

**FINANCIAL RESULTS FISCAL 2013 FIRST QUARTER
ENDED JUNE 30, 2012*****Net earnings at \$121.8 million, down 3.8% for the quarter***

(Montréal, July 31, 2012) – Saputo Inc. (TSX: SAP) (Saputo or the Company) reported today its financial results for the first quarter of fiscal 2013, which ended on June 30, 2012. All amounts in this news release are in Canadian dollars, unless otherwise indicated, and are presented according to International Financial Reporting Standards (IFRS).

- Net earnings totalled \$121.8 million, a decrease of \$4.8 million or 3.8%.
- Earnings before interest, income taxes, depreciation and amortization (EBITDA) amounted to \$203.0 million, a decrease of \$6.6 million or 3.1%.
- Revenues for the quarter amounted to \$1.698 billion, an increase of \$59.3 million or 3.6%.
- Basic earnings per share (EPS) was \$0.61 and diluted EPS was \$0.60 for the quarter, as compared to basic EPS of \$0.62 and diluted EPS of \$0.61 for the corresponding quarter last fiscal year.

(in millions of Canadian dollars (CDN), except per share amounts)
(unaudited)

	June 30, 2012	For the three-month periods ended	
		June 30, 2011	March 31, 2012
Revenues	1,698.3	1,639.0	1,703.5
EBITDA	203.0	209.6	201.0
Net earnings	121.8	126.6	(2.6)
Adjusted net earnings ¹	121.8	126.6	122.4
EPS			
Basic	0.61	0.62	0.00
Diluted	0.60	0.61	0.00
Adjusted EPS ¹			
Basic	0.61	0.62	0.62
Diluted	0.60	0.61	0.61

- In the United States (US), the average block market² per pound of cheese decreased by US\$0.20 compared to the same period last fiscal year, decreasing revenues.
- In the US, market factors negatively impacted EBITDA by approximately \$14 million.
- Inventory was written down by \$2.5 million in the Argentinian division in accordance with the drop of selling prices in the export market at the end of the quarter.
- A better product mix of dairy ingredients offset unfavourable dairy ingredients market conditions, positively affecting both revenues and EBITDA of the USA and Canadian dairy products divisions as compared to the same quarter of fiscal 2012.
- The weakening of the Canadian dollar versus the US dollar during the quarter had a positive impact on revenues and EBITDA as compared to the same quarter last fiscal year.
- The Board of Directors reviewed the dividend policy and increased the quarterly dividend from \$0.19 per share to \$0.21 per share, representing a 10.5% increase. The quarterly dividend will be payable on September 17, 2012 to common shareholders of record on September 6, 2012.

¹ Adjusted net earnings and adjusted earnings per share (basic and diluted) are non-IFRS measures. Refer to the section "Measurement of Results not in Accordance with International Financial Reporting Standards" included on page 7 of the Management's Discussion and Analysis included in the Company's 2012 Annual Report for the definition of these terms.

² Average block market² is the average daily price of a 40 pound block of cheddar traded on the Chicago Mercantile Exchange (CME), used as the base price for cheese.

Additional Information

For more information on the first quarter results of fiscal 2013, reference is made to the condensed interim consolidated financial statements, the notes thereto and to the Management's Discussion and Analysis for the first quarter of fiscal 2013. These documents can be obtained on SEDAR at www.sedar.com and in the "Investors and Media" section of the Company's web site, at www.saputo.com.

Conference Call

A conference call to discuss the first quarter results of fiscal 2013 will be held on Tuesday, July 31, 2012 at 1:00 PM, Eastern Time. To participate in the conference call, dial 1-800-272-9104. To ensure your participation, please dial in approximately five minutes before the call.

To listen to this call on the web, please enter www.gowebcasting.com/3448 in your web browser.

For those unable to participate, an instant replay will be available until midnight, Tuesday, August 7, 2012. To access the replay dial 1-800-558-5253, ID number 21599286. A webcast will also be archived on www.saputo.com, in the "Investors and Media" section, under Press Releases.

About Saputo

Saputo produces, markets, and distributes a wide array of products of the utmost quality, including cheese, fluid milk, yogurt, dairy ingredients and snack-cakes. Saputo is the 12th largest dairy processor in the world, the largest in Canada, the third largest in Argentina and among the top three cheese producers in the United States. Our products are sold in more than 50 countries under well-known brand names such as *Saputo*, *Alexis de Portneuf*, *Armstrong*, *Baxter*, *Dairyland*, *Danscorella*, *Dragone*, *DuVillage 1860*, *Frigo Cheese Heads*, *Great Midwest*, *King's Choice*, *Kingsey*, *La Paulina*, *Neilson*, *Nutrilaït*, *Ricrem*, *Salemville*, *Stella*, *Treasure Cave*, *hop & go*, *Rondeau* and *Vachon*. Saputo is a publicly traded company whose shares are listed on the Toronto Stock Exchange under the symbol "SAP".

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Information

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements within the meaning of securities laws. These statements are based, among other things, on Saputo's assumptions, expectations, estimates, objectives, plans and intentions as of the date hereof regarding projected revenues and expenses, the economic, industry, competitive and regulatory environments in which the Company operates or which could affect its activities, its ability to attract and retain customers and consumers, as well as the availability and cost of milk and other raw materials and energy supplies, its operating costs and the pricing of its finished products on the various markets in which it carries on business.

These forward-looking statements include, among others, statements with respect to the Company's short and medium term objectives, outlook, business projects and strategies to achieve those objectives, as well as statements with respect to the Company's beliefs, plans, objectives and expectations. The words "may", "should", "will", "would", "believe", "plan", "expect", "intend", "anticipate", "estimate", "foresee", "objective", "continue", "propose" or "target", or the negative of these terms or variations of them, the use of conditional tense or words and expressions of similar nature, are intended to identify forward-looking statements.

By their nature, forward-looking statements are subject to a number of inherent risks and uncertainties. Actual results could differ materially from the conclusion, forecast or projection stated in such forward-looking statements. As a result, the Company cannot guarantee that any forward-looking statements will materialize. Assumptions, expectations and estimates made in the preparation of forward-looking statements and risks that could cause actual results to differ materially from current expectations are discussed in the Company's materials filed with the Canadian securities regulatory authorities from time to time, including the "Risks and Uncertainties" section of the Management's Discussion and Analysis included in the Company's 2012 Annual Report.

Forward-looking statements are based on Management's current estimates, expectations and assumptions, which Management believes are reasonable as of the date hereof, and, accordingly, are subject to changes after such date. You should not place undue importance on forward-looking statements and should not rely upon this information as of any other date.

Except as required under applicable securities legislation, Saputo does not undertake to update or revise these forward-looking statements, whether written or verbal, that may be made from time to time by itself or on its behalf, whether as a result of new information, future events or otherwise.

OPERATING RESULTS

Consolidated revenues for the quarter ended June 30, 2012 amounted to \$1.698 billion, an increase of \$59.3 million or 3.6% in comparison to \$1.639 billion for the corresponding quarter last fiscal year. This increase was due to higher sales volumes in Canada and a better dairy ingredients product mix despite unfavourable dairy ingredients markets. Higher selling prices in relation to the higher cost of milk in the Canadian and Argentinian Divisions of the CEA Dairy Products Sector also increased revenues. A decrease in the average block market per pound of cheese in the USA Dairy Products Sector decreased revenues as compared to the corresponding quarter last fiscal year. The weakening of the Canadian dollar compared to the US dollar increased revenues as compared to the same quarter last fiscal year.

Consolidated earnings before interest, income taxes, depreciation and amortization (EBITDA) for the first quarter of fiscal 2013 amounted to \$203.0 million, a decrease of \$6.6 million or 3.1% in comparison to \$209.6 million for the same quarter last fiscal year. This decrease is explained by unfavourable market factors of approximately \$14 million in the US and an inventory write-down of \$2.5 million in the Argentinian division of the CEA Dairy Products Sector. These were partially offset by a better dairy ingredients product mix and the favourable impact of increased sales volumes in the Dairy Products Division (Canada). The weakening of the Canadian dollar compared to the US dollar positively impacted EBITDA as compared to the same period last fiscal year.

OTHER CONSOLIDATED RESULTS ITEMS

Depreciation and amortization for the first quarter of fiscal 2013 totalled \$27.2 million, an increase of \$2.6 million as compared to \$24.6 million for the corresponding period last fiscal year. This increase reflects variations in the depreciable asset base and fluctuations in foreign exchange between the Canadian dollar and both the US dollar and Argentinian peso.

Net interest expense for the three-month period ended June 30, 2012 increased by \$0.1 million in comparison to the same period last fiscal year.

Income taxes for the first quarter of fiscal 2013 totalled \$47.6 million, reflecting an effective tax rate of 28.1% compared to 29.2% for the same quarter last fiscal year. The income tax rate varies and could increase or decrease based on the amount of taxable income derived and from which source, any amendments to tax laws and income tax rates and changes in assumptions and estimates used for tax assets and liabilities by the Company and its affiliates.

Net earnings totalled \$121.8 million for the quarter ended June 30, 2012 compared to \$126.6 million for the same quarter last fiscal year. These reflect the various factors analyzed in this press release.

SELECTED QUARTERLY FINANCIAL INFORMATION

(in millions of CDN dollars, except per share amounts)

Fiscal years	2013	2012				2011		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenues	1,698.3	1,703.5	1,796.5	1,791.4	1,639.0	1,481.3	1,534.8	1,550.7
EBITDA	203.0	201.0	207.3	213.1	209.6	194.5	191.1	211.4
Net earnings	121.8	(2.6)	129.8	127.1	126.6	100.4	112.1	125.8
Adjusted net earnings ¹	121.8	122.4	129.8	127.1	126.6	112.0	112.1	125.8
EPS								
Basic	0.61	0.00	0.64	0.63	0.62	0.49	0.55	0.60
Diluted	0.60	0.00	0.64	0.61	0.61	0.48	0.54	0.60
Adjusted EPS ¹								
Basic	0.61	0.62	0.64	0.63	0.62	0.55	0.55	0.60
Diluted	0.60	0.61	0.64	0.61	0.61	0.54	0.54	0.60

¹ Adjusted net earnings and adjusted earnings per share (basic and diluted) are non-IFRS measures. Refer to the section "Measurement of Results not in Accordance with International Financial Reporting Standards" included on page 7 of the Management's Discussion and Analysis included in the Company's 2012 Annual Report for the definition of these terms.

Consolidated selected factors positively (negatively) affecting EBITDA

(in millions of CDN dollars)

Fiscal years	2013	2012		
	Q1	Q4	Q3	Q2
Market factors ^{1,2}	(14)	(24)	(4)	(10)
Inventory write-down	(3)	-	(4)	-
US currency exchange ¹	3	3	-	(5)

¹ As compared to same quarter of previous fiscal year.

² Market factors include the average block market per pound of cheese and its effect on the absorption of fixed costs and on the realization of inventories, the effect of the relationship between the average block market per pound of cheese and the cost of milk as raw material, as well as the market pricing impact related to sales of dairy ingredients.

INFORMATION BY SECTOR

CEA Dairy Products Sector

(in millions of CDN dollars)

Fiscal years	2013	2012				2011		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenues	1,025.0	1,009.6	1,042.2	1,032.5	970.2	921.2	995.2	993.8
EBITDA	127.8	121.9	131.9	135.7	125.3	113.0	126.0	132.8

Selected factors positively (negatively) affecting EBITDA

(in millions of CDN dollars)

Fiscal years	2013	2012		
	Q1	Q4	Q3	Q2
Market factors ^{1,2}	-	5.0	4.0	3.0

¹ As compared to same quarter of previous fiscal year.

² Market factors include the international market pricing impact related to sales of dairy ingredients.

USA Dairy Products Sector

(in millions of CDN dollars)

Fiscal years	2013	2012				2011		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenues	640.4	658.9	722.7	723.7	636.5	528.2	502.9	519.1
EBITDA	72.2	75.5	72.7	74.4	80.8	81.4	61.5	73.9

Selected factors positively (negatively) affecting EBITDA

(in millions of CDN dollars)

Fiscal years	2013	2012		
	Q1	Q4	Q3	Q2
Market factors ^{1,2}	(14)	(29)	(8)	(13)
Inventory write-down	-	-	(4)	-
US currency exchange ¹	3	3	-	(5)

¹ As compared to same quarter of previous fiscal year.

² Market factors include the average block market per pound of cheese and its effect on the absorption of fixed costs and on the realization of inventories, the effect of the relationship between the average block market per pound of cheese and the cost of milk as raw material, as well as the market pricing impact related to sales of dairy ingredients.

Other pertinent information

(in US dollars, except for average exchange rate)

Fiscal years	2013	2012			
	Q1	Q4	Q3	Q2	Q1
Average block market per pound of cheese	1.539	1.522	1.760	2.006	1.736
Closing block price ¹ per pound of cheese	1.650	1.490	1.563	1.720	2.130
Average whey market price ² per pound	0.500	0.630	0.650	0.590	0.520
Spread ³	0.049	0.017	0.023	0.040	0.094
US average exchange rate to Canadian dollar ⁴	1.010	1.002	1.023	0.976	0.969

¹ Closing block price is the price of a 40 pound block of cheddar traded on the Chicago Mercantile Exchange (CME) on the last business day of each quarter.

² Average whey powder market price is based on Dairy Market News published information.

³ Spread is the average block market per pound of cheese less the result of the average cost per hundredweight of Class III and/or Class 4b milk price divided by 10.

⁴ Based on Bank of Canada published information.

Grocery Products Sector

(in millions of CDN dollars)

Fiscal years	2013	2012				2011		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenues	32.9	35.0	31.6	35.2	32.3	31.9	36.8	37.8
EBITDA	3.1	3.7	2.7	2.9	3.4	0.1	3.6	4.7

OUTLOOK

The Dairy Products Division (Canada) continues to face challenges in the Canadian Dairy market. Our focus is to capitalize on opportunities presented in value-added milk and specialty cheese categories as we work towards maximizing our exposure across Canada. We will continue to focus on maximizing benefits that were derived from the consolidation of manufacturing and distribution activities in the greater Toronto area.

The Dairy Products Division (Europe) continues to face challenges with respect to obtaining milk supply at prices competitive with the selling price of cheese. Nevertheless, the Division will work towards increasing sales volumes.

The Dairy Products Division (Argentina) will continue to seek volume growth in both domestic and export markets, while increasing milk intake. The Division continues to face challenges trying to mitigate the increasing cost of milk as raw material, while remaining competitive with the selling price in the export market.

The USA Dairy Products Sector continues to focus on improving operational efficiencies, as well as evaluating opportunities from the acquisition of DCI Cheese Company, Inc. The California Consolidation Stabilization and Marketing Committee rendered its decision following hearings held on May 31, 2012 and June 1, 2012, with regards to the whey factor used in determining the milk pricing formula. Effective August 1, 2012, the whey factor will continue to vary in accordance with changes in whey market prices, based on a new sliding scale. Had the revised formula been in effect since the beginning of the fiscal year, the resulting negative impact on EBITDA for the quarter would have totalled approximately \$0.6 million based on actual whey market prices during the quarter. The Sector will continue to monitor dairy markets and take appropriate decisions to mitigate the impact on its operations.

The Grocery Products Sector will continue to focus on increasing sales volumes in the snack-cake and frozen categories. The main focus continues to be the development of sales in the US market.

Our goal remains to continue to improve overall efficiencies and pursue growth internally and through acquisitions.