishes for OKA l'Artisan and for Camembert l'Extra in their respective categories.

Our cheeses produced in the U.S. also collected an impressive number of awards at the Wisconsin State Fair, including three prestigious first-place blue ribbons for the mozzarella produced at the Luxemburg plant, and the cheddar and feta made in Weyauwega. They also fared well at the prestigious U.S. Championship Cheese Contest, winning a dozen awards (first, second and third place) including four first-place finishes in their respective categories for mild cheddar, medium cheddar, mozzarella and feta.

Finally, our Vintage Cheddar Canadian Reserve won the bronze medal in the "Best Overseas Cheese" category at the International Cheese Show held in Nantwitch, in the United Kingdom.

COST LEADERSHIP

THE ERP PROJECT

A SPRINGBOARD TO THE FUTURE

In the Agropur 2015 strategic review exercise, cost leadership was identified as one of the keys to our cooperative's future growth. Costs can be substantially reduced by reviewing best practices, scaling back the product portfolio, streamlining processes, simplifying operations, improving procurement practices, promoting operational excellence in the plants, and a wide range of other efforts.

During the past year, a number of initiatives were undertaken and completed, and many others are in progress.

ALL THESE PROJECTS ARE IMPORTANT AND CONTRIBUTE TO ENHANCING THE ORGANIZATION'S EFFECTIVENESS. THE COST SAVINGS ARE ALREADY CONSIDERABLE.

Teams are hard at work on each of these projects.

Among the key initiatives launched in the wake of Agropur 2015, the Enterprise Resource Planning (ERP) project is particularly noteworthy. This large-scale project will impact most sectors of our organization.

ERP will standardize operational processes for all corporate functions and integrate them on a single IT platform. This massive undertaking will equip Agropur with a technologically robust system that will make decision-making faster, nimbler and more dynamic. Plans call for the Phase 1 to be implemented in November 2014.

THE ERP PROJECT IS BEING CARRIED OUT BY HAND-PICKED EMPLOYEES FROM EACH OF THE ORGANIZATION'S SECTORS AND THE INFORMATION TECHNOLOGY DEPARTMENT WHO HAVE VAST EXPERIENCE IN THEIR AREAS OF EXPERTISE. THEY BEGAN WITH THE PLANNING & SCOPING PHASE, WITH THE SUPPORT OF OUTSIDE CONSULTANTS.

The ERP team then worked with users on documenting and analyzing processes and systems. In the course of this phase, they also familiarized themselves with creative initiatives that have already been implemented and shared them with the entire organization. Each sector's processes were exhaustively reviewed and best practices were applied to increase process effectiveness. Team members from different sectors who were accustomed to their own terminology had to develop a common language to understand each other and work together effectively.















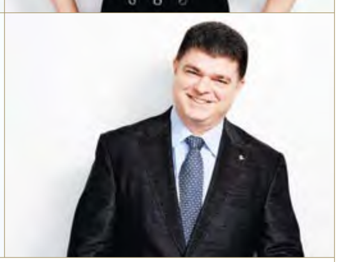










THE MEMBERS OF AGROPUR'S ENERGETIC ERP TEAM ARE WELL AWARE THEY ARE LAYING THE FOUNDATIONS FOR THE COOPERATIVE OF THE FUTURE. ALL ARE BRINGING TO THE TABLE THEIR CREATIVITY AND THEIR KNOWLEDGE OF NEEDS AND REQUIREMENTS IN THEIR SPECIFIC AREA OF EXPERTISE. EACH MUST MOVE OUTSIDE HIS COMFORT ZONE. TOGETHER, THEY ARE WORKING TOWARDS COMMON LONG-TERM GOALS AND HELPING TO BUILD AGROPUR INTO A BETTER ORGANIZATION, ONE EQUIPPED TO MAKE MORE EFFECTIVE BUSINESS DECISIONS THAT WILL CONTRIBUTE TO ACHIEVING THE COOPERATIVE'S GROWTH OBJECTIVES.

HUMAN CAPITAL

MAJA SUDAR: PROUD TO BE PART OF THE AGROPUR FAMILY

Employee engagement is an essential success factor in any organization. Motivated employees prioritize the success of their organization, and are proud to be a part of it. This engagement reflects the daily efforts of each individual. Maja Sudar and her husband, Dragan, are excellent examples of engaged employees who serve as models for their colleagues.

In April of 1994, as war raged in their homeland, Bosnia-Herzegovina (former Yugoslavia), Maja and Dragan Sudar made the decision to settle in Canada with their two young children. When they arrived, Maja and Dragan took English courses, and less than one year later, they both began working at the plant in Lethbridge, Alberta, which was called Sunnyrose Cheese at the time. Maja, who had studied economics in her country, changed career paths to become a Laboratory Technician. She was promoted to Quality Control Coordinator, then, in 2010, Quality Control Manager. She is delighted with her career's unexpected trajectory, and she loves her work. Dragan, who was educated in electrical engineering, climbed the ladder from Production Worker to Production Foreman and Production Manager, finally assuming the position of Plant Manager in 2004. Maja and Dragan's children also made a smooth transition to their adopted country. Tamara, now 26, works in animal feed at the Canadian Food Inspection Agency, and Srdjan, 22, is studying to become a first responder and firefighter.


Maja

Today, nearly 20 years after Maja and Dragan's arrival, the Lethbridge plant family boasts 70 employees. With members of the Sudar family scattered around the world due to the war in their homeland, Maja and Dragan have succeeded in re-creating a family at their workplace. The Lethbridge plant is probably the most multicultural of all of Agropur's facilities. At least 15 countries are represented, including China, Sudan, Burundi, El Salvador, Germany, Thailand and Sri Lanka.

AT THE LETHBRIDGE PLANT, CULTURAL DIFFERENCES ARE NOT OBSTACLES TO TEAMBUILDING AND TEAMWORK. THE EMPLOYEES HAVE BANDED TOGETHER TO FORM A UNITED, TIGHT-KNIT FAMILY. DRAGAN, WHO KNOWS ALL OF HIS PEOPLE VERY WELL, HAS A PATERNAL SIDE THAT ENHANCES THE FAMILY ATMOSPHERE IN LETHBRIDGE.

Like their colleagues throughout the organization, Maja and Dragan are proud to be part of the extended Agropur family. They relate strongly to Agropur's values of cooperation and mutual assistance, and they are delighted to be part of the expansion and major renovations at the plant!

SOCIAL RESPONSIBILITY

True to its values of solidarity and mutual assistance, Agropur is committed to supporting both local community associations and major organizations that work to improve the lives, health and well-being of children and families. During the year, Agropur allocated a total of more than $1.6 million, or approximately 1% of earnings before patronage dividends and the Cooperative income taxes, to worthwhile causes.

SPONSORSHIPS

Agropur sponsors many activities and supports them with cash and/or in-kind donations. Sponsorships are selected through a rigorous process. During the past year, they included the 2013 Canada Summer Games held in Sherbrooke in August, of which Agropur was a main food partner.

DONATIONS

Our major partnerships include Breakfast Clubs of Canada and the *Club des petits déjeuners, "Moisson"* food banks in several regions of Quebec, and the *Fondation OLO*, to which we made a significantly increased annual contribution in 2013. Agropur also supported the Canadian Red Cross' efforts to help the victims of the disaster in Lac-Mégantic. Then, in September 2013, for the fifth year in a row, 24 six-person teams of Agropur and Ultima Foods employees rode a bicycle relay for 48 hours straight to raise money for Make-A-Wish Québec. The money they collected plus a donation from Agropur made some 15 children's wishes come true.

EMPLOYEE FUNDRAISING CAMPAIGN

Agropur employees are also encouraged to organize their own fundraisers in the workplace. Numerous fund drives were conducted during the employee fundraising campaign, which began in April and ended in September. Every year, the campaign committee in each workplace chooses a cause or organization to support. Agropur matches every dollar raised during this period. This year, employees at 17 of our workplaces held fundraising activities.

In all, nearly $100,000 was collected for organizations including Leucan Montérégie, Make-A-Wish, Centraide Bas-Saint-Laurent, the Fondation de l'Hôpital Charles-Lemoyne, the Canadian Cancer Society's Relay for Life event, the Children's Wish Foundation, the Cure Foundation, La Libellule and the Fondation Jasmin Roy in Quebec; the Sick Kids Hospital Foundation, Sakura House (VON, Oxford) and the Alzheimer Society of Oxford in Ontario; and the ALS Society of BC in British Columbia. In Wisconsin, Jurnie's Shelter, the Alzheimer Association and the Children's Hospital of WI Foundation were the main organizations supported by the campaign.

In November 2013, employees at the Don Mills plant pitched in to collect donations for victims of the typhoon in the Philippines. The cause was particularly close to their hearts since approximately 15% of their co-workers are of Filipino origin. Agropur also made a donation. The money raised was handed over to the Canadian Red Cross, earmarked for the Philippines.

GROOMING THE NEXT GENERATION

To ensure its longevity, Agropur needs to support the next generations. Among other things, Agropur awards bursaries to encourage young people to enter the field. In 2013 as in every year, thousands of dollars in bursaries were distributed. The money went to students enrolled in programs related to agriculture and food processing who had distinguished themselves in various ways in the course of their studies.

THE ENVIRONMENT

On the green front, Agropur's environment committees keep a close watch to make sure the Cooperative's facilities meet all statutory requirements. In addition, a number of projects are being carried out to reduce the use of potable water and energy at the source. For example, the Fromagerie de Granby now recovers the energy contained in process water, resulting in a permanent annual reduction of 2,000 tonnes of CO_2. At the Luxemburg plant, the wastewater treatment system is being upgraded as part of the current expansion project (see Innovation section for details). In Victoria, calculation of the plant's carbon footprint led to a greenhouse gas reduction plan which cut energy consumption. In 2014, Agropur will establish a framework for analyzing the entire organization's carbon footprint to identify opportunities for greenhouse gas emission reductions. Projects to reduce the use of drinking water are also in progress at several plants.

Meanwhile, construction of a new head office was announced in December 2013. The new building, to be connected to the Fine Cheese Business Unit's existing administrative offices, will be Leadership in Energy and Environmental Design (LEED) certified. Special care will be taken to preserve the surrounding woodlands.

GLOBAL SCOPE

WITH LOCAL ROOTS

NATIONAL AND INTERNATIONAL STRATEGY

THE AGROPUR FAMILY CONTINUES TO GROW

2013 and the first few weeks of 2014 will have been for Agropur a period of consolidation of its Canadian operations. The Cooperative made four acquisitions and was involved in one merger in Canada, in addition to another acquisition in the United States. Agropur was the leading player in terms of mergers and acquisitions in Canada in 2013.

On December 31, 2012, Agropur acquired the dry blending business from Foremost Farms in Preston, Wisconsin (United States), which means that the Cooperative now owns the Reddi Sponge®, PZ 44®, Econo Bake®, Dairy Bake®, Nutrimix® and Baker's Special™ brands, and they are now marketed by Agropur Ingredients. The ingredients sector is important for the future growth of our organization in the United States. This investment will make it possible for us to expand in the baking, pastry and dry blending industry.

In February, Agropur announced a historic merger with Farmers Co-operative Dairy, which has been in operation in the Atlantic provinces for 90 years. Merging the activities of the two organizations positions Agropur as a leading player in all regions of Canada. It was finalized in April of 2013.

THE MERGER GREW OUT OF A DESIRE TO CONSOLIDATE THE CO-OP DAIRY PROCESSING ASSETS BY FORMING A MAJOR CANADIAN COOPERATIVE.

Agropur also transferred its holdings in Grupo La Lácteo to its partner Adecoagro in June 2013, in keeping with its decision to terminate its presence in Argentina, which was announced earlier in the year.

In August, the Cooperative acquired Coast Mountain Dairy in British Columbia, which has been producing ice cream since 1997 under the brand names Sara's Old Fashioned, Mountain Pride and Arctic Star. This acquisition made it possible to add high-quality iced products to the selection already offered by Island Farms.

Agropur then reinforced its leadership role in the Nova Scotia milk and cream sector by acquiring Cook's Dairy in August. This organization has been carrying out its milk processing and sales activities for 85 years. The Cook's Dairy brand is the leading name in milk in southwest Nova Scotia.

During the weeks following the closure of 2013, Agropur acquired M. Larivée International Inc. (MLI) in November and Fromagerie Damafro in December.

THE PURCHASE OF MLI WAS PROMPTED BY OUR DESIRE TO DEVELOP THE EXPORT MARKET. THE EXPERTISE THAT IT BRINGS WILL ALLOW US TO ACCELERATE OUR DEVELOPMENT AND ACCESS TO ATTRACTIVE MARKETS.

The acquisition of MLI led to the creation of the Agropur Export Group as part of the Ingredients Business Unit of our Cheese and Ingredients Division.

The assets acquired from Fromagerie Damafro including those of Fromagerie Clément in Saint-Damase, Quebec, complement Agropur's existing markets and superior-quality products in a fast-growing segment.

In terms of global strategy, a large-scale internal review and analysis project was launched with a view to identifying attractive markets for international development.

Now that the organization is solidly established in the United States, it can strive to become more than a high-volume cheese producer, and to expand along the value chain up to the consumer by moving into marketing, distribution, product conversion, etc. There are many business opportunities in this sector, and Agropur intends to expend a great deal of effort in this area over the coming years.

OUR INTERNATIONAL STRATEGY OUTSIDE OF NORTH AMERICA IS MORE OF A PRIORITY NOW THAN EVER BEFORE, BECAUSE 5 OF THE 10 LEADING DAIRY PROCESSORS IN THE WORLD ARE IN DIRECT COMPETITION WITH AGROPUR ON THE CANADIAN MARKET.

Agropur has strengthened its resolve to be included among the world's largest dairy producers, and we remain on the lookout for business opportunities that will allow us to increase our critical mass and achieve our growth objectives on markets that we consider to be advantageous. An active prospecting and business opportunity identification effort is being conducted on an ongoing basis, because Agropur is fully committed to success.

MESSAGE FROM SERGE RIENDEAU

OUR COOPERATIVE'S 75TH ANNIVERSARY WAS AN OPPORTUNITY TO APPRECIATE THE LEGACY OF OUR PREDECESSORS, VISIONARIES DRIVEN BY A DESIRE TO TAKE THEIR FATE INTO THEIR OWN HANDS AND COMPETE WITH THE BEST.

Dear members,
Dear employees,

In 2013, we spared no effort to achieve our lofty ambitions and secure the growth and longevity of our Cooperative. Over the course of the year that is drawing to a close, we have demonstrated our ability to implement changes and fashion our future. The Board of Directors and I are pleased with our organization's results.

75 YEARS OF PASSION

Throughout the year, we celebrated the 75th anniversary of the founding of our Cooperative. This time of reflection was an opportunity to appreciate the legacy of our predecessors, visionaries driven by a desire to take action, take their fate into their own hands and compete with the best. It was based on these values that the *Société coopérative agricole du canton de Granby* was born in 1938. Over the following years, Agropur became a flagship of the dairy industry in Quebec, then Canada, and now North America.

In 2013, Agropur's 75th Anniversary was celebrated with a series of internal and external activities and plaudits that, like this Annual Report, reflected who we are. From the impressive banquet that kicked off the festivities and was attended by over 1,000 guests, to the coolers filled with Agropur products for our employees in Canada and the U.S. as tokens of appreciation and the production of a book presenting highlights of the life of our cooperative, the celebrations demonstrated our unconditional commitment to excellence and did justice to the history of our organization.

We were able to celebrate our history in this way thanks to our successes achieved over the years. Agropur Cooperative was built through more than 130 mergers and acquisitions over time. Its members and employees consistently demonstrated that it is possible to turn challenges into opportunities, a unique ability that helped the organization become what it is today.

GROWTH

During 2013, key building blocks were put into place and will drive Agropur's growth going forward. Prominent among these was the merger between Agropur and Farmers Co-operative Dairy, a leader in the dairy industry in the Atlantic Provinces whose brands and products are distinguished by their variety and quality.

What this merger means, in a nutshell, is that all of our members can continue playing their full role in producing and marketing their milk by controlling their own processing tools. Therefore, the merger enables the new cooperative to better serve its clients across Canada and is a step towards consolidation of the milk processing industry through the creation of a major Canadian cooperative, to the benefit of our organization's milk-producing members.

It is clear to us that joining forces to form one large entity places us in a strong position to secure the new cooperative's longevity, battle the competition and meet the challenges faced by the Canadian dairy industry.

At the same time, Agropur proceeded to make targeted strategic acquisitions to diversify its geographic markets and its product portfolio. The sole objective of these and future acquisitions is to ensure the development and longevity of our organization by securing a favourable strategic positioning on the market.

This year also saw major investments in our plants and brands. Significant amounts have been injected into overhauling our facilities in Oka (QC), Lethbridge (AB) and Luxemburg (WI). Capacity and floor space are being increased and state-of-the-art equipment adapted to our clients' current and future needs is being added.

As well, construction of Agropur's new head office is set to begin. It will be connected to the Fine Cheese Business Unit's existing building on Highway 30 in Saint-Hubert, Quebec. Our new home will provide a stimulating working environment that meets the needs of future generations, a hub of exchanges and synergies among our business units.

MARKET AND COMPETITION

Rapid consolidation in the global dairy industry became even more evident in 2013. The competition is well-established throughout North America and now originates from around the world. International players of all sizes are implementing strategies to enter new geographic markets and grab market share. Agropur is devoting a significant share of its efforts to positioning and diversification strategies that will support its growth.

Recently, Canada signed a major agreement in principle on free trade with the European Union. Although not all terms have been finalized, we can already anticipate a major impact on the Canadian cheese industry and the dairy sector as a whole. This agreement and its rules should be ratified within two years. For Canada, it will mean the gradual addition of close to 18,000 tonnes of European cheese to the Canadian market, bringing the total of duty-free European cheese to more than 31,000 tonnes.

For the time being, issues such as quota allocation, industry compensation, and other future trade agreements remain open. We will therefore have to assess the true impact of the agreement in the future, and, in the meantime, we must enhance our ability to adapt in order to become both more effective and less vulnerable to government decisions.

The signing of the agreement in principle with the European Union is only one example of the rising pressure on our Canadian system. We must also closely monitor other trade negotiations with the WTO, the Trans-Pacific Partnership and many others that could also significantly impact our industry.

Our governments must demonstrate through their actions that they support the integrity of supply management and tighter control over our borders. We are becoming more and more vulnerable to government decisions and must therefore exhibit courage and leadership, for this change in the Canadian marketplace will lead to a major annual opportunity loss for us and for the industry, jeopardizing our domestic growth.

In this respect, I would like to remind you that our most salient characteristic for 75 years has been our ability to turn challenges into business opportunities. I have complete confidence that our people's creativity will allow Agropur to adapt to the new business realities.

LOOKING TO THE FUTURE

In order to adapt to the changes in our industry and respond to our organization's needs, the Board of Directors launched a strategic reflection exercise among the Cooperative's members in 2013. This consultation process, rooted in Agropur's history, addressed three broad themes: Agropur's identity, value creation and governance. Ten questions were presented as a basis for discussion and exchanges. Participants in the exercise identified key points for our organization's development. The comments collected will serve as guideposts for the Board of Directors in its future decision-making.

The topic of Agropur's identity led to the identification of six values on which the Cooperative is built and will continue to develop over the coming years:

- Long-term vision: longevity and development;
- Sound governance: the composition of the Board and the values guiding the decision-making process;
- Quality: from the farm to the consumer;
- Innovation: new product development as a growth strategy, and keeping the Cooperative competitive;
- Growth: maintaining market share and profitability;
- Democracy: valuing the information and consultation process, and preserving the strong ties between decision-makers and members.

The discussions on the topic of value creation demonstrated that it is possible to create a successful business model in North America while remaining faithful to the cooperative values and principles which guide Agropur. At the same time, the members identified three central pillars as Agropur's strengths: its people-centred approach to business; its fundamental cooperative values such as solidarity, democracy, autonomy and equality; and finally financial health, which allows us to grow and achieve our objectives.

The members believe that the cooperative practices embedded in Agropur's traditions are key to the achievement of those objectives. They also believe that retaining cooperative status and promoting its values and principles will allow Agropur to pursue its activities. Among other measures aimed at ensuring Agropur's longevity, the members feel that a vigorous associative life, succession planning through training, and intercooperation are factors which will help maintain a strong sense of cohesiveness within the Cooperative.

Two points emerged from the discussions on governance, and directed the Board of Directors' attention to its own operation. The first is the relationship between the members and the Board, i.e., associative life. We believe that a healthy, vibrant associative life is one of the contributing factors to our Cooperative's success. Everyone agrees it must be kept intact, for it is the place where the owner-members and directors meet and communicate. The second point relates specifically to the operation and composition of the Board of Directors. The members were open to support the views of the Board in order to adopt best practices in governance.

In closing, on behalf of the Board of Directors, I would like to thank our 3,348 members for their dedication throughout 2013. Together, we succeeded in laying solid new foundations on which we can build the future of our Cooperative. I would also like to thank the Executive Management Committee and its CEO, Mr. Robert Coallier, along with our 6,188 employees, for their commitment, their engagement and their contribution to Agropur's success. The work we have accomplished in 2013 is truly impressive; you have all put your shoulders to the wheel in order to rise to the challenges we faced.

Our Cooperative's 75th Anniversary will be remembered as a year in which we picked up the pace, tightened our processes and invested strategically in order to face the challenges of tomorrow, respond effectively to the demands of growth, and meet and exceed the expectations of growing numbers of clients and consumers.

SERGE RIENDEAU

—

President
Agropur Cooperative

MESSAGE FROM ROBERT COALLIER

WE OPERATED IN AN EXTREMELY COMPETITIVE ENVIRONMENT IN 2013. OUR AGROPUR 2015 STRATEGIC REVIEW PROCESS WAS IMPLEMENTED WITH THE NEED TO ACCELERATE OUR GROWTH AND ENSURE OUR COOPERATIVE'S LONGEVITY.

Dear members,
Dear employees,

I would like, in my turn, to express my pride as I consider the scope of the work we accomplished together in 2013. While we must pursue our efforts and continue strengthening our position in 2014, I believe we can take pride in this year's results. It is heartening to see that our organization is in full transformation and ready to rise to the challenges of tomorrow.

In 2013, our revenues totalled $3.8 billion and our EBITDA $264.4 million. Excluding the effect of the additional week in 2012, revenues and EBITDA were up by 7.0% and 10.1% respectively. For the first time in our history, members' equity passed the billion dollar mark.

We all know that 2013 was characterized by a tremendously competitive environment, and it is no secret that the future will hold even greater challenges. This is why it was critical for us to immediately implement the strategies arising from our Agropur 2015 strategic review process.

The objective of the Agropur 2015 strategy is to focus on evolving our organization's management practices while respecting its heritage and maintaining our team spirit, transparency and integrity. Employees at every level continued to work tirelessly in 2013, paving the way for change by accelerating execution, initiating process reviews, eliminating duplication and increasing the organization's operational efficiency. We are now more confident than ever that our efforts will make Agropur even more agile and efficient—two qualities that will allow it to maintain its enviable leadership position in the industry.

INVESTING IN OUR BRANDS

Our Agropur 2015 strategy rests on five pillars. The first, Brand Strategy, focuses on developing Agropur's brand portfolio. On this front, we approved a major program designed to spotlight the OKA brand. In addition to a large-scale marketing effort, this project involved injecting $45 million into equipment modernization and production and capacity expansion at the OKA plant, while continuing to uphold the facility's tradition of quality and excellence. Also, our Agropur-Farmers merger in the spring of 2013 allowed us to create an even stronger brand portfolio on top of the successful integration of our operation; a significant benefit given their strong market position in the Atlantic Provinces.

For its part, the iögo yogurt brand introduced by Ultima Foods, our joint venture with Agrifoods, celebrated its first anniversary and continued to play a leadership role. More than $100 million has been invested in iögo since its inception. Today, the brand is an undeniable success, with a growing market share in a strongly competitive environment. We will continue to invest in the brand in 2014 and will aim at increasing our presence in its product segments.

Also, on behalf of the Agropur Board of Directors and the Executive Management Committee, I would like to thank Gerry Doutre, President and Chief Executive Officer of Ultima Foods, for his outstanding work heading this organization for the past ten years as he will be taking a well-deserved retirement in 2014.

INNOVATION

In 2013, we developed new products and introduced new technologies as part of the Innovation pillar. Initial results will be known in 2014. But at Agropur, innovation goes far beyond product development; we have paid special attention to our production processes, management procedures, business approach and issue management.

Capturing synergies and pooling our strengths will support our business success. Our innovation strategy has provided the impetus for a number of initiatives, including a large-scale project that will implement a single IT platform to support management of all Agropur operations. A hundred employees are directly involved in this far-reaching, multi-year project, which in the short, medium and long term will help us realize substantial savings, contribute significant value added to all our operational processes and generate real-time information.

In 2013, innovation also meant investing in our plants, including a $108-million project at the Luxemburg facility in Wisconsin. This key project for our Cooperative will ensure our organic growth on the expanding U.S. market, from which more than 50% of our cheese production originates. Another $22 million was invested in the Lethbridge plant in Alberta, increasing production capacity and preparing the plant to better respond to our customers' growing needs.

COST LEADERSHIP

In 2013, our Cost Leadership pillar led us to pool services and streamline tasks throughout the organization. Toward this end, we conducted a comprehensive review of our operational processes with the aim of aligning them with best industry practices.

At the same time, in an exercise that will be repeated every year, we reviewed our operations in order to reduce operating costs and maximize synergies. This review allowed us to surpass our 2013 cost reduction target and cut almost $35 million on an annualized basis. Our target for 2015 is $75 million, which is what we need to become competitive and achieve a leadership position. This result demonstrates once again that, together, we made significant progress in 2013 and must continue along the same path in 2014 in order to accelerate the pace of the changes that we have begun to make.

HUMAN RESOURCES

Agropur's 75th Anniversary bolstered the Human Resources strategic pillar by providing an additional opportunity to get closer to our employees. Agropur's senior management renamed Human Resources the "Human Capital" Department, a name that better expresses the group's importance. We also standardized and centralized the services we offer all employees and implemented changes to our structure while reducing costs and maintaining jobs, all for the purpose of creating more synergy and increasing efficiency.

Finally, the "75 X Thank you!" campaign celebrated Agropur's 75th Anniversary in a fitting manner. Each employee across Canada and the United States received a cooler filled with Agropur products. This successful operation gave us an opportunity to thank our employees for their dedication and engagement.

NATIONAL AND INTERNATIONAL STRATEGY

The dairy industry is consolidating and the market is drying up for players that fail to differentiate themselves through development, innovation and relationship-building with customers and consumers. Our development strategies at the national and international levels are resolutely focused on growth.

Agropur made an important move in this respect in 2013 with its merger with Farmers Co-operative Dairy. Over the course of a few months, we consolidated all of our activities, including the producer-members and the employees. In terms of fluid milk, the merger made Agropur number one in the Eastern Canadian market with the strong regional brands Farmers and Central Dairies. Once again, we demonstrated our determination to change the market paradigm. This merger constitutes the first step toward enhancing the efficiency of the dairy processing sector, and clearly demonstrates that it is possible to create major synergies while keeping the assets in the hands of the producers.

Agropur also made other acquisitions during the year, including Foremost Farms USA's dry blending business, Cook's Dairy, Coast Mountain Dairy. During the first few weeks following the closure of 2013, M. Larivée International Inc. and Damafro were added. This allows us to significantly expand our activities while ensuring optimal positioning for our brands and a strong Agropur presence on their respective markets.

Still with respect to our development efforts in 2013, I am particularly proud of the contracts we signed with Couche-Tard convenience stores in Quebec and Ontario, and with Costco across Canada. These major gains strengthen our partnerships with two key players on the Canadian market.

AN INCREASINGLY COMPLEX BUSINESS ENVIRONMENT

As previously noted above, Agropur has developed strategies to increase its agility and stand out in the marketplace, while affirming its industry leadership. However, some events are likely to increase the challenges we face. For example, the recent free trade agreement between Canada and the European Union will impact our industry and our organization. It is our responsibility to make sound decisions in order to be able to adjust and reposition ourselves.

This is why I remain confident that our decision to invest in our brands and activities in the United States, to acquire businesses, to make significant investments in our plants, to cut costs and to streamline our processes will strengthen us as we brace for the challenges that this agreement will bring.

Finally, I am pleased to note that, even faced with increasing challenges, the Cooperative's position has remained very solid in 2013. Thanks to our concerted efforts, our results stand out in our industry and we have maintained exemplary financial health, which helps drive our organization's growth. Our Agropur 2015 strategy is clear, precise, and already paying dividends. We have lofty ambitions and we must continue to acquire the tools we need to achieve them.

We must attain critical mass over the coming years in order to ensure our Cooperative's longevity and remain a significant player in the fast-consolidating global dairy industry. That is why we intend to pursue growth, both organic and through acquisitions, and aspire to become a dominant player in the industry.

I would like to express my sincere gratitude to the members of the Board of Directors and our President, Serge Riendeau, for their confidence and support. I would also like to thank the members of the Executive Management Committee for their daring approach to risk-taking, an important quality among winners. Finally, I would like to thank all employees for their invaluable contribution to the success of our Cooperative during this 75th Anniversary year. Thanks to your efforts, we ended 2013 on a high note. Without your tireless dedication, we would not have been able to take this giant step forward.

ROBERT COALLIER

—

Chief Executive Officer
Agropur Cooperative

BOARD OF DIRECTORS

Jean Filiatrault[1], Acton 1993 • Ralph Ballam, Guest Member of the Board of Directors 2013 • Daniel Lamy, Third Member of the Executive, Berthier/Maskinongé 2004 • Réal Brunet, Guest Member of the Board of Directors and of the Audit Committee 2012 • Jeannie van Dyk, Vice-President, Nova Scotia/Newfoundland and Labrador 2013 • Jean-Pierre Lacombe, Second Member of the Executive, Yamaska 2007 • Serge Riendeau, President, Estrie 1991 • René Moreau, Vice-President, Bois-Francs 1998 • Michel Couture, First Member of the Executive, De L'Érable 2001

Vital Vouligny, Lac Saint-Pierre 2007 • Gaétan Jodoin, Granby 1996 • Daniel Gagnon[1], Est du Québec 2008 • Valère Lieutenant, Des Appalaches 2012 • Darie Gagné[1], Chaudière 1997 • Céline Delhaes[1], Salaberry 2011 • Roger Massicotte, Mauricie/Portneuf 2003 • Lorna Jean Neveu[1], Laurentides/Lanaudière 1996 • Luc Chassé, Des Seigneuries 2006

Legend: Director's name, administrative region, year of election to Board

[1] Directors whose term expires in 2014 (eligible for reelection).

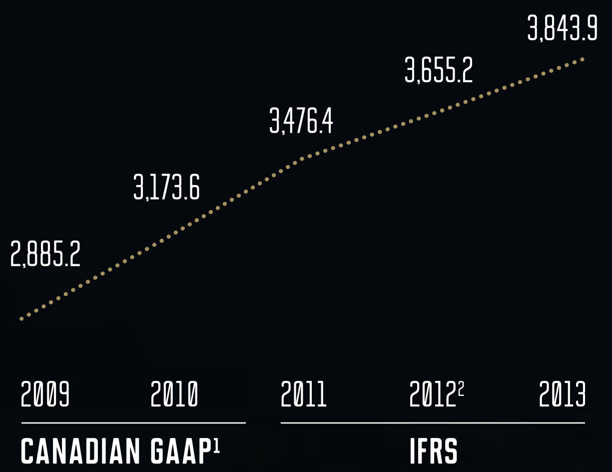
MANAGEMENT COMMITTEE

Robert Gour, Senior Vice-President, Change Management • Jocelyn Lauzière, Senior Vice-President and Chief Financial Officer • Benoit Gagnon, Executive Vice-President, Corporate Development • Serge Fortier, Senior Vice-President, Information Technology • Lorraine Bédard, Senior Vice-President, Legal Affairs, Member Relations and Corporate Secretary

Serge Paquette, President, Division Natrel and Fresh Products • Dominique Benoit, Senior Vice-President, Institutional Affairs and Communications • Robert Coallier, Chief Executive Officer • Louis Lefebvre, President, Cheese and Ingredients Division • Pierre Corriveau, Senior Vice-President, Human Capital

SALES

(IN MILLIONS OF DOLLARS)

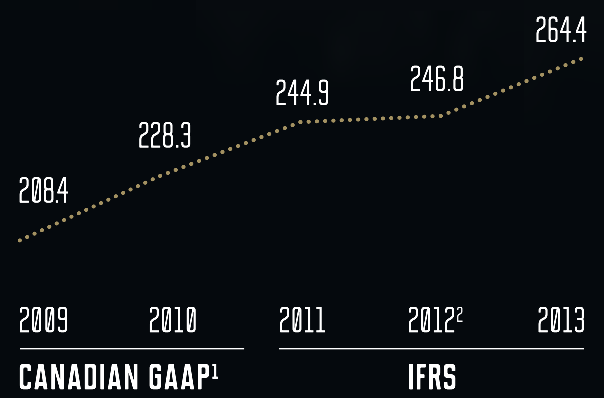


1 INVESTMENTS IN JOINT VENTURES USING THE EQUITY METHOD.
2 FISCAL YEAR INCLUDING 53 WEEKS.

OUR OPERATIONS OUTSIDE CANADA REPRESENTED 28.6% OF SALES.

EBITDA[3]

(IN MILLIONS OF DOLLARS)

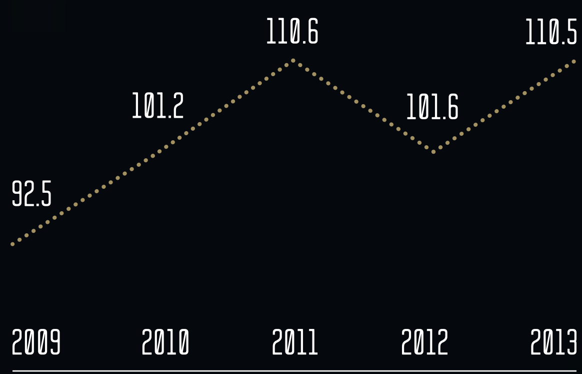


1 INVESTMENTS IN JOINT VENTURES USING THE EQUITY METHOD.
2 FISCAL YEAR INCLUDING 53 WEEKS.
3 EARNINGS BEFORE INTEREST, INCOME TAXES, DEPRECIATION, AMORTIZATION AND JOINT VENTURES.

EBITDA 2013 IS UP 7.2% COMPARED TO THE PREVIOUS YEAR.

PATRONAGE DIVIDENDS

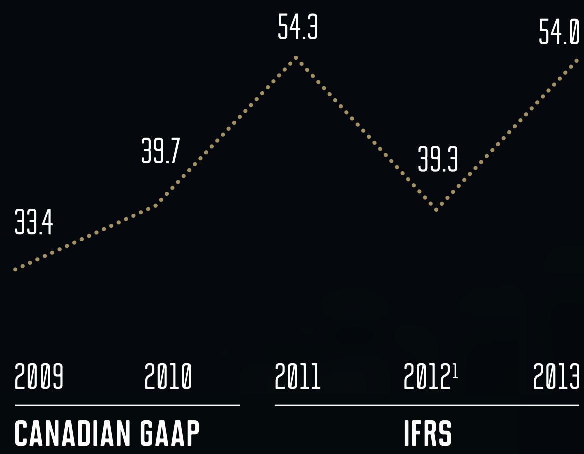
(IN MILLIONS OF DOLLARS)



PATRONAGE DIVIDENDS ARE PAYABLE 25% IN CASH AND 75% IN INVESTMENT SHARES.

NET EARNINGS

(IN MILLIONS OF DOLLARS)

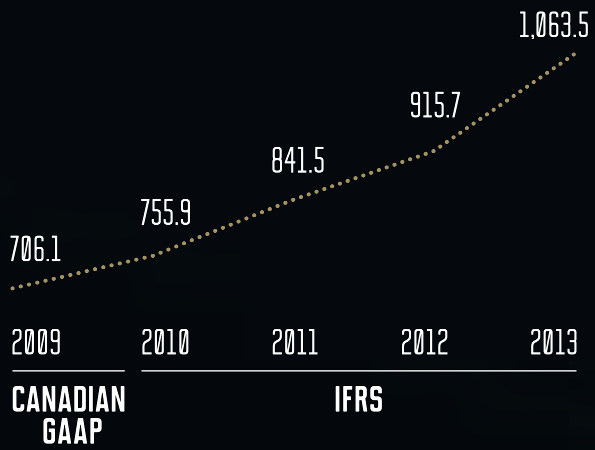


[1] FISCAL YEAR INCLUDING 53 WEEKS.

AFTER DEDUCTION OF PATRONAGE DIVIDENDS AND THE COOPERATIVE'S INCOME TAXES, NET EARNINGS ARE $54 MILLION.

MEMBERS' EQUITY

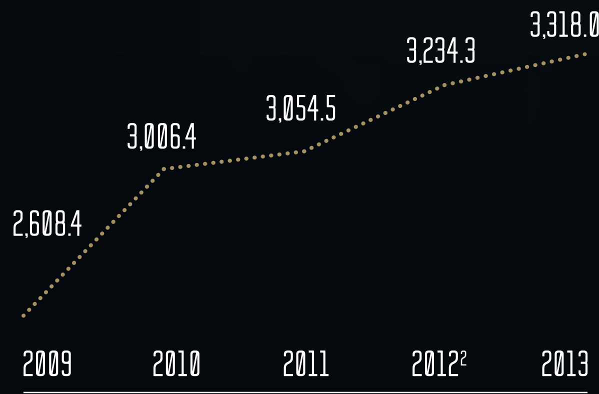
(IN MILLIONS OF DOLLARS)



MEMBERS' EQUITY REACHED A RECORD HIGH BY EXCEEDING THE $1 BILLION MARK.

MILK PROCESSED[1]

(IN MILLIONS OF LITRES)



[1] MILK PROCESSED INCLUDES JOINT VENTURES.
[2] FISCAL YEAR INCLUDING 53 WEEKS.

MILK PROCESSED IS UP BY 2.6% COMPARED TO THE PREVIOUS YEAR.

FINANCIAL REVIEW

The Cooperative continued to grow. For the year ended November 2, 2013, consolidated sales reached a historic high of $3.8 billion. Earnings before interest, income taxes, depreciation, amortization and joint ventures (earnings from operations) totalled $264.4 million, an increase of 7.2%, even though 2012 had one additional week. Excluding the effect of the additional week in 2012, growth amounted to 10.1%. This was a good performance, considering the fierce competition that prevails in Canada. Market prices also had a negative impact on profitability compared to 2012. In spite of these market-related imponderables, we succeeded in growing earnings from operations thanks, among other things, to our cost reduction program, the realization of several economical projects, and growth generated by merger and acquisitions completed during the year. These actions were part of our objective to increase earnings from operations by $75 million by 2015, and we have already reached close to $35 million on an annualized basis. These results suggest that we will reach our objective on schedule. However, competition in Canada remains at a level that has rarely been seen. The pressure on prices, fuelled among other things by the consolidation of Canadian retailers and the entry of new foreign retailers, has had a considerable impact; consequently, we must take action in order to retain our market shares. As a result, a large portion of the savings from our Agropur 2015 project has been converted into discounts or promotional activities to protect our market position.

In terms of business combinations, one of the highlights of 2013 occurred on April 21, with the merger of Agropur cooperative and Farmers Co-operative Dairy Limited ("Farmers"). This combination strengthens and consolidates the Cooperative's position in Canada: it now has 3,348 producer members and 6,188 employees. In terms of acquisitions, the Cooperative purchased Foremost Farms USA's dry blending business on December 31, 2012. On August 1, 2013, the Cooperative acquired the assets of Coast Mountain Dairy, an ice cream manufacturing company located in British Columbia. Finally, on August 16, 2013, the Cooperative acquired Cook's Dairy, a dairy located in Nova Scotia. The Cooperative also completed the disposal of its investment in the joint venture La Lácteo on June 6, 2013. This investment had been written down in 2012 following the decision to sell it. It should be noted that 2014 will also include some acquisitions, since after year-end, two more were completed. The Cooperative acquired all the assets of Fromagerie Damafro, located in Saint-Damase, Quebec, a major producer of fine cheese, as well as all of the shares of M. Larivée International inc., a Montreal-based trading house specializing in the export market for dairy products and food ingredients.

During the year, record investments of $155 million were made in property, plant and equipment and intangible assets, mainly in buildings and equipment. These investments included the expansion of the Luxemburg, Wisconsin plant in order to expand production capacity, as well as an Enterprise Ressource Planning System implementation project.

Over the next few years, we plan to step up investments in modernization and in expanding the capacity of our facilities in Canada and the United States. We will also continue to assess strategic business opportunities in order to increase our presence on North American and international markets. The Cooperative's financial situation remains sound and will allow us to support this growth.

GOVERNANCE

The Audit Committee reviewed the financial statements in this Annual Report. The Committee consists of five members of the Board of Directors and a Guest Member. A few Agropur senior executives as well as representatives of our external auditors participate in Committee meetings. They, along with the Internal Audit Department, periodically present their findings at these meetings. Moreover, there is a hierarchical attestation process, inspired by Multi-lateral Instrument 52-109, under which senior executives must attest the quality of the financial information presented in the financial statements.

REVIEW OF THE 2013 FINANCIAL STATEMENTS

THE FOLLOWING COMMENTS SERVE AS A REVIEW OF THE FINANCIAL STATEMENTS APPEARING ON PAGE 54 OF THIS ANNUAL REPORT.

ACCOUNTING POLICIES

This is the second year following the adoption of the International Financial Reporting Standards (IFRS). Compared to the previous year, the content has been streamlined and a comparative year has been removed from the balance sheet. This information was required only for the first year of adoption.

In 2013, no new accounting standards had an impact on the consolidated financial statements.

In 2014, the Cooperative will have to apply a revised version of IAS 19, "*Employee Benefits*". Under this standard, the Cooperative must use the same discount rate to calculate the employee future benefits obligation and the expected return on plan assets. The Cooperative must also include administration costs in current service cost and provide additional information on defined benefit plans. If IAS 19, in its revised version, had been applied on November 4, 2012, its impact on the Cooperative's financial statements as at November 2, 2013 would have given rise to a $2.4 million after-tax increase in employee future benefits expense and an equivalent increase in the actuarial gain recognized in comprehensive income. This amendment to the standard will have no impact on the Cooperative's cash position.

EARNINGS

Sales totalled $3.8 billion in fiscal 2013, up by $188.7 million, or 5.2%. Our operations outside Canada represented 28.6% of sales, compared to 27.2% in 2012. It should be noted that fiscal 2013 had 52 weeks, compared to 53 in 2012. If the effect of the 53rd week is excluded, the increase would have been $250 million, or 7.0%, compared to the previous year.

Sales from the Canadian operations of the Cheese and Ingredients Division were down. However, on a 52-week equivalent basis, they were up $7.2 million. The Agropur Signature, Anco and the imported products of the Fine Cheese Business Unit turned in good performances.

The revenues of the Cheese and Ingredients Division in the United States increased by $93.9 million. Higher volumes and higher market prices for cheese and the addition of Foremost Farms USA's dry blending business, acquired on December 31, 2012, accounted for the increase.

In Canada, Division Natrel's sales were up $92.4 million. Excluding the effect of the 53rd week, the increase would have been $118.9 million. The addition of Farmers' sales contributed $93.9 million. During the year, the Division signed new agreements and renewed several contracts with major clients.

In the United States, the signing of several new agreements helped to boost Division Natrel's sales by 6.0%.

The first chart on page 42 illustrates the development of consolidated sales over the past five years. Sales for 2011 to 2013 are presented according to IFRS, while those for 2009 and 2010 are presented according to Canadian Generally Accepted Accounting Principles, with investments

in joint ventures recognized according to the equity method in order to be comparable to IFRS. The Cooperative's sales rose from $2.9 billion in 2009, to $3.8 billion in 2013, for growth of $0.9 billion or 7.4% on average when expressed on an annual basis. About 67% of this growth came from our U.S. operations following our business acquisitions in recent years, and maximization of the use of our existing assets.

Earnings from operations or EBITDA reached $264.4 million, up $17.7 million, or 7.2% ($24.2 million, or 10.1%, if the 53rd week in 2012 is excluded), compared to the previous year. Earnings from operations in the cheese divisions improved. Volumes and savings-generating projects in both Canada and the United States contributed to this increase, which was partly reduced, however, by the negative impact of the market price for whey products. For the Canadian activities of Division Natrel, volume growth boosted earnings from operations. For Division Natrel's U.S. activities, operational problems that arose during the year explain the decrease in earnings from operations. The highly competitive environment in which Division Natrel operates puts strong pressure on prices. For this reason, we continue to put forward strategies that will help us to innovate and reduce operating costs in order to maintain our market position.

The second chart on page 42 shows changes in consolidated EBITDA in the previous five years. As for sales, EBITDA for 2009 and 2010 is presented according to Canadian Generally Accepted Accounting Principles, with investments in joint ventures recognized according to the equity method. EBITDA for these years are not entirely comparable because they have not been restated according to IFRS, except for the recognition of joint ventures, but they still give a very good idea of the growth. Since 2009, EBITDA has risen $56 million, from $208.4 million to $264.4 million, or 6.1% on average when expressed on an annual basis.

From the EBITDA of $264.4 million in 2013, we deducted a depreciation and amortization expense of $68.8 million, compared to $67.4 million in 2012. Net financial revenues amounted to $0.2 million in 2013, compared to net financial expenses of $0.8 million in 2012. The income tax expense of subsidiaries on the earnings was down $7.8 million, mainly as a result of an impairment of goodwill related to the Natrel USA Business Unit.

Fiscal 2013 was impacted by three significant non-recurring elements, namely an accounting gain of $21.9 million following the business combination with Farmers, a pre-tax impairment of goodwill amounting to $24.4 million and a $5.3 million loss on an investment in a joint venture.

First of all, following the merger with Farmers on April 21, 2013, the Cooperative conducted a valuation of the combined assets and liabilities assumed. The fair value measurement of the combined assets and liabilities, net of the consideration transferred, generated an accounting gain of $21.9 million.

Next, during the third quarter of 2013, after lower-than-expected earnings at the Natrel USA Business Unit, the Cooperative considered it necessary to write down the carrying amount of the business unit's assets, as they no longer reflected the fair value of this operation. As a result, a $24.4 million impairment of goodwill ($15.9 million after income taxes) was recognized in earnings.

Finally, in June 2013, the Cooperative sold its investment in the Argentinian joint venture La Lácteo and disbursed an amount of $5.3 million. This disposal led to a corresponding investment loss on a joint venture. It should be remembered that a $9.1 million write-down had been recorded in 2012 when the decision was made to sell off this investment.

As anticipated, because of the major expenses related to the launch of iögo, the share of net earnings of joint ventures was down. Our share of net earnings was a $10.2 million loss, compared to a $7.3 million loss the previous year. However, now that slightly more than a year has gone by, we can see that iögo is a real success with Canadian consumers. Sales volumes have exceeded initial expectations. The Probio and iögo The original products as well as the drinkable products Nomad and Nano are among the products that experienced higher-than-expected growth. Ultima Foods is still facing many challenges, but we are confident that the future is promising for iögo and that it will be able to carve out an even larger share for itself in a highly competitive market. However, in the short term, the large sums needed to launch iögo had a negative impact on the earnings of this joint venture, and thus on our share.

Agropur therefore generated earnings before patronage dividends and the Cooperative's income taxes of $176.8 million in 2013, similar to the amount in fiscal 2011, even though the contribution of our joint venture Ultima Foods declined by $21 million between 2011 and 2013.

After reviewing the earnings, the Board of Directors approved patronage dividends of $110.5 million, compared to $101.6 million in 2012. These patronage dividends are payable as follows: 25% in cash and 75% in investment shares. According to the by-laws, members who have not reached the minimum capital investment will be issued shares in exchange for the cash component of their patronage dividends, until the minimum investment is reached.

Patronage dividends attributable to Atlantic Province members will be proportionate to sales with the Cooperative since the merger on April 21, 2013.

Finally, after deduction of patronage dividends, an expenditure of $12.4 million was recorded for the Cooperative's income taxes.

NET EARNINGS ADDED TO THE RESERVE IN 2013 WERE THEREFORE $54 MILLION.

Comprehensive income amounting to $90.8 million for fiscal 2013 is detailed as follows: added to net earnings of $54 million were the items recorded under accumulated other comprehensive income, consisting of a gain of $23 million to take into account the effect of the decline in the Canadian dollar on the consolidation of the assets and liabilities of our U.S. subsidiaries. As at November 2, 2013, the exchange rate was US$0.96 for C$1, compared to US$1 for C$1 as at November 3, 2012. The loonie's strength in recent years has resulted in a cumulative unrealized currency translation loss of $10.6 million for foreign operations. However, these accounting results will continue to fluctuate on paper depending on changes in the Canadian dollar in relation to the U.S. dollar. Other comprehensive income items were the items transferred to the reserve, consisting of actuarial gains on defined benefit pension plans for an aggregate amount of $13.8 million. These gains were caused by the combination of a higher discount rate on future pension plan promises and the higher-than-expected actual returns on pension plan assets.

CASH FLOWS

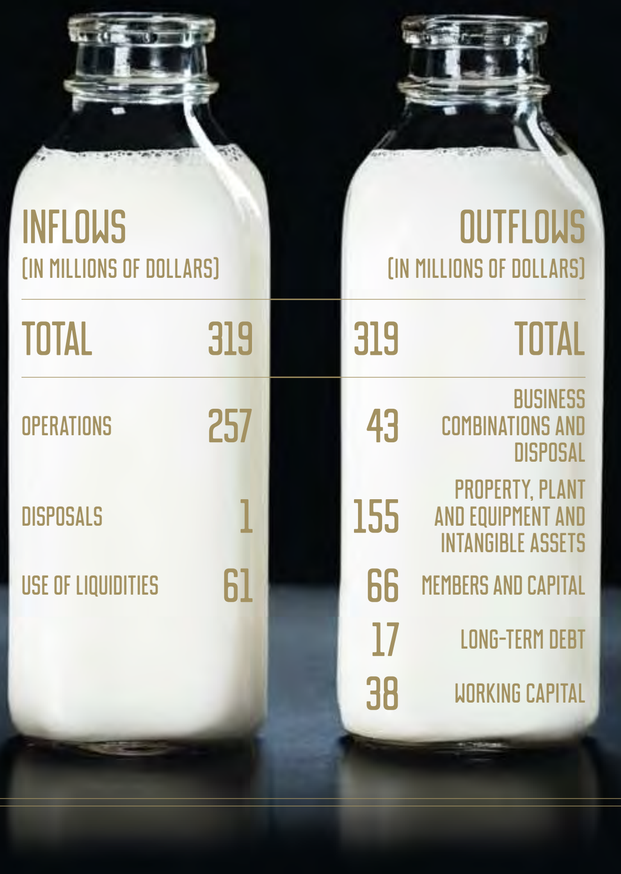
Liquidities totalled $72 million at year-end, down $58.9 million. Operating activities generated $257.1 million versus $246.5 million in 2012. Non-cash items, which are presented in note 8 to the financial statements, required $38.2 million, essentially because of the increase in inventories. Increased inventories were primarily due to larger inventories of butter and powdered milk.

Net of issues, redemptions of shares of $38.5 million, added to the patronage dividends payable in cash of $27.5 million, brought outflows for activities with members and on capital to $66 million, or 20.7% of the outflows for the year totalling $319 million.

The amounts disbursed for the three business acquisitions, as well as the bank overdrafts assumed during the business combination with Farmers, totalled $37.6 million. A disbursement of $5.3 million was required for the disposal of the investment in the joint venture, La Lácteo.

In addition, investments in property, plant and equipment and intangible assets amounted to $155 million, including, among other things, the expansion of the Luxemburg plant and the implementation of Enterprise Resource Planning System in Canada. The acquisitions of property, plant and equipment and intangible assets were equally divided between Canada and the United States.

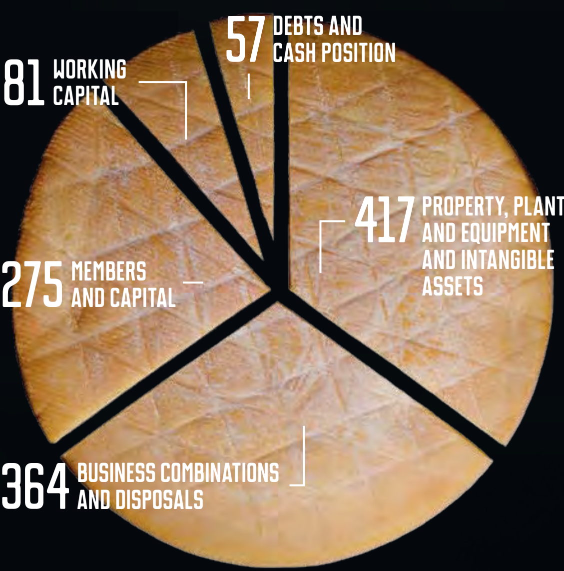
Combined with our credit facilities of more than $435 million, the level of profitability is bringing in funds to sustain our current rate of growth and support our future projects.



Cash flows over the past five years have totalled $1.2 billion, of which $275 million or 23.1% were turned over to members as patronage dividends and capital redemptions. Outflows related to business combinations and disposals totalled $364 million. Another $417 million was added for investments in property, plant and equipment and intangible assets.

USE OF FUNDS ($1.2 BILLION) – 2009 TO 2013[1]

(IN MILLIONS OF DOLLARS)



[1] 2009 AND 2010 ACCORDING TO CANADIAN GAAP WITH INVESTMENTS IN JOINT VENTURES USING THE EQUITY METHOD.

BALANCE SHEET

As at November 2, 2013, assets totalled $1.6 billion, up $197.5 million, compared to October 2012. Growth in assets was primarily due to the addition of property, plant and equipment as well as intangible assets, and the addition of assets from business combinations.

The Cooperative has a balance sheet with a net cash position of $71.6 million, despite several merger and acquisitions, as well as record capital expenditures. The employee future benefits obligation amounted to $23.5 million, which represents an improvement due to increased discount rates and higher-than-expected actual returns on pension plan assets.

Note 16 to the financial statements details members' share capital. On November 2, 2013, members' capital reached $664.4 million as a result of an increase of $44.5 million in Class A share capital from the issue of patronage dividends, net of some $38.5 million in redemptions made during the year. In 2013, following the business combination of the Cooperative and Farmers, member shares, Class M investments shares, Series 2, and certificates of indebtedness were issued to former members of Farmers. The certificates of indebtedness presented as capital items are redeemable according to certain terms and conditions, upon the Board of Director's decision.

AS AT NOVEMBER 2, 2013, MEMBERS' EQUITY REACHED A RECORD HIGH BY EXCEEDING THE $1 BILLION MARK, TO NOW TOTAL $1.1 BILLION.

LOOKING AHEAD

Overall, the Cooperative's position remains very solid and our results are favourable. The Cooperative continues to be in excellent financial health, which in turn contributes to its growth.

In 2014, the impact of a full year of merger and acquisitions achieved in 2013, as well as of those carried out at the very beginning of fiscal 2014, will promote growth in results. In addition, the phasing-in of new equipment at the Luxemburg plant will fuel growth in earnings from operations south of the border. Moreover, Agropur 2015 project initiatives will continue to enhance results. However, to ensure the Cooperative's long-term sustainability, it will need to achieve critical mass to remain a significant player in a global dairy industry undergoing full-scale consolidation. In order to become one of the dominant players in the industry, the Cooperative intends to pursue its national and international growth strategy by remaining on the lookout for acquisitions that would enable it to enhance its market position. In the next few years, ambitious investments in existing facilities will also be continued to expand our production capacity and improve operational efficiency.

FINALLY, AS PART OF ITS OPERATIONS, THE COOPERATIVE IS EXPOSED TO VARIOUS RISKS. THIS YEAR WE ARE PRESENTING, FOR THE FIRST TIME, THE MAIN RISKS THAT COULD HAVE A SIGNIFICANT BUSINESS IMPACT ON THE ACHIEVEMENT OF OUR OBJECTIVES, OUR RESULTS AND OUR FINANCIAL SITUATION. IN ORDER TO MITIGATE THESE RISKS, WE HAVE IMPLEMENTED SPECIFIC POLICIES AND PROCEDURES.

I would like to thank the Board of Directors and the Chief Executive Officer for the trust they have placed in me.

JOCELYN LAUZIÈRE

—

Senior Vice-President and Chief Financial Officer

RISKS AND UNCERTAINTIES

PRODUCT-RELATED RISKS

Given its processing activities, the Cooperative is exposed to the risk of contamination of its ingredients or its products by possible internal or external agents. If this should occur, a product recall could prove to be costly and have a negative impact on our reputation, and therefore future sales.

RAW MATERIAL RISKS

Price volatility, the availability of raw materials used in processing products, notably milk, which represents the major processing cost component, as well as the necessary packaging materials, could have a negative impact on product costs. In a competitive market context, the impact of a price increase in inputs will depend on the Cooperative's ability to convert this increase into a comparable increase in the selling price of our products.

CUSTOMER-RELATED RISKS

In the last few years, we have been seeing concentration in the food distribution industry, resulting in a more limited number of customers and an increase in the relative importance of certain customers. Since the Cooperative serves this industry, such concentration could make some distributors exert pressure on prices, causing an adverse effect on operating earnings.

COMPETITION RISK

Fiercer competition in the dairy industry, the possible arrival of new competitive entrants on the market as well as changes in consumer needs are risks to which the Cooperative is exposed. Business combinations observed in recent years in the dairy industry have intensified international competition. In Canada, the dairy industry is divided among three main competitors, including the Cooperative. In the United States, we are faced with numerous regional and national competitors. Regional, national and international competitors seeking to strengthen their market position could force the Cooperative to make additional discounts on products in order to maintain its market share.

U.S. MARKET RISK

Milk prices as well as whey product and cheese prices in the United States depend on fluctuations in market supply and demand, influenced, among other things, by economic conditions.

BUSINESS CONDITION RISKS

The demand for our products could be affected by an economic slowdown or market recession, which would consequently impact results.

SUPPLIER CONCENTRATION RISK

For certain goods and services, the concentration of suppliers within certain sectors means that our supplies have been restricted to a limited number of suppliers. Shortages, in terms of quantities, quality or delays, could have negative repercussions on our results.

RISKS RELATED TO AN UNPLANNED DISRUPTION OF OPERATIONS

Major events, such as a fire, equipment failure, an epidemic, a natural disaster, etc. could occur and cause harm to employees or property damage, and would likely lead to an unplanned disruption of the Cooperative's operations. The impact would depend on the Cooperative's crisis management ability. The Cooperative has insurance coverages to share certain risks arising from a business interruption.

ACQUISITION RISKS

In a global dairy industry undergoing full-scale consolidation, the Cooperative intends to pursue its growth through business acquisitions. The impact will depend on our ability to identify strategic acquisitions, determine their fair value, put into place the resources required to integrate the acquired companies and realize the expected synergies. The success of this strategy will also depend on our ability, as a cooperative, to access liquidity on capital markets.

INFORMATION SYSTEM RISKS

The use of computer applications integrated into the Cooperative's operations makes the Cooperative more dependent on such applications. The availability of computer services, comprehensiveness and confidentiality are the main risks associated with the use of such computer applications. A system malfunction could lead to poor decisions or affect the production level.

REGULATORY RISKS

The Cooperative is governed by multiple laws and regulations. Amendments to, or tightening of, these laws and regulations could modify our operations or lead to additional costs in order to comply with new obligations. Sanctions, penalties or fines could be imposed if we failed to comply with such laws and regulations.

LABOUR RELATION RISKS

A number of employee groups at our various worksites are unionized. Negotiating collective agreements can create disputes that could lead to work stoppages or slowdowns. We make every effort to maintain good relations with the unions.

RISKS ASSOCIATED WITH TARIFF RULES

The Cooperative operates in an industry where tariff rules apply to milk product imports. International trade rules may be modified by international treaties, and could change the competitive environment on the markets in which the Cooperative does business. The Cooperative's future profitability will depend on its ability to adapt to the new rules by offering its customers competitive products in terms of quality and price.

RISKS RELATED TO EMPLOYEE FUTURE BENEFITS

The Cooperative offers defined benefits plans to certain groups of its employees. Changes in long-term interest rates, volatility of returns and government regulations could potentially require the Cooperative to make contributions which are substantially different than those currently paid. A review of the Cooperative's obligations under these plans was initiated and most of these plans are closed to new participants.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

December 16, 2013

To the members of Agropur cooperative

We have audited the accompanying consolidated financial statements of Agropur cooperative, which comprise the consolidated balance sheet as at November 2, 2013 and the consolidated earnings, comprehensive income, cash flows and changes in members' equity for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Agropur cooperative as at November 2, 2013 and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers LLP[1]

Chartered Professional Accountants
Montreal, Quebec

[1] CPA auditor, CA, public accountancy permit No. A116853

CONSOLIDATED EARNINGS

(IN THOUSANDS OF CANADIAN DOLLARS)	**2013** **(52 weeks)**	2012 (53 weeks)
Sales	**3,843,920**	3,655,220
Operating expenses excluding depreciation and amortization	**3,579,483**	3,408,456
Earnings before interest, income taxes, depreciation, amortization and joint ventures	**264,437**	246,764
Depreciation and amortization (notes 10 and 11)	**68,841**	67,375
Operating earnings	**195,596**	179,389
Net financial expenses (revenues) (note 8)	**(197)**	816
Loss (gain) on disposal of assets	**(654)**	406
Accounting gain as a result of a business combination (note 3)	**(21,907)**	-
Goodwill impairment (note 11)	**24,371**	-
Income taxes of subsidiaries (note 5)	**1,744**	9,527
Share of net earnings of joint ventures	**10,164**	7,293
Loss on investment in a joint venture (note 7)	**5,282**	9,098
Earnings before patronage dividends and the Cooperative's income taxes	**176,793**	152,249
Patronage dividends (note 6)	**110,481**	101,560
Cooperative's income taxes (note 5)	**12,361**	11,400
Net earnings	**53,951**	39,289

CONSOLIDATED COMPREHENSIVE INCOME

(IN THOUSANDS OF CANADIAN DOLLARS)	**2013** **(52 weeks)**	2012 (53 weeks)
Net earnings	**53,951**	39,289
Items recorded under accumulated other comprehensive income		
Net change in fair value of derivative instruments designated as cash flow hedges, net of income taxes of $45 (2012 – $101)	**122**	(255)
Change in foreign currency translation adjustment of foreign operations	**22,869**	1,266
Reversal of a foreign currency translation adjustment of foreign operations	**-**	2,098
Share of other comprehensive income of joint ventures	**20**	103
	23,011	3,212
Items transferred to the reserve		
Actuarial gain (loss) on the accrued benefit obligation, net of income taxes of $4,486 (2012 – $4,143) (note 20)	**13,260**	(11,392)
Share of actuarial gain (loss) on the accrued benefit obligation of joint ventures	**533**	(710)
	13,793	(12,102)
Total other comprehensive income (loss)	**36,804**	(8,890)
Total comprehensive income	**90,755**	30,399

CONSOLIDATED CASH FLOWS

(IN THOUSANDS OF CANADIAN DOLLARS)	**2013** **(52 weeks)**	2012 (53 weeks)
CASH FLOWS FROM		
Operating activities		
Earnings before patronage dividends and the Cooperative's income taxes	**176,793**	152,249
Cooperative's current income taxes	**(4,998)**	(3,503)
Dividends from joint ventures	**-**	5,388
Items not involving use of funds		
Depreciation and amortization	**68,841**	67,375
Accounting gain as a result of a business combination (note 3)	**(21,907)**	-
Goodwill impairment (note 11)	**24,371**	-
Share of net earnings of joint ventures	**10,164**	7,293
Deferred income taxes of subsidiaries	**(1,002)**	8,052
Loss on investment in a joint venture (note 7)	**5,282**	9,098
Others	**(456)**	592
	257,088	246,544
Patronage dividends payable in cash (note 6)	**(27,482)**	(25,360)
Change in non-cash items (note 8)	**(38,209)**	(40,353)
	191,397	180,831
Financing and share capital activities		
Repayment of long-term debt and issuance expenses	**(16,990)**	(11,413)
Issuance and redemption of shares	**(38,486)**	(32,441)
	(55,476)	(43,854)
Investing activities		
Business combinations (note 3)	**(37,581)**	-
Additions of property, plant and equipment and intangible assets (notes 10 and 11)	**(154,994)**	(77,566)
Disposal of investment in a joint venture (note 7)	**(5,282)**	-
Investment in a joint venture	**-**	(2,982)
Sales of commercial paper	**-**	30,219
Proceeds from disposal of assets	**924**	1,044
	(196,933)	(49,285)
Effect of exchange rate fluctuations on cash position	**2,135**	(406)
Net change in cash position over the year	**(58,877)**	87,286
Cash position – Beginning of year (note 8)	**130,852**	43,566
Cash position – End of year (note 8)	**71,975**	130,852
Additional information:		
Member and share capital activities		
Patronage dividends payable in cash	**(27,482)**	(25,360)
Issuance of shares	**54**	47
Redemption of shares	**(38,540)**	(32,488)
	(65,968)	(57,801)

CONSOLIDATED BALANCE SHEETS

(IN THOUSANDS OF CANADIAN DOLLARS)	**November 2 2013**	November 3 2012
ASSETS		
Current assets		
Cash and temporary investment	**71,975**	130,852
Accounts receivable	**244,212**	204,014
Inventories (note 9)	**324,902**	268,170
Income taxes	**1,111**	3,688
Prepaid expenses	**12,946**	8,767
	655,146	615,491
Investments (note 7)	**17,574**	26,793
Property, plant and equipment (note 10)	**641,279**	502,611
Intangible assets (note 11)	**79,282**	46,505
Goodwill (note 11)	**132,430**	144,445
Other assets (note 12)	**24,759**	18,232
Deferred income taxes (note 5)	**1,909**	805
	1,552,379	1,354,882
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 14)	**423,483**	382,621
Income taxes	**3,360**	878
Current portion of long-term debt (note 15)	**159**	2,729
	427,002	386,228
Long-term debt (note 15)	**214**	605
Deferred income taxes (note 5)	**38,234**	22,165
Employee future benefits obligation (note 20)	**23,472**	30,209
	488,922	439,207
MEMBERS' EQUITY		
Share capital (note 16)	**664,386**	607,359
Reserve	**409,553**	341,809
Accumulated other comprehensive loss (note 17)	**(10,482)**	(33,493)
	1,063,457	915,675
	1,552,379	1,354,882

Approved by the Board of Directors, on December 16, 2013.

Serge Riendeau, Director

René Moreau, Director

CONSOLIDATED CHANGES IN MEMBERS' EQUITY

(IN THOUSAND OF CANADIAN DOLLARS)	Class M and member shares	Classes A and B shares	Contributed deficit	**Total shares (note 16)**	Certificates of indebtedness	**Total share capital**	Reserve	Comprehensive loss ("AOCL")[2]	**Total**
As at October 30, 2011	**1,044**	**562,556**	**-**	**563,600**	**-**	**563,600**	**314,622**	**(36,705)**	**841,517**
Net earnings	-	-	-	**-**	-	**-**	39,289	-	**39,289**
Other comprehensive loss	-	-	-	**-**	-	**-**	(12,102)	3,212	**(8,890)**
Issuance of shares as payment for patronage dividends	-	76,200	-	**76,200**	-	**76,200**	-	-	**76,200**
Issuance of shares for cash	18	29	-	**47**	-	**47**	-	-	**47**
Redemption of shares	(29)	(32,459)	-	**(32,488)**	-	**(32,488)**	-	-	**(32,488)**
As at November 3, 2012	**1,033**	**606,326**	**-**	**607,359**	**-**	**607,359**	**341,809**	**(33,493)**	**915,675**
As at November 4, 2012	**1,033**	**606,326**	**-**	**607,359**	**-**	**607,359**	**341,809**	**(33,493)**	**915,675**
Net earnings	-	-	-	**-**	-	**-**	53,951	-	**53,951**
Other comprehensive income	-	-	-	**-**	-	**-**	13,793	23,011	**36,804**
Issuance of shares as payment for patronage dividends	-	82,999	-	**82,999**	-	**82,999**	-	-	**82,999**
Issuance of shares for cash	32	22	-	**54**	-	**54**	-	-	**54**
Redemption of shares	(25)	(38,515)	-	**(38,540)**	-	**(38,540)**	-	-	**(38,540)**
Issuance of shares and certificates of indebtedness in a business combination[1]	1,119	-	(516)	**603**	11,911	**12,514**	-	-	**12,514**
As at November 2, 2013	**2,159**	**650,832**	**(516)**	**652,475**	**11,911**	**664,386**	**409,553**	**(10,482)**	**1,063,457**

[1] Par value of the shares and certificates of indebtedness issued to former members of Farmers Co-operative Dairy Limited as well as the contributed deficit generated when merging with this cooperative (see note 3).

[2] Accumulated other comprehensive loss.

1. GENERAL INFORMATION

Agropur cooperative (“the Cooperative”) was established on August 29, 1938 under the Act respecting Cooperative Agricultural Associations and, since October 26, 2000, has been governed by the Canada Cooperatives Act.

The Cooperative, its subsidiaries and joint ventures carry on the business of processing and selling dairy products. Facilities are located in Canada and the United States. The head office is located in Longueuil, Canada.

2. SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

These consolidated financial statements of the Cooperative have been prepared in accordance with International Financial Reporting Standards (“IFRS”) in effect as at November 2, 2013, as issued by the International Accounting Standards Board (“IASB”).

CONSOLIDATION PRINCIPLES

These consolidated financial statements include the accounts of the Cooperative and its subsidiaries. Joint ventures Ultima Foods Inc. and Reliant Transport Ltd. are recognized in investments, in accordance with the equity method.

ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions, in particular with respect to the fair value measurement of net assets combined and the consideration transferred as part of business combinations, the election of depreciation and amortization methods and the estimate of the years of useful life of depreciable or amortizable assets, and impairment tests of assets.

CASH POSITION

Cash position consists of cash and temporary investment, which are cashable at any time, and of bank overdrafts and bank loans.

INVENTORIES

Finished goods and goods in process are valued at the lower of average cost and net realizable value. Raw materials are valued at the lower of cost and net realizable value, cost being determined under the first-in, first-out method.

Borrowing costs attributable to mature inventories are included in the cost of the finished goods inventory.

INVESTMENTS

The joint ventures are accounted for in accordance with the equity method. Under the equity method, the investment is initially recognized at cost, which is adjusted for changes in the share of the net assets of the joint ventures after the acquisition date. The Cooperative's share of net earnings of the joint ventures is included in earnings.

Investments are tested for impairment by the Cooperative if there is an indication that the carrying amount may not be recovered. To establish the recoverable amount, the Cooperative determines the higher of an investment's value in use using discounted future cash flows and its fair value less costs to sell.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recorded at cost, net of applicable government grants.

Depreciation of property, plant and equipment is calculated over their estimated useful lives, mainly using the following methods and rates:

• Buildings	Straight-line	40 years
• Equipment	Diminishing balance	10% and 15%
• Rolling stock	Diminishing balance	30%

Property, plant and equipment are tested for impairment by the Cooperative if there is an indication that the carrying amount may not be recovered. To establish the recoverable amount, the Cooperative determines the higher of the value in use using discounted future cash flows and the fair value less costs to sell. For the purposes of the impairment test, property, plant and equipment are grouped at the lowest level for which there are identifiable cash flows.

INTANGIBLE ASSETS

Intangible assets mainly consist of customer relationships, trademarks and software. These assets are accounted for under the cost method or at fair value during business combinations. Intangible assets with finite useful lives are amortized on a straight-line basis over their useful lives. Intangible assets with indefinite useful lives are not amortized, they are subject to an annual impairment test.

Intangible assets with finite useful lives are tested for impairment if there is an indication that the carrying amount may not be recovered. To establish the recoverable amount, the Cooperative determines the higher of the value in use using discounted future cash flows and the fair value less costs to sell. For the purposes of the impairment test, intangible assets are grouped at the lowest level for which there are identifiable cash flows.

GOODWILL

Goodwill is initially recognized as the excess of the fair value of the consideration transferred over the fair value of the identified assets and liabilities.

Goodwill is not amortized. Goodwill is tested annually for impairment by reporting business units in order to determine if there is an impairment loss. Reporting business units are determined according to the smallest identifiable group of assets that generates cash inflows. To evaluate if there is a goodwill impairment loss, the Cooperative compares the recoverable amount of the business unit to the carrying amount. The recoverable amount is the higher of the fair value less costs to sell and the value in use. If the carrying amount exceeds the recoverable amount, an impairment loss is recorded.

For every reporting business unit, the recoverable amount was measured with cash flow projections before income taxes from business plans approved by management. The projections reflect management's evaluation of gross margin based on previous results and forecasts of market development. This calculation is based on key assumptions of the management. A change in a key assumption could cause an important impact on the recoverable amount.

OTHER ASSETS

Deferred charges for procurement contracts related to customers are amortized on a straight-line basis according to the duration of the contract.

BUSINESS COMBINATIONS

The Cooperative uses the acquisition method to account for business combinations. Under this method, the Cooperative determines the fair value of the assets combined, the liabilities assumed and the consideration transferred.The excess of the fair value of the consideration transferred on the fair value of the assets combined and the liabilities assumed is recorded in goodwill. If the excess is negative, it is recorded in earnings. Business combination costs are recognized in earnings during the year in which they are incurred.

REVENUE RECOGNITION

Revenue is recognized, net of charges for procurement contracts, upon delivery of goods.

EMPLOYEE FUTURE BENEFITS

The Cooperative accounts for its obligations arising from employee benefit plans and related costs, net of the plan assets.
The discount rate used to measure the accrued benefit obligation is determined according to the return of high quality corporate bonds on the market as at the valuation date. The cost of pension and other retirement benefits earned by employees is calculated according to the projected benefit method, prorated on years of service, based on management's best estimate assumptions about the investment returns on the plans, salary projections and the retirement ages of employees. The fair value of assets is determined using market value. The estimated rate of return on the plan assets is based on the long-term estimated rate of return and the value of the plan assets measured at market value. Actuarial gains (losses) are recorded in other comprehensive loss.
The cost of past services resulting from changes to the plans is recognized in earnings when the rights are vested.

INCOME TAXES

Income tax expenses include current income tax and deferred income tax expenses. Current income tax expenses are calculated using enacted or substantively enacted income tax rates as at the balance sheet date. Deferred income taxes are measured according to differences between tax bases and carrying amounts of assets and liabilities. However, deferred tax is not recognized on the initial recognition of goodwill and the initial recognition of assets and liabilities when the related transaction is not a business combination and does not affect accounting and tax earnings. Deferred income tax assets and liabilities are measured using the tax rates that are expected to be in effect in the years when these temporary differences are expected to reverse. Income tax assets are recognized when it is more likely than not that the assets will be realized.

TRANSLATION OF FOREIGN CURRENCIES

Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate prevailing as at the balance sheet date, while transactions denominated in foreign currencies are translated at the average monthly exchange rates for the year. The resulting foreign currency translation gains or losses, net of hedging operations, are included in earnings.

Foreign operations

All assets and liabilities of foreign operations are translated into Canadian dollars at the exchange rate prevailing as at the balance sheet date. Unrealized foreign currency gains and losses resulting from this translation are included as a component of accumulated other comprehensive loss in members' equity. Foreign currency gains or losses are reduced of hedging operations by using a bank loan in U.S. dollars. Revenues and expenses are translated at the average exchange rate for the year.

Hedging operations
The Cooperative documents the risk management strategy for establishing the relationship to apply hedge accounting. At the signing of the hedging contract, management documents the hedged item (an asset, a liability, or an anticipated transaction), details of the hedging instruments used and the method of assessing effectiveness. Realized gains and losses on hedges are consequently deferred until realization of the hedged item for the fairest matching in earnings.

FINANCIAL INSTRUMENTS

The following financial assets and financial liabilities are accounted for at their initial transaction value, which approximates their fair value as at the balance sheet date, considering their nature and their short-term maturity: cash and temporary investment, accounts receivable consisting mainly of trade accounts receivable, and accounts payable consisting mainly of trade accounts payable, as well as bank overdrafts and bank loans.

In the event of a material impairment of any of the financial assets or financial liabilities, such impairment loss is recorded in earnings.

FUTURE ACCOUNTING POLICIES

Employee benefits
In June 2011, the IASB issued a revised version of IAS 19, "Employee Benefits", modifying accounting rules for defined benefit pension plans. The updated version of the standard includes a number of amendments, regarding the use of asset-performance assumptions and the presentation and disclosure requirements for these plans.

Amendments are effective for years beginning on or after January 1, 2013.

The Cooperative will adopt the new standard as at the first quarter of its 2014 fiscal year. At the adoption of these amendments, the Cooperative will proceed to the restatement of its 2013 annual consolidated financial statements. The preliminary estimated impact in net earnings is an increase of the employee future benefits expense, net of taxes, of $2,425. This impact is reverse in comprehensive income by an increase of the actuarial gain for the same amount. Consequently, the comprehensive income and the members' equity will remain the same.

Consolidated financial statements
In May 2011, the IASB issued a new standard, IFRS 10, "Consolidated Financial Statements", which replaces SIC-12, "Consolidation Special Purpose Entities", and a portion of IAS 27, "Consolidated and Separate Financial Statements".
The standard requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Joint arrangements
In May 2011, the IASB issued a new standard, IFRS 11, "Joint Arrangements", which replaces IAS 31, "Interest in Joint Ventures" and SIC-13, "Jointly Controlled Entities – Non-monetary Contributions by Venturers". The standard defines joint control and requires a venturer to determine the type of joint arrangement in which it is involved as a joint venture or a joint operation and to account for those rights and obligations in accordance with the type of joint arrangement.

Disclosure of interest in other entities
In May 2011, the IASB issued a new standard, IFRS 12, "Disclosure of Interest in Other Entities". The standard requires to disclose information that enables users of its financial statement to evaluate the nature of, and the risks associated with, its interest in other entities, as subsidiaries, associates and unconsolidated structured entities.

Fair value measurement
In May 2011, the IASB issued a new standard: IFRS 13, "Fair Value Measurement". IFRS 13 is a comprehensive standard for fair value measurement that specifies the disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset as at the measurement date. It also establishes fair value measurement disclosure requirements. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards, which may produce different results.

The new standards IFRS 10, 11, 12 and 13 are effective for years beginning on or after January 1, 2013.

The Cooperative will adopt these new standards as at the first quarter of its 2014 fiscal year, but does not anticipate any significant impact on the consolidated financial statements.

Financial instruments
In November 2009, the IASB issued IFRS 9, "Financial Instruments", which represents the first phase of the long-term project. The standard provides new requirements of classification and measurement of financial assets and liabilities.

The new standard is not applicable until January 2015.

The Cooperative will adopt this new standard as at the first quarter of its 2016 fiscal year and has not completed its assessment of the impact of these changes on its consolidated financial statements.

3. BUSINESS COMBINATIONS

On April 21, 2013, the dairy cooperatives Agropur cooperative and Farmers Co-operative Dairy Limited merged. The consideration accounted for when merging amounted to $12,514. The Cooperative issued 114 member shares, Class M investment shares Series 2 and certificates of indebtedness for a par value of $13,030 to the new members, and recorded a contributed deficit of $516. The certificates of indebtedness presented as part of the share capital are redeemable under certain conditions, further to a resolution by the Board of Directors. The estimated fair values assigned to assets combined and liabilities assumed are based on a combination of independant valuations and internal estimates. The fair value of net assets combined amounts to $34,421 and as it is greater than the consideration transferred, this gives rise to a negative goodwill amount. This difference, which amounts to $21,907, was recorded in earnings as an accounting gain as a result of a business combination. This gain is attributable to the fact that this is a combination of two Canadian dairy cooperatives and the Cooperative, by its position of leader in the industry, will be able to further optimize the use of the combined assets.

Other acquisitions were also made during the year 2013 for a cash consideration of $21,656:

- On December 31, 2012, the purchase of Foremost Farms USA's dry blending business;
- On August 1, 2013, all the assets of Coast Mountain Dairy, an ice cream manufacturing company located in British Columbia;
- On August 16, 2013, all the shares of Cook's Dairy, a dairy located in Nova Scotia.

(IN THOUSANDS OF CANADIAN DOLLARS, UNLESS OTHERWISE INDICATED)

The fair value of net assets combined is detailed as follows:

	Farmers	Others	Total
Current assets	38,262	6,973	**45,235**
Property, plant and equipment	43,703	3,046	**46,749**
Other long-term assets	260	-	**260**
Intangible assets	21,911	5,098	**27,009**
Goodwill	-	7,285	**7,285**
Accounts payable and accrued liabilities	(20,333)	(478)	**(20,811)**
Deferred income taxes	(8,396)	-	**(8,396)**
Bank overdraft assumed, net amount	(15,788)	(137)	**(15,925)**
Long-term debt	(13,717)	(131)	**(13,848)**
Employee future benefits obligation, net of income taxes of $4,225	(11,481)	-	**(11,481)**
Fair value of net assets combined	**34,421**	**21,656**	**56,077**

The current assets include accounts receivable with a fair value of $20,191, including accounts receivable under contracts, which the gross amount represents $18,871. At the acquisition date, the best estimate of the contractual cash flows, which collection is not expected is $509.

The goodwill accounted for is deductible for income tax purposes for an amount of $5,177. Combination costs amount to $1,205 and are recorded in earnings.

The fair value of the consideration transferred is detailed as follows:

	Farmers	Others	Total
Cash	-	21,656	**21,656**
Certificates of indebtedness	11,911	-	**11,911**
Member shares and Class M investment shares Series 2	1,119	-	**1,119**
Contributed deficit	(516)	-	**(516)**
Fair value of the consideration transferred	**12,514**	**21,656**	**34,170**

The fair value of the consideration transferred in favor of the 114 new members, following the combination with Farmers, was determined on the basis of discounted future cash flows of Farmers Co-operative Dairy Limited.

Cash flows from combinations:

	Farmers	Others	Total
Bank overdraft assumed, net	15,788	137	**15,925**
Cash consideration	-	21,656	**21,656**
Cash flows from business combinations	**15,788**	**21,793**	**37,581**

As part of its merger with Farmers Co-operative Dairy Limited, the Cooperative has adopted an integration and restructuring plan in the objective to improve its operational efficiency. Restructuring costs amount to $1,348. These costs are recorded in earnings.

(IN THOUSANDS OF CANADIAN DOLLARS, UNLESS OTHERWISE INDICATED)

4. EARNINGS

The following items are included in the consolidated earnings:

	2013 (52 weeks)	2012 (53 weeks)
Raw materials and other inputs	**2,412,212**	2,250,945
Salaries and employee benefits	**407,431**	384,913
Interest on long-term debt	**66**	525

5. INCOME TAXES

The income tax expense is as follows:

	2013 (52 weeks)	2012 (53 weeks)
Current income taxes	**7,744**	4,978
Deferred income taxes	**6,361**	15,949
	14,105	20,927
Comprised of:		
The Cooperative's income taxes	**12,361**	11,400
Income taxes of subsidiaries	**1,744**	9,527

Reconciliation of income taxes:

	2013 (52 weeks)	2012 (53 weeks)
Income taxes, calculated at Canadian statutory rates of 26.39% (2012 – 26.52%)	**20,639**	17,906
Differences attributable to the following:		
Accounting gain as a result of a business combination	**(5,782)**	-
Goodwill impairment	**955**	-
Non-deductible portion of capital losses	**667**	1,206
Tax benefit on capital losses not booked	**667**	1,207
Difference in tax rates of foreign subsidiaries	**1,830**	4,836
Changes in tax laws and rates	**196**	(47)
Foreign operations financing	**(4,687)**	(4,530)
Others	**(380)**	349
Income tax expense	**14,105**	20,927

During the year, there has been no change in the tax rate prescribed by law.

(IN THOUSANDS OF CANADIAN DOLLARS, UNLESS OTHERWISE INDICATED)

The income tax consequences of temporary differences that result from deferred tax assets and liabilities are as follows:

	October 29 2011	Earnings	Comprehensive income and others	Business combination	November 3 2012
Deferred tax assets					
Goodwill	18,017	(4,917)	-	-	**13,100**
Accounts payable and accrued liabilities	7,485	561	-	-	**8,046**
Tax losses carry forward	10,106	(2,029)	-	-	**8,077**
Commercial paper	2,342	(2,342)	-	-	**-**
Employee future benefits obligation	4,708	(883)	4,143	-	**7,968**
Intangible assets	3,459	1,239	-	-	**4,698**
Others	(295)	1,130	151	-	**986**
	45,822	**(7,241)**	**4,294**	**-**	**42,875**
Deferred tax liabilities					
Property, plant and equipment	49,134	7,132	-	-	**56,266**
Intangible assets and other assets	2,862	2,577	-	-	**5,439**
Outside basis difference on investment in subsidiaries	3,531	(1,001)	-	-	**2,530**
	55,527	**8,708**	**-**	**-**	**64,235**

	November 3 2012	Earnings	Comprehensive income and others	Business combination	November 2 2013
Deferred tax assets					
Goodwill	13,100	3,927	-	71	**17,098**
Accounts payable and accrued liabilities	8,046	(2,074)	-	(70)	**5,902**
Tax losses carry forward	8,077	(2,940)	-	4,306	**9,443**
Employee future benefits obligation	7,968	(1,457)	(4,486)	4,176	**6,201**
Minimum taxes	-	1,397	-	-	**1,397**
Intangible assets	4,698	1,043	-	-	**5,741**
Others	986	347	53	(60)	**1,326**
	42,875	**243**	**(4,433)**	**8,423**	**47,108**
Deferred tax liabilities					
Property, plant and equipment	56,266	4,406	-	6,700	**67,372**
Intangible assets and other assets	5,439	1,718	-	5,894	**13,051**
Outside basis difference on investment in subsidiaries	2,530	480	-	-	**3,010**
	64,235	**6,604**	**-**	**12,594**	**83,433**

(IN THOUSANDS OF CANADIAN DOLLARS, UNLESS OTHERWISE INDICATED)

The analysis of deferred tax assets and liabilities are presented below:

	2013	2012
Deferred tax assets		
Deferred tax assets to be recovered after more than 12 months	**35,336**	34,829
Deferred tax assets to be recovered within the next 12 months	**11,772**	8,046
	47,108	42,875
Deferred tax liabilities		
Deferred tax liabilities to be settled after more than 12 months	**(83,433)**	(64,235)
Total of deferred tax liabilities	**(36,325)**	(21,360)

The Cooperative has also accumulated $30,217 of capital losses for which no deferred tax asset has been accounted for. These losses may be carried forward indefinitely.

6. PATRONAGE DIVIDENDS

Patronage dividends are paid out to members as follows: $27,482 (2012 – $25,360) in cash and $82,999 (2012 – $76,200) through the issuance of investment shares.

7. INVESTMENTS

	2013	2012
Joint ventures	**17,449**	26,793
Others	**125**	-
	17,574	26,793

INVESTMENTS IN JOINT VENTURES

The Cooperative's proportionate share in earnings and balance sheets of the joint ventures is summarized as follows:

	2013	2012
Current assets	**32,052**	35,159
Non-current assets	**51,458**	45,537
Current liabilities	**60,237**	47,503
Non-current liabilities	**4,237**	4,203
Sales	**148,493**	168,496

The Cooperative's share of commitments of joint ventures is $2,024 for the next year and $1,433 from 2015 to 2019.

On June 6, 2013, the Cooperative disposed its participation in the La Lácteo joint venture in Argentina. The net cost associated with this disposition is $5,282 (US$5,100). In June 2012, an impairment of $9,098 of the investment was already recorded following the announcement to sell the Cooperative's holdings in this joint venture.

(IN THOUSANDS OF CANADIAN DOLLARS, UNLESS OTHERWISE INDICATED)

8. CASH FLOWS

Cash flows related to non-cash items have increased (decreased) as follows:

	2013 **(52 weeks)**	2012 (53 weeks)
Accounts receivable	**(14,525)**	3,530
Inventories	**(30,322)**	(13,980)
Income taxes	**5,077**	(6,347)
Prepaid expenses	**(2,597)**	(1,187)
Accounts payable and accrued liabilities	**15,382**	(8,963)
Other assets and others	**(11,224)**	(13,406)
	(38,209)	(40,353)

Interest and income taxes paid are as follows:

	2013 **(52 weeks)**	2012 (53 weeks)
Interest paid (cashed)	**(66)**	870
Income taxes paid	**2,032**	11,071

The cash position is as follows:

	2013	2012
Cash and temporary investment	**71,975**	130,852

9. INVENTORIES

	2013	2012
Finished goods	**246,395**	210,882
Raw materials, goods in process and supplies	**78,507**	57,288
	324,902	268,170

The cost of goods sold amounting to $3,251,305 (2012 – $3,083,513) mainly comprises the amount of inventories accounted for in expenses.

(IN THOUSANDS OF CANADIAN DOLLARS, UNLESS OTHERWISE INDICATED)

10. PROPERTY, PLANT AND EQUIPMENT

	Land & buildings	Equipment	Rolling stock	Total
As at October 29, 2011				
Cost	283,144	700,274	49,773	**1,033,191**
Accumulated depreciation and amortization	(86,671)	(424,012)	(36,684)	**(547,367)**
Net carrying amount	**196,473**	**276,262**	**13,089**	**485,824**
Year 2012				
Additions	14,545	57,892	2,359	**74,796**
Disposals	(405)	(896)	(149)	**(1,450)**
Depreciation and amortization	(6,367)	(46,711)	(4,183)	**(57,261)**
Translation adjustment	243	459	-	**702**
Balance as at November 3, 2012	**204,489**	**287,006**	**11,116**	**502,611**
Cost	297,591	745,998	48,071	**1,091,660**
Accumulated depreciation and amortization	(93,102)	(458,992)	(36,955)	**(589,049)**
Net carrying amount	**204,489**	**287,006**	**11,116**	**502,611**
Year 2013				
Additions	48,730	82,998	9,203	**140,931**
Business combinations	16,923	29,000	826	**46,749**
Disposals	(12)	(198)	(60)	**(270)**
Depreciation and amortization	(6,950)	(47,927)	(3,978)	**(58,855)**
Translation adjustment	3,685	6,401	27	**10,113**
Balance as at November 2, 2013	**266,865**	**357,280**	**17,134**	**641,279**
Cost	364,106	861,934	55,703	**1,281,743**
Accumulated depreciation and amortization	(97,241)	(504,654)	(38,569)	**(640,464)**
Net carrying amount	**266,865**	**357,280**	**17,134**	**641,279**

Buildings and equipment include a major work in progress of which an amount of $84,667 (2012 – $18,844) is unamortized.

(IN THOUSANDS OF CANADIAN DOLLARS, UNLESS OTHERWISE INDICATED)

11. INTANGIBLE ASSETS AND GOODWILL

	Customer relationships	Trademarks, software and other rights	Total intangible assets	Goodwill
As at October 29, 2011				
Cost	49,771	56,421	**106,192**	**144,054**
Accumulated depreciation and amortization	(16,434)	(35,979)	**(52,413)**	**-**
Net carrying amount	**33,337**	**20,442**	**53,779**	**144,054**
Year 2012				
Additions	-	2,970	**2,970**	**-**
Depreciation and amortization	(4,882)	(5,609)	**(10,491)**	**-**
Translation adjustment	167	80	**247**	**391**
Balance as at November 3, 2012	**28,622**	**17,883**	**46,505**	**144,445**
Cost	44,977	55,449	**100,426**	**144,445**
Accumulated depreciation and amortization	(16,355)	(37,566)	**(53,921)**	**-**
Net carrying amount	**28,622**	**17,883**	**46,505**	**144,445**
Year 2013				
Additions	-	14,263	**14,263**	**-**
Business combinations	2,140	24,869	**27,009**	**7,285**
Impairment	-	-	**-**	**(24,371)**
Depreciation and amortization	(5,142)	(5,176)	**(10,318)**	**-**
Translation adjustment	1,344	479	**1,823**	**5,071**
Balance as at November 2, 2013	**26,964**	**52,318**	**79,282**	**132,430**
Cost	49,349	93,260	**142,609**	**156,801**
Accumulated depreciation and amortization	(22,385)	(40,942)	**(63,327)**	**(24,371)**
Net carrying amount	**26,964**	**52,318**	**79,282**	**132,430**

Software include a major work in progress of which an amount of $12,650 is unamortized.

The useful lives of the intangible assets vary between 4 and 12 years.

The carrying amount of goodwill is allocated to the reporting business units as follows:

	2013	2012
Cheese and Ingredients Division – Cheese Canada	**8,556**	8,556
Division Natrel and Fresh Products – Canada	**34,559**	30,518
Cheese and Ingredients Division – Cheese United States	**6,735**	6,431
Cheese and Ingredients Division – Ingredients United States	**41,791**	36,656
Division Natrel – United States	**40,789**	62,284
	132,430	144,445

(IN THOUSANDS OF CANADIAN DOLLARS, UNLESS OTHERWISE INDICATED)

No impairment loss resulted from the impairment tests made on November 2, 2013 and November 3, 2012, except for Division Natrel – United States, which was recorded during the year.

The test, based on the fair value less costs to sell (fair value), resulted that the Division Natrel – United States carrying amount exceeded its recoverable amount. Therefore, a goodwill impairment charge of $24,371 has been recorded.

To calculate the fair value, the Cooperative has discounted the cash flow projections for future years, including EBITDA, current income taxes and capital expenditures. The most sensitive assumptions are discount rate and projected EBITDA. An increase of 1% of the discount rate would reduce the fair value by US$18,488. A decrease of US$1,000 projected EBIDTA could reduce the fair value by US$13,597.

12. OTHER ASSETS

	2013	2012
Procurement agreements and others	**24,759**	18,232

13. BANK OVERDRAFTS AND BANK LOANS

The Cooperative and its subsidiaries have lines of credit to a maximum of $38,153, bearing interest at variable rates and generally not exceeding the prime rate. Bank loans are not secured by any of the Cooperative's assets. In general, the Cooperative's lines of credit are renewable annually. Lines of credit were unused as of November 2, 2013 and November 3, 2012.

14. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2013	2012
Members	**86,506**	78,892
Third parties	**336,632**	303,437
Joint ventures	**345**	292
	423,483	382,621

15. LONG-TERM DEBT

	2013	2012
Loans of the Cooperative[1]	**373**	-
Obligations under capital leases[2]	**-**	1,623
Other loans of subsidiaries[3]	**-**	1,711
	373	3,334
Current portion	**159**	2,729
	214	605

[1] These loans, secured by specific equipment, do not bear interest and mature between December 2015 and February 2016.

[2] Obligations under capital leases beared interest at rates ranging from 8.45% to 8.76%, and have been paid in full in December 2012.

[3] This loan beared interest at a rate of 6.32%, and has been paid in full in December 2012.

(IN THOUSANDS OF CANADIAN DOLLARS, UNLESS OTHERWISE INDICATED)

The Cooperative has a revolving term loan of $400,000 that was unused as at November 2, 2013, which is repayable in July 2017 if no request for an extension is submitted to the lenders and accepted by them. The loan interest rate may vary between the prime rate and the prime rate plus 1.25%. The unused portion of this loan is subject to standby fees.

Principal repayments of the long-term debt to be made over the next years are as follows:

2014	159
2015	173
2016	41

16. SHARE CAPITAL (in dollars)

The following constitutes a summary of certain privileges, rights and conditions related to the Cooperative's shares. Reference can be made to the statutes of the Cooperative for full text.

Voting rights are restricted to one vote per member. Each member subscribes to one member share, for a par value of $100. Furthermore, each member subscribes to 10 Class M investment shares, whether Series 1 for a par value of $20 each or Series 2 for a par value of $1,000, according to the membership application date. Other Class M investment shares series could be issued later, further to a resolution by the Board of Directors.

Class A investment shares are issued in consideration of patronage dividends. Should a minimum threshold of capital per hectolitre of produced milk fail to be reached, deductions shall be made from the cash payment of patronage dividends and milk deliveries. The minimum threshold of capital per member varies from $5 to $10 per hectolitre, according to the application date and is subject to revision. The Class A investment shares can be transferred to auxiliary members and are also eligible, under certain conditions, for the Registered Retirement Savings Plan, the Cooperative Investment Plan and tax deferral.

On June 19, 2012, the Board of Directors approved the creation of Class B investment shares, Class C investment shares and Class D investment shares, which shares have no voting rights, and cannot be transferred without the Board of Directors approval. Only Classes B, C and D shareholders have the right to receive any dividend declared by the Board of Directors on these shares.

On April 21, 2013, at the combination of the Cooperative and Farmers Co-operative Dairy Limited, certificates of indebtedness have been issued to former members of Farmers Co-operative Dairy Limited. Certificates of indebtedness, presented as an item of members' equity, can be transferred to auxiliary members and are not eligible to the Registered Retirement Savings Plan, the Cooperative investment Plan and tax deferral.

Share capital is variable and unlimited as to the number of shares in each class, except for Classes B, C and D investment shares, which are limited at 10 shares each. Member shares, Class A investment shares as well as certificates of indebtedness are redeemable under certain conditions at their par value further to a resolution by the Board of Directors, depending on short-and long-term treasury needs.

(IN THOUSANDS OF CANADIAN DOLLARS, UNLESS OTHERWISE INDICATED)

17. ACCUMULATED OTHER COMPREHENSIVE LOSS, NET OF INCOME TAXES

	2013	2012
Gains (losses) on financial instruments designated as cash flow hedges	**114**	(8)
Foreign currency translation adjustment of foreign operations, net of hedging operations	**(10,579)**	(33,448)
Share of accumulated other comprehensive loss of joint ventures	**(17)**	(37)
	(10,482)	(33,493)

18. FINANCIAL INSTRUMENTS

FAIR VALUE

The carrying amount of short-term financial instruments is assumed to approximate their fair value due to their short-term maturity. These financial instruments generally include cash and temporary investment, accounts receivable, bank overdrafts and bank loans, and accounts payable and accrued liabilities.

The estimated fair value of the long-term debt according to current market conditions approximates the carrying amount as at the balance sheet date.

LIQUIDITY RISK

Centralized treasury and financing management allows the Cooperative to reduce liquidity risk. If there is a surplus of liquidity, it is invested in quality short-term instruments.

CREDIT RISK

Accounts receivable mainly relate to trade receivables generated in the normal course of business. Although there are some major accounts resulting from a certain volume concentration in the food industry, the diversification of customer market segments (retailers, wholesalers, manufacturers, food services) and the extent of the Cooperative's geographical activities reduce credit risk. Moreover, credit risk is reduced by the terms of payment in connection with the relatively fast cycle of product consumption. At year-end, 3% of accounts receivable exceeded normal terms of payment by more than 30 days.

INTEREST RATE RISK

Financial assets and financial liabilities do not bear interest, except for cash, temporary investment, bank overdrafts and bank loans, and long-term debt.

FOREIGN EXCHANGE RISK

The Cooperative carries on activities outside Canada, mainly in the United States, via subsidiaries. Consequently, the Cooperative is exposed to risks due to exchange rate fluctuations affecting its net investment in foreign subsidiaries.

During the year ended November 2, 2013, if the U.S. dollar had increased by an average of $0.01 compared to the Canadian dollar, and assuming all other variables remained constant, the impact of this increase on earnings before income taxes would have been marginal, and the impact on comprehensive income would have resulted in an increase of $4,782.

(IN THOUSANDS OF CANADIAN DOLLARS, UNLESS OTHERWISE INDICATED)

The Cooperative also carries on certain purchasing and selling activities in foreign currencies. The Cooperative hedges against foreign exchange risks for projected future transactions by means of currency forward contracts, mainly in U.S. dollars, euros and pounds sterling. Unrealized foreign exchange gains and losses are recorded initially in comprehensive income and reversed in earnings at the expiry of the contracts. As at the reporting date, the foreign exchange contracts, spread out over periods not exceeding one year, are as follows:

Purchases	4,455	euros
Sales	1,405	GBP

MEASUREMENT RISK

Financial instruments recognized at fair value are classified according to the following hierarchy:

a) Level 1: Fair value based on quoted prices in active markets for identical assets.

b) Level 2: Fair value based on data observable either directly or indirectly, other than the quoted prices in Level 1.

c) Level 3: Fair value not based on observable market data.

	Level 1	**Level 2**	**Level 3**	**2013**	2012
Foreign exchange contracts	-	157	-	**157**	(10)

OTHER RISKS

Management does not consider the Cooperative to be subject to any other significant financial risk.

19. COMMITMENTS AND CONTINGENCIES

a) Commitments relating mainly to operating leases are as follows: $5,936 for the following year, $10,633 from 2015 to 2018 and $1,052 thereafter.

b) The Cooperative is committed for an amount of $43,183 to purchase property, plant and equipment and intangible assets as part of a project for a plant expansion and a project for an Enterprise Resource Planning (ERP) system implementation.

c) The Cooperative is party to litigations in the normal course of business. Even if the outcome of these litigations cannot be expressed with certainty, the related liability is recorded when it is likely that it will result in a loss and that the amount can be estimated. Furthermore, management estimates that the losses that could result from these litigations are negligible.

(IN THOUSANDS OF CANADIAN DOLLARS, UNLESS OTHERWISE INDICATED)

20. EMPLOYEE FUTURE BENEFITS

Employee future benefits relate mainly to pension plans. The obligations of the defined benefit plans are based on the employee's length of service and salary of the last employment years. The pension benefits can be adjusted according to a formula based on the return on plan assets and the consumer price index. Actuarial valuations of the plans are performed every year. The most recent valuations were performed in December 2012.

The Cooperative also offers to certain employees other long-term benefits that provide for the payment of life insurance premiums and health insurance for retirees. Other long-term benefits are not capitalized and are presented under other plans.

The net expense is as follows:

	2013 (52 weeks)	2012 (53 weeks)
Defined contribution plans		
Net expense	**12,367**	11,828
Defined benefit plans		
Current service cost	**6,343**	4,351
Interest cost on accrued benefit obligation	**7,494**	5,170
Projected return on plan assets	**(8,571)**	(5,117)
Net expense	**5,266**	4,404

The information on defined benefit plans is as follows:

	2013	2012
Plan assets		
Fair value – beginning of year	**97,958**	87,842
Business combination	**80,067**	-
Projected return on plan assets	**8,571**	5,117
Employer contributions	**9,963**	7,576
Employee contributions	**1,552**	927
Benefits paid	**(9,099)**	(3,715)
Actuarial gains	**6,189**	211
Fair value – end of year	**195,201**	97,958

Equity securities represented 61% (2012 – 53%) and obligations represented 31% (2012 – 32%) of total plan assets invested mainly in Canada.

(IN THOUSANDS OF CANADIAN DOLLARS, UNLESS OTHERWISE INDICATED)

	2013	2012
Accrued benefit obligation		
Balance – beginning of year	**128,167**	105,649
Business combination	**93,566**	-
Current service cost	**6,343**	4,351
Interest cost	**7,494**	5,170
Employee contributions	**1,552**	927
Benefits paid	**(9,099)**	(3,715)
Actuarial losses (gains)	**(15,829)**	15,785
Balance – end of year	**212,194**	128,167

	2013	2012
Pension plan obligation		
Funding status – plan assets net of obligation (deficit)	**(16,993)**	(30,209)
Impact of asset ceiling test	**(4,433)**	-
Pension plan obligation	**(21,426)**	(30,209)
Other plans	**(2,046)**	-
Employee future benefits obligation	**(23,472)**	(30,209)

For pension plans with an accrued benefit obligation that is in excess of assets, the accrued benefit obligation is $187,189 (2012 – $107,892) and the assets are $167,325 (2012 – $77,023).

Actuarial gains (losses) are accounted for in other comprehensive loss and are as follows:

	2013	2012
Actuarial gains (losses) for the year	**22,179**	(15,574)
Impact of asset ceiling test	**(4,433)**	39
Amount accounted for in other comprehensive income	**17,746**	(15,535)
Balance – Beginning of year	**(29,624)**	(14,089)
Balance – End of year	**(11,878)**	(29,624)

	2013	2012
Weighted average assumptions		
Accrued benefit obligation		
Discount rate	**4.50%**	4.00%
Long-term inflation rate of salary expense	**4.00%**	4.00%
Net benefit expense for the year		
Discount rate	**4.00%**	4.75%
Expected return on plan assets	**6.50%**	6.50%
Long-term inflation rate of salary expense	**4.00%**	4.00%

The Cooperative participates in multi-employer defined benefit plans for certain unionized employee groups. Based on available information, these plans are accounted for as defined contribution plans. Contributions for the year amounted to $1,478.

(IN THOUSANDS OF CANADIAN DOLLARS, UNLESS OTHERWISE INDICATED)

21. RELATED PARTIES

SUBSIDIARIES AND JOINT VENTURES

The main subsidiaries and joint ventures of the Cooperative are as follows:

		% owned	
	Country of incorporation	**2013**	2012
Agropur inc.	United States	**100%**	100%
Ultima Foods Inc.	Canada	**50%**	50%
La Lácteo	Argentina	**0%**	50%

The main activity of these subsidiaries and joint ventures is milk processing.

During the year, the Cooperative purchased $43,419 (2012 – $42,143) in raw materials and finished goods from its joint ventures.

KEY MANAGEMENT PERSONNEL COMPENSATION

Compensation of the members of the Board of Directors and key management personnel is broken down as follows:

	2013 **(52 weeks)**	2012 (53 weeks)
Salary and other benefits	**10,600**	8,422
Post-employment benefits	**1,233**	967
	11,833	9,389

22. SUBSEQUENT EVENTS

On November 18, 2013, the Cooperative purchased all the shares of M. Larivée International inc., a Quebec company specializing in the export market for dairy products and food ingredients and on December 2, 2013, purchased all the assets of Fromagerie Damafro, located in Quebec. The cash consideration for the two acquisitions will be between $50,250 and $53,000 based on the achievement of earnings before interest, income taxes, depreciation and amortization (EBITDA) targets.

AGROPUR COOPERATIVE

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450-375-1991

NATREL AND FRESH PRODUCTS DIVISION

101 Roland-Therrien Blvd., Suite 600
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ULTIMA FOODS INC.*

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450-651-3737

PHOTOS:

Pages 2 and 3: Agropur member Robert Beaudry, Granby region (QC)
Page 4: Photo 1: Framed photo of Rolland Beaudry working the fields in Granby (QC)
Photo 2: Janvier and Lucas Beaudry with tricycle in the stable
Page 5: The Beaudry brothers Mathieu, Sébastien, Étiène and Simon with Julie Cyr
Page 6: Omer Deslauriers with his daughters on the tractor
Page 8: Jean-François Lizotte, cheese ripener at the Oka cheese plant (QC)
Page 9: OKA cheese ripening room, ca. 1967 (Tedd Church)
Page 14: The Luxemburg (WI) plant today
Page 15: The original Krohn's Dairy building
Page 17: Photo 1: The fourth generation of Krohns: Zach Krohn, Stephanie Krohn, Pat Doell, Ashley Krohn and Tim Doell (not in photo: Chris Krohn) in 1992
Photo 2: The Lethbridge (AB) plant
Pages 20 and 21: The ERP project team
Pages 22 and 23: Maja Sudar, Quality Control Manager at the Lethbridge (AB) plant
Page 24: Photo 1: Lethbridge employees: Ka Nay Lay, production worker; Maria Jovanovic, office employee; Thayalan Duarmarajah, production worker
Photo 2: Maja Sudar and a co-worker in 1995
Page 29: Serge Riendeau and Jeannie van Dyk on the occasion of the merger of Farmers Co-operative Dairy and Agropur

*Joint venture

LIST OF MEMBERS AND EMPLOYEES WHO SIGNED THE INSIDE COVER

01 Dan Stearns, employee, Weyauwega, Wisconsin, United States
02 Renaud Moore, member, Chaudière region, Quebec, Canada
03 Myriam-Maïté Fortin, employee, Beauceville, Quebec, Canada
04 Robert Mason, member, Salaberry region, Quebec, Canada
05 Marcel Lamothe, employee, Sudbury, Ontario, Canada
06 Lucie Leclerc, member, Bois-Francs region, Quebec, Canada
07 Jean-Pierre Gosselin, employee, Plessisville, Quebec, Canada
08 Laval Lapointe, member, Des Appalaches region, Quebec, Canada
09 Daniel Crevier, employee, Notre-Dame-du-Bon-Conseil, Quebec, Canada
10 Allen K. Bent, member, Nova Scotia region, Canada
11 André Robert, employee, Longueuil, Quebec, Canada
12 Gary Rose, member, Newfoundland and Labrador region, Canada
13 Brian Rolfson, employee, Lethbridge, Alberta, Canada
14 Connie La Marca, employee, Markham, Ontario, Canada
15 Daniel Bachand, member, Granby region, Quebec, Canada
16 Jane O'Reilly, employee, Victoria, British-Columbia, Canada
17 Joel Blom, employee, Woodstock, Ontario, Canada
18 Audrée St-Hilaire, member, Chaudière region, Quebec, Canada
19 Peter Milinski, employee, Luxemburg, Wisconsin, United States
20 Alain Légaré, member, De L'Érable region, Quebec, Canada
21 Claire A. Bédard, member, De L'Érable region, Quebec, Canada
22 Julie Côté, employee, Granby, Quebec, Canada
23 Daniel J. Warzinski, employee, La Crosse, Wisconsin, United States
24 Lison Chevalier, employee, Oka, Quebec, Canada
25 Roger Grégoire, member, Laurentides/Lanaudière region, Quebec, Canada
26 Chantal Clément, member, Granby region, Quebec, Canada
27 François Tremblay, member, Chaudière region, Lac-Saint-Jean sector, Quebec, Canada
28 Hélène Rousseau, member, Des Seigneuries region, Quebec, Canada
29 Pamela Critch, employee, St. John's, Newfoundland and Labrador, Canada
30 Patel Ghanshyambmai, employee, Don Mills, Ontario, Canada
31 Claude Robert, member, Yamaska region, Quebec, Canada
32 Denis Champagne, member, Berthier/Maskinongé region, Quebec, Canada
33 Clara Badea, employee, Saint-Laurent, Quebec, Canada
34 Michel Robert, member, Laurentides/Lanaudière region, Abitibi-Témiscamingue sector, Quebec, Canada
35 Jackie Beck, member, Salaberry region, Shawville sector, Quebec, Canada
36 Jean Pelletier, member, Estrie region, Quebec, Canada
37 Marie-Josée Lévesque, member, Est du Quebec region, Quebec, Canada
38 Hans-Ulrich Walser, member, Lac Saint-Pierre region Quebec, Canada
39 Marilyn Oxley, employee, Saint-Paul, Minnesota, United States
40 Andrea Hickey, employee, Bedford, Nova Scotia, Canada
41 Julie Michel, member, Mauricie/Portneuf region, Quebec, Canada
42 Jocelyn Proulx, member, Acton region, Quebec, Canada
43 Arron Brown, employee, Chilliwack, British-Columbia, Canada

In this publication, the masculine gender is used without discrimination, for the sole purpose of brevity.

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24 Léon Chevalier

25 Roger Grégoire

26 Chantal Clément

27 François Tremblay

28 Hélène Rousseau

29 Pamela Ritch

30 Patel [illegible]

31 Claude Robert

32 Denis Champagne

33 Clara Badea

34 Michel Robert

35 Jackie Beck

36 Jean Pelletier

37 Marie-Josée Lévesque

38 Hans-Ulrich Walser

39 Marilyn Oxley

40 Andrea Hickey

41 Julie Michel

42 Jocelyn Proulx

43 Arrow Brown

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