



## Saskatchewan Wheat Pool Inc.

### **For Immediate Release**

June 14, 2005  
Regina, Saskatchewan  
Listed: TSX  
Symbol: SWP

### **Pool's Momentum Continues Through the Third Quarter**

Saskatchewan Wheat Pool Inc. posted stronger sales, earnings and cash flow from continuing operations in its third quarter of fiscal 2005 versus the previous year's quarter, building on the momentum that continues as a result of its recent recapitalization and rights offering.

#### ***Quarterly Highlights:***

- All segments posted improved sales results during the quarter with higher shipments in Grain Handling and Marketing and strong sales in Agri-products and Agri-food Processing. Consolidated sales and operating revenue increased 12.9% to \$288.0 million in the third quarter of 2005 compared to \$255.2 million generated in the third quarter of 2004.
- EBITDA of \$11.5 million for the quarter exceeded last year's result by 11.7% after excluding a \$1.6 million one-time capital refund recorded in last year's quarterly results.
- Cash flow from continuing operations for the quarter was \$4.8 million, up from the \$1.8 million generated in the third quarter last year.
- The Pool's net loss for the third quarter was \$0.9 million, which compares to a loss in the third quarter of fiscal 2004 of \$9.1 million.

Chief Executive Officer, Mayo Schmidt says, "The third quarter was a pivotal period for the Pool. Corporately, we completed our recapitalization and subsequent to quarter-end completed the rights offering, which has allowed us to strengthen our balance sheet and benefit from greater financial flexibility as we move forward. Operationally, we are executing to plan as illustrated by the results this quarter. We look forward to the potential for a good crop this fall and to the operational and growth opportunities that may now be available to us because of the Pool's renewed financial health."

#### ***Corporate Highlights:***

- On February 7, 2005, the Pool launched a recapitalization initiative, which included: (i) the continuance of the Pool as a corporation governed by the *Canada Business Corporations Act*; (ii) the changing of Saskatchewan Wheat Pool Inc.'s previously existing Class A Shares and Class B Shares into common shares; and (iii) the exchange of \$172 million of Convertible Subordinated Notes into common shares. Delegates, shareholders and noteholders approved the plan and on March 31, 2005 the recapitalization was completed and the Pool officially became a federal corporation registered as Saskatchewan Wheat Pool Inc.
- On March 3, 2005, the Pool secured grain volume insurance for the 2006 fiscal year, which provides partial payments if production falls by 20% and a full payout if production drops by approximately 45%. The plan allows for up to \$30 million in coverage.

- On March 14, 2005, the Pool announced that it had refinanced its operating line securing a three-year \$250 million revolving asset-based loan facilitated through a syndicate of financial institutions led by GE Canada Finance Holding Company. Interest on the loan is a floating rate of prime plus 1.5%. The Pool also secured \$100 million of Senior Secured Notes, which replaced \$79 million in term bank debt. Interest on the Notes was set at the 1-month LIBOR rate plus 6.5%. The Notes were repayable without penalty at the option of the Pool.
- On April 6, 2005, the Pool and James Richardson International Limited (JRI) announced their agreement to jointly operate their Vancouver port terminals. The joint venture will improve operating efficiencies, increase productivity and throughput potential through the specialization of each facility and will result in better railcar utilization. The venture is awaiting regulatory approval.
- On April 14, 2005, the Pool filed the final prospectus for a \$150.1 million rights offering of common shares. Under the offering, common shareholders were granted one right for each common share held. Each right entitled the holder to purchase one and one-third common shares at a price of \$3.21 per share. In total, shareholders were granted 35.1 million rights to purchase 46.8 million common shares.
- On May 27, 2005, the transaction, which was substantially oversubscribed, closed and the Pool issued 46,762,078 new shares, bringing its total common shares issued and outstanding to 81,834,137.
- On the same date, which was subsequent to quarter-end, the Pool received net proceeds of approximately \$142.3 million from the offering and on June 7, 2005, used \$100 million to repay in full its Senior Secured Notes. The remaining proceeds are being used for general corporate purposes, primarily working capital for the purchase of grains, oilseeds, and agri-products inventory. The recapitalization and equity offering have substantially improved the Pool's balance sheet and have provided the Pool with greater financial flexibility to pursue operational and growth strategies in the future.
- The Pool's debt-to-equity ratio at April 30, 2005 was 61:39 compared to 74:26 at April 30, 2004. Assuming the recapitalization and rights offering was complete on April 30, 2005, the Pool's debt-to-equity ratio would have been 38:62.

### **Summary of Consolidated Results**

Sales and other operating revenues for the third quarter of fiscal 2005 were \$288.0 million, up 12.9% from the \$255.2 million generated in the same quarter of fiscal 2004. Sales improved in all three business segments driven by stronger grain shipments, a 16.4% increase in sales from the Pool's Agri-products segment, and a 6.6% increase in Agri-food Processing sales.

For the first nine months of fiscal 2005, the Pool generated sales of \$839.0 million compared to \$864.8 million for the same period a year earlier. Despite a 10.1% increase in grain shipments, sales and operating revenues were behind fiscal 2004 reflecting the impact of poor non-Board commodity prices, which were, on average, \$36 per tonne lower than the previous year's period.

Earnings before interest, taxes, depreciation and amortization, or EBITDA, was \$11.5 million, up 11.7% over the previous year's quarter after excluding a one-time capital refund that was included in the \$11.9 million earned in the third quarter of fiscal 2004.

*Readers should refer to the Pool's Third Quarter Report, available at [www.swp.com](http://www.swp.com) or at [www.sedar.com](http://www.sedar.com) for a full description of the company's financial results, including one-time items for the periods ending April 30, 2005 and April 30, 2004.*

For the nine-month period, EBITDA was \$23.4 million compared to \$46.4 million last year. The primary variance between the two periods relates to lower grain margins because of poor crop quality and the late harvest, which resulted in having to pay high purchase premiums and shipping costs during the first six months.

Interest expense was \$9.0 million for the quarter, including \$3.0 million of non-cash interest primarily consisting of accretion associated with the Senior Subordinated Notes together with the debt component of the Convertible Subordinated Notes to March 31, 2005. For last year's third quarter, interest expense was \$10.5 million, including \$2.7 million of non-cash accretion. Interest expense in the first nine months of 2005 totaled \$27.1 million with \$8.9 million of non-cash interest primarily consisting of accretion, which compares to \$29.9 million in the first nine months of last year including \$7.7 million of non-cash accretion. The accretion associated with the debt component of the Convertible Subordinated Notes ceased as of March 31, 2005 when the Pool's recapitalization became effective.

Earnings before interest and taxes, or EBIT, for the quarter was \$5.1 million compared to \$4.0 million generated in the third quarter last year after excluding the one-time item recorded in 2004. On a year-to-date basis EBIT (excluding one-time items recorded in both periods) was \$2.1 million compared to \$19.3 million last year.

For the quarter, the loss from continuing operations was \$2.1 million compared to a loss of \$4.8 million last year. For the nine months, the loss from continuing operations was \$18.6 million compared to a loss of \$2.4 million in the first nine months of 2004.

The net loss for the third quarter was \$0.9 million compared to a net loss of \$9.1 million in the third quarter last year. On a year-to-date basis, the net loss was \$17.4 million compared to \$23.7 million in the first nine months of 2004.

In addition to the accretion associated with the Convertible Subordinated Notes, the net loss per share for the quarter and for the nine months of fiscal 2005 reflects a \$33.8 million non-cash charge to retained earnings. Noteholders received a premium on their conversion rate as an inducement to convert their Notes prior to maturity. They received approximately 3.5 million more shares than they would have, had they voluntarily converted their Notes. These incremental shares were valued at \$33.8 million. The following table illustrates the earnings per share before and after this adjustment:

	<u>Fiscal 2005</u>	<u>Fiscal 2004</u>
Q3 EPS, prior to accretion and inducement premium <sup>1</sup>	(\$0.05 per share)	(\$0.82 per share)
Q3 EPS, prior to inducement premium	(\$0.22 per share)	(\$1.26 per share)
Q3 EPS	(\$1.92 per share)	(\$1.26 per share)
YTD EPS, prior to accretion and inducement premium <sup>1</sup>	(\$1.19 per share)	(\$2.39 per share)
YTD EPS, prior to inducement premium	(\$2.13 per share)	(\$3.90 per share)
YTD EPS	(\$4.45 per share)	(\$3.90 per share)

<sup>1</sup> Up to March 31, 2005, the Pool accreted a portion of the principal value of the Convertible Subordinated Notes against retained earnings each quarter. The Notes were exchanged on March 31, 2005.

Cash flow from continuing operations was \$4.8 million for the three months ending April 30, 2005, bringing the year-to-date total to \$5.5 million. During the first nine months of the previous fiscal year, the Pool's cash flow from continuing operations was \$21.5 million. The variance primarily reflects lower grain handling margins due to the poor quality crop.

The Pool's debt-to-equity ratio at April 30, 2005 was 61:39 compared to 74:26 at April 30, 2004. Assuming the recapitalization and rights offering was complete as at April 30, 2005, the Pool's debt-to-equity ratio would have been 38:62.

## Segment Results

The Pool's Grain Handling and Marketing segment shipped 1.6 million tonnes of grain and oilseeds in the third quarter of fiscal 2005, up 11.5% from the 1.4 million shipped in last year's third quarter. On a year-to-date basis, shipments totaled 4.9 million tonnes, an increase of 10.1% from the previous year. This compares favourably to the industry, which, in the first three quarters of 2005, saw shipments of the six major grains rise 4% year-over-year.

Producer deliveries into the Pool's primary elevators were 1.5 million tonnes during the quarter, which is up 12.2% from the third quarter last year. On a year-to-date basis, producer deliveries totaled 5.0 million tonnes versus 4.5 million tonnes for the same period a year ago. Deliveries to the Pool were up in all three provinces led by the Company's AgPro facilities in Alberta and Manitoba. This improvement reflects higher production volumes available this year and an increase in the Company's western Canadian market share from 21% last year to 23% at April 30, 2005.

Total port terminal volumes through the Pool's wholly owned export facilities were 1.0 million tonnes in the third quarter, up 135,000 tonnes or 16.4% from the third quarter of 2004. For the nine months, the Pool's wholly owned ports received 3.0 million tonnes of grains and oilseeds, 6% ahead of last year. Vancouver volumes were up 5% and Thunder Bay volumes were up 7%.

From an industry perspective, exports through licensed grain-handling facilities in the first three quarters of 2005 were down 6% year-over-year. Canadian Wheat Board exports are behind by 3% overall while non-Board exports are down 13%.

### Nine Months Ended April 30 Volumes (in thousands of metric tonnes)

	2005	2004	Increase
Primary elevator receipts	4,966	4,497	10%
Primary elevator shipments			
CWB grains	3,176	2,778	14%
Non-Board grains & oilseeds	1,763	1,709	3%
Total primary elevator shipments	4,939	4,487	10%
Terminal operations			
Vancouver	1,972	1,876	5%
Thunder Bay	1,003	939	7%
Share of affiliates	516	378	37%
Total terminal operations	3,491	3,193	9%

The Pool's pipeline margin per tonne for the quarter was \$20.68, a strong improvement from the \$16.76 per tonne generated in the second quarter of fiscal 2005, but behind the \$22.15 earned in the third quarter of last year. The Pool has experienced steady margin improvements since the beginning of the fiscal year when wet weather delayed harvest and limited the availability of quality grains and oilseeds.

Despite this progress, margins for the year are expected to be 10% to 15% behind the \$20 to \$22 average margin per tonne that is typical in a normal year. Poor crop quality, low commodity prices and an abundance of feed grain in the system are the primary factors. Average pipeline margins per tonne over the first nine months of fiscal 2005 were \$17.45, in line with management's expectations. Last year, for the first nine months, the Pool generated average pipeline margins of \$22.24 per tonne. The higher margins attained in fiscal 2004 reflect the early harvest and much higher quality export crops that allowed the Pool to maximize its margin potential through the entire grain pipeline.

EBITDA from the Grain Handling and Marketing segment for the quarter was \$10.4 million, slightly below the \$10.9 million of EBITDA generated in the third quarter of fiscal 2004. The earnings this quarter and for the remainder of the year, will continue to reflect lower margins due to poor crop quality and the late harvest. On a year-to-date basis EBITDA was \$20.0 million compared to \$43.4 million last year. EBIT for the quarter was \$7.4 million compared to \$8.2 million last year and \$11.4 million for the nine months compared to \$36.0 million for the same period a year ago.

### ***Agri-products***

The Pool's Agri-products segment continued its quarter-over-quarter sales improvement with consolidated sales of \$66.5 million, a 16.4% increase over the third quarter of 2004. Strong demand for fertilizer and seed drove retail sales. All major fertilizer product lines experienced positive sales volume growth relative to last year's quarter due to higher spring applications resulting from poor weather conditions in the fall and strong sales volumes in the month of April. Canola sales drove the seed volume improvements quarter-over-quarter.

On a year-to-date basis, the Agri-products segment generated \$193.9 million in sales, up from the \$182.2 million in the first nine months of 2004. The increase reflected higher fertilizer sales in the second quarter after a wet first quarter and good demand for farm supplies leading into the spring seeding period.

Segment EBITDA for the quarter was \$2.9 million, more than double the \$1.3 million generated in the third quarter of 2004. Year-to-date EBITDA was \$4.9 million compared to \$2.4 million generated in the first nine months of 2004. EBIT for the quarter was \$0.7 million up from a loss of \$1.1 million in the third quarter last year. On a year-to-date basis, EBIT was a loss of \$2.5 million versus a loss of \$4.8 million last year. The majority of the earnings in this segment are recorded in the fourth quarter given the significance of the spring selling season.

### ***Agri-food Processing***

The Agri-food Processing segment generated sales for the quarter of \$28.7 million compared to \$26.9 million in sales during the third quarter of 2004. On a year-to-date basis, sales were up 6.5% to \$89.7 million versus \$84.2 million in the previous year. Strong demand for whole oat flour through Can-Oat drove an increase in their finished product sales in the first nine months, while Prairie Malt generated higher sales compared to the previous year's period when the Company experienced abnormally low sales because of poor crop quality.

Segment EBITDA for the quarter was \$3.9 million compared to \$2.6 million of EBITDA earned in the third quarter of 2004. On a year-to-date basis, EBITDA was \$12.8 million compared to \$11.7 million for the first nine months of 2004. Both Prairie Malt and Can-Oat generated similar EBITDA improvements year-over-year, reflecting strong end-use customer demand for malt and semi-finished and finished oat products. Segment EBIT for the third quarter was \$2.6 million versus the \$1.3 million generated in the third quarter of fiscal 2004. For the nine months, EBIT was \$9.0 million compared to \$7.9 million in 2004.

### ***Outlook***

Seeding throughout Western Canada has been progressing and seeded crops are emerging well. Moisture conditions throughout the Prairies are generally good. Manitoba has had excess moisture in a number of growing regions and, as a result, seeding in that province lags the progress in Saskatchewan and Alberta. The spring agri-products sales season has been brisk and management is looking forward to a solid performance from this segment for the fourth quarter.

For the grain business, management's expectations for pipeline margins remain at 10% to 15% below average margins of \$20 to \$22 per tonne in a normal year. From a volume perspective, recent updates by the Canadian Wheat Board suggest a 15.2 million to 15.4 million tonne CWB export program for 2005, which is down approximately 6% from their original estimate of 16.3 million tonnes for the year. Agriculture and Agri-Food Canada projects total non-Board exports of 6.3 million tonnes for the year. Assuming these projections hold, total Canadian Grain Commission exports will range from 21.5 to 21.7 million tonnes, which compares to 22.9 million tonnes exported in fiscal 2004.

It is expected that farmers will carry-over approximately 7.0 million tonnes of grains and oilseeds into fiscal 2006, which compares to an average carry-over of 5.0 million tonnes and actual carry-over at the end of fiscal 2004 of 4.1 million tonnes. The higher carry-over will delay the timing of deliveries into the grain handling system, which should create higher volume potential for 2006 assuming normal production and quality levels from the 2006 harvest.

In the agri-food processing business, demand for whole grain oats is on the rise as consumers shift from the "low-carb" diet fad and become educated on the benefit of whole grains as part of a healthy diet. Cereal manufacturers are adjusting their products to incorporate whole grains as a primary component. This trend is expected to support good demand for Can-Oat Milling products given that oats is a natural whole grain product and an excellent source of essential vitamins, minerals, fiber and naturally occurring antioxidants.

**SASKATCHEWAN WHEAT POOL INC.  
CONSOLIDATED BALANCE SHEETS**

(in thousands) AS AT	April 30 2005	April 30 2004	July 31 2004
	(unaudited)	(unaudited)	(audited)
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash	\$ 15,344	\$ 589	\$ 17,169
Cash in trust	1,910	2,713	1,176
Assets held for sale	-	19,402	-
Short-term investments	29,184	19,556	25,999
Accounts receivable	119,151	131,194	164,234
Inventories	265,661	284,060	104,887
Prepaid expenses and deposits	10,787	12,701	9,810
Future income taxes	4,492	1,078	1,198
	<u>446,529</u>	<u>471,293</u>	<u>324,473</u>
<b>Investments</b>	5,162	4,947	5,051
<b>Property, Plant and Equipment</b>	254,515	262,178	266,842
<b>Other Long-Term Assets</b>	18,688	3,976	8,219
<b>Future Income Taxes</b>	95,565	80,324	95,565
	<u>\$ 820,459</u>	<u>\$ 822,718</u>	<u>\$ 700,150</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current Liabilities</b>			
Bank indebtedness	\$ 19,470	\$ 21,367	\$ 29,805
Short-term borrowings	16,412	89,898	1,501
Members' demand loans	20,826	16,432	18,691
Members' Class A shares	-	1,784	1,783
Accounts payable and accrued liabilities	270,133	238,669	150,745
Long-term debt due within one year	5,552	6,172	7,893
	<u>332,393</u>	<u>374,322</u>	<u>210,418</u>
<b>Long-Term Debt</b>	248,769	262,776	251,930
<b>Other Long-Term Liabilities</b>	34,557	39,966	40,980
<b>Future Income Taxes</b>	4,892	6,530	5,944
	<u>620,611</u>	<u>683,594</u>	<u>509,272</u>
<b>Shareholders' Equity</b>			
Share capital	283,861	80,011	81,287
Contributed surplus	228	168	177
Convertible Subordinated Notes - equity component	-	125,000	128,635
Retained earnings (deficit)	(84,241)	(66,055)	(19,221)
	<u>199,848</u>	<u>139,124</u>	<u>190,878</u>
	<u>\$ 820,459</u>	<u>\$ 822,718</u>	<u>\$ 700,150</u>

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

(in thousands) FOR THE PERIODS ENDED (unaudited)	Three Months April 30 2005	Three Months April 30 2004	Nine Months April 30 2005	Nine Months April 30 2004
<b>Sales and Other Operating Revenues</b>	\$ 288,016	\$ 255,176	\$ 839,005	\$ 864,809
<b>Cost of Sales and Expenses</b>				
Cost of sales and operating expenses	263,006	230,386	777,546	781,678
Selling and administrative expenses	13,463	12,893	38,026	36,755
Amortization	6,485	6,352	19,762	18,355
	282,954	249,631	835,334	836,788
<b>Earnings Before Interest and Taxes</b>	5,062	5,545	3,671	28,021
Interest expense	9,044	10,475	27,105	29,892
<b>Loss Before Corporate Taxes</b>	(3,982)	(4,930)	(23,434)	(1,871)
Recovery (expense) of corporate taxes	1,866	134	4,795	(554)
<b>Loss From Continuing Operations</b>	(2,116)	(4,796)	(18,639)	(2,425)
<b>Net Recovery (Loss) From Discontinued Operations</b>	1,200	(4,345)	1,200	(21,311)
<b>Net Loss</b>	(916)	(9,141)	(17,439)	(23,736)
<b>Retained Earnings (Deficit), Beginning of Period</b>	(45,923)	(52,056)	(19,221)	(27,388)
Share recapitalization inducement premium	(33,846)	-	(33,846)	-
Accretion of equity component of Convertible Subordinated Notes	(3,556)	(4,858)	(13,735)	(14,931)
<b>Retained Earnings (Deficit), End of Period</b>	\$ (84,241)	\$ (66,055)	\$ (84,241)	\$ (66,055)
<b>Basic and Diluted Loss Per Share</b>				
<b>From Continuing Operations</b>	\$ (1.98)	\$ (0.87)	\$ (4.53)	\$ (1.75)
<b>Net Loss</b>	\$ (1.92)	\$ (1.26)	\$ (4.45)	\$ (3.90)

**SASKATCHEWAN WHEAT POOL INC.  
CONSOLIDATED STATEMENTS OF CASH FLOWS**

(in thousands) FOR THE PERIODS ENDED (unaudited)	Three Months April 30 2005	Three Months April 30 2004	Nine Months April 30 2005	Nine Months April 30 2004
<b>Cash From (Used in) Operating Activities</b>				
Net loss from continuing operations	\$ (2,116)	\$ (4,796)	\$ (18,639)	\$ (2,425)
Add (deduct) items not involving cash				
Amortization	6,485	6,352	19,762	18,355
Future income taxes recovery	(2,157)	(608)	(4,502)	(477)
Pension	531	527	1,603	1,674
Non-cash interest	3,017	2,670	8,868	7,726
Other items	(929)	(2,354)	(1,600)	(3,314)
<b>Cash flow from continuing operations</b>	<b>4,831</b>	<b>1,791</b>	<b>5,492</b>	<b>21,539</b>
Changes in non-cash working capital items				
Accounts receivable	(10,285)	19,931	43,912	88,401
Inventories	(102,719)	(140,290)	(160,686)	(180,959)
Accounts payable	58,424	59,451	112,960	75,495
Prepaid expenses and deposits	10,945	7,346	(889)	(386)
<b>Changes in non-cash working capital - continuing operations</b>	<b>(43,635)</b>	<b>(53,562)</b>	<b>(4,703)</b>	<b>(17,449)</b>
Cash (used in) from operating activities - continuing operations	(38,804)	(51,771)	789	4,090
Cash from (used) in operating activities - discontinued operations	963	(6,181)	963	(7,484)
<b>Cash (used in) from operating activities</b>	<b>(37,841)</b>	<b>(57,952)</b>	<b>1,752</b>	<b>(3,394)</b>
<b>Cash From (Used in) Financing Activities</b>				
Proceeds of long-term debt	100,000	-	100,000	-
Repayment of long-term debt	(79,623)	(921)	(83,466)	(4,675)
(Repayment) proceeds of short-term borrowings	(2,872)	23,150	14,911	(10,120)
Proceeds (repayment) of other long-term liabilities, net	512	141	-	(3,032)
Proceeds of members' demand loans	541	2,675	2,135	7,267
Repayment of members' Class A shares	(515)	(3)	(524)	(7)
Increase in share capital	19	-	19	-
Continuance and rights offering costs	(5,353)	-	(5,353)	-
Refinancing cost	(8,838)	-	(8,838)	-
Cash used in discontinued operations	-	(108)	-	(602)
<b>Cash from (used in) financing activities</b>	<b>3,871</b>	<b>24,934</b>	<b>18,884</b>	<b>(11,169)</b>
<b>Cash From (Used in) Investing Activities</b>				
Property, plant and equipment expenditures	(2,259)	(2,235)	(8,934)	(5,799)
Proceeds on sale of property, plant and equipment	401	2,174	1,368	3,145
Decrease (increase) in cash in trust	28,785	17,191	(734)	(2,226)
Decrease (increase) in investments	17	-	(156)	-
Increase in other long-term assets	(233)	(328)	(485)	(688)
Cash provided by (used in) discontinued operations	-	95	-	(396)
<b>Cash from (used) in investing activities</b>	<b>26,711</b>	<b>16,897</b>	<b>(8,941)</b>	<b>(5,964)</b>
<b>(Decrease) increase in Cash and Cash Equivalents</b>	<b>(7,259)</b>	<b>(16,121)</b>	<b>11,695</b>	<b>(20,527)</b>
<b>Cash and Cash Equivalents, Beginning of Period</b>	<b>32,317</b>	<b>14,899</b>	<b>13,363</b>	<b>19,305</b>
<b>Cash and Cash Equivalents, End of Period</b>	<b>\$ 25,058</b>	<b>\$ (1,222)</b>	<b>\$ 25,058</b>	<b>\$ (1,222)</b>
Cash and cash equivalents consist of cash, short-term investments and bank indebtedness.				
Supplemental disclosure of cash (paid) recovered during the period from continuing operations:				
Interest paid	\$ (7,004)	\$ (7,805)	\$ (19,392)	\$ (22,538)
Income taxes recovered, net	\$ 1,275	\$ 4,008	\$ 1,988	\$ 338

**SASKATCHEWAN WHEAT POOL INC.  
SEGMENTED FINANCIAL INFORMATION  
FOR THE PERIOD ENDED APRIL 30  
(Unaudited and in thousands)**

	<b>Three Months Ended April 30 2005</b>	<b>Three Months Ended April 30 2004</b>	<b>Nine Months Ended April 30 2005</b>	<b>Nine Months Ended April 30 2004</b>
<b>SALES</b>				
Grain Handling and Marketing	\$ 195,022	\$ 177,060	\$ 565,222	\$ 615,665
Less: Sales to Discontinued Operations	-	(1,501)	-	(5,707)
Grain Handling and Marketing	195,022	175,559	565,222	609,958
Agri-products	66,541	57,180	193,919	182,206
Agri-food Processing	28,667	26,903	89,723	84,238
Intersegment sales	(2,214)	(4,466)	(9,859)	(11,593)
	<b>\$ 288,016</b>	<b>\$ 255,176</b>	<b>\$ 839,005</b>	<b>\$ 864,809</b>

**SASKATCHEWAN WHEAT POOL INC.**  
**SEGMENTED FINANCIAL INFORMATION**  
**FOR THE PERIOD ENDING APRIL 30**  
**(Unaudited and in thousands)**

**Segment Earnings - Three Months**

	April 30, 2005			April 30, 2004		
	EBITDA	Amortization	EBIT	EBITDA	Amortization	EBIT
Grain Handling and Marketing	\$ 10,446	\$ (3,033)	\$ 7,413	\$ 10,882	\$ (2,651)	\$ 8,231
Agri-products	2,865	(2,170)	695	1,331	(2,406)	(1,075)
Agri-food Processing	3,892	(1,282)	2,610	2,587	(1,295)	1,292
<b>Segment Results</b>	<b>17,203</b>	<b>(6,485)</b>	<b>10,718</b>	<b>14,800</b>	<b>(6,352)</b>	<b>8,448</b>
Corporate expenses	(5,656)	-	(5,656)	(2,903)	-	(2,903)
<b>Per Financial Statements</b>	<b>\$ 11,547</b>	<b>\$ (6,485)</b>	<b>\$ 5,062</b>	<b>\$ 11,897</b>	<b>\$ (6,352)</b>	<b>\$ 5,545</b>

**Segment Earnings - Year to Date**

	April 30, 2005			April 30, 2004		
	EBITDA	Amortization	EBIT	EBITDA	Amortization	EBIT
Grain Handling and Marketing	\$ 19,957	\$ (8,521)	\$ 11,436	\$ 43,380	\$ (7,331)	\$ 36,049
Agri-products	4,870	(7,388)	(2,518)	2,356	(7,170)	(4,814)
Agri-food Processing	12,827	(3,853)	8,974	11,741	(3,854)	7,887
<b>Segment Results</b>	<b>37,654</b>	<b>(19,762)</b>	<b>17,892</b>	<b>57,477</b>	<b>(18,355)</b>	<b>39,122</b>
Corporate expenses	(14,221)	-	(14,221)	(11,101)	-	(11,101)
<b>Per Financial Statements</b>	<b>\$ 23,433</b>	<b>\$ (19,762)</b>	<b>\$ 3,671</b>	<b>\$ 46,376</b>	<b>\$ (18,355)</b>	<b>\$ 28,021</b>

## Forward-Looking Information

Certain statements in this Press Release are forward-looking and reflect the Pool's expectations regarding future results of operations, financial condition and achievements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance and achievements of the Pool to be materially different from any future results, performance and achievements expressed or implied by those forward-looking statements. A number of factors could cause actual results to differ materially from expectations, including weather conditions, crop production and crop quality in Western Canada; world agricultural commodity prices and markets; producers' decisions regarding total seeded acreage, crop selection and utilization levels of farm inputs such as fertilizers and crop protection products; the extent of the company's financial leverage and funding requirements; credit risk; foreign exchange risk; changes in the grain handling and agri-products competitive environments, including pricing pressures; Canadian grain export levels; changes in government policy and transportation deregulation; international trade matters; global political and economic conditions, including grain subsidy actions and tariffs of the United States and the European Union; competitive developments in connection with the Pool's grain handling, agri-products, agri-food processing businesses and other operations; and environmental risks and unanticipated expenditures relating to environmental and other matters.

Saskatchewan Wheat Pool Inc. is a publicly traded agri-business 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 common shares are listed on the Toronto Stock Exchange under the symbol SWP.

<http://www.swp.com>

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