

FINANCIAL RESULTS FOR THE THIRD QUARTER OF FISCAL 2002**NET EARNINGS UP 37.1%,
CASH FLOW UP 32.2%**

(Montreal, February 21, 2002) – Saputo Inc. revealed today its financial results for the third quarter of fiscal 2002, ended December 31, 2001, for which the Company posted solid financial results.

Net earnings up 37.1%

Net earnings were up 37.1% as compared to the same period of the previous fiscal year, for a total of \$35.1 million or \$0.34 (basic) per share in comparison with the \$25.6 million or \$0.25 (basic) per share posted for the same period the year before. Two important elements are reflected in these results. First, the performance of Dairyworld, our latest acquisition, whose integration process is still on course and whose performance is very encouraging. The contribution of Dairyworld activities to the overall earnings of the Company grows steadily. Indeed, its EBITDA margin has risen by more than 50% since its acquisition in February 2001. Second, in the course of the quarter the average selling price per pound of cheese on the American market dropped by almost \$0.38 US as compared to the price on September 30, 2001. That drop had a direct and negative impact on the performance of the Company. Notwithstanding, our net earnings showed an increase of more than 37% for the quarter, and of 33.6% since the beginning of the fiscal year, compared to the same periods for the previous year.

EBITDA up 35.1%

Earnings before interest, income taxes, depreciation and amortization (EBITDA) reached \$77.8 million in the course of the third quarter of fiscal 2002, an increase of 35.1% over the \$57.6 million of last year's third quarter. This growth of \$20.2 million is attributable to the activities of Dairyworld, acquired on February 5, 2001, which generated \$24.1 million in EBITDA for the quarter. Since the beginning of the fiscal year, a 35.8% increase in EBITDA has been posted, amounting to \$259.9 million, as compared to the \$191.4 million for the same period of the previous fiscal year.

Cash flow up 32.2%

Since the beginning of the fiscal year, cash generated before changes in non-cash working capital items total \$177.8 million or \$1.73 (basic) per share, a 32.2% increase over the \$134.5 million or \$1.31 (basic) per share posted for the corresponding period a year earlier.

Revenues up 76.2%

The Company's revenues totalled \$863.7 million for the three-month period ended December 31, 2001, a climb of 76.2% from the \$490.1 million for the corresponding period in the previous fiscal year. Dairyworld's contribution to the Company's revenues accounts for the bulk of that increase.

Dividends

The Board of Directors of the Company declared a dividend of \$0.055 per common share, payable on March 22, 2002, to common shareholders of record on March 8, 2002. This dividend relates to the third quarter, ended December 31, 2001.

Conference call

A conference call to discuss the third quarter of fiscal 2002 results will be held on Thursday February 21, 2002, at 10:00, Montreal time. To participate in the conference dial (416) 695-5806 or 1-800-273-9672. To ensure your participation, please dial in approximately five minutes before the call.

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

<http://www.newswire.ca/webcast/pages/SaputoInc20020221/> in your web browser.

For those unable to participate, a taped rebroadcast will be available to listeners up until midnight, Thursday, February 28, 2002. To access the rebroadcast please dial (416) 695-5800 or 1-800-408-3053, pass code 1067767.

The conference call will 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. A dynamic, world class company, Saputo Inc. today employs close to 7000 individuals. 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 December 31 (unaudited) | | | For the nine-month periods ended December 31 (unaudited) | | |
|--|---|-------------|---------|--|-------------|---------|
| | 2001 \$ | 2000 \$ | Change | 2001 \$ | 2000 \$ | Change |
| Revenues | | | | | | |
| <i>Dairy Products sector</i> | | | | | | |
| Canada | 522.6 | 153.1 | 241.3% | 1,517.1 | 454.0 | 234.2% |
| United States | 300.1 | 276.6 | 8.5% | 973.9 | 831.3 | 17.2% |
| | 822.7 | 429.7 | 91.5% | 2,491.0 | 1,285.3 | 93.8% |
| <i>Grocery Products sector</i> | 41.0 | 60.4 | (32.1%) | 146.8 | 188.3 | (22.0%) |
| | 863.7 | 490.1 | 76.2% | 2,637.8 | 1,473.6 | 79.0% |
| Earnings before interest, depreciation, amortization and income taxes | | | | | | |
| <i>Dairy Products sector</i> | | | | | | |
| Canada | 47.5 | 22.6 | 110.2% | 132.2 | 64.9 | 103.7% |
| United States | 22.0 | 26.3 | (16.3%) | 101.3 | 96.7 | 4.8% |
| | 69.5 | 48.9 | 42.1% | 233.5 | 161.6 | 44.5% |
| <i>Grocery Products sector</i> | 8.3 | 8.7 | (4.6%) | 26.4 | 29.8 | (11.4%) |
| | 77.8 | 57.6 | 35.1% | 259.9 | 191.4 | 35.8% |
| Depreciation of fixed assets | 17.0 | 11.9 | | 52.3 | 36.4 | |
| Interest | 12.8 | 8.6 | | 40.4 | 27.6 | |
| Income taxes | 12.9 | 11.5 | | 50.4 | 40.0 | |
| Earnings before amortization of goodwill | 35.1 | 25.6 | 37.1% | 116.8 | 87.4 | 33.6% |
| Amortization of goodwill*** | - | 3.2 | | - | 9.6 | |
| Net earnings | 35.1 | 22.4 | 56.7% | 116.8 | 77.8 | 50.1% |
| Inflow of cash related to operations before changes in non-cash operating working capital items | 55.2 | 41.1 | 34.3% | 177.8 | 134.5 | 32.2% |
| Net additions to fixed assets | 13.7 | 10.2 | | 43.0 | 26.2 | |
| Repayment of long-term debt | 30.0 | 10.0 | | 70.0 | 91.1 | |
| Dividends | 5.7 | 4.6 | | 15.9 | 12.3 | |
| *** 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 period of nine months ended December 31, 2000, net earnings would have been respectively \$25 608 000 and \$87 375 000. | | | | | | |
| PER SHARE | | | | | | |
| Net Earnings (earnings before amortization of goodwill for 2000) | | | | | | |
| Basic | 0.34 | 0.25 | 36.0% | 1.14 | 0.85 | 34.1% |
| Diluted | 0.34 | 0.25 | | 1.13 | 0.85 | |
| Cash flow generated by operations, before changes in non-cash operating working capital items | | | | | | |
| Basic | 0.54 | 0.40 | 35.0% | 1.73 | 1.31 | 32.1% |
| Diluted | 0.53 | 0.40 | 32.5% | 1.72 | 1.31 | 31.3% |
| Number of shares | | | | | | |
| Basic | 102,848,831 | 102,419,798 | | 102,706,753 | 102,412,866 | |
| Diluted | 103,558,952 | 103,020,508 | | 103,558,952 | 103,020,508 | |

CONSOLIDATED BALANCE SHEETS
(In thousands of dollars)

| | December 31, 2001 (unaudited) | March 31, 2001 (audited) |
|--|----------------------------------|-----------------------------|
| ASSETS | | |
| Current assets | | |
| Cash | \$ 19,405 | \$ 6,294 |
| Receivables | 281,246 | 279,493 |
| Inventories | 389,279 | 376,447 |
| Income taxes | 500 | 2,866 |
| Future income taxes | 21,072 | 22,751 |
| Prepaid expenses and other assets | 6,188 | 10,628 |
| | 717,690 | 698,479 |
| Fixed assets | 644,315 | 675,021 |
| Investment, at cost | 55,187 | - |
| Goodwill, unamortized portion (cost of \$609,646) | 571,402 | 592,646 |
| Other assets | 40,415 | 33,970 |
| Future income taxes | 12,017 | 12,863 |
| | \$ 2,041,026 | \$ 2,012,979 |
| LIABILITIES | | |
| Current liabilities | | |
| Bank loans | \$ 5,560 | \$ 10,643 |
| Accounts payable and accrued liabilities | 311,557 | 320,426 |
| Income taxes | 18,832 | 29,457 |
| Current portion of long-term debt | 100,000 | 95,075 |
| | 435,949 | 455,601 |
| Long-term debt | 630,698 | 700,821 |
| Employee future benefits | 11,550 | 11,574 |
| Future income taxes | 103,737 | 97,082 |
| | 1,181,934 | 1,265,078 |
| SHAREHOLDERS' EQUITY | | |
| Share capital (102,927,720 shares, 102,450,780 shares as at March 31, 2001) | 456,199 | 451,047 |
| Retained earnings | 371,990 | 271,087 |
| Foreign currency translation adjustment | 30,903 | 25,767 |
| | 859,092 | 747,901 |
| | \$ 2,041,026 | \$ 2,012,979 |

For information:

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