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INTERTAPE POLYMER GROUP INC
Form 6-K
July 24, 2002

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer
Pursuant to Rule 13a - 16 or 15d - 16 of
the Securities Exchange Act of 1934

For the month of July, 2002

Intertape Polymer Group Inc.

110E Montee de Liesse, St. Laurent, Quebec, Canada, H4T 1N4

[Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.]

Form 20-F Form 40-F X
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[Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.]

Yes No X
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[If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

82-_____]

July 22, 2002

NYSE SYMBOL: ITP
TSE SYMBOL: ITP

INTERTAPE POLYMER GROUP INC. ANNOUNCES
JUNE 2002 SECOND QUARTER RESULTS
(stated in U.S. dollars)

Montreal, Quebec, Canada - July 22, 2002 - Intertape Polymer Group Inc. (NYSE & TSE: ITP), today reported its operating results for the second quarter ended June 30, 2002.

Sales for the period were \$153.7 million, an increase of 8.7% or \$12.4 million from \$141.3 million for the second quarter of 2001. For the six-month periods ended June 30, 2002 and June 30, 2001, sales were \$300.4 million and \$300.1 million respectively. Sales increased by 4.8% or \$7 million over the first quarter of 2002. This increase in sales is the result of the combined effects of

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new products, increases in unit selling prices, and the positive impact of the Company's Regional Distribution Center (RDC) strategy.

Melbourne F. Yull, Intertape Polymer Group's Chairman and Chief Executive Officer stated, "The strength of our overall strategy resulted in a healthy sales increase over last year."

Gross profits and gross margins were \$33.9 million and 22.1% for the current period, compared to \$26.7 million and 18.9% respectively for the second quarter of 2001. Gross profits and gross margins for the six-month periods were \$67.4 million and \$65.5 million and 22.4% and 21.8% respectively.

Operating profit for the period was \$13.5 million as compared to \$6.6 million for the same period in 2001. For the six month period ended June 30, 2002, operating profit was \$26.7 million compared to \$23.5 million in 2001. Selling, general and administrative expenses remain constant.

Melbourne F. Yull noted, "The sequential volume increase over last quarter combined with ongoing cost reductions have improved our operating profits and margins."

Net income for the three months ended June 2002 increased \$7.0 million to \$4.3 million from a loss of (\$2.7 million) in the same period last year. Net income for the six-month period was \$7.1 million, an increase of \$5.6 million from \$1.5 million in the same period last year.

Basic and diluted EPS for the current quarter were \$0.13 compared to a loss of (\$0.10) after the effect of the non-recurring charges in 2001 and \$0.00 before the effect of these charges last year. For the six-month period, both basic and diluted EPS were \$0.22 compared to \$0.15 before the effect of the non-recurring charges and \$0.05 after this effect.

Andrew M. Archibald, CFO stated, "The Company continues to manage cash effectively. Cash derived from operations was \$11.9 million this quarter compared to \$5.6 for the second quarter of 2001; and was \$21.7 million compared to \$18.0 million for the six months ended June 2002 and 2001 respectively. Investing in capital assets has decreased to \$3.6 million in 2002 as compared to \$5.5 million for the second quarter of 2001; and was \$6.5 million compared to \$17.7 million for the comparable six-month periods. The proceeds of \$47.3 million from the issuance of 5.1 million common shares during the first quarter of 2002 were used to reduce long-term debt by \$37.7 million, reduce bank indebtedness by \$6.5 million and partially fund the investment in capital assets of \$6.5 million." The Company typically increases finished goods inventory towards the end of the second quarter in order to have sufficient product to sell during annual plant vacation shut downs. Consequently, further improvements in working capital should continue through the balance of 2002 thus freeing additional cash to further reduce borrowings or for investments.

The exchange rate at June 30, 2002 was Cdn. \$1.5187 = U.S. \$1.00.

Intertape Polymer Group Inc. develops, manufactures and markets a wide variety of specialized polyolefin plastic and paper based packaging products and systems for industrial and retail use. The Company is based in Montreal, Quebec and Sarasota, Florida with twenty-six facilities in North America and one European location.

The reader should note that the Company's forward-looking statements speak only as of the date of this media release or when made and the Company undertakes no duty or obligation to update or revise its forward-looking statements. Although management believes that the expectations, plans, intentions and projections

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reflected in its forward-looking statements are reasonable, such statements are subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

The risks, uncertainties and other factors that the Company's stockholders and prospective investors should consider include, but are not limited to, the following: risks associated with pricing, volume and continued strength of markets where the Company's products are sold; delays and disruptions associated with terrorist attacks and reprisals, political instability, heightened security and war in countries of the world that affect the Company's business; the effect of competition on the Company's ability to maintain margins on existing or acquired operations; and other risk factors listed from time to time in the Company's reports (including its Annual Report on Form 40-F) filed with the U.S. Securities and Exchange Commission.

FOR FURTHER INFORMATION CONTACT: Melbourne F. Yull
 Chairman and Chief Executive Officer
 Intertape Polymer Group Inc.
 Tel: 866-202-4713
 E-mail: itp\$info@intertapeipg.com
 Web: www.intertapepolymer.com

[GRAPHIC OMITTED]

INTERTAPE POLYMER GROUP INC.
 CONSOLIDATED EARNINGS
 Periods ended June 30,
 (In thousands of US dollars, except per share amounts)

| | THREE MONTHS | | |
|--|--------------|---------|---|
| | 2002 | 2001 | |
| | \$ | \$ | |
| Sales | 153,657 | 141,265 | 3 |
| Cost of sales | 119,713 | 114,549 | 2 |
| Gross profit | 33,944 | 26,716 | |
| Selling, general and administrative expenses | 20,454 | 20,090 | |
| Amortization of goodwill | | 1,797 | |
| Research and development | 796 | 1,198 | |
| Financial expenses | 7,872 | 7,736 | |
| | 29,122 | 30,821 | |
| Earnings (loss) before income taxes | 4,822 | (4,105) | |
| Income taxes | 534 | (1,392) | |
| Net earnings (loss) | 4,288 | (2,713) | |

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| | | | |
|---------------------------|-------|--------|-------|
| Earnings per share (loss) | | | |
| Basic | 0.13 | (0.10) | |
| | ===== | ===== | ===== |
| Diluted | 0.13 | (0.10) | |
| | ===== | ===== | ===== |

CONSOLIDATED RETAINED EARNINGS
 Periods ended June 30,
 (In thousands of US dollars)

| | THREE MONTHS | | |
|---|--------------|---------|-------|
| | 2002 | 2001 | |
| | ----- | ----- | ----- |
| | \$ | \$ | |
| Balance, beginning of year | 107,386 | 120,985 | 1 |
| Net earnings (loss) | 4,288 | (2,713) | |
| | ----- | ----- | ----- |
| | 111,674 | 118,272 | 1 |
| | ----- | ----- | ----- |
| Premium on purchase for cancellation of common shares | | | |
| | ----- | ----- | ----- |
| Balance, end of year | 111,674 | 118,272 | 1 |
| | ===== | ===== | ===== |

[GRAPHIC OMITTED]

INTERTAPE POLYMER GROUP INC.
 CONSOLIDATED BALANCE SHEETS
 (In thousands of US dollars)

| | AS AT | |
|--|---------|-------|
| | JUNE 30 | J |
| | 2002 | ----- |
| | ----- | ----- |
| | \$ | |
| ASSETS | | |
| Current assets | | |
| Trade receivables (net of allowance for doubtful accounts of \$4,804 (\$592 in June 2001, \$6,670 in December 2001)) | 93,104 | 1 |
| Other receivables | 12,152 | |
| Inventories | 76,919 | |
| Parts and supplies | 12,221 | |
| Prepaid expenses | 6,154 | |

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| | | |
|--|---------|-------|
| Future income tax assets | 4,025 | |
| | ----- | ----- |
| Capital assets | 204,575 | 2 |
| Other assets | 363,665 | 3 |
| Goodwill, at amortized cost | 12,214 | |
| | 229,299 | 2 |
| | ----- | ----- |
| | 809,753 | 8 |
| | ===== | ===== |
| LIABILITIES | | |
| Current liabilities | | |
| Bank indebtedness | 19,936 | 1 |
| Accounts payable and accrued liabilities | 85,880 | |
| Instalments on long-term debt | 13,429 | |
| | ----- | ----- |
| | 119,245 | 2 |
| Long-term debt | 311,859 | 2 |
| Other liabilities | 3,785 | |
| Future income tax liabilities | 22,506 | |
| | ----- | ----- |
| | 457,395 | 5 |
| | ----- | ----- |
| SHAREHOLDERS' EQUITY | | |
| Capital stock and share purchase warrants | 236,822 | 1 |
| Retained earnings | 111,674 | 1 |
| Accumulated foreign currency translation adjustments | 3,862 | |
| | ----- | ----- |
| | 352,358 | 3 |
| | ----- | ----- |
| | 809,753 | 8 |
| | ===== | ===== |

=====

[GRAPHIC OMITTED]

INTERTAPE POLYMER GROUP INC.
Consolidated Cash Flows
Periods ended June 30,
(In thousands of US dollars)

| | THREE MONTHS | |
|-------------------------------------|--------------|---------|
| | 2002 | 2001 |
| | ----- | ----- |
| | \$ | \$ |
| OPERATING ACTIVITIES | | |
| Net earnings (loss) | 4,288 | (2,713) |
| Non-cash items | | |
| Depreciation and amortization | 7,046 | 8,516 |
| Future income taxes | 534 | (192) |
| | ----- | ----- |
| Cash from operations before funding | | |

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| | | |
|--|---------|----------|
| of changes in non-cash working capital items | 11,868 | 5,611 |
| | ----- | ----- |
| Changes in non-cash working capital items | | |
| Trade receivables | (586) | (4,226) |
| Other receivables | (2,309) | (3,634) |
| Inventories | (6,481) | 1,913 |
| Parts and supplies | (218) | 3,067 |
| Prepaid expenses | 2,270 | 1,224 |
| Accounts payable and accrued liabilities | 10,123 | 10,928 |
| | ----- | ----- |
| | 2,799 | 9,272 |
| | ----- | ----- |
| Cash flows from operating activities | 14,667 | 14,883 |
| | ----- | ----- |
| INVESTING ACTIVITIES | | |
| Capital assets, net of investment tax credits | (3,625) | (5,450) |
| Proceed on sale of capital assets | | 8,000 |
| Other assets | 243 | (750) |
| | ----- | ----- |
| Cash flows from investing activities | (3,382) | 1,800 |
| | ----- | ----- |
| FINANCING ACTIVITIES | | |
| Net change in bank indebtedness | (3,658) | (8,819) |
| Repayment of long-term debt | (4,962) | (8,425) |
| Issue of Common Shares | (50) | 839 |
| Common Shares purchased for cancellation | | |
| | ----- | ----- |
| Cash flows from financing activities | (8,670) | (16,405) |
| | ----- | ----- |
| Net increase in cash position | 2,615 | 278 |
| Effect of foreign currency translation adjustments | (2,615) | (278) |
| | ----- | ----- |
| Cash position, beginning and end of year | - | - |
| | ===== | ===== |

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

INTERTAPE POLYMER GROUP INC.

Date: July 24, 2002

By: /s/ Salvatore Vitale

Salvatore Vitale, Vice President Finance