



Saskatchewan Wheat Pool

For Immediate Release

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Pool Posts Full Year Profit

Saskatchewan Wheat Pool generated net income of \$29 million in its fourth quarter ended July 31, 2004, approximately double the \$14.5 million the company posted in last year's fourth quarter. A 65 per cent increase in shipments through the Pool's Prairie elevators helped drive earnings per share to \$0.10 for the quarter, compared to earnings per share in the same quarter last year of \$0.07 per share.

Fourth Quarter Highlights

- EBITDA for the quarter was \$41 million compared to \$29 million last year.
- Net income was \$29 million. Last year's fourth quarter net income was \$14.5 million.
- Cash flow from continuing operations was \$37 million; fourth quarter cash flow in 2003 was \$26 million.
- During the quarter, the Pool completed its exit from the pork, feed and aquaculture industries and sold its interest in a Mexican port terminal facility.

Year-end Highlights

- Fiscal 2004 EBITDA was \$87 million compared to \$23 million in fiscal 2003.
- Net income of \$5 million was the Pool's first bottom line net income since 1998. In fiscal 2003, the Pool lost \$34 million in the first half of the year and an additional \$16 million in the second half of the year.
- Cash flow from continuing operations for 2004 was \$59 million; in 2003, the Pool had negative cash flow of \$22 million in the first half of the year and \$8 million in positive cash flow in the last six months.
- Agri-products sales rose four per cent year-over-year while EBITDA grew 36 per cent.
- Grain shipments rose 34 per cent and the average margin per tonne increased to \$21.00 versus \$15.50 last year.
- Grain Handling and Marketing EBITDA was \$60 million versus \$0.8 million in 2003.

Chief Executive Officer Mayo Schmidt commented on the quarterly results. "The Pool's \$29 million fourth quarter profit is the direct result of our people executing on our stated plans. I am extremely pleased with the performance of our employees. The wet weather brought with it some challenges, but our staff were able to adjust to serve the needs of our customers. It is this flexibility and commitment to operational excellence that has become a core competency at Saskatchewan Wheat Pool and one of our key strategic priorities as we look forward to future opportunities."

Consolidated Results – Fourth quarter

Sales and other operating revenues for the quarter were \$542 million, up \$94 million or 21 per cent from the prior year's fourth quarter, driven by strong grain shipments. Agri-products sales were up slightly over the previous year's quarter. Agri-food Processing sales were approximately 21 per cent lower than the previous year's quarter due to softer demand industry-wide in the finished cereals market.

Consolidated earnings before interest, taxes and amortization (EBITDA) were \$41 million, up from the \$29 million recorded in the final quarter of 2003. Included in this year's fourth quarter was a recovery of approximately \$3 million primarily associated with the disposition of the Pool's interest in a Mexican port

terminal, which is reflected in the Grain Handling and Marketing segment's three-month results. Last year's EBITDA included \$3 million primarily related to grain insurance proceeds.

Prior to interest and taxes, the Pool recorded earnings (EBIT) of \$41 million for the quarter (includes approximately \$9 million of one-time items, including the \$3 million EBITDA adjustment, all of which primarily related to the Mexican port terminal sale), which compares to \$23 million in the previous year (including the \$3 million grain insurance proceeds).

Interest for the quarter was \$9.2 million (including \$2.8 million in non-cash interest) compared to \$9.5 million last year (including \$2.4 million in non-cash interest).

Net income from continuing operations for the final three months was up approximately \$2 million to \$20.4 million. Income from discontinued operations for the quarter was approximately \$8 million. This primarily reflected a recovery of corporate taxes resulting from the wind-up of the Other segment, which included the Pool's prior investments in hog production, aquaculture and feed milling.

Excluding the one-time items in the 2004 fourth quarter, income from continuing operations would have been \$12.4 million. The income from continuing operations in the fourth quarter last year excluding one-time items would have been \$15.2 million.

Cash flow strengthened year-over-year with the Pool generating \$37 million in cash from continuing operations for the quarter or \$0.16 per share, compared to \$26 million or \$0.20 per share in the fourth quarter of fiscal 2003.

Operating Results - Fourth Quarter

The Pool's Grain Handling and Marketing segment shipped 1.9 million tonnes during the quarter, compared to 1.2 million tonnes in the fourth quarter of 2003. Port terminal volumes recovered to 1.0 million tonnes in the final three months, a 26 per cent increase over the 0.8 million tonnes shipped between May and July of 2003. These increases reflect higher production levels and better crop quality from the 2003 harvest, which generated additional export opportunities for the Pool's grain business. Segment EBITDA was \$16 million for the quarter, including one-time adjustments, up from a loss of \$1 million in the final quarter of 2003.

EBIT for the quarter was \$15 million including one-time adjustments. Last year's quarterly EBIT was a loss of \$3 million.

Sales from the Pool's retail agri-products operations combined with its share of revenue from joint venture affiliate, Western Co-operative Fertilizers Limited, were \$278 million, up \$2 million from the fourth quarter last year. The Pool's retail operations performed well with a 12 per cent increase in crop protection product sales, which more than offset a seven per cent decline in fertilizer sales, a result of wet weather during the growing season this spring and summer. EBITDA from the Agri-products segment for the quarter was \$30 million compared to \$32 million in the fourth quarter last year. The change was due to less demand for fertilizer, partially offset by higher seed and crop protection product margins. EBIT was \$27 million for the fourth quarter of fiscal 2004. EBIT was \$29 million for the same quarter in fiscal 2003.

For the Agri-food Processing segment, sales for the quarter were \$26 million compared to \$33 million in the last quarter of fiscal 2003. Prairie Malt's sales grew approximately four per cent from last year's fourth quarter as the company recovered from the impact of the previous year's drought. This increase partly offset a decrease in Can-Oat Milling's sales volumes reflecting softer demand for oat ingredients industry-wide. EBITDA for the final quarter was \$2.5 million compared to \$3.3 million last year. EBIT was \$1.3 million in the fourth quarter of 2004 versus \$2.1 million in the comparable period last year.

Twelve-Month Consolidated Results

Consolidated net income for Saskatchewan Wheat Pool for fiscal 2004 was \$5 million, marking the first year since 1998 that the Pool has generated net income. Earnings per share were \$0.02 prior to accretion and \$(0.07) per share after accretion. In fiscal 2003, the Pool lost \$34 million in the first six months (\$0.92 per share) and an additional \$16 million (\$0.27 per share) in the last six months.

Fiscal 2004 sales and other operating revenues were \$1.4 billion, up \$67 million from the previous year. Strong grain shipments and a four per cent improvement in Agri-product sales were partially offset by lower non-Board grain prices in 2004 and a 15 per cent reduction in Agri-food Processing sales.

Selling and administrative expenses for fiscal 2004 were \$52 million compared to \$49 million for fiscal 2003 with the variance largely relating to performance based compensation programs.

The Pool generated \$87 million in EBITDA compared to \$23 million in fiscal 2003.

Interest expense for the year totaled \$39 million including approximately \$10.5 million in non-cash interest accretion. Interest expense in the previous fiscal year was \$26 million in the first six months prior to financial restructuring (including \$5.6 million of non-cash amortization of deferred financing costs) and an additional \$23 million for the final six months post-restructuring (including \$5.7 million of non-cash interest accretion).

The Pool had \$69 million in earnings before interest and taxes (EBIT) in fiscal 2004. In fiscal 2003, the Pool lost \$21 million in the first six months and subsequently earned \$11.5 million in EBIT in the final six months.

Net income from continuing operations for the twelve-month period ended July 31, 2004 was \$18 million. In the prior year, the Pool lost \$31 million in the first six months and an additional \$9 million in the final six months of that year.

The following summarizes a number of recoveries and one-time items included in the Pool's results.

Saskatchewan Wheat Pool					
One-time Items – Summary					
Fiscal 2004 (in millions)	Oct 31	Jan 31	April 30	July 31	Total
Grain	0.0	7.1	0.0	2.9	10.0
Corporate	0.0	0.0	1.6	0.0	1.6
Total one-time items in EBITDA	0.0	7.1	1.6	2.9	11.6
Provisions	0.0	0.0	0.0	6.2	6.2
Total one-time items in EBIT	0.0	7.1	1.6	9.1	17.8
Tax recoveries	0.0	2.6	0.0	0.0	2.6
Tax impact of one-time items	0.0	(2.6)	(3.2)	(1.2)	(7.0)
Total tax impact	0.0	0.0	(3.2)	(1.2)	(4.4)
Total one-time items in net income (loss)	0.0	7.1	(1.6)	7.9	13.4
		(a)	(b)	(c)	
Fiscal 2003 (in millions)	Oct 31	Jan 31	April 30	July 31	Total
Grain	4.9	2.9	2.0	2.5	12.3
Corporate	0.7	0.0	0.0	0.8	1.5
Total one-time items in EBITDA & EBIT	5.6	2.9	2.0	3.3	13.8
Tax impact of one-time items	(2.1)	(1.1)	0.0	0.0	(3.2)
Total one-time items in net income (loss)	3.5	1.8	2.0	3.3	10.6
	(d)	(d)	(e)	(e)	

One-time items primarily include:

- (a) – property taxes rebate and interest income on corporate income tax refund
- (b) - capital refund net of income taxes
- (c) - recovery from sale of interest in Mexican terminal
- (d) – grain volume insurance net of income taxes
- (e) – grain volume insurance

Excluding the one-time items included in the 2004 results, income from continuing operations for 2004 would have been \$4.5 million. The loss last year excluding one-time items would have been \$35.9 million for the first six months of 2003 and an additional \$14.4 million for the final six months of that year.

The Pool exited the hog production, feed processing and aquaculture industries in fiscal 2004. The Pool's wholly owned subsidiary, Heartland Pork Management Services Ltd., and seven related rural hog operations sold substantially all of their assets to Sterling Pork Farm Ltd. In a connected transaction, the Pool, through its wholly owned subsidiary CanGro Processors Ltd., also sold a feed mill to Sterling Pork. Finally, the Pool sold CanGro's aquaculture operation to Nil-Ray Farms Ltd. This completes the company's exit from these industries. The results from these operations, previously reported in the Other segment, have been classified as discontinued operations on the Consolidated Statement of Earnings and Retained Earnings. The loss from discontinued operations for 2004 totaled \$13 million (approximately \$10 million in operating losses and a \$9 million loss on divestiture was partially offset by a \$6 million recovery of corporate taxes).

Earnings (Loss) Per Share Information

	Fiscal 2004	Fiscal 2003	
	Twelve Months Ended	Six Months Ended	Six Months Ended
	<u>July 31, 2004</u>	<u>July 31, 2003</u>	<u>January 31, 2003</u>
EPS Prior to Accretion	0.02	(0.16)	(0.92)
EPS After Accretion			
From Continuing Operations	(0.01)	(0.20)	(0.82)
From Discontinued Operations	<u>(0.06)</u>	<u>(0.07)</u>	<u>(0.10)</u>
Total EPS	<u>(0.07)</u>	<u>(0.27)</u>	<u>(0.92)</u>
Weighted average # of shares	206,653,000	99,947,000	37,425,000

The Pool completed fiscal 2004 with cash flow from continuing operations of \$59 million or \$0.28 per share and free cash flow of \$41 million (cash flow from operations less capital expenditures). As a result of a strong fourth quarter and lower grain inventories, the Pool had \$17 million of cash on hand and short-term borrowings were reduced to zero at July 31, 2004. Total interest-bearing debt declined by approximately 23 per cent or \$94 million to \$312 million at July 31, 2004 from \$406 million on July 31, 2003.

Capital expenditures for the year totaled \$17 million, primarily targeted towards the Pool's port terminal in Vancouver and its country grain and agri-products facilities. Amortization for the year was \$24.6 million. The consolidated capital expenditures budget for fiscal 2005 is in the range of \$20 million to \$25 million, a typical spending program for the Pool.

Approximately \$1.5 million in convertible notes were converted into shares in the fourth quarter of fiscal 2004. For the full year, \$27 million in convertible notes were exchanged into 60 million Class B non-voting shares. Approximately \$178 million in par value convertible notes and approximately 232 million Class B non-voting shares remained outstanding at July 31, 2004.

12-Month Operating Results

Grain Handling and Marketing Segment

Total shipments for the year were 6.4 million tonnes, up 34 per cent over last year, while total port terminal volumes almost doubled to 4.5 million tonnes, from 2.4 million tonnes last year. This increase in pipeline volume combined with strong operation and logistics execution helped the company improve its pipeline margin to approximately \$21.00 per tonne, up from \$15.50 per tonne earned on average last year.

12-Month Volumes (000's)			
	F2004	F2003	Increase/ Decrease
Primary Elevator Receipts	6,170	4,161	48%
Primary Elevator Shipments	6,391	4,761	34%
Terminal Operations			
Vancouver	2,571	822	213%
Thunder Bay	1,286	1,185	9%
Share of Affiliates	615	424	45%
Total Terminal Operations	4,472	2,431	84%

Producer deliveries rebounded this year as the Pool worked closely with industry partners to secure export demand and new supply opportunities to support higher grain volume receipts from Prairie producers. The Pool's western Canadian market share remained in the 21 per cent range, up slightly in Saskatchewan and on par with the previous year in the Alberta and Manitoba marketplaces. EBITDA also rebounded.

Key to this rebound has been the Pool's implementation of various strategies over the past several months to manage inventories and logistics in an effort to maximize margins and control costs. EBITDA for the 12 months was \$60 million and compares to \$0.8 million in the previous year. EBIT from Grain Handling and Marketing was \$51 million for the year. Last year, EBIT from the grain segment was a loss of \$8 million in the first six months and an additional \$11 million loss in the final six months of the year. Both the 2004 and 2003 results include one-time items.

Agri-products Segment

The Pool's Agri-products segment had a strong year with a four per cent increase in sales and 36 per cent increase in EBITDA. Sales for the year totaled \$460 million, compared to \$443 million in fiscal 2003. For the Pool's retail operations, seed sales grew 15 per cent, and crop protection products sales grew four per cent. These improvements offset the three per cent decline in fertilizer sales resulting from lower demand due to wet weather conditions in the spring.

With the exception of fertilizer, margin percentages strengthened in all major product lines offered through the Pool, with improvements ranging from four per cent to 10 per cent depending on the product. In total, the Agri-products segment generated EBITDA in the twelve months ending July 31, 2004, of \$32 million, up from \$23 million earned last year. A combination of factors led to these results. The Pool was able to pre-purchase product to secure better pricing earlier in the year. In addition, the sale of higher margin seed products and renewed customer confidence helped the company attract more customers and improve market share. EBIT for the Agri-products segment ended the year at \$22 million. In the previous year, the Pool lost \$10 million in the first half of the year and earned \$25 million in the final six months of 2003.

Agri-food Processing Segment

Sales from the Agri-food Processing segment totaled \$111 million compared to \$130 million in 2003. Sales for Prairie Malt normalized after experiencing the impact of poor crop conditions on their marketing programs in 2003. At Can-Oat Milling, the price of the raw material (oats) was down due to market conditions and overall lower commodity prices relative to 2003. Volumes were down approximately six per cent for the year reflecting the seasonal slowdown through the summer and a small reduction in demand as a result of the low carbohydrate trend in 2004. The mix of products manufactured through Can-Oat remained relatively unchanged with the majority of tonnes sold being finished oats product. As a result margins remained relatively stable in 2004.

EBITDA from the Agri-food Processing segment for the year was \$14 million compared to \$15 million in 2003. EBIT was \$9 million for the 12 months ended July 31, 2004. In the previous year, the segment generated EBIT of \$4 million in the first half of the year, and \$6 million in the second half.

Corporate Expenses

Corporate expenses for fiscal 2004 were \$18.6 million compared to \$16.2 million in fiscal 2003 with the increase primarily associated with performance based compensation programs.

Looking Forward

Approximately 88% of the western Canadian harvest is complete. The remainder may be harvested in the spring because of recent snowfalls. Based on an October 6, 2004 Statistics Canada estimate, grain production for the 2005 fiscal year is forecast at 50.5 million tonnes, approximately 96 per cent of the five-year average. The amount of grain available to the elevator system in Western Canada is expected to increase from 28.1 million tonnes in the previous year to 30.2 million tonnes, 92 per cent of the five-year average, if 100 per cent of the crop gets harvested during fiscal 2005. However, crop quality has suffered this year because of excess moisture and cold weather and as a result grain handling margins in 2005 are currently expected to decline by 10 per cent to 15 per cent. Crop quality will also present some challenges for the CWB and grain industry participants as they try to secure new export demand for lower quality product.

Chief Executive Officer, Mayo Schmidt said, "This year, because the harvest was so late, less grain has moved into the elevator system in the fall period so we are not expecting a strong first quarter. In addition, because of recent snow, farmers will not be able to apply their inputs during the second quarter, so most of those sales will move into the spring period. As a result, we expect a higher percentage of our grain volumes and agri-product sales to come in the second half of 2005. The wet weather of late has really improved soil moisture levels and that is an important first sign in determining growing conditions next spring."

On August 6, 2004, the Pool announced that it is reviewing capital market alternatives that would allow the company to further strengthen its balance sheet and lower its interest costs. The analysis is ongoing. The Pool is also in the midst of negotiating new operating lines to replace existing financing that matures in July 2005. Additional information with respect to these activities will follow as the work is finalized.

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SASKATCHEWAN WHEAT POOL
CONSOLIDATED BALANCE SHEETS

(in thousands)

As at July 31	2004	2003
ASSETS		
Current Assets		
Cash	\$ 17,169	\$ 1,882
Cash in trust	1,176	487
Short-term investments	25,999	45,615
Accounts receivable	164,234	222,137
Inventories	104,887	115,972
Prepaid expenses and deposits	9,810	9,973
Future income taxes	1,198	1,624
	<u>324,473</u>	<u>397,690</u>
Investments	5,051	5,020
Property, Plant and Equipment	266,842	291,603
Other Long-Term Assets	8,219	13,145
Future Income Taxes	95,565	80,324
	<u>\$ 700,150</u>	<u>\$ 787,782</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Bank indebtedness	\$ 29,805	\$ 28,192
Short-term borrowings	1,501	92,920
Members' demand loans	18,691	9,165
Members' Class A shares	1,783	1,791
Accounts payable and accrued liabilities	150,745	163,177
Long-term debt due within one year	7,893	7,810
	<u>210,418</u>	<u>303,055</u>
Long-Term Debt	251,930	265,754
Other Long-Term Liabilities	40,980	48,644
Future Income Taxes	5,944	7,553
	<u>509,272</u>	<u>625,006</u>
Shareholders' Equity		
Share capital	81,287	59,417
Contributed surplus	177	84
Convertible subordinated notes - equity component	128,635	130,663
Retained earnings (deficit)	(19,221)	(27,388)
	<u>190,878</u>	<u>162,776</u>
	<u>\$ 700,150</u>	<u>\$ 787,782</u>

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SASKATCHEWAN WHEAT POOL
CONSOLIDATED STATEMENTS OF EARNINGS AND RETAINED EARNINGS (DEFICIT)

(in thousands)	Post-reorganization			Pre-reorganization	
	Three Months Ended JULY 31 2004 (unaudited)	Three Months Ended JULY 31 2003 (restated) (unaudited)	Year Ended JULY 31 2004 (audited)	Six Months Ended JULY 31 2003 (restated) (audited)	Six Months Ended JANUARY 31 2003 (restated) (audited)
For the period ended					
Sales and Other Operating Revenues	\$ 542,488	\$ 448,932	\$ 1,407,297	\$ 652,960	\$ 687,524
Cost of Sales and Expenses					
Cost of sales and operating expenses	485,859	406,461	1,267,537	604,348	664,113
Selling and administrative expenses	15,664	13,758	52,419	25,591	23,085
Amortization	6,227	5,331	24,582	11,501	21,355
Provision recoveries	(6,216)	-	(6,216)	-	-
	501,534	425,550	1,338,322	641,440	708,553
Earnings (Loss) Before Interest and Taxes	40,954	23,382	68,975	11,520	(21,029)
Interest expense	9,192	9,515	39,084	23,471	26,373
Income (Loss) Before Corporate Taxes	31,762	13,867	29,891	(11,951)	(47,402)
Corporate tax (expense) recovery	(11,397)	4,671	(11,951)	2,830	16,825
Net Income (Loss) From Continuing Operations	20,365	18,538	17,940	(9,121)	(30,577)
Net Income (Loss) From Discontinued Operations	8,390	(3,995)	(12,921)	(6,788)	(3,859)
Net Income (Loss)	28,755	14,543	5,019	(15,909)	(34,436)
Retained Earnings (Deficit), Beginning of Period	(66,055)	(36,449)	(27,388)	-	(54,422)
Future Income Tax Adjustment	22,990	-	22,990	-	-
Accretion of equity component of convertible subordinated notes	(4,911)	(5,482)	(19,842)	(11,479)	-
Retained Earnings (Deficit), End of Period	\$ (19,221)	\$ (27,388)	\$ (19,221)	\$ (27,388)	\$ (88,858)
Basic Earnings (Loss) Per Share					
From Continuing Operations	\$ 0.06	\$ 0.10	\$ (0.01)	\$ (0.20)	\$ (0.82)
From Net Income (Loss)	\$ 0.10	\$ 0.07	\$ (0.07)	\$ (0.27)	\$ (0.92)
Diluted Earnings (Loss) Per Share					
From Continuing Operations	\$ 0.03	\$ 0.03	\$ (0.01)	\$ (0.20)	\$ (0.82)
From Net Income (Loss)	\$ 0.05	\$ 0.02	\$ (0.07)	\$ (0.27)	\$ (0.92)

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SASKATCHEWAN WHEAT POOL
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)	Post-reorganization			Pre-reorganization	
	Three Months Ended JULY 31 2004	Three Months Ended JULY 31 2003 (restated)	Year Ended JULY 31 2004 (audited)	Six Months Ended JULY 31 2003 (restated) (audited)	Six Months Ended JANUARY 31 2003 (restated) (audited)
For the period ended	(unaudited)	(unaudited)	(audited)	(audited)	(audited)
Cash From (Used in) Operating Activities					
Net income (loss) from continuing operations	\$ 20,365	\$ 18,538	\$ 17,940	\$ (9,121)	\$ (30,577)
Add (deduct) items not involving cash					
Amortization	6,227	5,331	24,582	11,501	21,355
Future income taxes (recovery)	13,570	(1,922)	13,093	(1,747)	(19,245)
Pension	216	558	1,965	984	996
Interest accretion and bank refinancing amortization	2,770	2,362	10,496	5,693	5,616
Other items and provisions	58	1,373	(3,331)	340	(312)
Provision recoveries	(6,216)	-	(6,216)	-	-
Cash flow from (used in) continuing operations	36,990	26,240	58,529	7,650	(22,167)
Changes in non-cash working capital items					
Accounts receivable	(33,591)	(46,359)	54,810	(35,645)	27,699
Securitization of accounts receivable	-	-	-	-	5,402
Inventories	179,174	105,846	(1,785)	61,967	10,386
Accounts payable	(84,077)	(40,472)	(8,582)	(13,007)	(31,854)
Prepaid expenses and deposits	(1,395)	(561)	(1,781)	(516)	(555)
Changes in non-cash working capital - continuing operations	60,111	18,454	42,662	12,799	11,078
Cash from (used in) operating activities - continuing operations	97,101	44,694	101,191	20,449	(11,089)
Cash (used in) from operating activities - discontinued operations	(994)	169	(8,478)	(420)	(6,600)
Cash from (used in) operating activities	96,107	44,863	92,713	20,029	(17,689)
Cash From (Used in) Financing Activities					
Proceeds of long-term debt	-	-	-	-	72,969
Repayment of long-term debt	(11,896)	(1,597)	(16,571)	(11,424)	(2,624)
(Repayment) proceeds of short-term borrowings	(81,067)	(30,246)	(91,187)	(28,749)	4,917
Proceeds (payment) of other long-term liabilities, net	83	(661)	(2,949)	(1,874)	(637)
Increase (repayment) of members' demand loans	2,259	1,804	9,526	2,987	(18,446)
Repayment of members' Class A shares	(1)	(2)	(8)	(6)	(11)
Cash used in discontinued operations	(3,944)	(508)	(4,546)	(891)	(342)
Cash (used in) from financing activities	(94,566)	(31,210)	(105,735)	(39,957)	55,826
Cash From (Used in) Investing Activities					
Property, plant and equipment expenditures	(11,523)	(1,313)	(17,322)	(2,329)	(3,255)
Proceeds on sale of property, plant and equipment	764	2,213	3,909	11,946	1,390
Divestitures	22,135	-	22,135	-	-
Decrease (increase) in cash in trust	1,537	26	(689)	13,411	(13,898)
(Increase) decrease in investments	(101)	-	(101)	378	3,168
Decrease (increase) in other long-term assets	162	(807)	(526)	243	(6,005)
Cash provided by (used in) discontinued operations	70	(504)	(326)	(212)	79
Cash from (used in) investing activities	13,044	(385)	7,080	23,437	(18,521)
Increase (decrease) in Cash and Cash Equivalents	14,585	13,268	(5,942)	3,509	19,616
Cash and Cash Equivalents, Beginning of Period	(1,222)	6,037	19,305	15,796	(3,820)
Cash and Cash Equivalents, End of Period	\$ 13,363	\$ 19,305	\$ 13,363	\$ 19,305	\$ 15,796
Cash and cash equivalents consist of cash, short-term investments and bank indebtedness					
Supplemental disclosure of cash paid during the period from continuing operations:					
Interest paid	\$ 7,086	\$ 6,584	\$ 29,624	\$ 26,914	\$ 14,162
Income taxes paid, net	\$ 1,063	\$ 3,141	\$ 725	\$ 3,241	\$ 3,190

**SASKATCHEWAN WHEAT POOL
SEGMENTED FINANCIAL INFORMATION**

(in thousands)	Post-reorganization				Pre-reorganization
	Three Months Ended JULY 31 2004 (unaudited)	Three Months Ended JULY 31 2003 (unaudited) (restated)	Year Ended JULY 31 2004 (audited)	Six Months Ended JULY 31 2003 (audited) (restated)	Six Months Ended JANUARY 31 2003 (audited) (restated)
SALES					
Grain Handling and Marketing	\$ 239,715	\$ 147,050	\$ 855,380	\$ 283,737	\$ 516,577
Less: Sales to Discontinued Operations	(409)	(1,666)	(6,116)	(3,717)	(5,531)
Grain Handling and Marketing - Revised	239,306	145,384	849,264	280,020	511,046
Agri-products	277,736	275,448	459,942	319,347	123,198
Agri-food Processing	26,400	33,394	110,638	64,495	65,142
Intersegment sales	(954)	(5,294)	(12,547)	(10,902)	(11,862)
	\$ 542,488	\$ 448,932	\$ 1,407,297	\$ 652,960	\$ 687,524

The restatements above are necessary due to discontinued operations

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SASKATCHEWAN WHEAT POOL
SEGMENTED FINANCIAL INFORMATION
SEGMENTED EARNINGS FROM OPERATIONS
(in thousands)

	Post-reorganization (unaudited)				Post-reorganization (unaudited and restated)		
	Three months ended July 31, 2004				Three months ended July 31, 2003		
	EBITDA	Amortization	Recoveries	EBIT	EBITDA	Amortization	EBIT
Grain Handling and Marketing	\$ 16,272	\$ (2,571)	\$ 1,000	\$ 14,701	\$ (1,070)	\$ (1,865)	\$ (2,935)
Agri-products	29,654	(2,406)	-	27,248	31,559	(2,266)	29,293
Agri-food Processing	2,534	(1,250)	-	1,284	3,255	(1,200)	2,055
Segment Results	48,460	(6,227)	1,000	43,233	33,744	(5,331)	28,413
Corporate expenses	(7,495)	-	5,216	(2,279)	(5,031)	-	(5,031)
Per Financial Statements	\$ 40,965	\$ (6,227)	\$ 6,216	\$ 40,954	\$ 28,713	\$ (5,331)	\$ 23,382

	Post-reorganization (audited)			
	Year ended July 31, 2004			
	EBITDA	Amortization	Recoveries	EBIT
Grain Handling and Marketing	\$ 59,652	\$ (9,902)	\$ 1,000	\$ 50,750
Agri-products	32,010	(9,576)	-	22,434
Agri-food Processing	14,275	(5,104)	-	9,171
Segment Results	105,937	(24,582)	1,000	82,355
Corporate expenses	(18,596)	-	5,216	(13,380)
Per Financial Statements	\$ 87,341	\$ (24,582)	\$ 6,216	\$ 68,975

	Post-reorganization (audited and restated)				Pre-reorganization (audited and restated)		
	Six Months Ended July 31, 2003				Six months ended January 31, 2003		
	EBITDA	Amortization	Recoveries	EBIT	EBITDA	Amortization	EBIT
Grain Handling and Marketing	\$ (6,393)	\$ (4,605)	\$ -	\$ (10,998)	\$ 7,169	\$ (14,883)	\$ (7,714)
Agri-products	29,423	(4,404)	-	25,019	(5,926)	(3,677)	(9,603)
Agri-food Processing	8,926	(2,492)	-	6,434	6,327	(2,542)	3,785
Segment Results	31,956	(11,501)	\$ -	20,455	7,570	(21,102)	(13,532)
Corporate expenses	(8,935)	-	-	(8,935)	(7,244)	(253)	(7,497)
Per Financial Statements	\$ 23,021	\$ (11,501)	\$ -	\$ 11,520	\$ 326	\$ (21,355)	\$ (21,029)

The restatements above are necessary due to discontinued operations

Saskatchewan Wheat Pool is a publicly traded agribusiness headquartered in Regina, Saskatchewan. Anchored by a Prairie-wide grain handling and agri-products marketing network, the Pool channels Prairie production to end-use markets in North America and around the world. These operations are complemented by agri-food processing and strategic alliances, which allow the Pool to leverage its pivotal position between Prairie farmers and destination customers. The Pool's Class B shares are listed on the Toronto Stock Exchange.

This release contains forward looking statements that involve certain risks and uncertainties which could cause actual results to differ materially from future results expressed or implied by such statements. Important factors that could affect these statements include, without limitation, weather conditions; producer's decisions regarding total planted acreage, crop selection, and utilization levels of farm inputs such as fertilizers and pesticides; Canadian grain export levels; changes in government policy and transportation deregulation; world agricultural commodity prices and markets; changes in competitive forces including pricing pressures; and global political and economic conditions, including grain subsidy actions of the United States and European Union.

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