



**Du Pont of Canada
Limited** **Annual Report
1975**

HOWARD ROSS LIBRARY
OF MANAGEMENT
FEB 16 1977
MCGILL UNIVERSITY



65th Annual Report 1975

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Nous serons heureux de vous envoyer, sur demande,
l'édition française de ce rapport.

Highlights

	1975	1974	% Change
SALES (Dollars in Thousands)	\$410 219	\$368 425	11
NET INCOME (Dollars in Thousands)	\$ 2 419	\$ 21 491	(89)
SELLING PRICE INDEX (1966= 100)	118	105	12
CONSTRUCTION EXPENDITURES (Dollars in Thousands)	\$ 87 542	\$ 53 177	65
EARNINGS PER COMMON SHARE			
From Operations			
By Quarter First	\$(0.07)	\$0.65	
Second	(0.15)	0.95	
Third	0.34	0.71	
Fourth	0.32	0.26	
	<u>\$ 0.44</u>	<u>\$2.57</u>	(83)
Extraordinary Items	(0.16)	0.13	
Total for the year	\$ 0.28	\$2.70	(90)
DIVIDENDS DECLARED PER COMMON SHARE	\$0.50	\$1.00	(50)

EARNINGS, SALES AND DIVIDENDS

In 1975, Canadian industry experienced the slowest period of growth since 1945. The slowdown in overall economic activity began after mid-year 1974 and continued through most of 1975. During that period, a worldwide recession resulted in import pressure in several of the Company's major domestic markets and worked to keep selling prices at low levels. At the same time, raw material costs, particularly for petroleum-based feedstocks upon which the Company is heavily dependent, rose more rapidly than selling prices. These factors continued to depress profit margins while the volume of business activity improved during the latter part of 1975.

Net income in 1975 including extraordinary items was \$2 419 000 or 28 cents per common share compared with \$21 491 000 or \$2.70 per common share in 1974. Lower earnings reflected higher financial costs related to the expansion program and sharply increased manufacturing costs which were only partially offset through higher average selling prices. Demand was weak in early 1975 but increased during the last half resulting in a gradual improvement in earnings.

Net sales were \$410 219 000, an increase of 11 per cent from 1974 due principally to higher selling prices. Shipments of manufactured products were slightly above those achieved in 1974 despite the generally lower level of business activity in 1975.

A dividend of 20 cents per share on common stock was declared during the first quarter and 10 cents per share in each of the following quarters.

A YEAR OF EXPANSION

The major expansion programs undertaken by the Company moved significantly toward completion during 1975. These programs, which will have

cost in excess of \$300 000 000 when complete, will enable Du Pont of Canada to meet the increasing demand for its products, particularly polyethylene resin, nylon carpet yarns and polyester fibres. Despite the heavy current strain on resources, the Company has continued with this expansion and will be in an excellent supply and competitive position when these modern new facilities begin production.

The expansion at St. Clair River Works, which began in 1974, will more than double the plant's capacity to 450 000 000 pounds of polyethylene resin per annum. Completion of this new facility is timed to coincide with the availability of ethylene from Petrosar Limited in 1977.

Construction at the Company's newest site, Les Usines Coteau, near Montreal, proceeded satisfactorily during 1975 and production of "Dacron" polyester filament yarn is expected to begin there in late 1976. New facilities to increase the production of "Dacron" at Kingston were completed during 1975. This capacity and the capacity available later from Les Usines Coteau will help supply the increasing market demand for "Dacron".

At Kingston Works, new BCF (bulked continuous filament) nylon carpet yarn manufacturing facilities were started up successfully in two stages during 1975. The start-up of new nylon carpet staple capacity at Kingston Works late in 1974 allowed a major increase in production rates for this product during 1975.

Significant capital was invested in a new polymerization process which will contribute substantially to improved costs and quality. This new technology, developed by Du Pont of Canada, is now being used successfully in the manufacture of nylon staple and BCF. The Company's nylon intermediates capacity at

Maitland is being increased to supply the new carpet fibre capacity at Kingston.

The magnitude of these projects has necessitated increasing reliance on external financing and this situation will continue through 1976. In this regard, the Company arranged \$75 000 000 of long term borrowings in Canada in May 1975 and \$50 000 000 for a medium term in international markets in January 1976.

Extensive efforts have been made over the last several years to ensure an adequate and uninterrupted supply of key raw material feedstocks. One of the most important of these endeavours has been participation in the development of Petrosar Limited near Sarnia, Ontario. Because of its size, this world scale petrochemical complex will be able to supply ethylene as well as other primary petrochemicals and fuel products to the Company at competitive prices.

Du Pont of Canada and Union Carbide Canada Limited each holds a 20 per cent equity interest in Petrosar. Polysar Limited, together with the Canada Development Corporation, holds the remaining 60 per cent.

The total cost of Petrosar is now estimated at \$570 000 000, or \$138 000 000 over the estimate made in early 1974. Of the total amount, \$380 000 000 relates to fixed facilities and the balance to working capital, pre-production expenses and interest on borrowed money. Approximately half of the increased financing requirement is for fixed facilities and the balance for the other factors. At year-end, the Company had invested \$8 700 000 in Petrosar and, based on current projections, expects this to increase to \$26 000 000 during the remaining construction and start-up period.

During 1974 and 1975, the Company conducted engineering work and economic studies to determine the

viability of a polyethylene plant in Alberta. Late in 1975, the Company concluded that the firm volume of export sales and, in the initial years, a favourable ethylene price needed for the project could not be assured. Construction plans were deferred but studies are continuing aimed at possible plant operation by the early 1980's.

ENVIRONMENTAL AFFAIRS AND ENERGY CONSERVATION

It is the Company's policy that each of its products will be made, used, and disposed of safely and in a manner that meets or exceeds environmental criteria established by public authorities. Investments in pollution control equipment and processes are continually made to ensure that increasingly stringent government regulations are met or exceeded.

Recent dramatic increases in the cost of energy and concern over availability of supplies have added new emphasis to our energy conservation activities. The Company has intensified its efforts to conserve energy in its manufacturing processes and has incorporated energy conservation technology into the design of new Company facilities. The Company and the chemical industry are leaders in energy conservation and programs are structured to be consistent with the federal government's goals.

MINERAL EXPLORATION

Mining companies in which the Company had an equity interest were merged in 1975 to form one company known as Lacana Mining Corporation. Du Pont of Canada holds a 21.5 per cent equity share in the new company, whose interests include lead, gold and silver mining and milling operations in Mexico.

Du Pont of Canada Exploration Limited, a wholly-owned subsidiary of the Company, is continuing a long-

range geological exploration program in Canada.

EMPLOYEES

Poor business conditions and economic uncertainty during the past year created many difficulties. Exceptional effort by employees to reduce costs, increase effectiveness, and contribute to the progress of the construction program helped significantly to keep these difficulties at a minimum. Indeed, much of the progress and improvement in Company performance, which was evident after mid-year, was the result of diligent effort on the part of employees.

Total employment at year-end was 5 841, up slightly from 1974.

chemical industry average of 4.26 for 1974. Three employees suffered lost time injuries during the year, but fortunately there were no permanent disabilities. It is the Company's goal to operate injury free and efforts at improvement will continue toward that target.

Improvements to the Company-paid life insurance benefit plan for employees were made in 1975.

Pensions to retired employees were again raised in 1975. This increase recognized the impact of the rapid rise in the cost of living on pensioners' income and reflects the Company's continuing concern for its pensioners. At the end of the year, \$75 090 000 were held by an independent trustee in an irrevocable trust to meet future obligations under the Company-financed pension plan.

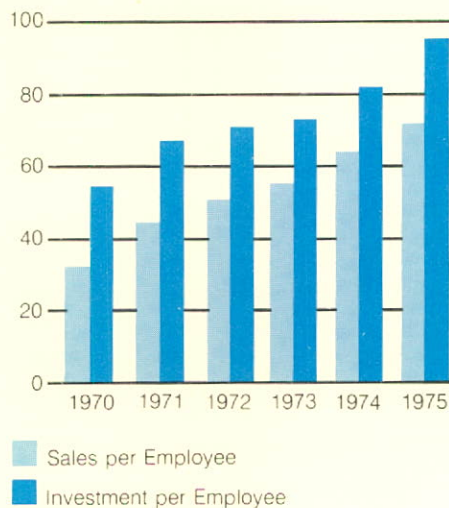
CHANGES IN OFFICERS AND DIRECTORS

Ian D. Ritchie, Vice-President, Marketing, retired in April after 39 years of service. Kenneth M. Place, Vice-President and Treasurer, retired in June after 29 years of service and was succeeded by Donald A. S. Ivison.

Late in 1975, Franklin S. McCarthy, Senior Vice-President, was elected President and Chief Operating Officer. Robert J. Richardson, President and Chief Executive Officer continues as Chairman and Chief Executive Officer. J. Edward Newall, Vice-President, Marketing, was appointed Executive Vice-President. Bertalan L. Turvolgyi, Vice-President, Operations, was named Vice-President, Marketing.

Edgar H. Bleckwell, former President of the Company, and Benjamin F. Schlimme, former Vice-President and General Manager, International Department, E. I. du Pont de Nemours & Company, retired from the Board of Directors. Franklin S. McCarthy and John A. Klacsmann, Vice-President

SALES & INVESTMENT PER EMPLOYEE
(thousands of \$)



Safety performance improved significantly over last year. Our frequency rate for on-the-job lost time injuries was 0.27 per million man-hours worked as compared with 0.74 a year ago. The Company is a leader in safety performance and practices, as indicated by comparison with the latest available North American

and General Manager, International Department, E. I. du Pont de Nemours & Company, were elected to the Board.

BUSINESS CLIMATE

World recession combined with inflation to produce a disappointing year for Canadian industry. Consumers saved more and spent cautiously and, in parallel with sluggish demand, business confidence generally remained at a low level.

Fortunately, in both Canada and the United States, a modest recovery began around mid-1975. The improvement in domestic markets was reflected in the Company's results, as demand for most products strengthened later in the year.

It is expected that the Canadian economy will continue to advance in 1976, although the extent is dependent upon the uncertain impact of the Anti-Inflation Program. In view of this, recovery may be restrained in comparison with previous business cycles and corporate profits will remain under pressure.

Inflation is expected to moderate slightly due partly to reduced inflationary pressures abroad and partly to the federal government's Anti-Inflation Program. If the Canadian public and private sectors support the objectives of this program, it is our belief that the inflationary forces in the country will be reduced. To be successful, however, the program must also be accompanied by carefully planned monetary actions and sharp reductions in the growth of government expenditures.

However, it is the Company's belief that if wage, price and profit margin controls are in effect for a long period of time, their interference in the market process and with individual and business incentives will restrict the generation of new capital and impede

the increased investment needed to meet market demands, create jobs, improve Canada's international competitiveness and support national social goals. The experience of other countries has shown that extended use of controls will aggravate rather than lessen the problems of inflation over the longer term.

The increasing involvement by government in the business sector and the information requirements of government add significantly to the cost of industry operations and cause the Company considerable concern. The problem facing a Canadian manufacturer in competing in the domestic market with large scale and, hence, low cost foreign producers was discussed in the Company's Brief to the Royal Commission on Corporate Concentration. In it, the Company pointed out the need for continued concentration in Canadian chemical, plastics and man-made fibres industries in order to achieve the economies of scale needed to produce at competitive costs and remain viable.

The ability of Canadian industry to compete in foreign markets has also been hampered by the federal government's revision of the tax treatment of earnings from foreign subsidiaries. This will create a serious disadvantage for Canadian manufacturers trying to sell in world markets as many foreign governments offer an increasing number of incentives to their respective export industries.

Despite these difficult conditions, Du Pont of Canada expects improvement in future performance. Current expansion programs will not only create the additional capacity needed to meet anticipated demand but will also contribute economies of scale, and an improved competitive position in domestic and foreign markets. In connection with this program, the Company is fortunate to have the

borrowing strength and internal cash-generating ability required to finance essential new investment.

Canada as a nation still retains the potential for a better economic performance than most industrial countries. The country's overall economic growth, and hence, growth in the chemical industry may progress at a comparatively slower pace in the future than was experienced over the past ten years. However, Canada's natural economic strengths could combine to produce a favourable business environment which contributes to the social and economic well-being of the country, if government policy is constructive and reduces the rate at which much needed expansion funds are diverted from the private to the public domain.

Du Pont of Canada is committed to restoring profitability over the longer term to a level which achieves a satisfactory return on investment to shareholders. The rate at which this objective can be achieved will be influenced by the duration of the Anti-Inflation Program and the completion of the Company's expansion program.

On behalf of the Directors,



Chairman and Chief Executive Officer



President and Chief Operating Officer

19th March 1976



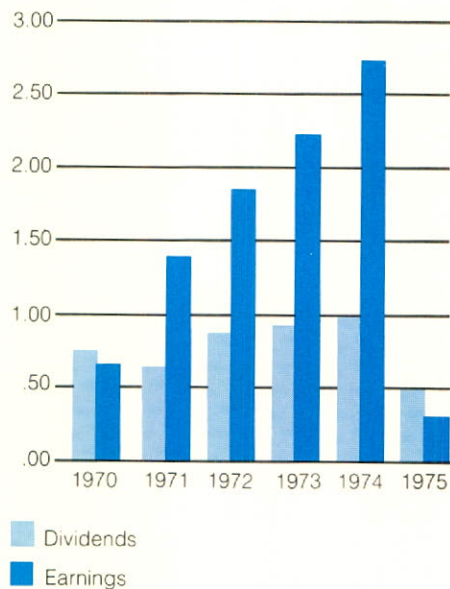
Du Pont of Canada Limited | **Financial Review**

FINANCIAL REVIEW

SALES AND EARNINGS

Net sales totalled \$410 219 000, 11 per cent above sales of \$368 425 000 achieved in 1974. Moderately higher selling prices and, to a lesser extent, increased sales volume of some manufactured and resale products accounted for the growth in sales revenues. Earnings before income taxes were \$3 877 000 compared to \$34 960 000 in 1974. Net income was \$2 419 000 or \$0.28 per common share compared with \$21 491 000 or \$2.70 per common share in 1974.

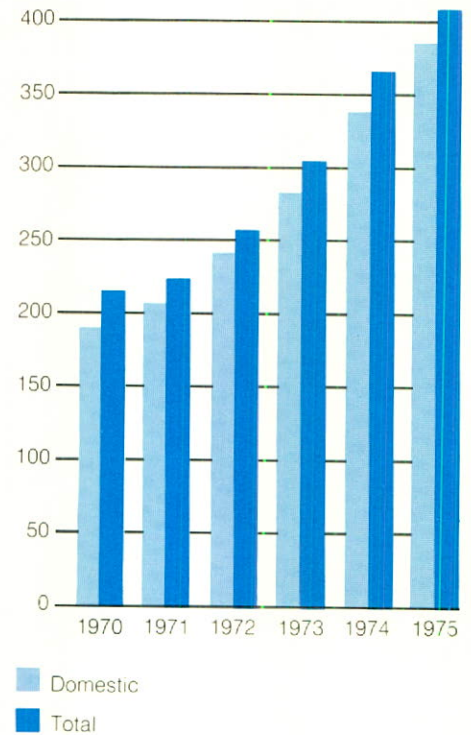
EARNINGS & DIVIDENDS PER COMMON SHARE (\$ per share)



Shipments of apparel and carpet fibres recorded steady gains throughout 1975 after declining in late 1974. Demand for polyethylene resin and pipe strengthened in the latter half of the year. Shipments of tire and industrial yarns, packaging films, industrial chemicals, explosives and woven polyolefins did not achieve levels attained in 1974.

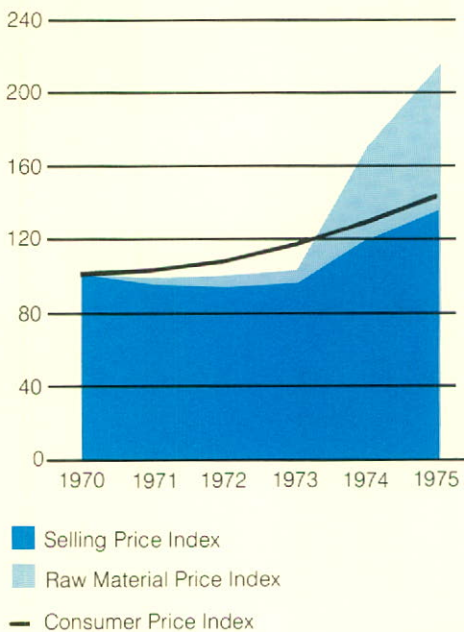
The volume of products imported for resale increased slightly.

SALES (millions of \$)



Despite the increase in revenues, earnings declined in 1975 as competition in domestic markets from external sources prevented selling prices from keeping pace with rising manufacturing and other costs. This pressure on profit margins is illustrated by the contrast between the index of selling prices for manufactured products, which has risen 42 per cent over the last two years, and the prices of major purchased raw materials and energy which have more than doubled over the same period of time.

PRICE INDEX
(1970 = 100)



Interest expense rose from \$4 658 000 in 1974 to \$10 217 000 in 1975. Interest costs are charged directly against earnings and are not capitalized when incurred in connection with capital expenditures. Selling, general and administrative expense increased less than 8 per cent over 1974.

Extraordinary charges to earnings of \$1 295 000 or \$0.16 per common share represent the write-off, net of deferred taxes, of all costs associated with projects which had been underway to install facilities for the manufacture of nylon staple at Les Usines Coteau and to expand acrylic fibre capacity at Maitland Works. Rapid escalation of construction costs led to termination of these projects.

WORKING CAPITAL AND FINANCING

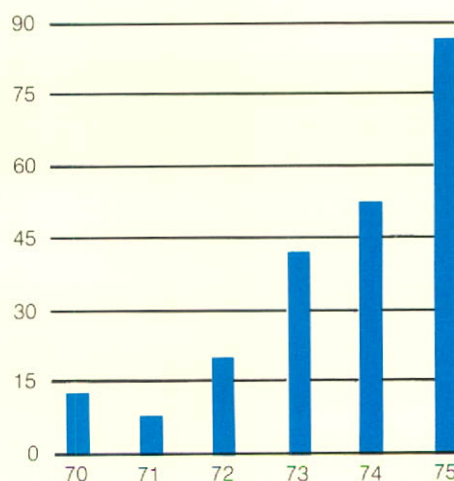
At 31st December 1975, working capital amounted to \$49 069 000, an increase of \$1 140 000 from last year.

Decreased demand for most products in late 1974 and early 1975 resulted in excess inventories which were rapidly adjusted to new market conditions. Total inventories at 31st December 1975 were \$3 284 000 lower than a year ago due to a decline in finished goods and work in process inventories.

Accounts receivable at year-end were \$18 108 000 in excess of last year reflecting principally a strong recovery in sales in the final quarter of 1975. A build-up in accounts receivable caused by the recent postal strike had largely been cleared away at year-end.

Funds provided from operations were \$26 323 000, a decrease of \$23 597 000 from last year. After dividends on preferred shares, cash flow amounted to \$3.32 per common share compared with \$6.31 last year.

CONSTRUCTION EXPENDITURES
(millions of \$)



Construction expenditures totalled \$87 542 000 in 1975, an increase of \$34 365 000 over 1974, reflecting significant progress toward completion of the construction program. The shortfall between cash generation and capital requirements was larger than expected because of the low level of

earnings and because substantial inflation-induced capital cost overruns were encountered in the expansion of nylon intermediates capacity at Maitland and the polyester project at Les Usines Coteau. At 31st December 1975, \$67 552 000 remained unexpended on authorized projects.

Increased reliance on borrowings was required during the year. The Company successfully marketed a \$75 000 000, 20-year sinking fund debenture issue in Canada with an interest rate of 10½ per cent. A further \$50 000 000, represented by five year promissory notes bearing interest at 9½ per cent, was raised in international capital markets shortly after year-end. Together with other borrowings already in place, the result has been to relate the maturities of Company debt more appropriately to expected medium and long term needs for external funds.

The effects of continued inflation in the economic environment have already been alluded to in terms of the sharply rising costs which have affected the Company's operations over the past two years. Reported earnings have suffered because selling prices have not risen enough to recover cost increases. Corporate liquidity has suffered because the rising replacement costs of inventories and plant have exceeded internal cash-generating capacity and, consequently, borrowings are larger than would otherwise have been required.

There is a limit to the amount of capital that can be borrowed. Before extensive new commitments can be undertaken it is imperative that selling prices be increased to restore adequate profit margins and to produce an acceptable real rate of return on shareholders' equity.

DU PONT OF CANADA LIMITED
AND SUBSIDIARIES

**CONSOLIDATED STATEMENT
OF INCOME**

(Dollars in thousands except per common share)

	Year Ended 31st December	
	1975	1974
NET SALES (Note 1)	\$410 219	\$368 425
Other income	591	600
	<u>410 810</u>	<u>369 025</u>
LESS:		
Costs and expenses before the following:	332 937	270 681
Provision for depreciation of plants and properties	18 685	16 551
Amortization of patents and processes	233	233
Adjustment to carrying value of mining ventures	944	942
Selling, general and administrative expenses	43 917	41 000
Interest on borrowed money:		
Current obligations	1 918	3 242
Loans maturing more than one year after issue	8 299	1 416
	<u>406 933</u>	<u>334 065</u>
EARNINGS BEFORE INCOME TAXES	3 877	34 960
Less: Income taxes	163	14 463
NET INCOME BEFORE EXTRAORDINARY ITEMS	3 714	20 497
Extraordinary items (Note 3)	(1 295)	994
NET INCOME	<u>\$ 2 419</u>	<u>\$ 21 491</u>
EARNINGS PER COMMON SHARE		
before extraordinary items	<u>\$0.44</u>	<u>\$2.57</u>
total	<u>\$0.28</u>	<u>\$2.70</u>

DU PONT OF CANADA LIMITED
AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF
CHANGES IN FINANCIAL POSITION**

(Dollars in thousands)

	Year Ended 31st December	
	1975	1974
SOURCE OF FUNDS		
From operations		
Net income before extraordinary items	\$ 3 714	\$ 20 497
Add items not requiring outlay of funds:		
Depreciation and amortization	18 918	16 784
Adjustment to carrying value of mining ventures	944	942
Deferred income taxes	<u>2 747</u>	<u>11 697</u>
	26 323	49 920
Sale of land	—	3 100
Long term debt	<u>75 000</u>	<u>19 517</u>
	<u>101 323</u>	<u>72 537</u>
USE OF FUNDS		
Additions to plants and properties	87 542	53 177
Dividends	4 117	8 060
Investments and advances	8 524	3 395
Other	—	(61)
	<u>100 183</u>	<u>64 021</u>
Increase in working capital for the year	1 140	8 516
Working capital at beginning of year	<u>47 929</u>	<u>39 413</u>
Working capital at end of year	<u>\$ 49 069</u>	<u>\$ 47 929</u>

DU PONT OF CANADA LIMITED
AND SUBSIDIARIES

**CONSOLIDATED
BALANCE SHEET**

(Dollars in thousands)

	31st December	
	1975	1974
ASSETS		
Current Assets		
Cash	\$ 5 229	\$ 5 465
Accounts receivable:		
Affiliated companies	2 469	1 323
Income taxes recoverable	2 210	—
Other	65 714	50 962
Inventories:		
Finished goods and work in process	40 069	44 640
Raw materials and supplies	22 402	21 115
Prepaid expenses	2 327	1 332
	<u>140 420</u>	<u>124 837</u>
Plants and Properties (Note 5)	458 592	375 610
Less: Accumulated Depreciation	<u>208 155</u>	<u>191 758</u>
	<u>250 437</u>	<u>183 852</u>
Other Assets		
Goodwill, patents and processes	4 325	4 558
Mining ventures (Note 6)	4 369	4 331
Petrosar Limited (Note 7)	8 700	2 700
Unamortized portion of long term debt expenses	1 124	—
Sundry	1 673	1 255
	<u>20 191</u>	<u>12 844</u>
	<u>\$411 048</u>	<u>\$321 533</u>

Signed on behalf of the Board:

D. S. Holbrook }
R. J. Richardson } Directors

	31st December	
	1975	1974
LIABILITIES		
Current Liabilities		
Bank and other short term indebtedness	\$ 38 564	\$ 36 564
Accounts payable and accrued liabilities:		
E.I. du Pont de Nemours & Company	13 479	4 721
Other	35 987	21 662
Taxes payable (Note 4)	2 489	1 946
Dividends payable	832	2 015
Long term debt due within one year (Note 8)	—	10 000
	<u>91 351</u>	<u>76 908</u>
Long Term Debt (Note 8)	<u>104 517</u>	<u>29 517</u>
Deferred Income Taxes (Note 4)	<u>41 283</u>	<u>39 513</u>
SHAREHOLDERS' EQUITY		
Capital stock		
Preferred 7½% cumulative stock, par value \$50		
Authorized, issued and fully paid — 46 500 shares	2 325	2 325
Common stock, no par value		
Authorized — 13 500 000 shares		
Issued and fully paid — 7 886 298 shares	40 031	40 031
Retained earnings	<u>131 541</u>	<u>133 239</u>
	<u>173 897</u>	<u>175 595</u>
	<u>\$411 048</u>	<u>\$321 533</u>

DU PONT OF CANADA LIMITED
AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF
RETAINED EARNINGS**

(Dollars in thousands)

	1975	1974
BALANCE AT BEGINNING OF YEAR	\$133 239	\$119 808
Add: Net income	2 419	21 491
	<u>135 658</u>	<u>141 299</u>
Less: Dividends declared on —		
Preferred 7½% cumulative stock	174	174
Common stock (\$0.50 per share in 1975 and \$1.00 per share in 1974)	3 943	7 886
	<u>4 117</u>	<u>8 060</u>
BALANCE AT END OF YEAR	<u>\$131 541</u>	<u>\$133 239</u>

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

Du Pont of Canada Limited is incorporated under the laws of Canada and the consolidated financial statements are drawn up in conformity with the provisions of the Canada Corporations Act. Subsidiary companies are all wholly owned and only Cedarcrest Company Limited and Du Pont of Canada Exploration Limited are active. The accounts of all subsidiary companies are included in these financial statements on the basis of twelve-month periods ended 31st December, although the fiscal year of Cedarcrest Company Limited ends 30th November. Investments in mining ventures are carried on the equity basis adjusted for amortization of exploration expenditures deferred in the accounts of the companies concerned. Other investments are carried at cost.

Translation of Foreign Currencies

Net current assets in foreign currencies are translated into Canadian dollars at rates in effect at the end of each year. Other assets and liabilities and income and expense items are translated at the rates prevailing on transaction dates.

Inventories

Inventories are valued at the lower of average cost and net realizable value.

Plants and Properties and Related Depreciation

Plants and properties are carried at cost. Depreciation is provided generally over the useful life of the assets. Using the diminishing balance method, rates of 12% or 10% are applied to

the net investment at each plant site, provided that amounts set aside in the accounts are not less than 5% of the original cost. Thus the provision for depreciation is higher in the early life of the assets when the risk is greatest. The relatively small investments in other properties are depreciated at various rates. Depreciation is not charged on new assets until they become operative. When assets are retired, sold or otherwise disposed of, the gross book value and dismantling costs are charged to accumulated depreciation; any recovery is credited to accumulated depreciation.

Goodwill, Patents and Processes

Goodwill was acquired prior to 1974 and is not amortized. Purchased patents and processes are stated at cost and amortized over their economic life.

Research and Development

Research and development expenditures are charged against current year's income.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 — Net Sales

The composition of net sales is as follows:

	1975	1974
	(Dollars in thousands)	
Fibres	\$157 474	\$137 138
Plastics and Films	113 203	107 350
Chemicals and Other	139 542	123 937
	<u>\$410 219</u>	<u>\$368 425</u>

Note 2 — Remuneration of Directors and Officers

During 1975, the remuneration paid to the twelve directors and two past directors aggregated \$60 000 and paid to the eleven officers and two past officers aggregated \$1 088 000. Three of these officers were also directors.

Note 3 — Extraordinary Items

Extraordinary items comprise the following:

	1975	1974
	(Dollars in thousands)	
Gain on sale of land	\$ —	\$ 1 543
Loss associated with the decision not to complete construction of an explosives plant in British Columbia, net of deferred income tax credits of \$450 000	—	(549)
Loss associated with the decision to terminate further work on a nylon staple carpet fibre plant in Quebec and on expansion of the "Orlon" acrylic fibre plant in Ontario, net of deferred income tax credits of \$977 000	(1 295)	—
	<u>\$ (1 295)</u>	<u>\$ 994</u>

Note 4 — Income Taxes

Income taxes are based on reported income which differs in some respects from taxable income. Differences generally arise because items of income and expense, such as depreciation, are reflected in different time periods for financial reporting purposes than for tax purposes. Deferred income taxes represent the amount by which taxes on reported income exceed taxes paid or payable on taxable income.

Revenue Canada is examining transactions with a non-resident subsidiary, Cedarcrest Company Limited, which may lead to a claim for income taxes against the Company. No assessments have been received to date, and the Company's professional advisers have recommended that if assessments are issued they should be contested.

Note 5 — Plants and Properties

	1975	1974
	(Dollars in thousands)	
Buildings and equipment and other facilities	\$368 566	\$323 323
Construction in progress	85 387	47 742
Land	4 639	4 545
	<u>\$458 592</u>	<u>\$375 610</u>

At 31st December 1975, there remained \$67 552 000 to be expended on authorized appropriations for capital expenditures.

Note 6 — Mining Ventures

	1975	1974
	(Dollars in thousands)	
Investments in and advances to mining companies	\$ 5 649	\$ 5 631
Expenditures of other mining ventures	2 341	1 377
	<u>\$ 7 990</u>	<u>\$ 7 008</u>
Accumulated amortization of deferred exploration expenditures	3 621	2 677
	<u>\$ 4 369</u>	<u>\$ 4 331</u>

At 31st December 1974 the Company's investment in mining companies consisted of 44.7% equity interest in Lacanex Mining Company Limited and joint ownership with that company of Ducanex Resources Limited. Through these companies, the Company had indirect equity interests in various mining companies, the more significant of which were a 24.4% interest in Tormex Mining Developers Limited and a 19.1% interest in Pure Silver Mines Limited. On 22nd September 1975, Lacana Mining Corporation was formed by the amalgamation of Lacanex Mining Company Limited, Tormex Mining Developers Limited and Pure Silver Mines Limited. The Company's equity interest in the new corporation is 21.5% which may be increased to a controlling interest upon exercise of options. The Company has a commitment to Lacana Mining Corporation to lend or guarantee a loan of up to \$3 190 000.

Note 7 — Petrosar Limited

The Company has a 20% equity interest in Petrosar Limited, incorporated in 1974 for the purpose of building a world scale ethylene plant at Sarnia, Ontario currently estimated to cost \$570 000 000. The other shareholders are Polysar Limited which together with the Canada Development Corporation holds a 60% equity interest and Union Carbide Canada Limited which holds a 20% equity interest.

Under various agreements the shareholders are committed to invest \$69 000 000 in equity capital and subordinated debt, and to share proportionately in any cash deficiency. A group of Canadian banks has agreed to advance \$265 000 000 for construction and \$35 000 000 for working capital. The shareholders of Petrosar Limited are committed to purchase the major portion of that company's petrochemical production or otherwise indemnify the company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Company's interest and commitments in Petrosar Limited are as follows:

	1975	1974
	(Dollars in thousands)	
Investment		
— common shares	\$ 8 700	\$ 2 700
Commitments		
— additional common shares	1 300	7 300
— subordinated debt	3 800	3 800
— provide directly or indirectly a maximum of 22% of any deficiency of funds required by Petrosar to complete its plant construction and to meet its debt obligations.		
— firm long term contracts for the purchase of ethylene and other chemicals.		

Based on current cost estimates for the project together with the successful conclusion of negotiations in progress relating to additional bank financing, the Company's commitment to purchase subordinated debt will increase from \$3 800 000 to approximately \$16 000 000.

Note 8 — Long Term Debt

	1975	1974
	(Dollars in thousands)	
Current portion:		
— 7% notes — Can. \$5 000 000 and U.S. \$5 000 000 due in December 1975	\$ —	\$ 10 000
Maturing beyond one year:		
— 8% note — U.S. \$5 000 000 due 1st February 1979	4 852	4 852
— 10 ³ / ₈ % notes — U.S. \$25 000 000 due 15th November 1979	24 665	24 665
— 10 ¹ / ₂ % Sinking Fund Debentures due 1st May 1995	75 000	—
	<u>\$104 517</u>	<u>\$ 29 517</u>

Sinking fund provisions of the debentures require the Company to make payments to the trustee sufficient to retire \$3 000 000 principal amount on 1st May in each of the years 1980 to 1994 inclusive.

AUDITORS' REPORT

The Shareholders
Du Pont of Canada Limited

We have examined the consolidated balance sheet of Du Pont of Canada Limited and subsidiaries as at 31st December 1975 and the consolidated statements of income, retained earnings and changes in financial position for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at 31st December 1975 and the results of their operations and the changes in their financial position for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Montreal, Que.
27th February 1976

Note 9 — Pension Liabilities

The last formal actuarial evaluation of the Company's non-contributory Pension Plan which was made as of 31st December 1973 disclosed a fully funded position based on the liabilities accrued to that point of time. The improved benefits and other changes introduced to the plan effective 1st March 1974, resulted in the assumption of a projected unfunded past service liability estimated at \$16 600 000 which is being amortized by equal annual payments over periods not exceeding 16 years as recommended by the Company's consulting actuary and as permitted by the regulations made under The Pension Benefits Act of the Province of Ontario.

After reflecting the improved benefits and other changes to the plan effective 1st March 1974 the amount held by the independent trustee to pay pensions approximated the actuarially determined value of pensions earned. Increased benefits to existing pensioners effective 1st November 1975 resulted in a further unfunded liability of \$1 700 000 which will be similarly amortized.

Note 10 — Pending Legal Proceedings

In 1974 actions were entered against the Company by (a) Ontario Building Materials Limited, Pan-Brick Limited and Chem Sales Corporation (Bahamas) Limited for rescission of agreements related to the sale by the Company of its interest in a business concerned with the manufacture and sale of an exterior wall system of interlocking panels faced with clay brick and alleged damages totalling \$39 980 000 and (b) Hammermill Paper Company claiming U.S. \$750 000 to cover cost of repairs arising from the alleged failure of an installation of a large diameter outflow made of "Sclairpipe" polyethylene pipe. The Company is of the opinion that these actions are not well founded and is defending the actions.

Note 11 — Anti-Inflation Act

The Company is subject to the anti-inflation legislation which became effective 14th October 1975 and limits increases in selling prices, remuneration, net earnings and dividend payments. Based on preliminary compliance calculations, it is management's opinion that the legislation has been adhered to from the effective date.

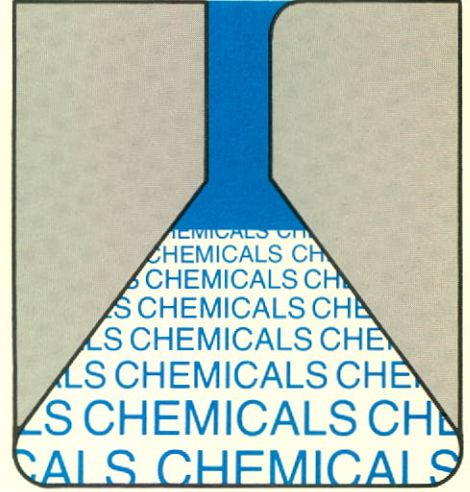
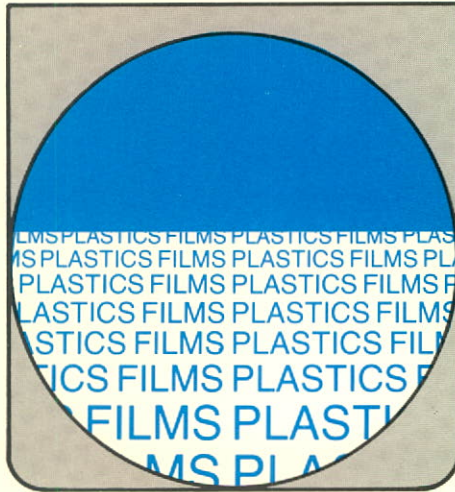
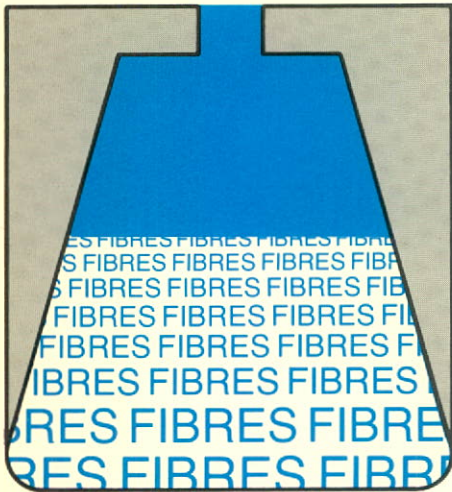
Note 12 — Subsequent Event

On 29th January, 1976 the Company issued \$50 000 000 principal amount of 9¹/₂% Notes due 15th February 1981.

Touche Ross & Co.
Chartered Accountants



Du Pont of Canada Product Review Limited





FIBRES

Total sales volume of fibre products in 1975 was slightly higher than in 1974, with significant increases in shipments of "Dacron" polyester filament yarn, BCF (bulked continuous filament) nylon and nylon staple. Shipments of tire and industrial nylon yarns, however, did not reach 1974 levels. Fibres sales revenue in 1975 was about 10 per cent higher than in 1974, due mainly to moderate selling price increases for major products.

Worldwide, 1975 was a disastrous year for fibre producers as a downturn in the textile cycle coincided with the business recession experienced in most industrial countries. Virtually every major producer in the world was in a loss position. In Canada, the decline in market demand which began after mid-year 1974 continued well into 1975 and prices were under downward pressure due to distress-priced imports and inventory reductions at all levels in the business chain. Capacity utilization was very low in the first half of the year and the carpet market experienced its first interruption in growth in many years. Raw materials were generally available to the extent of demand but their cost increased gradually during the year. This combined with increased salary and wage costs contributed to a total manufacturing cost escalation which, under the depressed selling price conditions, had a serious negative impact on earnings.

By the middle of 1975, demand for most products except tire yarn had begun to improve. During the second half of the year some increases in selling prices became possible, but this was severely limited by a lack of economic improvement outside North America. At year-end, therefore, a number of products continued to sell at prices well below those of 1974.

Major increases in market penetration of our nylon staple and BCF nylon

carpet fibres occurred in 1975, made possible by new capacity that came on stream at Kingston Works.

Capacity for production of "Dacron" polyester textile filament yarn was expanded at Kingston Works. Construction of a new facility at Les Usines Coteau continues toward a late 1976 start-up. Near the end of 1975, the Textile Division was reorganized and a separate Polyester Division was established in Fibres Group to manage this rapidly growing business.

The fibres market recovery is expected to continue throughout 1976. The longer range future for man-made fibres is very promising. As economic conditions improve, completion of large capacity installations in nylon intermediates, carpet fibre and "Dacron" will place the Company in an excellent position to capitalize on opportunities in these growing markets.

FIBRES

MANUFACTURED:

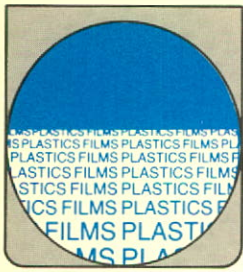
- Nylon continuous filament yarns, staple, tow and bulked continuous filament yarns*
- † ANTRON nylon for textiles and carpets
- † ORLON acrylic fibre, staple and tow
- † LYCRA spandex fibre
- † DACRON polyester filament yarn
Hexamethylene diamine, adipic acid, and nylon polymer

RESALE:

- * NOMEX high temperature resistant nylon
- * TYPAR spunbonded polypropylene carpet backing
- * TEFLON fluorocarbon fibre
- * DACRON polyester staple
- * KEVLAR aramid fibre

TRADE MARK IDENTIFICATION

- † Trade Mark of E. I. du Pont de Nemours & Company under which Du Pont of Canada Limited is a Registered User.
- * Trade Mark of E. I. du Pont de Nemours & Company.



PLASTICS

Sales of polyethylene resins and engineering plastics increased by 10 per cent over the previous year, mainly due to higher selling prices.

The major business restraint in 1975 was lower demand, principally in the automotive and durable goods markets, in contrast to 1974 when production and sales were limited by the availability of ethylene. Demand was weak in the early part of the year, but during the second half shipments of "Sclair" polyethylene resins manufactured at St. Clair River Works increased steadily.

PACKAGING

Domestic sales of "Cellophane" cellulose film fell 10 per cent in 1975 compared to 1974 and this, together with exceptionally weak export markets resulted in Shawinigan Works operating at substantially less than full capacity throughout most of the year. However, sales in both domestic and foreign markets strengthened during the last quarter and by year-end production rates had greatly improved. Several new higher yield grades of polymer-coated film were introduced to provide customers with increased coverage per pound and lower costs.

The severe slowdown in business conditions in late 1974 and through 1975 reduced demand for "Sclairfilm" polyolefin film. Film prices were soft and sales were slightly below 1974 levels.

POLYETHYLENE PIPE

There was a strong demand for "Sclairpipe" polyethylene pipe during 1975. The product's high value-in-use has resulted in wide customer acceptance both in new construction and in replacement of existing facilities, particularly mining applications, sewers and water transmission lines.

WOVEN POLYOLEFIN

Sales of "Fabrene" woven polyolefin materials dropped significantly from levels attained in 1974. In addition to the impact of the economic slowdown experienced during 1975, the five-month strike in the asbestos industry temporarily cut off sales of woven polyolefin for bags used in packaging asbestos.

PLASTICS AND FILMS

MANUFACTURED:

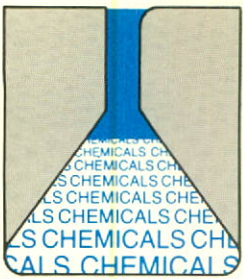
- *CELLOPHANE* cellulose film
- *SCLAIRFILM* polyolefin film
- *DARTEK* nylon film
- *FABRENE* woven oriented polyolefin material
- *PERFIL* fibrillated polyolefin tape
- † *VEXAR* plastic netting
Nylon monofilament
- *SCLAIR* polyethylene resins
- † *ZYTEL* nylon resins
- *SCLAIRPIPE* polyethylene pipe
- † *ALDYL "A"* polyethylene piping systems
- *ANCHOR-BAC* woven oriented polyolefin carpet backing

RESALE:

- * *MYLAR* polyester film
- * *KAPTON* polyimide film
- * *CLYSAR EH and EHC* polyolefin shrink film
- Liquid packaging machines*
Plastic materials for molding and extrusion including:
 - † *ALATHON* polyolefin resins
 - * *DELRIN* acetal resins
 - * *LUCITE* acrylic resins
 - * *MINLON* mineral reinforced polymers
 - * *SURLYN* ionomer resins
 - * *TEFLON* fluorocarbon resins
- Polymers for adhesives and coatings including:*
 - * *ELVACE* polymer emulsions
 - * *ELVANOL* polyvinyl alcohol
 - * *ELVAX* vinyl resins
Nitrocellulose
- † *DYMETROL* nylon strapping
- † *STREN* nylon fishing line
- * *BUTACITE* polyvinyl butyral sheet for safety glass

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EXPLOSIVES

The market for explosive products declined in 1975 relative to 1974, primarily because of the general recession and its effect on customers' activities. Sales volumes were adversely affected by a series of strikes in the mining, construction and logging segments and by the reduced activity of copper producers.

Selling prices for explosives were adjusted periodically throughout the year in line with increased costs. Recently, some improvement in demand has become apparent and a strong recovery is expected in 1976 following a resurgence in demand for Canadian natural resources by the U.S. economy.

Our small diameter water gel products produced at Nipissing Works continued to penetrate the cartridged explosives market. These were used successfully for the first time in high speed tunnelling and pipeline work in 1975.

INDUSTRIAL CHEMICALS

Sales of fluorocarbons declined slightly in 1975. This decrease reflects the liquidation of high inventories built up by customers toward the end of 1974, the reduction in consumer spending in 1975 and some loss of export opportunities. These factors are expected to diminish in importance as domestic market conditions improve. An encouraging development has been the continued diversification of end uses of fluorocarbons.

In 1974, a theory was developed that continued use of fluorocarbons could diminish the earth's ozone shield. The theory is based on a mathematical model and there are no scientific data to support it. The Company, together with other worldwide producers, is funding an extensive research program to obtain the facts. No legislative action to control fluorocarbon emissions in Canada is

expected unless there is a world consensus that sufficient scientific evidence can be found to support the so far unproven theory.

The market for gasoline additives, particularly anti-knock compounds, was smaller in 1975 than in 1974 because of the increased use of gasoline feedstocks with a higher octane rating. However, the market for these products is expected to remain steady as gasoline sales expand.

FINISHES

Sales volume of automotive finishes and refinish products manufactured at Ajax Works was essentially the same as last year, due to lack of growth in the automotive industry. Overall earnings improved reflecting higher average selling prices, changes in product mix and greater efficiency.

GENERAL PRODUCTS

Total sales in 1975 were higher than in 1974, mainly as a result of substantial gains in photo products. Growth in many lines was restrained by the downturn in the economy and labour unrest which adversely affected sales of a variety of products to many industries.

EXPORT

Although the lower volume of business activity in foreign markets resulted in decreased demand for most Company products, total sales revenue in 1975 equalled that of 1974. A significant gain in sales of "Sclair" polyethylene resin was partially offset by reduced exports of packaging films and "Freon" fluorocarbons, and by withdrawal from adipic acid marketing.

Demand for most Company products strengthened in the latter half of 1975 and the improvement is expected to extend through 1976. In addition, the Company is constantly seeking new markets for its products, and last year supplied customers in ten countries not sold to in 1974.

CHEMICALS AND OTHER PRODUCTS

MANUFACTURED:

- † FREON fluorocarbon refrigerants, aerosol propellants, industrial solvents and blowing agents
- † VALCLENE dry-cleaning fluid
Anti-knock compounds and other petroleum additives
- † ALBONE hydrogen peroxide
Protective and decorative finishes for automotive and industrial uses including:
 - DULUX enamels
 - † LUCITE acrylic lacquer
 - † TEFLON non-stick finishes

Commercial explosives including:

- † TOVEX water gels as well as dynamites, blasting agents and primers.

Hydrochloric and nitric acids

RESALE:

Ammonium nitrate prills and blasting accessories.

X-ray, graphic arts, engineering reproduction and drafting films, and equipment

* CYREL, * DYCRIL and * LYDEL photopolymer printing plates and equipment

* CHROMALIN photopolymer film, toners and equipment

Electronic products — * RISTON photopolymer film resists and equipment, precious metal preparations, and Berg interconnectors

Neoprene, * NORDEL, * HYPALON, * ADIPRENE and * VITON synthetic rubbers

Weed killers, plant fungicides, insecticides, and nitrogen fertilizer ingredients

Pigments

Dyes and organic chemicals

* ZEPEL rain and stain repeller

* REEMAY spunbonded polyester, * TYVEK spunbonded olefin and * TYPAR spunbonded polypropylene

Industrial chemicals and electroplating products

† IMRON urethane finishes

Powder coatings

† CENTARI acrylic enamel

* DEXLAR flexible acrylic enamel

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• Trade Mark of Du Pont of Canada Limited.

PLANTS AND SALES OFFICES

PLANTS

AJAX WORKS

408 Fairall Street
Ajax, Ontario L1S 1R6

KINGSTON WORKS

P.O. Box 2100
Kingston, Ontario K7L 4Z6

MAITLAND WORKS

Maitland, Ontario K0E 1P0

NIPISSING WORKS

P.O. Box 900
North Bay, Ontario P1B 8K2

ST. CLAIR RIVER WORKS

Corunna, Ontario N0N 1G0

SHAWINIGAN WORKS

P.O. Box 870
Shawinigan, Quebec G9N 6W6

WHITBY WORKS

P.O. Box 1480
Whitby, Ontario L1N 5S6

LES USINES COTEAU

(under construction)

C.P. 430
Coteau-du-Lac, Quebec
J0P 1B0

SALES OFFICES

AJAX, Ontario L1S 1R6

408 Fairall Street
(416) 683-5500

CALGARY, Alberta T2P 1C9

Royal Bank Building
335 - 8th Avenue, S. W.
(403) 265-9060

FREDERICTON,

New Brunswick E3B 5E2

Hanwell Road
(506) 454-3813

MONTREAL AREA

110 Cremazie Boulevard West
Montreal, Quebec H2P 1B9
(514) 381-9236

1600 - 50th Avenue

Lachine, Quebec H8T 2V5
(514) 636-4580

555 Dorchester Boulevard West

Montreal, Quebec H2Z 1B1
(514) 861-3861

SUDBURY, Ontario P3E 3M3

18 Durham Street South
(705) 674-0754

TORONTO AREA

789 Don Mills Road
Don Mills, Ontario M3C 1T5
(416) 362-5621

115 Idema Road
Markham, Ontario L3R 1A9
(416) 362-5621

Toronto Dominion Bank Tower
M5K 1B6
(416) 362-5621

VANCOUVER,

British Columbia V6G 1A5

1550 Alberni Street
(604) 684-9264

EXPORT SALES AGENT

CEDARCREST COMPANY LIMITED

International Centre Building
Hamilton, Bermuda
2-5206

DISTRIBUTION CENTRE

6000 Trans Canada Blvd.
Pointe Claire, Quebec H9R 1B9
(514) 697-8840

STOCK LISTINGS

Common Stock —
Montreal Stock Exchange
Toronto Stock Exchange
Preferred Stock —
Montreal Stock Exchange

STOCK TRANSFER AGENT AND REGISTRAR

Montreal Trust Company
Montreal, Toronto, Calgary and
Vancouver

DEBENTURE TRANSFER AGENT AND REGISTRAR

The Royal Trust Company
Montreal, Toronto, Winnipeg,
Calgary and Vancouver

*Please address inquiries to:
The Vice-President and Secretary,
Du Pont of Canada Limited
P.O. Box 660
Montreal, Quebec
H3C 2V1*

A TEN-YEAR COMPARISON

	1975	1974
Operating Results		
Results per common share (1)		
Total earnings	\$0.28	\$2.70
Cash flow from operations	\$3.32	\$6.31
Dividends	\$0.50	\$1.00
Sales and other income	410 810	369 025
Costs and expenses before the following:	376 854	311 681
Provision for depreciation, amortization and other (2)	19 862	17 726
Interest on borrowed money	10 217	4 658
Taxes on income	163	14 463
Extraordinary items	1 295	(994)
Net income	2 419	21 491
Per cent return on:		
Average total investment (3)	1.5	5.2
Average shareholders' equity	1.4	12.6
Financial Position		
Total current assets	140 420	124 837
Total current liabilities	91 351	76 908
Net working capital	49 069	47 929
Plants and properties at cost	458 592	375 610
Accumulated depreciation	208 155	191 758
Plants and properties — net	250 437	183 852
Other assets	20 191	12 844
Long term debt	104 517	29 517
Deferred income taxes	41 283	39 513
Shareholders' equity	173 897	175 595
General		
Company selling price index —manufactured products (1966 = 100)	118	105
Construction expenditures	87 542	53 177
Average total investment (4)	546 238	465 738
Shareholders' equity per common share (1)	\$21.76	\$21.97
Average number of employees	5 734	5 746
Average total investment per employee	95.3	81.1

(1) Based on 7 886 298 shares outstanding at the end of each year.

(2) Includes adjustment to the carrying value of mining ventures beginning in 1972.

(3) Based on net income before interest expense.

(4) Total investment is based on total assets before deducting accumulated depreciation; the average is based on the investment of each calendar month.

(Amounts in thousands of dollars except where otherwise noted)

1973	1972	1971	1970	1969	1968	1967	1966
\$2.24	\$1.80	\$1.41	\$0.68	\$2.05	\$1.51	\$1.30	\$1.73
\$5.21	\$4.02	\$3.29	\$2.62	\$3.88	\$3.37	\$3.72	\$4.08
\$0.95	\$0.85	\$0.625	\$0.75	\$1.00	\$1.00	\$1.00	\$1.00
307 954	260 737	228 333	211 398	228 532	207 923	183 185	196 705
258 913	218 384	190 810	184 682	184 999	167 270	147 645	155 341
16 766	16 385	15 673	15 357	15 636	15 335	14 562	13 529
2 160	629	1 058	2 635	1 315	1 163	1 504	1 372
12 299	10 992	9 530	3 213	13 044	11 602	9 049	12 665
—	—	—	—	(2 785)	491	—	—
17 816	14 347	11 262	5 511	16 323	12 062	10 425	13 798
4.7	4.1	3.4	2.0	5.2	4.0	3.8	5.3
11.4	9.6	8.0	4.0	12.0	9.4	8.3	11.3
91 768	83 294	68 583	74 114	70 770	63 587	52 779	51 991
52 355	32 875	30 921	45 386	42 651	41 981	37 190	42 542
39 413	50 419	37 662	28 728	28 119	21 606	15 589	9 449
333 293	292 891	275 532	272 313	262 347	248 956	241 922	229 800
183 511	170 291	158 000	146 389	133 936	121 148	109 465	98 428
149 782	122 600	117 532	125 924	128 411	127 808	132 457	131 372
11 235	10 604	9 822	5 035	3 739	3 794	2 307	2 615
10 000	10 000	—	—	—	—	—	—
28 266	21 608	20 471	21 301	21 305	22 506	23 653	19 100
162 164	152 015	144 545	138 386	138 964	130 702	126 700	124 336
83	81	83	88	91	94	97	100
42 948	20 360	7 504	12 867	16 216	11 967	15 790	22 565
402 816	362 321	347 829	344 881	324 723	311 469	292 633	270 820
\$20.27	\$18.98	\$18.03	\$17.25	\$17.33	\$16.28	\$15.77	\$15.47
5 538	5 113	5 158	6 311	6 562	6 303	6 491	6 696
72.7	70.9	67.4	54.6	49.5	49.4	45.1	40.4

LES USINES COTEAU

LES USINES COTEAU

Les Usines Coteau, located in Coteau-du-Lac, Quebec, represents the Company's newest plant, and the first new site since 1959. Designed to accommodate future expansion, Les Usines Coteau is being built at an approximate cost of \$50 000 000. When production of "Dacron" polyester yarn comes on stream, 325 persons will be employed in this plant which is equipped with modern environmental control and energy conservation systems. The language of work will be French.





DIRECTORS

Robert G. Beck

Company Director and former President
Du Pont of Canada Limited
Elected April 21, 1949

Ralph B. Cole

Vice-President and Treasurer
E. I. du Pont de Nemours & Company
Elected October 23, 1970

Joseph A. Dallas

Senior Vice-President and Director
E. I. du Pont de Nemours & Company
Elected June 25, 1971

A. Jean de Grandpré, Q.C.

President and Director
Bell Canada
Elected April 17, 1970

Henry J. Hemens, Q.C.

Vice-President and Secretary
Du Pont of Canada Limited
Elected February 26, 1971

David S. Holbrook

Chairman and Chief Executive Officer
The Algoma Steel Corporation Limited
Elected December 16, 1966

D. Carlton Jones

President and Director
Hudson's Bay Oil and Gas Company Limited
Elected December 14, 1973

John A. Klacsmann

Vice-President and General Manager
International Department
E. I. du Pont de Nemours & Company
Elected August 22, 1975

Herbert H. Lank

Company Director and former Chairman and President
Du Pont of Canada Limited
Elected April 21, 1949

Franklin S. McCarthy

President and Chief Operating Officer
Du Pont of Canada Limited
Elected December 19, 1975

Robert J. Richardson

Chairman and Chief Executive Officer
Du Pont of Canada Limited
Elected June 25, 1971

Roy L. Schuyler

Vice-President and General Manager
Organic Chemicals Department
E. I. du Pont de Nemours & Company
Elected April 17, 1970

OFFICERS

***Robert J. Richardson**

Chairman and Chief Executive Officer

***Franklin S. McCarthy**

President and Chief Operating Officer

J. Edward Newall

Executive Vice-President

J. Herbert Childs

Vice-President,
Corporate Development

Henry J. Hemens, Q.C.

Vice-President and Secretary

Donald A. S. Ivison

Vice-President and Treasurer

Bertalan L. Turvolgyi

Vice-President, Marketing

Colin C. Young

Vice-President,
Employee and Public Relations

Peter Pick

Assistant Treasurer

Thomas S. Morse

Assistant Treasurer

Kenneth H. Scott

Assistant Treasurer

**The Board of Directors has elected Franklin S. McCarthy President and Chief Executive Officer to be effective 1st April 1976. Robert J. Richardson, who has been elected Vice-President and Treasurer of E.I. du Pont de Nemours & Company, remains Chairman of the Board of Du Pont of Canada Limited.*



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