Saputo

NEWS RELEASE

For immediate release

FINANCIAL RESULTS FISCAL 2013 SECOND QUARTER ENDED SEPTEMBER 30, 2012

Net earnings at $129.7 million, up 2.0% for the quarter
Net earnings at $251.5 million, down 0.1% since the beginning of the fiscal year

(Montréal, November 7, 2012) – Saputo Inc. (TSX: SAP) (Saputo or the Company) reported today its financial results for the second quarter of fiscal 2013, which ended on September 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 $129.7 million, an increase of $2.6 million or 2.0%.
- Earnings before interest, income taxes, depreciation and amortization (EBITDA) amounted to $215.6 million, an increase of $2.5 million or 1.2%.
- Revenues for the quarter amounted to $1.745 billion, a decrease of $46.0 million or 2.6%.
- Basic earnings per share (EPS) was $0.66 and diluted EPS was $0.65 for the quarter, as compared to basic EPS of $0.63 and diluted EPS of $0.61 for the corresponding quarter last fiscal year.

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

	For the three-month periods ended		
	September 30, 2012	September 30, 2011	June 30, 2012
Revenues	**1,745.4**	1,791.4	1,698.3
EBITDA	**215.6**	213.1	203.0
Net earnings	**129.7**	127.1	121.8
EPS			
Basic	**0.66**	0.63	0.61
Diluted	**0.65**	0.61	0.60

- In the United States (US), the average block market[1] per pound of cheese decreased by US$0.26 compared to the same period last fiscal year, decreasing revenues.
- In the US, market factors positively impacted EBITDA by approximately $10 million.
- A better dairy ingredients product mix 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.
- Dairy Products Division (Argentina) EBITDA decreased due to lower sales volumes and selling prices, mainly in the export market.
- 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 approved a dividend of $0.21 per share payable on December 14, 2012 to common shareholders of record on December 4, 2012.

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

	For the six-month periods ended	
	September 30, 2012	September 30, 2011
Revenues	**3,443.7**	3,430.4
EBITDA	**418.6**	422.7
Net earnings	**251.5**	253.6
EPS		
Basic	**1.27**	1.25
Diluted	**1.25**	1.22

[1] "Average block market" 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.

Renewal of the Normal Course Issuer Bid

The Company announced today that it has the intention to purchase, by means of open market transactions through the facilities of the Toronto Stock Exchange (TSX) or such other means as may be permitted by the TSX and under applicable laws, including by way of private agreements under an issuer bid exemption order issued by a securities regulatory authority in Canada, for cancellation purposes, some of its common shares (Common Shares) by way of a normal course issuer bid (Bid), subject to regulatory approval. Under the Bid, Saputo may repurchase for cancellation up to 9,850,532 Common Shares over the twelve-month period starting on November 15, 2012, representing approximately 5% of its 197,010,649 issued and outstanding Common Shares as of October 31, 2012. In connection with the Bid, Saputo has established an automatic purchase plan (Plan). The Plan enables the Company to provide standard instructions regarding how the Common Shares are to be repurchased on the open market during self-imposed blackout periods. The Plan is effective as of November 15, 2012 and should terminate together with the Bid. It constitutes an automatic plan for purposes of applicable Canadian securities legislation and has been reviewed by the TSX.

During the six calendar months ended October 31, 2012, the average daily trading volume of Saputo's Common Shares was 265,749 shares. Accordingly, the Company is entitled to purchase, on any trading day, up to 66,437 Common Shares representing 25% of the average daily trading volume of the issued and outstanding Common Shares. These purchases will be made in accordance with applicable regulations over a maximum period of 12 months beginning on November 15, 2012 and ending on November 14, 2013. The consideration that the Company will pay for any Common Shares acquired by it on the open market under the Bid will be in cash at the market price of such Common Shares at the time of acquisition. Purchases made by way of private agreements would be at a discount to the prevailing market price of the common shares at the time of the acquisition, as provided in the relevant exemption order. Within the previous twelve months, Saputo purchased 4,786,800 of its Common Shares under the normal course issuer bid established in November 2011, at a weighted average price of $40.68 per share, for a total consideration of $194,744,065.

The Company believes that the purchase by Saputo of its own shares may, under appropriate circumstances, be a responsible investment of funds on hand.

To the Company's knowledge, no director, senior officer or associate of a director or senior officer of Saputo, person acting jointly or in concert with the Company, or person holding 10% or more of any class of equity securities of Saputo currently intends to sell any Common Shares under the Bid. However, sales by such persons through the facilities of TSX may occur if the personal circumstances of any such person change or if any such person makes a decision unrelated to the Bid. The benefits to any such person whose Common Shares are purchased under the Bid would be the same as the benefits available to all other holders whose Common Shares are likewise purchased.

Additional Information

For more information on the second 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 second 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 second quarter results of fiscal 2013 will be held on Wednesday, November 7, 2012 at 2:30 p.m. Eastern Time. To participate in the conference call, dial 1-800-732-5617. 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/3882 in your web browser.

For those unable to participate, a replay of the conference will be available until midnight, Wednesday, November 14, 2012. To access the replay dial 1-800-558-5253, ID number 21607471. 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, Nutrilait, 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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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 September 30, 2012 amounted to $1.745 billion, a decrease of $46.0 million or 2.6% in comparison to $1.791 billion for the corresponding quarter last fiscal year. This decrease was mainly due to a lower average block market per pound of cheese in the USA Dairy Products Sector and lower sales volumes in the CEA Dairy Products Sector as compared to the corresponding quarter last fiscal year. A more favourable dairy ingredients product mix in the US and higher selling prices in relation to the higher cost of milk in the Canadian Division partially offset this decrease. The fluctuation of the Canadian dollar increased revenues by approximately $7 million.

For the six-month period ended September 30, 2012, revenues totalled $3.444 billion, an increase of $13.3 million or 0.4% in comparison to $3.430 billion for the corresponding period last fiscal year. Higher selling prices in relation to the cost of milk as raw material in the Canadian and Argentinian Divisions, as well as increased sales volumes and a better product mix in the US and Canadian Divisions, partially contributed to this increase. Offsetting this increase was the negative impact of a lower average block market per pound of cheese in the USA Dairy Products Sector, as well as decreased sales volumes in the Argentinian Division, mainly in the export market. The fluctuation of the Canadian dollar increased revenues by approximately $34 million.

Consolidated earnings before interest, income taxes, depreciation and amortization (EBITDA) for the second quarter of fiscal 2013 amounted to $215.6 million, an increase of $2.5 million or 1.2% in comparison to $213.1 million for the same quarter last fiscal year. This increase is explained by favourable market factors of approximately $10 million and improved operational efficiencies in the US. These were partially offset by lower selling prices and sales volumes in the Argentinian Division, mainly in the export market. The weakening of the Canadian dollar compared to the US dollar positively impacted EBITDA, as compared to the same period last fiscal year.

For the six-month period ended September 30, 2012, EBITDA totalled $418.6 million, a decrease of $4.1 million or 1.0% in comparison to the $422.7 million for the corresponding period last fiscal year. This decrease is mainly due to lower selling prices and sales volumes in the Argentinean Division, mainly in the export market. Additionally, unfavourable market factors in the US, as well as the decisions rendered by the California Department of Food & Agriculture to increase the cost of milk in California, negatively impacted EBITDA, as compared to the corresponding period last fiscal year. Partially offsetting this negative impact were increases in volume and a favourable dairy ingredients product mix in the Canadian Division, as well as improved operational efficiencies in the USA Dairy Products Sector. The weakening of the Canadian dollar increased EBITDA as compared to the same quarter last fiscal year.

OTHER CONSOLIDATED RESULTS ITEMS

Depreciation and amortization for the second quarter of fiscal 2013 totalled $27.1 million, an increase of $2.1 million as compared to $25.0 million for the corresponding period last fiscal year. For the six-month period ended September 30, 2012, depreciation and amortization expense amounted to $54.3 million, an increase of $4.7 million as compared to $49.6 million for the corresponding period last fiscal year. This increase in depreciation and amortization for both the three and six-month periods reflects variations in the depreciable asset base and fluctuations in foreign exchange between the Canadian and the US dollar.

Net interest expense for the three-month period ended September 30, 2012 decreased by $2.1 million in comparison to the same period last fiscal year. For the six-month period ended September 30, 2012, net interest expense decreased by $2.0 million. Without considering the prior year's $2.3 million unrealized loss in foreign currency denominated intercompany advance in Canada, net interest expense would have been approximately at the same level in both years.

Income taxes for the second quarter of fiscal 2013 totalled $52.4 million, reflecting an effective tax rate of 28.8% compared to 29.2% for the same quarter last fiscal year. Income taxes for the six-month period ended September 30, 2012 totalled $100.0 million, reflecting an income tax rate of 28.4% in comparison to 29.2% for the same period 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 $129.7 million for the quarter ended September 30, 2012 compared to $127.1 million for the same quarter last fiscal year. For the six-month period ended September 30, 2012, net earnings totalled $251.5 million as compared to $253.6 million for the same period 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	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenues	**1,745.4**	1,698.3	1,703.5	1,796.5	1,791.4	1,639.0	1,481.3	1,534.8
EBITDA	**215.6**	203.0	201.0	207.3	213.1	209.6	194.5	191.1
Net earnings	**129.7**	121.8	(2.6)	129.8	127.1	126.6	100.4	112.1
Adjusted net earnings[1]	**129.7**	121.8	122.4	129.8	127.1	126.6	112.0	112.1
EPS								
Basic	**0.66**	0.61	0.00	0.64	0.63	0.62	0.49	0.55
Diluted	**0.65**	0.60	0.00	0.64	0.61	0.61	0.48	0.54
Adjusted EPS[1]								
Basic	**0.66**	0.61	0.62	0.64	0.63	0.62	0.55	0.55
Diluted	**0.65**	0.60	0.61	0.64	0.61	0.61	0.54	0.54

[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" 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	
	Q2	Q1	Q4	Q3
Market factors[1,2]	**10**	(14)	(24)	(4)
Inventory write-down	**-**	(3)	-	(4)
US currency exchange[1]	**2**	3	3	-

[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	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenues	**1,020.7**	1,025.0	1,009.6	1,042.2	1,032.5	970.2	921.2	995.2
EBITDA	**122.0**	127.8	121.9	131.9	135.7	125.3	113.0	126.0

Selected factors positively (negatively) affecting EBITDA

(in millions of CDN dollars)

Fiscal years	2013		2012	
	Q2	Q1	Q4	Q3
Market factors[1,2]	**-**	-	5.0	4.0
Inventory write-down	**-**	(3)	-	-

[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	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenues	**688.6**	640.4	658.9	722.7	723.7	636.5	528.2	502.9
EBITDA	**90.2**	72.2	75.5	72.7	74.4	80.8	81.4	61.5

Selected factors positively (negatively) affecting EBITDA

(in millions of CDN dollars)

Fiscal years	2013		2012	
	Q2	Q1	Q4	Q3
Market factors[1,2]	**10**	(14)	(29)	(8)
Inventory write-down	**-**	-	-	(4)
US currency exchange[1]	**2**	3	3	-

[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		
	Q2	Q1	Q4	Q3	Q2
Average block market per pound of cheese	**1.750**	1.539	1.522	1.760	2.006
Closing block price[1] per pound of cheese	**2.075**	1.650	1.490	1.563	1.720
Average w hey market price[2] per pound	**0.550**	0.500	0.630	0.650	0.590
Spread[3]	**0.060**	0.072	0.017	0.023	0.040
US average exchange rate to Canadian dollar[4]	**0.995**	1.010	1.002	1.023	0.976

[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	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenues	**36.1**	32.9	35.0	31.6	35.2	32.3	31.9	36.8
EBITDA	**3.4**	3.1	3.7	2.7	2.9	3.4	0.1	3.6

OUTLOOK

The Dairy Products Division (Canada) continues its efforts to recuperate lost volumes resulting from a challenging Canadian dairy market. Capital investments in the growing specialty cheese and value-added milk categories will continue in order to increase capacity and strengthen the Company's market presence. Also, efforts to pursue additional efficiencies and decrease costs will be maintained by a continual review of overall activities. We have initiated a project to consolidate distribution activities of the Greater Montreal area into one distribution center located in Saint-Laurent, Québec. This new center will comprise the distribution and logistics activities currently being conducted at our Saint-Laurent, Boucherville and Saint-Leonard locations, as well as some administrative offices of the Canadian Division. These changes will be implemented gradually as of the end of fiscal 2013 and should be completed in March 2014.

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 the domestic and export markets. The Division anticipates an increase in prices and demand for dairy products in the export market for the remainder of the fiscal year. A three-year project has begun to gradually increase manufacturing capacity and face future market growth. Capital expenditures will be part of our normal annual spending. The Division continues to face challenges mitigating the increasing cost of milk as raw material, while remaining competitive with selling prices in the export market. The Division will continue to analyze its operations in order to improve overall efficiencies.

The USA Dairy Products Sector continues to seek opportunities to mitigate the effect of higher milk costs resulting from amendments to the milk pricing formula in California. In addition, the Sector continues to monitor the fluctuating dairy markets in an effort to take appropriate decisions to mitigate the impact on its operations. The Sector will also continue to focus on improving operational efficiencies.

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

Prior to the annual shareholders' meeting of the Company held on July 31, 2012, two directors decided not to renew their mandates. One of them was acting as Lead Director of the Board and Chairman of the Corporate Governance and Human Resources Committee. Consequently, Mr. Pierre Bourgie, who has been a director of the Company for the last 15 years, was appointed in such roles. Additionally, two new directors, Mr. Henry E. Demone and Ms. Annalisa King, were elected to the Board of Directors at the annual shareholders' meeting.

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