Saputo

NEWS RELEASE

For immediate release

FINANCIAL RESULTS FOR FISCAL 2009, ENDED MARCH 31, 2009

Net earnings at $278.9 million, down 3.2%

Revenues at $5.793 billion, up 14.5%

(Montréal, June 9, 2009) – Saputo Inc. released today its financial results for fiscal 2009, which ended March 31, 2009.

- Net earnings totalled $278.9 million or $1.35 (basic) per share, down 3.2% compared to $288.2 million or $1.40 (basic) per share in fiscal 2008.

- Consolidated revenues totalled $5.793 billion, an increase of $734.4 million or 14.5% compared to $5.059 billion posted in fiscal 2008.

- Consolidated earnings before interest, income taxes, depreciation and amortization (EBITDA)[1] amounted to $547.8 million, an increase of $21.8 million or 4.1% compared to $526.0 million in fiscal 2008.

- EBITDA in the Canada, Europe and Argentina (CEA) Dairy Products Sector totalled $378.9 million, as compared to $363.4 million last fiscal year, an increase of $15.5 million. This increase is mainly attributed to the acquisition of the activities of Neilson Dairy, the dairy division of Weston Foods (Canada) Inc., completed on December 1, 2008 (Neilson Dairy Acquisition), in addition to better efficiencies, including cost reduction initiatives in production, warehousing and logistics, and increased sales volumes from our Argentinean operations as compared to last fiscal year. EBITDA was negatively impacted by the unfavourable dairy ingredients[2] market conditions. The EBITDA of our Dairy Products Division (Europe) was negatively affected due to lower selling prices in the market. The Dairy Products Divisions (Europe and Argentina) had an inventory write-down of $8.4 million as a result of negative market conditions.

- EBITDA in the USA Dairy Products Sector amounted to $152.0 million, a $6.5 million increase compared to $145.5 million in fiscal 2008. The inclusion of the activities of Alto Dairy Cooperative, acquired on April 1, 2008 (Alto Acquisition), as well as the initiatives undertaken by the Company in prior and current fiscal years with regards to improved operational efficiencies and increased selling prices benefited the EBITDA. The decision by the United States Department of Agriculture (USDA) in the third quarter of fiscal 2009 to change the milk price formula also had a positive impact on EBITDA. These benefits offset increased ingredients, fuel and other costs during fiscal 2009. Also, the Sector incurred approximately $2 million of rationalization charges in relation to the closure of our facility in Hinesburg, Vermont. A lower average block market[3] per pound of cheese in fiscal 2009 in comparison to fiscal 2008 negatively impacted EBITDA, causing an unfavourable basis of absorption of our fixed costs and having an

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[1] **Measurement of results not in accordance with Generally Accepted Accounting Principles**
The Company assesses its financial performance based on its EBITDA, this being earnings before interest, income taxes, depreciation and amortization. EBITDA is not a measurement of performance as defined by Generally Accepted Accounting Principles in Canada, and consequently may not be comparable to similar measurements presented by other companies. Reference is made to section entitled "Measurement of results not in accordance with Generally Accepted Accounting Principles" contained in the Management's Analysis.

[2] Also known as by-products.

[3] "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.

unfavourable impact on the realization of our inventories in fiscal 2009. In addition, the Sector's EBITDA decreased due to an unfavourable dairy ingredients market as compared to the prior fiscal year. These decreases offset a more favourable relationship between the average block market per pound of cheese and the cost of milk as raw material. Also included in the EBITDA is an inventory write-down of $12.5 million. Finally, the weakening of the Canadian dollar added approximately $11 million to the current fiscal year's EBITDA.

- EBITDA in the Grocery Products Sector amounted to $16.9 million, a slight decrease as compared to $17.2 million for the previous fiscal year. This decrease is mainly due to additional costs in an effort to support our brands, along with a decrease in sales volumes and higher ingredients, packaging, labour and energy costs. These factors offset the benefits from the selling price increase.

- Cash flows generated by operations amounted to $467.3 million for fiscal 2009, an increase of $176.2 million compared to $291.1 million in fiscal 2008.

- The Company increased long-term debt by $340.0 million in relation to the Neilson Dairy Acquisition, repaid bank loans for $81.7 million, issued shares for a cash consideration of $14.9 million as part of the stock option plan, and paid $111.7 million in dividends.

Summary of Fourth Quarter Results

- Net earnings amounted to $69.2 million for the quarter ended March 31, 2009, a decrease of $6.0 million compared to the same quarter last fiscal year.

- Revenues totalled $1.460 billion, $194.2 million or 15.3% higher compared to the $1.266 billion for the same quarter last fiscal year. The increase is attributed mainly to our CEA Dairy Products Sector, whose revenues increased by approximately $158 million in the fourth quarter as compared to last fiscal year. The inclusion of the Neilson Dairy Acquisition, higher selling prices in our Canadian operations in accordance with the increase in the cost of milk as raw material, and higher sales volumes in our Argentinean operations were the main factors. The increase was partially offset by lower export prices in our Argentinean operations. Our USA Dairy Products Sector contributed approximately $35 million to the revenue increase as compared to the corresponding quarter last fiscal year, resulting mainly from the inclusion of the Alto Acquisition. Less favourable dairy ingredients market conditions, lower sales volumes and a lower average block market per pound of cheese in the current quarter compared to the same quarter last fiscal year, partially offset this increase. Revenues from our Grocery Products Sector increased by approximately $1 million in the fourth quarter of fiscal 2009 in comparison to the same quarter last fiscal year.

- EBITDA for the fourth quarter totalled $141.9 million, a $4.4 million increase compared to the same quarter last fiscal year.

- EBITDA from the CEA Dairy Products Sector increased by approximately $4 million in comparison to the same quarter last fiscal year. The inclusion of the Neilson Dairy Acquisition, as well as operational efficiencies, and the weakening of the Canadian dollar as compared to the Argentinean peso were the main reasons for this EBITDA increase. This offset an unfavourable dairy ingredients market in our Canadian operations of $1.0 million as well as an unfavourable export market and an inventory write-down of $1.0 million in our Argentinean operations. The Dairy Products Division (Europe) had lower EBITDA in the fourth quarter.

- The EBITDA of our USA Dairy Products Sector decreased by approximately $1 million in the current quarter compared to the same quarter last fiscal year. A decrease in the average block market per pound of cheese in the current quarter compared to the same quarter last fiscal year had an effect on EBITDA, negatively impacting the basis of absorption of our fixed costs as well as having an unfavourable impact on the realization of our inventories. These decreases were offset by a more favourable relationship between the average block market per pound of cheese and the cost of milk as raw material compared to the same quarter last fiscal year. In addition, the Sector also experienced a less favourable dairy ingredients market. The market factor decreases were offset during the quarter by an increase due to the benefits derived from the initiatives undertaken in prior and current fiscal years with regards to improved operational efficiencies and increased selling prices. The weakening of the Canadian dollar during the quarter added approximately $7 million to this fiscal year's EBITDA.

- The EBITDA of our Grocery Products Sector increased by approximately $1 million for the quarter ended March 31, 2009 in comparison to the same quarter last fiscal year. During the quarter, the Sector incurred lower costs towards brand support which offset additional operating costs related to higher ingredient, packaging, labour, and energy costs.

Outlook

Fiscal 2009 was a good year for the Company despite numerous challenges with regards to volatile market conditions. We enter fiscal 2010 with optimism.

Our Dairy Products Division (Canada) will complete, in fiscal 2010, the integration process of the Neilson Dairy Acquisition. It will also continue to work towards the optimization of its production facilities in an effort to improve efficiencies.

In fiscal 2010, we will complete the capital expenditure programs for our European operations. In addition, we will continue to improve overall efficiencies of these operations in an effort to improve results.

The Dairy Products Division (Argentina) faces challenges from the relatively high local milk prices combined with the current lower cheese selling prices in the international market. Nevertheless, in order to become even more competitive, nationally and internationally, the Division will continue to focus on efficiencies and cost reductions in an effort to improve its overall operations.

In fiscal 2010, the USA Dairy Products Sector will have to cope with many challenges of the current economic context. Since the Division is well represented in all three market segments, it is well positioned to face this situation. In addition, further focus will be on completion of expansion projects in California and in Wisconsin in an effort to improve overall efficiencies.

Our Grocery Products Sector's objective will be to re-evaluate its entire operations. Revamping of the manufacturing process and streamlining of the product offering is the focus of this new fiscal year.

With the current economic crisis, we intend to maintain our sound approach, while closely monitoring our operations to cope with the current context and to also continue to maximize our efficiency. We are in a solid financial position with a sound fundamental structure. This should provide the Company with the basis to pursue growth internally and through acquisitions, and to overcome the challenges that could come our way.

Financial Statements and Management's Analysis

For more information on the results of fiscal 2009 as well as the fourth quarter of fiscal 2009, reference is made to the audited consolidated financial statements and the notes thereto and to our Management's Analysis for the fiscal year ended March 31, 2009. These documents can be obtained on SEDAR at www.sedar.com.

Caution Regarding Forward-Looking Statements

This press release, including the "Outlook" section, contains forward-looking statements within the meaning of securities laws. These statements are based, among others, on our current assumptions, expectations, estimates, objectives, plans and intentions regarding projected revenues and expenses, the economic and industry environments in which we operate or which could affect our activities, our ability to attract and retain clients and consumers as well as our operating costs, raw materials and energy supplies which are subject to a number of risks and uncertainties. Forward-looking statements can generally be identified by the use of the conditional tense, the words "may", "should", "would", "believe", "plan", "expect", "intend", "anticipate", "estimate", "foresee", "objective" or "continue" or the negative of these terms or variations of them or words and expressions of similar nature. Actual results could differ materially from the conclusion, forecast or projection stated in such forward-looking information. As a result, we 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 our actual results to differ materially from our current expectations are discussed throughout the Annual Report in the Management's Analysis and, in particular, in "Risks and Uncertainties". Forward-looking information contained in this press release, including the "Outlook" section, is based on management's current estimates, expectations and assumptions, which management believes are reasonable as of the current date. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. Except as required under applicable securities legislation, we do not undertake to update these forward-looking statements, whether written or oral, that may be made from time to time by us or on our behalf, whether as a result of new information, future events or otherwise.

Dividends

The Board of Directors of the Company declared a quarterly dividend of $0.14 per share, payable on July 24, 2009 to shareholders of record as of July 13, 2009.

Conference Call

A conference call to discuss the fiscal 2009 results will be held on Tuesday, June 9, 2009 at 3:00 PM, Eastern Time. To participate in the conference call, dial 1 800 786 6705. To ensure your participation, please dial in approximately five minutes before the call.

To listen to this call on the web, please enter http://events.onlinebroadcasting.com/saputo/060909/index.php in your web browser.

For those unable to participate, an instant replay will be available until midnight, Tuesday, June 16, 2009. To access the replay dial 1 800 558 5253, ID number 2145029. A replay of the conference call will also be available on the Company's web site at www.saputo.com.

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 11th 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.

- 30 -

Information

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NOTICE

The consolidated financial statements of Saputo Inc. for the three-month periods ended March 31, 2009 and 2008 have not been reviewed by an external auditor.

CONSOLIDATED STATEMENTS OF EARNINGS

(in thousands of dollars, except per share amounts)

	For the three-month periods ended March 31 (unaudited)		For the years ended March 31 (audited)	
	2009	2008	**2009**	2008
Revenues	**$ 1,460,352**	$ 1,266,146	**$ 5,793,263**	$ 5,058,900
Cost of sales, selling and administrative expenses	**1,318,471**	1,128,645	**5,245,464**	4,532,856
Earnings before interest, depreciation, amortization and income taxes	**141,881**	137,501	**547,799**	526,044
Depreciation and amortization	**28,837**	19,827	**108,284**	79,434
Operating income	**113,044**	117,674	**439,515**	446,610
Interest on long-term debt	**5,680**	4,588	**20,684**	18,806
Other interest, net	**3,805**	1,039	**11,031**	6,538
Earnings before income taxes	**103,559**	112,047	**407,800**	421,266
Income taxes	**34,361**	36,836	**128,852**	133,066
Net earnings	**$ 69,198**	$ 75,211	**$ 278,948**	$ 288,200
Earnings per share				
Net earnings				
Basic	**$ 0.33**	$ 0.37	**$ 1.35**	$ 1.40
Diluted	**$ 0.33**	$ 0.36	**$ 1.34**	$ 1.38

NOTE : These financial statements should be read in conjuction with our audited consolidated financial statements and the notes thereto and with our management's analysis for the fiscal year ended March 31, 2009. These documents can be obtained on SEDAR at www.sedar.com.

Saputo

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in thousands of dollars)

(audited)

For the years ended March 31	2009	2008
Net earnings	$ 278,948	$ 288,200
Other comprehensive income (loss):		
Foreign currency translation adjustment		
Net change in unrealized gains (losses) on translation of financial statements of self-sustaining foreign operations	163,896	(63,750)
Net changes in cash flow hedge		
Losses on derivative items designated as hedges of interest cash flows, net of tax	(1,263)	–
Total other comprehensive income (loss)	162,633	(63,750)
Comprehensive income	$ 441,581	$ 244,450

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS

(in thousands of dollars)

(audited)

For the years ended March 31	2009	2008
Retained earnings, beginning of year	$ 1,206,568	$ 1,085,081
Net earnings	278,948	288,200
Dividends	(111,660)	(94,455)
Excess of purchase price of share capital over carrying value	–	(72,258)
Retained earnings, end of year	$ 1,373,856	$ 1,206,568

SEGMENTED INFORMATION
(in thousands of dollars)

	For the three-month periods ended March 31 (unaudited)		For the years ended March 31 (audited)	
	2009	2008	2009	2008
Revenues				
Dairy Products				
CEA[1]	$ 904,339	$ 746,224	$ 3,323,541	$ 2,966,293
USA	516,968	481,777	2,304,613	1,927,983
	1,421,307	1,228,001	5,628,154	4,894,276
Grocery Products	39,045	38,145	165,109	164,624
	$ 1,460,352	$ 1,266,146	$ 5,793,263	$ 5,058,900
Earnings before interest, depreciation, amortization and income taxes				
Dairy Products				
CEA	$ 98,320	$ 94,167	$ 378,898	$ 363,365
USA	39,105	40,228	152,006	145,478
	137,425	134,395	530,904	508,843
Grocery Products	4,456	3,106	16,895	17,201
	$ 141,881	$ 137,501	$ 547,799	$ 526,044
Depreciation and amortization				
Dairy Products				
CEA	$ 12,665	$ 9,405	$ 41,560	$ 36,810
USA	13,898	8,462	58,849	34,780
	26,563	17,867	100,409	71,590
Grocery Products	2,274	1,960	7,875	7,844
	$ 28,837	$ 19,827	$ 108,284	$ 79,434
Operating income				
Dairy Products				
CEA	$ 85,655	$ 84,762	$ 337,338	$ 326,555
USA	25,207	31,766	93,157	110,698
	110,862	116,528	430,495	437,253
Grocery Products	2,182	1,146	9,020	9,357
	$ 113,044	$ 117,674	$ 439,515	$ 446,610
Interest	9,485	5,627	31,715	25,344
Earnings before income taxes	103,559	112,047	407,800	421,266
Income taxes	34,361	36,836	128,852	133,066
Net earnings	$ 69,198	$ 75,211	$ 278,948	$ 288,200

[1] Canada, Europe and Argentina Dairy Products Sector

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands of dollars)

	For the three-month periods ended March 31 (unaudited)		For the years ended March 31 (audited)	
	2009	2008	2009	2008
Cash flows related to the following activities:				
Operating				
Net earnings	$ 69,198	$ 75,211	$ 278,948	$ 288,200
Items not affecting cash and cash equivalents				
Stock based compensation	2,032	2,033	7,791	8,279
Depreciation and amortization	28,837	19,827	108,284	79,434
(Gain) loss on disposal of fixed assets	(12)	182	(3,450)	(144)
Future income taxes	(5,980)	16,114	2,721	15,838
Deferred share units	(1,048)	1,265	(62)	1,265
Funding of employee plans in excess of costs	(3,288)	(1,498)	(4,761)	(2,019)
	89,739	113,134	389,471	390,853
Changes in non-cash operating working capital items	119,351	(26,349)	77,817	(99,791)
	209,090	86,785	467,288	291,062
Investing				
Business acquisitions	(1,779)	(1,016)	(630,353)	(254,204)
Portfolio investment	-	-	-	1,648
Additions to fixed assets	(38,574)	(32,471)	(121,863)	(101,723)
Proceeds on disposals of fixed assets	1,068	2,909	9,032	5,285
Other assets	(4,359)	(2,650)	(12,181)	(5,443)
	(43,644)	(33,228)	(755,365)	(354,437)
Financing				
Proceeds from long-term debt	-	-	340,000	-
Bank loans	(97,360)	128,742	(81,682)	91,413
Issuance of share capital	2,077	4,565	14,921	28,366
Repurchase of share capital	-	-	-	(81,472)
Dividends	(28,983)	(24,710)	(111,660)	(94,455)
	(124,266)	108,597	161,579	(56,148)
Increase (decrease) in cash and cash equivalents	41,180	162,154	(126,498)	(119,523)
Effect of exchange rate changes on cash and cash equivalents	4,515	922	4,672	8,339
(Bank indebtedness) cash and cash equivalents, beginning of period	(1,811)	2,634	165,710	276,894
Cash and cash equivalents, end of period	$ 43,884	$ 165,710	$ 43,884	$ 165,710

Supplemental information

Interest paid	$ 2,633	$ 1,717	$ 29,242	$ 25,767
Income taxes paid	$ 25,746	$ 20,312	$ 124,829	$ 92,235

CONSOLIDATED BALANCE SHEETS
(in thousands of dollars)
(audited)

		March 31, 2009		March 31, 2008
ASSETS				
Current assets				
Cash and cash equivalents	$	43,884	$	165,710
Receivables		427,227		408,973
Inventories		583,594		533,686
Income taxes		9,585		10,252
Future income taxes		23,881		17,150
Prepaid expenses and other assets		37,501		43,729
		1,125,672		1,179,500
Portfolio investment		41,343		41,343
Fixed assets		1,149,662		871,739
Goodwill		760,283		522,546
Trademarks and other intangibles		327,516		38,043
Other assets		88,326		75,257
Future income taxes		6,301		5,048
	$	3,499,103	$	2,733,476
LIABILITIES				
Current liabilities				
Bank loans	$	139,399	$	222,584
Accounts payable and accrued liabilities		484,866		409,323
Income taxes		113,910		111,511
Future income taxes		6,348		19,790
Current portion of long-term debt		214,421		-
		958,944		763,208
Long-term debt		403,065		225,830
Other liabilities		22,180		13,972
Future income taxes		142,566		111,306
		1,526,755		1,114,316
SHAREHOLDERS' EQUITY				
Retained earnings		1,373,856		1,206,568
Accumulated other comprehensive income (loss)		16,219		(146,414)
		1,390,075		1,060,154
Share capital		555,529		536,921
Contributed surplus		26,744		22,085
		1,972,348		1,619,160
	$	3,499,103	$	2,733,476