



## SunOpta Announces Second Quarter 2008 Results

TORONTO, Aug 11, 2008 (PrimeNewswire via COMTEX News Network) -- SunOpta Inc. (SunOpta or the Company) (Nasdaq:STKL) (TSX:SOY) today announced financial results for the second quarter ended June 30, 2008. All amounts are expressed in U.S. dollars.

The Company achieved its highest ever quarterly revenues during the three months ended June 30, 2008, realizing its 43rd consecutive quarter of increased revenue growth versus the same quarter in the previous year. Revenues in the second quarter of 2008 increased by 41.5% to \$291,945,000 as compared to \$206,378,000 in the second quarter ("Q2") of 2007. Second quarter 2008 revenues in the SunOpta Food Group increased 41.9% to \$266,226,000 versus \$187,665,000 in Q2 2007, driven by internal growth of 20.5% and the impact of the acquisition of The Organic Corporation B.V. (referred to as Tradin Organics) in April 2008 which contributed revenues in the second quarter of approximately \$37,000,000. Revenues in Opta Minerals Inc. increased 37.3% to \$25,248,000 for the quarter and revenues in the SunOpta BioProcess Group increased to \$471,000 versus \$319,000 in the second quarter of 2007. Consolidated internal revenue growth for the quarter was 20.8%.

Earnings for the quarter were \$719,000 or \$0.01 per diluted common share as compared to 2007 second quarter earnings of \$3,405,000 or \$0.05 per diluted common share. Second quarter 2008 results include professional and related fees and severance costs of \$6,352,000 related to the Company's investigation into the write-down in the SunOpta Fruit Group Berry Operations and resulting delay in filing Annual Report 10-K for the year ended December 31, 2007.

Without the investigation related professional fees and severance costs, adjusted earnings(2) for the quarter would have increased from earnings in Q2 2007 by approximately 49% to \$5,070,000. Without the impact of the investigation related professional fees, severance costs and the segment operating loss of (\$1,077,000) (2007 - (\$1,676,000)) incurred within the SunOpta Fruit Group Berry Operations, second quarter 2008 adjusted earnings would have increased approximately 29% to \$5,727,000 versus 2007 second quarter adjusted earnings of \$4,427,000.

For the six months ended June 30, 2008, the Company realized revenues of \$522,389,000 versus \$389,878,000 in the first six months of 2007, an increase of 34.0%. Consolidated internal growth the first six months was 20.8%. Earnings for the six month period in 2008 were \$2,205,000 or \$0.03 per diluted common share versus \$4,459,000 or \$0.07 per diluted common share in the comparable 2007 period. These results include professional and related fees and severance costs of \$7,720,000 related to the Company's investigation and related activities into the write-down in the SunOpta Fruit Group Berry Operations and resulting delay in filing Annual Report 10-K for the year ended December 31, 2007. Without these professional fees and severance costs, adjusted earnings(2) for the first six months of 2008 would have been \$7,493,000, representing an increase in earnings of approximately 68% versus the same period in 2007. Without the impact of the professional fees and severance costs and the segment operating loss of (\$5,109,000) (2007 - (\$4,818,000)) incurred within the SunOpta Fruit Group Berry Operations, 2008 adjusted earnings would have been \$10,609,000 versus adjusted earnings of \$7,398,000 in 2007, an increase of approximately 43%.

Operating income for the quarter was \$5,491,000 as compared to \$6,809,000 in Q2 2007. Segment operating income(1) within the SunOpta Food Group increased 23.7% to \$9,051,000 and segment operating income in Opta Minerals Inc. increased 62.6%. Offsetting these increases were operating losses and costs in the combined BioProcess & Corporate segment, largely driven by an increase in costs in this segment of \$4,340,000, which includes the impact of the incremental professional fees and related costs of \$6,352,000, as noted above. Excluding these professional fees and related costs, adjusted operating income would have increased from Q2 2007 results by approximately 74% reflecting strong results in the Company's operations.

The SunOpta Food Group reported segment operating income of \$9,051,000 versus \$7,319,000 in Q2 2007, an increase of 23.7%; these results include the impact of \$910,000 in increased corporate cost allocations in the 2008 period. The improved segment operating income was driven by the SunOpta Grains and Foods Group which realized a 10.9% increase in segment operating income comparing Q2 of 2008 to Q2 of 2007 due to strong sales and margins of non-GMO and organic grains and grains based ingredients and continued growth in packaged soymilk products, offset by increased input costs that were not entirely passed along to customers during the quarter and costs associated with the installation and commissioning of new aseptic filling equipment in Alexandria, Minnesota which commenced production in July 2008. The SunOpta Distribution Group realized an increase in segment operating income of 64.1%, due primarily to continued strong demand for natural and organic grocery and natural health products as well as the impact of cost rationalization initiatives. The SunOpta Fruit Group realized improved segment operating results in Q2 2008 versus Q2 2007, realizing a net segment operating loss of (\$281,000) versus a

loss of (\$1,137,000) in Q2 2007. Included within the SunOpta Fruit Group results, the Berry Operations realized a net segment operating loss of (\$1,077,000) versus (\$1,676,000) in Q2 2007. The Berry Operations realized a 72.9% improvement in results versus the loss of (\$3,974,000) that was realized in the first quarter of 2008, reflecting improved results as inventories that were written down in 2007 to net realizable value are sold through and improved pricing and reduced storage costs are realized in hand with the expected benefits of the new management team and improved internal processes that are being implemented. Segment operating income in the SunOpta Ingredients Group decreased when comparing Q2 2007 to Q2 2008 by \$902,000 as a result of rapid increases in input and processing costs in advance of customer pricing, and approximately \$350,000 in costs related to the temporary shutdown of two fiber facilities as a result of the recent flooding in Iowa. The Company expects to recover these costs in the future via business interruption insurance and both of the facilities have now returned to service.

Opta Minerals realized segment operating income in the second quarter of 2008 of \$3,351,000 as compared to \$2,061,000 in Q2 2007, an increase of 62.6%, driven by strong sales of abrasive products in the U.S. combined with increased sales of magnesium desulphurization products and the 2007 acquisition of Newco in July 2007, the Company's industrial minerals operation located in Slovakia. Opta Minerals continues to pursue strategic transactions and new product development to complement its existing product portfolio, and on July 10, 2008 announced the acquisition of 67% of MCP Mg-Serbian SAS ("MCP") of France. MCP sells ground magnesium products to a variety of industries in Europe and further expands the Company's European operating platform.

There continues to be a strong interest in the SunOpta BioProcess Group's technology and equipment for the pre-treatment of biomass for the production of cellulosic ethanol. Segment operating results for the second quarter of 2008 improved versus the same period in 2007 and reflect continued investment and development spending as the group works on a number of projects that are expected to utilize its technology in the production of cellulosic ethanol.

At June 30, 2008, the Company's balance sheet reflects a current working capital ratio of 1.63 to 1.00, long term debt to equity ratio of 0.45 to 1.00 and total debt to equity ratio of 0.89 to 1.00. The Company has total assets of \$676,889,000 and a net book value of \$4.03 per outstanding share. The Company has obtained amendments to certain covenants under its credit facility for the fiscal quarters ended June 30, 2008, September 30, 2008 and December 31, 2008 and March 31, 2009 and is in compliance with these amended covenants at June 30, 2008.

Steve Bromley, President and Chief Executive Officer of SunOpta commented, "The results of the second quarter reflect strong growth and operating earnings in the Company's core operations, the impact of the ongoing turnaround efforts in the Berry Operations and the costs of the Company's independent investigation and related activities. These results are within our expectations for the first half of the year and based on this we are able to reconfirm our annual revenue guidance for fiscal 2008 of in excess of \$1 billion and net earnings guidance in the range of \$0.25 to \$0.30 per diluted common share, before the impact of one time professional fees and severance costs related to the independent investigation and related recommendations and legal costs to defend the class action lawsuits in the United States and Canada."

(1) Segment Operating Income is defined as "Earnings Before the Following" excluding the impact of "Other expense, net".

(2) Adjusted earnings is not a GAAP measure. SunOpta believes adjusted earnings (adjusted for the impact of the professional fees and severance costs incurred in relation to the investigation and related activities and the loss incurred by the SunOpta Fruit Group Berry Operations in the first and second quarters) provides useful information to understand the underlying performance of the business and as a result, in addition to the actual results reflected in our financial statements, in this release we have presented these items as adjusted.

About SunOpta Inc.

SunOpta Inc. is an operator of high-growth ethical businesses, focusing on integrated business models in the natural and organic food and natural health markets. The Company has three business units: the SunOpta Food Group, which specializes in sourcing, processing and distribution of natural and organic food products integrated from seed through packaged products; Opta Minerals Inc. (TSX:OPM) (66.6% owned by SunOpta), a producer, distributor, and recycler of environmentally friendly industrial materials; and SunOpta BioProcess Inc. which engineers and markets proprietary steam explosion technology systems for the bio-fuel, pulp and food processing industries. Each of these business units has proprietary products and services that give it a solid competitive advantage in its sector.

The SunOpta Inc. logo is available at <http://www.primenewswire.com/newsroom/prs/?pkgid=3958>

Forward Looking Statements

Certain statements included in this press release may constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and are based on information available to us on the date of this release and we assume no obligation to update these forward-looking statements for any reason. These forward-looking statements include, but are not limited to estimates of future financial results, references to business strategies, competitive strengths, goals, capital expenditure plans and business and operational growth plans. Whether actual results will agree with expectations

and predications of the Company is subject to many risks and uncertainties including the risk that the remediation efforts in the Berry Operations will not have the anticipated results, and other risks described from time to time in SEC reports filed by SunOpta. Consequently all forward-looking statements made herein are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by the Company will be realized.

SunOpta Inc.

Consolidated Statements of Earnings

For the three month periods ended June 30, 2008 and 2007

(Expressed in thousands of U.S. dollars, except per share amounts)

(Unaudited)

	June 30, 2008 \$	June 30, 2007 \$	% change
Revenues	291,945	206,378	41.5%
Cost of goods sold	246,077	170,828	44.0%
Gross profit	45,868	35,550	29.0%
Warehousing and distribution expenses	5,448	4,969	9.6%
Selling, general and administrative expenses	34,700	23,138	50.0%
Intangible asset amortization	1,508	1,012	49.0%
Other expense, net	--	217	--
Foreign exchange	(1,279)	(378)	(238.4%)
Earnings before the following	5,491	6,592	(16.7%)
Interest expense, net	(3,601)	(1,817)	(98.2%)
Earnings before income taxes	1,890	4,775	(60.4%)
Provision for income taxes	473	1,048	(54.9%)
Earnings before minority interest	1,417	3,727	(62.0%)
Minority interest	698	322	116.8%
Earnings for the period	719	3,405	(78.9%)
Earnings per share for the period			
Basic	0.01	0.05	
Diluted	0.01	0.05	

SunOpta Inc.

Consolidated Statements of Earnings

For the six month periods ended June 30, 2008 and 2007  
(Expressed in thousands of U.S. dollars, except per share amounts)  
(Unaudited)

	June 30, 2008 \$	June 30, 2007 \$	% change
Revenues	522,389	389,878	34.0%
Cost of goods sold	436,320	323,607	34.8%
Gross profit	86,069	66,271	29.9%
Warehousing and distribution expenses	10,894	9,907	10.0%
Selling, general and administrative expenses	62,511	44,187	41.5%
Intangible asset amortization	2,766	1,995	38.6%
Other expense, net	--	406	--
Foreign exchange	(991)	(449)	(120.7%)
Earnings before the following	10,889	10,225	6.5%
Interest expense, net	(6,501)	(3,729)	(74.3%)
Earnings before income taxes	4,388	6,496	(32.5%)
Provision for income taxes	1,122	1,513	(25.8%)
Earnings before minority interest	3,266	4,983	(34.5%)
Minority interest	1,061	524	102.5%
Earnings for the period	2,205	4,459	(50.5%)
Earnings per share for the period			
Basic	0.03	0.07	
Diluted	0.03	0.07	

SunOpta Inc.  
Consolidated Balance Sheets  
As at June 30, 2008 and December 31, 2007  
(Expressed in thousands of U.S. dollars)  
(Unaudited)

	June 30, 2008 \$	Dec. 31, 2007 \$
Assets		

Current assets		
Cash and cash equivalents	9,123	30,302
Short-term investments	20,000	--
Accounts receivable	131,719	87,729
Inventories	239,033	182,729
Prepaid expenses and other current assets	8,525	10,201
Current income taxes recoverable	--	1,491
Deferred income taxes	1,756	1,749
	-----	-----
	410,156	314,201
Property, plant and equipment	115,466	116,389
Goodwill	66,450	55,503
Intangible assets	68,433	62,076
Deferred income taxes	14,281	14,110
Other assets	2,103	2,261
	-----	-----
	676,889	564,540
	=====	=====
Liabilities		
Current liabilities		
Bank indebtedness	112,551	58,806
Accounts payable and accrued liabilities	124,422	93,462
Income taxes payable	292	--
Customer and other deposits	617	1,300
Current portion of long-term debt	12,261	13,119
Current portion of long-term liabilities	863	1,304
	-----	-----
	251,006	167,991
Long-term debt	104,985	85,595
Long-term liabilities	5,995	3,275
Deferred income taxes	13,625	11,430
	-----	-----
	375,611	268,291
	-----	-----
Minority interest	15,035	13,863
Preferred shares of a subsidiary company	27,601	27,409
Shareholders' Equity		
Capital stock		
64,214,373 common shares		
(December 31, 2007 - 64,149,593)	176,807	176,547
Additional paid in capital	6,696	5,967
Retained earnings	54,050	51,845
Accumulated other comprehensive income	21,089	20,618
	-----	-----
	258,642	254,977
	-----	-----
	676,889	564,540
	=====	=====

SunOpta Inc.  
Consolidated Statements of Cash Flow  
For the three month periods ended June 30, 2008 and 2007  
(Expressed in thousands of U.S. dollars)  
(Unaudited)

	June 30, 2008	June 30, 2007
	\$	\$
Cash provided by (used in)		
Operating activities		
Earnings for the period	719	3,405
Items not affecting cash		
Amortization	5,135	3,496
Unrealized loss on a foreign exchange	389	--
Minority interest	698	322
Stock-based compensation	491	222
Deferred income taxes	(413)	(265)
Other	443	85
Changes in non-cash working capital	(13,780)	(17,359)
	-----	-----
	(6,318)	(10,094)
	-----	-----
Investing activities		
Acquisition of companies, net of cash acquired	(4,111)	(13,380)
Increase in short-term investments	(20,000)	--
Purchases of property, plant and equipment, net	(3,164)	(7,104)
Purchase of patents, trademarks and other intangible assets	(32)	(88)
Other	117	--
	-----	-----
	(27,190)	(20,572)
	-----	-----
Financing activities		
Increase in line of credit facilities	12,129	--
Borrowings under long-term debt	--	(1,518)
Repayment of long-term debt	(2,296)	27,954
Proceeds from the issuance of common shares, net of issuance costs	41	32,306
Proceeds from the issuance of preference shares by subsidiary	--	887
Payment of deferred purchase consideration	(255)	54
Other	16	--
	-----	-----
	9,635	59,683
	-----	-----
Foreign exchange (loss) gain on cash held in a foreign currency	(5)	214
	-----	-----
(Decrease) increase in cash and cash equivalents during the period	(23,878)	29,231
	-----	-----
Cash and cash equivalents - beginning of the period	33,001	449
	-----	-----
Cash and cash equivalents - end of the period	9,123	29,680
	=====	=====

SunOpta Inc.  
Consolidated Statements of Cash Flow  
For the six month periods ended June 30, 2008 and 2007  
(Expressed in thousands of U.S. dollars)  
(Unaudited)

	June 30, 2008	June 30, 2007
	\$	\$
-----		
Cash provided by (used in)		
Operating activities		
Earnings for the period	2,205	4,459
Items not affecting cash		
Amortization	9,513	6,927
Unrealized loss on foreign exchange	389	--
Minority interest	1,061	524
Stock-based compensation	729	780
Deferred income taxes	75	(1,295)
Other	267	(236)
Changes in non-cash working capital	(25,207)	(49,531)
	-----	-----
	(10,968)	(38,372)
	-----	-----
Investing activities		
Acquisition of companies, net of cash acquired	(4,111)	(13,380)
Increase in short-term investments	(20,000)	--
Purchases of property, plant and equipment, net	(5,530)	(12,481)
Purchase of patents, trademarks and other intangible assets	(122)	(887)
Decrease (increase) in other assets	169	(1,331)
	-----	-----
	(29,594)	(28,079)
	-----	-----
Financing activities		
Increase in line of credit facilities	16,981	1,500
Borrowings under long-term debt	13,075	(7,504)
Repayment of long-term debt	(10,253)	21,734
Proceeds from the issuance of common shares, net of issuance costs	260	52,616
Proceeds from the issuance of preference shares by subsidiary	--	27,954
Payment of deferred purchase consideration	(755)	(1,089)
Other	100	--
	-----	-----
	19,408	95,211
	-----	-----
Foreign exchange loss on cash held in a foreign currency	(25)	(34)
	-----	-----
(Decrease) increase in cash and cash equivalents during the period	(21,179)	28,726
Cash and cash equivalents - beginning of the period	30,302	954

Cash and cash equivalents - end of the period	9,123	29,680
	=====	

SunOpta Inc.  
Segmented Information  
For the three month periods ended June 30, 2008 and 2007  
(Expressed in thousands of U.S. dollars)  
(Unaudited)

	Three months ended June 30, 2008			
	SunOpta Food Group	Opta Minerals	SunOpta BioProcess and Corporate	Consolidated
	\$	\$	\$	\$
Total revenues from external customers	266,226	25,248	471	291,945
Segment Operating Income(1)	9,051	3,351	(6,911)	5,491

The SunOpta Food Group has the following segmented reporting:

	Three months ended June 30, 2008				
	SunOpta Grains and Foods	SunOpta Ingredients	SunOpta Fruit	SunOpta Distribution	SunOpta Food Group
	\$	\$	\$	\$	\$
Total revenues from external customers	86,487	16,826	94,032	68,881	266,226
Segment Operating Income(1)	5,601	586	(281)	3,145	9,051

Three months ended  
June 30, 2007

	SunOpta Food Group \$	Opta Minerals \$	SunOpta BioProcess and Corporate \$	Consolidated \$
Total revenues from external customers	187,665	18,394	319	206,378
Segment Operating Income(1)	7,319	2,061	(2,571)	6,809

The SunOpta Food Group has the following segmented reporting:

	Three months ended June 30, 2007				
	SunOpta Grains and Foods \$	SunOpta Ingredients \$	SunOpta Fruit \$	SunOpta Distribution \$	SunOpta Food Group \$
Total revenues from external customers	65,154	17,287	53,309	51,915	187,665
Segment Operating Income(1)	5,051	1,488	(1,137)	1,917	7,319

SunOpta Inc.  
Segmented Information  
For the six month periods ended June 30, 2008 and 2007  
(Expressed in thousands of U.S. dollars)  
(Unaudited)

	Six months ended June 30, 2008				
	SunOpta Food Group \$	Opta Minerals \$	SunOpta BioProcess and Corporate \$	Consolidated \$	
Total revenues from					

external customers	475,168	46,618	603	522,389
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Segment Operating Income(1)	15,279	5,355	(9,745)	10,889
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The SunOpta Food Group has the following segmented reporting:

Six months ended  
June 30, 2008

	SunOpta Grains and Foods \$	SunOpta Ingredients \$	SunOpta Fruit \$	SunOpta Distribution \$	SunOpta Food Group \$
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Total revenues from external customers	159,042	33,774	143,929	138,423	475,168
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Segment Operating Income(1)	11,094	1,604	(4,089)	6,670	15,279
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Six months ended  
June 30, 2007

	SunOpta Food Group \$	SunOpta Opta Minerals \$	SunOpta BioProcess and Corporate \$	SunOpta Consolidated \$
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Total revenues from external customers	353,987	34,857	1,034	389,878
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Segment Operating Income(1)	11,100	3,508	(3,977)	10,631
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The SunOpta Food Group has the following segmented reporting:

Six months ended  
June 30, 2007

	SunOpta Grains and	SunOpta	SunOpta	SunOpta	SunOpta Food
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	Foods \$	Ingredients \$	Fruit \$	Distribution \$	Group \$
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Total revenues from external customers	118,182	34,187	94,803	106,815	353,987
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Segment Operating Income(1)	7,990	2,118	(3,836)	4,758	11,100
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(1) Segment Operating Income is defined as "Earnings before the following" excluding the impact of "other expense, net"

SunOpta Inc.

Supplemental Information

For the three and six month periods ended June 30, 2008 and 2007

(Expressed in thousands of U.S. dollars)

(Unaudited)

	Three months ended June 30, 2008 \$	Three months ended June 30, 2007 \$
Earnings for the period	719	3,405
Professional fees, net of taxes of \$1,356 (2007 - \$nil)	2,948	--
Severance and other related costs, net of taxes of \$645 (2007 - \$nil)	1,403	--
	-----	-----
	5,070	3,405
Impact of Berry Operations, net of taxes of \$420 (2007 - \$654)	657	1,022
	-----	-----
	5,727	4,427
	=====	=====

	Six months ended June 30, 2008 \$	Six months ended June 30, 2007 \$
Earnings for the period	2,205	4,459
Professional fees, net of taxes of \$1,787 (2007 - \$nil)	3,885	--
Severance and other related costs, net of taxes of \$645 (2007 - \$nil)	1,403	--
	-----	-----
	7,493	4,459

Impact of Berry Operations, net of taxes of \$1,993 (2007 - \$1,879)	3,116	2,939
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	10,609	7,398
	=====	=====

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SOURCE: SunOpta Inc.

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