

Canadian Corporate Management Company Limited



Revised December 19, 1985 (IC)
Destroy all previous Basic and White
cards on this Company

CUSIP Number 135519
Stock Symbol CCM

Head Office — Suite 2080, Commerce Court W. (P.O. Box 131, Commerce Court Postal Station), Toronto, Ont.
M5L 1E6

Telephone — (416) 868-0590

THE COMPANY, through divisions and subsidiaries, is engaged in varied business activities as follows:
electrical and electronics; residential building supplies; graphics; industrial metal products; and consumer
products.

Fiscal Year	COMPARATIVE DATA								
	Total Assets	L-Term Debt	Shldrs.' Equity	Sales	Net Inc. Oper.	Earns. Per Sh.	Divds. Paid	Price Range	
								High	Low
	000's					Class Y*			
	\$	\$	\$	\$	\$	\$	\$	\$	\$
1984....	278,158	47,055	107,473	651,802	14,584	3.09	1.25	27.00	23.50
1983....	231,993	48,449	98,762	533,878	16,002	3.41	1.00	22.50	12.00
1982....	204,903	49,290	91,674	471,433	9,240	1.96	0.90	12.50	8.50
1981....	219,248	46,748	90,209	486,704	11,387	2.43	0.80	13.75	10.50
1980....	194,186	45,336	82,716	407,164	10,823	2.32	0.79	12.75	10.50

*Previously class A; adjusted to reflect the effective 2-for-1 stock split on June 6, 1980.

CONSOLIDATED CAPITALIZATION AS AT DECEMBER 31, 1984			
	Outstanding		%
Long-term debt		\$47,055,000	30
6% Preferred stock	402,354 shs.	4,024,000	3
Class X Non-voting stock	567,228 shs.	3,595,000	2
Class Y Voting stock	4,086,906 shs.	99,854,000	65
Retained earnings			

SUMMARY STATEMENT

Interim results for the nine months ended Sept. 30, 1985, showed a decline in income of 41% on a 4% increase in sales. The lower profitability of operations was attributed to a sharp decline in results of Regal Greetings and Gifts caused by its continued failure to achieve budgeted sales. Results from Direct Film and Dominion Forge were also lower, due to increased competition. The company closed Regal's U.S. operations in mid-1985 due to continued losses. (For details, see Interim Report.)

For the year ended Dec. 31, 1984, the company had the second largest profit in its history. However, income fell 9% on a 22% improvement in revenues. Lower earnings reflected major problems encountered by the consumers products group, with the erosion of profit margins caused by intense price competition; although revenues rose 34%, income fell by 45% for the group. The electrical and electronics group experienced record sales and earnings, with income higher by 6% on an 18% increase in revenues. Sales rose 13% and income advanced 19% for the residential building supplies group. For the graphics group, income jumped 50% on the 12% increase in revenues. The industrial metals product group achieved a 29% increase in income on a 25% gain in sales.

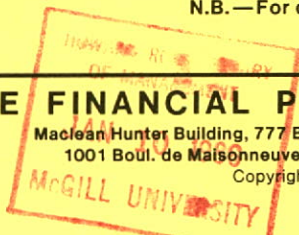
New investments in 1984 included the acquisition of Sheldon Engineering Limited, which designs, manufactures, and sells large air-handling systems, and the purchase of a 60% interest in Jay Norris Canada Inc., a direct marketing catalogue operation. In 1984, the company sold the assets of Welmet Industries Ltd., and in mid-1985, closed The Guelph Engineering Company Limited.

N.B. — For quick reference data, see page 2.

THE FINANCIAL POST CORPORATION SERVICE

Macleon Hunter Building, 777 Bay Street, Toronto M5W 1A7 Telephone (416) 596-5585
1001 Boul. de Maisonneuve ouest, Montréal H3A 3E1 Téléphone (514) 845-5141

Copyright © 1985—Macleon Hunter Limited



QUICK REFERENCE DATA

Major Shareholders—D. L. Gordon holds 13.8% of the outstanding class Y voting shares, and the immediate Gordon family controls, in total, 26.9% of the voting shares.

Employees—At December 31, 1984, the company had approximately 7,400 employees.

Incorporation—Dominion letters patent of amalgamation, November 1, 1965; continuance May 20, 1976.

Auditors—Clarkson Gordon, C.A., Toronto.

Fiscal Year Ends—December 31.

Annual Report Appeared—In April in 1985.

Annual Meeting—May 7 in 1985.

Listed—CCM, Toronto Stock Exchange (X and Y shares only).

Shareholders—At December 31, 1984, the company had approximately 745 shareholders.

Transfer Agents—National Trust Co. Ltd., Toronto, Calgary and Montreal; The Canadian Bank of Commerce Trust Company, New York City.

Registrar—National Trust Co. Ltd., Toronto.

FP 500 Ranking—129 by sales; 209 by assets.

COMPANY

The company, is a holding company, which provides financial, managerial, marketing and planning services to its subsidiaries and divisions in the following industry segments: consumer products, residential building supplies, electrical and electronics, graphics and industrial metal products.

The company is a constrained share corporation under the Canada Business Corporations Act whereby the total percentage of voting shares outstanding that may be held by non-residents is restricted to 25% and the percentage which may be held by any single non-resident is restricted to 10%.

SALES

Sales by class of business for the past two years have been as follows:

	1984		1983	
	\$000's	%	\$000's	%
Electrical & electronics	141,070	22	119,336	22
Res. bldg. supplies	130,117	20	115,593	22
Graphics	60,536	9	53,823	10
Indust. metal prods.	84,884	13	68,993	13
Consumer prods.	234,093	36	175,225	33
Gen. corp. items	1,102	..	908	..
	651,802	100	533,878	100

OPERATING INCOME

Operating income before general corporate items, including investment income, interest expense, head office expense, income taxes and minority interest, by class of business, for the past two years has been as follows:

	1984		1983	
	\$000's	%	\$000's	%
Electrical & electronics	13,880	35	13,098	30
Res. bldg. supplies	9,929	25	8,345	19
Graphics	3,351	8	2,237	5
Indust. metal prods.	3,571	9	2,760	7
Consumer prods.	9,278	23	16,989	39
	40,009	100	43,429	100

OPERATIONS

Electrical and Electronics

The Chromalox Group consists of the following: **Chromalox Canada** of Rexdale, Ont. is Canada's leading manufacturer of electric comfort conditioning equipment including baseboard heaters, electric furnaces, blower heaters and controls and commercial heating pumps and air conditioning. Engineered products include electric steam and water boilers, heat and ventilating units and controls for industry and commerce. Heating elements for all types of home appliances, roll formed and stamped metal components and air conditioning coils are manufactured and sold to original equipment manufacturers.

Electro-Therm, Inc., with two plants in Maryland, is the largest manufacturer of heating elements for domestic water heaters in the U.S. It also manufactures heating elements for the appliance industry and for use in commercial and industrial applications.

Heron Cable Industries Limited of Waterloo, Ont. manufactures electrical heating cable, portable heaters and charcoal and log lighters as well as eaves-trough de-icing cable under the trade name "Sentinel".

Easy Heat, Inc. of New Carlisle, Indiana manufactures electric heating cable, snow melting mats, and electric heating cable systems for the residential, agricultural, commercial and industrial markets.

Hull-Thomson Limited manufactures metal roll-formed parts and assemblies for the automotive and appliance industries from a plant in Windsor, Ont.

Delhi-Sheldons Inc. consists of **Delhi Industries** and **Sheldons Engineering**:

Delhi Industries Limited manufactures centrifugal blowers and gas manifolds for sale to original equipment manufacturers as well as to a network of heating, cooling and ventilating wholesalers.

Sheldons Engineering manufactures commercial fans and air handling products from a plant located in Cambridge, Ontario.

Milltronics Limited designs and manufactures control and instrumentation equipment for the dry bulk material processing industries. Products include ultrasonic continuous level and flowmeasuring systems, ultrasonic transducers, conveyor belt scales and weigh feeders, impactline solids flowmeters, motion detectors, ore grinding mill control systems and various process sensors. Operations are located in Peterborough, Ontario and Arlington, Texas.

Rantech Electronics Limited, Toronto, Ontario, designs and manufactures equipment and systems for telemetry, data acquisition and supervisory control.

1984 Operations—It was a record year in 1984 for the electrical and electronics group; income gained 6% on an 18% increase in revenues. The Chromalox Group was forced to reduce prices in some markets to maintain sales volume and market share; although sales were higher by 3%, income was lower than in 1983. Declining housing starts in late 1984 adversely affected the operations of Electro-Therm; this trend was expected to continue in 1985. Delhi Industries had improved profits on a 15% increase in revenues during the year.

Residential Building Supplies

Cashway Building Centre is an important retailer of building supplies in Ontario, and operates a total of 53 outlets under the names **Cashway (44)** and **Peterborough Lumber (9)**. Activities include the distribution of lumber and building products; the manufacture and sale of doors, windows and kitchen cabinets; and merchandising of recreational real estate.

1984 Operations—Income was higher by 19% for the residential building supplies division on a 13% increase in revenues. During the year, Cashways closed one retail store; plans call for the renovation and remerchandising of the balance of its outlets.

Graphics

Cutler Brands and Designs of Toronto, Ontario manufactures decorated glass tableware and cut textile items for the retail and advertising specialty mar-

kets. The company also decorates custom-made glass panels for the appliance and lighting industries.

RBW Graphics of Owen Sound, Ontario is a large commercial printing operation which specializes in book manufacturing, publications, consumer advertising and catalogues, commercial catalogues and data-based directory work.

1984 Operations—Income was up 50% on a 13% improvement in sales for the graphics group during 1984. Efficiency gains of 10% were attributed to continued investments in the latest printing technologies, including high speed equipment for book binding. Operations for Cutler Brands and Designs were disappointing due to the depressed textile market, although its glassware sales were higher during the year.

Industrial Metal Products

Dominion Forge Company Limited of Windsor, Ontario, is one of North America's largest independent hot forge and cold extrusion operations servicing the off-highway, truck, and automotive equipment industries. In addition, it supplies forgings for oil and gas drillings.

Neo Industries produces specialized machined and hard chrome-plated parts for the steel, rubber, plastic, packaging, mining and aircraft, industries as well as to manufacturers of photo copier equipment. Operations located in Hamilton, Ontario, Gary, Indiana, and Weirton, W. Virginia.

Northern Pigment of Toronto, Ontario manufactures synthetic iron oxides for use in the manufacture of paint, rubber, plastics and concrete products.

IEC-Holden Inc. of Montreal, Quebec, supplies railway specialty products and services to railroad equipment builders and railway maintenance operations. In addition, it manufactures energy-saving infrared radiation equipment for paint curing applications and specialty metal formed components for the transportation and industrial markets.

1984 Operations—The industrial metals group recorded a 29% increase in income on a 23% revenue gain. Dominion Forge, despite higher sales, had a difficult year due to intense competition by offshore producers of hot forged auto components, resulting in decreased profit margins. Results from Neo's steel operations in the U.S. registered a 50% increase in revenues and a 41% increase in profits; Canadian operations, however, had their second loss in as many years. Sales increased 17% with profits higher by 56% for the Northern Pigment operations, and IEC-Holden registered stronger revenues in both the railway industry and the heavy truck and bus sectors. Sales of the Sun-kiss infra-red device, used for curing paint, tripled during the year. In 1984, the company discontinued the operations of Wilmet Industries; by mid-1985, Guelph Engineering was wound down.

Consumer Products

Direct Film Inc., a Montreal-based firm, provides photofinishing and retail film, camera and camera accessories through a chain of 340 stores in Quebec, Ontario and the Maritimes. The photofinishing is processed in the Montreal laboratory and in 25 mini-labs, located in retail locations.

Jelinek Sports of Toronto supplies a wide range of sports equipment to the institutional and retail trade.

Regal Greetings & Gifts of Toronto and its Quebec-based operation, **Primes de Luxe Inc.**, produce a full line of greeting cards, envelopes, stationery, gift wrap and paper products which are marketed along with a variety of gift and household items through a network of 35 catalogue and distribution outlets. There is a toy warehouse outlet and a commercial envelope facility situated in Montreal. Regal owns 60% of Jay Norris Canada Inc. of Montreal, a direct marketing catalogue operation.

Willson Stationers specializes in the sale of stationery products for the home and office through a network of 58 retail stores in western and central Canada which are supplied from the company's central distribution centre in Mississauga, Ontario.

Tender Tootsies Limited of London, Ontario with its subsidiary, Lullabies of London Limited is one of Can-

ada's leading manufacturers of slippers, ladies' shoes, sandals and boots. Brand names include Tender Tootsie, Lullabies, Temptations, Woc-A-Mocs, Toe Warmers, Toe Wigglers, Snuggle Bugs, Dunk-ums, Man-A-Bouts, Little Lullabies and Marshmallows. Its products are sold by all major department stores, shoe store chains, and approximately 1,500 independent retailers.

1984 Operations—The consumer products group had a 45% decline in profits although revenues were up by 34%. Direct Film's sales were higher by 6%, but it faced tougher competition and suffered a loss largely due to its photofinishing operations. Direct Film has now adopted the use of on-site photo-finishing equipment to 22 of its outlets in response to consumer preferences. A further 25 to 30 sites will offer mini-labs by the end of 1985; the Toronto laboratory was closed in 1984 as a result. Jelinek Sports' sales and profits were only marginally better than those of 1983. Regal operations continued to experience competition in its general merchandise and toy businesses; earnings were substantially reduced due to the unprofitability of U.S. operations, which in mid-1985 were discontinued. Tender Tootsies had its most profitable year ever with a 15% increase in sales and a 23% improvement in profits.

Energy Investments

The company is a participant, together with other major corporations, in two energy joint ventures. One is a \$3 million commitment over three years in a program by Geocrude Energy Inc., a small Canadian oil and gas exploration and production company with interests in Canada and the U.S. (See separate basic card). The other is in a program of Erskine Resources Limited, whose major activity is the acquisition of producing properties in western Canada. Erskine also is involved in limited exploration and development activities there. The company has also committed \$3 million to this venture.

CAPITAL EXPENDITURES

Capital expenditures in recent fiscal years have been as follows:

1975	8,320,161	1980	\$7,998,000
1976	7,039,055	1981	17,411,000
1977	5,751,000	1982	17,250,000
1978	9,627,000	1983	13,025,000
1979	8,568,000	1984	18,621,000

HISTORY

The company is the continuing company resulting from the issuance of Letters Patent of Amalgamation dated Nov. 1, 1965, (continued under the Canada Business Corporations Act through Certificate of Continuation issued May 20, 1976) by which Canman Industries Limited (formerly Canadian Cottons, Ltd.), Canadian Management Company Ltd. and Canadian Corporate Management Co. Limited were amalgamated under the name Canadian Corporate Management Company Limited.

Upon amalgamation the issued and outstanding shares of the amalgamating companies were either converted into shares of the company or cancelled as follows: All the outstanding common shares of Canadian Corporate Management Co. Limited were converted into shares of the company on a share-for-share basis. All the outstanding class A and class B shares of Canadian Management were owned by Canadian Corporate Management and were cancelled. All the outstanding shares of Canman which were owned by Canadian Management and Canadian Corporate Management were cancelled. The remainder of the outstanding preferred shares of Canman were converted on a share-for-share basis into shares of the company and the remainder of the outstanding common shares of Canman were converted into shares of the company on the basis of three shares of the company for each common share.

Subsidiaries at the time of amalgamation included The Holden Company, Limited, International Equipment

Company Limited, The Larkin Lumber Company Limited (now Larkin Lumber Limited), Mechanics for Electronics, Inc., Napanee Industries (1962) Ltd., Northern Pigment Limited, Richardson, Bond & Wright Limited, Sinterings Ltd., and Welmet Industries Limited. Wholly owned subsidiaries which were inactive at the time of amalgamation included The Guelph Engineering Company Limited and Dominion Forge Company Limited.

In 1965, the company acquired the assets and operations of Canadian Chromalox Company Limited (now Chromalox Canada Inc.) and interests in Aerofall Mills Ltd. and Aerofall Mills Inc. Also in 1965, a subsidiary, The Holden Company, Limited, acquired Albon Welding & Mechanical Works Ltd.

In 1966, the company acquired all outstanding shares of Milltronics Limited and an interest in The Baldrive Company.

During 1968, two of the company's subsidiaries, International Equipment Co. Ltd. and The Holden Company, Limited, were merged into a new company under the name of IEC-Holden Ltd. Effective Dec. 31, 1968, the company sold its 52% interest in Mechanics for Electronics, Inc. and reduced its interest in Canadian Motorola Electronics Ltd. to a minority holding which has since been sold to Motorola Inc.

Also in 1968 the company acquired controlling interest in York Telecommunications Limited.

In May, 1969, the company acquired New Method Laundry Company, Limited and its subsidiary, Spick & Span, Limited. Also in 1969, the company sold its one-third interest in Canadian Unitcast-Steel Ltd., terminated the operations of The Baldrive Company, and wrote down to estimated realizable value its interests in Sinterings Ltd. and Aerofall Mills Ltd.

In August, 1970, Larkin Lumber Limited acquired controlling interest in H. J. S. Holdings Limited of Hamilton, Ont., and its subsidiary, Penn Building Centres Limited.

In November, 1970, New Method Laundry acquired Parker's Dye Works. In 1971, New Method integrated the operations of subsidiaries Spick & Span Cleaners and Parker's Dye Works to operate under the name of Parker's Dye Works & Cleaners Limited.

Also in 1970, the company purchased Canada Decalcomania Company Limited and its English subsidiary, Decorettes Ltd. In 1971, Canada Decalcomania purchased all of the outstanding shares of Eagle Transfers Limited of Lichfield, Eng. and Seal-On Products of London, Ont.

Early in 1971, Larkin Lumber acquired controlling interest in The Peterborough Lumber Company, Limited.

In October, 1971, Chromalox acquired all of the outstanding shares of Heron Cable Industries Limited.

On Oct. 31, 1971, the company acquired a majority interest in Jelinek Sports Limited (now Jelinek Sports). In 1972, Jelinek acquired Canadian Skate Industries and Frank Mariano & Company, Inc.

In early 1972, the company acquired the operations of Triad Acceptance Company and in March, acquired 51% interest in Arosa Properties Limited, which had been formed by the company and others as a land development company.

In April, 1972, Chromalox and Geo. Bray & Company Limited of Leeds, Eng., formed a joint venture company, Bray Chromalox Limited.

Also in 1972, the company acquired controlling interests in Delhi Industries Limited and Thermetic Controls Limited and a minority interest in Braunoehler Company. All of the shares of the wholly owned subsidiary, Welmet Industries Limited, of Welland, Ont., were sold during 1972, as were the assets and operations of Napanee Industries (1962) Ltd.

On Feb. 15, 1973, the company agreed to purchase all of the outstanding shares of the Neo Group of Hamilton, Ont., which consisted of Neo Machine Ltd., Neo Chrome Ltd., Neo Engraving Ltd. and Neo Electroplating Ltd. The four companies were amalgamated on Dec. 31, 1973 to form Neo Industries Limited.

Also in 1973, the company acquired Hull-Thomson Limited of Windsor, Ont., Regal Stationery Company Limited (now Regal Greetings & Gifts Limited), of To-

ronto and Lyons of London Company Limited (now Tender Tooties Limited) of London, Ont.

Effective Apr. 30, 1975, the company acquired a 100% interest in Associated Printers Limited and its subsidiaries James A. Cook and Son (1961) Ltd. and Davis Printing Ltd. Effective June 1, 1975, the company acquired 70% interest in Dorval Builders Supplies Ltd. and on June 30, 1975, acquired 50% interest in Cutler Brands and Cutler Designs. On Sept. 15, 1975, a 100% interest was acquired in Eastern Wire & Conduits. In addition, effective Jan. 1, 1975, the company acquired the remaining outstanding 49% of Arosa Properties and effective Dec. 31, 1975, acquired the remaining 15% interest in Larkin Lumber and 10% interest in Richardson, Bond & Wright Ltd. (now RBW Inc.). Also during fiscal 1975 the company disposed of its interests in Eagle Transfers Ltd. and Bray Chromalox Ltd. for a cash consideration of \$806,915 resulting in a loss of \$141,328.

During 1976, the company disposed of its investments in Canada Decalcomania Company Limited effective Nov. 30 and Parker's Dye Works & Cleaners Limited effective Dec. 31, resulting in a nontaxable gain of \$345,949.

In April, 1977, the company disposed of its interest in James A. Cook and Son (1961) Ltd. and Davis Printing Ltd. Syrovatka Skis Limited of Granby, Que., was formed in 1977 as a joint venture of Jelinek Sports Limited and George Syrovatka to manufacture cross-country skis and ski equipment. O.C.R. Concepts Ltd. of Toronto was acquired in 1977. The company through York Telecommunications acquired a 60% interest in Rantech Electronics Limited.

In October, 1978, Chromalox acquired the business of Electro-Therm Inc., of Laurel, Md., from Travenol Laboratories Inc. of Chicago, for US\$6,090,000.

Effective Dec. 31, 1978, the company purchased the remaining 50% interest in Cutler Brands and Cutler Designs, both of Toronto, for \$1,770,000; the Cutler companies thus became wholly-owned subsidiaries.

Also in 1978 the company acquired remaining 20% interest in Jelinek Sports Limited, making that company wholly owned. The assets of the Chromalox Air Conditioning Products Division were sold to a new company (Oasis Air Conditioning Inc.) 50% owned by Chromalox and 50% by Canadian Manoir Industries Ltd.

In late 1979, the company acquired the remaining outstanding interest in Thermetic Controls Limited and sold its minority interest in Aerofall Mills Ltd. Its joint venture interest in Timberline stores was sold to partner, Canadian Tire Corporation. Also during 1979 Solatherm Inc. was added to its list of subsidiaries and the name of Regal Stationery Limited was changed to Regal Greetings & Gifts Limited.

In 1980, the company sold its interest in York Telecommunications Limited; Syrovatka Skis Limited, Eastern Wire & Conduits, Taymer Industries and Renovaprix (1978) Inc.; acquired an 80% interest in Direct Film Inc. of Montreal and 100% of Primes de Luxe Inc. of Quebec, plus the minority interest in Bernel Graham Co. and Peterborough Lumber Limited which it did not already own. Also during the year, Larkin Lumber Limited was restructured to become a division of the company under the name Cashway Building Supplies; Chromalox Canada Inc. was restructured to become a division and Cutler Brands Limited and Cutler Designs Limited amalgamated to form Cutler Brands and Designs Inc.

In 1981, the following subsidiaries were wound down to divisions: Cutler Brands and Designs Inc.; RBW Inc. (name changed to RBW Graphics); Neo Industries Limited; Northern Pigment Limited; Peterborough Lumber Limited; Oasis Air Conditioning Inc.; Solatherm Inc.; and Thermetic Controls Limited. In addition, Bernel Graham Co. was wound up into the Cashway division.

During 1982, 55% of Cervin Metal Company Ltd. was acquired on Sept. 1. On Dec. 15, 100% of Welmet Industries Limited was acquired. Total cost of these acquisitions was \$6,258,000 cash.

In September, 1983, the company acquired the retail assets of Willson Office Specialty Limited.

On July 6, 1983, Easy Heat, Inc. was acquired for an undisclosed amount. Also during fiscal 1983, the com-

pany purchased the remaining 20% interest in Direct Film Inc., the remaining interest in Sunkiss Thermoreactors Inc. and increased its interest in Cervin Metal Company Ltd. to 64%.

During the first quarter 1984, the company acquired 60% of the shares of Jay Norris Canada Inc. for \$3,624,000. Also, Chromalox Canada was reorganized to include as its divisions Oasis Air Conditioning; Solatherm; Thermatic Controls and Glengarry Industries.

In July, 1984, the company purchased the outstanding shares of Sheldon Engineering Limited and subsequently changed the name to Dehi-Sheldons Inc.

During the second quarter 1984, the company discontinued the operations, and subsequently sold the assets of Welmet Industries Ltd. for an undisclosed amount.

In mid-1985, the company closed the Guelph Engineering Company Limited, and Regal's U.S. operations.

LEGAL ACTION

An action against the company, its subsidiaries, The Guelph Engineering Company Limited and Welmet Industries Limited, has been commenced by NOVA, an Alberta Corporation claiming \$65,000,000 for damages relating to the alleged failure of equipment manufactured by a third party and supplied by Welmet to NOVA in 1969. A similar action has been commenced by TransCanada PipeLines Limited claiming \$2,200,000 for damages relating to such alleged failure. The outcome of the claims is not presently determinable pending the completion of the discovery process and the receipt of further information, but in all cases the company and its subsidiaries deny liability and are defending the actions. Settlement arising from resolution of the claims, if any, will be accounted for as an adjustment of prior years' income.

SUBSIDIARIES AND DIVISIONS

Note—All subsidiaries are wholly owned unless otherwise stated.

Electrical and Electronics

Chromalox Group—Toronto, Ont. Z. D. Simo, pres.
Chromalox Canada—Toronto, Ont. W. M. Argue, pres. And its divisions **Oasis Air Conditioning** of Mississauga, Ont., which produces electric furnaces and air conditioners; **Solatherm** of Mississauga, Ont., which manufactures solar panels, accessories and swimming pool heating equipment; **Thermatic Controls** of Mississauga, Ont., which manufactures linear cut-outs, a safety device used in baseboard heaters and other electric control devices; and alarm systems; and **Glengarry Industries** of Cambridge, Ont., which supplies custom roll-formed components and stampings in all metals and finishes.

Electro-Therm, Inc.—Laurel, Maryland, C. E. Knitz, pres.

Heron Cable Industries Limited—Waterloo, Ont. A. W. Mondoux, pres.

Hull-Thomson Limited—Windsor, Ont. D. J. Panton, pres.

Delhi Industries—Delhi, Ont. W. E. Woods, pres.

Sheldons Engineering—Cambridge, Ont. W. E. Woods, pres.

Milltronics—Peterborough, Ont. and Arlington, Texas. A. E. Gillis, pres.

Rantech Electronics Limited—Toronto, Ont. N. C. Reed, v-p and gen. mgr.

Easy Heat, Inc.—New Carlisle, Ind. A. W. Mondoux, pres.

Residential Building Supplies

Cashway Building Centres, and Peterborough Lumber—Brampton, Ont. E. J. Barakett.

Graphics

Cutler Brands and Designs—Toronto, Ont. A. R. Tressell, pres.

RBW Graphics—Owen Sound, Ont. R. A. Morrison, pres.

Industrial Metal Products

Dominion Forge Company Limited—Windsor, Ont. E. J. Marks, pres.

Cervin Metal Company Ltd.—(73%-owned) Montreal, Que. C. Strahm, pres.

IEC-Holden Inc.—Montreal, Que. R. B. Winsor, pres.

Neo Industries—Hamilton, Ont., Gary, Indiana, and Weirton, W. Virginia. J. P. Jones, pres.

Northern Pigment—Toronto, Ont. R. Fraser, pres.

Sunkiss Thermoreactors—Montreal, Que. R. B. Winsor, pres.

Consumer Products

Arosa Properties Limited—Toronto, Ont. E. C. LaBerge, pres.

Direct Film Inc.—Montreal, Que. G. G. Bourque, pres.

Jelinek Sports—Oakville, Ont. A. C. B. Wells, pres.

Regal Greetings & Gifts—Toronto, Ont. F. Pearson, pres.

Jay Norris Canada Inc.—60% owned. Montreal, Que. J. C. Hereux, pres.

Primes de Luxe Inc.—Neuville, Que. M. Grenier, pres.

Tender Tootsies Limited—London, Ont. G. S. Neilson, pres.

Willson Stationers—Toronto, Ont. M. A. Rizzo, pres.

OFFICERS AND DIRECTORS

Officers—A. J. MacIntosh, chm.; P. A. G. Cameron, pres.; J. A. McKee, v-p, finance; J. B. Clarke, J. R. Kennedy, Z. D. Simo, v-p's; T. M. H. Hall, contr.; D. S. Hackett, mgr., mktg. research; W. H. Irwin, technical dir.; D. S. Piercey, dir., insurance & benefits; G. W. Alderdice, asst. contr.; D. R. Hancock, dir. human resources; K. W. Crawford, mgr. oper. audit.

Directors—L. C. Bonnycastle, J. B. Clarke, Hon. W. L. Gordon, D. L. Gordon, J. L. Gordon, J. R. Kennedy, A. J. MacIntosh, J. L. Biddell, P. A. G. Cameron, Z. D. Simo, J. R. Evans, Toronto; J. H. Moore, London, Ont.; L. R. Wilson, Mississauga, Ont.; J. I. Montagu, Watertown, Ma.

CAPITAL STOCK

(As at Dec. 31, 1984)

	Author.	Outstand.
6% Preferred	unlimited	402,354 shs.
Cl. X non-voting	unlimited	567,228 shs.
Cl. Y	unlimited	4,086,906 shs.

6% Preferred—Entitled to preferential cash dividends of 60 cents per share per annum, cumulative from date of issue.

Redemption—Preferred shares are redeemable at the option of the holder at \$10 per share and may be redeemed after Dec. 31, 1983, at the option of the company, at the same price. In the case of liquidation, dissolution, or winding up entitled to \$10 per share.

Voting—Non-voting unless dividends two years in arrears, when entitled to one vote per share.

Offered—Preferred shares issued from time to time as dividends on class X and Y shares.

Class X Non-Voting—Entitled to preferential dividend of 10 cents per share per annum and to share equally with class Y shares in any further dividend distribution.

In the event of liquidation, dissolution, etc., ranked equally with class Y shares in any distribution of assets.

Voting—Non-voting unless eight quarterly dividends have not been paid, when entitled to one vote per share until an aggregate of 20 cents per share shall have been paid within a 24-month period.

Class Y Voting—Convertible into class X (share-for-share) at the holder's option at any time.

CHANGES IN CAPITAL STOCK

On incorporation the authorized capital of the company comprised 550,000 common shares of no par value, of which 535,473 common shares were issued to the shareholders of the three amalgamating companies. (For details, see under "History," page 2.)

In April, 1970, the authorized capital was increased to 3,000,000 common shares and the outstanding shares were split on a 4-for-1 basis bringing the total outstanding shares to 2,141,892 at Dec. 31, 1970.

By S.L.P. dated Dec. 14, 1971, the common shares were redesignated as class A convertible common shares without par value and the authorized capital was increased by the creation of an additional 1,000,000 class A convertible common shares and 3,000,000 new class B convertible common shares without par value, bringing the total outstanding to 1,046,814 class A shares and 1,095,078 class B shares at Dec. 31, 1971.

In 1972, 72,500 class A shares were issued under stock options.

With Articles of Continuance dated May 20, 1976, all outstanding capital stock was made unlimited in number and without par value.

In May, 1978, shareholders approved the creation of 6% cumulative, redeemable preferred shares, to be used as dividends on class B shares.

During 1978, 138,894 6% preferred shares were issued and 56,865 were redeemed.

During 1979 180,926 preferred shares were issued as stock dividends and 88,654 preferred shares were redeemed; 39,400 class A and 52,200 class B shares were issued under the stock purchase plan. After giving effect to interconversions from 1972 to 1979, capital stock outstanding at Dec. 31, 1979, totaled 174,301 preferred shares, 1,049,498 class A shares and 1,256,494 class B shares.

Effective June 6, 1980, each of the class A and class B shares was reclassified and subdivided into one class X non-voting share and one class Y voting share. Subsequently in the year, 212,436 6% preferred shares were issued as stock dividends and 97,401 6% preferred shares were redeemed. Giving effect to interconversions, capital stock outstanding at Dec. 31, 1980, comprised 455,165 class X, 4,156,819 class Y and 289,336 6% preferred shares.

During 1981, 49,290 class Y shares were converted into an equivalent number of class X shares, 211,355 6% preferred shares were issued as stock dividends and 168,741 6% preferred shares were redeemed.

During 1982, 221,787 6% preferred shares were issued as dividends and 183,473 were redeemed; and 28,123 class Y shares were converted into an equivalent number of class X shares.

During 1983, 189,800 6% preferred shares were issued as dividends and 165,154 were redeemed; and 30,750 class X and 5,800 class Y shares were issued under the senior officers' share purchase plan.

During 1984, 3,900 class X shares were issued upon conversion of 3,900 class Y shares; 5,600 class Y shares were issued under the senior officers' share purchase plan; 178,523 6% preferred shares were issued as dividends and 171,079 shares were redeemed. Capital stock outstanding at Dec. 31, 1984, consisted of 567,228 class X, 4,086,906 class Y and 402,354 6% preferred shares.

PRICE RANGE OF STOCK**Class X Non-Voting**

Year	High	Low	Year	High	Low
1980▲	\$13.00	\$10.50	1983	\$21.50	\$12.25
1981	13.25	9.75	1984	26.50	22.25
1982	12.00	8.63			

▲Listed June 2.

Class Y

Year	High	Low	Year	High	Low
1980▲	\$12.75	\$10.50	1983	22.50	12.00
1981	13.75	10.50	1984	27.00	23.50
1982	12.50	8.50			

▲Listed June 2.

Class A Common (Old)

Year	High	Low	Year	High	Low
1971▲	\$16.00	\$10.25	1976	\$28.50	\$20.00
1972	22.50	15.00	1977	28.00	21.00
1973	26.75	19.00	1978	34.88	25.00
1974	26.50	15.00	1979	28.25	21.00
1975	23.50	16.50	1980‡	23.00	22.75

▲Listed Dec. 17. ‡Delisted June 2.

Class B Common (Old)

Year	High	Low	Year	High	Low
1971▲	No trades.		1975	\$20.00	\$20.00
1972	\$19.50	\$19.00	1976-78	No trades.	
1973	24.00	21.00	1979	23.00	23.00
1974	25.50	24.00	1980‡	No trades.	

▲Listed Dec. 17. ‡Delisted June 2.

DIVIDENDS

6% Preferred—Entitled to 60 cents per share per annum, cumulative from date of issue. Initial dividend of 15 cents per share paid Oct. 15, 1978 and regularly quarterly since.

Common

Note—Shareholders of both the class X and class Y shares may elect to receive their dividends in the form of 6% preferred shares.

Class X—Present rate is \$1.35 per share per annum, established with the quarterly dividend of 33½ cents per share on April 16, 1984. Previously, a rate of \$1.00 per share per annum was paid quarterly from April 15, 1982 to Jan. 16, 1984, inclusive.

Following the capital reorganization and effective 2-for-1 split on June 6, 1980, an initial dividend rate of 90 cents per share per annum was paid quarterly from July

15, 1980 to Jan. 15, 1982, inclusive. A rate of \$1.00 per share per annum was paid from April 15, 1982 to Jan. 16, 1984, inclusive.

Class Y—Present rate is \$1.25 per share per annum established with the quarterly dividend of 31½ cents per share on April 16, 1984. Previously, a rate of 90 cents per share per annum was paid quarterly from April 16, 1982 to Jan. 16, 1984, inclusive.

Following the capital reorganization and effective 2-for-1 split on June 6, 1980) an initial dividend rate of 80 cents per share per annum was paid quarterly from July 15, 1980 to Jan. 15, 1982, inclusive. A rate of 90 cents per share per annum was paid from April 15, 1982 to Jan. 16, 1984, inclusive.

Extra dividends—On class X and Y shares were paid as follows: 10 cents per class X and Class Y share on June 16, 1984.

Previously, prior to capital reorganization on June 6, 1980, extra dividends on Class A were as follows: 25 cents per share on Jan. 15, 1970; and 10 cents per share on Jan. 19, 1972, and Jan. 12, 1973. A Special dividend of \$8.75 (tax-deferred) per share was paid Apr. 14, 1978, out of 1971 capital surplus.

Class A Common (old)—Rate of \$1.50 per share per annum was paid regularly semiannually from the initial payment of 75 cents per share on Jan. 15, 1966, to Jan. 15, 1970, inclusive. A dividend of 56 cents per share was paid on Apr. 15, 1970.

Following the 4-for-1 stock split in April, 1970, a rate of 56 cents per share per annum was established with the quarterly payment of 14 cents per share of July 15, 1970, and paid regularly quarterly to Oct. 15, 1971, inclusive.

Following redesignation of the stock as class A common on Dec. 14, 1971, a rate of 56 cents per share per annum was paid quarterly from Jan. 19, 1972, to Jan. 12, 1973, inclusive. Quarterly dividends of 20 cents per share were paid from Apr. 16, 1973, to Oct. 15, 1973, inclusive. Quarterly dividends of 25 cents per share were paid from Jan. 15, 1974, to Oct. 15, 1974, inclusive. A rate of \$1.20 per share per annum was paid regularly quarterly from Jan. 15, 1975, to July 15, 1976, inclusive. A quarterly dividend of 32.5 cents per share was paid Oct. 15, 1976. Dividends at the rate of \$1.50 per share per annum were paid quarterly from Jan. 14, 1977 to Jan. 15, 1980 inclusive. A final dividend of 40 cents per share was made on Apr. 15, 1980, prior to the reclassification and reorganization of common stock on June 6, 1980.

Class B Common (old)—Dividends on the class B common shares were paid at a rate equivalent to that paid on class A shares but in the form of fully paid 6% cumulative redeemable preferred shares. First stock dividend was paid July 14, 1978 and similar stock dividends were paid regularly quarterly to reorganization and reclassification of the common stock on June 6, 1980.

Prior to Apr. 14, 1978 dividends were paid at an equivalent rate to those on class A shares but from tax-paid undistributed surplus. A special dividend of \$8.75 (tax-deferred) per class B share was paid Apr. 14, 1978, out of 1971 capital surplus.

A record of tax-deferred dividends paid on class B shares appears below:

TAX-DEFERRED DIVIDENDS

Since December, 1971, the company has made the following tax-deferred dividend distributions:

Class A Common

Amount	Record
\$8.75	Mar. 31/78

Class B Common

Amount	Record	Amount	Record
11.9c*+8.5c	Jan. 5/72	25½c	Mar. 31/75
11.9c	Mar. 31/72	25½c	June 30/75
11.9c	June 30/72	25½c	Sept. 30/75
11.9c	Sept. 30/72	25½c	Dec. 31/75
11.9c+8.5c	Dec. 29/72	25½c	Mar. 31/76
17c	Mar. 30/73	25½c	June 30/76
17c	June 29/73	27½c	Sept. 30/76
17c	Sept. 28/73	31½c	Dec. 31/76
21¼c	Dec. 31/73	31½c	Mar. 31/77
21¼c	Mar. 29/74	▲37½c	June 30/77
21¼c	June 28/74	▲37½c	Sept. 30/77
21¼c	Sept. 30/74	▲37½c	Jan. 3/78
25½c	Dec. 31/74	\$8.75	Mar. 31/78

*Initial payment on this class of stock.

▲Adjusted to include portion of tax-deferred dividend previously declared but withheld.

LONG-TERM DEBT

Long-term debt outstanding at Dec. 31, 1984, totaled \$47,055,000 including \$3,895,000 due within one year. Debt comprised \$33,927,000 in term bank loans bearing interest at bank prime rate; \$1,304,000 in mortgages and other secured debt with interest at 13%; \$3,223,000 in unsecured debt with interest at 10%; and \$8,601,000 capital leases with interest at 11%.

Approximate principal repayments were as follows: \$5,215,000 in 1985; \$5,510,000 in 1986; \$3,396,000 in 1987; \$3,108,000 in 1988; \$1,947,000 in 1989; and \$31,352,000 in 1990 and later.

INTERIM REPORT

For the nine months ended Sept. 30, 1985, net income fell 41% to \$5,316,000 or \$1.12 per share from \$9,011,000 or \$1.91 per share for the corresponding period of 1984. Sales increased by 4% to \$489,051,000 from \$471,478,000. The company attributed the decline in net income to a sharp decline in results of Regal Greetings and Gifts caused by its continued failure to achieve budgeted sales. Results of Direct Film and Dominion Forge were also lower, due to increased competition.

Changes in Financial Position:

Sources of cash for the nine months ended Sept. 30, 1985, totaled \$21,618,000, including \$16,106,000 from operations; \$1,017,000 from the disposal of assets; \$3,887,000 increase in long-term debt; and \$608,000 other.

Uses of cash totaled \$46,469,000, including \$20,337,000 invested in non-cash working capital; \$18,798,000 in additions to fixed assets; \$749,000 investment in oil and gas properties; \$3,223,000 redemption of preferred shares; \$3,284,000 dividends; and \$78,000 other.

Net decrease in cash during the period was \$24,851,000.

INTERIM EARNINGS

Fiscal Year	Net Inc.			Earnings			Net Inc.			Earnings		
	Sales	Oper.	Per Sh*	Sales	Oper.	Per Sh.*	Sales	Oper.	Per Sh.*	Sales	Oper.	Per Sh.*
	3 months			6 months			9 months					
	\$000's			\$000's			\$000's			—\$—		
1978 ..	58,008	1,205	0.27	132,394	3,571	0.81	222,231	7,165	1.62			
1979 ..	77,087	1,479	0.33	171,084	4,421	1.00	274,092	8,148	1.83			
1980 ..	84,679	856	0.18	179,459	2,624	0.56	286,778	5,779	1.24			
1981 ..	97,704	808	0.17	223,027	2,933	0.62	353,937	5,859	1.25			
1982 ..	100,172	d275	d0.07	215,340	968	0.19	345,293	4,179	0.87			
1983 ..	104,304	1,074	0.22	230,284	3,866	0.81	377,636	9,548	2.03			
1984 ..	135,659	1,489	0.31	295,919	4,297	0.90	471,478	9,011	1.91			
1985 ..	147,858	d548	d0.12	315,567	1,453	0.30	489,051	5,316	1.12			

*Per share data adjusted throughout to reflect 2-for-1 stock split, June 6, 1980.

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION
Years Ended December 31

	1984	1983	1982	* 1981
	\$000's			
Cash provided by:				
Net income, operations	15,026	16,635	10,179	12,046
Deprec. & amort.	12,271	10,766	9,818	7,984
Deferred income taxes	2,074	▲186	1,783	2,771
Reduction in inventories	▲14,407	▲10,443	13,706	▲9,945
Reduction accts. rec.	▲8,724	▲8,975	9,559	▲5,235
Disp. property, plant, etc.	778	899	630	546
Incr. inc. & other taxes	▲11,027	10,940	.....	.....
Shares issued	125	421	.....	.....
	d3,884	20,057	45,675	8,167
Cash used for:				
Acquisitions	4,419	16,910	.....	.....
Capital expenditures	18,621	13,025	17,250	17,411
Red. accts. payable	1,208	▲17,784	12,307	▲5,274
Invest. in oil and gas	3,045	533	3,323	1,100
Dividends	4,288	3,004	2,180	1,781
Redemption pref. shs.	1,710	1,651	1,836	1,637
Other	8,355	▲782	274	2,201
	41,646	16,557	37,170	18,906
Increase in cash	□ 45,530	3,500	8,505	□ 10,739

*As shown in 1982 annual report. ▲Subtract. □Decrease.

CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS, YEARS ENDED DECEMBER 31

	1984	1983	1982	1981	1980	1979	1978
	\$000's						
Sales	651,802	533,878	471,433	486,704	407,164	381,532	316,800
Less: Cost of sales	602,507	481,838	431,272	442,850	373,090	343,842	285,446
Add: Invest. income						18	104
Net before deprec., etc.	49,295	52,040	40,161	43,854	34,074	37,708	31,458
Deprec. & amort.	12,271	10,766	9,818	7,627	5,971	5,975	5,569
Amort. goodwill & patents				357	433	249	171
L-term debt interest	5,756	5,491	7,006	8,288	2,429	2,501	1,709
Other interest	5,997	2,069	5,174	5,779	7,044	6,094	2,997
Income taxes: Current	8,171	14,425	6,201	6,986	7,270	10,156	9,259
Deferred	2,074	\$186	1,783	2,771	\$100	\$1,180	\$425
Minority interest	442	613	939	659	622	674	771
Loss discontinued ops.		2,840					
Add: Gain, sale co.					418		
Net income, operations	14,584	16,022	9,240	11,387	10,823	13,239	11,407
Add: Extraord. items ‡				d425			
Net income	14,584	16,022	9,240	10,962	10,823	13,239	11,407
Add: Previous ret. earns.	91,343	84,923	83,840	76,773	69,791	59,964	71,264
Less: Divids.: Common	5,870	4,699	4,203	3,739	3,723	3,356	22,698
Preferred	203	203	195	156	118	56	9
Prior period adjustment □		4,700	3,759				
Retained earnings	99,854	91,343	84,923	83,840	76,773	69,791	59,964

□ In 1981, reversal of tax benefits of loss carry-forward recognized in prior years. § Credit.

‡ Consideration for an acquisition exceeded the underlying net assets. Because of actions commenced by NOVA, an Alberta Corporation (see "Legal Action" on page 5), the company charged the earnings with a portion of the consideration.

Remuneration—Of senior officers and directors has been as follows: \$1,243,490 in 1984; \$1,190,130 in 1983; \$2,515,108 in 1982; \$1,179,421 in 1981; \$717,013 in 1980; \$668,600 in 1979; and \$509,137 in 1978.

Times All Interest Earned:

Before deprec. & amort.	4.19	6.88	3.30	3.12	3.60	4.39	6.68
After deprec. & amort.	3.15	5.46	2.49	2.55	2.92	3.66	5.46

Earnings Per Share:

Based on net income, operations							
Pref.: Times earned	t71.84	t78.93	t47.38	t72.99	t91.72	t236.41	t1,267.44
Class X & Y: Earned▲	3.09	\$3.41	\$1.96	\$2.43	\$2.32	\$2.97	\$2.58
Based on net income							
Pref.: Times earned	t71.84	t78.93	t47.38	t70.27	t91.72	t236.41	t1,267.44
Class X & Y: Earned▲	3.09	\$3.41	\$1.96	\$2.34	\$2.32	\$2.97	\$2.58

● Adjusted throughout for 2-for-1 split on June 6, 1980.

▲ Class A and B shares prior to capital reorganization in June, 1980.

Dividends Paid or Declared:

6% preferred	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.15
Class X■	1.35	1.00+	1.00	0.90	0.45	.....	.....
		0.10					
Class Y■	1.25	0.90+	0.90	0.80	0.40	.....	.....
		0.10					
Class A .....	.....	.....	.....	.....	0.775	1.50	1.50+
							*8.75
Class B .....	.....	.....	.....	.....	●stk.	●stk.	0.37½+
							*8.75+
							▶stk.

* Tax-deferred dividend. ▶ Equivalent to \$1.12½ per share in 6% preferred shares.

■ Following capital reorganization and effective 2-for-1 split of class A and B shares in June, 1980.

● Equivalent to dividend paid on class A shares.

Shares Outstanding at December 31:

6% Preferred	402,354	394,910	370,264	331,950	289,336	174,301	82,029
Class X▲	567,228	563,328	532,578	504,455	455,165	.....	.....
Class Y▲	4,086,906	4,085,206	4,079,406	4,107,529	4,156,819	.....	.....
Class A .....	.....	.....	.....	.....	.....	1,049,498	961,100
Class B .....	.....	.....	.....	.....	.....	1,256,494	1,253,292

▲ On June 6, 1980, each class A and B share was reclassified as one class X and one class Y share, effecting a 2-for-1 stock split.

CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31

	1984	1983	1982	1981	1980	1979	1978
	\$000's						
Assets							
Current:							
Cash	743	1,763	1,238	1,644	1,915	782	3,800
Accounts receivable	64,217	53,229	46,428	56,027	50,962	50,490	49,922
Inventories†:							
Finished goods	70,381	55,856	43,876	49,702	44,295	45,057	41,455
Work in process	9,977	9,322	9,081	11,128	9,749	11,341	9,785
Raw materials	30,150	27,648	25,123	29,367	26,525	25,923	20,149
Land for develop. (net)	4,162	3,782	4,840	6,644	6,112	6,163	3,844
Prepaid expenses	4,820	2,220	1,648	1,124	1,438	1,575	1,071
	184,450	153,820	132,234	155,636	86,681	141,331	130,026
Receivables & invests.	11,643	7,531	7,659	5,479	3,938	6,920	6,376
Goodwill & patents	10,590	7,571	5,498	5,870	6,227	1,161	1,410
Fixed Assets:							
Land	4,781	4,300	4,242	3,917	3,731	3,540	3,720
Buildings	36,492	34,032	33,073	31,154	29,031	24,296	22,076
Machinery & equip.	104,937	91,788	89,911	74,777	61,616	53,471	49,889
Leasehold improv.	12,075	10,343	7,526	3,906	3,730	2,039	1,650
Less: Accum. deprec.	86,810	77,392	75,240	61,491	55,083	47,270	42,872
	71,475	63,071	59,512	52,263	43,025	36,076	34,663
	278,158	231,993	204,903	219,248	194,186	185,488	172,475
Liabilities							
Current:							
Bank advances	55,491	10,981	14,907	26,360	17,304	49,333	36,642
Accts. pay. & accr. chgs.	52,188	49,512	33,944	42,492	37,218	30,504	36,391
Income & other. taxes pay.	4,246	15,041	4,202	4,119	5,132	4,656	4,474
Dividends pay.	1,244	1,384	821	623	575	563	433
Curr. portion l.-t. debt	3,895	5,872	4,860	4,381	5,090	3,760	4,101
	117,064	82,790	58,734	77,975	65,319	88,816	82,041
Deferred income						893	1,485
Deferred income taxes	9,093	6,846	7,032	5,201	2,005	1,470	2,650
Long-term debt:							
Bank term loans	33,927	35,869	34,557	38,596	40,027	13,279	18,472
Capital lease oblig.	8,601	7,985	7,667				
Mtgs. & other	4,527	4,595	7,066	8,152	5,309	5,849	5,048
Less: Debt due in yr.	3,895	5,872	4,860	4,381	5,090	3,760	4,101
	43,160	42,577	44,430	42,367	40,246	15,368	19,419
Minority interest	1,368	1,018	3,033	3,496	3,900	4,358	4,833
Shareholders' Equity							
Capital stock:							
6% Preferred	4,024	3,949	3,702	3,320	2,894	1,743	820
Common	3,595	3,470	3,049	3,049	3,049	3,049	1,263
Retained earnings	99,854	91,343	84,923	83,840	76,773	69,791	59,954
	278,158	231,993	204,903	219,248	194,186	185,488	172,475

†Raw materials valued at lower of cost and replacement cost and finished goods, work in process and land held for development at lower of cost and net realizable value; cost determined on the first-in, first-out basis.

Pension Fund—At Dec. 31, 1984, the unfunded past service costs of employees' pension plans amounted to \$9,400,000 to be funded to operations over periods to 15 years.

Long-Term Leases—At Dec. 31, 1984, the company and its subsidiaries had commitments under long-term operating lease agreements extending for various periods payable as follows: \$10,708,000 in 1985; \$9,091,000 in 1986; \$7,469,000 in 1987; \$5,953,000 in 1988; \$4,514,000 in 1989; and \$7,302,000 in 1990 and thereafter.

Working Capital (\$000's):

Current assets	184,450	153,820	132,234	155,636	140,996	141,331	130,026
Current liabilities	117,064	82,790	58,734	77,975	65,319	88,816	82,041
Working capital	67,386	71,030	73,500	77,661	75,677	52,515	47,985
Ratio	1.58—1	1.86—1	2.25—1	2.00—1	2.16—1	1.59—1	1.58—1

Equities:

Net worth (\$000's)*	107,473	98,762	91,674	90,209	82,716	74,583	62,047
Preferred	\$267.11	\$250.09	\$247.59	\$271.75	\$285.88	\$427.90	\$756.40
Class X & Y shares●	22.23	20.40	19.07	18.84	17.31	15.79	13.80

*Available for common stock; based on shareholders' equity. Preferred stock deducted at \$10 per share before calculating equity per common share.

●Formerly class A and B common shares; adjusted throughout for reclassification and effective 2-for-1 stock split, June 6, 1980.

HISTORICAL SUMMARY

(As originally stated in company's annual reports for the respective years)

Fiscal Year	Total Assets	Shldrs' Equity	Net Fixed Assets	L.-Term Debt	Sales	Net Inc. Oper.	Earns.▲ Per Sh. \$	Cl. Y Price High \$	Price Range● Low \$
1965 ..	52,458	24,090	8,486		83,527	2,284	4.26		
1966 ..	52,895	27,076	10,958		103,569	3,004	5.61		
1967 ..	48,780	28,508	11,053		101,674	2,236	4.18	■ 80.00	■ 56.75
1968 ..	46,278	28,076	10,285		89,920	1,098	3.23	61.00	41.00
1969 ..	45,185	30,046	10,859		98,713	2,684	5.25	55.00	43.00
1970 ..	54,861	31,367	14,886	3,470	101,871	2,329	* 1.09	* 15.75	* 9.50
1971 ..	59,608	33,288	16,112	4,724	115,119	3,054	1.43	16.00	10.25
1972 ..	70,414	35,166	15,493	4,481	131,110	4,330	1.96	22.50	15.00
1973 ..	93,941	38,648	20,258	14,904	167,216	7,191	3.25	26.75	19.00
1974 ..	111,444	45,625	21,651	14,783	231,738	9,331	4.21	26.50	15.00
1975 ..	130,074	55,287	27,759	16,357	261,226	12,237	5.53	23.50	16.50
1976 ..	147,036	64,014	28,753	19,268	294,994	11,260	5.08	28.50	20.00
1977 ..	143,182	72,527	29,417	17,169	286,387	11,834	5.34	28.00	21.00
1978 ..	172,475	62,047	34,663	23,520	316,800	11,407	5.15	34.88	25.00
1979 ..	185,488	74,583	36,076	19,128	381,532	13,239	5.94	28.25	21.00
1980 ..	194,186	82,716	43,025	45,336	407,164	10,823	* 2.32	* 12.75	* 10.50
1981 ..	219,248	90,209	52,263	46,748	486,704	11,387	2.43	13.75	10.50
1982 ..	204,903	91,674	59,512	49,290	471,433	9,240	1.96	12.50	8.50
1983 ..	231,993	98,762	63,071	48,449	533,878	16,022	3.41	22.50	12.00
1984 ..	278,158	107,473	71,475	47,055	651,802	14,584	3.09	27.00	23.50

*Following 4-for-1 stock split in April, 1970; following capital reorganization and effective 2-for-1 stock split in June, 1980.

●For class A shares from 1971 to 1979; common shares in prior years. ■ Listed May 9.

▲For common shares from 1965 to 1970; for combined class A and B shares from 1971 to 1979; and for combined class X and Y shares in 1980 and subsequently.

For analysts interested in an intensive study of this and certain other companies, our Databank derives and publishes a wide range of operating ratios, growth rates, etc. For details, contact The Financial Post Investment Databank, Box 100, Terminal A, Toronto M5W 1A7, (416) 596-5692

(This information is obtained from sources we believe to be reliable, but is not guaranteed)

