

SAPUTO GROUP INC.

PRESS RELEASE

SAPUTO GROUP INC. ANNOUNCES THE ISSUE OF SPECIAL WARRANTS.

Montreal, November 19, 1997 - Saputo Group Inc. has entered into an agreement with a syndicate of underwriters, led by CIBC Wood Gundy Securities Inc. and Lévesque Beaubien Geoffrion Inc., and including RBC Dominion Securities Inc., Midland Walwyn Capital Inc. and Newcrest Capital Inc., which has agreed to purchase 2 948 380 Special Warrants, exercisable into Common Shares, at a price of C \$ 25 per Special Warrant for an aggregate amount of approximately C \$ 73 700 000. Also, as part of this Offering, the Saputo Family has agreed to purchase 6 051 620 Special Warrants for an aggregate amount of approximately C \$ 151 300 000 representing 67.2 % of the Offering and bringing the total size of the Offering to C \$ 225 000 000. The Special Warrants acquired by the Saputo Family will not require the payment of an underwriting commission by the Company. Closing of this Offering is expected on or about December 10, 1997.

As previously announced, Saputo will acquire Stella Foods, Inc. for approximately C \$ 563 million from Specialty Foods, Inc. and has committed bank credit facilities to cover the full acquisition price. However, in order to maintain its financial flexibility, Saputo will use the net proceeds of the Offering to pay a portion of Stella's acquisition price. The acquisition is scheduled to close before the end of the current year.

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. In Canada, Saputo also distributes fine imported cheeses and a large assortment of other non-dairy products that complement its cheese distribution. Last week, the Company announced the signing of an agreement with Specialty Foods Corporation whereby it will acquire Stella Foods, Inc. the fifth largest cheese producer in the U.S. Together Saputo and Stella will have a combined revenue that will approach C \$ 1.5 billion, and will employ more than 2 700 individuals. Saputo's common shares are listed on the Montreal and Toronto stock exchanges under the symbol SAP.

- 30 -

For further information:

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