



PRESS RELEASE

SAPUTO INC. ANNOUNCES THE CLOSING OF A PLANT IN ITS CHEESE DIVISION (CANADA)

(Montréal, June 26, 2003) Saputo Inc. announces the closing of a plant in its Cheese Division (Canada) located in Cookstown, Ontario, as well as the transfer of part of the production of its plant in Saint-Raymond de Portneuf, Québec, to other Company facilities. In all, 62 employees are affected by this decision.

These announcements come in the wake of the Company's reevaluation of its Canadian facilities and the optimization of its production capacities in light of the recent decision by the World Trade Organization concerning the Canadian system of the supply of milk to be used in products for the export market. In order to comply with that decision, Canadian dairy processors are required to export their products at prices that make the exporting of dairy products from Canada non-competitive.

The Cookstown, Ontario, plant, which employs 26 people, will definitively cease its operations on August 1, 2003. The plant's production will be integrated into other Company facilities.

Part of the production of the plant in Saint-Raymond de Portneuf, Québec, where 110 people are employed, will be transferred to other facilities of the Company. That decision will take effect on August 29, 2003. 12 full-time employees and 24 part-time employees are affected by this decision. The Company intends to make the plant in Saint-Raymond de Portneuf the benchmark in the manufacture of soft cheeses and goat cheeses, the aim being to continue to strengthen Canadian sales growth in those market segments.

After-tax costs connected with these rationalizations will be approximately \$1.1 million. The Company expects to realize annual after-tax savings of roughly \$1.7 million.

After the shutdown of the Cookstown facility, the Cheese Division (Canada) will count 17 plants.

About Saputo

Every day, in 47 plants and in our distribution centres, Saputo's 7,000 employees proudly manufacture, market and distribute a wide range of products that find their way daily on store shelves, in restaurants and in prepared meals. Active in the dairy and grocery product sectors, the Company markets its products under such brand names as *Saputo*, *Stella*, *Frigo*, *Dragone*, *Armstrong*, *Caron*, *Cayer*, *Treasure Cave*, *Dairyland*, *Baxter*, *Nutrilait* and *Vachon*. A dynamic world-class company, Saputo Inc. is the largest dairy processor in Canada and one of the leading cheese manufacturers in North America. Saputo Inc. is a public company and its shares are listed on the Toronto Stock Exchange under the symbol SAP. Visit www.saputo.com for further information.

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Information

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