

SAPUTO INC. ANNOUNCES A PARTNERSHIP AGREEMENT BETWEEN SUBSIDIARY CULINAR AND DARE FOODS

(Montréal, June 18, 2001) Saputo Inc. today announced the conclusion of a partnership agreement by subsidiary Culinar pursuant to which Dare Foods will acquire the cookies, fine breads and soups operations of the Company's Grocery Products sector. Following the close of the transaction, Saputo Inc. will hold an interest of 21% in Dare Foods, a company which will then be the second largest cookie producer in Canada. The transaction, which is subject to the usual conditions including approval by the Competition Bureau, is expected to close on July 15, 2001.

Mr. Lino Saputo, Chairman of the Board and Chief Executive Officer of Saputo Inc. commented the announcement: "This partnership will enable the Cookies, Fine Breads and Soups categories to progress within a wider family of products, and our Grocery Products sector to focus on the development of the Snack cakes category."

Culinar cookies, fine breads and soups operations represent annual revenues of approximately \$83 million. Those products are manufactured in three plants located in Québec and are distributed under such well known brand names as *Viau-McCormicks*, *Grissol* and *Loney's*. Dare Foods markets products under renowned brand names such as *Breton*, *Vivant*, *Dare*, *Real Fruit* and *Vinta*. Dare Foods operates three plants in Ontario and two in the United States.

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*, *Friigo*, *Dragone*, *Dairyland*, *Dairy Producers*, *Baxter*, *Armstrong*, *Caron* and *Cayer*. Dairy Products sector facilities include 36 plants in Canada and 15 in the United States.

Following the transaction, Saputo's Grocery Products sector will market and distribute a broad selection of snack cakes under the *Vachon* brand name. Facilities will include two plants in Canada and a direct-to-store delivery network.

A dynamic, world class company, Saputo Inc. today employs over 7800 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.

Information

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