

**FINANCIAL RESULTS FOR FISCAL 2020
FIRST QUARTER ENDED JUNE 30, 2019**

Revenues at \$3.668 billion, up 12.3%
Net earnings at \$121.4 million, down 3.7%
Adjusted net earnings at \$164.9 million, up 2.9%

(Montréal, August 8, 2019) – Saputo Inc. (TSX: SAP) (Saputo or the Company) reported today its financial results for the first quarter of fiscal 2020, which ended on June 30, 2019. All amounts in this news release are in Canadian dollars (CDN), unless otherwise indicated, and are presented according to International Financial Reporting Standards (IFRS).

- Revenues for the quarter amounted to \$3.668 billion, an increase of \$400.6 million or 12.3%.
- Adjusted EBITDA* amounted to \$358.0 million, an increase of \$50.5 million or 16.4%.
- Net earnings totalled \$121.4 million, a decrease of \$4.6 million or 3.7%.
- Adjusted net earnings* totalled \$164.9 million, an increase of \$4.6 million or 2.9%.
- Net earnings per share (basic and diluted) were \$0.31 for the quarter, as compared to \$0.32 for the corresponding quarter last fiscal year, a decrease of 3.1%.
- Adjusted net earnings per share* (basic and diluted) were \$0.42 for the quarter, as compared to \$0.41 for the corresponding quarter last fiscal year, an increase of 2.4%.

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

(unaudited)	For the three-month periods ended June 30	
	2019	2018
Revenues	3,668.4	3,267.8
Adjusted EBITDA*	358.0	307.5
Net earnings	121.4	126.0
Adjusted net earnings*	164.9	160.3
Net earnings per share		
Basic	0.31	0.32
Diluted	0.31	0.32
Adjusted net earnings per share*		
Basic	0.42	0.41
Diluted	0.42	0.41

- On April 15, 2019, the Company completed the acquisition of Dairy Crest Group plc (Dairy Crest Acquisition), based in the United Kingdom. The Dairy Crest Acquisition is now presented as part of the Europe Sector and contributed positively to revenues and adjusted EBITDA for 11 weeks in the quarter.
- The activities of F&A Dairy Products, Inc. (F&A Acquisition), the activities of Shepherd Gourmet Dairy (Ontario) Inc. (Shepherd Gourmet Acquisition) and the activities of Murray Goulburn Co-Operative Co. Limited (Murray Goulburn Acquisition) collectively contributed for the full quarter as compared to a partial contribution for the same quarter last fiscal year.
- USA Market Factors** negatively impacted adjusted EBITDA by approximately \$8 million.
- The adoption of IFRS 16, *Leases* positively impacted adjusted EBITDA by approximately \$15 million. Considering the additional depreciation and interest expenses related to the adoption of IFRS 16, *Leases*, the impact on net earnings was unfavourable by approximately \$1 million for the quarter.
- The fluctuation of the Canadian dollar versus foreign currencies during the quarter had a negative impact on adjusted EBITDA of approximately \$4 million, as compared to the same quarter last fiscal year.
- The Board of Directors reviewed the dividend policy and increased the quarterly dividend from \$0.165 per share to \$0.17 per share, representing a 3.0% increase. The quarterly dividend will be payable on September 13, 2019 to common shareholders of record on September 3, 2019.

* Non-IFRS measures described in the “Glossary” section on page 20 of the Management’s Discussion and Analysis for the first quarter of fiscal 2020.

** Refer to the “Glossary” section on page 20 of the Management’s Discussion and Analysis for the first quarter of fiscal 2020.

Additional Information

For more information on the first quarter results of fiscal 2020, 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 2020. These documents can be obtained on SEDAR under the Company's profile at www.sedar.com and in the "Investors" section of the Company's website, at www.saputo.com.

Conference Call

A conference call to discuss the fiscal 2020 first quarter results will be held on Thursday, August 8, 2019, at 1 p.m. Eastern Time. To participate in the conference call, dial 1-800-381-7839. 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/10036> in your Web browser.

For those unable to participate, a replay of the conference will be available until 11:59 p.m., Thursday, August 15, 2019. To access the replay, dial 1-800-558-5253, ID number 21927263. A webcast will also be archived on www.saputo.com, in the "Investors" section, under "Calendar of Events".

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, a leading cheese manufacturer and fluid milk and cream processor in Canada, the top dairy processor in Australia and the second largest in Argentina. In the USA, Saputo ranks among the top three cheese producers and is one of the largest producers of extended shelf-life and cultured dairy products. In the United Kingdom, Saputo is the largest manufacturer of branded cheese and a top manufacturer of dairy spreads. Our products are sold in several countries under well-known brand names such as *Saputo*, *Alexis de Portneuf*, *Armstrong*, *Cathedral City*, *Clover*, *COON*, *Cracker Barrel**, *Dairyland*, *DairyStar*, *Devondale*, *Friendship Dairies*, *Frigo Cheese Heads*, *Joyya*, *La Paulina*, *Liddells*, *Milk2Go/Lait's Go*, *Montchevre*, *Murray Goulburn Ingredients*, *Neilson*, *Nutralait*, *Scotsburn**, *Stella*, *Sungold*, *Treasure Cave* and *Woolwich Goat 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.

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Media Inquiries

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This news release contains statements which are forward-looking statements within the meaning of applicable securities laws. These forward-looking statements include, among others, statements with respect to the Company's objectives, outlook, business projects and strategies to achieve those objectives, statements with respect to the Company's beliefs, plans and expectations, and statements other than historical facts. Specific forward-looking statements in this news release include statements with respect to the Company's expected financial performance for fiscal 2020. 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. All statements other than statements of historical facts included in this news release may constitute forward-looking statements within the meaning of applicable securities laws.

These statements are based, among other things, on Saputo's assumptions, expectations, estimates, objectives, plans, business strategy and intentions as of the date hereof regarding the 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. The Company's expected financial performance for fiscal 2020 is specifically based on assumptions about the successful execution of its business plan, the contribution of recent acquisitions, the capacity of the Company to generate operational efficiencies and revenues, the general economic conditions and the competitive environment within the dairy industry, the anticipated market supply and demand levels for dairy products, the cost of milk as raw material, the anticipated warehousing, logistical and transportation costs, the anticipated cost of the enterprise resource planning (ERP) program and the volatility in international selling prices of cheese and dairy ingredients. Such forward-looking statements, including the Company's expected financial performance for fiscal 2020, are intended to provide shareholders with information regarding the Company, including its assessment of future financial plans, and may not be appropriate for other purposes.

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, and the Company warns readers that these forward-looking statements are not fact or guarantees of future performance in any way. 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 Company's Management's Discussion and Analysis dated June 6, 2019, available on SEDAR under the Company's profile at www.sedar.com. The Company's expected financial performance for fiscal 2020 is subject to such risks and uncertainties, including notably risks and uncertainties related to: product liability; the availability of raw materials and related price variations along with the ability for the Company to transfer those increases, if any, to its customers in competitive market conditions; the price fluctuation of its products in the countries in which it operates, as well as in international markets, which are based on supply and demand levels for dairy products; the increased competitive environment in the dairy industry; and the failure to adequately integrate acquired businesses in a timely and efficient manner.

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. Undue importance should not be placed on forward-looking statements, and the information contained in such forward-looking statements should not be relied upon 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.

CONSOLIDATED RESULTS

Consolidated revenues for the three-month period ended June 30, 2019, totalled \$3.668 billion, an increase of \$400.6 million or 12.3%, as compared to \$3.268 billion for the corresponding quarter last fiscal year. The contribution of the Dairy Crest Acquisition for 11 weeks this quarter increased revenues by approximately \$152 million. Also, revenues increased due to higher sales volumes mainly derived from the collective contribution, for the full quarter, of the F&A Acquisition, the Shepherd Gourmet Acquisition and the Murray Goulburn Acquisition, as compared to a partial contribution for the same quarter last fiscal year. A higher average block market* per pound of cheese and a higher average butter market* price per pound increased revenues by approximately \$42 million. Additionally, higher international selling prices of cheese and dairy ingredients, as well as higher selling prices in the domestic market within the Canada Sector and the International Sector in accordance with the increase of the cost of milk as raw material, also positively impacted revenues. These increases were partially offset by lower sales volumes mainly in Canada, in the fluid milk category, due to competitive market conditions. Finally, the fluctuation of the Canadian dollar versus foreign currencies decreased revenues by approximately \$26 million.

Consolidated adjusted EBITDA for the three-month period ended June 30, 2019, totalled \$358.0 million, an increase of \$50.5 million or 16.4% in comparison to \$307.5 million for the same quarter last fiscal year. The contribution of the Dairy Crest Acquisition for 11 weeks this quarter increased adjusted EBITDA by approximately \$26 million. The contribution of other recent acquisitions had a minimal impact on the increase of adjusted EBITDA. The devaluation of the Argentine peso and the Australian dollar versus the US dollar in the export market had a positive impact on adjusted EBITDA, as compared to the same quarter last fiscal year. The positive effect of higher international dairy ingredient and cheese market prices was partially offset by lower sales volumes in Canada, mainly in the fluid milk category, due to competitive market conditions. USA Market Factors negatively impacted adjusted EBITDA by approximately \$8 million, as compared to the same quarter last fiscal year. The adoption of IFRS 16, *Leases* positively impacted adjusted EBITDA by approximately \$15 million excluding the positive impact of approximately \$4 million from the Dairy Crest Acquisition. Lastly, the fluctuation of the Canadian dollar versus foreign currencies had a negative impact on adjusted EBITDA of approximately \$4 million.

Depreciation and amortization for the three-month period ended June 30, 2019, totalled \$108.8 million, an increase of \$34.6 million, in comparison to \$74.2 million for the same quarter last fiscal year. These increases were mainly attributed to additional depreciation and amortization expenses related to recent acquisitions and additions to property, plant and equipment, which increased the depreciable base. As a result of the adoption of IFRS 16, *Leases*, depreciation of right-of-use assets represented an increase of approximately \$15 million.

Inventory revaluation resulting from a business acquisition for the three-month period ended June 30, 2019, amounted to \$27.2 million. This revaluation was related to the Dairy Crest Acquisition and stemmed from added value attributed to the acquired inventory following the preliminary purchase price allocation, which will flow through the statement of earnings as the inventory is sold.

Acquisition costs for the three-month period ended June 30, 2019, amounted to \$22.4 million. Acquisition costs are mainly related to the Dairy Crest Acquisition.

Net interest expense for the three-month period ended June 30, 2019, increased by \$17.3 million, in comparison to the same quarter last fiscal year. This increase was mainly attributed to the additional debt related to the Dairy Crest Acquisition and higher bank loans denominated in Argentine Peso, which bear higher interest rates. Also, as a result of the adoption of IFRS 16, *Leases*, interest expenses on lease liabilities pertaining to right-of-use assets represented an increase of approximately \$5 million.

In accordance with IAS29, *Financial Reporting in Hyperinflationary Economies*, Argentina was required to be considered a hyperinflationary economy, effective July 1, 2018. For the three-month period ended June 30, 2019, the **gain on hyperinflation** totalled \$8.1 million. The gain was derived from the indexation of non-monetary assets and liabilities.

* Refer to the "Glossary" section on page 20 of the Management's Discussion and Analysis for the first quarter of fiscal 2020.

Income taxes for the three-month period ended June 30, 2019, totalled an income tax expense of \$49.7 million, reflecting an effective tax rate of 29.1% compared to 23.7% for the same quarter last fiscal year. The effective tax rates for both periods were mainly impacted by the tax treatment of acquisition costs. Excluding the acquisition costs for both periods, the effective tax rates for the first quarter of fiscal 2020 and 2019 would have been 26.5% and 25.1%, respectively. The income tax rate 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 for the three-month period ended June 30, 2019, totalled \$121.4 million, a decrease of \$4.6 million or 3.7% in comparison to \$126.0 million for the same quarter last fiscal year. This decrease was due to the above-mentioned factors.

Adjusted net earnings for the three-month period ended June 30, 2019, totalled \$164.9 million, an increase of \$4.6 million or 2.9% in comparison to \$160.3 million for the same quarter last fiscal year. This increase was due to the above-mentioned factors.

SELECTED QUARTERLY FINANCIAL INFORMATION

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

Fiscal years	2020		2019			2018		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenues	3,668.4	3,236.5	3,577.2	3,420.4	3,267.8	2,744.4	3,021.8	2,884.2
Adjusted EBITDA*	358.0	275.1	321.2	317.5	307.5	261.7	318.0	329.8
Net earnings	121.4	124.2	342.0	163.1	126.0	130.0	337.0	185.2
Gain on disposal of assets ¹	-	-	(167.8)	-	-	-	-	-
Acquisition and restructuring costs ¹	21.5	1.6	0.2	-	34.3	5.3	25.1	0.2
Inventory revaluation resulting from a business acquisition	22.0	-	-	-	-	-	-	-
USA tax reform benefit**	-	-	-	-	-	-	(178.9)	-
Adjusted net earnings [†]	164.9	125.8	174.4	163.1	160.3	135.3	183.2	185.4
Per share								
Net earnings								
Basic	0.31	0.32	0.88	0.42	0.32	0.34	0.87	0.48
Diluted	0.31	0.32	0.87	0.42	0.32	0.33	0.86	0.47
Adjusted net earnings [†]								
Basic	0.42	0.32	0.45	0.42	0.41	0.35	0.47	0.48
Diluted	0.42	0.32	0.44	0.42	0.41	0.35	0.47	0.47
Earnings coverage ratio**	10.76	12.69	14.20	12.57	15.37	20.83	23.34	26.69

* Non-IFRS measures described in the "Glossary" section on page 20 of the Management's Discussion and Analysis for the first quarter of fiscal 2020.

** Refer to the "Glossary" section on page 20 of the Management's Discussion and Analysis for the first quarter of fiscal 2020.

¹ Net of income taxes.

Selected factors positively (negatively) affecting financial performance

(in millions of CDN dollars)

Fiscal years	2020	2019			
	Q1	Q4	Q3	Q2	Q1
USA Market Factors* ¹	(8)	4	(19)	(7)	2
Inventory write-down	-	(2)	(1)	-	-
Foreign currency exchange ^{1,2}	(4)	2	1	5	(13)

* Refer to the "Glossary" section on page 20 of the Management's Discussion and Analysis for the first quarter of fiscal 2020.

¹ As compared to the same quarter last fiscal year.

² Foreign currency exchange includes effect on adjusted EBITDA of conversion of US dollars, Australian dollars, British pounds sterling and Argentine pesos to Canadian dollars.

OUTLOOK

Saputo benefits from a solid financial position and capital structure, supplemented by a high level of cash generated by operations, allowing the Company to continue to grow through targeted acquisitions and organically through strategic capital investments, innovation and diversification of its product portfolio. Profitability enhancement and shareholder value creation remain the cornerstones of the Company's objectives. Saputo has a long-standing commitment to manufacture quality products and will remain focused on operational efficiencies.

In fiscal 2020, the Company continues to expect its business operations, excluding the positive contribution of the Dairy Crest Acquisition and the adoption of IFRS 16, *Leases*, to deliver slightly higher adjusted EBITDA when compared to fiscal 2019. While benefiting from the contribution of other recent acquisitions, the Company expects to continue to face headwinds primarily relating to the competitive market conditions in both Canada and the USA, the imbalance between supply and demand of dairy products in the USA, increased competition in the sourcing of raw milk in Australia, the volatile economic conditions in Argentina, continued elevated costs in warehousing, logistics and transportation, and the volatility in international selling prices of cheese and dairy ingredients.

The Company reports its business under the Canada Sector, the USA Sector, the International Sector, and a new Europe Sector following the Dairy Crest Acquisition. The Canada Sector consists of the Dairy Division (Canada), the USA Sector consists of the Cheese Division (USA) and the Dairy Foods Division (USA), the International Sector consists of the Dairy Division (Australia) and the Dairy Division (Argentina), and the Europe Sector consists of the Dairy Division (UK).

Canada Sector

While competitive market conditions are anticipated to persist in fiscal 2020, the Dairy Division (Canada) will focus on profitable sales volumes and more specifically on specialty and value-added products for both the retail and foodservice channels. It will continue reviewing overall activities to further improve operational efficiencies to mitigate low growth, competitive market conditions and consistently high warehousing, logistical and transportation costs, which will continue to put pressure on the Division's financial performance. The Division will also undertake capital projects aimed at increasing efficiencies and maximizing its manufacturing footprint in order to maintain a leadership position. As part of the Company's capital expenditure plan, it has commenced construction of its new state-of-the-art facility, in Port Coquitlam, British Columbia to better serve the fluid milk market in Western Canada.

USA Sector

We expect the imbalance between supply and demand of dairy products stemming from the current approach to tariff policies to continue in fiscal 2020, resulting in challenging domestic commodity market conditions. The USA Sector will continue to focus on increasing operational efficiencies and controlling costs in order to mitigate the impacts of dairy commodity market fluctuations, competitive market conditions and consistently high warehousing, logistical and transportation costs, which will continue to affect its financial performance.

During fiscal 2020, the Company expects improved cheese and dairy ingredient market conditions, which should lead to increased selling prices of cheese and dairy ingredients. However, market volatility is expected until the end of fiscal 2020.

During the upcoming quarters, the Cheese Division (USA) will benefit from the blue cheese operational efficiencies at its Almena, Wisconsin facility. This facility allows the Division to continue to strengthen its position within this category. The Division will also focus on further broadening its presence in the specialty cheese category across the USA.

The Dairy Foods Division (USA) will continue to pursue additional efficiencies and decrease costs while strengthening its market presence. The Division will focus on its supply chain planning and warehousing and logistical execution to increase efficiencies and to make further improvements aimed at meeting or exceeding customer demand. Also, it will further optimize and invest in its existing network in order to benefit from new production capabilities.

International Sector

The International Sector will continue to pursue sales volume growth in existing markets, as well as develop additional international markets. The Sector will continue to focus on controlling costs, evaluating overall activities to improve efficiencies and aim to maximize its operational flexibility in order to mitigate fluctuations in market conditions and their impact on financial performance. The Sector will also continue to focus on innovation, and optimize its product mix and customer portfolios, both domestically and internationally.

For fiscal 2020, in light of the decrease in Australian milk production, the Dairy Division (Australia) expects increased competition in the sourcing of raw milk, which will continue to put pressure on margins. It will remain focused on processing more milk, reviewing operations and optimizing the network at its disposal. The Company aims to further capture opportunities derived from the combination of Murray Goulburn and Warrnambool Cheese and Butter under a single platform.

On April 26, 2019, the Company announced that it had entered into an agreement to acquire the specialty cheese business of Lion-Dairy & Drinks Pty Ltd, based in Australia. The Company will continue to work towards the completion of this acquisition, which will add to and complement the current activities of the Dairy Division (Australia). The transaction is subject to regulatory approvals and is expected to close in the second half of calendar year 2019. The specialty cheese business produces, markets and distributes a variety of specialty cheeses under a wide portfolio of Australian brands, including *South Cape*, *Tasmanian Heritage*, *Mersey Valley* and *King Island Dairy*.

Despite a steep and sustained devaluation of the Argentine peso, the Dairy Division (Argentina) will continue to adapt to changing economic conditions and optimize its customer portfolio both domestically and internationally.

During fiscal 2020, the Company continues to expect a slight improvement in the international selling prices of cheese and dairy ingredients until the end of the second quarter with market volatility expected until the end of fiscal 2020.

Europe Sector

In fiscal 2020, the Company will work on integrating the Dairy Division (UK) and focus on aligning processes, systems, and sharing best practices. In order to enable further growth, the Division will continue capital investments in its manufacturing facilities with the objective of increasing cheesemaking capabilities.

ERP Program

The Company will continue planning, designing and implementing activities for the migration to the new ERP system, which has been implemented in Argentina, at Warrnambool Cheese and Butter in Australia and in the Dairy Foods Division (USA). During the first half of calendar 2020, the Company will deploy the ERP program within the activities of Murray Goulburn (now Saputo Dairy Australia), which will ensure the Dairy Division (Australia) is aligned under a single system. The implementation activities for the Cheese Division (USA) have started this fiscal year. Both the Cheese Division (USA) and the Dairy Division (Canada)'s implementations will be completed after the Dairy Division (Australia)'s. The Dairy Division (UK) is currently not in the scope of Saputo's global ERP program and its business will continue to operate under its existing ERP system.

Trade Agreements

In November 2018, the Government of Canada announced that it would allocate, on an interim basis, a significant portion of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) dairy import licences to dairy processors in Canada. Saputo believes this development will be favourable for consumers and the dairy industry in Canada. The Company expects to continue making an effective use of the quotas it is allocated under the various trade agreements and intends to focus on importing dairy products that complement the current Canadian offering. Provided final allocations of CPTPP dairy import licences are handled in a manner similar to the initial allocation, the Company does not foresee the CPTPP having significant impacts on its operations and will seek to take advantage of export opportunities arising from Australia and Canada to other signatory countries.

The renegotiated North American Free Trade Agreement, now known as the United States-Mexico-Canada Agreement (USMCA), was announced on September 30, 2018. Mexico recently ratified the agreement, while Canada and the United States still need to complete this step. Until the USMCA is ratified and implemented by all parties, the North American Free Trade Agreement will remain in force. The Company does not foresee significant impacts on its operations upon formal adoption of the USMCA, assuming the bulk of the import licences is allocated to dairy processors in Canada, as they were under the CPTPP.

Finally, the goal remains to continue to improve overall efficiencies in all sectors, pursue growth organically and through acquisitions, and always strive to be a stronger and better operator.

INFORMATION BY SECTOR

CANADA SECTOR

(in millions of CDN dollars)

Fiscal years	2020	2019			
	Q1	Q4	Q3	Q2	Q1
Revenues	968.8	924.8	1,059.6	1,047.7	1,011.0
Adjusted EBITDA*	98.5	90.0	113.8	104.4	105.5

* Non-IFRS measure described in the "Glossary" section on page 20 of the Management's Discussion and Analysis for the first quarter of fiscal 2020.

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

USA SECTOR

(in millions of CDN dollars)

Fiscal years	2020	2019			
	Q1	Q4	Q3	Q2	Q1
Revenues	1,757.7	1,616.6	1,678.5	1,618.0	1,594.6
Adjusted EBITDA*	173.6	134.2	122.4	133.8	154.3

* Non-IFRS measure described in the "Glossary" section on page 20 of the Management's Discussion and Analysis for the first quarter of fiscal 2020.

Selected factors positively (negatively) affecting financial performance

(in millions of CDN dollars)

Fiscal years	2020	2019			
	Q1	Q4	Q3	Q2	Q1
USA Market Factors ¹	(8)	4	(19)	(7)	2
US currency exchange ¹	6	7	6	7	(8)

* Refer to the "Glossary" section on page 20 of the Management's Discussion and Analysis for the first quarter of fiscal 2020.

¹ As compared to same quarter of previous fiscal year.

Other pertinent information

(in US dollars, except for average exchange rate)

Fiscal years	2020	2019			
	Q1	Q4	Q3	Q2	Q1
Block market* price					
Opening	1.645	1.430	1.690	1.555	1.530
Closing	1.858	1.645	1.430	1.690	1.555
Average	1.711	1.520	1.453	1.605	1.603
Butter market* price					
Opening	2.255	2.218	2.320	2.268	2.215
Closing	2.410	2.255	2.218	2.320	2.268
Average	2.330	2.264	2.238	2.264	2.339
Average whey market price per pound*	0.370	0.443	0.452	0.387	0.279
Spread*	0.061	0.054	0.021	0.095	0.135
US average exchange rate to Canadian dollar ¹	1.337	1.330	1.321	1.307	1.290

* Refer to the "Glossary" section on page 20 of the Management's Discussion and Analysis for the first quarter of fiscal 2020.

¹ Based on Bloomberg 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	2020	2019			
	Q1	Q4	Q3	Q2	Q1
Revenues	790.3	695.1	839.1	754.7	662.2
Adjusted EBITDA*	59.7	50.9	85.0	79.3	47.7

* Non-IFRS measure described in the "Glossary" section on page 20 of the Management's Discussion and Analysis for the first quarter of fiscal 2020.

Selected factors positively (negatively) affecting financial performance

(in millions of CDN dollars)

Fiscal years	2020	2019			
	Q1	Q4	Q3	Q2	Q1
Inventory write-down	-	(2)	(1)	-	-
Foreign currency exchange ¹	(10)	(3)	(5)	-	(7)

¹ As compared to same quarter of previous fiscal year.

The International Sector consists of the Dairy Division (Australia) and the Dairy Division (Argentina).

EUROPE SECTOR

(in millions of CDN dollars)

Fiscal years	2020	2019			
	Q1	Q4	Q3	Q2	Q1
Revenues	151.6	-	-	-	-
Adjusted EBITDA*	26.2	-	-	-	-

* Non-IFRS measure described in the "Glossary" section on page 20 of the Management's Discussion and Analysis for the first quarter of fiscal 2020.

The new Europe Sector consists of the Dairy Division (UK) following the Dairy Crest Acquisition.