



May 8, 2012

## SunOpta Announces Record First Quarter 2012 Results

TORONTO, May 8, 2012 (GLOBE NEWSWIRE) -- SunOpta Inc. ("SunOpta" or "the Company") (Nasdaq:STKL) (TSX:SOY), a leading global company focused on natural, organic and specialty foods, today announced financial results for the quarter ended March 31, 2012. All amounts are expressed in U.S. dollars and results are reported in accordance with U.S. GAAP, except where specifically noted.

For the first quarter of 2012, the Company reported quarterly revenues of \$274.5 million versus revenues of \$260.6 million for the quarter ended April 2, 2011, a year over year increase of 5.4%. These revenues represent record first quarter revenues for the Company. Excluding the impact of changes including foreign exchange rates, commodity-related pricing, the impact of acquisitions and rationalized product lines, revenues increased approximately 7.0% on a consolidated basis. The increase in consolidated revenues in the first quarter was driven by strong growth in integrated packaged food product categories within SunOpta Foods and the steel products segment within Opta Minerals Inc. These increases were somewhat offset by the effect of product rationalizations in SunOpta Foods which in turn led to improved earnings, plus decreased volumes across certain ingredient categories.

Operating income<sup>1</sup> for the first quarter of 2012 increased to \$13.4 million or 4.9% of revenues versus \$11.6 million or 4.5% of revenues in the prior year, a year over year increase of 15.8%. This increase was driven by improved operating income in both SunOpta Foods and Opta Minerals Inc. Within SunOpta Foods the Grains and Foods Group, Consumer Products Group and International Foods Group all realized improved operating income<sup>1</sup> versus the prior year.

For the first quarter of 2012, the Company reported earnings per diluted common share from continuing operations of \$0.09 or earnings of \$6.1 million, as compared to \$0.08 or earnings of \$5.4 million for the quarter ended April 2, 2011. After accounting for a loss from discontinued operations, earnings for the first quarter of 2012 were \$5.9 million or \$0.09 per diluted common share versus \$5.1 million or \$0.08 per diluted common share in the prior year. With the exception of the first quarter of 2005 when the Company realized a large one-time gain, these first quarter results are a record for the Company.

For the quarter ended March 31, 2012, the Company realized EBITDA<sup>1</sup> of \$18.3 million as compared to \$16.4 million for the quarter ended April 2, 2011.

At March 31, 2012, the Company's balance sheet reflects a current ratio of 1.38 to 1.00, long-term debt to equity ratio of 0.21 to 1.00 and total debt to equity ratio of 0.64 to 1.00. At March 31, 2012 the Company has total debt outstanding of \$196.2 million, total assets of \$669.3 million and a net book value of \$4.66 per outstanding share. During the quarter the Company used cash from operating activities of \$7.3 million versus \$33.9 million in the prior year, indicative of ongoing efforts to leverage resources within the Company plus the impact of increased commodity costs realized in the first quarter of 2011.

Steve Bromley, President and Chief Executive Officer of SunOpta commented, "We are very pleased with our first quarter results as they reflect both continued growth in our core natural and organic foods categories, plus the positive impact of operational improvements which we have continued to implement. During the first quarter we took a number of steps to streamline our operations and organization structure and we are pleased with our results to date. We remain confident in our focus on natural and organic foods and our strategy to improve operating margins, earnings predictability and return on assets."

The Company plans to host a conference call at 10:00 A.M. Eastern Time on Wednesday May 9th, 2012 to discuss the results for the first quarter of 2012 and recent corporate developments. The conference call can be accessed via a link at the Company's website at [www.sunopta.com](http://www.sunopta.com). Additionally, the call may be accessed with the toll free dial-in number 1-877-312-9198 or 631-291-4622. A replay number can also be accessed between May 9th and 16th with the toll free dial-in number 1-855-859-2056 or 404-537-3406 followed by pass code: 73382554#.

<sup>1</sup> See discussion of non-GAAP measures

### About SunOpta Inc.

SunOpta Inc. is a leading global company focused on natural, organic and specialty foods products. The company specializes

in sourcing, processing and packaging of natural and organic food products, integrated from seed through packaged products; with a focus on strategically vertically integrated business models. The Company's core natural and organic food operations focus on value-added grains, fiber and fruit based product offerings, supported by a global infrastructure. The company has two non-core holdings, a 66.2% ownership position in Opta Minerals Inc., listed on the Toronto Stock Exchange, a producer, distributor, and recycler of environmentally friendly industrial materials; and a minority ownership position in Mascoma Corporation, an innovative biofuels company.

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

## Forward-Looking Statements

Certain statements included in this press release may be considered "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation, which are based on information available to us on the date of this release. These forward-looking statements include, but are not limited to, our continued growth in our core natural and organic foods, the positive impact of operating improvements and our strategy to improve earnings predictability, operating margins and return on assets. The terms and phrases "continue", "improve", "remain confident", and other similar terms and phrases are intended to identify these forward looking statements. Forward looking statements are based on information available to us on the date of this release and are based on estimates and assumptions made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments as well as other factors the Company believes are appropriate in the circumstances including, but not limited to, general economic conditions, consumer interest in health and wellness, product pricing levels, current customer demand, planned facility and operational expansions, competitive intensity, cost rationalization and product development initiatives. Whether actual timing and results will agree with expectations and predications of the Company is subject to many risks and uncertainties including, but not limited to, global economic conditions, consumer spending patterns and changes in market trends, decreases in customer demand, potential failure of product development, working capital management and continuous improvement initiatives, availability and pricing of raw materials and supplies, and other risks described from time to time under "Risk Factors" in the Company's Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q (available at [www.sec.gov](http://www.sec.gov)). 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 Operations

For the quarters ended March 31, 2012 and April 2, 2011

Unaudited

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

	Quarter ended March 31, 2012	Quarter ended April 2, 2011	Change %
	\$	\$	%
<b>Revenues</b>	<b>274,542</b>	260,589	5.4%
<b>Cost of goods sold</b>	<b>237,204</b>	225,055	5.4%
<b>Gross profit</b>	<b>37,338</b>	35,534	5.1%
Selling, general and administrative expenses	22,549	22,405	0.6%
Intangible asset amortization	1,273	1,385	-8.1%
Other expense, net	368	362	1.7%
Foreign exchange loss	71	135	-47.4%
<b>Earnings from continuing operations before the following</b>	<b>13,077</b>	11,247	16.3%
Interest expense, net	2,583	1,984	30.2%
<b>Earnings from continuing operations before income taxes</b>	<b>10,494</b>	9,263	13.3%

Provision for income taxes	<u>3,831</u>	<u>3,224</u>	<u>18.8%</u>
<b>Earnings from continuing operations</b>	<b>6,663</b>	6,039	10.3%
Loss from discontinued operations, net of income taxes	<u>(224)</u>	<u>(291)</u>	<u>23.0%</u>
<b>Earnings</b>	<b>6,439</b>	5,748	12.0%
Earnings attributable to non-controlling interests	<u>547</u>	<u>667</u>	<u>-18.0%</u>
<b>Earnings attributable to SunOpta Inc.</b>	<b>5,892</b>	5,081	16.0%
<b>Earnings per share — basic</b>			
-from continuing operations	<b>0.09</b>	0.08	
-from discontinued operations	<u>--</u>	<u>--</u>	
	<u>0.09</u>	<u>0.08</u>	
<b>Earnings per share — diluted</b>			
-from continuing operations	<b>0.09</b>	0.08	
-from discontinued operations	<u>--</u>	<u>--</u>	
	<u>0.09</u>	<u>0.08</u>	

#### SunOpta Inc.

Consolidated Balance Sheets

As at March 31, 2012 and April 2, 2011

Unaudited

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

	<u>March 31, 2012</u>	<u>April 2, 2011</u>
	<u>\$</u>	<u>\$</u>

#### ASSETS

##### Current assets

Cash and cash equivalents	<b>3,729</b>	2,378
Accounts receivable	<b>113,221</b>	94,177
Inventories	<b>237,965</b>	240,852
Prepaid expenses and other current assets	<b>21,437</b>	21,625
Current income taxes recoverable	<b>1,501</b>	1,503
Deferred income taxes	<u>4,834</u>	<u>4,773</u>
	<b>382,687</b>	365,308

<b>Investments</b>	<b>33,845</b>	33,845
<b>Property, plant and equipment</b>	<b>126,066</b>	120,734
<b>Goodwill</b>	<b>57,276</b>	49,387
<b>Intangible assets</b>	<b>57,214</b>	48,624
<b>Deferred income taxes</b>	<b>10,875</b>	11,751

<b>Other assets</b>	<u>1,360</u>	<u>1,854</u>
	<b>669,323</b>	<b>631,503</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Bank indebtedness	<b>130,368</b>	109,718
Accounts payable and accrued liabilities	<b>104,459</b>	120,228
Customer and other deposits	<b>6,225</b>	843
Income taxes payable	<b>2,067</b>	1,229
Other current liabilities	<b>1,181</b>	1,419
Current portion of long-term debt	<b>32,444</b>	35,198
Current portion of long-term liabilities	<b>890</b>	995
	<u><b>277,634</b></u>	<u>269,630</u>
<b>Long-term debt</b>	<b>33,383</b>	17,066
<b>Long-term liabilities</b>	<b>6,518</b>	5,586
<b>Deferred income taxes</b>	<b>28,597</b>	24,273
	<u><b>346,132</b></u>	<u>316,555</u>
<b>EQUITY</b>		
SunOpta Inc. shareholders' equity		
<b>Capital Stock</b>	<b>182,269</b>	182,108
65,835,327 common shares (December 31, 2011 - 65,796,398)		
<b>Additional paid in capital</b>	<b>14,718</b>	14,134
<b>Retained earnings</b>	<b>106,400</b>	100,508
<b>Accumulated other comprehensive income</b>	<b>3,376</b>	2,382
	<u><b>306,763</b></u>	<u>299,132</u>
<b>Non-controlling interest</b>	<b>16,428</b>	15,816
<b>Total equity</b>	<b>323,191</b>	314,948
	<u><b>669,323</b></u>	<u>631,503</u>

**SunOpta Inc.**

Consolidated Statements of Cash Flows

For the quarters ended March 31, 2012 and April 2, 2011

Unaudited

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

	<b>Quarter ended</b>	Quarter ended
	<b>March 31, 2012</b>	April 2, 2011
	<b>\$</b>	<b>\$</b>

**Cash provided by (used in)**

**Operating activities**

Earnings	<b>6,439</b>	5,748
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Loss from discontinued operations	<u>(224)</u>	<u>(291)</u>
Earnings from continuing operations	<b>6,663</b>	6,039
Items not affecting cash		
Depreciation and amortization	<b>4,853</b>	4,833
Unrealized loss on foreign exchange	<b>102</b>	723
Deferred income taxes	<b>2,331</b>	1,476
Stock-based compensation	<b>588</b>	429
Unrealized loss (gain) on derivative instruments	<b>682</b>	(3,685)
Other	<b>341</b>	(389)
Changes in non-cash working capital, net of business acquired	<u>(22,657)</u>	<u>(42,844)</u>
Net cash flows from operations - continuing operations	<b>(7,097)</b>	(33,418)
Net cash flows from operations - discontinued operations	<u>(161)</u>	<u>(485)</u>
	<b>(7,258)</b>	(33,903)
<b>Investing activities</b>		
Acquisition of business	<b>(17,530)</b>	--
Purchases of property, plant and equipment	<b>(4,932)</b>	(3,909)
Purchases of patents, trademarks and other intangible assets	<b>(25)</b>	(81)
Other	<u>(77)</u>	--
Cash from investing activities - continuing operations	<u>(22,564)</u>	<u>(3,990)</u>
<b>Financing activities</b>		
Increase in line of credit facilities	<b>19,008</b>	42,551
Borrowings under long-term debt	<b>19,088</b>	37
Proceeds from the issuance of common shares	<b>157</b>	213
Repayment of long-term debt	<b>(7,030)</b>	(2,004)
Financing costs	<b>(91)</b>	(25)
Other	<u>(3)</u>	28
Cash from financing activities - continuing operations	<u>31,129</u>	<u>40,800</u>
Foreign exchange gain on cash held in a foreign currency	<u>44</u>	170
Increase in cash and cash equivalents during the period	<b>1,351</b>	3,077
Discontinued operations cash activity included above:		
Add: Balance included at beginning of period	--	308
Less: Balance included at end of period	--	(212)
Cash and cash equivalents - beginning of the period	<u>2,378</u>	<u>2,335</u>
Cash and cash equivalents - end of the period	<u>3,729</u>	<u>5,508</u>

**SunOpta Inc.**

Segmented Information

For the quarters ended March 31, 2012 and April 2, 2011

Unaudited

(Expressed in thousands of U.S. dollars)

	Quarter ended March 31, 2012			
	SunOpta Foods	Opta Minerals	Corporate Services	Consolidated
	\$	\$	\$	\$
<b>Total revenues from external customers</b>	<b>246,210</b>	<b>28,332</b>	<b>--</b>	<b>274,542</b>
<b>Segment Operating Income (Loss)</b>	<b>12,011</b>	<b>3,081</b>	<b>(1,647)</b>	<b>13,445</b>

SunOpta Foods has the following segmented reporting:

	Quarter ended March 31, 2012				
	Grains and Foods Group	Ingredients Group	Consumer Products Group	International Foods Group	SunOpta Foods
	\$	\$	\$	\$	\$
<b>Total revenues from external customers</b>	<b>121,175</b>	<b>21,649</b>	<b>45,152</b>	<b>58,234</b>	<b>246,210</b>
<b>Segment Operating Income (Loss)</b>	<b>8,386</b>	<b>1,229</b>	<b>(175)</b>	<b>2,571</b>	<b>12,011</b>

	Quarter ended April 2, 2011			
	SunOpta Foods	Opta Minerals	Corporate Services	Consolidated
	\$	\$	\$	\$
<b>Total revenues from external customers</b>	238,983	21,606	--	260,589
<b>Segment Operating Income (Loss)</b>	11,044	2,451	(1,886)	11,609

SunOpta Foods has the following segmented reporting:

	Quarter ended April 2, 2011				
	Grains and Foods Group	Ingredients Group	Consumer Products Group	International Foods Group	SunOpta Foods
	\$	\$	\$	\$	\$
<b>Total revenues from external customers</b>	115,267	25,936	35,944	61,836	238,983
<b>Segment Operating Income</b>	6,288	2,966	(478)	2,268	11,044

(Operating Income (Loss) is defined as "Earnings from continuing operations before the following" excluding the impact of "Other expense, net".)

#### <sup>1</sup> Non-GAAP Measures

In addition to reporting financial results in accordance with generally accepted accounting principles ("GAAP"), the Company provides information regarding Operating Income and Earnings before interest, taxes, depreciation and amortization ("EBITDA") as additional information about its operating results, which are not measures in accordance with GAAP. The Company believes that these non-GAAP measures assist investors in comparing performance across reporting periods on a consistent basis by excluding items that are not indicative of the Company's core operating performance. The non-GAAP measures of operating income and EBITDA should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

The Company defines Operating Income as "Earnings from continuing operations before the following" excluding the impact of "Other expense, net"; and EBITDA as Operating Income plus depreciation and amortization. The following is a tabular presentation of Operating Income and EBITDA, including a reconciliation to GAAP earnings, which the Company believes to be the most directly comparable GAAP financial measure:

	Quarter ended March 31, 2012	Quarter ended April 2, 2011
	\$	\$
<b>Earnings from continuing operations</b>	<b>6,663</b>	6,039
Provision for income taxes	<b>3,831</b>	3,224
Interest expense, net	<b>2,583</b>	1,984
Other expense, net	<b>368</b>	362
Operating income	<b>13,445</b>	11,609
Depreciation and amortization	<b>4,853</b>	4,833
Earnings before interest, taxes, depreciation and amortization (EBITDA)	<b>18,298</b>	16,442

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