PRESS RELEASE

For immediate release

FINANCIAL RESULTS FOR FISCAL 2007, ENDED MARCH 31, 2007

Net earnings at $238.5 million, up 24.2%

Revenues at $4.001 billion, down 0.5%

(Montréal, June 5, 2007) – Saputo Inc. released today its financial results for fiscal 2007, which ended March 31, 2007.

- Net earnings totalled $238.5 million or $2.30 (basic) per share, up 24.2% compared to $192.1 million or $1.83 (basic) per share in fiscal 2006.

- Consolidated revenues totalled $4.001 billion, a decrease of $21.2 million or 0.5% compared to $4.022 billion posted in fiscal 2006.

- Consolidated earnings before interest, income taxes, depreciation, amortization and devaluation (EBITDA)[1] amounted to $426.3 million, an increase of $60.3 million or 16.5% compared to $366.0 million in fiscal 2006.

- EBITDA in the Canadian and Other Dairy Products Sector totalled $317.1 million, as compared to $261.6 million last fiscal year, an increase of $55.5 million or 21.2%. The increase is mainly attributed to the benefits derived from rationalization activities undertaken in our Canadian operations during prior years, along with increased sales volumes from our Canadian fluid milk activities and Argentinean operations in comparison to last fiscal year. The sector also benefited from a more favourable by-product market. During fiscal 2007, rationalization charges of approximately $2.1 million were taken for the closure of two Canadian plants.

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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, amortization and devaluation of portfolio investment. 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.

- EBITDA in the US Dairy Products Sector amounted to $82.9 million, a $4.6 million or 5.9% increase compared to $78.3 million posted in fiscal 2006. Major strides were made during the fiscal year with respect to improved operational efficiencies, increased selling prices, and the reduction of the cost associated with milk handling. The sum of these efforts resulted in approximately $15 million improvement in EBITDA in fiscal 2007 compared to fiscal 2006. In addition, the division spent approximately $7 million less on promotional, energy, packaging and ingredients costs during the current fiscal year. Finally, the reduction of price of milk by the state of California and by the United States Department of Agriculture improved EBITDA by approximately $3 million during fiscal 2007. These positive factors offset reductions in EBITDA due to negative market conditions. A lower average block market per pound of cheese and a less favourable relationship between the average block market per pound of cheese and the cost of milk as raw material eroded EBITDA by approximately $20 million. In addition, the rise of the Canadian dollar eroded approximately $3.4 million from the current year's EBITDA. In fiscal 2007, the division incurred approximately $1.3 million of rationalization charges, in relation to the closure of our facility in Peru, Indiana.

- EBITDA in the Grocery Products Sector amounted to $26.4 million, a slight increase as compared to $26.1 million for the previous fiscal year. Decreased marketing expenditures and the inclusion of Rondeau, acquired on July 28, 2006, increased EBITDA by approximately $5 million in fiscal 2007. This increase was offset by increased raw material and other costs, and lower EBITDA resulting from reduced revenues generated by our co-packing agreements for the manufacturing of products for the US market in comparison to last fiscal year. The sector incurred in fiscal 2007 approximately $0.6 million of rationalization charges in relation to the closure of its facility in Laval, Québec.

- Cash flows generated by operations amounted to $343.5 million for fiscal 2007, an increase of $43.9 million or 14.7% compared to $299.6 million in fiscal 2006.

- The Company increased the use of its bank loans by $93.7 million, essentially for the acquisition of the activities of Land O'Lakes West Coast industrial cheese business, which occurred immediately following fiscal 2007. The Company also repaid $33.8 million of long-term debt, issued shares for a cash consideration of $20.9 million as part of the Stock Option Plan, purchased share capital totalling $50.7 million in accordance with the normal course issuer bid, and paid $80.7 million in dividends.

Summary of Fourth Quarter Results

- Net earnings amounted to $62.9 million for the quarter ended March 31, 2007, an increase of $25.2 million compared to the same quarter last fiscal year.

- Revenues totalled $1.009 billion, an increase of $38.8 million or 4.0% compared to the $969.9 million for the same quarter last fiscal year. The increase is attributed mostly to our Canadian and Other Dairy Products Sector, whose revenues increased by approximately $37 million compared to the corresponding period last year. Higher selling prices in our Canadian operations in accordance with the increase in the cost of milk as raw material, increased sales volumes from our Canadian fluid milk activities and Argentinean operations, additional revenues due to a more favourable by-product market, and the inclusion of our German operations, acquired on April 13, 2006, were the main factors responsible for this increase. Revenues from the US Dairy Products Sector remained relatively stable in the fourth quarter of fiscal 2007 in comparison to the same quarter last year. A higher average block market per pound of cheese generated approximately $8 million of additional revenues. The appreciation of the US dollar in the fourth quarter also generated approximately $4 million of additional revenues. These increases were offset by reduced revenues due to lower sales volume in the fourth quarter of fiscal 2007 compared to same quarter last year. The lower sales volume is due entirely to the closure of our Peru, Indiana facility at the beginning of fiscal 2007. Revenues from the Grocery Products Sector increased by approximately $2 million compared to the same quarter last year. Additional sales volumes intended for the Canadian market and the inclusion of Rondeau, acquired on July 28, 2006, offset reduced revenues generated by our co-packing agreements for the manufacturing of products for the US market.

- EBITDA for the fourth quarter totalled $111.5 million, a $29.7 million increase compared to the same period last fiscal year.

- The EBITDA of the Canadian and Other Dairy Products Sector increased by approximately $23 million in the fourth quarter of fiscal 2007 compared to the corresponding quarter last year. Savings derived from increased efficiencies in our Canadian operations, a more favourable by-product market, higher sales volumes from our Canadian fluid milk activities and Argentinean operations were the main factors behind this increase. Included in the fourth quarter of fiscal 2007 were rationalization charges of $2.1 million for the closure of two Canadian plants.

- EBITDA from the US Dairy Products Sector increased by approximately $9 million compared to the corresponding period last fiscal year. The increase is due to the measures undertaken by the company to counteract adverse market conditions, improved operational efficiencies, benefits derived from the revised milk pricing formulas from both the California Department of Agriculture and the United States Department of Agriculture and reduced promotional, energy, packaging and ingredient costs.

- The Grocery Products Sector EBITDA decreased by approximately $1 million due to higher raw material and other costs, lower EBITDA resulting from reduced revenues generated by our co-packing agreements for the manufacturing of products for the US market and $0.6 million rationalization costs incurred in the current quarter for the closure of our facility in Laval, Québec.

Outlook

Fiscal 2007 was an excellent example of Saputo aligning all its resources and facing the challenges head on. Our divisions were successful at creating additional value for all stakeholders. As we enter fiscal 2008, the momentum created in the prior fiscal year along with our focus and dedication should allow us to achieve even greater heights.

The acquisition of the activities of Land O'Lakes West Coast industrial cheese business completed at the beginning of fiscal 2008 will significantly increase our presence in the US market. The additional scale as a result of this acquisition, should create many opportunities to improve our profitability. Part of the fiscal 2008 objective is to analyse our new operations and integrate them within the Saputo culture and values, and improve profitability. We currently have dedicated teams in place to ensure this integration progresses efficiently.

In fiscal 2008, we will proceed with the integration of our UK operations, acquired in late fiscal 2007. We will use this acquisition, along with our German operation, to gain a better understanding of the European market. Our objectives, with regards to our European operations will be to increase efficiencies, expand our client base, and improve overall profitability.

Our remaining divisions have also set objectives to be achieved in fiscal 2008. Our Canadian dairy operations will continue to refine their operations in an effort to improve efficiencies. The closures announced during the late stages of fiscal 2007 will help the Canadian dairy operations achieve this goal. With the contribution of our research and development teams, these operations will also expand our value-added product offering in order to ensure our continued growth.

Given the completion of our capital expenditure program in Argentina, our Dairy Products Division (Argentina) is in good position to generate growth and improve profitability. In fiscal 2008, the division will focus on the cost effectiveness of their overall operation as well as expanding both the domestic and international markets.

Our Grocery Products Sector's objectives for fiscal 2008 will focus on the continued integration of Rondeau, acquired in early fiscal 2007, as well as increasing the areas where these products are marketed and sold. The closure of the Laval facility, will allow the division to improve efficiencies and increase overall profitability.

We are in an excellent financial position with a low level of debt and strong cash flows. This will allow us to pursue our growth through acquisition and increase our overall position within the global dairy industry.

Financial Statements and Management's Analysis

For more information on the results of fiscal 2007 as well as the fourth quarter of fiscal 2007, 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, 2007. 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 information within the meaning of securities laws. These statements are based on our currents assumptions, expectations and estimates, regarding projected revenues and expenses, the Canadian, US, Argentinean, German and United Kingdom (UK) economic environment, our ability to attract and retain clients and consumers, our operating costs and raw materials and energy supplies which are subject to a number of risks and uncertainties. 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 management's Analysis and, in particular, the section entitled "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. While we may elect to, we are under no obligation and do not undertake to update this information at any particular time.

Dividends

The Board of Directors of the Company declared a dividend of $0.20 per share, payable on July 20, 2007 to shareholders of record as of July 9, 2007. This dividend is for the quarter ended March 31, 2007.

Conference Call

A conference call to discuss the fiscal 2007 results will be held on Tuesday, June 5, 2007 at 3:30, Eastern time. To participate in the conference call dial 1 866 521 6084. 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/060507/index.php in your web browser.

For those unable to participate, an instant replay will be available until midnight, Tuesday, June 12, 2007. To access the replay dial 1 800 395 0363, ID number 8808104. A replay of the conference call will also be available on the Company's web site at www.saputo.com.

About Saputo

Saputo, a whole world to discover. With its distinctive array of products and its commitment to growth, Saputo continues to explore and seize new opportunities while maintaining the best of tradition. Through product innovations, global expansion and unwavering employee dedication, Saputo produces, markets and distributes products of the highest quality. Saputo is one of the top twenty dairy processors in the world, the largest dairy processor in Canada, among the top five cheese producers in the United States, the third largest dairy processor in Argentina and the largest snack-cake manufacturer in Canada. Success stems from the passion and expertise of the 9,000 men and women who work in its numerous locations worldwide. Well-known brands such as *Saputo*, *Alexis de Portneuf*, *Armstrong*, *Baxter*, *Dairyland*, *Danscorella*, *De Lucia*, *Dragone*, *DuVillage de Warwick*, *Frigo*, *Kingsey*, *La Paulina*, *Nutrilait*, *Princesse*, *Ricrem*, *Sir Laurier d'Arthabaska*, *Stella*, *Treasure Cave*, *HOP&GO!*, *Rondeau* and *Vachon* have earned the trust of consumers in over thirty countries. 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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Saputo

NOTICE

The consolidated financial statements of Saputo Inc. for the three-month periods ended March 31, 2007 and 2006 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)	
	2007	2006	**2007**	2006
Revenues	**$ 1,008,704**	$ 969,876	**$ 4,000,980**	$ 4,022,210
Cost of sales, selling and administrative expenses	**897,250**	888,090	**3,574,648**	3,656,245
Earnings before interest, depreciation income taxes, and devaluation	**111,454**	81,786	**426,332**	365,965
Depreciation of fixed assets	**17,603**	16,386	**72,116**	69,361
Operating income	**93,851**	65,400	**354,216**	296,604
Devaluation of portfolio investment	**-**	10,000	**-**	10,000
Interest on long-term debt	**5,684**	6,019	**22,603**	24,474
Other interest, net	**(1,234)**	(1,125)	**(3,498)**	(644)
Earnings before income taxes	**89,401**	50,506	**335,111**	262,774
Income taxes	**26,542**	12,801	**96,644**	70,672
Net earnings	**$ 62,859**	$ 37,705	**$ 238,467**	$ 192,102
Earnings per share				
Net earnings				
Basic	**$ 0.61**	$ 0.36	**$ 2.30**	$ 1.83
Diluted	**$ 0.60**	$ 0.36	**$ 2.28**	$ 1.82

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS

(in thousands of dollars)

(audited)

For the years ended March 31	**2007**	2006
Retained earnings, beginning of year	**$ 971,131**	$ 884,054
Net earnings	**238,467**	192,102
Dividends	**(80,721)**	(72,215)
Excess of purchase price of share capital over carrying value	**(43,796)**	(32,810)
Retained earnings, end of year	**$ 1,085,081**	$ 971,131

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, 2007. THESE DOCUMENTS CAN BE OBTAINED ON SEDAR AT WWW.SEDAR.COM

SEGMENTED INFORMATION
(in thousands of dollars)

	For the three-month periods ended March 31 (unaudited)		For the years ended March 31 (audited)	
	2007	2006	**2007**	2006
Revenues				
Dairy Products				
Canada and Other	**$ 688,561**	$ 651,917	**$ 2,794,099**	$ 2,651,402
United States	**277,446**	276,897	**1,036,830**	1,206,601
	966,007	928,814	**3,830,929**	3,858,003
Grocery Products	**42,697**	41,062	**170,051**	164,207
	$ 1,008,704	$ 969,876	**$ 4,000,980**	$ 4,022,210
Earnings before interest, depreciation, income taxes, amortization and devaluation				
Dairy Products				
Canada and Other	**$ 84,308**	$ 61,926	**$ 317,086**	$ 261,593
United States	**21,331**	12,753	**82,890**	78,300
	105,639	74,679	**399,976**	339,893
Grocery Products	**5,815**	7,107	**26,356**	26,072
	$ 111,454	$ 81,786	**$ 426,332**	$ 365,965
Depreciation of fixed assets				
Dairy Products				
Canada and Other	**$ 8,582**	$ 8,139	**$ 36,163**	$ 34,146
United States	**7,778**	7,227	**29,849**	29,881
	16,360	15,366	**66,012**	64,027
Grocery Products	**1,243**	1,020	**6,104**	5,334
	$ 17,603	$ 16,386	**$ 72,116**	$ 69,361
Operating income				
Dairy Products				
Canada and Other	**$ 75,726**	$ 53,787	**$ 280,923**	$ 227,447
United States	**13,553**	5,526	**53,041**	48,419
	89,279	59,313	**333,964**	275,866
Grocery Products	**4,572**	6,087	**20,252**	20,738
	$ 93,851	$ 65,400	**$ 354,216**	$ 296,604
Devaluation of portfolio investment	**-**	10,000	**-**	10,000
Interest	**4,450**	4,894	**19,105**	23,830
Earnings before income taxes	**89,401**	50,506	**335,111**	262,774
Income taxes	**26,542**	12,801	**96,644**	70,672
Net earnings	**$ 62,859**	$ 37,705	**$ 238,467**	$ 192,102

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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)	
	2007	2006	**2007**	2006
Cash flows related to the following activities:				
Operating				
Net earnings	**$ 62,859**	$ 37,705	**$ 238,467**	$ 192,102
Items not affecting cash				
Stock based compensation	**1,964**	2,289	**7,917**	8,196
Depreciation of fixed assets	**17,603**	16,386	**72,116**	69,361
Loss (gain) on disposal of fixed assets	**43**	(1,121)	**(122)**	(1,676)
Devaluation of portfolio investment	**-**	10,000	**-**	10,000
Future income taxes	**(1,834)**	(7,209)	**(1,525)**	(2,438)
Funding of employee plans in excess of costs	**(1,980)**	(7,215)	**(3,207)**	(10,134)
	78,655	50,835	**313,646**	265,411
Changes in non-cash operating working capital items	**13,221**	8,706	**29,855**	34,156
	91,876	59,541	**343,501**	299,567
Investing				
Business acquisitions	**(12,709)**	(2,811)	**(31,794)**	(86,338)
Portfolio investment	**-**	1,000	**-**	1,000
Additions to fixed assets	**(16,583)**	(34,316)	**(76,127)**	(96,152)
Proceeds on disposal of fixed assets	**69**	2,484	**3,808**	3,284
Other assets	**83**	(5,585)	**(6,124)**	(6,072)
	(29,140)	(39,228)	**(110,237)**	(184,278)
Financing				
Bank loans	**99,130**	(1,143)	**93,701**	28,081
Repayment of long-term debt	**-**	-	**(33,828)**	-
Issuance of share capital	**11,011**	1,285	**20,886**	13,689
Repurchase of share capital	**-**	(8,230)	**(50,677)**	(38,008)
Dividends	**(20,718)**	(18,737)	**(80,721)**	(72,215)
	89,423	(26,825)	**(50,639)**	(68,453)
Increase (decrease) in cash and cash equivalents	**152,159**	(6,512)	**182,625**	46,836
Effect of exchange rate changes on cash and cash equivalents	**3,923**	954	**2,736**	3,220
Cash and cash equivalents, beginning of period	**120,812**	97,091	**91,533**	41,477
Cash and cash equivalents, end of period	**$ 276,894**	$ 91,533	**$ 276,894**	$ 91,533
Supplemental information				
Interest paid	**$ (1,205)**	$ (544)	**$ 19,651**	$ 24,689
Income taxes paid	**$ 24,491**	$ 55,573	**$ 84,868**	$ 57,460

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

	March 31 2007	March 31 2006
ASSETS		
Current assets		
Cash and cash equivalents	**$ 276,894**	$ 91,533
Receivables	**324,702**	302,112
Inventories	**445,992**	453,414
Income taxes	**6,413**	6,736
Future income taxes	**13,045**	12,098
Prepaid expenses and other assets	**23,939**	25,979
	1,090,985	891,872
Portfolio investment	**42,991**	42,991
Fixed assets	**691,226**	674,695
Goodwill	**547,379**	544,472
Trademarks	**32,340**	30,589
Other assets	**73,726**	67,664
Future income taxes	**9,720**	1,650
	$ 2,488,367	$ 2,253,933
LIABILITIES		
Current liabilities		
Bank loans	**$ 139,001**	$ 41,541
Accounts payable and accrued liabilities	**343,911**	318,239
Income taxes	**85,644**	73,087
Future income taxes	**1,294**	369
Current portion of long-term debt	**21**	35,013
	569,871	468,249
Long-term debt	**254,012**	256,833
Other liabilities	**16,413**	16,623
Future income taxes	**115,053**	109,685
	955,349	851,390
SHAREHOLDERS' EQUITY		
Share capital	**511,737**	494,250
Contributed surplus	**18,864**	14,428
Retained earnings	**1,085,081**	971,131
Foreign currency translation adjustment	**(82,664)**	(77,266)
	1,533,018	1,402,543
	$ 2,488,367	$ 2,253,933