

Press release

For immediate release

Agropur better positioned than ever to consolidate its growth

Longueuil, February 9, 2005 – Agropur cooperative ended fiscal 2004 with an improved financial position, despite a 9% drop in earnings compared with 2003, due primarily to decreased export sales and a labour conflict. With an improved balanced sheet, declining debt and rising equity, Agropur is better positioned than ever to consolidate its growth and play an active role in the dairy industry.

During this period, sales increased by \$27 million over last year, reaching \$1.931 billion. Earnings before patronage dividends and income taxes totalled \$82.3 million, down \$8.4 million. For its part, equity stood at \$388 million, an increase of 17%.

“The highlights of this fiscal year reflect more than ever the Cooperative’s desire to forge ahead. Innovation, know-how, synergy of resources, stringency and operational efficiency keep us at the forefront of the industry. However, we are continuing to exercise caution in a highly competitive business environment,” said Pierre Claprood, Agropur’s Chief Executive Officer.

“Renewal in a context of continuity, thanks to a strong succession, and consolidation of our financial stability through an unwavering quest for efficiency were the backdrops against which fiscal 2004 unfolded. At the end of this fiscal year, the Cooperative is in a better position than ever to deal with the challenges of the future, to seize business opportunities and to reap the benefits of its values,” pointed out Agropur’s Chairman, Serge Riendeau.

Founded in 1938, Agropur cooperative is a leader in the Canadian dairy industry, with sales of \$1.9 billion. It has 4,200 members, 3,000 employees, 19 plants, as well as numerous distribution centres throughout the country. It processes nearly two billion litres of milk per year and offers an impressive product line, including such famous brands as *Québon*, *Oka*, *Sealtest*, *Yoplait* and *Natrel*.

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