

**FINANCIAL RESULTS FOR FISCAL 2015 FIRST QUARTER
ENDED JUNE 30, 2014**

Net earnings at \$145.3 million, up 6.3%

(Montréal, August 5, 2014) – Saputo Inc. (TSX: SAP) (Saputo or the Company) reported today its financial results for the first quarter of fiscal 2015, which ended on June 30, 2014. 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 \$145.3 million, an increase of \$8.6 million or 6.3%.
- Earnings before interest, income taxes, depreciation and amortization (EBITDA) amounted to \$268.9 million, an increase of \$26.8 million or 11.1%.
- Revenues for the quarter amounted to \$2.621 billion, an increase of \$447.3 million or 20.6%.
- Basic earnings per share (EPS) was \$0.74 and diluted EPS was \$0.73 for the quarter as compared to basic EPS of \$0.70 and diluted EPS of \$0.69 for the corresponding quarter last fiscal year, an increase of 5.7%.

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

| (unaudited) | For the three-month periods ended | | |
|------------------------------------|-----------------------------------|---------------|----------------|
| | June 30, 2014 | June 30, 2013 | March 31, 2014 |
| Revenues | 2 620,8 | 2 173,5 | 2 485,9 |
| Adjusted EBITDA ¹ | 268,9 | 242,1 | 277,8 |
| Net earnings | 145,3 | 136,7 | 119,8 |
| Adjusted net earnings ¹ | 145,3 | 136,7 | 152,8 |
| EPS | | | |
| Basic | 0,74 | 0,70 | 0,61 |
| Diluted | 0,73 | 0,69 | 0,61 |
| Adjusted EPS ¹ | | | |
| Basic | 0,74 | 0,70 | 0,78 |
| Diluted | 0,73 | 0,69 | 0,78 |

- The acquisition of Warrnambool Cheese & Butter Factory Company Holdings Limited (Warrnambool Acquisition), for which operations have been consolidated since January 21, 2014, contributed to revenues and EBITDA in the International Sector for the full quarter.
- On April 14, 2014, the Company completed the acquisition of the fluid milk activities of Scotsburn Co-Operative Services Limited (Scotsburn Acquisition), which contributed to the revenues and EBITDA of the Canada Sector.
- In the USA Sector, the average block market² per pound of cheese increased by US\$0.38 and the average butter market³ price per pound increased by US\$0.51 compared to the same period last fiscal year, increasing revenues. Market factors⁴ in the USA Sector negatively impacted EBITDA.
- The Canada Sector EBITDA decreased mainly due to higher ingredients and operational costs.
- The International Sector EBITDA increased due to the contribution of the Dairy Division (Australia) and higher selling prices in the export 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.

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 on page 6 of the Management's Discussion and Analysis included in the Company's 2014 Annual Report 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 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.

Dividend

Quarterly Dividend

The Board of Directors reviewed the dividend policy and increased the quarterly dividend from \$0.23 per share to \$0.26 per share, representing a 13% increase. The quarterly dividend will be payable on September 15, 2014 to common shareholders of record on September 4, 2014.

Stock Dividend (2-For-1 Stock Split)

Saputo also announced today that its Board of Directors has declared a stock dividend of one common share of Saputo per each issued and outstanding common share, which has the same effect as a two-for-one stock split of Saputo's outstanding common shares. Each shareholder will therefore receive one common share for each common share held.

The stock dividend on the common shares will be paid on Monday, September 29, 2014 to shareholders of record as of the close of business on Friday, September 19, 2014, the record date for the stock dividend. This stock dividend is subject to obtaining all necessary regulatory approvals.

Shareholders do not need to take any action in order to receive this stock dividend. Saputo has recently moved to a direct registration system for its common shares. Computershare Trust Company of Canada, Saputo's transfer agent, will send to registered shareholders a notice under the direct registration system indicating the number of additional shares that they receive as a result of the stock dividend. These additional common shares will be held in book entry form and registered electronically in the transfer agent's recordkeeping system, unless a physical share certificate is requested by the registered shareholder. Beneficial owners of common shares held through a brokerage account will have their accounts automatically updated to reflect the stock dividend.

The Toronto Stock Exchange has determined to implement due bill trading in connection with the stock dividend. A due bill is an entitlement attached to listed securities undergoing a material corporate action, such as a stock split. In this instance, anyone purchasing a common share of Saputo during the period commencing two trading days before the record date (Wednesday, September 17, 2014) and ending on the payment date (Monday, September 29, 2014) inclusively, shall receive a right, meaning the right to receive the stock dividend provided that person still holds the common shares on the payment date. Any trades that are executed on the Toronto Stock Exchange during this period will be flagged to ensure purchasers receive the entitlement to the stock dividend. The common shares will commence trading on an ex-dividend basis (split basis) on Tuesday, September 30, 2014. The due bill redemption date will be Thursday, October 2, 2014.

For Canadian income tax purposes, the aggregate amount of the stock dividend is nominal. Accordingly, there will be no Canadian income tax payable by the shareholders with respect to the stock dividend. Also, the stock dividend will not dilute shareholders' equity. All share and per share data for future periods will reflect the stock dividend. For more information, shareholders and beneficial owners should consult their own tax advisor.

Additional Information

For more information on the first quarter results of fiscal 2015, 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 2015. 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 2015 first quarter results will be held on Tuesday, August 5, 2014 at 1:00 p.m. Eastern Time. To participate in the conference call, dial 1-800-621-6136. 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/5683> in your Web browser.

For those unable to participate, a replay of the conference will be available until 11:59 p.m., Tuesday, August 12, 2014. To access the replay, dial 1-800-558-5253, ID number 21728176. 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. We are one of the top ten dairy processors in the world, the largest in Canada, the third in Argentina and the fourth in Australia. In the US, the Company 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 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*, *Nutrilait*, *Ricrem*, *Salemville*, *Scotsburn*, *Stella*, *Sungold* 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

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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 2014 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, 2014 amounted to \$2.621 billion, an increase of \$447.3 million or 20.6% in comparison to \$2.174 billion for the corresponding quarter last fiscal year. This increase is due to the inclusion of the Dairy Division (Australia) / Warrnambool Acquisition in the International Sector, which contributed to revenues for a full quarter. Also, a higher average block market per pound of cheese as well as a higher average butter market price in the USA Sector increased revenues as compared to the corresponding quarter last fiscal year. Higher selling prices in relation to the higher cost of milk in the Canada and International sectors, as well as higher sales volumes in the Canada and USA sectors contributed to this increase. The fluctuation of the Canadian dollar versus the US dollar and Argentinean peso increased revenues by approximately \$34 million.

Consolidated earnings before interest, income taxes, depreciation and amortization (EBITDA) for the first quarter of fiscal 2015 amounted to \$268.9 million, an increase of \$26.8 million or 11.1% in comparison to \$242.1 million for the same quarter last fiscal year. Included in EBITDA is the contribution of the Dairy Division (Australia) for a full quarter. Higher selling prices in the export market as well as higher sales volumes in Canada were partially offset by higher ingredients and operational costs in both the Canada and International Sectors. Unfavourable market factors in the USA Sector negatively affected EBITDA, and were partially offset by increased sales volumes and a decrease in operational costs. The fluctuation of the Canadian dollar had a favourable impact on EBITDA, as compared to the same period last fiscal year.

OTHER CONSOLIDATED RESULTS ITEMS

Depreciation and amortization for the first quarter of fiscal 2015 totalled \$38.9 million, an increase of \$4.6 million, as compared to \$34.3 million for the corresponding period last fiscal year. This increase is essentially related to the additional depreciation and amortization expense from the Warrnambool Acquisition. It also reflects fluctuations in foreign exchange rates between the Canadian and the US dollar.

Net interest expense for the three-month period ended June 30, 2014 increased by \$4.2 million in comparison to the same period last fiscal year. This increase is mainly attributed to a higher level of debt resulting from the Warrnambool Acquisition.

Income taxes for the first quarter of fiscal 2015 totalled \$65.1 million, reflecting an effective tax rate of 30.9% compared to 29.0% 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 \$145.3 million for the quarter ended June 30, 2014, compared to \$136.7 million for the same quarter 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 | 2015 | 2014 | | | | 2013 | | |
|------------------------------------|----------------|---------|---------|---------|---------|---------|---------|---------|
| | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 |
| Revenues | 2,620.8 | 2,485.9 | 2,343.2 | 2,230.3 | 2,173.5 | 2,053.3 | 1,800.6 | 1,745.4 |
| Adjusted EBITDA ¹ | 268.9 | 277.8 | 260.0 | 240.4 | 242.1 | 229.7 | 212.5 | 215.6 |
| Net earnings | 145.3 | 119.8 | 144.1 | 133.3 | 136.7 | 100.5 | 130.0 | 129.7 |
| Adjusted net earnings ¹ | 145.3 | 152.8 | 144.1 | 133.3 | 136.7 | 129.2 | 130.0 | 129.7 |
| EPS | | | | | | | | |
| Basic | 0.74 | 0.61 | 0.74 | 0.68 | 0.70 | 0.51 | 0.66 | 0.66 |
| Diluted | 0.73 | 0.61 | 0.73 | 0.67 | 0.69 | 0.51 | 0.65 | 0.65 |
| Adjusted EPS ¹ | | | | | | | | |
| Basic | 0.74 | 0.78 | 0.74 | 0.68 | 0.70 | 0.65 | 0.66 | 0.66 |
| Diluted | 0.73 | 0.78 | 0.73 | 0.67 | 0.69 | 0.65 | 0.65 | 0.65 |

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 on page 6 of the Management's Discussion and Analysis included in the Company's 2014 Annual Report for the definition of these terms.

Consolidated selected factors positively (negatively) affecting EBITDA

(in millions of CDN dollars)

| Fiscal years | 2015 | 2014 | | | |
|-----------------------------------|-------------|------|----|------|----|
| | Q1 | Q4 | Q3 | Q2 | Q1 |
| Market factors ^{1 2} | (35) | 16 | 9 | (17) | 12 |
| US currency exchange ¹ | 7 | 9 | 5 | 4 | 1 |

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, 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.

INFORMATION BY SECTOR

Canada Sector

(in millions of CDN dollars)

| Fiscal years | 2015 | 2014 | | | |
|--------------|-------|-------|-------|-------|-------|
| | Q1 | Q4 | Q3 | Q2 | Q1 |
| Revenues | 949.1 | 881.4 | 955.6 | 920.5 | 896.0 |
| EBITDA | 113.3 | 108.9 | 116.1 | 116.7 | 115.7 |

The Canada Sector includes the Dairy Division (Canada) and the Bakery Division. The Bakery Division represents less than 5% of the Sector's revenues.

USA Sector

(in millions of CDN dollars)

| Fiscal years | 2015 | 2014 | | | |
|--------------|---------|---------|---------|---------|---------|
| | Q1 | Q4 | Q3 | Q2 | Q1 |
| Revenues | 1,291.9 | 1,220.0 | 1,138.0 | 1,078.6 | 1,053.3 |
| EBITDA | 117.8 | 128.1 | 121.1 | 107.9 | 112.6 |

Selected factors positively (negatively) affecting EBITDA

(in millions of CDN dollars)

| Fiscal years | 2015 | 2014 | | | |
|-----------------------------------|------|------|----|------|----|
| | Q1 | Q4 | Q3 | Q2 | Q1 |
| Market factors ^{1 2} | (35) | 16 | 9 | (17) | 12 |
| US currency exchange ¹ | 7 | 9 | 5 | 4 | 1 |

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, 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 | 2015 | 2014 | | | |
|--|---------|-------|-------|-------|-------|
| | Q1 | Q4 | Q3 | Q2 | Q1 |
| Average block market per pound of cheese | 2.161 | 2.178 | 1.836 | 1.735 | 1.779 |
| Closing block price ¹ per pound of cheese | 2.000 | 2.385 | 2.000 | 1.765 | 1.638 |
| Average butter market price per pound | 2.123 | 1.832 | 1.579 | 1.467 | 1.610 |
| Closing butter market ² price per pound | 2.500 | 2.000 | 1.533 | 1.610 | 1.428 |
| Average whey market ³ price per pound | 0.660 | 0.620 | 0.570 | 0.580 | 0.580 |
| Spread ⁴ | (0.008) | 0.012 | 0.044 | 0.041 | 0.046 |
| US average exchange rate to Canadian dollar ⁵ | 1.091 | 1.104 | 1.042 | 1.039 | 1.023 |

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

International Sector

(in millions of CDN dollars)

| Fiscal years | 2015 | 2014 | | | |
|--------------|-------|-------|-------|-------|-------|
| | Q1 | Q4 | Q3 | Q2 | Q1 |
| Revenues | 379.7 | 384.5 | 249.5 | 231.2 | 224.2 |
| EBITDA | 37.8 | 40.8 | 22.8 | 15.8 | 13.8 |

The International Sector includes 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

The Dairy Division (Canada) continues to pursue volume growth in commodity and specialty-type cheeses and in the fluid milk category. The Division will seek opportunities in the value-added milk category, which offers growth potential in a category in which the Company is well-positioned. We will pursue investments in product categories such as specialty cheeses, for which the intention is to maximize exposure across Canada, with coast-to-coast distribution capabilities. The Scotsburn Acquisition, completed on April 14, 2014, enables the Dairy Division (Canada) to increase its presence in Atlantic Canada. The Division has integrated systems and processes in the first quarter and will evaluate opportunities and possible synergies in an effort to improve and expand its product offerings to its customers during the rest of fiscal 2015.

During the first quarter of fiscal 2015, the Dairy Division (Canada) closed two facilities, as announced in fiscal 2013 and 2014. These measures are part of the Company's continuing effort to pursue additional efficiencies and decrease costs. Annual after tax savings should be approximately \$8 million, of which approximately \$6 million should commence in fiscal 2015. Innovation continues to be a priority, enabling us to offer products that meet the needs of today's consumers. Accordingly, we are allocating resources to product innovation allowing us to forge and secure long-term relationships with both customers and consumers. The Division will complete, in the second quarter of fiscal 2015, the project to consolidate distribution activities of the Greater Montreal Area into one distribution center located in Saint-Laurent, Québec. This initiative was announced in fiscal 2013 and is a result of the Company's ongoing evaluation of activities aimed at cost reduction and productivity enhancements. In addition, the Company will continue to focus on increasing sales volumes in the snack-cake category in Canada and to develop sales in the US market.

The Company will continue to move forward with the integration of the Dairy Foods Division (USA) with a primary focus on implementing the Division's processes and systems. The Sector intends to capitalize on this Division's national manufacturing and distribution footprint and benefit from possible synergies. Additionally, in fiscal 2015, we will continue to focus on recuperating lost volumes in the Cheese Division (USA), with cooperative efforts of our International Sector, geared towards growing the export sales market. The Cheese Division (USA) plans to continue to gain distribution and market share for its premium lines of snack cheeses and flavoured blue cheese offerings.

The closure of two plants in the USA Sector in fiscal 2015, announced in March 2014, is in line with the Company's continuing review of operations in order to maximize return on capital and seek additional efficiencies. Annual after tax savings should be approximately \$3 million. The Sector will continue to evaluate opportunities to improve efficiencies in both manufacturing and distribution facilities across the US, as well as monitor fluctuations in dairy markets and take appropriate decisions to mitigate the impact on operations. As a result of last fiscal year's capital expenditures at a Midwest facility, we will focus on decreasing operational costs due to increased manufacturing capacity. The Dairy Foods Division (USA) will focus on volume growth by aligning with strong and growing customers and bringing innovative products to market.

The International Sector continues to pursue sales volume growth in existing markets, as well as develop additional international markets from its Argentinean operations for which capacity has increased over the last two years. Also, the Sector will pursue growth of cheese export sales volumes from the Cheese Division (USA). The inclusion of the Dairy Division (Australia) has provided the International Sector an additional platform to seek long-term growth as a dairy player on a global scale. We intend to accelerate growth in Australia, by making necessary capital investments and devoting resources to increase manufacturing capacity, grow milk intake and create new opportunities. The Sector will continue to evaluate overall activities in an effort to improve efficiencies.

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