

FINANCIAL RESULTS FOR THE SECOND QUARTER OF FISCAL 2002
AND TWO-FOR-ONE STOCK SPLIT

**NET EARNINGS UP 32.6%,
CASH FLOW UP 31.4%
AND TWO-FOR-ONE STOCK SPLIT**

(Montreal, November 6, 2001) – Saputo Inc. revealed today its financial results for the second quarter of fiscal 2002, ended September 30, 2001, for which the Company reported excellent financial performance.

Net earnings up 32.6%

Net earnings rose to \$41.5 million or \$0.81 (basic) per share, a 32.6% increase over the \$31.3 million or \$0.61 (basic) per share figures posted for the corresponding quarter the previous fiscal year. This increase in earnings reflected the positive impact of the integration and enhancements initiated at Dairyworld since its acquisition in February 2001. The upward trend in the price per pound of cheese in the United States also positively impacted second quarter net earnings compared with last year. Since the beginning of the fiscal year, net earnings have risen by \$19.9 million to reach \$81.7 million, a 32.3% increase over the corresponding period in 2001.

EBITDA up 35.8%

Earnings before interest, income taxes, depreciation and amortization (EBITDA) totalled \$91 million, a 35.8% increase over the \$67 million figure posted in the second quarter of the previous year. Dairyworld, acquired on February 5, 2001, accounted for more than 84% of this \$24 million increase in EBITDA.

Cash flow up 31.4%

Since the outset of the 2002 fiscal year, cash generated before changes in non-cash working capital items totalled \$122.7 million or \$2.39 (basic) per share, a 31.4% increase over the 93.4 million or \$1.82 (basic) per share figure posted for the corresponding period the previous year.

Revenues up 78.3%

The Company's revenues for the quarter ended September 30, 2001 climbed from \$503.5 million to \$897.7 million, a 78.3% increase over the same period the previous year. Dairyworld contributed nearly \$345 million to the Company's revenues during this period.

Dividends

The Board of Directors of the Company declared today a 100% stock dividend on the common shares which will be paid on November 30, 2001 to common shareholders of record on November 23, 2001. This dividend, which is subject to obtaining all necessary regulatory approvals, has the same effect as a two-for-one stock split and will double the number of common shares outstanding.

Concurrently, the Board of Directors declared a quarterly dividend of \$0.055 per share payable on November 30, 2001 to common shareholders of record on November 23, 2001. This dividend represents a dividend of \$0.11 per share prior to the stock split, which is the quarterly dividend paid by the Company in accordance with its dividend policy. This dividend relates to the second quarter ended September 30, 2001.

The Company's common shares, which currently trade on the Toronto Stock Exchange under the symbol "SAP", will begin trading on a split basis as of November 21, 2001.

Conference call

A conference call to discuss the second quarter of fiscal 2002 results will be held on Wednesday November 7, 2001 at 10:00, Montreal time. To participate in the conference dial (416) 695-5801 or 1-800-478-9326. To ensure your participation, please dial in approximately five minutes before the call.

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

www.newswire.ca/webcast/pages/SaputoInc20011107/ in your web browser.

For those unable to participate, a taped rebroadcast will be available to listeners up until midnight, Wednesday, November 14, 2001. To access the rebroadcast please dial (416) 695-5800 or 1-800-408-3053, pass code 942253.

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.

Active in international markets, the Company's Dairy Products sector markets and distributes mozzarella, as well as a comprehensive range of Italian, European and North American cheeses, fluid milk, yoghurt, butter, powdered milk, juices and whey by-products such as lactose and whey protein. In Canada, this sector also operates a specialized distribution network that offers clients a vast assortment of imported cheeses and non-dairy products in addition to Company lines. The main brands are Saputo, Stella, Frigo, Dragone, Dairyland, Dairy Producers, Baxter, Armstrong, Caron and Cayer. Dairy Products sector facilities include 36 plants in Canada and 15 in the United States.

Saputo's Grocery Products sector markets and distributes a broad selection of snack cakes under the Vachon brand name. Facilities include two plants in Canada and a direct-to-store delivery network.

A dynamic, world class company, Saputo Inc. today employs over 7100 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 September 30 (unaudited)			For the six-month periods ended September 30 (unaudited)		
	2001 \$	2000 \$	Change	2001 \$	2000 \$	Change
Revenues						
<i>Dairy Products sector</i>						
Canada	498.0	152.3	227.0%	994.6	301.0	230.4%
United States	354.7	288.2	23.1%	673.9	554.7	21.5%
	852.7	440.5	93.6%	1,668.5	855.7	95.0%
<i>Grocery Products sector</i>						
	45.0	63.0	(28.6%)	105.7	127.8	(17.3%)
	897.7	503.5	78.3%	1,774.2	983.5	80.4%
Earnings before interest, depreciation, amortization and income taxes						
<i>Dairy Products sector</i>						
Canada	43.7	20.1	117.4%	84.7	42.2	100.7%
United States	38.8	36.1	7.5%	79.3	70.4	12.6%
	82.5	56.2	46.8%	164.0	112.6	45.6%
<i>Grocery Products sector</i>						
	8.5	10.9	(22.0%)	18.1	21.2	(14.6%)
	91.0	67.1	35.6%	182.1	133.8	36.1%
Depreciation of fixed assets	17.1	12.1		35.4	24.4	
Interest	13.6	9.2		27.6	19.0	
Income taxes	18.8	14.5		37.4	28.6	
Earnings before amortization of goodwill	41.5	31.3	32.6%	81.7	61.8	32.3%
Amortization of goodwill***	-	3.2		-	6.4	
Net earnings	41.5	28.1	47.7%	81.7	55.4	47.6%
Net inflow of cash related to operations before changes in non-cash operating working capital items						
	61.3	46.5	31.8%	122.7	93.4	31.4%
Net additions to fixed assets	17.5	9.5	84.2%	29.4	16.0	83.8%
Repayment of long-term debt	30.0	32.4	(7.4%)	40.0	81.1	(50.7%)
Dividends	10.3	7.7	33.8%	10.3	7.7	33.8%
*** 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 six months ended September 30th, 2000, net earnings would have been respectively \$ 31 277 000 and \$ 61 767 000.						
PER SHARE						
Net Earnings (earnings before amortization of goodwill for 2000)						
Basic	0.81	0.61	32.8%	1.59	1.20	32.5%
Diluted	0.80	0.61		1.58	1.20	
Cash flow generated by operations, before changes in non-cash operating working capital items						
Basic	1.19	0.91	30.8%	2.39	1.82	31.3%
Diluted	1.19	0.90	32.2%	2.37	1.81	30.9%
Number of shares						
Basic	51,361,946	51,207,251		51,317,857	51,204,701	
Diluted	51,645,191	51,523,256		51,645,191	51,523,256	

CONSOLIDATED BALANCE SHEETS

(in thousands of dollars)

	September 30, 2001 (unaudited)	March 31, 2001 (audited)
ASSETS		
Current assets		
Cash	\$ 15,469	\$ 6,294
Receivables	287,644	279,493
Inventories	404,840	376,447
Income taxes	664	2,866
Future income taxes	20,956	22,751
Prepaid expenses and other assets	6,981	10,628
	736,554	698,479
Fixed assets	644,210	675,021
Investment, at cost (note 3)	55,187	-
Goodwill, unamortized portion (cost of \$ 606 535)	568,553	592,646
Other assets	40,074	33,970
Future income taxes	12,267	12,863
	\$ 2,056,845	\$ 2,012,979
LIABILITIES		
Current liabilities		
Bank loans	\$ 10,331	\$ 10,643
Accounts payable and accrued liabilities	323,109	320,426
Income taxes	29,842	29,457
Current portion of long-term debt	105,000	95,075
	468,282	455,601
Long-term debt	651,561	700,821
Employee future benefits	12,150	11,574
Future income taxes	100,342	97,082
	1,232,335	1,265,078
SHAREHOLDERS' EQUITY		
Share capital (51 389 495 shares, 51 225 390 shares as at March 31, 2001)	454,503	451,047
Retained earnings	342,552	271,087
Foreign currency translation adjustment	27,455	25,767
	824,510	747,901
	\$ 2,056,845	\$ 2,012,979

For information:

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