



PRESS RELEASE

Saputo Inc. enters into an agreement to acquire the activities of Schneider Cheese, Inc.

(Montréal, May 16, 2005) – Saputo Inc. announces today that it has entered into an agreement to acquire the activities of Schneider Cheese, Inc., a US company that manufactures and sells string cheeses and cheese sticks under the *Schneider* brand name and other private labels.

The purchase price is US \$23.9 million on a debt-free basis, payable in cash from liquidity and/or by drawing on available lines of credit. The closing of the transaction is subject to the usual conditions and is anticipated before the end of May 2005.

Schneider Cheese, Inc. employs approximately 160 people in the United States at its plant located in Waldo, in the state of Wisconsin. Schneider Cheese's annual revenues are approximately US\$40 million. These assets will complement Saputo's current activities in the United States.

About Saputo

Since 1954, Saputo has maintained its family flavour and the vitality of a team whose passion is equalled only by its know-how... and its taste for good food! Saputo employs 7,900 individuals in its 46 plants and its distribution centres. Well established in the dairy and grocery products sectors, its products are offered under the brand names of *Saputo*, *Armstrong*, *Caron*, *Cayer*, *Kingsey*, *Princesse*, *Dairyland*, *Baxter*, *Nutrilaït*, *Stella*, *Frigo*, *Dragone*, *Treasure Cave*, *La Paulina*, *Ricrem* and *Vachon*. Saputo is the largest dairy processor in Canada, one of the largest cheese producers in North America and the third largest dairy processor in Argentina. Saputo Inc. is a public company whose shares are listed on the Toronto Stock Exchange under the symbol SAP. Visit our website at www.saputo.com.

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Information

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