



SunOpta Announces Third Quarter Results, Reports Record Revenues and Earnings

TORONTO--Nov. 3, 2004--SunOpta Inc. (SunOpta or the Company) (Nasdaq:STKL) (TSX:SOY) today announced results for the three months and nine months ended September 30, 2004. All amounts are expressed in U.S. dollars.

The Company achieved record revenues for the three months ended September 30, 2004, realizing its 28th consecutive quarter of record revenue growth compared to the same quarter in the previous year. Revenues in the quarter increased by 59% to \$80,142,000 as compared to \$50,384,000 in the third quarter of the prior year. For the nine months ended September 30, 2004, revenues increased 55% to \$223,588,000 from \$144,436,000 in 2003.

Net earnings for the third quarter increased by 26% to \$2,767,000, or \$0.05 per diluted common share, as compared to \$2,195,000 or \$0.04 per diluted common share in the third quarter of 2003 (adjusted to U.S. GAAP). For the nine months ended September 30, 2004 net earnings were a record \$10,663,000, an increase of 85% over the same period in 2003. Net earnings in 2003 included the recognition of certain tax loss carryforwards resulting in a low effective income tax rate. Earnings before income taxes increased by 52% in the third quarter of 2004, and by 104% in the nine months ended September 30, 2004, when compared to the same periods in 2003.

The third quarter results included a number of unusual operating expenses related to addressing the requirements of Sarbanes-Oxley, certain period costs incurred in the preparation of the initial public offering of Opta Minerals Inc., the Company's environmental division, and fees related to recent changes to the Company's banking arrangements. These costs totaled approximately \$600,000 pre-tax.

The Company also stated that as a result of the poor soybean crop quality and low yields in 2003, the Company's specialty beans purchase contracts were insufficient to meet sales contracts late in the third quarter, resulting in incremental costs versus expectation, of approximately \$500,000 pre-tax. The Company expects the 2004 soybean crop to improve significantly from 2003 and does not expect any shortage in soybean supply in the fourth quarter with margins returning to normal.

In addition, the Company incurred certain integration costs related to its Toronto and Montreal-based distribution operations during the third quarter which had a negative impact of approximately \$600,000 pre-tax. These operations are expected to improve in the fourth quarter.

Internal revenue growth rate in the third quarter was 12%. Excluding grain revenues impacted by the short crop yield in 2003, the internal growth rate was 18% in the third quarter, in line with the Company's expectations and the year to date internal revenue growth rate of 19%. The Company's grain revenues impacted by the poor crop quality and yield in 2003 decreased 20% in the nine months ended September 30, 2004 when compared to the same period in 2003.

The Company continues to maintain a strong balance sheet, with working capital of \$65,046,000 and total assets of \$208,400,000. The long-term debt to equity ratio as at September 30, 2004 was 0.26 to 1.00. The Company has cash resources, including available lines of credit and an acquisition line, of approximately \$50,000,000. These resources will be employed in the future to generate further shareholder value through internal growth projects and acquisitions.

Jeremy N. Kendall, Chairman and CEO of SunOpta commented that "on October 27, 2004, we pre-announced expected revenues and net earnings for the third quarter in order to provide timely disclosure of the issues the Company faced in recent months. As disclosed in our announcement, we're confident that a number of these issues are one-time or unusual in nature, and that the impact on future results will be minimized. I am delighted with our continued growth in both our revenues and net earnings and we remain focused on building shareholder value."

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 that engineers and markets clean pulping systems using patented steam explosion technology. Each of these business units has proprietary products and services that give it a solid competitive advantage in its sector.

For further information, please contact:

SunOpta Inc.

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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 the SEC Form 10Q March 31, 2004 filing.

SunOpta Inc.

Consolidated Statements of Earnings

For the three months ended September 30, 2004 and 2003

Unaudited

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

	September 30, 2004	September 30, 2003	% Change
	\$	\$	
Revenues	80,142	50,384	59%
Cost of goods sold	64,673	41,404	56%
Gross profit	15,469	8,980	72%
Warehousing and distribution expenses	1,547	221	600%
Selling, general and administrative expenses	9,350	5,567	68%
	10,897	5,788	88%
Earnings before the following	4,572	3,192	43%
Interest expense	(675)	(680)	-1%
Interest and other income (expense)	(169)	255	-166%
Foreign exchange gain (loss)	227	(171)	-233%
	(617)	(596)	4%
Earnings before income taxes	3,955	2,596	52%
Provision for income taxes	1,188	401	196%
Net earnings for the period	2,767	2,195	26%

Net earnings per share for the period

- Basic	0.05	0.05
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- Diluted	0.05	0.04
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SunOpta Inc.

Consolidated Statements of Earnings

For the nine months ended September 30, 2004 and 2003

Unaudited

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

	September 30, 2004 \$	September 30, 2003 \$	% Change
Revenues	223,588	144,436	55%
Cost of goods sold	179,621	119,233	51%
Gross profit	43,967	25,203	74%
Warehousing and distribution expenses	4,144	628	560%
Selling, general and administrative expenses	26,254	16,360	60%
	30,398	16,988	79%
Earnings before the following	13,569	8,215	65%
Interest expense	(1,035)	(1,664)	-38%
Interest and other income	2,238	465	381%
Foreign exchange gain	442	425	4%
	1,645	(774)	-313%
Earnings before income taxes	15,214	7,441	104%
Provision for income taxes	4,551	1,671	172%
Net earnings for the period	10,663	5,770	85%
Net earnings per share for the period			
- Basic	0.20	0.13	

- Diluted

0.20

0.12

SunOpta Inc.
Segmented Information
For the three months ended September 30, 2004
Unaudited
(expressed in thousands of U.S. dollars)

Three months ended
September 30, 2004

	SunOpta Food Group \$	Opta Minerals Group \$	StakeTech Steam Explosion Technology Group and Corporate \$	Consolidated \$
External revenues by market				
U.S.	45,357	3,213	495	49,065
Canada	21,078	5,111	-	26,189
Other	4,882	6	-	4,888
Total revenues to external customers	71,317	8,330	495	80,142
Segment earnings (loss) before interest expense and income taxes	3,865	909	(144)	4,630
Interest expense	-	-	675	675
Provision for income taxes	-	-	1,188	1,188
Segment net earnings (loss)	3,865	909	(2,007)	2,767

The SunOpta Food Group has the following segmented reporting:

Three months ended
September 30, 2004

	Grains and Soy Products Group \$	Ingredients Group \$	Distribution Group \$	Packaged Products Group \$	SunOpta Food Group \$
External revenues by market					
U.S.	19,937	16,188	-	9,232	45,357
Canada	287	481	19,374	936	21,078
Other	2,983	1,679	-	220	4,882

Total revenues to external customers	23,207	18,348	19,374	10,388	71,317
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Segment earnings before interest expense and income taxes	369	2,482	590	424	3,865
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SunOpta Inc.
Segmented Information
For the three months ended September 30, 2003
Unaudited
(expressed in thousands of U.S. dollars)

	Three months ended September 30, 2003			
	SunOpta Food Group \$	Opta Minerals Group \$	StakeTech Steam Explosion Technology Group and Corporate \$	Consolidated \$
External revenues by market				
U.S.	36,885	3,798	82	40,765
Canada	5,507	2,609	-	8,116
Other	1,434	69	-	1,503
Total revenues to external customers	43,826	6,476	82	50,384
Segment earnings (loss) before interest expense and income taxes	3,257	834	(815)	3,276
Interest expense	-	-	680	680
Provision for income taxes	-	-	401	401
Segment net earnings (loss)	3,257	834	(1,896)	2,195

The SunOpta Food Group has the following segmented reporting:

	Three months ended September 30, 2003		
	Grains and Soy Products	Ingredients Distribution Products	Packaged SunOpta Food

	Group \$	Group \$	Group \$	Group \$	Group \$
External revenues by market					
U.S.	15,576	11,410	-	9,899	36,885
Canada	126	289	4,599	493	5,507
Other	203	1,231	-	-	1,434

Total revenues to external customers	15,905	12,930	4,599	10,392	43,826

Segment earnings before interest expense and income taxes	794	1,646	52	765	3,257

SunOpta Inc.
Segmented Information
For the nine months ended September, 30 2004
Unaudited
(expressed in thousands of U.S. dollars)

	Nine months ended September 30, 2004			
	SunOpta Food Group \$	Opta Minerals Group \$	StakeTech Steam Explosion Technology Group and Corporate \$	Consolidated \$
External revenues by market				
U.S.	125,417	10,918	933	137,268
Canada	57,766	13,085	-	70,851
Other	15,311	158	-	15,469

Total revenues to external customers	198,494	24,161	933	223,588

Segment earnings (loss) before interest expense and income taxes	15,056	3,162	(1,969)	16,249

Interest expense	-	-	1,035	1,035

Provision for income taxes	-	-	4,551	4,551

Segment net earnings (loss)	15,056	3,162	(7,555)	10,663

The SunOpta Food Group has the following segmented reporting:

Nine months ended
September 30, 2004

	Grains and Soy Products Group \$	Ingredients Group \$	Distribution Group \$	Packaged Products Group \$	SunOpta Food Group \$
External revenues by market					
U.S.	54,420	44,231	-	26,766	125,417
Canada	787	1,417	52,776	2,786	57,766
Other	10,313	4,673	-	325	15,311
Total revenues to external customers	65,520	50,321	52,776	29,877	198,494
Segment earnings before interest expense and income taxes	4,679	6,311	3,138	928	15,056

SunOpta Inc.
Segmented Information
For the nine months ended September 30, 2003
Unaudited
(expressed in thousands of U.S. dollars)

Nine months ended
September 30, 2003

	SunOpta Food Group \$	Opta Minerals Group \$	StakeTech Steam Explosion Technology Group and Corporate \$	Consolidated \$
External revenues by market				
U.S.	104,567	8,335	383	113,285
Canada	16,538	10,060	-	26,598
Other	4,406	144	3	4,553
Total revenues to external customers	125,511	18,539	386	144,436
Segment earnings (loss) before interest expense and income taxes	8,237	2,269	(1,401)	9,105
Interest expense	-	-	1,664	1,664

Provision for income taxes	-	-	1,671	1,671
Segment net earnings (loss)	8,237	2,269	(4,736)	5,770

The SunOpta Food Group has the following segmented reporting:

	Nine months ended September 30, 2003				
	Grains and Soy Products Group \$	Ingredients Group \$	Distribution Group \$	Packaged Products Group \$	SunOpta Food Group \$
External revenues by market					
U.S.	46,737	32,258	-	25,572	104,567
Canada	254	867	13,868	1,549	16,538
Other	797	3,609	-	-	4,406
Total revenues to external customers	47,788	36,734	13,868	27,121	125,511
Segment earnings before interest expense and income taxes	2,440	3,101	308	2,388	8,237

SunOpta Inc.

Consolidated Balance Sheets

As at September 30, 2004 and December 31, 2003

Unaudited

(expressed in thousands of U.S. dollars)

	September 30, December 31,		%
	2004	2003	Change
	\$	\$	
Assets			
Current assets			
Cash and cash equivalents	13,423	21,990	-39%
Accounts receivable - trade	37,421	26,241	43%
Inventories	40,676	34,778	17%
Prepaid expenses and other current assets	6,588	2,524	161%
Income taxes recoverable	-	1,686	-100%

Future income taxes	667	1,172	-43%

	98,775	88,391	12%
Assets held for sale	584	6,007	-90%
Property, plant and equipment, net	58,683	44,761	31%
Goodwill and intangibles, net	43,890	25,084	75%
Future income taxes	5,940	9,023	-34%
Other assets	528	490	8%

	208,400	173,756	20%

Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	28,198	24,670	14%
Customer and other deposits	-	1,778	-100%
Current portion of long-term debt	4,776	3,840	24%
Current portion of long-term payables	755	740	2%

	33,729	31,028	9%
Long-term debt	31,962	21,196	51%
Long-term payables	1,282	1,591	-19%

	66,973	53,815	24%

Minority Interest	1,311	-	100%

Shareholders' Equity			
Capital stock	104,484	96,636	8%
Contributed surplus	3,384	3,384	0%
Retained earnings	26,442	15,779	68%
Accumulated other comprehensive income	5,806	4,142	40%

	140,116	119,941	17%

	208,400	173,756	20%

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