



**FINANCIAL RESULTS FOR FISCAL 2014 SECOND QUARTER
ENDED SEPTEMBER 30, 2013**

***Net earnings at \$133.3 million, up 2.8% for the quarter
Net earnings at \$270.0 million, up 7.4% since the beginning of the fiscal year***

(Montréal, November 7, 2013) – Saputo Inc. (TSX: SAP) (Saputo or the Company) reported today its financial results for the second quarter of fiscal 2014, which ended on September 30, 2013. 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 \$133.3 million, an increase of \$3.6 million or 2.8%.
- Earnings before interest, income taxes, depreciation and amortization (EBITDA) amounted to \$240.4 million, an increase of \$24.8 million or 11.5%.
- Revenues for the quarter amounted to \$2.230 billion, an increase of \$484.9 million or 27.8%.
- Basic earnings per share (EPS) was \$0.68 and diluted EPS was \$0.67 for the quarter, an increase of 3.0%, as compared to basic EPS of \$0.66 and diluted EPS of \$0.65 for the corresponding quarter last fiscal year.

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

	September 30, 2013	For the three-month periods ended	
		September 30, 2012	June 30, 2013
Revenues	2,230.3	1,745.4	2,173.5
EBITDA	240.4	215.6	242.1
Net earnings	133.3	129.7	136.7
EPS			
Basic	0.68	0.66	0.70
Diluted	0.67	0.65	0.69

- As of April 1, 2013, the Company realigned its reporting structure consistent with its operating structure and now reports under three geographic sectors: the Canada Sector, the USA Sector and the International Sector. The comparative figures have been reclassified to reflect this new reporting structure.
- The acquisition of Morningstar Foods, LLC (Morningstar Acquisition) on January 3, 2013, renamed Saputo Dairy Foods USA, LLC, contributed to revenues and EBITDA in the USA Sector for the quarter.
- In the USA Sector, the average block market¹ per pound of cheese decreased by US\$0.02 compared to the same period last fiscal year, decreasing revenues. Also in the USA Sector, market factors negatively impacted EBITDA.
- The Canada Sector EBITDA increased slightly due to the positive impact of a favourable product mix, offsetting higher costs.
- The International Sector EBITDA increased due to higher prices in the international market.
- The fluctuation of the Canadian dollar versus the US dollar and the Argentinean peso 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 \$0.23 per share payable on December 13, 2013 to common shareholders of record on December 3, 2013.

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

	September 30, 2013	For the six-month periods ended
		September 30, 2012
Revenues	4,403.9	3,443.7
EBITDA	482.5	418.6
Net earnings	270.0	251.5
EPS		
Basic	1.38	1.27
Diluted	1.36	1.25

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 9,708,299 Common Shares over the 12-month period starting on November 15, 2013, representing approximately 5% of its 194,165,996 issued and outstanding Common Shares as of October 31, 2013. 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, 2013 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, 2013, the average daily trading volume of Saputo's Common Shares was 252,915 shares. Accordingly, the Company is entitled to purchase, on any trading day, up to 63,228 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, 2013 and ending on November 14, 2014. 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 12 months, Saputo purchased 4,451,800 of its Common Shares under the normal course issuer bid established in November 2012, at a weighted average price of \$47.74 per share, for a total consideration of \$212,543,459.

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 2014, 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 2014. 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 2014 will be held on Thursday, November 7, 2013 at 2:30 p.m. Eastern Time. To participate in the conference call, dial 1-800-624-2161. 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/4942 in your web browser.

For those unable to participate, a replay of the conference will be available until 11:59 PM on November 14, 2013. To access the replay dial 1-800-558-5253, ID number 21675827. 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 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 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*, *Frigo Cheese Heads*, *Great Midwest*, *King's Choice*, *Kingsey*, *La Paulina*, *Milk2Go*, *Neilson*, *Nutrilaït*, *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".

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Media and Investor Relations

Sandy Vassiadis
Director, Corporate Communications
514-328-3347

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 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 2013 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, 2013 amounted to \$2.230 billion, an increase of \$484.9 million or 27.8% in comparison to \$1.745 billion for the corresponding quarter last fiscal year. This increase was mainly due to the inclusion of the revenues derived from the Morningstar Acquisition. Also, higher selling prices in relation to the higher cost of milk in both the Canada and International Sectors, as well as a better product mix in the Canada Sector, contributed to this increase. Lower cheese sales volumes in the USA Sector, as compared to the corresponding quarter last fiscal year, partially offset this increase. The fluctuation of the Canadian dollar versus the US dollar and Argentinean peso increased revenues by approximately \$10 million.

For the six-month period ended September 30, 2013, revenues totalled \$4.404 billion, an increase of \$960.2 million or 27.9% in comparison to \$3.444 billion for the corresponding period last fiscal year. The inclusion of revenues derived from the Morningstar Acquisition principally contributed to this increase. Increased sales volumes and higher selling prices in relation to the higher cost of milk in the Canada and International Sectors, as well as a better product mix in the Canada Sector, partially contributed to this increase. Also contributing to this increase was the positive impact of the higher average block market per pound of cheese in the USA Sector, partially offset by lower cheese sales volumes in this sector. The fluctuation of the Canadian dollar increased revenues by approximately \$4 million.

Consolidated earnings before interest, income taxes, depreciation and amortization (EBITDA) for the second quarter of fiscal 2014 amounted to \$240.4 million, an increase of \$24.8 million or 11.5% in comparison to \$215.6 million for the same quarter last fiscal year. This increase is mainly explained by EBITDA derived from the Morningstar Acquisition. Selling price increases in the International Sector and a favourable product mix in the Canada Sector also contributed to the increase in EBITDA. Unfavourable market factors and lower cheese sales volumes in the USA Sector partially offset the EBITDA increase. The fluctuation of the Canadian dollar had a favourable impact on EBITDA, as compared to the same period last fiscal year.

For the six-month period ended September 30, 2013, EBITDA totalled \$482.5 million, an increase of \$63.9 million or 15.3% in comparison to \$418.6 million for the corresponding period last fiscal year. This increase is mainly explained by EBITDA derived from the Morningstar Acquisition. Higher selling prices in the International Sector, as well as a favourable product mix in the Canada Sector, also contributed to EBITDA. Unfavourable market factors and lower cheese sales volumes in the USA Sector partially offset this increase. Additionally, in the USA Sector, the decision rendered by the California Department of Food & Agriculture to adopt a temporary price increase for the cost of milk in California, as well as increased operational costs in both Canada and the US, negatively impacted EBITDA, as compared to the corresponding period last fiscal year. The fluctuation of the Canadian dollar increased EBITDA, as compared to the same period last fiscal year.

OTHER CONSOLIDATED RESULTS ITEMS

Depreciation and amortization for the second quarter of fiscal 2014 totalled \$35.7 million, an increase of \$8.6 million, as compared to \$27.1 million for the corresponding period last fiscal year. For the six-month period ended September 30, 2013, depreciation and amortization expense amounted to \$70.0 million, an increase of \$15.7 million, as compared to \$54.3 million for the corresponding period last fiscal year. This increase in depreciation and amortization for both the three and six-month periods is essentially related to the Morningstar Acquisition and also reflects fluctuations in foreign exchange rates between the Canadian and the US dollar.

Net interest expense for the three and six-month periods ended September 30, 2013 increased by \$10.1 and \$19.0 million, respectively, in comparison to the same period last fiscal year. This increase is mainly attributed to a higher level of debt resulting from the Morningstar Acquisition.

Income taxes for the second quarter of fiscal 2014 totalled \$54.8 million, reflecting an effective tax rate of 29.1% compared to 28.8% for the same quarter last fiscal year. Income taxes for the six-month period ended September 30, 2013 totalled \$110.6 million, reflecting an income tax rate of 29.1% in comparison to 28.4% 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 \$133.3 million for the quarter ended September 30, 2013, compared to \$129.7 million for the same quarter last fiscal year. For the six-month period ended September 30, 2013, net earnings totalled \$270.0 million, as compared to \$251.5 million for the same period last fiscal year. These reflect the various factors analyzed in this news release.

SELECTED QUARTERLY FINANCIAL INFORMATION

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

Fiscal years	2014		2013				2012	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenues	2,230.3	2,173.5	2,053.3	1,800.6	1,745.4	1,698.3	1,703.5	1,796.5
EBITDA	240.4	242.1	229.7	212.5	215.6	203.0	201.0	207.3
Net earnings	133.3	136.7	100.5	130.0	129.7	121.8	(2.6)	129.8
Adjusted net earnings ¹	133.3	136.7	129.2	130.0	129.7	121.8	122.4	129.8
EPS								
Basic	0.68	0.70	0.51	0.66	0.66	0.61	0.00	0.64
Diluted	0.67	0.69	0.51	0.65	0.65	0.60	0.00	0.64
Adjusted EPS ¹								
Basic	0.68	0.70	0.65	0.66	0.66	0.61	0.62	0.64
Diluted	0.67	0.69	0.65	0.65	0.65	0.60	0.61	0.64

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 2013 Annual Report for the definition of these terms.

Consolidated selected factors positively (negatively) affecting EBITDA

(in millions of CDN dollars)

Fiscal years	2014		2013			
	Q2	Q1	Q4	Q3	Q2	Q1
Market factors ^{1 2}	(17)	12	5	8	10	(14)
Inventory write-down	-	-	-	-	-	(3)
US currency exchange ¹	4	1	-	(3)	2	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

Canada Sector

(in millions of CDN dollars)

Fiscal years	2014		2013			
	Q2	Q1	Q4	Q3	Q2	Q1
Revenues	920.5	896.0	856.0	937.9	892.2	891.9
EBITDA	116.7	115.7	119.1	123.4	116.2	118.0

The Canada Sector includes the Dairy Division (Canada) and the Bakery Division.

USA Sector

(in millions of CDN dollars)

Fiscal years	2014		2013			
	Q2	Q1	Q4	Q3	Q2	Q1
Revenues	1,078.6	1,053.3	971.3	663.5	632.7	581.5
EBITDA	107.9	112.6	103.1	80.8	89.1	70.8

Selected factors positively (negatively) affecting EBITDA

(in millions of CDN dollars)

Fiscal years	2014		2013			
	Q2	Q1	Q4	Q3	Q2	Q1
Market factors ^{1 2}	(17)	12	5	8	10	(14)
US currency exchange ¹	4	1	-	(3)	2	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	2014		2013			
	Q2	Q1	Q4	Q3	Q2	Q1
Average block market per pound of cheese	1.735	1.779	1.668	1.955	1.750	1.539
Closing block price ¹ per pound of cheese	1.765	1.638	1.693	1.760	2.075	1.650
Average whey market price ² per pound	0.580	0.580	0.580	0.620	0.550	0.500
Spread ³	0.041	0.046	0.017	0.028	0.060	0.072
US average exchange rate to Canadian dollar ⁴	1.039	1.023	1.009	0.991	0.995	1.010

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.

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

International Sector

(in millions of CDN dollars)

Fiscal years	2014		2013			
	Q2	Q1	Q4	Q3	Q2	Q1
Revenues	231.2	224.2	226.0	199.3	220.5	225.0
EBITDA	15.8	13.8	7.5	8.3	10.3	14.2

Selected factors positively (negatively) affecting EBITDA

(in millions of CDN dollars)

Fiscal years	2014		2013			
	Q2	Q1	Q4	Q3	Q2	Q1
Inventory write-down	-	-	-	-	-	(3)

The International Sector includes the Dairy Division (Argentina) and the Dairy Ingredients Division. The Dairy Ingredients Division includes national and export ingredients sales, as well as cheese exports from the North American divisions. The Dairy Division (Europe) ceased operations in the first quarter of fiscal 2014, as announced in late fiscal 2013, and its results are included in the comparative figures.

OUTLOOK

The Dairy Division (Canada) continues to seek volume growth in the cheese and fluid milk categories, including the value-added milk category, which offers high potential for growth. The division will pursue investments in product categories, such as specialty cheeses, with the intention to maximize exposure across Canada using its coast-to-coast distribution capabilities. The property, plant and equipment investments in certain of our Canadian facilities, announced in March 2013 as part of the fiscal 2014 plant consolidation initiative, is also moving along as planned. In addition, the Company will continue to focus on increasing sales volumes in the snack-cake category, mainly through the development of sales in the US market. On October 18, 2013, Canada and the European Union jointly announced they had reached an agreement in principle in respect of the Comprehensive Economic Trade Agreement (CETA). The parties will now seek to conclude the formal text of CETA and seek its ratification, which is expected to take about two years. Thereafter, it is further expected that CETA's implementation will be phased-in over a number of years. Once fully implemented, the annual volume of European-manufactured cheese permitted to enter the Canadian market on a preferential tariff basis will double from the current volume to an estimated 30,000 tonnes.

The USA Sector will continue to integrate the Dairy Foods Division (USA) to seek further improvements, synergies and market opportunities. The Sector will also pursue volume growth and evaluate opportunities in the specialty cheese category. Improved efficiencies in both manufacturing and distribution facilities across the US remain a priority in fiscal 2014. Fluctuations in the dairy market will continue to be monitored and appropriate measures to mitigate operational impacts will be implemented. Mitigating opportunities from the effect of the higher milk costs resulting from amendments to the milk pricing formula in California will continue to be sought. On June 21, 2013, the California Department of Food and Agriculture (CDFA) enacted another temporary change to the milk pricing formula for California milk. This temporary measure was in effect from July 1, 2013 to December 31, 2013. However, on October 22, 2013, the CDFA announced a decision effectively extending this temporary price increase through to June 30, 2014. For the six months leading to the end of the fiscal year, this increase in class 4b milk price is expected to have a negative impact on EBITDA of approximately US\$3 million.

The International Sector will continue to face challenges relating to the cost of milk as raw material, while remaining competitive with selling prices in the international market. The Sector anticipates that the price and demand for dairy products in the international market should remain at current levels until the end of fiscal 2014. The expansion project to gradually increase manufacturing capacity in the Dairy Division (Argentina) is proceeding as planned. The Sector will also continue to focus on improving overall efficiencies.

On October 7, 2013, the Company announced a takeover bid for the Australian dairy company Warrnambool Cheese and Butter Factory Company Holdings Limited (Warrnambool). The directors of Warrnambool have unanimously recommended that Warrnambool shareholders accept the Company's offer in the absence of a superior proposal. The offer was launched on October 30, 2013 and is subject to a limited number of conditions (including foreign investment approval and a minimum tender condition of greater than 50%). Based on the current issued share capital of Warrnambool, the purchase price for 100% of the shares of Warrnambool would be approximately \$444 million and will be funded by the Company's new \$500 million three year term bank loan. See Note 12 to the condensed interim consolidated financial statements. There can be no assurance that the Company's offer will be successful, either in whole or in part, as Warrnambool is also the subject of other non-solicited takeover offers and proposals.

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