



PRESS RELEASE

FINANCIAL RESULTS FOR THE FIRST QUARTER OF FISCAL 2001

NET EARNINGS UP 29.4% AND CASH FLOW UP 37.5%

(Saint-Léonard, August 2, 2000) Saputo Group Inc. today announced its financial results for the first quarter of fiscal 2001, ended June 30, 2000. The figures are eloquent testimony to the Company's continuing expansion and growing profitability.

Net earnings up 29.4%

First quarter net earnings totalled \$27.3 million, or \$0.53 per share (\$0.52 diluted), a 29.4% increase over the \$21.1 million or \$0.43 per share for first quarter of 2000.

EBITDA up 33.1%

Earnings before interest, depreciation, amortization and income taxes (EBITDA) reached \$66.8 million for the quarter ended June 30, 2000, an increase of 33.1% over the \$50.2 million recorded at the same time last year. Nearly two-thirds of this increase came from our new Grocery Products sector.

Cash flow up 37.5%

Net cash flow generated by operations before changes in non-cash working capital items increased by \$12.8 million and amounted to \$46.9 million, or \$0.92 per share in the first quarter of 2001, compared to \$34.1 million, or \$0.70 per share, during the same quarter last year.

Revenues up 15.7%

Saputo's revenues for the three-month period ended June 30, 2000 amounted to \$479.9 million, compared with \$414.9 million for the quarter ended June 30, 1999. The additional revenues come from the acquisitions completed during fiscal 2000, namely Culinar Inc. and Cayer-JCB Group Inc.

Dividends

In view of the Company's excellent performance over the last fiscal years, the Board of Directors has revised the Company's dividend policy upwards. The annual dividend of the Company will increase from 24 cents per share to 36 cents per share. Consequently, the Board of Directors today declared a dividend of 9 cents per share to be paid on September 1, 2000 to shareholders of record on August 18, 2000. This dividend relates to the first quarter of the present fiscal year, which began April 1, 2000 and ended June 30, 2000.

About Saputo

Saputo Group Inc. is a North American manufacturer of dairy and grocery products. From its dairy processing operations, Saputo manufactures predominantly Mozzarella, with expertise extending to other Italian cheeses, European cheeses and North American cheeses, as well as value-added whey by-products such as lactose and whey protein. The Dairy Products sector's leading brands are Saputo, Stella, Frigo, Dragone, Caron and Cayer. In Canada, Saputo also operates a distribution network through which the Company markets a broad assortment of imported cheeses and non-dairy products to complement its cheese offerings. Through its Grocery Products sector, Saputo produces and distributes snack cakes, cookies, fine breads and soups, under recognized brand names such as Vachon, Viau-McCormicks, Grissol and Loney's.

Saputo employs close to 5,400 people. Within the Dairy Products sector, it operates 17 plants in the United States, as well as 11 plants and a network of 17 distribution centres in Canada. In the Grocery Products sector, Saputo operates five plants in Canada and a direct store delivery network of 53 warehouses and five distribution centres. The Company's shares are listed on The Toronto Stock Exchange under the symbol SAP. For more information, visit our web site at www.saputo.com.



FINANCIAL HIGHLIGHTS

(In millions of dollars, except per share amounts)

	For the three-month periods ended June 30		
	2000 \$	1999 \$	Change
Revenues			
<i>Dairy Products sector</i>			
Canada	148.7	130.7	13.8%
United States	266.4	284.2	(6.3%)
	415.1	414.9	0.0%
Grocery Products sector	64.8	-	-
	479.9	414.9	15.7%
Earnings before interest, depreciation, amortization and income taxes			
<i>Dairy Products sector</i>			
Canada	22.2	19.8	12.1%
United States	34.3	30.4	12.8%
	56.5	50.2	12.5%
Grocery Products sector	10.3	-	-
	66.8	50.2	33.1%
Depreciation of fixed assets	12.4	8.0	
Interest	9.9	7.8	
Income taxes	14.0	11.4	
Earnings before amortization of goodwill	30.5	23.0	32.6%
Amortization of goodwill	3.2	1.9	
Net earnings	27.3	21.1	29.4%
Net inflow of cash related to operations before changes in non-cash operating working capital items	46.9	34.1	37.5%
PER SHARE			
Earnings before amortization of goodwill			
Basic	0.60	0.47	27.7%
Fully diluted	0.58		
Net Earnings			
Basic	0.53	0.43	23.3%
Fully diluted	0.52		
Net inflow of cash related to operations before changes in non-cash operating working capital items			
Basic	0.92	0.70	31.4%
Fully diluted	0.89		
BALANCE SHEET ITEMS			
	As at June 30		
	2000	1999	
Working capital	165.2	135.1	
Bank loans and overdraft	43.7	70.6	
Current portion of long-term debt	40.0	49.2	
Long-term debt	422.4	305.6	
Total debt	506.1	425.4	
Shareholders' equity	662.5	463.9	

For information:
Lynda Leith, Director of Communications
(514) 328-3381