



**PRESS RELEASE**  
**For immediate publication**

**SAPUTO GROUP INC.**

**SAPUTO GROUP INC. COMPLETES PURCHASE OF STELLA FOODS, INC.**

*(Montreal, December 5, 1997)* - Saputo Group announced today that it has finalized the transaction with Specialty Foods Corporation announced on November 10, 1997, for the acquisition of Stella Foods, Inc. The purchase price is approximately C \$ 563 million (US \$ 405 million) which will be financed through a combination of bank debt (C \$ 338 million) and equity (C \$ 225 million).

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 Stella Foods, Inc., the Company has over 2 700 employees and operates six manufacturing facilities in Canada and fourteen in the United States. Saputo, on a pro-forma basis, has annual sales of approximately C \$ 1.46 billion (US \$ 1 billion) and an EBITDA of C \$ 136 million (US \$ 98 million). Saputo's Common Shares are listed on the Montreal and Toronto stock exchanges under the symbol SAP. Saputo was advised by Schroders on the acquisition.

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