



PRESS RELEASE

Saputo Inc. to increase its presence in the Ontario fluid milk market by acquiring the activities of Neilson Dairy

(Montréal, October 22, 2008) – Saputo Inc. announces today that it has agreed to acquire the activities of Neilson Dairy, the dairy division of Weston Foods (Canada) Inc. which manufactures, sells and distributes, primarily in Ontario, fluid milk and dairy beverages, cream products and non dairy creamers, butter, yogurt, juices and drinks under the Neilson brand and other brands (Neilson Dairy).

The purchase price of \$465 million on a debt-free basis, is payable in cash by drawing on available lines of credit and additional committed financing. The transaction is subject to the usual conditions (including approval by the Competition Bureau) and is expected to close on or about November 24, 2008.

Neilson Dairy employs approximately 390 people at its two facilities located in Halton Hills and Ottawa, Ontario. It generates annual sales of approximately \$600 million and annual earnings before interest, income taxes, depreciation and amortization of approximately \$50 million.

This transaction will enable Saputo Dairy Products Division (Canada) to increase its presence in the Ontario fluid milk and cream market. Neilson Dairy primarily operates within the retail market segment and, as part of the transaction, Saputo will inherit Neilson Dairy's long term relationships with its customers.

About Saputo

Together, over the years, we have aspired to grow, exploring new opportunities while staying true to our culture. Our progress is owed to the continued dedication of our 9,200 employees, who, across 5 countries, team up every day to go further. They craft, market and distribute a wide range of high-quality products, including cheese, fluid milk, yogurt, dairy ingredients and snack-cakes. Saputo is the 15th largest dairy processor in the world, the largest in Canada, the third largest in Argentina, among the top three cheese producers in the United States, and the largest snack-cake manufacturer in Canada. Consumers and customers in over 40 countries appreciate our products distributed under our well-known brands such as *Saputo*, *Alexis de Portneuf*, *Armstrong*, *Baxter*, *Dairyland*, *Danscorella*, *De Lucia*, *Dragone*, *DuVillage 1860*, *Frigo*, *Kingsey*, *La Paulina*, *Nutrilaït*, *Ricrem*, *Stella*, *Treasure Cave*, *HOP&GO!*, *Rondeau* and *Vachon*. Saputo Inc. is a public company whose shares are traded on the Toronto Stock Exchange under the symbol SAP.

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Information

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