

PRESS RELEASE
For immediate publication

SAPUTO GROUP INC.

**SAPUTO GROUP INC. COMPLETES PURCHASE OF
AVONMORE CHEESE, INC. AND WATERFORD FOOD PRODUCTS, INC.**

(Montreal, May 1, 1998) - Saputo Group is pleased to announce that it has closed today the transaction with Avonmore Waterford Group plc announced on March 30, 1998, for the acquisition of Avonmore Cheese, Inc. and Waterford Food Products, Inc. The purchase price is approximately C \$ 50.5 million (US \$ 36 million) which will be financed through committed bank credit facilities.

Saputo has established itself as Canada's leading producer of mozzarella with a share of approximately 34% of Canadian mozzarella production. Saputo produces and markets other Italian specialty cheeses and by-products such as butter, lactose and whey protein. Saputo also distributes in Canada fine imported cheeses and a large assortment of other non-dairy products that complement its cheese distribution. With the acquisition of Avonmore and Waterford, the Company has over 3 200 employees and operates seven manufacturing facilities in Canada and twenty in the United States. Saputo, on a pro-forma basis, has annual sales of approximately C \$ 1.75 billion (US \$ 1.2 billion) and an EBITDA of C \$ 145 million (US \$ 103 million). Saputo's Common Shares are listed on the Montreal and Toronto stock exchanges under the symbol SAP.

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For further information:

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