



## SunOpta Announces 2004 Year End Results; Reports Record Revenues and Earnings

TORONTO--March 8, 2005--SunOpta Inc. (SunOpta or the Company) (Nasdaq:STKL) (TSX:SOY) today announced results for the year ended December 31, 2004. All amounts are expressed in U.S. dollars.

The Company achieved record revenues and earnings for the year ended December 31, 2004. Revenues in 2004 increased by 54% to \$306,251,000 from \$199,099,000 in 2003, led by a 57% increase in revenues within the Company's vertically integrated food operations, focused on the natural and organic foods markets. The Company's overall revenue growth of 54% was driven by internal growth of 14.5% and growth via acquisitions of 39.5%.

Net earnings for the year were a record \$11,016,000 or \$0.20 per diluted common share compared to \$8,966,000 or \$0.18 per diluted common share in 2003. The improvement in earnings is due to a number of factors including increased sales of fiber products and custom blended ingredients within the Company's Ingredients Group segment, the realization of a number of private label contracts throughout the organization, internal growth in the Canadian Food Distribution Group and the Opta Minerals Group, and the calendarization of acquisitions completed in 2003 and 2004. In addition, the Company recognized a gain in the second quarter of 2004 related to a legal award in the Company's favour. These factors were partially offset by the non-cash write-off of certain trademarks as detailed below, the direct and indirect costs of complying with the Sarbanes-Oxley Act, costs related to the Opta Minerals IPO, issues related to the integration of acquired distribution businesses, and the impact of the poor soy crop quality and yield.

Revenues in the fourth quarter of 2004 were \$82,661,000, a 51% increase over 2003, representing the Company's 29th consecutive quarter of record revenue growth over the same quarter in the previous year. Net earnings in the quarter were \$355,000 or \$0.01 per diluted common share, compared to \$3,197,000 or \$0.06 per diluted share in the same period in 2003. Quarterly earnings were affected by the non-cash write-off of certain trademarks, the impact of Sarbanes-Oxley related costs and costs related to the Opta Minerals IPO as noted above. Excluding these costs, and certain other smaller one-time items, diluted earnings per share would have been \$0.06 in the fourth quarter of 2004.

In the fourth quarter, the Company made the business decision to focus its future shelf-stable beverage packaging efforts on supplying its existing customers and marketing its aseptic packaging capabilities to the rapidly growing private label market. The private label market in North America has grown substantially in recent years as retailers recognize the benefit of generating consumer loyalty with an in-house brand. As a result of this decision, the Company has taken the decision to de-emphasize the use of its own brands in the shelf-stable beverage market, and accordingly have written-off the value of these trademarks recorded on its balance sheet, in the amount of \$2,250,000 pre-tax.

The Company continues to be well positioned for future growth with net working capital of \$60,491,000 and total assets of \$220,172,000. The debt to equity ratio at December 31, 2004 was 0.25:1, providing the Company will significant financial resources to invest further in internal growth and execute its acquisition program.

The Company has announced that it expects to achieve revenues of \$385,000,000 in 2005, an increase of 26% versus 2004. The increase is based on a combination of expected internal growth of 15% to 17% and the calendarization of acquisitions completed in 2004.

Jeremy N. Kendall, Chairman and CEO of SunOpta, commented that, "I am very pleased with our progress to date. Although we faced some challenges in 2004, we persevered and were able to generate record revenues, record earnings and record cash flow from operations, all while remaining true to our values and our mission."

SunOpta's Chairman and CEO, Jeremy Kendall, also plans to host a conference call at 10:00 AM Eastern Standard Time on Wednesday, March 9, 2005, to discuss annual results and recent corporate developments. After opening remarks, there will be a question and answer period. This conference call can be accessed with the toll free dial-in number (800) 946-0782 or (719) 457-2657 followed by pass code: 4152365#. The call will also be distributed live over CCBN's Investor Distribution Network to both institutional and individual investors. Individual investors may listen to the call via [www.companyboardroom.com](http://www.companyboardroom.com), and institutional investors may listen via [www.streetevents.com](http://www.streetevents.com). Additionally, the call may be accessed via a link at the Company's website at [www.sunopta.com](http://www.sunopta.com). To listen to the live call over the Internet, please go to one of the websites at least 15 minutes early to register, download and install any necessary audio software. If you are unable to listen live, the conference call will be archived and can be accessed for approximately 90 days at the websites. A replay number can also be accessed between March 9, 2005 and March 18, 2005 with the toll free dial-in number (888) 203-1112 or (719) 457-0820 followed by pass code:

4152365#.

SunOpta Inc. is an operator of high-growth ethical businesses, focusing on integrated business models in the natural and organic food markets. For the last six consecutive years, SunOpta was included in Profit magazine's 'Profit 100' list of the 100 fastest growing companies in Canada. 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; the Opta Minerals Group, a producer, distributor, and recycler of environmentally friendly industrial materials; and the StakeTech Steam Explosion Group which engineers and markets proprietary steam explosion technology systems for the pulp, bio-fuel and food processing industries. Each of these business units has proprietary products and services that give it a solid competitive advantage in its sector.

Note: This news release may contain forward-looking information. Actual future results may differ materially. The risks, uncertainties, and other factors that could influence actual results are described in the Company's annual report to shareholders and in SEC filings. The attached consolidated balance sheet and consolidated statement of earnings are unaudited. The information provided here should be considered in conjunction with the other information included within various SEC documents including Form 10Q reports filed during 2004 and Form 10K report to be filed March 15, 2005.

SunOpta Inc.

Consolidated Statements of Earnings and Comprehensive Income

For the years ended December 31, 2004, 2003

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

(Unaudited)

	2004	2003	
	\$	\$	%
Revenues	306,251	199,099	54%
Cost of goods sold	247,812	163,421	52%
Gross profit	58,439	35,678	64%
Warehousing and distribution expenses	6,016	2,365	154%
Selling, general and administrative expenses	37,225	23,065	61%
Earnings before the following	15,198	10,248	48%
Interest expense	(1,437)	(1,942)	(26%)
Interest and other income, net	2,153	585	268%
Write-off of intangible asset	(2,250)	-	-
Foreign exchange	565	1,076	(47%)
	(969)	(281)	245%
Earnings before income taxes	14,229	9,967	43%
Provision for income taxes)	3,139	1,001	214%
Net earnings before minority interest	11,090	8,966	24%
Minority interest	74	-	-
Net earnings for the year	11,016	8,966	23%
Change in foreign currency			

translation adjustment	4,006	3,019	33%
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Comprehensive income	15,022	11,985	25%
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Earnings per share for the year			
Basic	0.20	0.19	5%
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Diluted	0.20	0.18	11%
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SunOpta Inc.

Consolidated Balance Sheets

As at December 31, 2004 and 2003

(Expressed in thousands of U.S. dollars)

(Unaudited)

	2004	2003
	\$	\$
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Assets		
Current assets		
Cash and cash equivalents	8,081	21,990
Accounts receivable - trade	38,446	26,241
Inventories	49,537	34,778
Prepaid expenses and other current assets	4,472	2,524
Current Income taxes recoverable	2,000	1,686
Deferred income taxes	421	1,172
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	102,957	88,391
Assets held for sale	208	6,007
Property, plant and equipment, net	62,411	44,761
Goodwill and intangibles, net	43,934	25,084
Deferred income taxes)	6,831	9,023
Other assets	3,831	490
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	220,172	173,756
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Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	35,668	24,664
Customer and other deposits	431	1,778
Current portion of long-term debt	4,819	3,840
Current portion of long-term payables	1,548	740
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	42,466	31,022
Long-term debt	31,003	21,196
Long-term payables	1,232	1,591
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	74,701	53,809
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Minority Interest	1,378	-
Shareholders' Equity		
Capital stock	105,794	96,670
Authorized		
Unlimited common shares without par value		
Issued		
56,220,212 (December 31, 2003 - 52,705,096) common shares		
Contributed surplus	3,330	3,330
Retained earnings	26,821	15,805
Cumulative other comprehensive income	8,148	4,142
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	144,093	119,947
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	220,172	173,756
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SunOpta Inc.  
Segmented Information  
For the year ended December 31, 2004  
(Expressed in thousands of U.S. dollars)  
(Unaudited)

	2004			
	SunOpta	Opta	StakeTech	
	Food	Minerals	Steam	
	Group	Group	Explosion	Consolidated
	\$	\$	\$	\$
External revenues by market				
U.S.	166,946	12,878	1,287	181,111
Canada	84,134	19,233	-	103,367
Other	21,642	131	-	21,773
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Total revenues from external customers	272,722	32,242	1,287	306,251
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Segment net earnings (loss) before interest expense and income taxes	14,918	3,587	(2,839)	15,666
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Interest expense	-	-	1,437	1,437
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Provision for income taxes	-	-	3,139	3,139
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Minority Interest	74	-	-	74
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Net earnings (loss)	14,844	3,587	(7,415)	11,016
Identifiable assets	170,110	26,777	23,285	220,172
Amortization	6,014	948	157	7,119

The SunOpta Food Group has the following segmented reporting:

	2004				
	Grains and Soy Products Group \$	SunOpta Ingredients Group \$	Packaged Products Group \$	Canadian Distribution Food Group \$	SunOpta Food Group \$
External revenues by market					
U.S.	68,073	61,652	36,813	408	166,946
Canada	1,106	2,011	5,479	75,538	84,134
Other	15,114	6,103	425	-	21,642
Total revenues from external customers	84,293	69,766	42,717	75,946	272,722
Segment net earnings before interest expense and income taxes	2,101	7,790	1,427	3,600	14,918
Minority interest	-	74	-	-	74
Segment net earnings before interest expense and income taxes	2,101	7,716	1,427	3,600	14,844
Identifiable assets	43,961	64,589	26,246	35,314	170,110
Amortization	1,434	2,178	1,490	912	6,014

SunOpta Inc.  
 Segmented Information  
 For the year ended December 31, 2003  
 (Expressed in thousands of U.S. dollars)  
 (Unaudited)

	2003			
	SunOpta Food Group \$	Opta Minerals Group \$	StakeTech Steam Explosion Group and Corporate \$	Consolidated \$
External revenues by market				
U.S.	136,298	9,446	461	146,205
Canada	29,260	15,202	-	44,462
Other	8,249	183	-	8,432
Total revenues from external customers	173,807	24,831	461	199,099
Segment net earnings (loss) before interest expense and income taxes	10,894	2,580	(1,565)	11,909
Interest expense	-	-	1,942	1,942
Provision for income taxes	-	-	1,001	1,001
Net earnings (loss)	10,894	2,580	(4,508)	8,966
Identifiable assets	117,346	26,363	30,047	173,756
Amortization	3,531	952	643	5,126

The SunOpta Food Group has the following segmented reporting:

	2003				
	Grains and Soy Products Group \$	SunOpta Ingredients Group \$	Packaged Products Group \$	Canadian Distribution Food Group \$	SunOpta Food Group \$
External revenues by market					

U.S.	57,499	42,756	36,043	-	136,298
Canada	439	1,488	2,262	25,071	29,260
Other	2,384	5,705	160	-	8,249

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Total revenues from external customers	60,322	49,949	38,465	25,071	173,807
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Segment net earnings (loss) before interest expense and income taxes	2,745	4,797	2,463	889	10,894
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Identifiable assets	36,588	46,140	20,985	13,633	117,346
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Amortization	744	1,656	985	146	3,531
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SOURCE: SunOpta Inc.