



NEWS RELEASE

For immediate release

SAPUTO ANNOUNCES HAVING REACHED A RELEVANT INTEREST OF GREATER THAN 50% OF WARRNAMBOOL, TRIGGERING AN INCREASE IN OFFER PRICE TO AU\$9.20 AND AN AUTOMATIC EXTENSION OF THE OFFER PERIOD

(Montreal, January 21, 2014) – Saputo Inc. (“**Saputo**”) (TSX: SAP) announces it has obtained a relevant interest in the issued shares in Warrnambool Cheese and Butter Factory Company Holdings Limited (“**Warrnambool**”) of greater than 50% such that it now has majority control of Warrnambool. As at 7.00pm (Melbourne time) on January 21, 2014, Saputo had a relevant interest of 52.702% in Warrnambool shares.

In accordance with Saputo's offer, Saputo will increase the offer consideration from AU\$9.00 to AU\$9.20 cash per Warrnambool share, having reached a relevant interest of greater than 50% during the offer period.

As a result of Saputo's relevant interest in Warrnambool increasing to more than 50% and the increase in offer price occurring within the last 7 days of the scheduled close of the offer period (which was 7.00pm (Melbourne time) on Wednesday, January 22, 2014), the offer period is automatically extended pursuant to Australian law. The offer period is now scheduled to close at 7.00pm (Melbourne time) on Tuesday, February 4, 2014. Other than possible automatic extensions required under Australian law, there will be no further extensions to the offer period.

Rothschild and Rabobank are acting as the financial advisers to Saputo, and Maddocks and Stikeman Elliott are its legal advisers.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This news 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 the offer, its anticipated benefits, the number of shares that Saputo will actually be able to purchase and any change to the offer period.

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.

About Saputo

Saputo produces, markets, and distributes a wide array of dairy products of the utmost quality, including cheese, fluid milk, extended shelf-life milk and cream products, cultured products and dairy ingredients. We are one of the top ten dairy processors 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 40 countries under well-known brand names such as *Saputo*, *Alexis de Portneuf*, *Armstrong*, *Baxter*, *Dairyland*, *Dragone*, *DuVillage 1860*, *Friendship*, *Friigo Cheese Heads*, *Great Midwest*, *King's Choice*, *Kingsey*, *La Paulina*, *Milk2Go*, *Neilson*, *Nutralait*, *Ricrem*, *Salemville*, *Stella* and *Treasure Cave*. Saputo Inc. is a publicly traded company whose shares are listed on the Toronto Stock Exchange under the symbol “SAP”.

About Warrnambool

Warrnambool produces a range of dairy products for domestic and export markets. Its products include cheese, butter and butter blends, milk, cream and dairy ingredients. Warrnambool draws milk from some of the most productive dairying regions in Australia, including southwest Victoria, southeast South Australia and the Fleurieu Peninsula. Warrnambool operates two manufacturing sites and has over 420 employees. Warrnambool is a public company listed on the Australian Securities Exchange (ASX Code: WCB).

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