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TSX SYMBOL: ITP

## Intertape Polymer Group Inc. Announces Increased First Quarter Sales and Earnings

- First quarter sales were up 15.8% over the first quarter last year
- Net earnings were up 163.3% over the first quarter last year

Montreal, Quebec and Bradenton, Florida - April 29, 2005 - Intertape Polymer Group Inc. (NYSE, TSX: ITP) today released results for its first quarter ended March 31, 2005. "In the first quarter, we achieved volume growth across all of our product lines," said Intertape Polymer Group Inc. ("IPG" or the "Company") Chairman and Chief Executive Officer, Melbourne F. Yull. "We were also able to implement the price increases we announced in 2004 and some of those that we have announced for 2005, which along with the closing of two plants, all contributed to a significant improvement in our bottom line."

### OPERATING RESULTS

Sales for the first quarter of 2005 were \$187.7 million, up 15.8% compared to the corresponding quarter last year.

Gross margin for the first quarter of 2005 was 20.8% compared to 19.8% for the same quarter last year. The improvement was attributable to selling price increases and lower manufacturing costs. Manufacturing costs were down as a result of the plant closings announced in the fourth quarter of 2004. Gross profit increased from \$32.1 million to \$39.0 million, or by 21.6%, compared to the same period in 2004.

Selling, general and administrative ("SG&A") expenses were \$23.9 million in the first quarter of 2005, compared to \$22.3 million for the first quarter of 2004. As a percent of sales, they were down from 13.8% in the first quarter of 2004 to 12.7% in the first quarter of 2005.

Financial expenses in the first quarter of 2005 were \$5.6 million, a 16.5% decrease compared to \$6.8 million for the first quarter last year, due to lower interest rates as a result of the debt restructuring completed in mid-2004. "Compared to the fourth quarter of 2004, interest rates on our long term debt were up on average 20 basis points due to an increase in the Libor rate," said IPG's Chief Financial Officer, Andrew M. Archibald, C.A.

For the first quarter of 2005, the Company recorded income tax expense of \$1.3 million, which represents an effective tax rate of 18.2% and is in line with the Company's expectation of an effective tax rate in the range of 20.0% to 23.0% for the full year 2005. For the same period in 2004, the Company booked an income tax recovery of \$0.3 million.

Excluding the manufacturing facility closure costs and related tax benefits, net earnings for the first quarter of 2005 ("Adjusted net earnings") were \$6.4 million or \$0.16 per share (basic and diluted) compared to \$2.3 million or \$0.06 per share (basic and diluted) for the same quarter last year. The Company is including Adjusted net earnings, a non-GAAP financial measure, in this discussion of results because it believes the measure permits more meaningful comparisons of its core business performance between the periods presented. A reconciliation of Adjusted net earnings to GAAP net earnings is set forth below. Net earnings for the first quarter of 2005 were \$6.0 million, or \$0.15 per share (basic and diluted), compared to net earnings of \$2.3 million or \$0.06 per share (basic and diluted) for the first quarter of 2004.

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Reconciliation of Net Earnings to Adjusted Net Earnings  
For the three months ended  
(in millions of US dollars)

	March 31	
	2005	2004
	\$	\$
Net earnings - As reported	6.0	2.3
Add back:		
Manufacturing facility closure costs (after-tax)	0.4	-
Adjusted net earnings	6.4	2.3

The Company is also including earnings before interest, taxes, depreciation and amortization ("EBITDA") and Adjusted EBITDA, non-GAAP financial measures, in this discussion of results because the Company's covenants contained in the loan agreement with its lenders require certain debt to Adjusted EBITDA ratios be maintained, thus EBITDA and Adjusted EBITDA are used by management and the Company's lenders in evaluating the Company's performance. A reconciliation of the Company's EBITDA and Adjusted EBITDA, non-GAAP financial measures, to GAAP net earnings is set forth in the EBITDA reconciliation table below. The Company's EBITDA for the first quarter of 2005 was \$20.5 million compared to \$15.4 million for the first quarter of 2004. The adjusted EBITDA was \$21.1 million in the first quarter of 2005 as compared to \$15.4 million in the first quarter of 2004. The increase reflects higher sales and improved gross margins.

EBITDA and Adjusted EBITDA Reconciliation to Net Earnings  
For the three months ended  
(in millions of US dollars)

	March 31	
	2005	2004
	\$	\$
Net earnings - As reported	6.0	2.3
Add back:		
Financial expenses, net of amortization	5.3	6.3
Income taxes	1.3	(0.3)
Depreciation and amortization	7.9	7.1
EBITDA	20.5	15.4
Add back:		
Manufacturing facility closure costs	0.6	-
Adjusted EBITDA	21.1	15.4

### CASH FLOWS

Net cash flows used by operating activities were \$1.9 million for the first quarter of 2005, compared to net cash flows provided by operating activities

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of \$6.3 million for the first quarter of 2004. While cash from operating activities before non-cash working capital items was up significantly in 2005, \$15.6 million compared to \$8.6 million for the first quarter of 2004, non-cash working capital items used more cash in 2005 because of a return to more normal terms for supplier payments, higher inventories due to build-ups in the fourth quarter of 2004 relating to plant closures that have not yet returned to traditional levels, higher inventory values due to higher raw material costs, and higher accounts receivable due to higher sales levels. Mr. Archibald commented: "The Company is in the process of reducing its inventory levels for raw materials and finished goods, as well as improving on its collection of accounts receivable. Based on the anticipated impact of these actions, the Company's target for free cash flow in 2005 remains \$25.0 million to \$30.0 million." Free cash flow is defined as cash flows from operating activities less expenditures for plant, property and equipment (capital expenditures).

Expenditures for property, plant and equipment were \$5.0 million for the first quarter of 2005 compared to \$5.8 million for the first quarter of 2004. The Company's estimated spending for such capital expenditures continues to be in the range of \$23.0 million to \$27.0 million for 2005.

### BALANCE SHEET

Total debt, net of cash, increased by 2.6% over the course of the first quarter of 2005, reflecting the funding of the cash required by operating and investing activities during the period. As of March 31, 2005, the Company had cash and temporary cash investments of \$18.6 million, as well as committed revolving credit facilities of \$75.0 million of which \$9.4 million has been utilized, including \$4.4 million in letters of credit.

### OUTLOOK

"Based on what we are seeing today, sales for 2005 could now be in the range of \$775 million to \$790 million for the year, which would exceed our annual sales growth target of 10%," said Mr. Yull. "We also expect margins to improve in the second quarter if we achieve our anticipated revenue growth and are able to implement our announced price increases."

(All figures in U.S. dollars, unless otherwise stated; March 31, 2005, exchange rate: Cdn \$1.2165 = U.S.\$1.00)

### CONFERENCE CALL

A conference call to discuss IPG's 2005 first quarter results will be held Monday, May 2, 2005 at 11:30 A.M. Eastern Standard Time. Participants may dial 1-800-553-5275 (U.S. and Canada) and 1-612-332-0228 (International). The conference call will also be simultaneously webcast on the Company's website at <http://www.intertapepolymer.com>.

You may access a replay of the call by dialing 1-800-475-6701 (U.S. and Canada), or 1-320-365-3844 (International), and entering the passcode 780054. The recording will be available from Monday, May 2, 2005 at 4:45 P.M. until Monday, May 9, 2005 at 11:59 P.M., Eastern Standard Time.

### ABOUT INTERTAPE POLYMER GROUP

Intertape Polymer Group is a recognized leader in the development and manufacture of specialized polyolefin plastic and paper based packaging products and complementary packaging systems for industrial and retail use. Headquartered in Montreal, Quebec and Sarasota/Bradenton, Florida, the

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Company employs approximately 2,600 employees with operations in 15 locations, including 10 manufacturing facilities in North America and one in Europe.

### SAFE HARBOR STATEMENT

Certain statements and information included in this release constitute "forward-looking statements" within the meaning of the Federal Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied in such forward-looking statements. Additional discussion of factors that could cause actual results to differ materially from management's projections, estimates and expectations is contained in the Company's SEC filings. The Company undertakes no duty to update its forward-looking statements, including its earnings outlook. This release contains certain non-GAAP financial measures as defined under SEC rules, including adjusted net earnings, EBITDA and adjusted EBITDA. The Company believes such non-GAAP financial measures improve the transparency of the Company's disclosure, provide a meaningful presentation of the Company's results from its core business operations, excluding the impact of items not related to the Company's ongoing core business operations, and improve the period-to-period comparability of the Company's results from its core business operations. As required by SEC rules, the Company has provided reconciliations of non-GAAP measures to the most directly comparable GAAP measures.

### FOR INFORMATION CONTACT:

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### Selected Financial Information

Intertape Polymer Group Inc.

Consolidated Earnings

Three month ended

(In thousands of US dollars, except per share amounts)

	March 31,	
	2005	2004
	\$	\$
Sales	187,697	162,100
Cost of sales	148,649	129,986
Gross profit	39,048	32,114

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Selling, general and administrative expenses	23,917	22,307
Stock-based compensation expense	455	70
Research and development	1,011	962
Financial expenses	5,649	6,768
Manufacturing facility closure costs	644	
	31,676	30,107

Earnings before income taxes	7,372	2,007
Income taxes (recovery)	1,339	(284)
Net earnings	6,033	2,291

Earnings per share		
Basic	0.15	0.06

Diluted	0.15	0.06
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Consolidated Retained Earnings  
Three months ended  
(In thousands of US dollars)

	March 31,	
	2005	2004
	\$	\$
Balance, beginning of year	79,609	68,291
Net earnings	6,033	2,291
Balance, end of period	85,642	70,582

Common shares  
Average number of shares outstanding

CDN GAAP - Basic	41,237,461	40,971,739
CDN GAAP - Diluted	41,444,870	41,528,581
US GAAP - Basic	41,237,461	40,971,739
US GAAP - Diluted	41,444,870	41,528,581

Intertape Polymer Group Inc.  
Consolidated Balance Sheets  
As at  
(In thousands of US dollars)

	March 31, 2005 (Unaudited)	March 31, 2004 (Unaudited)	December 31, 2004 (Audited)
	\$	\$	\$

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ASSETS

Current assets

Cash and cash equivalents	18,083		21,882
Temporary investment	493		497
Trade receivables, net of allowance for doubtful accounts of \$4,139 (\$4,102 in March 2004, \$4,065 in December 2004)	113,283	99,320	101,628
Other receivables	13,384	11,364	13,381
Inventories	93,589	70,383	90,677
Parts and supplies	13,908	13,344	13,618
Prepaid expenses	8,100	6,820	7,788
Future income tax assets	1,509	2,682	1,509

	262,349	203,913	250,980
Property, plant and equipment	348,955	362,066	352,610
Other assets	16,983	12,928	16,474
Future income taxes	35,220	4,700	36,689
Goodwill	180,004	176,953	179,958
	843,511	760,560	836,711

LIABILITIES

Current liabilities

Bank indebtedness	5,000	18,922	
Accounts payable and accrued liabilities	96,197	102,072	97,849
Instalments on long-term debt	2,995	34,036	3,032

	104,192	155,030	100,881
Long-term debt	330,541	225,936	331,095
Other liabilities	435	530	435
	435,168	381,496	432,411

SHAREHOLDERS' EQUITY

Capital stock	289,183	287,811	289,180
Contributed surplus	4,781	3,220	4,326
Retained earnings	85,642	70,582	79,609
Accumulated currency translation adjustments	28,737	17,451	31,185

	408,343	379,064	404,300
	843,511	760,560	836,711

Intertape Polymer Group Inc.  
Consolidated Cash Flows  
Three months ended  
(In thousands of US dollars)

	March 31	
	2005	2004
	\$	\$
OPERATING ACTIVITIES		

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Net earnings	6,033	2,291
Non-cash items		
Depreciation and amortization	7,908	7,123
Other non-cash charges in connection with facility closures	46	
Future income taxes	1,169	(896)
Stock-based compensation expense	455	70
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Cash flows from operations before changes in non-cash working capital items	15,611	8,588
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Changes in non-cash working capital items		
Trade receivables	(11,901)	(10,085)
Other receivables	(65)	487
Inventories	(3,197)	(512)
Parts and supplies	(313)	(191)
Prepaid expenses	(317)	1,101
Accounts payable and accrued liabilities	(1,669)	6,938
	(17,462)	(2,262)
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Cash flows from operating activities	(1,851)	6,326
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INVESTING ACTIVITIES		
Property, plant and equipment	(4,989)	(5,820)
Business acquisition		(5,500)
Other assets	(921)	(563)
Goodwill	(300)	
-----		
Cash flows from investing activities	(6,210)	(11,883)
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FINANCING ACTIVITIES		
Net change in bank indebtedness	5,000	4,933
Issue of long-term debt		787
Repayment of long-term debt	(539)	
Issue of common shares	3	970
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Cash flows from financing activities	4,464	6,690
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Net increase (decrease) in cash position	(3,597)	1,133
Effect of currency translation adjustments	(202)	(1,133)
Cash, beginning of period	21,882	-
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Cash, end of period	18,083	-
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