

FINANCIAL RESULTS FOR THE FIRST QUARTER OF FISCAL 2002

NET EARNINGS UP 32.1%
CASH FLOW UP 30.7%

(Montreal, August 1, 2001) – Saputo Inc. revealed today its financial results for the first quarter of fiscal 2002, ended June 30, 2001. The Company started the new fiscal year with strong results.

Net earnings up 32.1 %

The Company's net earnings for the first quarter of fiscal 2002 stood at \$40.3 million, or 79 cents basic per share (78 cents diluted), a 32.1% increase over the \$30.5 million, or \$0.60 basic per share, of the first quarter of fiscal 2001. Besides the continuous efforts in improving our operating processes, the first quarter 2002 also benefited from the favourable impact of the price per pound of cheese in the United States, which was higher than during the same period a year earlier.

EBITDA up 36.4%

Net earnings before interest, income taxes, depreciation and amortization (EBITDA) for the three-month period ended June 30, 2001 totaled \$91.1 million, an increase of 36.4% over the \$66.8 million recorded for the same period a year ago. Nearly three-quarters of this increase was accounted for by the activities of Dairyworld, acquired on February 5, 2001.

Cash flow up 30.7%

Cash generated before changes in non-cash working capital items, amounted to \$61.3 million or \$1.20 basic per share for the first quarter of fiscal 2002, an increase of \$14.4 million over the \$46.9 million, or 92 cents basic per share, of the same quarter last year.

Revenues up 82.6%

The Company revenues amounted to \$876.4 million for the three-month period ended June 30, 2001, or 82.6% more than the \$480.0 million recorded for the same period a year ago. This was the first full quarter for which Dairyworld contributed to the Company's revenues, which explains 87% of the increase. The remainder is largely accounted for by an increase of approximately 37% in the average selling price per pound of cheese in the United States as well as a weaker Canadian dollar as to the US dollar, compared with the same period last year.

Dividends

In light of the Company's strong performance, the Board of Directors has revised the Company's dividend policy upwards. The quarterly dividend is to be increased from 9 cents to 11 cents per share, for a total of 44 cents per share annually. Accordingly, the Company's Board of Directors declared today a dividend of 11 cents per common share payable on August 31, 2001 to shareholders of record at August 17, 2001. This dividend relates to the first quarter beginning April 1, 2001 and ended June 30, 2001.

Conference call

A conference call to discuss the first quarter of fiscal 2002 results will be held on Thursday, August 2, 2001 at 9:00 AM, 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:

www1.newswire.ca/webcast/pages/SaputoInc20010802/ in your web browser.

For those unable to participate, an instant replay will be available until midnight, Thursday, August 9, 2001. To access the replay please dial (416) 695-5800 or 1-800-408-3053, pass code 849497.

The conference call will also 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 June 30		Change
	2001 <i>(Unaudited)</i>	2000 <i>(Unaudited)</i>	
Revenues			
Dairy Products sector			
Canada	496.6	148.7	234.0%
United States	319.1	266.5	19.7%
	815.7	415.2	96.5%
Grocery Products sector	60.7	64.8	(6.3%)
	876.4	480.0	82.6%
Earnings before interest, depreciation, amortization and income taxes (EBITDA)			
Dairy Products sector			
Canada	41.0	22.2	84.7%
United States	40.5	34.3	18.1%
	81.5	56.5	44.2%
Grocery Products sector	9.6	10.3	(6.8%)
	91.1	66.8	36.4%
Depreciation of fixed assets	18.3	12.4	
Interest	13.9	9.9	
Income taxes	18.6	14.0	
Earnings before amortization of goodwill	40.3	30.5	32.1%
Amortization of goodwill (note 1)	0.0	3.2	
Net earnings	40.3	27.3	47.6%
Cash flow generated by operations, before changes in non-cash operating working capital items	61.3	46.9	30.7%

Note 1: 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 1st, 2001. Had the application of the new recommendations been permitted during the period of three months ended June 30th, 2000, net earnings would have been \$ 30,490,000.

PER SHARE
Net Earnings *(earnings before amortization of goodwill for 2000)*

Basic	0.79	0.60	31.7%
Diluted	0.78	0.59	
Cash flow generated by operations, before changes in non-cash operating working capital items			
Basic	1.20	0.92	30.4%
Diluted	1.19	0.91	30.8%

	As at June 30 2001 <i>(Unaudited)</i>	As at March 31 2001 <i>(Audited)</i>
BALANCE SHEET ELEMENTS		
Working capital	248.2	242.9
Bank loans and bank overdrafts less cash	(8.9)	4.3
Current portion of long-term debt	110.0	95.1
Long-term debt	661.3	700.8
Total debt	762.4	800.2
Shareholders' equity	770.6	747.9
Number of shares		
Basic	51,273,768	51,202,150
Diluted	51,549,904	51,461,117

August 1, 2001