



PRESS RELEASE

For immediate release

Saputo Inc. to increase its presence in the specialty cheese category in the United States by acquiring DCI Cheese Company Inc.

(Montreal, February 17, 2011) – Saputo Inc. announces today that it has signed an agreement to acquire Fairmount Cheese Holdings Inc., the parent company of DCI Cheese Company Inc. (“DCI”). DCI is one of the largest specialty cheese marketers in the United States. DCI sells and distributes specialty cheese from the cut and wrap facility located in Green Bay, Wisconsin, and from the Carlstadt, New Jersey distribution center. DCI holds an important portfolio of import licenses for specialty cheese manufactured abroad and also manufactures and sells in the retail market other products such as spreads, salsa, hummus and dips from the Santa Rosa, California facility. DCI has a total of approximately 475 employees.

For the year ended December 31, 2010, DCI had sales of about US\$460 million¹, EBITDA² of approximately US\$34 million^{1 3} and sales volumes of about 160 million pounds.

The purchase price of US\$270.5 million on a debt free basis will be paid in cash from liquidity and/or by drawing on available lines of credit. The transaction is subject to usual conditions (including regulatory approval) and is expected to close in the course of March 2011.

DCI has an extensive product portfolio consisting of over 100 types of domestic and imported specialty cheeses. DCI markets its products nationwide under a variety of brand names such as *County Line*, *Great Midwest*, *Joan of Arc*, *King's*

¹ Unaudited.

² Earnings before interest, income taxes, depreciation and amortization.

³ For the year ended December 31, 2010, on an adjusted basis (to take into consideration certain non-recurring expenses).

Choice, Nikkos, Salemville, il Giardino and *Organic Creamery*, as well as under private labels.

The acquisition will complement the activities of Saputo Dairy Products Division (USA) and increase its presence in the specialty cheese category in the United States.

About Saputo

Saputo produces, markets and distributes a wide array of products of the utmost quality, including cheese, fluid milk, yogurt, dairy ingredients and snack-cakes. Saputo is the 12th largest dairy processor in the world, the largest in Canada, the third largest in Argentina, among the top 3 cheese producers in the United States and the largest snack-cake manufacturer in Canada. Our products are sold in more than 40 countries under well-known brand names such as *Saputo, Alexis de Portneuf, Armstrong, Baxter, Dairyland, Danscorella, De Lucia, Dragone, DuVillage 1860, Frigo Cheese Heads, Kingsey, La Paulina, Neilson, Nutrilait, Ricrem, Stella, Treasure Cave, HOP&GO!, Rondeau* and *Vachon*. Saputo is a publicly traded company whose shares are listed on the Toronto Stock Exchange under the symbol SAP.

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Information

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