

PRESS RELEASE
For immediate publication

SAPUTO GROUP INC.

**SAPUTO GROUP INC. COMPLETES PURCHASE OF
RIVERSIDE CHEESE AND BUTTER INC.**

(Montréal, August 31, 1998) - Saputo Group is pleased to announce that it has closed today the transaction announced on August 20, 1998, for the acquisition of Riverside Cheese and Butter Inc., a cheese manufacturer located in Trenton, Ontario. Riverside produces and markets Italian specialty cheeses such as mozzarella and parmesan as well as butter and cream, under the brand names of *Riverside* and *Della Riva*.

A portion of the purchase price of \$ 6.7 million will be paid through the private placement of 17 500 common shares of Saputo at a price of \$ 40 per share, with the balance paid in cash.

The Company

Saputo Group Inc. is a cheese producer with a well-established reputation and an increasing prominence in the North American marketplace. The company's main product is mozzarella, with corporate expertise extending to the production of other Italian specialty cheeses, more traditional American cheeses and value-added products derived from the residual solids of cheesemaking such as lactose, whey protein and butter. In Canada, Saputo also distributes fine imported cheeses and a wide range of other non-dairy products that complement its domestic cheese offerings. With the Riverside acquisition, Saputo has over 3 100 employees and operates eight manufacturing facilities in Canada and twenty in the United States, with annual sales of approximately \$ 1.76 billion. Saputo's common shares are listed on the Montréal and Toronto stock exchanges under the symbol SAP.

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For further information:

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