

INTERTAPE POLYMER GROUP INC
Form 40-F
March 31, 2008

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 40-F

“ REGISTRATION STATEMENT PURSUANT TO SECTION 12
OF THE SECURITIES EXCHANGE ACT OF 1934

” ANNUAL REPORT PURSUANT TO SECTION 13(a) OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year ended **December 31, 2007**

Commission file number: **1-10928**

INTERTAPE POLYMER GROUP INC.

(Exact name of Registrant as specified in its charter)

Canada

(Jurisdiction of incorporation or organization)

Not Applicable

(I.R.S. Employer Identification Number)

Primary Standard Industrial Classification Code Number: **2670**

9999 Cavendish Blvd., Suite 200, Ville St. Laurent, Quebec, Canada H4M 2X5 (514) 731-7591

(Address and telephone number of Registrant's principal executive offices)

Burgess H. Hildreth, 3647 Cortez Road West, Bradenton, Florida, 34219 (941) 739-7500

(Name, address and telephone number of Agent for service in the United States)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Name of each Exchange on which registered:
Common Shares, without nominal or par value	New York Stock Exchange Toronto Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act:

Not Applicable

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

Not Applicable

For annual reports, indicate by check mark the information filed with this form:

ý Annual Information Form ý Audited Annual Financial Statements

The number of outstanding shares of each of the issuer's classes of capital stock as of December 31, 2007 is:

58,966,348 Common Shares

-0- Preferred Shares

Indicate by check mark whether the registrant by filing 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 (the Exchange Act). If Yes is marked, indicate the file number assigned to the registrant in connection with such rule.

Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

The information contained in this 40-F and the exhibits attached hereto are incorporated by reference into Registration Statement No. 333-109944.

Controls and Procedures

Disclosure Controls and Procedures. Intertape Polymer Group Inc. maintains disclosure controls and procedures designed to ensure not only that information required to be disclosed in its reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, but also that information required to be disclosed by Intertape Polymer Group Inc. is accumulated and communicated to management, including its principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure. Based on the annual evaluation made by management as of December 31, 2007 of Intertape Polymer Group Inc.'s disclosure controls and procedures, with the participation of the principal executive officer and principal financial officer, the principal executive officer and principal financial officer have concluded that Intertape Polymer Group Inc.'s disclosure controls and procedures were adequate and effective to accomplish the purposes for which they were designed.

Management's Annual Report on Internal Control Over Financial Reporting. Management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of the Company's financial reporting as well as the preparation of financial statements for external reporting purposes in accordance with Canadian generally accepted accounting principles, including a reconciliation of accounting principles generally accepted in the United States of America.

Internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the Company's consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements, and even when determined to be effective, can only provide reasonable assurance with respect to financial statements preparation and presentation. Also projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of completeness with policies or procedures may deteriorate.

Management conducted an assessment of the effectiveness of the Company's internal control over financial reporting as at December 31, 2007 based on the criteria established in *Internal Control - Integrated Framework* issued by the

Committee of Sponsoring Organizations of the Treadway Commission. Management has concluded that the Company's internal control over financial reporting was effective as at December 31, 2007 based on those criteria.

The effectiveness of the Company's internal control over financial reporting as at December 31, 2007 has been audited by Raymond Chabot Grant Thornton LLP, the Company's independent auditors.

Independent Auditors' Report on Internal Control over Financial Reporting. The independent auditors' report on internal control over financial reporting is included in the Independent Auditors' Report on Internal Control Over Financial Reporting that accompanies the Company's Audited Annual Consolidated Financial Statements for the fiscal year ended December 31, 2007, filed as a part of this Annual Report on Form 40-F.

Changes in Internal Control Over Financial Reporting. There have been no changes in Intertape Polymer Group Inc.'s internal controls over financial reporting that occurred during 2007 that has materially affected, or is reasonably likely to materially affect, Intertape Polymer Group Inc.'s internal control over financial reporting.

Blackout Period Notices

During 2007, Intertape Polymer Group Inc. was not required to send its directors and executive officers notices pursuant to Rule 104 of Regulation BTR concerning any equity security subject to a blackout period under Rule 101 of Regulation BTR. Intertape Polymer Group Inc.'s blackout periods are regularly scheduled and a description of such periods, including their frequency and duration and plan transactions to be suspended or affected are included in the documents under which Intertape Polymer Group Inc.'s plans operate and is disclosed to employees before enrollment or within thirty (30) days thereafter.

Audit Committee Financial Expert

The Board of Directors of Intertape Polymer Group Inc. has determined that it has at least one audit committee financial expert serving on its audit committee. Mr. George J. Bunze, having been the Chief Financial Officer of Kruger Inc., and having the attributes set forth in Paragraph 8(b) of General Instruction B to Form 40-F, has been determined to be an audit committee financial expert. Further, Mr. Bunze is independent as that term is defined by the New York Stock Exchange's corporate governance standards applicable to Intertape Polymer Group Inc.

The Securities and Exchange Commission has stated that the designation of Mr. Bunze as an audit committee financial expert does not make him an expert for any purpose, including, without limitation, for purposes of Section 11 of the Securities Act of 1933. Further, such designation does not impose any duties, obligations or liability on Mr. Bunze greater than those imposed on members of the audit committee and Board of Directors not designated as an

audit committee financial expert, nor does it affect the duties, obligations or liability of any other member of the audit committee or Board of Directors.

Code of Ethics

Intertape Polymer Group Inc. has adopted a code of ethics entitled "Intertape Polymer Group Inc. Code of Business Conduct and Ethics", which is applicable to all of its employees, including its principal executive officer, principal financial officer, principal accounting officer or controller, and all persons performing similar functions. During the 2007 fiscal year, Intertape Polymer Group Inc. did not amend its Code of Business Conduct and Ethics and did not grant a waiver from any provision of its Code of Business Conduct and Ethics. Intertape Polymer Group Inc. will provide, without charge, to any person upon written or oral request, a copy of its Code of Business Conduct and Ethics. Requests should be directed to Burgess H. Hildreth, Intertape Polymer Group Inc., 3647 Cortez Road West, Bradenton, Florida 34210. Mr. Hildreth may be reached by telephone at (941) 739-7500.

Principal Accountant Fees and Services

A table setting forth the fees billed for professional services rendered by Raymond Chabot Grant Thornton LLP, Chartered Accountants, Intertape Polymer Group's principal accountant, for the fiscal years ended December 31, 2007 and December 31, 2006, is set forth in Item 17.5 of Intertape Polymer Group's Annual Information Form attached hereto as Exhibit 1.

Intertape Polymer Group Inc.'s Audit Committee pre-approves all audit engagement fees and terms of all significant permissible non-audit services provided by independent auditors. With respect to services other than audit, review or attest services set forth in the table referenced above, none were approved pursuant to the *de minimus* exception provided by paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

Off-Balance Sheet Arrangements

Through June 2005, Intertape Polymer Group Inc. maintained no off-balance sheet arrangements, except for certain letters of credit issued and outstanding. As of December 31, 2007 and 2006, the Company had \$2.1 million and \$2.5 million, respectively, of outstanding letters of credit, which decrease the available balance under the Company's credit facility. In June 2005, Intertape Polymer Group Inc. entered into an interest rate swap agreement for a notional principal amount of \$50.0 million maturing in June 2010. In July 2005, Intertape Polymer Group Inc. entered into a second interest rate swap agreement for a notional principal amount of \$25.0 million maturing in July 2010. Under the terms of these interest rate swap agreements, the Company received, on a quarterly basis, a variable interest rate and paid a fixed interest rate of 4.27% and 4.29%, respectively, plus the premium of 4.00% (4.25% from August 8, 2007 through September 30, 2007, 2.75% from November 8, 2006 through August 7, 2006, and 2.25% prior to November 8, 2006 and in 2005) applicable on its term loan. The increase in the premium rate was as a result of the November, 2006 Amendment to the Company's Credit Agreement dated as of July 28, 2004, as amended, among the Company and certain of its subsidiaries, the Lender referred to therein, Citigroup Global Markets Inc., as sole Lead Arranger and Sole Bookrunner, Citicorp North American, Inc., an Administrative Agent, the Toronto-Dominion Bank, as Syndication Agent, and Comerica Bank and HSBC Bank USA, National Association, as Co-Documentation

Agents. As of December 31, 2007, the effective interest rate on \$75,000,000 was 8.28%, (7.03% in 2006), and the effective interest rate on the excess was 9.16% (8.04% in 2006).

Intertape Polymer Group Inc., and certain of its subsidiaries refinanced its Senior Secured Credit Facility entering into a Loan and Security Agreement dated March 28, 2008 with certain financial institutions, as Lenders, Bank of America, N.A., as Agent, and Banc of America Securities LLC, as Sole Lead Arranger and Book Manager. The initial funding under the new Senior Secured Credit Facility occurred on March 28, 2008. The Company's new Senior Secured Credit Facility is an asset-based revolving loan not to exceed \$200,000,000.00 with interest thereon at the Canadian or U.S. prime rate announced by Bank of America from time to time, or at LIBOR, respectively, plus applicable margins, which are fixed at 1.75% through September 2008. At closing Intertape Polymer Group had approximately \$30 million of unused availability under the loan. A complete description of the new Senior Secured Credit Facility is set forth in Section 3.2 of the Annual Information Form attached hereto as Exhibit 1. In connection with the new Senior Secured Credit Facility, the interest rate swap agreements were terminated. Intertape Polymer Group Inc. will not seek to enter into new interest rate swap agreements at this time but will continue to monitor the interest rate environment and may choose to enter into new interest rate swap agreements in the future as a means of hedging the interest rate risk on its floating rate debt.

Tabular Disclosure of Contractual Obligations

The information required by Paragraph (12) of General Instruction B to Form 40-F is located on Page 20 of Management's Discussion and Analysis for 2007 attached hereto as Exhibit 2 and made a part hereof by this reference.

Identification of the Audit Committee

Intertape Polymer Group Inc. has a separately designated standing Audit Committee established in accordance with Section 3(a)(58)(A) of the Exchange Act. The Audit Committee is comprised of three of the six directors of Intertape Polymer Group Inc.: George J. Bunze, Allan Cohen, Ph.D., and Torsten A. Schermer. For additional information with respect to the Company's Audit Committee, see Item 17 of the Company's Annual Information Form attached hereto as Exhibit 1.

Undertaking

Intertape Polymer Group Inc. undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Securities and Exchange Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to the securities in relation to which the obligation to file an annual report on Form 40-F arises.

[SIGNATURE ON FOLLOWING PAGE]

Signature

Pursuant to the requirements of the Exchange Act, Intertape Polymer Group Inc. certifies that it meets all of the requirements for filing on Form 40-F, and has duly caused this Annual Report to be signed on its behalf by the undersigned, thereto duly authorized.

INTERTAPE POLYMER GROUP INC.

(Registrant)

By:

/s/ Victor DiTommaso

(Signature)

Name:

Victor DiTommaso, CPA

Title:

Chief Financial Officer

Date: March 28, 2008

EXHIBIT INDEX

Exhibit No.	Description	Page No.
1	Annual Information Form dated March 28, 2008	9
2	Management's Discussion and Analysis for 2007	
	Audited Annual Consolidated Financial Statements	2
3	Consent of Independent Registered Chartered Accountants	62
4	Certifications pursuant to Rule 13a-14(a) or Rule 15d-14(a), pursuant to Section 302 of the U.S. Sarbanes-Oxley Act of 2002	63
5	Certification pursuant to 18 U.S.C. Section 1350, as enacted pursuant to Section 906 of the U.S. Sarbanes-Oxley Act of 2002	67

EXHIBIT 1

Item 1.

INTERTAPE POLYMER GROUP INC.

ANNUAL INFORMATION FORM

For the Year ended December 31, 2007

Dated: March 28, 2008

INTERTAPE POLYMER GROUP INC.

ANNUAL INFORMATION FORM

Table of Contents

Page

Item 1.

Cover Page

9

Item 2.

Corporate Structure

12

2.1

Name, Address and Incorporation

12

2.2

Intercorporate Relationships

12

Item 3.

General Development of the Business

13

3.1

General Three Year History

13

3.2

Credit/Debt Information

17

3.3

Significant Acquisitions

18

Item 4.

Narrative Description of the Business

20

4.1

General

20

4.2

Products, Markets and Distribution

21

4.2.1

Tapes and Films Division

21

4.2.2

Engineered Coated Products Division

25

4.3

Sales and Marketing

26

4.3.1

Tapes and Films Division

26

4.3.2

Engineered Coated Products Division

27

4.4

Manufacturing and Quality Control

27

4.4.1

Tapes and Films Division

27

4.4.2

Engineered Coated Products Division

28

4.5

Equipment and Raw Materials

28

4.5.1

Tapes and Films Division

28

4.5.2

Engineered Coated Products Division

28

4.6

Research and Development and New Products

29

4.6.1

Tapes and Films Division

29

4.6.2

Engineered Coated Products Division

30

4.7

Trademarks and Patents

30

4.8

Competition

31

4.9

Environmental Regulation

31

4.10

Employees

33

Item 5.

Cautionary Statements and Risk Factors

33

5.1

Forward-Looking Statements

33

10

5.2

Risk Factors

34

Item 6.

Dividends

43

Item 7.

General Description of Capital Structure

44

7.1

General Description of Capital Structure

44

7.2

Ratings

44

Item 8.

Market For Securities

45

8.1

Trading Prices and Volume on the Toronto Stock Exchange

45

8.2

Trading Prices and Volume on the New York Stock Exchange

45

Item 9.

Escrowed Securities

46

Item 10.

Directors and Officers

46

Item 11.

Legal Proceedings

48

Item 12.

Interest of Management and Others in Material Transactions

49

Item 13.

Transfer Agents and Registrars

49

Item 14.

Material Contracts

49

Item 15.

Experts

53

15.1

Name of Experts

53

15.2

Interests of Experts

53

Item 16.

Additional Information

53

Item 17.

Audit Committee

54

17.1

Audit Committee Charter

54

17.2

Composition of the Audit Committee

54

17.3

Relevant Education and Experience

54

17.4

Pre-Approved Policies and Procedures

54

17.5

External Auditor Services Fees

55

Exhibit A

Audit Committee Charter

56

11

Item 2.

Corporate Structure

2.1

Name, Address and Incorporation

The business of Intertape Polymer Group Inc. (Intertape Polymer Group or the Company) was established when Intertape Systems Inc., a predecessor of the Company, established a pressure-sensitive tape manufacturing facility in Montreal. Intertape Polymer Group was incorporated under the *Canada Business Corporations Act* on December 22, 1989 under the name 171695 Canada Inc. On October 8, 1991, the Company filed a Certificate of Amendment changing its name to Intertape Polymer Group Inc. A Certificate of Amalgamation was filed by the Company on August 31, 1993, at which time the Company was amalgamated with EBAC Holdings Inc. The shareholders, at the Company's June 11, 2003 annual and special meeting voted on the replacement of the Company's By-Law No. 1 with a new General By-Law 2003-1. The intent of the replacement by-law was to conform the Company's general by-laws with amendments that were made to the *Canada Business Corporations Act* since the adoption of the general by-laws and to simplify certain aspects of the governance of the Company. On August 6, 2006, the Company filed a Certificate of Amendment to permit the Board of Directors of the Company to appoint one or more additional Directors to hold office for a term expiring not later than the close of the next annual meeting of the Company's Shareholders, so long as the total number of Directors so appointed does not exceed one-third of the number of Directors elected at the previous annual meeting of the Shareholders of the Company.

Intertape Polymer Group's corporate headquarters is located at 9999 Cavendish Blvd., Suite 200, Ville St. Laurent, Quebec, Canada H4M 2X5 and the address of its registered office is 1250 René-Lévesque Blvd. West, Suite 2500, Montreal, Quebec, Canada H3B 4Y1, c/o Heenan Blaikie LLP.

2.2

Intercorporate Relationships

Intertape Polymer Group is a holding company which owns various operating companies in the United States and Canada. ECP L.P., an Ontario partnership, is one of the two principal operating companies for the Company's Engineered Coated Products Division in Canada. Intertape Polymer Inc., incorporated under the *Canada Business Corporations Act*, is the principal operating company for the Company's Tape and Films Division in Canada and one

of the two principal operating companies for the Company's Engineered Coated Products Division in Canada. Intertape Polymer Corp., a Delaware corporation, is the principal operating company for the Company's United States and international operations.

The table below lists for each of the subsidiaries of the Company their respective place of incorporation or constitution, as the case may be, and the percentage of voting securities beneficially owned or over which control or direction is exercised directly or indirectly by Intertape Polymer Group. Certain subsidiaries, each of which represents not more than ten percent of consolidated assets and not more than ten percent of consolidated sales and operating revenues of the Company, and all of which, in the aggregate, represent not more than twenty

percent of total consolidated assets and total consolidated sales and operating revenues of the Company at December 31, 2007, have been omitted.

Corporation	Place of Incorporation or Constitution	Percentage of Ownership or Control
Intertape Polymer Group Inc.	Canada	Parent
Intertape Polymer Inc.	Canada	100%
ECP GP II Inc.	Canada	100%
ECP L.P.	Province of Ontario	100%
Spuntech Fabrics Inc.*	Canada	100%
IPG Financial Services Inc.	Delaware	100%
Intertape Polymer Corp.	Delaware	100%
Intertape Woven Products Services S.A. de C.V.	Mexico	100%
IPG Holdings LP*	Delaware	100%
Polymer International Corp.*	Virginia	100%
IPG (US) Inc.	Delaware	100%
IPG (US) Holdings Inc.	Delaware	100%
Intertape Polymer US Inc.	Delaware	100%
Fibope Portuguesa-Filmes Biorientados S.A.	Portugal	100%

* Dormant

Item 3.

General Development of the Business

3.1

General Three Year History

Overview of prior periods

The Company commenced operations in 1981 and since has evolved into a recognized leader in North America in the development and manufacture of tapes, films and engineered coated and laminated products. Intertape Polymer Group is the second largest tape manufacturer in North America, the leader in the markets for many engineered coated products, and a significant producer of films in the North American industry. For several years, Intertape Polymer Group's business strategy was primarily one of growth. Commencing in the mid-1990's, the Company made several strategically important acquisitions to further its business plan to either develop or acquire new products to complete the basket of products approach to the Company's markets.

Following this period of rapid expansion through acquisitions, the Company entered a period of integration, cost reduction, and facility consolidation. The Company focused on implementing improvements aimed both at realizing the benefits of past acquisitions and optimizing the Company's cost base, the quality of its products and the cost and effectiveness of its supply chain operations.

2004-2005

Beginning in 2004, the Company, along with the industry, experienced rising raw material costs. In 2005, not only was the Company, as well as the industry, faced again with rising raw material costs, certain key raw materials also became in short supply. In the first half of 2005, the shortage was in synthetic rubber, an essential ingredient in the formulation of certain of the Company's tape adhesives. After two major hurricanes hit the Gulf Coast of Louisiana and Texas during the third quarter, prices for petroleum-based resins, which are key raw materials for several of the Company's products, rose dramatically. However, as a result of the creation of smaller business teams within the Company and a global sourcing group, the Company was able to manage the rising raw material costs through a series of timely sales price increases to its industrial and specialty distributors, and to a lesser extent, its retail customers, and was able to aggressively pursue and secure resin supplies from worldwide sources.

In December, 2005, the Company announced it was investigating the possibility of selling a portion of its interest in the combined engineered coated products operations and FIBC business through an initial public offering of the combined business using a Canadian Income Trust. On May 24, 2006 the Company announced that it had indefinitely deferred the decision to proceed with this offering.

2006

On June 14, 2006, Mr. Melbourne F. Yull, the Company's founder, Chairman and CEO retired. Following Mr. Yull's retirement, Mr. Michael Richards was elected as the non-executive Chairman of the Board and the Board of Directors appointed Mr. Dale McSween as Interim CEO until such time as a successor to Mr. Yull was appointed.

During 2006, the Company was successful in reducing the amount of working capital required to run its business by \$44 million as a result of reducing inventories and improving terms and collections in the area of accounts receivable. The Company also invested in manufacturing equipment and IT infrastructure to add capacity, improve productivity and to expand certain of its operations. The capital investment program for 2006 included adding three film lines for expanded production of heat shrinkable films and stretch wrap. These lines were installed in the Danville, Virginia,

Tremonton, Utah, and Porto, Portugal plants. The Company also successfully improved inventory management through investment in third party inventory planning software.

The Company's business underwent significant change in 2006 necessitating, in management's view, making several revisions to its business model. In spring 2006, the

Company began importing general purpose acrylic tape for sale to its distributors though it continues to manufacture more value-added acrylic tape products. In March 2006, the Company closed its FIBCs manufacturing facility in Piedras Negras, Mexico, substantially reducing its manufacturing capacity for this product group. The Company's revised business model also includes its almost exclusive reliance on imported bags to meet customers' demand except for a limited manufacturing capability in the Company's Hawkesbury, Ontario facility where the Company manufactures specialty bags and provides customers with emergency product fulfillment.

2006 was also marked by declining sales volumes and narrower gross margins as compared to 2005. There were a variety of factors contributing to both the sales volume decline and the narrowing of gross margins, but one of the most significant factors was the Company's customer account rationalization process, which accounted for approximately forty percent of the sales volume decline experienced by the Company in 2006. The Company exited several unprofitable customer accounts and streamlined its product offering, particularly with respect to products sold to its consumer accounts.

Throughout 2006, the Company continually sought ways to restructure its business and reduce costs to levels more commensurate with near term anticipated sales volumes and gross margins. The Company closed its Piedras Negras, Mexico, Brighton, Colorado, and Cap-de-la Madeleine, Quebec plants. The facility in Piedras Negras, Mexico was closed as the Company changed its FIBC business model, eliminating most domestic manufacturing and relying almost exclusively on import fulfillment. Though the implementation of the import sourcing model resulted in a reduction in revenue, it permitted the Company to increase gross margins and improve profitability in its FIBC product line.

Production from the Company's Brighton, Colorado plant was shifted late in 2006 to the Company's Danville, Virginia, and Richmond, Kentucky facilities. This consolidation was made possible by productivity increases at the Danville, Virginia facility. Additionally in 2006, the Company transferred the production at its Cap-de-la Madeleine facility to its Brantford, Ontario facility. The consolidation of a large percentage of the Company's paper packaging products provided a base for the Company's investment in a ten color printing press for its Brantford, Ontario facility.

During 2006, TD Securities Inc. was engaged to work with management in order to carry out a detailed financial and operational review of the Company. In October 2006, the Board of Directors decided to explore what strategic alternatives may be available to the Company to enhance shareholder value. TD Securities Inc. was also engaged to work with the Board and management in this strategic alternatives review process.

2007

As a result of the strategic review process commenced in 2006, the Board of Directors considered all available options and on May 2, 2007 announced that the Company had entered into an agreement for an indirect wholly-owned subsidiary of Littlejohn Fund III, L.P. to acquire all of Intertape Polymer Group's outstanding common shares at a price of US\$4.76 per share in

cash (the Arrangement). Including net debt outstanding, the total transaction value was approximately US\$500 million.

A Dissident Proxy Circular dated June 18, 2007 was filed by 6789536 Canada Inc. and at the annual and special meeting of shareholders, the Arrangement was rejected by the shareholders of the Company by a vote of almost seventy percent. In addition, the shareholders elected a new Board of Directors, which included the Company's founder, Melbourne F. Yull, and a former director of the Company, Eric Baker, who was named Chairman. Mr. Yull was named Executive Director.

On August 8, 2007, the Company successfully amended its Senior Secured Credit Facility to accommodate the costs of the strategic alternatives process in the calculation of its financial covenants. The amendment reduced the maximum amount the Company could borrow under the Revolving Credit Facility from \$75.0 million to \$60.0 million and increased the loan margin under the entire Senior Secured Credit Facility, both the Term Loan B and the Revolving Credit Facility by 150 basis points to a range of 325 to 425 basis points determined by a pricing grid. Additionally, the Company paid an amendment fee to its lenders of approximately \$2.3 million to be amortized over the remaining term of the related credit facilities.

In furtherance of the new Board's plan to strengthen the financial position of Intertape Polymer Group, the Company made a rights offering to its shareholders. Each shareholder of record at the close of business on August 23, 2007 was entitled to one right for every common share then held. 1.6 rights entitled the holder to purchase one common share of the Company at a price of CDN\$3.61, or for subscribers resident in the United States, US\$3.44. In connection with the rights offering, Intertape Polymer Group also entered into Standby Purchase Agreements with three of its principal shareholders and four of its senior officers and one former officer, pursuant to which each agreed to exercise all of their rights and to purchase certain of the shares that were not otherwise subscribed for in the rights offering. The Company raised total proceeds of approximately US\$62.9 million in its rights offering and issued 17,969,388 common shares. Intertape used the net proceeds of \$60.9 million to reduce its Term Loan B bank debt.

On March 27, 2008 the Company successfully refinanced its existing Senior Secured Credit Facility (the Facility) with a \$200.0 million Asset-Based Loan (ABL) entered into with a syndicate of financial institutions. The amount of borrowings available to the Company under the ABL is determined by its applicable borrowing base from time to time. The borrowing base is determined by calculating a percentage of eligible trade accounts receivable, inventories and machinery and equipment. At closing, after repaying the remaining balance of the Facility, the Company had cash and undrawn revolver of approximately \$39.0 million. The ABL is priced at libor plus a loan margin determined from a pricing grid. The loan margin declines as unused availability increases. The pricing grid ranges from 1.50% to 2.25%. However, through September 2008, the applicable loan margin is fixed at 1.75%. Unlike the Facility, the ABL contains only one financial covenant, a fixed charge coverage ratio, which becomes effective only when unused availability drops below \$25.0 million. Under the refinancing agreement, the Company has 120 days from closing to secure financing on all or a portion of its owned real estate. After that time, the remaining unencumbered real estate is subject to a negative pledge in

favour of the ABL lenders. However, beyond the 120 days the Company retains the ability to secure financing on all or a portion of its owned real estate and have the negative pledge of the ABL lenders subordinated to up to \$35.0 million of real estate mortgage financing. During the 120 day window in which the real estate is unencumbered, the Company is not subject to the fixed charge coverage ratio but also is prevented from accessing the last \$15.0 million of unused availability under its borrowing base. The Company expects to report a refinancing expense in the first quarter of 2008 for approximately \$3.4 million comprised of the accelerated amortization of the debt issue expenses on the existing debt. The Company also settled two interest rate swaps that the Company entered into in June and July 2005 hedging interest rates for its existing debt. Among the advantages the Company expects from refinancing are lower interest costs and fewer financial covenants with which it must comply. The Company estimates that the lower loan margin on the ABL compared to the existing Senior Secured Credit Facility will reduce the Company's interest expense by approximately \$2.5 million annually.

The net loss for 2007 was \$8.4 million compared to a net loss for 2006 of \$166.7 million. The net loss for 2007 includes \$8.1 million of manufacturing facility closures, restructuring, strategic alternatives and other charges, compared to similar charges in 2006 of \$76.1 million. The manufacturing facility closures, restructuring, strategic alternatives and other charges totalling \$8.1 million including approximately \$1.3 million in severance costs associated with the cost reduction initiatives announced by the Company in 2006 and \$6.8 million in costs supporting the strategic alternatives process.

3.2

Credit/Debt Information

Indebtedness

In 2005, the Company's indebtedness increased by \$10.0 million due to the Company's borrowing in connection with its acquisition of Flexia Corporation and Fib-Pak Industries, Inc. This was offset by a reduction in long-term debt of \$3.0 million in accordance with the Company's debt amortization schedule. In 2006, the Company reduced its long-term debt by an additional \$2.9 million and its revolving credit facility by \$15.6 million.

During 2007, the Company reduced its long term debt by \$76.5 million. The payments in 2007 included a \$60.9 million reduction as a result of the application of the net proceeds of the shareholder rights offering and a \$15.6 million principal payment from 2006 excess cash flow as required under the Senior Secured Credit Facility. As of December 31, 2007, the Company had no outstanding draws under its Revolving Credit Facility.

Credit Agreements and Notes

On July 28, 2004, the Company entered into a senior secured credit facility consisting of a US\$200.0 million seven-year delayed draw Term Loan B facility, a US\$65.0 million five-year revolving credit facility, and a US\$10.0 million five-year revolving credit facility to be issued in Canadian dollars. Further, on July 28, 2004, the Company completed an offering of US\$125.0 million 8-½% Senior Subordinated Notes due 2014.

The credit agreement governing the senior secured credit facility and the indenture governing the outstanding Senior Subordinated Notes each contain restrictive covenants that, among other things, limited the Company's ability to incur additional indebtedness, make restricted payments, make loans or advances to subsidiaries and other entities, invest in capital expenditures, sell its assets or declare dividends. In addition, under its Senior Secured Credit Facility, the Company was required to maintain certain financial ratios, including a maximum total leverage ratio, a minimum interest coverage ratio and a minimum fixed charge ratio.

During 2006, the Company amended its credit agreement on two occasions, the first being in the second quarter to obtain a waiver for certain non-recurring costs, and the second in the fourth quarter to amend the financial covenants in the agreements due to the changes in the Company's business model.

In August, 2007, the Company amended its credit facilities to permit the add back of certain one-time charges incurred in connection with the proposed acquisition of all of the common shares of the Company by an indirectly wholly-owned subsidiary of Littlejohn Fund III, L.P., the strategic alternatives process. The amendment also reduced the maximum amount the Company could borrow under the Revolving Credit Facility from \$75 million to \$60 million and increased the loan premium for both the Term B Loan and the Revolving Credit Facility by 150 basis points.

Intertape Polymer Group Inc. and certain of its subsidiaries refinanced its Senior Secured Credit Facility on March 28, 2008. The Company's new Senior Secured Credit Facility is an asset-based revolving loan not to exceed \$200,000,000.00. The credit facility is secured by a first priority security interest in substantially all of the tangible and intangible assets of, and is guaranteed by, the Company and substantially all of its U.S. and Canadian subsidiaries. The proceeds from the refinancing were used to repay the Company's existing bank credit facility, pay related make-whole premiums, accrued interest and transaction fees and provide cash for general working capital purposes. The Company's outstanding Senior Subordinated Notes remain outstanding.

For additional information regarding the Company's new Senior Secured Credit Facility and Senior Subordinated Notes, see Item 14, *Material Contracts*.

3.3

Significant Acquisitions

While the Company made no acquisitions in 2007, historically acquisitions have played a significant role in the Company's strategy for growth and entry into new product markets.

The Company's most recent acquisition was closed on October 5, 2005, when Intertape Polymer Group's wholly owned subsidiary, Intertape Polymer Inc., for an aggregate consideration of approximately \$30.0 million (after purchase price adjustments which occurred in 2006), acquired all of the issued and outstanding shares of Flexia Corporation Ltd., being the body corporate that resulted from the amalgamation of Flexia Corporation and Fib-Pak Industries, Inc. These companies produce a wide range of engineered coated and laminated

products, and polypropylene fabrics, and this production was complementary to the Company's existing coated products business based in Truro, Nova Scotia, as well as its FIBC business. The Company believes that this acquisition increased its market share in certain product groups and provided the Company with an enhanced geographic proximity to its customers and suppliers.

The Company has integrated Flexia and Fib-Pak and their operations are now organized and operated under a wholly-owned limited partnership, ECP L.P. The combination of ECP L.P. operations along with the Company's existing coated products business based in Truro, Nova Scotia, has resulted in certain synergies and cost savings to the Company as a result of head count reductions, purchasing cost reductions, manufacturing cost reductions and global sourcing opportunities.

The Flexia and Fib-Pak acquisition met the definition of a significant acquisition, as that term is understood with reference to Part 8 of the Canadian National Instrument 51-102-*Continuous Disclosure Obligations*. A Business Acquisition Report on Form 51-102F4 was filed by the Company on December 20, 2005, and is incorporated herein by reference.

Item 4.

Narrative Description of the Business

4.1

General

Intertape Polymer Group is a leader in the specialty packaging industry. Management believes the Company is the second largest manufacturer of tape products in North America and is recognized for its development, manufacture and sale of adhesive tapes, specialty tapes, plastic packaging films, and engineered coated products for use in industrial and retail applications. The Company's products include carton sealing tapes, including Intertape® pressure-sensitive and water-activated tapes; industrial and performance specialty tapes, including masking, duct, electrical and reinforced filament tapes; Exlfilm® shrink film; Stretchflex® stretch wrap, and engineered coated fabric products.

The Company has approximately 2,100 employees with operations in 17 locations, including 14 manufacturing facilities in North America and one in Europe.

Intertape Polymer Group has assembled a broad range of products by leveraging its manufacturing technologies, its research and development capabilities, global sourcing expertise and its strategic acquisition program. Since 1995, the Company has made a number of strategic acquisitions in order to offer a broader range of products to better serve its markets. The Company's extensive product line permits Intertape Polymer Group to offer tailored solutions to a wide range of end-markets including food and beverage, consumer, industrial, building and construction, oil and gas, water supply, automotive, medical, agriculture, aerospace and military applications.

The Company has two operating segments that are reportable segments as those terms are used in the Canadian Institute of Chartered Accountants Handbook, Tapes and Films and Engineered Coated Products.

4.2

Products, Markets and Distribution

4.2.1

Tapes and Films Division

The Company manufactures a variety of specialized polyolefin plastic and paper based products, as well as complementary packaging systems for use in industrial and retail applications. These products include Intertape® pressure sensitive and Central™ water-activated carton sealing tapes; industrial and performance specialty tapes including paper, duct, electrical and reinforced filament tapes; Exlfilm® shrink film and StretchFLEX® stretch wrap.

The Company's products are manufactured and sold under the Intertape® family of brands to industrial distributors, retailers and to third parties under private brands. For the years ending December 31, 2007, and December 31, 2006, tapes and films accounted for 79% and 77%, respectively, of the Company's sales.

The Company's tape and film products are manufactured and sold under Intertape brands including Intertape®, Central™, Exlfilm® and StretchFLEX® to industrial distributors and retailers, and are manufactured for sale to third parties under private brands.

The Company's tape and film products consist of four main product groups: (A) Carton Sealing Tapes, (B) Industrial & Specialty Tapes, (C) Films and (D) Protective Packaging.

A.

Carton Sealing Tapes

Carton sealing tapes are sold primarily under the Intertape® and Central™ brands to industrial distributors and leading retailers, as well as to third parties under private brands. Management believes Intertape is the only company worldwide that produces carton sealing tapes using all four adhesive technologies: hot melt, acrylic, natural rubber and water-activated. The Company also sells the application equipment required for the dispensing of its carton sealing tapes.

Hot Melt Tape

Hot melt carton sealing tape is a polypropylene film coated with a synthetic rubber adhesive which offers a wide range of application flexibility and is typically used in carton sealing applications. Primary competitors are 3M Co., Shurtape Technologies LLC and Vibac Group.

Acrylic Tape

Acrylic carton sealing tape is a polypropylene film coated with an aqueous, pressure sensitive acrylic adhesive which is best suited for applications where performance is required within a broad range of temperatures from less than 40°F to greater than 120°F. Primary competitors are 3M Co. and Sekisui TA Industries Inc.

Natural Rubber Tape

Natural rubber carton sealing tape is a polypropylene film coated with natural rubber adhesive and is unique among the carton sealing tapes because of its aggressive adhesion properties. This tape is ideally suited for conditions involving hot, dusty, humid or cold environments. Typical uses include moving and storage industry applications, as well as packaging and shipping. The primary competitor is Evotape SpA of Italy.

Water Activated Tape

Water-activated carton sealing tape is typically manufactured using a filament reinforced kraft paper substrate and a starch based adhesive that is activated by water. Water-activated tape is used primarily in applications where a strong mechanical bond or tamper evidence is required. Typical end-use markets include fulfillment centers, mail order operations, furniture manufacturers and the apparel industry. Primary competitors are The Crowell Corp. and Holland Manufacturing Co. Inc.

B.

Industrial & Specialty Tapes

The Company produces seven primary industrial and specialty products: Paper Tape, Flatback Tape, Duct Tape, Filament Tape, Stencil Products, Electrical Tape, and Double-Coated Tape.

Paper Tape

Paper tape is manufactured from a crepe paper substrate coated with a natural rubber or a synthetic rubber adhesive. Paper tape is used for a variety of performance and general purpose end-use applications. Product applications include paint masking (consumer, contractor, automotive, aerospace and marine), splicing, bundling/packaging, and general light duty applications. Primary competitors of the Company for this product are 3M Co., Shurtape Technologies, LLC, and tesa tape inc.

Flatback Tape

Flatback tape is manufactured using a smooth kraft paper substrate coated with a natural rubber/SIS blended adhesive. Flatback tape is designed with low elongation and is widely used in applications such as splicing where the tape should not be distorted. Typical applications for flatback tape include printable identification tapes, label products and carton closure. Primary competitors of the Company for this product are Shurtape Technologies, LLC, and 3M Co.

Duct Tape

Duct tape is manufactured from a polyethylene film that has been reinforced with scrim and coated with natural/synthetic rubber blend adhesive or speciality polymer adhesives. Duct tape is primarily used by general consumers for a wide range of applications. Duct tapes are also used in maintenance, repair and operations, in the heating, ventilation and air conditioning markets, construction and in the convention and entertainment industries. Primary competitors of the Company for this product are Covalence Specialty Materials Corp., 3M Co. and Shurtape Technologies, LLC.

Filament Tape

Filament tape is a film or paper adhesive tape with fiberglass strands or polyester fibers embedded in the adhesive to provide high tensile strength. Primary applications for filament tape include appliance packing, bundling and unitizing, and agricultural applications. Primary competitors of the Company for this product are 3M Co., TaraTape, Inc. and Shurtape Technologies, LLC.

Stencil Products

Stencil products are manufactured from a calendared natural/synthetic rubber blended substrate with an acrylic adhesive. Stencil products are used in applications within the sign and monument manufacturing markets to protect a surface where sandblasting is required. The Company's primary competitor for this product is 3M Co.

Electrical and Electronic Tapes

Electrical and electronic tapes are manufactured from a number of different substrates, including paper, polyester, glass cloth and a variety of adhesive systems that include rubber, acrylic and silicone adhesives. Electrical and electronic tapes are Underwriters Laboratories (UL) approved and engineered to meet stringent application specifications. Primary competitors of the Company for this product are 3M Co., Permacel, and Saint-Gobain Performance Plastics.

Double-Coated Tapes

Double-coated tapes are manufactured from a paper, foam, or film substrate and are coated on both sides with a variety of adhesive systems. Double-coated tapes also use a release liner made from paper or film, that prevents the tape from sticking to itself. Double-coated tapes are typically used to join two dissimilar surfaces. The Company's double-coated tape products are used in the manufacture and regripping of golf clubs, with smaller sales to the carpet installation and the graphics industries. Primary competitors of the Company for this product are 3M Co., Avery Dennison Corp., tesa tape, inc., and Scapa Group plc.

C.

Films

The Company primarily produces two film product lines: Exlfilm® Shrink Film and StretchFLEX® Stretch Wrap.

Exlfilm® Shrink Film

Exlfilm® shrink film is a specialty plastic film which shrinks under controlled heat to conform to a package's shape. The process permits the over-wrapping of a vast array of products of varying sizes and dimensions with a single packaging line. Exlfilm® is used to package paper products, consumer products such as bottled water, toys, games, sporting goods, hardware and housewares and a variety of other products. Primary competitors of the Company for this product are Sealed Air Corp. and Bemis Co. Inc.

StretchFLEX® Stretch Wrap

Stretch wrap is a single or multi-layer plastic film that can be stretched without application of heat. It is used industrially to wrap pallets of various products ensuring a solid load for shipping.

The Company uses state-of-the-art multi-layer technology for the manufacturing of its StretchFLEX® stretch wrap. This technology has allowed the Company to focus on the introduction of a high performance product while reducing manufacturing costs. The Company introduced Genesys™ in 2005, which is a light gauge high performance film created for wrapping irregularly shaped packages. Primary competitors of the Company for this product include Sigma Plastics Group, Covalence Specialty Materials Corp., Atlantis Plastics Inc., Pliant Corp. and AEP Industries, Inc.

Intertape Polymer Group entered the European shrink film market through its investment in Fibope in April 1995. The Company initially purchased a 50% equity interest in Fibope, acquiring the remaining 50% equity stake in July 2003 to serve as a platform to penetrate European and African markets with other Intertape products. Fibope operates as an autonomous unit within Intertape Polymer Group.

Fibope produces a full range of shrink film products for sale in the European community. Raw materials are primarily sourced within Europe, with multiple sources utilized to ensure stability of supply and a competitive price environment.

D.

Protective Packaging

Air Pillows

Air pillows are manufactured by the Company from polyethylene film and are inflated at the point of use with an air pillow machine. Air pillows are used as packaging material for void fill and cushioning applications. Typical end-use markets for air pillows include fulfillment houses, contract packagers, and mail order pharmacies. Primary competitors of the Company for

this product are Pregis Corp., Sealed Air Corp., Storopack, Inc., Free-Flow Packaging International Inc. and Polyair Inter Pack Inc.

4.2.2

Engineered Coated Products Division

The Company is a North American leader in the development and manufacture of innovative industrial packaging, protective covering, barrier and liner products utilizing engineered coated polyolefin fabrics, paper and other laminated materials. Its products are sold primarily direct to end-users in a wide number of industries including lumber, construction, food, paper, and agriculture.

On October 5, 2005, Intertape Polymer Inc., a subsidiary of the Company, acquired all of the issued and outstanding shares of Flexia Corporation Ltd., being the body corporate that resulted from the amalgamation of Flexia Corporation and Fib-Pak Industries, Inc. The businesses of such companies are now operating under a wholly-owned limited partnership, ECP L.P. ECP L.P. is a producer of a wide range of engineered coated and laminated products with facilities located in Langley, British Columbia, Brantford, Ontario, and Hawkesbury, Ontario.

The Company's engineered coated products are categorized in six markets: (A) Building and Construction, (B) Agro-Environmental, (C) Consumer Packaging, (D) Specialty Fabrics, (E) Industrial Packaging, and (F) FIBCs. For the years ended December 31, 2007 and December 31, 2006, engineered coated products accounted for 21% and 23%, respectively, of the Company's sales.

A.

Building and Construction Products

The Company's building and construction product group includes protective wrap for kiln dried lumber and a variety of other membrane barrier products such as house wrap, window and door flashing and insulation facing, which are used directly in residential and commercial construction. The Company also supplies packaging over-wrap sleeves for unitizing multiple bags of fiberglass insulation. Intertape's lumber wrap is used to package, unitize, protect and brand lumber during transportation and storage. The product is available in polyethylene or polypropylene coated fabrics and polyethylene films printed to customer specifications. Lumber wrap is produced at the Company's plants in Langley, British Columbia; Brantford, Ontario; and Truro, Nova Scotia. Primary competitors of the Company for this product range include Interwrap, Inc., Fabrene Inc., Mai Weave LLC and, at the low end of the product range, producers from China and Korea.

B.

Agro-Environmental Products

The Company has developed a range of Agro-Environmental products, including membrane structure fabrics, bags for packaging processed cotton, fabrics designed for conversion into hay covers, grain covers, landfill covers, oil field membranes, and canal and pond liners. These fabrics are intended to provide protection during transit and storage and to line waterways and ponds to prevent loss of water and other liquids.

NovaShield™ Membrane Structure Fabrics

NovaShield™ is a lightweight, wide-width, and durable polyolefin fabric used as the outer skin layer for flexible membrane structures. The introduction and continuous improvement of the NovaShield™ fabric in the membrane structure market enabled membrane structure manufacturers to expand the use of this product beyond agricultural applications such as agriculture barns into larger structures for human occupancy such as amphitheaters, recreational facilities, trade show pavilions, aircraft hangers, and casinos. Developments in the product line include the patented stacked weave, and AmorKote™ coatings. The Company sells the NovaShield™ fabrics to membrane structure manufacturers who design, fabricate, and install the structures. The Company's main competitor is Fabrene Inc. and a number of polyvinyl chloride producers. The Company produces these products primarily at its plant in Truro, Nova Scotia.

AquaMaster® Geomembrane Fabrics

The Company's AquaMaster® line of geomembrane fabrics is used as an irrigation canal liner, golf course and aquascape pond liners, and in aquaculture operations. Primary competitors of the Company for this product include Gundle/SLT Environmental, Inc., Poly-America LP and Firestone Building Products.

Poultry Fabrics

Woven coated polyolefin fabrics are used in the construction of poultry houses in the southern United States. Materials with high ultraviolet resistance are fabricated into side curtains that regulate ventilation and temperature in buildings. Other materials are used in ceiling construction. Primary competitors of the Company for this product are Fabrene Inc. and Mai Weave LLC. These products are primarily produced at the Company's plant in Truro, Nova Scotia.

C.

Consumer Packaging Products

The Company's consumer packaging products include ream wrap, form, fill & seal packaging, deli wrap, and other coated and laminated products.

The Company competes with a number of local and multinational companies in this market. These products are primarily produced at the Company's plants in Brantford, Ontario and Langley, British Columbia.

D.

Specialty Fabrics

The Company's specialty fabric product category is comprised of a variety of specialty materials custom designed for unique applications or specific customers. The Company's ability to provide polyolefin fabrics in a variety of weights, widths, colors and styles, and to slit, print and perform various other conversion steps, allows it to provide an array of coated products designed to meet the specific needs of its customers.

Products and applications in this segment include fabrics designed for conversion into pool covers, field covers, disaster relief materials, protective covers and construction sheeting, brattice cloth for mine ventilation, underground marking tapes, salt pile covers and industrial packaging.

Primary competitors of the Company for this product include Fabrene Inc., Mai Weave LLC and, at the low end of the product range, producers from China and Korea. The Company primarily produces these products at its Truro, Nova Scotia, plant.

E.

Industrial Packaging Products

The Company's metal wrap is used to protect large coils of steel and aluminum during transit and storage. Primary competitors of the Company for this product include Interwrap Inc. and Covalence Specialty Materials Corp.

The Company also manufactures paper mill roll wrap for newsprint, specialty, and fine papers and custom designed fabrics for dunnage bags, which are used to fill space in a shipping container or to position the contents in a container.

Dunnage bag fabrics are primarily produced at the Company's Hawkesbury, Ontario, facility while paper packaging products are produced at the Company's Brantford, Ontario and Langley, British Columbia, facilities.

F.

FIBC Products

FIBCs are flexible, semi-bulk containers generally designed to carry and discharge 1,500 to 3,500 pounds of dry flowable products such as chemicals, minerals and dry food ingredients. The market for FIBCs is highly fragmented.

The Company has established proven supply lines with integrated bag manufacturers in India and China and maintains a small custom manufacturing presence in Hawkesbury, Ontario for domestic specialty bags and for customers wanting small quantities and quick delivery.

4.3

Sales and Marketing

4.3.1

Tapes and Films Division

As of December 31, 2007, the Company's Tapes and Films Division had a sales force of 81 personnel. The Company participates in industry trade shows and uses trade advertising as part of its marketing efforts. The Company's customer base for tapes and films is diverse, with no single customer accounting for more than 5% of total sales in 2007. Sales of tapes and films from facilities located in the United States and Canada accounted for approximately 95% and 5% of total tapes and films sales, respectively, in 2007; 95% and 5% in 2006, and 95% and 5% in 2005.

Export sales of tapes and films represented 3% of the Company's total tapes and film sales in 2007 and 2% in 2006 and 2005.

Distribution products go to market through a network of paper and packaging distributors throughout North America. Products sold into this segment include carton sealing, masking, duct and reinforced tapes, Exlfilm® and Stretchflex®. In order to enhance sales of the Company's

pressure-sensitive carton sealing tape, it also sells carton closing systems, including automatic and semi-automatic carton sealing equipment. The Company's Exlfilm® and Stretchflex® products are sold through an existing industrial distribution base primarily to manufacturers of packaged goods and printing and paper products which package their products internally. The industrial electrical tapes are sold to the electronics and electrical industries.

4.3.2

Engineered Coated Products Division

As of December 31, 2007, the Company's Engineered Coated Products Division had 17 sales personnel, including manufacturer representatives. The Company's marketing strategy includes participation in industry trade shows and trade advertising. The Company's customer base for engineered coated products is diverse, with no single customer accounting for more than 7% of total sales in 2007. Sales of engineered coated products from facilities located in the United States and Canada accounted for approximately 100% of total engineered coated products sales, in 2007, 94% in 2006, and 88% in 2005. Export sales of engineered coated products represented 6% of total sales in 2006 and 12% of sales in 2005.

The Company's engineered coated products are primarily sold directly to end-users. The Company offers a line of lumberwrap, FIBCs, and specialty fabrics manufactured from plastic resins. The Company's engineered coated products are marketed throughout North America.

4.4

Manufacturing and Quality Control

Intertape Polymer Group's philosophy is to manufacture those products that are efficient for it from a cost and customer-service perspective. In cases in which the Company manufactures its own products, the Company seeks to do so utilizing the lowest cost raw material and add value to such products by vertical integration.

The Company maintains at each of its manufacturing facilities in both segments a quality control laboratory and a process control program on a 24-hour basis to monitor the quality of all packaging and engineered fabric products it manufactures. At the end of 2007, ten of the Company's plants were certified under the ISO-9001:2000 quality standards program.

4.4.1

Tapes and Films Division

The majority of the Company's products are manufactured through a process which starts with a variety of polyolefin resins which are extruded into film for further processing. Wide width biaxially oriented polypropylene film is extruded in the Company's facilities and this film is then coated in high-speed equipment with in-house-produced or purchased adhesives and cut to various widths and lengths for carton sealing tape. The same basic process applies for reinforced filament tape, which also uses polypropylene film and adhesive but has fiberglass strands inserted between the layers. Specific markets demand different adhesives and the Company compounds natural rubber, hot melt, and water-activated adhesives to respond to its customer demands. Masking tapes utilize the same process with paper as the coating substrate. Duct tapes utilize a similar process with polyethylene coated cloth.

The Company is the only North American manufacturer of all four technologies of carton sealing tape: hot melt, acrylic, water-activated and natural rubber. This broad family of carton sealing tapes is further enhanced by the Company's tape application equipment which is based in Florida.

The Company has utilized its technology for basic film extrusion, essential to the low cost production of pressure-sensitive tape products, to expand its product line. Extrusion of up to seven layers of various resins is done in four of the Company's plants. These high value added films service the shrink and stretch wrap markets.

4.4.2

Engineered Coated Products Division

Coated fabrics are manufactured in a multi step operation comprised of slit filament extrusion, traditional scrim manufacturing, coating and laminating and finishing or converting processes. Conversion and value-added processes consist of slit tape extrusion, weaving extrusion coating, slitting, rewinding, printing and converting materials into finished products.

4.5

Equipment and Raw Materials

Intertape Polymer Group purchases mostly custom designed manufacturing equipment, including extruders, coaters, finishing equipment, looms, printers, bag manufacturing machines and injection molds, from manufacturers located in the United States and Western Europe, and participates in the design and upgrading of such equipment. The Company is not dependent on any one manufacturer for its equipment.

4.5.1

Tapes and Films Division

The major raw materials purchased for our tape products are polypropylene resin, synthetic rubber, hydrocarbon resin, and paper (crepe and kraft). The resins and synthetic rubber are generated from petrochemicals which are by products of crude oil and natural gas. Almost all of these products are sourced from North American manufacturers. The paper products are produced by North American paper manufacturers and are derived from the North American pulp and paper industry.

There is a slight delay in passing price increases of these products on to our customers, but the costs are eventually passed through.

The major raw material used in our film products is polyethylene resin. Polyethylene is a derivative of crude oil and/or natural gas petrochemical by products. Price increases in polyethylene are normally passed on to our stretch film customers within a month of implementation of a price increase.

4.5.2

Engineered Coated Products Division

The major raw materials used to produce our engineered coated products are polyethylene and polypropylene resins. Both of these products are petrochemical based products

derived from crude oil and/or natural gas. There is normally a slight delay in passing on price increases in these raw materials to our ECP customers. These products are predominantly sourced from North American petrochemical manufacturers.

4.6

Research and Development and New Products

Intertape Polymer Group's strategy is to create growth opportunities through enhancements of existing products and the introduction of new products. The Company's research and development efforts continue to focus on new products, technology developments, new product processes and formulations.

4.6.1

Tapes and Films Division

In 2007, the research and development group for tape products focused on developing products targeting consumer markets. Specifically, masking products for paint contractors and do-it-yourself (DIY) segments, and superior-strength duct tapes for hardware segments.

During 2007, the Company introduced Fortress™ film to the stretch film market, a new lightweight, high stiffness blown film hand wrap film that has shown excellent performance in the market. Using unique raw material combinations, this new hand wrap film has shown superior load retention and pallet performance.

In 2006, the Company finalized the introduction of Genesys™ high performance machine wrap stretch film. It has been successful in replacing not only competitive films, but also as a high performance product that can be sold into difficult applications as well as in thinner gauges to provide yield savings to the customer. The material has been very successful, and has become the Company's premium performance film. The formulation for Genesys™ Film forms the foundation for prestretch hand wrap, roll wrap, and metal coil wrap.

High Performance Exlfilm® Plus, a significantly improved version of the standard irradiated Exlfilm® Plus shrink film has been very successful in shoring up the Company's position in the shrink film market. After extensive resin construction, film formulation, and process development, the Exlfilm® plus was tested in all gauges and was

commercialized from the Truro plant in 2006 and 2007. The film displays significantly improved clarity and gloss, a water-white appearance and improved shrink force and shrink degree.

In 2008, tape R&D continues to focus on consumer markets by developing new paint masking tapes that effect crisp lines of demarcation for the paint contractor and DIY segments. However, development work will also include products with superior, water-white color and clarity to serve packaging segments.

Additionally, tape R&D is developing foil protective products to support military maintenance programs, as well as filament reinforced products for spoolable, unbonded pipelines for the oil and gas industry. Last, high-temperature, solvent-resistant, double-coated tapes are being developed for the electrical OEM segment, novel masking products are being developed

for OEM boat manufacturers and new, light-weight stencil products are being developed for international monument carving accounts.

The Company's research and development expenses for tapes and films in 2005, 2006, and 2007 totaled \$4.0 million, \$5.0 million, and \$3.3 million, respectively.

4.6.2

Engineered Coated Products Division

In 2007, the research and development group for coated products developed, and received building code approvals for, a new woven, coated, printed and perforated house wrap product that is being sold to third parties under private brands and under the FlexGard® brand as well as a premium roofing underlayment also being sold under private label agreements and the NovaSeal® brand. The Company has also developed and received code approval for an unperforated, non-woven product targeted at the premium segment of the house wrap market. In addition, the Company has improved its NovaShield™ fabric, to expand its use and increase the ability of the material to further displace PVC fabrics in high end membrane structure applications.

The division also expanded their successful AquaMaster® line of geomembrane products to include the first available polyester reinforced polyethylene geomembranes in the industry. This material is showing early promise in displacing currently employed materials such as PVC and reinforced polypropylene in decorative pond lining, irrigation canals and animal waste lagoon markets.

The Company's research and development expenses for engineered coated products in 2005, 2006 and 2007 totaled \$0.7 million, \$1.2 million, and \$0.8 million, respectively.

4.7

Trademarks and Patents

Intertape Polymer Group markets its tape products under the trademarks Intertape® and Central™, and various private labels. The Company's shrink wrap is sold under the registered trademark Exlfilm®. Its stretch films are sold under the registered trademark Stretchflex®.

The Company markets its open mouth bags under the registered trademark Nova-Pac®. The other key ECP products are sold under the registered trademarks Nova-Thene Haymaster®, AquaMaster®, NovaShield™, NovaSeal™, NovaWrap™, FlexGard®, and Flexgard®Aspire. Its engineered fabric polyolefin fabrics are sold under the registered trademark Nova-Thene®. FIBC's are sold under the registered trademark Cajun® bags. The Company has approximately 145 active registered trademarks, 56 in the United States, 38 in Canada, and 51 foreign, which include trademarks acquired from American Tape, Anchor, Rexford Paper Company, Central Products Company, and Flexia. The Company currently has 15 pending trademark applications in the United States, 6 in Canada, and 10 foreign.

Intertape Polymer Group does not have, nor does management believe it important to the Company's business to have, patent protection for its carton sealing tape products. However, the Company has pursued patents in select areas where unique products offer a competitive

advantage in profitable markets, primarily in engineered coated products for which the Company has 7 patents and 4 patents pending, film for which it has 9 patents and no patents pending, tape products for which it has 2 patents and 2 patents pending, adhesive products for which it has 2 patents and 2 patents pending, container products for which it has 1 patent, and retail for which it has 1 patent pending.

4.8

Competition

The Company competes with other manufacturers of plastic packaging products as well as manufacturers of alternative packaging products, such as paper, cardboard and paper-plastic combinations. Some of these competitors are larger companies with greater financial resources than the Company. Management believes that competition, while primarily based on price and quality, is also based on other factors, including product performance characteristics and service. No statistics, however, on the packaging market as a whole are currently publicly available. Please refer to Section 4.2 above for a discussion of the Company's main competitors by product.

The Company believes that significant barriers to entry exist in the packaging market. Management considers the principal barriers to be the high cost of vertical integration which is necessary to operate competitively, the significant number of patents which already have been issued in respect of various processes and equipment, and the difficulties and expense of developing an adequate distribution network.

4.9

Environmental Regulation

Intertape Polymer Group's operations are subject to extensive environmental regulation in each of the countries in which it maintains facilities. For example, United States (federal, state and local) and Canadian (federal, provincial and local) environmental laws applicable to the Company include statutes and regulations intended to (i) impose certain obligations with respect to site contamination and to allocate the cost of investigating, monitoring and remedying soil and groundwater contamination among specifically identified parties, (ii) prevent future soil and groundwater contamination; (iii) impose national ambient standards and, in some cases, emission standards, for air pollutants which present a risk to public health, welfare or the natural environment; (iv) govern the handling, management, treatment, storage and disposal of hazardous wastes and substances; and (v) regulate the discharge of pollutants into waterways.

The Company's use of hazardous substances in its manufacturing processes and the generation of hazardous wastes not only by the Company, but by prior occupants of its facilities, suggest that hazardous substances may be present at or near certain of the Company's facilities or may come to be located there in the future. Consequently, the Company is required to monitor closely its compliance under all the various environmental laws and regulations applicable to the Company. In addition, the Company arranges for the off-site disposal of hazardous substances generated in the ordinary course of its business.

Intertape Polymer Group obtains Phase I or similar environmental site assessments, and Phase II environmental site assessments, if necessary, for most of the manufacturing facilities it

owns or leases at the time the Company either acquires or leases such facilities. These assessments typically include general inspections and may involve soil sampling and/or ground water analysis. The assessments have not revealed any environmental liability that, based on current information, the Company believes will have a material adverse effect on the Company. Nevertheless, these assessments may not reveal all potential environmental liabilities and current assessments are not available for all facilities. Consequently, there may be material environmental liabilities that the Company is not aware of. In addition, ongoing clean up and containment operations may not be adequate for purposes of future laws and regulations. The conditions of the Company's properties could also be affected in the future by neighboring operations or the conditions of the land in the vicinity of the Company's properties. These developments and others, such as increasingly stringent environmental laws and regulations, increasingly strict enforcement of environmental laws and regulations, or claims for damage to property or injury to persons resulting from the environmental, health or safety impact of the Company's operations, may cause it to incur significant costs and liabilities that could have a material adverse effect on the Company.

Except as described below, the Company believes that all of its facilities are in material compliance with applicable environmental laws and regulations, and that the Company has obtained, and is in material compliance with, all material permits required under environmental laws and regulations.

The Company is currently remediating contamination at its Columbia, South Carolina plant. Intertape Polymer Group completed its remediation of its Montreal manufacturing facility during the third quarter of 2006, sold the property to a third party, and has no residual environmental liability related to the site. As a result of the acquisition of all of the shares of Flexia, the Company inherited limited soil contamination resulting from historical activities at Flexia's facility located in Trois-Rivières (formerly the city of Cap-de-la-Madeleine), Québec. The Company received a letter from the Ministry of Sustainable Development, Environment and Parks confirming that the activities carried out at the Trois-Rivières facility at the time the Company closed the facility were not activities designated under the Land Protection and Rehabilitation Regulation, thus no remediation was necessary at the facility as a result of ceasing its activities. The Trois-Rivières facility has been sold with no residual environmental liability to the Company. The Company has completed remediation activities at its Marysville, Michigan facility and received final approval of the remediation from the State of Michigan. In addition, although certain of the Company's facilities emit regulated pollutants into the air, the emissions are within current permitted limitations, including applicable Maximum Achievable Control Technology (MACT) requirements. The Company believes that the ultimate resolution of these matters should not have a material adverse effect on its financial condition or results of operations.

Intertape Polymer Group and its operating subsidiaries are required to maintain numerous environmental permits and governmental approvals for its operations. Some of the environmental permits and governmental approvals that have been issued to the Company or its operating subsidiaries contain conditions and restrictions, including restrictions or limits on emissions and discharges of pollutants and contaminants, or may have limited terms. If the Company or any of its operating subsidiaries fails to satisfy these conditions or to comply with these restrictions, it

may become subject to enforcement action and the operation of the relevant facilities could be adversely affected. The Company may also be subject to fines, penalties or additional costs. The Company or its operating subsidiaries may not be able to renew, maintain or obtain all environmental permits and governmental approvals required for the continued operation or further development of its facilities, as a result of which the operation of its facilities may be limited or suspended.

4.10

Employees

As of December 31, 2007, the Tapes and Films Division of Intertape Polymer Group employed approximately 1,560 people, 202 of whom held either sales-related or administrative positions and 1,315 of whom were employed in operations. The Engineered Coated Products Division employed approximately 548 people, 52 of whom held either sales-related or administrative positions and 487 of whom were employed in operations. Approximately 158 hourly employees at the Company's Marysville plant are unionized and subject to a collective bargaining agreement which expires on December 31, 2009. Approximately 168 hourly employees at the Company's Menasha plant are unionized and subject to a collective bargaining agreement which expires on July 31, 2008. Approximately 27 employees at the Piedras Negras, Mexico facility were unionized and subject to a collective bargaining agreement dated January 1, 2007. Approximately 39 hourly employees at the Company's Carbondale plant are unionized and subject to a collective bargaining agreement which expires on March 4, 2009. The Company's fabric plant in Hawkesbury, Ontario, has 40 unionized employees whose agreement expires October 10, 2008. The bag plant in Hawkesbury, Ontario, is also unionized, having 12 members whose collective bargaining agreement expires on May 16, 2008. In Langley, British Columbia, 50 employees are unionized and their collective bargaining agreement expires on March 31, 2010. The collective bargaining agreement which covers 93 employees at the Company's Brantford, Ontario plant expired on February 28, 2008. Negotiations are ongoing. The Company has never experienced a work stoppage and it considers its employee relations to be satisfactory.

Item 5. Cautionary Statements and Risk Factors

5.1

Forward-Looking Statements

This Annual Information Form, including the Management's Discussion & Analysis incorporated herein by reference, contains certain "forward-looking statements" concerning, among other things, discussions of the business strategy of Intertape Polymer Group and expectations concerning the Company's future operations, liquidity and capital resources. When used in this Annual Information Form, the words "anticipate", "believe", "estimate", "intends", "expect" and

similar expressions are generally intended to identify forward-looking statements. Such forward-looking statements, including statements regarding intent, belief or current expectations of the Company or its management, are not guarantees of future performance and involve risks and uncertainties. All statements other than statements of historical fact made in this Annual Information Form or in any document incorporated herein by reference are forward-looking statements. In particular, the statements regarding industry prospects and the Company's future results of operations or financial position are forward-looking statements.

Forward-looking statements reflect the Company's current expectations and are inherently uncertain. Actual results may differ materially from those in the forward-looking statements as a result of various factors, including those factors set forth below and other factors discussed elsewhere in this Annual Information Form and in the Management's Discussion & Analysis for 2007. In addition to the other information contained in this Annual Information Form, readers should carefully consider the above cautionary statements as well as the risk factors set forth below. The Company undertakes no duty to update its forward-looking statements, including its earnings outlook.

Although the Company believes that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect the Company's actual financial results or results of operations and could cause actual results to differ materially from those expressed in the forward-looking statements. These factors include, among other things, reliance on key personnel who may leave the Company due to general attrition; the Company's significant indebtedness and ability to incur substantially more debt; restrictions and limitations contained in the agreements governing the Company's debt; the Company's substantial leverage and ability to generate sufficient cash to service its debt; fluctuations in the cost of the Company's principal raw materials; availability of raw materials; the effects of acquisitions the Company might make; the timing and market acceptance of the Company's new products; the Company's ability to achieve anticipated cost savings from its corporate initiatives; competition in the industry and markets in which the Company operates; the Company's ability to comply with applicable environmental laws; potential litigation relating to the Company's intellectual property rights; the loss of, or deterioration of the Company's relationship with, any significant customers; changes in operating expenses or the need for additional capital expenditures; changes in the Company's strategy; and general economic conditions.

In light of these risks and uncertainties, there can be no assurance that the results and events contemplated by the forward-looking statements contained in this Annual Information Form and in the Management's Discussion and Analysis will in fact transpire.

The Management's Discussion and Analysis for 2007 incorporated herein by reference contain certain non-GAAP financial measures as defined under SEC rules, including adjusted net earnings, operating profit, free cash flow, 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 in its Management Discussion and Analysis for 2007 reconciliations of those measures to the most directly comparable GAAP measures.

In addition to the other information contained in this Annual Information Form, readers should carefully consider the above cautionary statements as well as the risk factors set forth below.

5.2

Risk Factors

34

Fluctuations in the amount of available funds under the Company's New Senior Secured Credit Facility would restrict the Company's ability to borrow under its revolving loan.

The Company's New Senior Secured Credit Facility is an asset-backed loan. A reduction in the eligible assets and receivables included in the borrowing base or an increase in the required reserves will reduce the Company's available credit under the Senior Secured Credit Facility. A decline in the borrowing base could also require an unscheduled repayment of funds already advanced in excess of the available credit amount.

The Company's New Senior Secured Credit Facility contains certain financial covenants which if not met, will result in an event of default.

The Company's New Senior Secured Credit Facility requires a fixed charges financial ratio and meet other financial tests. The Company's failure to comply with these covenants could result in an event of default, which, if not cured or waived, could result in the Company being required to repay these borrowings before their scheduled due date. If the Company were unable to make this repayment or otherwise refinance these borrowings, the lenders under the New Senior Secured Credit Facility could elect to declare all amounts borrowed under the Company's New Senior Secured Credit Facility, together with accrued interest, to be due and payable, which, in some instances, would be an event of default under the indenture governing the Senior Subordinated Notes. In addition, these lenders could foreclose on the Company's assets. If the Company was unable to refinance these borrowings on favorable terms, the Company's results of operations and financial condition could be adversely impacted by increased costs and less favorable terms, including interest rates and covenants. Any future refinancing of the Company's New Senior Secured Credit Facility is likely to contain similar restrictive covenants and financial tests.

The Company may not be able to generate sufficient cash flow to meet its debt service obligations.

The Company's ability to generate sufficient cash flows from operations to make scheduled payments on its debt obligations will depend on its future financial performance, which will be affected by a range of economic, competitive, regulatory, legislative and business factors, many of which are outside of the Company's control. If the Company does not generate sufficient cash flows from operations to satisfy its debt obligations, the Company may have to undertake alternative financing plans, such as refinancing or restructuring its debt, selling assets, reducing or delaying capital investments or seeking to raise additional capital. The Company cannot assure that any refinancing would be possible or that any assets could be sold on acceptable terms or otherwise. The Company's inability to generate sufficient cash flows to satisfy its debt obligations, or to refinance its obligations on commercially reasonable terms, would have an adverse effect on the Company's business, financial condition and results of operations. In addition, any refinancing of the Company's debt could be at higher interest rates and may require the Company to

comply with more onerous covenants, which could further restrict its business operations.

The Company's substantial debt could adversely affect its financial condition and prevent it from fulfilling its obligations under its New Senior Secured Credit Facility or Senior Subordinated Notes.

The Company has a significant amount of indebtedness. As of December 31, 2007, the Company had outstanding debt of approximately \$243.4 million, which represented 40% of its total capitalization. Of such total debt, approximately \$122.7 million, or all of the Company's outstanding senior debt, was secured.

The Company's substantial indebtedness could adversely affect its financial condition and make it more difficult for the Company to satisfy its obligations with respect to the Senior Subordinated Notes, as well as its obligations under its New Senior Secured Credit Facility. The Company's substantial indebtedness could also increase its vulnerability to adverse general economic and industry conditions; require the Company to dedicate a substantial portion of its cash flows from operations to payments on its indebtedness, thereby reducing the availability of the Company's cash flows to fund working capital, capital expenditures, research and development efforts and other general corporate purposes; limit the Company's flexibility in planning for, or reacting to, changes in its business and the industry in which it operates; place the Company at a competitive disadvantage compared to its competitors that have less debt; and limit the Company's ability to borrow additional funds on terms that are satisfactory to it or at all.

Despite the Company's level of indebtedness, it will be able to incur substantially more debt. Incurring such debt could further exacerbate the risks to the Company's financial condition described above.

The Company will be able to incur significant additional indebtedness in the future. Although the indenture governing the Senior Subordinated Notes and the credit agreement governing the Senior Secured Credit Facility each contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions and the indebtedness incurred in compliance with these restrictions could be substantial. The restrictions also do not prevent the Company from incurring obligations that do not constitute indebtedness. To the extent new debt is added to the Company's currently anticipated debt levels, the substantial leverage risks described above would increase.

The Company's Senior Subordinated Notes and New Senior Secured Credit Facility contain covenants that limit its flexibility and prevents the Company from taking certain actions.

The indenture governing the Company's Senior Subordinated Notes and the credit agreement governing the Company's Senior Secured Credit Facility include a number of significant restrictive covenants. These covenants could adversely limit the Company's ability to plan for or react to market conditions, meet its capital needs and execute its business strategy. These covenants, among other things, limit the Company's ability and the ability of its subsidiaries to incur

additional debt; pay dividends and make other restricted payments; create or permit certain liens; issue or sell capital stock of restricted subsidiaries; use the proceeds from sales of assets; make certain investments; create or permit restrictions on the ability of the

guarantors to pay dividends or to make other distributions to the Company; enter into certain types of transactions with affiliates; engage in unrelated businesses; enter into sale and leaseback transactions; and consolidate or merge or sell the Company's assets substantially as an entirety.

The Company's New Senior Secured Credit Facility includes other and more restrictive covenants and prohibits the Company from prepaying its other debt, including the Senior Subordinated Notes, while borrowings under the Company's Senior Secured Credit Facility are outstanding.

Fluctuations in raw material costs or the unavailability of raw materials may adversely affect the Company's profitability.

Intertape Polymer Group has historically been able to pass on significant raw material cost increases through price increases to its customers. Nevertheless, the Company's results of operations for individual quarters can and have been negatively impacted by raw material cost increases and decreases. These fluctuations adversely affected the Company's profitability. As a result of raw material cost fluctuations, the Company has to either hold prices firm which results in a reduced market share or decrease prices which compresses the Company's gross margins. The Company's profitability in the future may be adversely affected due to continuing fluctuations in raw material prices. Additionally, the Company relies on its suppliers for deliveries of raw materials. If any of its suppliers were unable to deliver raw materials to the Company for an extended period of time, there is no assurance that the Company's raw material requirements would be met by other suppliers on acceptable terms, or at all, which could have a material adverse effect on the Company's results of operations.

The Company's ability to achieve its growth objectives depends in part on the timing and market acceptance of its new products.

Intertape Polymer Group's business plan involves the introduction of new products, which are both developed internally and obtained through acquisitions. The Company's ability to introduce these products successfully depends on the demand for the products, as well as their price and quality. In the event the market does not accept these products or competitors introduce similar products, the Company's ability to expand its markets and generate organic growth could be negatively impacted which could have an adverse affect on its operating results.

The Company faces significant competition.

The markets for Intertape Polymer Group's products are highly competitive. Competition in its markets is primarily based upon the quality, breadth and performance characteristics of its products, customer service and price. The Company's ability to compete successfully depends upon a variety of factors, including its ability to maintain high plant efficiencies and operating rates and low manufacturing costs, as well as its access to quality, low-cost raw materials.

Some of the Company's competitors outside of North America may, at times, have lower raw material, energy and labor costs and less restrictive environmental and governmental regulations to comply with than the Company does. Other competitors may be larger in size or

scope than is the Company, which may allow them to achieve greater economies of scale on a global basis or allow them to better withstand periods of declining prices and adverse operating conditions.

In addition, there has been an increasing trend among the Company's customers towards consolidation. With fewer customers in the market for its products, the strength of the Company's negotiating position with these customers could be weakened, which could have an adverse effect on its pricing, margins and profitability.

Intertape Polymer Group faces risks related to its international operations.

The Company has customers and operations located outside the United States and Canada. In 2007, sales to customers located outside the United States and Canada represented approximately 7% of its sales. The Company's international operations present it with a number of risks and challenges, including the effective marketing of the Company's products in other countries; tariffs and other trade barriers; and different regulatory schemes and political environments applicable to its operations in these areas, such as environmental and health and safety compliance.

In addition, the Company's financial statements are reported in U.S. dollars while a portion of its sales is made in other currencies, primarily the Canadian dollar and the Euro. A portion of the Company's debt is also denominated in currencies other than the U.S. dollar. As a result, fluctuations in exchange rates between the U.S. dollar and foreign currencies can have a negative impact on the Company's reported operating results and financial condition. Moreover, in some cases, the currency of the Company's sales does not match the currency in which it incurs costs, which can negatively affect its profitability. Fluctuations in exchange rates can also affect the relative competitive position of a particular facility where the facility faces competition from non-local producers, as well as the Company's ability to successfully market its products in export markets.

The Company's operations are subject to comprehensive environmental regulation and involve expenditures which may be material in relation to its operating cash flow.

The Company's operations are subject to extensive environmental regulation in each of the countries in which it maintains facilities. For example, United States (Federal, state and local) and Canadian (Federal, provincial and local) environmental laws applicable to the Company include statutes and regulations intended to impose certain obligations with respect to site contamination and to allocate the cost of investigating, monitoring and remedying soil and groundwater contamination among specifically identified parties, as well as to prevent future soil and groundwater contamination; imposing national ambient standards and, in some cases, emission standards, for air pollutants which present a risk to public health, welfare or the natural environment; governing the handling, management, treatment, storage and disposal of hazardous wastes and substances; and regulating the discharge of pollutants into waterways.

The Company's use of hazardous substances in its manufacturing processes and the generation of hazardous wastes not only by the Company, but by prior occupants of its facilities

suggest that hazardous substances may be present at or near certain of the Company's facilities or may come to be located there in the future. Consequently, the Company is required to monitor closely its compliance under all the various environmental laws and regulations applicable to it. In addition, the Company arranges for the off-site disposal of hazardous substances generated in the ordinary course of its business.

The Company obtains Phase I or similar environmental site assessments, and Phase II environmental site assessments, if necessary, for most of the manufacturing facilities it owns or leases at the time it either acquires or leases such facilities. These assessments typically include general inspections and may involve soil sampling and/or ground water analysis. The assessments have not revealed any environmental liability that, based on current information, the Company believes will have a material adverse effect on it. Nevertheless, these assessments may not reveal all potential environmental liabilities and current assessments are not available for all facilities. Consequently, there may be material environmental liabilities that the Company is not aware of. In addition, ongoing clean up and containment operations may not be adequate for purposes of future laws and regulations. The conditions of the Company's properties could also be affected in the future by neighboring operations or the conditions of the land in the vicinity of its properties. These developments and others, such as increasingly stringent environmental laws and regulations, increasingly strict enforcement of environmental laws and regulations, or claims for damage to property or injury to persons resulting from the environmental, health or safety impact of its operations, may cause the Company to incur significant costs and liabilities that could have a material adverse effect on it.

Except as described below, the Company believes that all of its facilities are in material compliance with applicable environmental laws and regulations and that it has obtained, and is in material compliance with, all material permits required under environmental laws. Although certain of the Company's facilities emit toluene and other pollutants into the air, these emissions are within current permitted limitations. The Company believes that these emissions from its U.S. facilities will meet the applicable future federal Maximum Available Control Technology ("MACT") requirements, although additional testing or modifications at the facilities may be required. The Company believes that the ultimate resolution of these matters should not have a material adverse effect on its financial condition or results of operations.

The Company's facilities are required to maintain numerous environmental permits and governmental approvals for its operations. Some of the environmental permits and governmental approvals that have been issued to the Company or to its facilities contain conditions and restrictions, including restrictions or limits on emissions and discharges of pollutants and contaminants, or may have limited terms. If the Company fails to satisfy these conditions or to comply with these restrictions, it may become subject to enforcement actions and the operation of the relevant facilities could be adversely affected. The Company may also be subject to fines, penalties or additional costs. The Company may not be able to renew, maintain or obtain all environmental permits and governmental approvals required for the continued operation or further development of the facilities, as a result of which the operation of the facilities may be limited or suspended.

The Company may become involved in litigation relating to its intellectual property rights, which could have an adverse impact on its business.

Intertape Polymer Group relies on patent protection, as well as a combination of copyright, trade secret and trademark laws, nondisclosure and confidentiality agreements and other contractual restrictions to protect its proprietary technology. Litigation may be necessary to enforce these rights, which could result in substantial costs to the Company and a substantial diversion of management attention. If the Company does not adequately protect its intellectual property, its competitors or other parties could use the intellectual property that the Company has developed to enhance their products or make products similar to the Company's and compete more efficiently with it, which could result in a decrease in the Company's market share.

While the Company has attempted to ensure that its products and the operations of its business do not infringe other parties' patents and proprietary rights, its competitors or other parties may assert that the Company's products and operations may be covered by patents held by them. In addition, because patent applications can take many years to issue, there may be applications now pending of which the Company is unaware, which may later result in issued patents which the Company's products may infringe. If any of the Company's products infringe a valid patent, it could be prevented from selling them unless the Company can obtain a license or redesign the products to avoid infringement. A license may not always be available or may require the Company to pay substantial royalties. The Company may not be successful in any attempt to redesign any of its products to avoid any infringement. Infringement or other intellectual property claims, regardless of merit or ultimate outcome, can be expensive and time-consuming and can divert management's attention from the Company's core business.

The Company may become involved in labor disputes or employees could form or join unions increasing the Company's costs to do business.

Some of Intertape Polymer Group's employees are subject to collective bargaining agreements. Other employees are not part of a union and there are no assurances that such employees will not form or join a union. Any attempt by employees to form or join a union could result in increased labor costs and adversely affect the Company's business, its financial condition and/or results of operations.

The Company has never experienced any work stoppages due to employee related disputes. Management believes that it has a good relationship with its employees. There can be no assurance that work stoppages, or other labor disturbances will not occur in the future. Such occurrences could adversely affect Intertape Polymer Group's business, financial condition and/or results of operations.

The Company may become involved in litigation which could have an adverse impact on its business.

Intertape Polymer Group, like other manufacturers and sellers, is subject to potential liabilities connected with its business operations, including potential liabilities and expenses associated with product defects, performance, reliability or delivery delays. Intertape Polymer

Group is threatened from time to time with, or is named as a defendant in, legal proceedings, including lawsuits based upon product liability, personal injury, breach of contract and lost profits or other consequential damages claims, in the ordinary course of conducting its business. A significant judgment against Intertape Polymer Group, or the imposition of a significant fine or penalty, as a result of a finding that the Company failed to comply with laws or regulations, or being named as a defendant on multiple claims could adversely affect the Company's business, financial condition and/or results of operations.

Uninsured and underinsured losses and rising insurance costs could adversely affect the Company's business.

Intertape Polymer Group maintains property, general liability and business interruption insurance and directors and officers liability insurance on such terms as it deems appropriate. This may result in insurance coverage that, in the event of a substantial loss, would not be sufficient to pay for the full current market value or current replacement cost of the Company's lost investment. Not all risks are covered by insurance.

Intertape Polymer Group's cost of maintaining property general liability and business interruption insurance and director and officer liability insurance is significant. The Company could experience higher insurance premiums as a result of adverse claims experience or because of general increases in premiums by insurance carriers for reasons unrelated to its own claims experience. Generally, the Company's insurance policies must be renewed annually. Intertape Polymer Group's ability to continue to obtain insurance at affordable premiums also depends upon its ability to continue to operate with an acceptable claims record. A significant increase in the number of claims against the Company, the assertion of one or more claims in excess of its policy limits or the inability to obtain adequate insurance coverage at acceptable rates, or at all, could adversely affect the Company's business, financial condition and/or results of operations.

Product liability could adversely affect the Company's business.

Difficulties in product design, performance and reliability could result in lost sales, delays in customer acceptance of Intertape Polymer Group's products and lawsuits and would be detrimental to the Company's market reputation. Intertape Polymer Group's products and the products supplied by third parties, on behalf of the Company, are not error free. Undetected errors or performance problems may be discovered in the future. The Company may not be able to successfully complete the development of planned or future products in a timely manner or to adequately address product defects, which could harm the Company's business and prospects. In addition, product defects may expose Intertape Polymer Group to product liability claims, for which it may not have sufficient product liability insurance. Difficulties in product design, performance and reliability or product liability claims could adversely affect Intertape Polymer Group's business, financial condition and/or results of operations.

Acquisitions have been a substantial part of the Company's growth strategy, which could expose it to significant business risks.

An important aspect of Intertape Polymer Group's business strategy was to make strategic acquisitions that would complement its existing products, expand its customer base and markets, improve distribution efficiencies and enhance its technological capabilities. Financial risks from these acquisitions include the use of the Company's cash resources and incurring additional debt and liabilities. Further, there are possible operational risks including difficulties in assimilating and integrating the operations, products, technology, information systems and personnel of acquired companies; the loss of key personnel of acquired entities; the entry into markets in which the Company has no or limited prior experience; and difficulties honoring commitments made to customers of the acquired companies prior to the acquisition. The failure to adequately address these risks could adversely affect the Company's business.

Although the Company performs due diligence investigations of the businesses or assets that it acquires, and anticipates continuing to do so for future acquisitions, there may be liabilities related to the acquired business or assets that the Company fails to, or is unable to, uncover during its due diligence investigation and for which the Company, as a successor owner, may be responsible. When feasible, the Company seeks to minimize the impact of these types of potential liabilities by obtaining indemnities and warranties from the seller, which may in some instances be supported by deferring payment of a portion of the purchase price. However, these indemnities and warranties, if obtained, may not fully cover the liabilities because of their limited scope, amount or duration, the financial resources of the indemnitor or warrantor or other reasons.

Because Intertape Polymer Group is a Canadian company, it may be difficult to enforce rights under U.S. bankruptcy laws.

Intertape Polymer Group and certain of its subsidiaries are incorporated under the laws of Canada and a substantial amount of its assets are located outside of the United States. Under bankruptcy laws in the United States, courts typically assert jurisdiction over a debtor's property, wherever located, including property situated in other countries. However, courts outside of the United States may not recognize the United States bankruptcy court's jurisdiction over property located outside of the territorial limits of the United States. Accordingly, difficulties may arise in administering a United States bankruptcy case involving a Canadian debtor with property located outside of the United States, and any orders or judgments of a bankruptcy court in the United States may not be enforceable outside the territorial limits of the United States.

It may be difficult for investors to enforce civil liabilities against Intertape Polymer Group under U.S. federal and state securities laws.

Intertape Polymer Group and certain of its subsidiaries are incorporated under the laws of Canada. Certain of their directors and executive officers are residents of Canada and a portion of their assets are located outside of the United States. In addition, certain subsidiaries are located in other foreign jurisdictions. As a result, it may be difficult or impossible for U.S. investors to effect service of process within the United States upon Intertape Polymer Group, its

Canadian subsidiaries, or its other foreign subsidiaries, or those directors and officers or to realize against them upon judgments of courts of the United States predicated upon the civil liability provisions of U.S. federal securities laws or securities or blue sky laws of any state within the United States.

The Company believes that a judgment of a U.S. court predicated solely upon the civil liability provisions of the Securities Act and/or the Exchange Act would likely be enforceable in Canada if the U.S. court in which the judgment was obtained had a basis for jurisdiction in the matter that was recognized by a Canadian court for such purposes. The Company cannot assure that this will be the case. There is substantial doubt whether an action could be brought in Canada in the first instance on the basis of liability predicated solely upon such laws.

Anti-takeover provisions in the Company's Shareholder Protection Rights Plan may prevent an acquisition.

Intertape Polymer Group has a Shareholder Protection Rights Plan (the Plan) which will remain in effect through the date immediately following the date of the Company's 2009 annual shareholders' meeting. The effect of the Plan is to currently require anyone who seeks to acquire 20% or more of Intertape Polymer Group's voting shares to make a bid complying with specific provisions of the Plan. Thus, the provisions of the Plan could prevent or delay the acquisition of the Company by means of a tender offer, a proxy contest, or otherwise, in which shareholders might receive a premium over the then current market price of the Company's common shares.

The Company's exemptions under the Securities Exchange Act of 1934 (Exchange Act) as a foreign private issuer limits the protections and information afforded investors.

Intertape Polymer Group is a foreign private issuer within the meaning of the rules promulgated under the Exchange Act. As such, it is exempt from certain provisions applicable to United States companies with securities registered under the Exchange Act, including: the rules under the Exchange Act requiring the filing with the Securities and Exchange Commission of quarterly reports on Form 10-Q or current reports on Form 8-K; the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act; and the sections of the Exchange Act requiring insiders to file public reports of their stock ownership and trading activities and establishing insider liability for profits realized from any "short-swing" trading transaction (i.e., a purchase and sale, or sale and purchase, of the issuer's equity securities within a period of less than six months). Because of these exemptions, purchasers of Intertape Polymer Group's securities are not afforded the same protections or information generally available to investors in public companies organized in the United States.

Intertape Polymer Group previously filed its annual reports on Form 20-F. Commencing with the year ended December 31, 2000, the Company files its annual report on Form 40-F. Intertape Polymer Group reports on Form 6-K with the Commission and publicly releases quarterly financial reports.

Item 6.

Dividends

The Company has no written policy for the payment of dividends. So long as the payment would not result in a violation of the Company's covenants with its lenders and noteholders, there are no other restrictions that would prevent the Company from paying dividends. However, the Company has not paid dividends in the past three years. For details regarding the Company's covenants with its lenders and noteholders please refer to the

Registration Statement filed on *www.sedar.com* in Canada and *www.sec.gov* in the U.S. on October 26, 2004 as Registration No. 333-119982, as amended.

Item 7.

General Description of Capital Structure

7.1

General Description of Capital Structure

Intertape Polymer Group has authorized an unlimited number of voting common shares without par value. The Company also has authorized an unlimited number of non-voting Class A preferred shares issuable in a series, ranking in priority to the common shares with respect to dividends and return of capital on dissolution. The Board of Directors is authorized to fix, before issuance, the designation, rights, privileges, restrictions and conditions attached to the shares of each series of Class A preferred shares. As of December 31, 2007, there were 58,956,348 issued and outstanding common shares and no issued and outstanding preferred shares of the Company. As of March 27, 2008, there were 58,956,348 issued and outstanding common shares of the Company. No preferred shares of the Company are issued and outstanding.

7.2

Ratings

Intertape Polymer US Inc., a finance subsidiary of Intertape Polymer Group, has issued, in the aggregate, \$125 million Senior Subordinate Notes that bear interest at 8-1/2% per annum and that will mature August 1, 2014.

Moody Investor Service, Inc. (Moody) last rated the Senior Subordinate Notes on December 6, 2007, and rated them Caa1. Standard & Poor's (S&P) last rated the Senior Subordinated Notes on December 20, 2007 and rated them CCC+.

The credit ratings provided by S&P and Moody's (collectively Rating Agencies) are not recommendations to buy, hold or sell the securities, as such ratings do not comment on the market price or suitability of the securities for a particular

investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a Rating Agency in the future if in its judgment circumstances so warrant.

Credit ratings are intended to provide investors with an independent measure of credit quality of an issue of securities. Ratings for debt instruments are presented in ranges by each of the Rating Agencies. The highest quality of securities are rated AAA, in the case of S&P and Aaa, in the case of Moody's. The lowest quality of securities are rated D, in the case of S&P and C, in the case of Moody's.

Pursuant to Moody's rating system, notes which are rated Caa are considered to be of poor standing and are subject to a very high credit risk. Moody appends numerical modifiers from 1 to 3 on its long-term debt ratings which indicate where the obligation ranks in its rating category, with 1 being the highest. Moody's outlook is its assessment regarding the likely direction of the ratings over the medium term, 18 to 36 months. Moody's rating action reflects the Company's financial performance in 2007 and concern over its ability to meaningfully

improve credit metrics over the intermediate term. The negative outlook reflects the limited room under financial covenants in the Company's previous secured facilities and the lack of definitive information with respect to the CEO succession plan.

According to the S&P rating system, debt securities rated CCC are judged to be vulnerable to nonpayment, and are dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation. The plus means a rating may be raised.

Item 8.

Market for Securities

8.1

Trading Prices and Volume on the Toronto Stock Exchange

The Company's common shares are traded on the Toronto Stock Exchange under the symbol ITP. Set forth below is the price range and volume traded on the Toronto Stock Exchange for each month of 2007.

Month	Price Range (CDN\$)	Total Volume Traded
January	5.54 - 6.40	285,000
February	5.36 - 6.08	358,000
March	4.58 - 5.95	305,900
April	4.67 - 5.65	303,400
May	4.96 -	2,451,200

	5.44	
June	4.76 -	353,400
	5.08	
July	2.75 -	406,500
	4.90	
August	2.50 -	672,700
	3.61	
September	3.08 -	592,800
	3.42	
October	3.11 -	421,500
	3.39	
November	2.49 -	765,100
	3.32	
December	2.62 -	1,303,800
	3.27	

8.2

Trading Prices and Volume on the New York Stock Exchange

The Company's common shares are also traded on the New York Stock Exchange under the symbol ITP. Set forth below is the price range and volume traded on the New York Stock Exchange for each month of 2007:

Month	Price Range (US\$)	Total Volume Traded
January	4.74 -	1,388,200
	5.01	
February	4.55 -	1,052,200
	5.12	

March	4.12 -	1,286,800
	4.97	
April	4.03 -	943,600
	5.00	
May	4.61 -	4,380,000
	4.73	
June	4.50 -	1,910,700
	4.76	
July	3.10 -	1,658,300
	4.50	
August	2.38 -	1,498,900
	3.15	
September	3.09 -	884,800
	3.40	
October	3.20 -	1,692,900
	3.52	
November	2.60 -	1,158,525
	3.49	
December	2.68 -	882,200
	3.14	

Item 9.

Escrowed Securities

None of the Company's common shares are currently held in escrow.

Item 10. Directors and Officers

The following table sets forth the name, residence, position, and principal occupations for the last five (5) years of each Director of the Company as of the date hereof, as well as the date upon which each Director was first elected. Each Director is elected for a term of one year and may be nominated for re-election at the Company's following annual shareholders' meeting. The next annual shareholders' meeting is scheduled to be held on June 5, 2008, at which time the current term of each Director will expire. It is contemplated that each Director will be nominated for re-election at the upcoming annual meeting, except for John Richardson who is not standing for re-election.

Name and City of Residence	Position and Occupation	First Year as Director
Melbourne F. Yull	Executive Director	1989-2006
Sarasota, Florida	June, 2006 - June, 2007 - Retired	2007
	Prior thereto he was Chairman of the Board and CEO of the Company	
Eric E. Baker	Director	1989-2000
Long Sault, Ontario, Canada	President, Altacap Investors Inc., a private equity manager	2007
Allan Cohen	Director	2007
Glenview, Illinois	Managing Director, First Analysis Corp., investment manager and securities dealer	
George J. Bunze	Director	2007
Ile Bizard, Quebec, Canada	Vice-Chairman, Kruger Inc., pulp and paper company	

Torsten A. Schermer	Director	2007
Charlotte, North Carolina	President, MESC Corporation, franchise development company; May 2005 to December 2006, pursued investment opportunities in the tape industry, manufacturing and franchise; July 2004 to May 2005 was the General Manager, Eastern Europe, of Tesa Tape Kft; and prior to that was the President and Chief Executive Officer of Tesa Tape Inc.	
Robert Beil	Director	2007
Phoenix, Arizona	September 2006 Retired	
	Sales, Marketing, Business and Executive Management, the Dow Chemical Company, 1975 to September 2006	

The following table sets forth the name, residence and position of each executive officer of the Company as of the date hereof, as well as the date upon which each executive officer was first elected:

Name and City of Residence		Position and Occupation	First Elected To Office
Melbourne F. Yull		Executive Director	2007
Sarasota, Florida		Chief Executive Officer	1989
Victor DiTommaso, CPA		Chief Financial Officer	2007
Sarasota, Florida		Vice President Finance	2003
		Treasurer	2005
Burgess H. Hildreth		Vice President, Human Resources	1998
Sarasota, Florida			
Gregory A. Yull		President, Distribution Products	2005
Sarasota, Florida			
Jim Bob Carpenter		Executive Vice President, Global Sourcing	2004

Sarasota, Florida

The principal occupations of each executive officer for the last five (5) years is as follows:

Melbourne F. Yull was appointed Executive Director in June 2007. From June 14, 2006 to June 28, 2007 he was retired, and prior thereto he was Chairman of the Board of Directors and Chief Executive Officer of the Company.

Victor DiTommaso was appointed Chief Financial Officer on November 12, 2007. He was the Vice President, Finance since April 24, 2003. He was appointed Treasurer on May 25, 2005. Prior to that he had served as the Senior Vice President of Information Technology of Walls Industries, Inc. since July, 2000, and Senior Vice President of Finance since July, 1998.

Burgess H. Hildreth has been Vice President, Human Resources, since October, 1998. Prior to that he had been the Vice President Administration of Anchor Continental, Inc. since June, 1996.

Gregory A. Yull was appointed President, Distribution Products (Tapes & Films), in October, 2005. Prior to that he served as Executive Vice President, Industrial Business Unit (for tapes and films) since November 2004, and prior to that was President, Film Products, since June, 1999. Prior to that he was Products Manager - Films since 1995.

Jim Bob Carpenter was appointed Executive Vice President, Global Sourcing in January, 2005. Prior to that he served as the President, Woven Products (now ECP), since 1998 and prior to that, he was the General Manager of Polypropylene Resin Division of Fina Oil & Chemical Co.

As of March 28, 2008, the directors and executive officers of the Company as a group owned beneficially, directly or indirectly, or exercised control or direction over, 1,454,831 common shares, representing approximately 2.5% of all common shares outstanding. In addition, the directors and executive officers as a group have 2,562,796 options to purchase common shares of the Company.

The Board of Directors has established three committees, the Audit Committee, the Compensation Committee, and the Nominating & Governance Committee to facilitate the carrying out of its duties and responsibilities and to meet applicable statutory requirements. Canadian Multilateral Instrument 52-110-*Audit Committees*, requires, *inter alia*, that all members of the Audit Committee be directors of the Company, be independent of the Company, be financially literate, and that the Audit Committee be comprised of at least three members. The Company's Audit Committee complies with Canadian Multilateral Instrument 52-110-*Audit Committees* as it is composed of three independent, financially literate directors, namely George J. Bunze, Allan Cohen, Ph.D., and Torsten A. Schermer. Further details regarding the Company's Audit Committee are provided in Item 17 hereof.

The Compensation Committee, as presently constituted, has two unrelated directors (as such terms are defined in the Toronto Stock Exchange Company Manual), namely Robert Beil and Torsten A. Schermer.

The Nominating & Governance Committee is composed of all of the members of the Board, the majority of whom are unrelated directors (as such term is defined in the Toronto Stock Exchange Company Manual).

Item 11. Legal Proceedings

The Company and its subsidiaries are not currently party to any proceedings or legal claim, nor does it have any knowledge of any potential proceeding or legal claim, that involves or would involve a claim for damages that exceeds ten percent of the current assets of the Company on a consolidated basis. While the Company or its subsidiaries are parties to various

legal actions, the Company is of the view that such actions are ordinary in nature and incidental to the operation of its business and that the outcome of these actions are not likely to have a material adverse effect upon the Company.

Item 12. Interest of Management and Others in Material Transactions

The Company is unaware of any material interest of any of its directors or officers or of any person who beneficially owns or exercises control or direction over shares carrying more than ten percent of the voting rights attached to the Company's shares, or any associate or affiliate of any such person, in any transaction since the beginning of the last completed financial year or in any proposed transactions that has materially affected or will materially affect the Company or any of its affiliates.

Prior to July 31, 2002, the Company made certain interest-free loans payable on demand to certain of its directors and officers. The balances of such loans as of March 27, 2008, are set forth in the table below:

Name and Principal Position	Loan Balance as of March 28, 2008
G. A. Yull	US\$107,500.00
President - Distribution Products	

Item 13. Transfer Agents and Registrars

Set forth below are the Company's transfer agents and registrars with respect to its common shares, who also maintain the registers of the transfers of the stock of the Company:

In Canada:

CIBC Mellon Trust Company

2001 University Street, 16th Floor

Montreal, Quebec, Canada H3A 4L8

In the U.S.:

Mellon Investor Services L.L.C.

85 Challenger Road, 2nd Floor

Ridgefield Park, New Jersey

U.S.A. 07660

Wilmington Trust Company, Corporate Capital Markets, 1100 North Market Street, Wilmington, DE 19890-1626, is the Trustee under the Indenture with respect to the Company's registered 8-½ % Senior Subordinated Notes due 2014.

Item 14. Material Contracts

The following is a description of the material contracts that are currently in effect regardless of when they were initially entered into by Intertape Polymer Group, either directly or

through one of its subsidiaries, and that are not in the ordinary course of the Company's business:

-

a **Loan and Security Agreement** dated March 28, 2008, among certain subsidiaries of the Company, the Lenders referred to therein, Bank of America, N.A., as Agent, and Banc of America Securities LLC, as Sole Lead Arranger and Book Manager. The Loan and Security Agreement represents the Senior Secured Credit Facility entered into by the Company and its subsidiaries. The initial funding under the new Senior Secured Credit Facility occurred on March 28, 2008. The new Senior Secured Credit Facility is an asset-based loan in the amount of \$200.0 million with an interest rate at Libor plus a loan premium of 1.75% through September, 2008. Thereafter, the loan premium decreases as unused availability under the Facility increases. The premium ranges from 1.50% to 2.25%. The new Senior Secured Credit Facility contains one financial covenant, a fixed charge ratio, which becomes effective only when unused availability falls below \$25 million. The Company and all of its U.S. and Canadian subsidiaries guaranteed the Senior Secured Credit Facility. Further, the Senior Secured Credit Facility is secured by a first priority perfected security interest in substantially all tangible and intangible assets of the Company and its U.S. and Canadian subsidiaries.

-

an **Advisory Services Agreement** dated August 1, 2007 between Intertape Polymer Corp. and Sammana Group, Inc., to provide business planning and corporate finance activities, the principal terms of which are: a monthly fee of \$50,000.00 commencing January 1, 2008; a \$300,000.00 fee in connection with the Rights Offering; a performance fee after one year of service in an amount equal to the amount, if any, by which the simple average closing price of the Company's common shares on the Toronto Stock Exchange for the ten trading days prior to July 1, 2010 exceeds the subscription price of the Company's shares (in Canadian funds) pursuant to the Company's Rights Offering made in September, 2007, multiplied by 500,000, unless the Agreement is terminated prior to its termination date of December 31, 2009, in which event the performance fee shall equal the amount, if any, by which the simple average closing price of the Company's common shares on the Toronto Stock Exchange for the last ten trading days during the thirty day termination notice period exceeds the subscription price of the Company's shares (in Canadian funds) pursuant to the Rights Offering multiplied by 166,667 for each full year of services.

-

an **Advisory Services Agreement** dated August 1, 2007 between Intertape Polymer Corp. and Archibald Global Enterprises, Inc., to provide business planning and corporate finance activities, the principal terms of which are: a monthly fee of \$25,000.00 commencing January 1, 2008; a \$150,000.00 fee in connection with the Rights Offering; a performance fee after one year of service in an amount equal to the amount, if any, by which the simple average closing price of the Company's common shares on the Toronto Stock Exchange for the ten trading days prior to July 1, 2010 exceeds the subscription price of the Company's shares (in Canadian funds) pursuant to the Company's Rights Offering made in September, 2007, multiplied by 200,000, unless the Agreement is terminated prior to its termination date of December 31, 2009, in which event the performance fee shall equal the amount, if any, by which the simple average closing price of the Company's common shares on the Toronto Stock Exchange for the last ten trading

days during the thirty day termination notice period exceeds the subscription price of the Company's shares (in Canadian funds) pursuant to the Rights Offering multiplied by 66,667 for each full year of services.

•

an **Advisory Services Agreement** dated August 1, 2007 between Intertape Polymer Group Inc. and Altacap II Inc., to provide business planning and corporate finance activities, the principal terms of which are: a monthly fee of CDN\$100,000.00 commencing January 1, 2008; a CDN\$600,000.00 fee in connection with the Rights Offering; a performance fee after one year of service in an amount equal to the amount, if any, by which the simple average closing price of the Company's common shares on the Toronto Stock Exchange for the ten trading days prior to July 1, 2010 exceeds the subscription price of the Company's shares (in Canadian funds) pursuant to the Company's Rights Offering made in September, 2007, multiplied by 1,500,000, unless the Agreement is terminated prior to its termination date of December 31, 2009, in which event the performance fee shall equal the amount, if any, by which the simple average closing price of the Company's common shares on the Toronto Stock Exchange for the last ten trading days during the thirty day termination notice period exceeds the subscription price of the Company's shares (in Canadian funds) pursuant to the Rights Offering multiplied by 500,000 for each full year of services.

•

an **Employment Agreement** dated August 2, 2006, between Intertape Polymer Corp. (successor by merger to Intertape Polymer Management Corp.), subsidiaries of Intertape Polymer Group, and Gregory A. Yull, the principal terms of which are: an annual salary of \$340,000; upon termination employee shall continue to receive his annual salary for twenty-four months plus an amount not to be less than his average bonus percentage for the years 2005 and 2006, but in no event, when combined with the salary payments, more than \$952,000 in the aggregate.

•

an **Amended and Restated Shareholder Protection Rights Plan Agreement** adopted by the shareholders of the Company on June 11, 2003, amending and restating the Shareholder Protection Rights Plan originally entered into on August 24, 1993, as first amended on May 21, 1998. The 2003 Amended and Restated Plan, among other things, extended the Plan through the date immediately following the date of the Company's 2006 annual Shareholders meeting. The 2006 Amended and Restated Plan extended the Plan through the date immediately following the date of the Company's 2009 annual shareholders meeting. At a special meeting of the shareholders held on September 5, 2007, a resolution was adopted waiving the application of the Plan as it related to the purchase by three shareholders of common shares pursuant to the Company's Rights Offering.

The effect of the Plan is to require anyone who seeks to acquire 20% or more of Intertape Polymer Group's voting shares to make a bid complying with specific provisions of the Plan. Thus, the provisions of the Plan could prevent or delay the acquisition of the Company by means of a tender offer, a proxy contest, or otherwise, in which shareholders might receive a premium over the then current market price of the Company's common shares.

- an **Amended Executive Stock Option Plan** as amended and consolidated to June 2, 2004. The Plan was established by Intertape Polymer Group in 1992 and has been amended from time to time, the last amendment being on September 5, 2007, when the shareholders set the maximum number of common shares that may be issued under the Plan at a number equal to 10% of the issued and outstanding common shares of Intertape Polymer Group from time to time. The Plan is administered by the Board of Directors. The shares offered under the Plan are common shares of the Company.

The purpose of the Plan is to promote a proprietary interest in the Company among the executives, the key employees and the non-management directors of the Company and its subsidiaries, in order to both encourage such persons to further the development of the Company and to assist the Company in attracting and retaining key personnel necessary for the Company's long term success. The Board of Directors designates from time to time from the eligible executives those executives to whom options are to be granted and determines the number of shares covered by such options. Generally, participation in the Plan is limited to persons holding positions that can have an impact on the Company's long-term results.

The number of common shares to which the options relate are determined by taking into account, among other things, the market price of the common shares and each optionee's base salary. The exercise price payable for each common share covered by an option is determined by the Board of Directors but will not be less than the market value of the underlying common shares on the day preceding the effective date of the grant. The Plan provides that options issued thereunder shall vest 25% per year over four years. Currently the maximum number of common shares that may be issued under the Plan is 4,094,538.

- a **Purchase Agreement, Registration Rights Agreement and Indenture** each dated as of July 28, 2004, in connection with the issuance by Intertape Polymer US Inc., a finance subsidiary of Intertape Polymer Group, of the aggregate principal amount of US\$125.0 million of 8-½% Senior Subordinated Notes due 2014. The Notes were offered to institutional investors and are guaranteed on a senior subordinated basis by the Company and substantially all of its subsidiaries. Interest will accrue and be payable on the Notes semi-annually in arrears on February 1 and August 1. For a copy of the Purchase Agreement, Registration Rights Agreement, and Indenture, as well as details of the terms of the Senior Subordinated Notes, see the Registration Statement filed on October 26, 2004 as Registration No. 333-119982 as amended on www.sec.gov in the United States.

A copy of all of the foregoing contracts, except as otherwise noted, are available on www.sedar.com and on www.sec.gov.

Item 15. Experts

15.1

Name of Experts

The following are the names of each person or company who has prepared or certified a statement, report or valuation described or included in a filing, or referred to in a filing made by Intertape Polymer Group during 2007:

Raymond Chabot Grant Thornton LLP; Montreal, Quebec

Ernst & Young; Montreal, Quebec

Avalon Actuarial Consulting Inc.; Toronto, Ontario

15.2

Interests of Experts

None of the experts set forth in Item 15.1 above directly or indirectly, held at the time their statement, report or valuation was prepared; received after their statement, report or valuation was prepared; or shall receive, any registered or beneficial interest in any securities or other property of Intertape Polymer Group or any of its subsidiaries.

Item 16. Additional Information

Additional information with respect to the Company, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and securities authorized for issuance under equity compensation plans is contained in the Company's information circular for its most recent annual meeting of security holders that involved the election of directors. Additional financial information is provided in the Company's Consolidated Financial Statements and Management's Discussion and Analysis for the fiscal year ended December 31, 2007. All of this information, as well as additional information, may be found on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Item 17. Audit Committee (The following information is required to be included herein pursuant to Canadian Form 52-110F1.)

17.1

Audit Committee Charter

The text of the Audit Committee's Charter is attached hereto as Exhibit A.

17.2

Composition of the Audit Committee

The members of the Audit Committee of Intertape Polymer Group are George J. Bunze, Allan Cohen, Ph.D., and Torsten Schermer. Each of the Audit Committee members are independent and financially literate as such terms are defined by Canadian Multilateral Instrument 52-110-*Audit Committees*.

17.3

Relevant Education and Experience

Mr. Bunze graduated from the commerce certification CMA program at McGill University, Montreal, Quebec, and is a professional accountant and Certified Management Accountant. Mr. Bunze is the Vice-Chairman and Director and a member of the Executive Committee of Kruger Inc., one of the largest private pulp and paper companies in North America. He also served as the Chief Financial Officer of Kruger Inc. and its various subsidiaries from 1982 to 2003. Mr. Bunze is a Director of Stella-Jones Inc. and Chairman of its Audit Committee. He was previously a Director of B2B Trust Inc. and Chairman of its Audit Committee.

Dr. Cohen earned a Ph.D. in physical chemistry from Northwestern University of Evanston, Illinois, an MBA from the University of Chicago, and a Bachelor's Degree in chemistry from the State University of New York at Buffalo. Until August 2007, Dr. Cohen was a Managing Director with First Analysis Corporation, a research driven investment organization, where he was employed for fifteen years. He continues as a co-manager of the general partner of The First Analysis Private Equity Fund IV, L.P. and on the Boards of two First Analysis private equity portfolio

companies, MCubed Technologies, Inc. and Kelatron Corporation. He is also a Director of Doe and Ingalls Management LLC, Hercules Incorporated and IGI Holding Corporation.

Mr. Schermer earned a Bachelor of Arts Degree and an MBA from the University of Hamburg. Mr. Schermer was the General Manager, Eastern Europe, of Tesa Tape Kft. of Budapest, Hungary. Prior to that he was the President and Chief Executive Officer of Tesa Tape, Inc. In 2006 Mr. Schermer founded a franchise development company.

17.4

Pre-Approval Policies and Procedures

Intertape Polymer Group's Audit Committee pre-approves all audit engagement fees and the terms of all significant permissible non-audit services provided by independent auditors.

17.5

External Auditor Service Fees

The following table sets forth the fees billed for professional services rendered by Raymond Chabot Grant Thornton LLP, Chartered Accountants, Intertape Polymer Group's principal auditor, for the fiscal years ended December 31, 2007 and December 31, 2006:

	Year ended December 31,	
	2007	2006
Audit Fees	US\$1,011,917	US\$1,615,392
Audit-Related Fees	\$ 425,913	\$ 64,559
Tax Fees	\$ 120,042	\$ 227,059
All Other Fees		
Total Fees	\$1,557,872	\$1,907,010

Audit Fees. Audit fees were for professional services rendered for the audits of Intertape Polymer Group's consolidated financial statements, assisting its Audit Committee in discharging its responsibilities for the review of the Company's interim consolidated financial statements and services that generally only the independent auditor can reasonably provide, such as comfort letters, consents and assistance and review of documents filed with the Securities and Exchange Commission and Canadian securities regulatory authorities. The audit fees for 2006 also include professional services rendered in connection with the proposed Canadian Income Trust of US\$768,830.00.

Audit-Related Fees. Audit-related fees were for assurance and related services that are reasonably related to the performance of the audit or review of Intertape Polymer Group's consolidated financial statements and are not reported under Audit Fees above. These services included consultations concerning financial accounting and reporting standards, as well as due diligence services and fees in relation to reviewing the Company's documentation for internal control over financial reporting.

Tax Fees. Tax fees were for tax compliance, tax advice and tax planning. These services included the preparation of the Canadian subsidiaries' income tax returns, the preparation of information returns for foreign affiliates, assistance with questions regarding tax audits and tax planning relating to common forms of domestic and international taxation (i.e. income tax, capital tax and excise tax) and advisory services regarding restructurings.

All Other Fees. All other fees were for services provided other than the audit fees, audit-related fees and tax fees described above. These services consisted mainly of miscellaneous corporate reporting and advisory services.

EXHIBIT A to AIF

INTERTAPE POLYMER GROUP INC.

AUDIT COMMITTEE CHARTER

CHARTER

The Audit Committee of the Board of Directors (the "Board") of Intertape Polymer Group Inc. (the "Corporation") will be responsible for assisting the Board in carrying out its duties and responsibilities relating to corporate accounting policies, financial reporting and procedures, and the quality and integrity of the financial reports of the Corporation. The external auditors are ultimately accountable to the Board and the Audit Committee, as representatives of the shareholders. The Audit Committee, subject to any action that may be taken by the Board, shall have the ultimate authority and responsibility to select and nominate for shareholder approval, evaluate and, as deemed appropriate, recommend to the shareholders the removal of the external auditors. The Audit Committee shall be responsible for overseeing the independence of the external auditors.

In discharging its role, the Audit Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Corporation. The Audit Committee shall have the authority to retain special legal, accounting or other consultants to advise the Audit Committee for this purpose.

COMMITTEE MEMBERSHIP

The Audit Committee shall consist of no fewer than three directors. The members of the Audit Committee shall meet the independence and experience requirements of the Sarbanes-Oxley Act, the New York Stock Exchange, and The Toronto Stock Exchange.

The members of the Audit Committee shall be appointed annually by the Board on the recommendation of the Nominating & Governance Committee. Audit Committee members may be replaced by the Board.

COMMITTEE AUTHORITY AND RESPONSIBILITIES

The Audit Committee shall have the sole authority to recommend to the shareholders the appointment or replacement of the external auditors, and shall approve all audit engagement fees and terms and all significant non-audit engagements with the external auditors. The Audit Committee shall consult with management but shall not delegate these responsibilities.

The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Audit Committee may form and delegate authority to subcommittees when appropriate.

The Audit Committee shall have the authority, to the extent it deems necessary or appropriate, to retain special legal, accounting or other consultants to advise the Committee. The Audit Committee may request any officer or employee of the Corporation or the Corporation's legal counsel or external auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. The Audit Committee shall meet with management and the external auditors in separate executive sessions at least quarterly.

The Audit Committee shall make regular reports to the Board. The Audit Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Audit Committee shall annually review the Audit Committee's own performance.

The Audit Committee, to the extent it deems necessary or appropriate, shall:

Financial Statement and Disclosure Matters

1.

Review and discuss with management and the external auditors the annual audited financial statements, including disclosures made in management's discussion and analysis, and recommend to the Board whether the audited financial statements should be included in the Corporation's Form 40-F and Annual Report to Shareholders.

2.

Review and discuss with management and the external auditors the Corporation's quarterly financial statements prior to their filing and publication, including the results of the external auditors' reviews of the quarterly financial statements.

3.

Discuss with management and the external auditors significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements, including any significant changes in the Corporation's selection or application of accounting principles, any major issues as to the adequacy of the Corporation's internal controls, the development, selection and disclosure of critical accounting estimates, and analyses of the effect of alternative assumptions, estimates or GAAP methods on the Corporation's financial

statements.

4.

Discuss with management the Corporation's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies.

5.

Discuss with management and the external auditors the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Corporation's financial statements.

6.

Discuss with management the Corporation's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Corporation's risk assessment and risk management policies.

57

7.

Discuss with the external auditors the matters required to be discussed by auditing standards relating to the conduct of the audit. In particular, discuss:

(a)

The adoption of, or changes to, the Corporation's significant auditing and accounting principles and practices as suggested by the external auditors or management.

(b)

The management letter provided by the external auditors and the Corporation's response to that letter.

(c)

Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management

Oversight of the Corporation's Relationship with the External Auditors

8.

Review the experience and qualifications of the senior members of the external auditors' team.

9.

Obtain and review a report from the external auditors at least annually regarding (a) the auditors' internal quality-control procedures, (b) any material issues raised by the most recent quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues, and (d) all relationships between the external auditors and the Corporation. Evaluate the qualifications, performance and independence of the external auditors, including considering whether the auditor's quality controls are adequate and

the provision of non-audit services is compatible with maintaining the auditors' independence, and taking into account the opinions of management. The Audit Committee shall present its conclusions to the Board and, if so determined by the Audit Committee, recommend that the Board take additional action to satisfy itself of the qualifications, performance and independence of the auditors.

10.

Consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the lead audit partner or even the external auditing firm itself on a regular basis.

11.

Recommend to the Board policies for the Corporation's hiring of employees or former employees of the external auditors who were engaged on the Corporation's account.

12.

Determine from the audit team of the external auditors any professional matters dealt with at the national office level of the external auditors.

13.

Meet with the external auditors prior to the audit to discuss the planning and staffing of the audit.

58

Oversight of the Corporation's Internal Audit Function

14.

Review and discuss with management and the external auditors the appropriateness of having a senior internal auditing executive.

15.

If a senior internal auditing executive is appointed, review the significant reports to management prepared by the internal auditing department and management's responses.

Compliance Oversight Responsibilities

17.

Obtain from the external auditors assurance that Section 10A of the Securities Exchange Act of 1934 has been complied with.

18.

Obtain reports from management, the Corporation's senior internal auditing executive if one is appointed and the external auditors that the Corporation and its subsidiary/foreign affiliated entities are in conformity with applicable legal requirements and the Corporation's Code of Business Conduct and Ethics. Review reports and disclosures of insider and affiliated party transactions. Advise the Board with respect to the Corporation's policies and procedures regarding compliance with applicable laws and regulations and with the Corporation's Code of Business Conduct and Ethics.

19.

Discuss with management and the external auditors any correspondence with regulators or governmental agencies and any employee complaints or published reports, which raise material issues regarding the Corporation's financial statements or accounting policies.

20.

Discuss with the Corporation's legal counsel matters that may have a material impact on the financial statements or the Corporation's compliance policies.

LIMITATION OF AUDIT COMMITTEE'S ROLE

While the Audit Committee has the responsibilities and powers set forth herein, it is not the duty of the Committee to prepare the Corporation's financial statements, to plan or conduct audits of those financial statements, or to determine that those financial statements are complete and accurate and in accordance with generally accepted accounting principles in Canada or any other country. This is the responsibility of the Corporation's management and the external auditors. Nor is it the duty of the Audit Committee to conduct investigations, to resolve disagreements, if any, between management and the external auditors or to assure compliance with applicable laws and regulations.

59

Exhibit 2

**MANAGEMENT'S DISCUSSION AND ANALYSIS FOR 2007 AUDITED ANNUAL CONSOLIDATED
FINANCIAL STATEMENTS**

(SEE SEPARATE DOCUMENT)

Exhibit 3

CONSENT OF INDEPENDENT CHARTERED ACCOUNTANTS

We have issued our report dated March 28, 2008, on the consolidated financial statements and Intertape Polymer Group Inc. s (the Company) internal control over financial reporting included in the Annual Report of the Company on Form 40-F for the year ended December 31, 2007. We consent to the use of the aforementioned reports in the Form 40-F, and to the use of our name as it appears under the caption Experts.

/s/ Raymond Chabot Grant Thornton LLP

Raymond Chabot Grant Thornton LLP

Chartered Accountants

Montréal, Canada

March 28, 2008

Exhibit 4

CERTIFICATIONS

I, Melbourne F. Yull, of Intertape Polymer Group Inc., certify that:

1.

I have reviewed this annual report on Form 40-F of Intertape Polymer Group Inc.;

2.

Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3.

Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this annual report;

4.

The Registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures [as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)] and internal control over financial reporting [as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)] for the Registrant and have:

a.

Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual

report is being prepared;

b.

Designed such internal control over financing reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c.

Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this annual report based on such evaluation; and

d.

Disclosed in this annual report any change in the Registrant's internal control over financial reporting that occurred during the period covered by this annual report that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5.

The Registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):

a.

All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

b.

Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: March 28, 2008

/s/ Melbourne F. Yull

Melbourne F. Yull,

Executive Director

I, Victor DiTommaso of Intertape Polymer Group Inc., certify that:

1.

I have reviewed this annual report on Form 40-F of Intertape Polymer Group Inc.;

2.

Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3.

Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this annual report;

4.

The Registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures [as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)] and internal control over financial reporting [as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)] for the Registrant and have:

a.

Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

b.

Designed such internal control over financing reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the

preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c.

Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this annual report based on such evaluation; and

d.

Disclosed in this annual report any change in the Registrant's internal control over financial reporting that occurred during the period covered by this annual report that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5.

The Registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):

64

a.

All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

b.

Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: March 28, 2008

/s/ Victor DiTommaso

Victor DiTommaso,

Chief Financial Officer

Exhibit 5

CERTIFICATION
PURSUANT TO 18 U.S.C. SECTION 1350, AS ENACTED PURSUANT
TO SECTION 906 OF THE U.S. SARBANES-OXLEY ACT OF 2002

The undersigned, Melbourne F. Yull, Executive Director, and Victor DiTommaso, Chief Financial Officer, hereby certify that this report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 and that the information contained in this report fairly presents in all material respects the financial condition and results of operations of Intertape Polymer Group Inc. as of and for the periods presented in this report.

Date: March 28, 2008

/s/ Melbourne F. Yull

Melbourne F. Yull,

Executive Director

Date: March 28, 2008

/s/ Victor DiTommaso

Victor DiTommaso,

Chief Financial Officer

CERTIFIED EXTRACT OF RESOLUTIONS OF THE BOARD OF DIRECTORS

OF

INTERTAPE POLYMER GROUP INC.

ADOPTED ON MARCH 27, 2008

"APPROVAL OF ANNUAL INFORMATION FORM

WHEREAS the Chairman presented to the meeting a draft of an annual information form of the Corporation to be dated March 28, 2008.

WHEREAS the Chairman informed the meeting that the Corporation proposes to file the annual information form with the securities commissions and other appropriate regulatory authorities in each of the provinces and territories of Canada.

WHEREAS the Chairman informed the meeting that the Corporation proposes to file with the United States Securities and Exchange Commission an Annual Report on Form 40-F.

BE IT RESOLVED THAT:

1.

the annual information form ("AIF") of the Corporation to be dated March 28, 2008, substantially in the form of the document presented to this meeting, be and the same is hereby approved, subject to such additions, deletions and changes therein as may be consented to by any one director or officer of the Corporation;

2.

the Corporation be and it is hereby authorized to file the English and French (when and if available) language versions of the AIF, as the same may be amended from time to time, with the securities commissions and appropriate regulatory authorities in each of the provinces and territories of Canada;

3.

any one director or officer of the Corporation be, and he is, hereby authorized and directed, for and on behalf of the Corporation, to file or cause to be filed the English and French (when and if available) language versions of the AIF under the securities legislation of any of the provinces and territories of Canada and to file such other documents and to do such other things as he may, in his sole discretion, consider necessary, appropriate or useful in connection with, or to carry out the provisions of this resolution;

4.

the Corporation be and it is hereby authorized to file with the United States Securities and Exchange Commission an Annual Report on Form 40-F (the "**Form 40-F**") covering the Corporation's fiscal year ended December 31, 2007, such Form 40-F to be substantially in the form of the draft presented to the Board of Directors, and which includes the AIF as an exhibit thereto, together with such changes or modifications as may be deemed necessary or appropriate by any director or officer of the Corporation with and upon the advice of counsel, and any director or officer of the Corporation be, and he is, hereby authorized, empowered and directed to execute in the name and on behalf of the

Corporation, to procure all other necessary signatures to, and to file with the United States Securities and Exchange Commission, the Form 40-F and any all amendments or supplements thereto;

5.

any director or officer of the Corporation be, and he is, hereby authorized and directed for and on behalf of the Corporation, to execute, whether under the corporate seal of the Corporation or otherwise, and to deliver all such certificates, undertakings and other documents and to do all such other acts and things as he may, in his sole discretion, consider necessary or advisable in connection with or to carry out the provisions of this resolution."

I, the undersigned, Melbourne F. Yull, Executive Director of **Intertape Polymer Group Inc.**, hereby certifies that the foregoing resolutions were duly adopted by the Board of Directors of **Intertape Polymer Group Inc.** on March 27, 2008 and that the said resolutions are, as of the date hereof, in full force and effect and have not been amended.

IN WITNESS WHEREOF, I HAVE SIGNED in, Bradenton, Florida, this 28th day of March 2008.

/s/ Melbourne F. Yull

Melbourne F. Yull,

Executive Director

ORLDOCS 11149618 5

68