



FINANCIAL RESULTS FOR FISCAL 2002

**NET EARNINGS UP 29.1%
CASH FLOW UP 28.6%**

(Montreal, June 5, 2002) – Saputo Inc. revealed today its financial results for the fiscal year ended March 31, 2002, for which the Company reported excellent financial performance.

Net earnings up 29.1%

Net earnings totalled \$160.2 million or \$1.56 (basic) per share, an increase of 29.1% over the \$124.1 million or \$1.21 (basic) per share (before amortization of goodwill) of the previous fiscal year. Dairyworld, acquired on February 5, 2001, was the main driving force behind this increase, and once again this year each of the divisions performed well.

EBITDA up 30.0%

As for earnings before interest, income taxes, depreciation and amortization (EBITDA), these reached \$352.4 million for fiscal 2002, an increase of 30.0% over the \$271.0 million of last year. The Canadian activities of the Dairy Products Sector, impacted by the strength of Dairyworld's contribution, were the principal source of this increase.

Cash flow up 28.6%

Cash generated before changes in non-cash working capital items totalled \$244.5 million or \$2.38 (basic) per share, an increase of 28.6% over the \$190.1 million or \$1.86 (basic) per share of the previous fiscal year.

Revenues up 60.0%

Revenues totalled \$3.457 billion at March 31, 2002, up 60.0% over the \$2.162 billion of the previous fiscal year. 90% of the increase in revenues is attributable to the contribution of Dairyworld for 52 weeks this year. The rest of the advance is related to the combination of additional revenues deriving from American activities and the lower revenues from the activities of the Grocery Products Sector, primarily because of the transfer to Dare Foods of the cookies, fine breads and soups activities as per the agreement entered into in July 2001.

Comments on fourth quarter results

The Canadian Dairy Products Sector showed favourable results for the fourth quarter. This performance is a result of the continuing integration process of Dairyworld. The US Dairy Products Sector showed a decrease in EBITDA for the quarter as compared to the same period of the previous fiscal year. This is a direct result of the purchase price of milk not following in tandem with the selling price per pound of cheese, which resulted in an unfavourable impact. Nevertheless, there was a considerable improvement in the fourth quarter compared to the third quarter. The Grocery Products Sector has included a minimal amount of dividends in its revenues, which relates to its investment in Dare Foods.

Dividends

The Company's Board of Directors has declared a dividend of \$0.055 per common share payable on July 2, 2002 to shareholders of record at June 18, 2002. This dividend relates to the fourth quarter beginning January 1, 2002 and ended March 31, 2002.

Conference call

A conference call to discuss the fiscal 2002 results will be held on Wednesday, June 5, 2002 at 10:00 AM, Montreal time. To participate in the conference call dial (416) 405-9328 or 1-800-387-6216. To ensure your participation, please dial in about five minutes before the start of the call.

To listen to this call on the web, please enter:

<http://www.newswire.ca/webcast/pages/SaputoInc20020605/> in your web browser.

For those unable to participate, an instant replay will be available to listeners up until midnight, Wednesday, June 12, 2002. To access the replay dial (416) 695-5800 or 1-800-408-3053, passcode 1167602.

The conference call will also be archived on the Saputo web site at www.saputo.com.

About Saputo

The largest dairy processor in Canada and one of the leading cheese producers in North America, Saputo Inc. is a public company operating in the dairy and grocery products sectors. Its products are marketed under well-known brands such as *Saputo*, *Stella*, *Frigo*, *Dragone*, *Dairyland*, *Baxter*, *Armstrong*, *Caron*, *Cayer*, *Vachon* and *Granny's*. A dynamic, world class company, Saputo Inc. employs close to 7,100 individuals in 52 plants. Company shares are listed on the Toronto Stock Exchange under the symbol SAP. For further information, please visit our website at www.saputo.com.



FINANCIAL HIGHLIGHTS

(In millions of dollars, except per share amounts)

	For the three-month periods ended March 31 (unaudited)			For the fiscal year ended March 31 (audited)		
	2002 \$	2001 \$	Change	2002 \$	2001 \$	Change
Revenues						
<i>Dairy Products Sector</i>						
Canada	484.4	349.9	38.4%	1,987.5	804.0	147.2%
United States	308.6	274.7	12.3%	1,282.5	1,106.0	16.0%
	<u>793.0</u>	<u>624.6</u>	27.0%	<u>3,270.0</u>	<u>1,910.0</u>	71.2%
<i>Grocery Products Sector</i>	<u>40.6</u>	<u>63.4</u>	(36.0%)	<u>187.4</u>	<u>251.7</u>	(25.5%)
	<u>833.6</u>	<u>688.0</u>	21.2%	<u>3,457.4</u>	<u>2,161.7</u>	59.9%
Earnings before interest, depreciation, amortization and income taxes						
<i>Dairy Products Sector</i>						
Canada	50.8	32.0	58.8%	183.0	96.9	88.9%
United States	32.7	34.8	(6.0%)	134.0	131.5	1.9%
	<u>83.5</u>	<u>66.8</u>	25.0%	<u>317.0</u>	<u>228.4</u>	38.8%
<i>Grocery Products Sector</i>	<u>9.0</u>	<u>12.7</u>	(29.1%)	<u>35.4</u>	<u>42.5</u>	(16.7%)
	<u>92.5</u>	<u>79.5</u>	16.4%	<u>352.4</u>	<u>270.9</u>	30.1%
Depreciation of fixed assets	15.7	15.4		68.0	51.8	
Interest	12.2	11.9		52.6	39.5	
Income taxes	<u>21.2</u>	<u>15.6</u>		<u>71.6</u>	<u>55.6</u>	
Earnings before amortization of goodwill	43.4	36.6	18.6%	160.2	124.0	29.2%
Amortization of goodwill***	<u>-</u>	<u>4.2</u>		<u>-</u>	<u>13.8</u>	
Net earnings	43.4	32.4	34.0%	160.2	110.2	45.4%
Inflow of cash related to operations before changes in non-cash operating working capital items	66.7	55.6	20.0%	244.5	190.1	28.6%
Net additions to fixed assets	16.7	16.7		59.7	42.9	
Repayment of long-term debt	55.1	60.0		125.1	151.1	
Dividends	5.7	4.6		21.6	16.9	
*** The Company adopted the new Canadian Institute of Chartered Accountants accounting recommendations on amortization of goodwill. Goodwill ceased to be amortized in accordance with these recommendations since April 1, 2001. Had the application of the new recommendations been permitted during the year ended March 31, 2001, net earnings would have been respectively \$36,710,000 and \$124,085,000.						
PER SHARE						
Net Earnings (earnings before amortization of goodwill for 2001)						
Basic	0.42	0.36	16.7%	1.56	1.21	28.9%
Diluted	0.41	0.35		1.54	1.20	
Cash flow generated by operations, before changes in non-cash operating working capital items						
Basic	0.65	0.55	18.2%	2.38	1.86	28.0%
Diluted	0.64	0.54		2.36	1.85	
Number of shares						
Basic	103,053,302	102,438,782		102,793,390	102,419,526	
Diluted	103,712,252	103,017,338		103,712,252	103,017,338	



CONSOLIDATED BALANCE SHEETS
(In thousands of dollars)

	March 31, 2002 (audited)	March 31, 2001 (audited)
ASSETS		
Current assets		
Cash	\$ 4,852	\$ 6,294
Receivables	272,895	279,493
Inventories	406,621	376,447
Income taxes	4,288	2,866
Future income taxes	13,781	22,751
Prepaid expenses and other assets	11,078	10,628
	713,515	698,479
Investment	55,991	-
Fixed assets	658,845	675,021
Goodwill	572,375	592,646
Other assets	41,859	33,970
Future income taxes	4,090	12,863
	\$ 2,046,675	\$ 2,012,979
LIABILITIES		
Current liabilities		
Bank loans	\$ 28,907	\$ 10,643
Accounts payable and accrued liabilities	305,752	320,426
Income taxes	17,393	29,457
Current portion of long-term debt	102,555	95,075
	454,607	455,601
Long-term debt	572,570	700,821
Employee future benefits	12,947	11,574
Future income taxes	105,963	97,082
	1,146,087	1,265,078
SHAREHOLDERS' EQUITY		
Share capital (103,184,447 shares, 102,450,780 shares in 2001)	459,822	451,047
Retained earnings	409,648	271,087
Foreign currency translation adjustment	31,118	25,767
	900,588	747,901
	\$ 2,046,675	\$ 2,012,979

For information:
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