

**FINANCIAL RESULTS FOR FISCAL 2017 THIRD QUARTER
ENDED DECEMBER 31, 2016**

***Net earnings at \$197.4 million, up 12.7% for the quarter
Adjusted net earnings at \$197.4 million, up 12.5% for the quarter***

(Montréal, February 2, 2017) – Saputo Inc. (TSX: SAP) (Saputo or the Company) reported today its financial results for the third quarter of fiscal 2017, which ended on December 31, 2016. 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 \$197.4 million, an increase of \$22.2 million or 12.7%.
- Adjusted net earnings¹ totalled \$197.4 million, an increase of \$22.0 million or 12.5%.
- Earnings before interest, income taxes, depreciation, amortization, gain on disposal of a business, acquisition and restructuring costs (adjusted EBITDA¹) amounted to \$346.6 million, an increase of \$26.2 million or 8.2%.
- Revenues for the quarter amounted to \$2.966 billion, an increase of \$65.1 million or 2.2%.
- Adjusted earnings per share¹ (basic and diluted) were \$0.50 and \$0.49, respectively for the quarter as compared to \$0.45 and \$0.44 for the corresponding quarter last fiscal year, an increase of 11.1% and 11.4% respectively.

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

(unaudited)	For the three-month periods ended December 31		For the nine-month periods ended December 31	
	2016	2015	2016	2015
Revenues	2,966.1	2,901.0	8,442.8	8,257.5
Adjusted EBITDA ¹	346.6	320.4	1,005.4	861.0
Net earnings	197.4	175.2	565.9	460.2
Adjusted net earnings ¹	197.4	175.4	565.9	462.1
Earnings per share				
Basic	0.50	0.44	1.44	1.17
Diluted	0.49	0.44	1.42	1.16
Adjusted earnings per share ¹				
Basic	0.50	0.45	1.44	1.18
Diluted	0.49	0.44	1.42	1.16

- In the Canada Sector, adjusted EBITDA increased due to better operational efficiencies, as well as higher sales volumes and a favourable product mix.
- In the USA Sector, the combined effect of the fluctuation of the average block market² per pound of cheese and the average butter market³ price per pound, as well as an unfavourable product mix negatively impacted revenues, as compared to the same quarter last fiscal year. Adjusted EBITDA increased due to a better alignment of selling prices with fluctuating commodity prices, lower ingredients costs and improved operational efficiencies. Market factors⁴ of approximately \$3 million negatively affected adjusted EBITDA, as compared to the same quarter last fiscal year.
- In the International Sector, revenues increased due to higher selling prices in the domestic market and higher sales volumes in both the domestic and export markets. Selling prices on the international cheese and dairy ingredient market have also increased during the quarter. Adjusted EBITDA was positively impacted by higher selling prices in the export market.
- The fluctuation of the Canadian dollar versus foreign currencies during the quarter had a negative impact on revenues of approximately \$44 million, as compared to the same quarter last fiscal year, mainly due to the weakening of the Argentine peso. This fluctuation positively impacted adjusted EBITDA by approximately \$3 million, as compared to the same quarter last fiscal year.
- The Board of Directors approved a dividend of \$0.15 per share payable on March 17, 2017 to common shareholders of record on March 7, 2017.

¹ Adjusted EBITDA, adjusted net earnings and adjusted earnings per share (basic and diluted) are non-IFRS measures. Refer to "Measurement of Results not in Accordance with International Financial Reporting Standards" included in the Management's Discussion and Analysis for the third quarter of fiscal 2017 for the definition of these terms.

² "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.

³ "Average butter market" is the average daily price for Grade AA Butter traded on the CME, used as the base price for butter.

⁴ 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, the market pricing impact related to sales of dairy ingredients, as well as the impact of the average butter market price related to dairy food product sales.

Retirement of Founding Chairman

Emanuele (Lino) Saputo, the Company's founding Chairman, has advised the Company that he will retire effective August 1, 2017 and that he will not be renewing his mandate as director at the Company's next shareholders' meeting.

Mr. Saputo has been with the Company since its inception in 1954 and was Chairman of the Board and Chief Executive Officer until 2004.

Effective August 1, 2017, Lino A. Saputo, Jr., the Company's Chief Executive Officer and Vice Chairman of the Board, will be appointed to the position of Chairman of the Board and will also retain his responsibilities as the Company's Chief Executive Officer.

Additional Information

For more information on the third quarter results of fiscal 2017, reference is made to the condensed interim consolidated financial statements, the notes thereto and to the Management's Discussion and Analysis for the third quarter of fiscal 2017. These documents can be obtained on SEDAR at www.sedar.com and in the "Investors and Media" section of the Company's website, at www.saputo.com.

Conference Call

A conference call to discuss the fiscal 2017 third quarter results will be held on Thursday, February 2, 2017 at 2:30 p.m. Eastern Standard Time. To participate in the conference call, dial 1-800-698-0460. To ensure your participation, please dial in approximately five minutes before the call.

To listen to this call on the Web, please enter <http://www.gowebcasting.com/8297> in your Web browser.

For those unable to participate, a replay of the conference will be available until 11:59 p.m., Thursday, February 9, 2017. To access the replay, dial 1-800-558-5253, ID number 21842178. A webcast will also be archived on www.saputo.com, in the "Investors and Media" section, under News Releases.

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. Saputo is one of the top ten dairy processors in the world, the largest cheese manufacturer and the leading fluid milk and cream processor in Canada, the third largest dairy processor in Argentina, and the fourth largest in Australia. In the US, Saputo ranks among the top three cheese producers and is one of the largest producers of extended shelf-life and cultured dairy products. Our products are sold in several countries under well-known brand names such as *Saputo*, *Alexis de Portneuf*, *Armstrong*, *COON*, *Cracker Barrel**, *Dairyland*, *DairyStar*, *Friendship Dairies*, *Frigo Cheese Heads*, *La Paulina*, *Milk2Go/Lait's Go*, *Neilson*, *Nutralait*, *Scotsburn**, *Stella*, *Sungold*, *Treasure Cave* and *Woolwich Dairy*. Saputo Inc. is a publicly traded company and its shares are listed on the Toronto Stock Exchange under the symbol "SAP".

*Trademark used under licence.

- 30 -

Media Inquiries

1-514-328-3141 / 1-866-648-5902

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 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 or future 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 2016 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 December 31, 2016 totalled \$2.966 billion, an increase of approximately \$65 million or 2.2%, as compared to \$2.901 billion for the corresponding quarter last fiscal year. The increase is mainly due to higher sales volumes and higher selling prices related to the increase of the cost of milk as raw material in the Canada Sector and the International Sector. Higher international selling prices of cheese and dairy ingredients increased revenues, as compared to the same quarter last fiscal year. This increase was partially offset by the fluctuation of the average block market¹ per pound of cheese and the average butter market² price per pound by approximately \$16 million, as compared to the same quarter last fiscal year. Moreover, the fluctuation of the Canadian dollar versus foreign currencies decreased revenues by approximately \$44 million.

For the nine-month period ended December 31, 2016, revenues totalled \$8.443 billion, an increase of approximately \$185 million or 2.2% in comparison to \$8.258 billion for the same period last fiscal year. The increase is mainly due to higher sales volumes and higher selling prices related to the increase of the cost of milk as raw material in the Canada Sector and the International Sector. The inclusion of revenues from the companies forming Woolwich Dairy (Woolwich Acquisition) positively impacted revenues. Additionally, revenues increased due to higher international selling prices of cheese that was partially offset by lower prices of dairy ingredients, as compared to the corresponding period last fiscal year. A lower average block market¹ per pound of cheese, partially offset by the fluctuation of the average butter market² price, decreased revenues by approximately \$59 million. Moreover, the fluctuation of the Canadian dollar versus foreign currencies decreased revenues by approximately \$81 million.

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.

² "Average butter market" is the average daily price for Grade AA Butter traded on the CME, used as the base price for butter.

Consolidated adjusted EBITDA for the third quarter of fiscal 2017 totalled \$346.6 million, an increase of \$26.2 million or 8.2% in comparison to \$320.4 million for the same quarter last fiscal year. The increase is due to better operational efficiencies higher selling prices of cheese and dairy ingredients, as well as higher sales volumes. Unfavourable market factors in the US of approximately \$3 million and an unfavourable product mix, as well as higher administrative expenses, mainly due to the ERP (Enterprise Resource Planning) initiative, decreased adjusted EBITDA. Also, the fluctuation of the Canadian dollar versus foreign currencies had a favourable impact on adjusted EBITDA of approximately \$3 million, as compared to the same quarter last fiscal year.

For the nine-month period ended December 31, 2016, adjusted EBITDA totalled \$1.005 billion, an increase of \$144.4 million or 16.8%, as compared to \$861.0 million for the corresponding period last fiscal year. The increase is due to higher sales volumes, better operational efficiencies, lower warehousing and logistical costs, as well as favourable market factors in the US which increased adjusted EBITDA by approximately \$6 million. Additionally, the inclusion of the Woolwich Acquisition positively impacted adjusted EBITDA. The increase was partially offset by lower international selling prices of cheese and dairy ingredients without a similar decline of the cost of milk as raw material, as well as higher administrative expenses, mainly due to the ERP initiative. As a result of lower international market selling prices, inventory was written down by approximately \$2 million, as compared to approximately \$13 million for the same period last fiscal year. Finally, the fluctuation of the Canadian dollar versus foreign currencies had a favourable impact on adjusted EBITDA of approximately \$17 million, as compared to the same period last fiscal year.

OTHER CONSOLIDATED RESULT ITEMS

Depreciation and amortization for the third quarter of fiscal 2017 totalled \$50.9 million, an increase of \$0.8 million, in comparison to \$50.1 million for the same quarter last fiscal year. For the nine-month period ended December 31, 2016, depreciation and amortization expense amounted to \$150.4 million, an increase of \$6.6 million, as compared to \$143.8 million for the corresponding period last fiscal year. These increases are mainly attributed to the fluctuation of the Canadian dollar versus foreign currencies, as well as additions to property, plant and equipment, increasing the depreciable base.

In fiscal 2016, **acquisition costs** amounted to \$0.3 million and \$2.7 million, respectively, for the three and nine-month periods ended December 31, 2015 (none in the current fiscal year).

Net interest expense for the three-month period ended December 31, 2016 decreased by \$9.6 million in comparison to the same quarter last fiscal year. For the nine-month period ended December 31, 2016, net interest expense decreased by \$22.4 million compared to the corresponding period last fiscal year. These decreases are mainly attributed to a lower level of long-term debt and lower bank loans denominated in Argentine peso which bear high interest rates.

Income taxes for the third quarter of fiscal 2017 totalled \$88.5 million, reflecting an effective tax rate of 31.0% compared to 30.1% for the same quarter last fiscal year. Income taxes for the nine-month period ended December 31, 2016 totalled \$256.3 million, reflecting an income tax rate of 31.2% in comparison to 30.2% for the same period last fiscal year. The income tax rate varies and could increase or decrease based on the amount and source of taxable income, amendments to tax legislations and income tax rates, changes in assumptions, as well as estimates used for tax assets and liabilities by the Company and its affiliates.

Net earnings totalled \$197.4 million for the quarter ended December 31, 2016, compared to \$175.2 million for the same quarter last fiscal year. For the nine-month period ended December 31, 2016, net earnings totalled \$565.9 million, as compared to \$460.2 million for the same period last fiscal year.

Adjusted net earnings totalled \$197.4 million for the quarter ended December 31, 2016, compared to \$175.4 million for the same quarter last fiscal year. For the nine-month period ended December 31, 2016 adjusted net earnings totalled \$565.9 million, as compared to \$462.1 million for the same period last fiscal year.

SELECTED QUARTERLY FINANCIAL INFORMATION

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

Fiscal years	2017			2016				2015
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Revenues	2,966.1	2,845.3	2,631.4	2,734.0	2,901.0	2,792.1	2,564.4	2,513.8
Adjusted EBITDA ¹	346.6	340.6	318.2	313.1	320.4	281.7	258.9	232.0
Net earnings	197.4	191.8	176.7	141.2	175.2	148.6	136.4	157.4
Gain on disposal of a business ²	–	–	–	–	–	–	–	(25.9)
Acquisition costs ²	–	–	–	0.5	0.2	1.1	0.6	0.5
Restructuring costs ²	–	–	–	23.1	–	–	–	(4.7)
Adjusted net earnings ¹	197.4	191.8	176.7	164.8	175.4	149.7	137.0	127.3
Attributable to:								
Shareholders of Saputo Inc.	196.1	190.9	176.5	165.0	174.7	149.0	137.9	126.3
Non-controlling interest	1.3	0.9	0.2	(0.2)	0.7	0.7	(0.9)	1.0
	197.4	191.8	176.7	164.8	175.4	149.7	137.0	127.3
Earnings per share								
Basic	0.50	0.49	0.45	0.36	0.44	0.38	0.35	0.40
Diluted	0.49	0.48	0.44	0.36	0.44	0.37	0.34	0.39
Adjusted earnings per share ¹								
Basic	0.50	0.49	0.45	0.42	0.45	0.38	0.35	0.32
Diluted	0.49	0.48	0.44	0.41	0.44	0.38	0.34	0.32

¹ Adjusted EBITDA, 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 in the Management's Discussion and Analysis for the third quarter of fiscal 2017 for the definition of these terms.

² Net of income taxes.

Consolidated selected factors positively (negatively) affecting adjusted EBITDA

(in millions of CDN dollars)

Fiscal years	2017			2016			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Market factors ^{1,2}	(3)	20	(11)	9	(4)	(37)	3
Inventory write-down	–	(1)	(1)	(5)	–	–	(13)
Foreign currency exchange ^{1,3}	3	3	11	15	29	27	15

¹ As compared to the same quarter of the last 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, the market pricing impact related to sales of dairy ingredients, as well as the impact of the average butter market price related to dairy food product sales.

³ Foreign currency exchange includes effect on adjusted EBITDA of conversion of US dollars, Australian dollars and Argentine pesos to Canadian dollars.

INFORMATION BY SECTOR

Canada Sector

(in millions of CDN dollars)

Fiscal years	2017			2016			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenues	1,044.5	1,029.0	979.1	932.8	992.7	958.5	917.5
Adjusted EBITDA ¹	116.9	119.8	112.3	108.5	107.5	99.4	98.1

¹ Adjusted EBITDA is a non-IFRS measure. Refer to the section "Measurement of Results not in Accordance with International Financial Reporting Standards" included in the Management's Discussion and Analysis for the third quarter of fiscal 2017 for the definition of this term.

The Canada Sector consists of the Dairy Division (Canada).

USA Sector

(in millions of CDN dollars)

Fiscal years	2017			2016			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenues	1,537.4	1,491.6	1,348.5	1,449.3	1,574.9	1,459.2	1,303.3
Adjusted EBITDA ¹	200.1	196.1	187.5	191.0	190.1	172.7	171.7

¹ Adjusted EBITDA is a non-IFRS measure. Refer to the section "Measurement of Results not in Accordance with International Financial Reporting Standards" included in the Management's Discussion and Analysis for the third quarter of fiscal 2017 for the definition of this term.

Selected factors positively (negatively) affecting adjusted EBITDA

(in millions of CDN dollars)

Fiscal years	2017			2016			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Market factors ^{1,2}	(3)	20	(11)	9	(4)	(37)	3
US currency exchange ¹	-	-	8	15	25	27	15

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 on the relationship between the average block market per pound of cheese and the cost of milk as raw material, the market pricing impact related to sales of dairy ingredients, as well as the impact of the average butter market price related to dairy food product sales.

Other pertinent information

(in US dollars, except for average exchange rate)

Fiscal years	2017			2016			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Average block market per pound of cheese	1.738	1.689	1.412	1.479	1.582	1.679	1.642
Closing block price per pound of cheese ¹	1.660	1.533	1.660	1.460	1.508	1.670	1.620
Average butter market price per pound	1.997	2.149	2.125	2.055	2.562	2.243	1.877
Closing butter market price per pound ²	2.268	1.898	2.350	1.955	2.080	2.510	1.918
Average whey market price per pound ³	0.380	0.299	0.241	0.247	0.226	0.309	0.430
Spread ⁴	0.112	0.119	0.125	0.128	0.152	0.120	0.078
US average exchange rate to Canadian dollar ⁵	1.334	1.305	1.288	1.371	1.333	1.309	1.229

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 Closing butter market price is the price for Grade AA Butter traded on the CME, on the last business day of each quarter.

³ Average whey market price is based on Dairy Market News published information.

⁴ 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.

⁵ Based on Bank of Canada published information.

The USA Sector consists of the Cheese Division (USA) and the Dairy Foods Division (USA).

International Sector

(in millions of CDN dollars)

Fiscal years	2017			2016			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenues	384.2	324.7	303.8	351.9	333.4	374.4	343.6
Adjusted EBITDA ¹	29.6	24.7	18.4	13.6	22.8	9.6	(10.9)

¹ Adjusted EBITDA is a non-IFRS measure. Refer to the section "Measurement of Results not in Accordance with International Financial Reporting Standards" included in the Management's Discussion and Analysis for the third quarter of fiscal 2017 for the definition of this term.

Selected factors positively (negatively) affecting adjusted EBITDA

(in millions of CDN dollars)

Fiscal years	2017			2016			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Inventory write-down	-	(1)	(1)	(5)	-	-	(13)
Foreign currency exchange ¹	4	1	3	-	4	-	-

¹ As compared to same quarter of previous fiscal year.

The International Sector consists of the Dairy Division (Argentina), the Dairy Division (Australia) and the Dairy Ingredients Division. The Dairy Ingredients Division includes national and export ingredients sales from the North American divisions, as well as cheese exports from these same divisions.

OUTLOOK

International cheese and dairy ingredient markets have recovered since last quarter. Despite typical fluctuations inherent to international markets, we do not expect significant decreases in international cheese prices in the calendar year 2017. As for the dairy ingredient market, we expect the prices to remain relatively stable for the same period.

In Canada, the prevailing competitive market is anticipated to continue over the course of the next fiscal year and remains a challenge for the Company. In order to mitigate downward margin pressures, low growth and competitive market conditions, we will continue to focus on reviewing overall activities to improve operational efficiency. As such, we completed the closure of our Sydney (Nova Scotia) plant in June 2016 and the Princeville (Quebec) plant in August 2016, and will close the Ottawa (Ontario) plant in December 2017, as previously announced. As of April 1, 2017, all merchandising duties in the Atlantic region will be transferred to retailers. This restructuring will impact approximately 190 employees, who will be provided severance and outplacement support. We will continue to support our leading brands in an effort to pursue growth and strengthen our market presence through various promotions, advertising and innovative packaging aimed at enhancing customer experience.

In the Cheese Division (USA), we will focus on increasing operational efficiencies and controlling costs in order to mitigate the negative impact on adjusted EBITDA of the international cheese and dairy ingredient market fluctuations. We will continue investments aimed at enhancing blue cheese production capacity and strengthening our position as a category leader in the market.

The Company benefits from the implementation of its business management model within the Dairy Foods Division (USA), including various measures aimed at being a low-cost producer. The Dairy Foods Division (USA) continues to focus on optimization and maximizing investment in its existing network in order to benefit from new capabilities in production, enable future growth, meet customer demand and bring new products to market. The Company will keep investing to support production capabilities, and further strengthen its competitive cost position.

The International Sector will continue to pursue sales volumes growth in existing markets, as well as develop additional international markets. Also, the Sector will pursue growth of cheese export sales volumes from the Cheese Division (USA) to the extent US milk pricing is competitive with world prices. The Sector will continue to evaluate overall activities to improve efficiencies and will aim to maximize its operational flexibility to mitigate fluctuations in market conditions. The Company intends to pursue its growth activities through investment in capital projects aimed at increasing manufacturing capacity.

Innovation has always been a priority, enabling us to offer products that meet consumer needs. Accordingly, additional resources have been allocated to product innovation, allowing us to continue to forge and secure long-term relationships with both customers and consumers.

The Company continues to migrate to a new ERP system, a five-year project announced in fiscal 2015 which started in fiscal 2016 and includes planning, designing and implementing the system.

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