

In Memoriam

The Earl of Iveagh

Arthur Francis Benjamin Guinness, 3rd Earl of Iveagh, died in London on June 18, 1992 at the age of 55. He was the 6th direct descendant of Arthur Guinness who in 1759 founded the world-renowned Dublin brewery.

Benjamin Iveagh was a strong supporter of your Company and it benefited from his wisdom and guidance as Chairman and Director since 1961. He maintained and developed his family's investment interests in Canada, which he held in high esteem.

Each of us will have our own memories of Benjamin Iveagh, whether it be in the field of business, agriculture, politics or the arts, but at the end of the day he will be remembered as being a kind and truly gentle man who always had time for others. He will be sorely missed on both sides of the Atlantic.

M P G Investment Corporation Limited

Notice to Shareholders

Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of MPG Investment Corporation Limited will be held in the offices of the Company, 215 Sydney Street, Cornwall, Ontario, on Thursday, October 29, 1992 at 11:00 a.m. (local time) for the following purposes:

- (a) to receive the Consolidated Financial Statements of the Company for the fiscal year ended June 30, 1992 and the Report of the directors and auditors thereon;
- (b) to elect directors;
- (c) to appoint auditors and authorize the directors to fix their remuneration;
- (d) to transact such other business as may properly come before the meeting.

By Order of the Board

SHEILA A. DUNCAN
Secretary

September 18, 1992

If you do not intend to be present at the meeting, please exercise your right to vote by signing and returning your form of proxy in the accompanying addressed envelope by October 28, 1992. If you attend the meeting, you may, if you so desire, withdraw your proxy and vote in person.

Management Proxy Circular

As of August 28, 1992

Solicitation of Proxies

This solicitation of proxies is made by the management of MPG Investment Corporation Limited (the "Company") for use at the Annual General Meeting of Shareholders to be held on Thursday, October 29, 1992, and at all adjournments thereof, for the purposes set forth in the accompanying Notice of Meeting. It is expected that the solicitation will be made primarily by mail, but proxies may also be solicited by directors and officers of the Company by telephone and other means of communication. The cost of the solicitation will be borne by the Company.

Appointment and Revocability of Proxies

The persons named in the enclosed form of proxy are directors and officers of the Company. **A shareholder has the right to appoint a person to represent him at the meeting other than the persons designated in the enclosed form of proxy** and may do so either by inserting such person's name in the blank space provided in such form and deleting the names of the designated persons or by completing another proper form of proxy and, in either case, mailing it to The R-M Trust Company, Corporate Trust Services, P.O. Box 475, Adelaide Street Postal Station, Toronto, Ontario M5C 9Z9, or depositing it at the offices of The R-M Trust Company, 393 University Avenue, 5th Floor, Toronto, Ontario on or before October 28, 1992 or with the Secretary or Chairman of the meeting on the day of the meeting or any adjournment thereof prior to voting. A person appointed as a proxy need not be a shareholder of the Company.

A shareholder who has given a proxy may revoke it at any time before it is exercised. A proxy may be revoked by instrument in writing executed by the shareholder or by his attorney authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized, and mailed to or deposited at The R-M Trust Company at the addresses set out above, or deposited with the Secretary or Chairman of the meeting on the day of the meeting or any adjournment thereof prior to voting.

Exercise of Discretion by Proxy Holders

The shares represented by any proxy in the accompanying form and appointing the persons designated in the form of proxy or any of them to represent the shareholder at the meeting will be voted or withheld from voting as specified by the shareholder with respect to the matters identified in the Notice of Meeting. **In the absence of instructions, such shares will be voted for the election of directors and the appointment of auditors as stated under those headings in this Proxy Circular.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting or other matters that may properly come before the meeting. At the date of this Proxy Circular, the management of the Company knows of no such amendments, variations or other matters.

Voting Rights

The shares of the Company entitled to vote at the meeting are its Common shares without par value. As of August 28, 1992 there were 3,847,190 Common shares outstanding. Each such share entitles the holder to one vote on all matters to come before the meeting. The directors have set a record date of the close of business on September 11, 1992 with respect to determining shareholders who are entitled to receive notice of and vote at the meeting, except to the extent that: (A) the holder has transferred ownership of any of those shares after that date; and (B) the transferee of those shares produces properly endorsed share certificates, or otherwise establishes that the transferee owns the shares, and demands not later than ten days before the meeting that the transferee's name be included to vote the transferred shares at the meeting, in which case the transferee is entitled to vote the shares at the meeting.

As of August 28, 1992 there were outstanding 80,000 1964 Series Preferred shares. Since dividends on these shares are not in arrears, the holders of these shares are neither entitled to vote nor to attend the meeting.

The directors and officers do not know of any person or company beneficially owning, directly or indirectly, or exercising control or direction over Common shares of the Company carrying more than 10% of the voting rights attached to all shares of the Company.

Election of Directors

The Board consists of eight directors to be elected annually. Unless otherwise specified by the shareholder, the persons named in the enclosed proxy intend to vote for the election of the proposed eight nominees. Each director elected will hold office until the next Annual Meeting unless his office is earlier vacated in accordance with the by-laws. All of these nominees are now directors and have been since the dates indicated below.

Management has no reason to believe that the persons nominated will not be available, but, in the event that a vacancy among the original nominees occurs for any reason prior to the meeting, the proxies will be voted for a substitute nominee recommended by management and for the remaining nominees. Information is given below with respect to each nominee for election as a director, including the approximate number of each class of shares of the Company which he has advised that he and his associates beneficially own, directly, or over which he or they exercise control or direction.

<u>Nominee</u>	<u>Principal occupation or employment position or office with the Company</u>	<u>Date first became Director</u>	<u>Common shares</u>
*Donald C. Cameron	Retired Chairman of the Board, Jones Heward & Company Ltd. — Investment Advisors	September 28, 1972	7,680
The Rt. Hon. H. Paul G. Channon, M.P.	Member of the United Kingdom Parliament; Director of The Iveagh Trustees Limited — Management Company	August 28, 1992	43,340
*J. Robertson Collins	Chairman and Chief Executive Officer, Morgan Financial Corporation — Financial Services Holding Company; Counsel, Stikeman Elliott — Lawyers	November 9, 1983	384
Thor A. Foss	Vice Chairman and Director, Jones Heward Investment Management Inc.	November 9, 1983	15,600
J. A. Michael Hutchinson	Joint Managing Director, The Iveagh Trustees Limited — Management Company	October 24, 1988	Nil
*J. D. H. Mackenzie	Retired President, Elgistan Management Limited — Management Company	November 17, 1966	18,000
Robert P. Mather	Managing Director, ScotiaMcLeod Inc.	October 30, 1989	54,542
John K. McBride	Vice President, Elgistan Management Limited — Management Company; President and Chief Executive Officer of the Company	October 31, 1990	6,360

*Member of the Audit Committee

Remuneration of Management and Others

The following information is furnished as to the remuneration of directors and officers:

	Directors' fees (1) \$	Salaries \$	Non- accountable expense allowances \$	Other (notes) \$	Total \$
Remuneration of Directors <i>Number of directors: Eight</i>	42,000	—	—	—	42,000
Remuneration of Officers <i>Number of officers: Eight (2)</i>	—	—	—	—	—
Totals	42,000	—	—	—	42,000

(1) Directors are paid an annual fee of \$3,000 and \$400 for each board or committee meeting attended.

(2) Three (3) of these officers are executive officers as defined in the regulations to the Securities Act (Ontario) who received an aggregate of \$13,800 out of Directors' fees listed above.

The aggregate direct remuneration payable by the Company during its last complete financial year to directors and senior officers as such was \$42,000. The Company does not have a pension plan for its officers.

Executive Share Purchase Plan

The Company established an Executive Share Purchase Plan in 1982, with shareholder approval, to assist designated officers and employees to purchase up to 160,000 Common shares of the Company. Under the Plan, the Company advances to the trustee an interest-free loan for the account of a designated officer or employee to be used by the trustee to purchase shares from the Company on behalf of that officer or employee. The shares are issued at a price equal to the market price at the time of purchase. All dividends paid in respect of the Common shares are credited to the repayment of the loan and the shares in respect of which the loan remains outstanding are pledged in favour of the trustee to secure repayment of the loan. To date, an aggregate of 37,560 Common shares have been issued to John K. McBride, a director and officer of the Company, and to two former officers of the Company. The original loans made to such persons aggregated \$179,700 of which \$13,552 is currently outstanding. The largest aggregate amount outstanding on account of the loan made to John K. McBride for the year ended June 30, 1992 was \$15,030.

Loan to Officer

The Company previously approved an interest-free loan to John K. McBride, a director and officer of the Company, to purchase Common shares of the Company upon exercise of 1984 Common Share Purchase Warrants held by him. The largest amount outstanding on account of the loan during the year ended June 30, 1992 was \$23,199, of which \$21,497 is currently outstanding.

Appointment of Auditors

Unless otherwise specified by the shareholder, the shares represented by any proxy in the accompanying form will be voted in favour of Ernst & Young as auditors of the Company and to authorize the directors to fix the remuneration of the auditors so appointed. Ernst & Young have been auditors of the Company for more than five years.

Normal Course Issuer Bid

The Company intends to file a Notice of Intention to Make a Normal Course Issuer Bid through the facilities of The Toronto Stock Exchange and The Montreal Exchange. The Normal Course Issuer Bid is subject to the approval of each of these exchanges.

By way of the Normal Course Issuer Bid, the Company intends to purchase from time to time, if it is considered advisable, commencing October 1, 1992 at prevailing market prices, up to 148,052 of the 3,847,190 issued and outstanding Common shares, and up to 8,000 of the 80,000 issued and outstanding 1964 Series Preferred shares (being approximately 4% of the public float of the Common shares and approximately 10% of the public float of the 1964 Series Preferred shares) on the public market through the facilities of The Toronto Stock Exchange and The Montreal Exchange. As of August 28, 1992, the Company had 3,847,190 issued and outstanding Common shares and 80,000 issued and outstanding 1964 Series Preferred shares. In no event will the Company purchase pursuant to the issuer bid (i) Common shares or 1964 Series Preferred shares which, when aggregated with all other purchases of such Common shares or 1964 Series Preferred shares, respectively, in a given thirty day period (whether through facilities of The Toronto Stock Exchange, The Montreal Exchange or otherwise), aggregate more than 2% of the Common shares or the 1964 Series Preferred shares, respectively, issued and outstanding at the time the purchase is made, or (ii) over a twelve month period, more than 148,052 Common shares or 8,000 1964 Series Preferred shares.

The issuer bid will terminate upon the Company purchasing a total of 148,052 Common shares and 8,000 1964 Series Preferred shares, the Company providing notice of termination on September 30, 1993, whichever is earlier.

The purpose of this Normal Course Issuer Bid is to increase the liquidity of the Common shares, which are presently thinly traded and reduce the discount at which the Common shares trade relative to their underlying Net Asset Value.

The Normal Course Issuer Bid for the 1964 Series Preferred shares will be undertaken to take advantage of market prices that make such shares an attractive investment for the Company and to increase the liquidity of the shares, which are presently thinly traded.

The Company intends to file the Notice of Intention to Make a Normal Course Issuer Bid with The Toronto Stock Exchange and The Montreal Exchange on or about September 25, 1992. Following these filings, any shareholder who wishes to obtain a copy of the Notice of Intention to Make a Normal Course Issuer Bid may do so by contacting Sheila A. Duncan, 215 Sydney Street, Cornwall, Ontario K6H 3H3, telephone (613) 932-0183.

Directors' and Officers' Liability Insurance

The Company maintains, on behalf of the directors and officers of the Company, a directors' and officers' liability insurance policy. The policy has a coverage limit of \$5,000,000. The annual premium cost to the Company for the policy year ending October 15, 1992 is \$21,000. No allocation of premium has been made in respect of the directors as a group or the officers as a group. The policy requires the Company to absorb a deductible amount of \$250,000 per occurrence.

Management Contract

Elgistan Management Limited, having its Executive office at 215 Sydney Street, Cornwall, Ontario, and which is a wholly-owned subsidiary of Duke Seabridge Limited, Suite 505, Kapilano 100, 100 Park Royal, West Vancouver, British Columbia V7T 1A2, provides management services to the Company under a contract dated December 31, 1980, as amended.

The names and addresses of the directors and officers of Elgistan Management Limited are:

<u>Name and Address</u>	<u>Position Held</u>
Darleen C. Acheson	Assistant Secretary
215 Sydney Street, Cornwall, Ontario K6H 3H3	
Sheila A. Duncan	Secretary
215 Sydney Street, Cornwall, Ontario K6H 3H3	

<u>Name and Address</u>	<u>Position Held</u>
Michael J. Gallagher Suite 505, Kapilano 100, 100 Park Royal, West Vancouver, British Columbia V7T 1A2	Assistant Secretary
J. Vernon Holt 215 Sydney Street, Cornwall, Ontario K6H 3H3	Director and Treasurer
Debra D. Hunt 215 Sydney Street, Cornwall, Ontario K6H 3H3	Assistant Treasurer
Anthony Laoun Suite 505, Kapilano 100, 100 Park Royal, West Vancouver, British Columbia V7T 1A2	Director and Vice President
John K. McBride 215 Sydney Street, Cornwall, Ontario K6H 3H3	Director and Vice President
Norman L. Scott 220 - 42nd Avenue S.E., Calgary, Alberta T2G 1Y4	Assistant Secretary
Charles M. Sherwood Iveagh House, 41 Harrington Gardens, London, SW7 4JU, England	Director and President
Duncan M. White Suite 505, Kapilano 100, 100 Park Royal, West Vancouver, British Columbia V7T 1A2	Assistant Secretary

During the fiscal year ended June 30, 1992 the Company paid \$414,375 to Elgistan Management Limited for management services.

Approval

The contents and the sending of this Proxy Circular have been approved by the Board of Directors.

SHEILA A. DUNCAN
Secretary

August 28, 1992

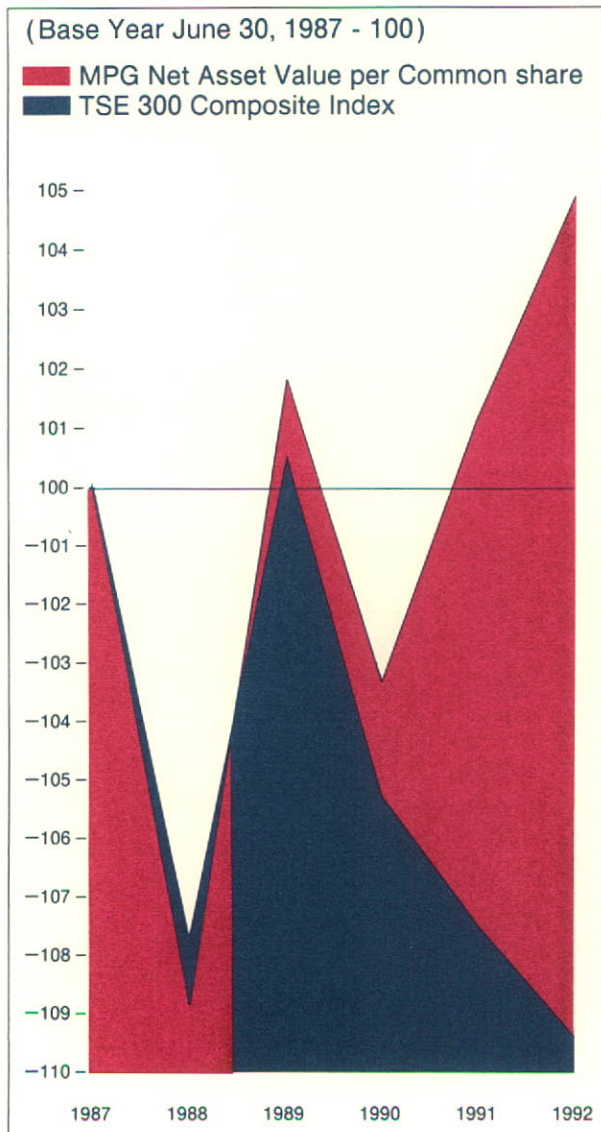


Contains over 50% recycled
paper including 10% post
consumer fibre.
Contient plus de 50 p. 100
de papier recyclé dont 10 p.
100 de fibres post
consommation

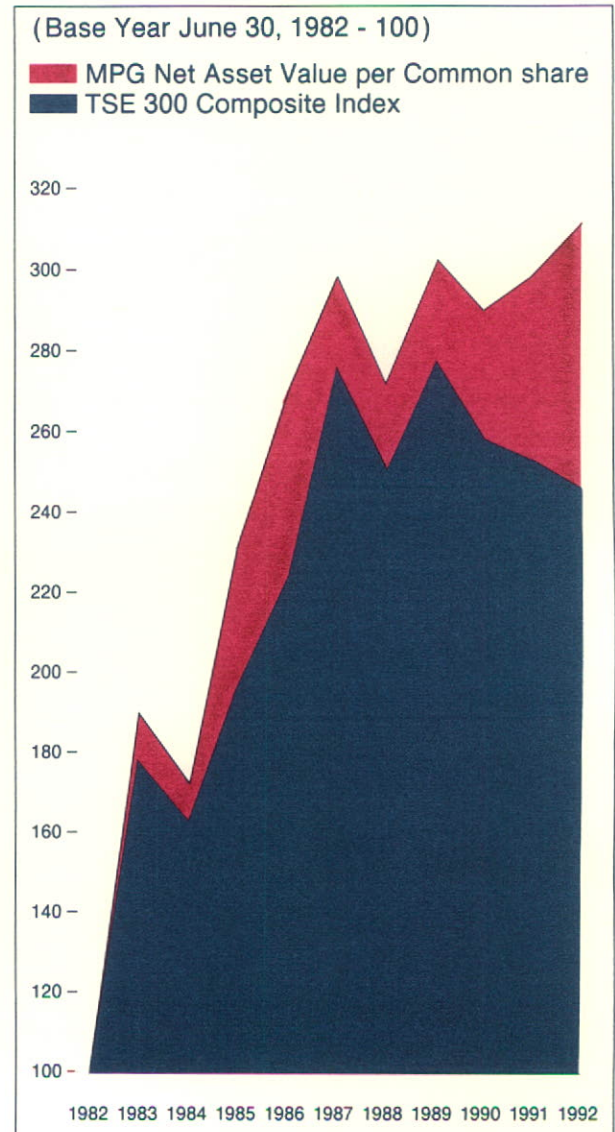
Financial Highlights

	June 30, 1992	June 30, 1991	Change
NAV per Common share	\$13.00	\$12.43	+4.6%
TSE 300	3,387.70	3,465.82	-2.3%
Gross Assets	\$48.5M	\$46.7M	+3.9%

Five Year Performance



Ten Year Performance



To Our Shareholders

For many Canadian equity investors, the year ended June 30, 1992 was not a great one. Taxes were up, the economy was basically flat and the stock market was down.

Yet we are pleased to report that **the results** of MPG for the year under review were very encouraging for both the Company and its shareholders:

- The price of the Common shares closed at \$9 up 12.5% from last year;
- The Net Asset Value (NAV) rose 4.6% to \$13.00 from \$12.43 at June 30, 1991. This compares with a decline of 2.3% in the Toronto Stock Exchange 300 Composite Index (TSE 300);
- For the five and ten-year periods, the NAV increased 4.84% and 213.25% respectively as compared with a decline of 9.42% and an increase of 147.86% in the TSE 300 for the same periods. These results are shown in the graphs on Page 1;
- The discount between the NAV and the market price narrowed to 30.7% down from 35.6% at June 30, 1991;
- Income per Common share rose marginally to 30.3¢ from 30.2¢ despite an 18.9% decline in total income;
- Total dividends paid to Common shareholders increased to 33¢ from 31¢. This represented a 3.7% yield on the closing market price of \$9 on the Common shares;
- Expenses, as a percentage of average net assets, declined to 1.36% from 1.61%.

At the 1991 Annual Shareholders' Meeting, the Board committed to look for ways to improve shareholder value. The Board continues to believe that the best way to meet this objective is through strong performance and the above results indicate the considerable progress made to date.

As a further step to enhance shareholder value, the Board is pleased to announce the implementation of a Normal Course Issuer Bid (share repurchase program) for a one year period for both the Common and 1964 Series Preferred shares to commence on October 1, 1992. The Board anticipates that this program will further reduce the discount and create an improved market for the Common shares.

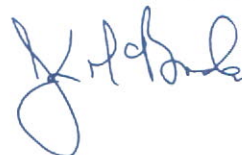
In previous years the Annual Report highlighted several companies in the portfolio. This year you will find, on pages 16 and 17, tables analyzing various segments of the portfolio to give shareholders further insight into our investment strategy.

Over the past year the Canadian equity markets have lacked any conviction that a sustainable economic recovery is at hand, and rightly so. Canadians have seen few substantial benefits of free trade except for cross-border shopping, and only hear about high profile trade disputes and plant closures. With high taxes, a weak economy and the emotional roller coaster ride of the constitutional debate, Canadians are insecure about their long-term job prospects and, as a result, are not spending. Despite the lowest interest rates in two decades, a marginally

lower Canadian dollar and an inflation rate of just over one percent, the economy has experienced minimal growth.

The longterm outlook for the Canadian equity markets is for meaningful gains as low interest rates and inflation should improve our competitiveness. However, much of this will depend on improved commodity prices over which we are not masters of our own destiny. There we are dependent on a global recovery to increase consumption, and economic stabilization in the Commonwealth of Independent States to permit a predictable supply of resources. We are, however, masters of the constitutional debate and the political state of this country. Over the past 125 years Canada has achieved a standard of living and a way of life which are unmatched by most nations in the world. To continue to enjoy these advantages we must build on our strengths by relying and depending on *all* parts of the country. If we cannot resolve the constitutional struggle fairly, quickly and wisely, then a global recovery may pass us by.

The Directors announce the appointment of The Rt. Hon. Paul Channon, M.P. as a Director of the Company effective August 28, 1992 to fill the vacancy created by the death of the 3rd Earl of Iveagh.



John K. McBride
President

August 28, 1992

Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

During the year ended June 30, 1992, the Net Asset Value increased to \$13.00 from \$12.43 with total assets increasing to \$48.5 million from \$46.7 million. The portfolio growth came primarily as a result of a low exposure throughout the year in the underperforming resource and real estate sectors, and an overweighting in consumer products which outperformed the market.

In 1991 the Class B Preferred shares were retracted and redeemed which reduced the dividend payment requirements of the Company. This enabled the investment strategy to rely less on income generation and as a result, enabled the portfolio to emphasize growth equity investments with lower yields. Lower income needs also permitted the portfolio to be more fully invested with lower cash reserves. We expect this strategy to continue for the foreseeable future.

Total income declined by 18.9% to \$1,987,892 from \$2,450,047. In 1991 interest revenues were higher as additional reserves were raised for the retraction and redemption of the Class B Preferred shares. In the current year reserves have been reduced to under 10% and, combined with the interest rate decline over the past year, total interest revenues are down 46.1%. Total dividend revenue was down due to the increase in the number of non-yielding growth equities in the portfolio.

Dividend revenue is expected to increase in 1993, but this may be offset by lower interest revenue as interest rates continue to decline.

Total operating expenses declined by 11.2% from \$750,147 to \$665,827. This decline was the result of the final amortization expense associated with the Class B Preferred shares being charged in 1991. In March of 1992 the wholly-owned subsidiary, MPGM Holdings Ltd., was wound down which reduced operating expenses and current income taxes. A general reduction in all other expenses was offset by a full year of GST expense. Further significant expense reductions are not anticipated in 1993, but we expect the expense ratio to decline as the value of the fund increases.

Quarterly Common share dividend payments increased to 7¢ from 6¢ on December 31, 1991, with an extra payment on June 30, 1992 of 7¢ for a total of 33¢. This compares to a total of 31¢ paid in 1991.

Total Preferred share dividend payments declined to \$104,000 from \$391,484 as no Class B Preferred share dividend payments were required in the current year.

After the payment of the Preferred share dividends, \$1,166,485 was available for Common shares (30.3¢) as compared to \$1,160,760 (30.2¢) in 1991, both based on 3,847,190 Common shares outstanding.

Capital Resources and Liquidity

During the year, there were no changes in the capital structure of your Company as compared to 1991 in which the stated capital of the Preferred shares was reduced by \$7,135,000. Since the fiscal year ended June 30, 1990, Preferred share dividend servicing requirements have been reduced from approximately \$740,000 per year to the current \$104,000.

The Company will implement a share repurchase program in October 1992; however, this is not expected to significantly impact either the capital structure of the Company or the performance of the fund.

**Consolidated
Balance Sheets**
As at June 30

(Incorporated under the Canada Business Corporations Act)

1992

1991

ASSETS

Cash	\$ 19,747	\$ 185,308
Interest-bearing demand deposits	744,160	987,865
Accrued interest and accounts receivable	321,176	353,337
Prepaid expenses	6,125	—
Investments at market value (note 3 and schedule)	47,381,452	45,143,418
Loans to officers (note 2)	35,049	38,229
	\$48,507,709	\$46,708,157

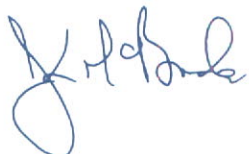
LIABILITIES AND SHAREHOLDERS' EQUITY

Accounts payable	\$ 116,809	\$ 142,952
Dividends payable	26,000	26,000
Income taxes payable	58,696	83,269
	201,505	252,221

Shareholders' equity:

Share capital issued (notes 5 and 6) —		
80,000 1964 Series Preferred shares	2,000,000	2,000,000
3,847,190 Common shares	25,134,499	25,134,499
Retained earnings	1,060,331	1,163,418
Realized gains on disposals of investments	14,211,795	13,353,188
Unrealized appreciation of investments	5,899,579	4,804,831
	48,306,204	46,455,936
	\$48,507,709	\$46,708,157

On behalf of the Board:

 , Director

 , Director

See accompanying notes

Consolidated Statements of Income and Expenses

Years Ended June 30

	1992	1991
Income:		
Dividends from taxable Canadian corporations	\$1,439,430	\$1,515,197
Interest on investments	390,388	713,115
Dividends from United States corporations	114,415	129,878
Miscellaneous interest earned	43,659	91,857
	1,987,892	2,450,047
Expenses:		
Management fees	414,375	388,261
Trust company fees and charges	64,795	67,008
Legal, audit and professional fees	60,383	67,122
Directors' fees	41,934	44,200
Capital tax	10,297	5,550
Amortization of deferred charges	—	85,199
Printing and stationery	12,044	12,120
General	61,999	80,687
	665,827	750,147
Income before income taxes	1,322,065	1,699,900
Income taxes (note 4):		
Current	34,401	162,864
Foreign withholding	17,179	19,438
Deferred	—	(34,646)
	51,580	147,656
Net income for the year	\$1,270,485	\$1,552,244
Earnings per Common share (note 1f)	30.3¢	30.2¢

See accompanying notes

Auditors' Report

To the Shareholders of
MPG INVESTMENT CORPORATION LIMITED

We have audited the consolidated balance sheets of MPG Investment Corporation Limited as at June 30, 1992 and 1991 and the consolidated statements of income and expenses, retained earnings, realized gains on disposals of investments, unrealized appreciation of investments and changes in net assets for the years then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether

the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the corporation as at June 30, 1992 and 1991 and the results of its operations and the changes in its net assets for the years then ended in accordance with generally accepted accounting principles.

Pointe-Claire, Canada
July 17, 1992.

ERNST & YOUNG
Chartered Accountants

Consolidated Statements of Retained Earnings

Years Ended June 30

MPG
INVESTMENT
CORPORATION
LIMITED

	1992	1991
Retained earnings, beginning of year	\$ 1,163,418	\$ 1,195,286
Appreciation of contributed surplus arising from expiry of unexercised 1985 Warrants (note 7)	—	240,000
Excess of redemption value over stated capital value of 1985 Class B Preferred shares (note 5)	—	(240,000)
Net income for the year	1,270,485	1,552,244
	2,433,903	2,747,530
Dividends paid or accrued:		
1964 Series Preferred shares (\$1.30 per share)	104,000	104,000
1980 Series Class B shares (1991 — \$0.5216 per share)	—	71,717
1985 Series Class B shares (1991 — \$0.9411 per share)	—	215,767
Common shares (\$0.33 per share; 1991 — \$0.31 per share)	1,269,572	1,192,628
	1,373,572	1,584,112
Retained earnings, end of year	\$ 1,060,331	\$ 1,163,418

Consolidated Statements of Realized Gains on Disposals of Investments

Years Ended June 30

Balance, beginning of year	\$13,353,188	\$12,328,352
Realized profit on sale of investments	1,231,321	1,627,620
Refundable capital gains tax (note 4)	(372,714)	(602,784)
Balance, end of year	\$14,211,795	\$13,353,188

Consolidated Statements of Unrealized Appreciation of Investments

Years Ended June 30

Balance, beginning of year	\$ 4,804,831	\$ 5,885,582
Increase (decrease) during the year	1,094,748	(1,080,751)
Balance, end of year	\$ 5,899,579	\$ 4,804,831

See accompanying notes

Consolidated Statements of Changes in Net Assets

Years Ended June 30

	1992	1991
Net assets, beginning of year	\$ 46,455,936	\$ 53,918,719
Add (deduct) changes during the year:		
Net income for the year	1,270,485	1,552,244
Realized profit on sale of investments (note below)	1,231,321	1,627,620
Refundable capital gains tax	(372,714)	(602,784)
Appreciation (depreciation) in value of investments	1,094,748	(1,080,751)
Redemption of 1980 Series Class B shares (note 5)	—	(1,375,000)
Redemption of 1985 Series Class B shares (note 5)	—	(5,760,000)
Excess of redemption value over stated capital value of the 1985 Class B Preferred shares (note 5)	—	(240,000)
Dividends paid out of investment income	(1,373,572)	(1,584,112)
Net assets, end of year	48,306,204	46,455,936
Redemption value of 1964 Series Preferred shares	(2,100,000)	(2,100,000)
Refundable capital gains tax on hand (note 4)	3,823,238	3,450,524
Net assets, applicable to Common shares	\$ 50,029,442	\$ 47,806,460
Net Asset Value per Common share (note 8)	\$ 13.00	\$ 12.43

Note — realized profit on sale of investments

Proceeds from sales include \$11,755,188 from short-term investments (1991 — \$23,016,741)	\$ 40,616,736	\$ 43,625,068
Cost of investments, beginning of year	40,338,587	45,664,635
Cost of investments purchased	40,528,701	36,671,400
Cost of investments, end of year	(41,481,873)	(40,338,587)
Cost of investments sold	39,385,415	41,997,448
Realized profit on sales	\$ 1,231,321	\$ 1,627,620

See accompanying notes

Notes to Consolidated Financial Statements

June 30, 1992

MPG
INVESTMENT
CORPORATION
LIMITED

1. Accounting policies

(a) Consolidation —

The consolidated financial statements include the accounts of MPG Investment Corporation Limited and its wholly-owned subsidiary, MPGM Holdings Ltd. MPGM Holdings Ltd. made a final distribution of assets on March 4, 1992 and the company is now dormant.

(b) Basis of accounting —

The financial statements are prepared in accordance with accounting principles generally accepted in Canada and conform in all material respects with International Accounting Standards.

(c) Recognition of revenue —

Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis.

(d) Investment transactions —

Investment transactions are accounted for on the trade date. Realized gains and losses from investment transactions and unrealized appreciation or depreciation of investments are calculated on an average-cost basis.

(e) Foreign exchange —

Investment transactions in United States currency are translated at the exchange rate in effect on the settlement date. United States investments and cash balances are translated at the year-end exchange rate. The gains or losses on exchange are included in the profit or loss on sale of investments or in the unrealized appreciation of investments, as applicable.

(f) Earnings per Common share —

Earnings per Common share are calculated using the weighted monthly average number of Common shares outstanding during the period: 1992 — 3,847,190 (1991 — 3,847,190). The earnings available to the Common shares are calculated after deducting the 1964 Series Preferred share and Class B share dividends.

2. Loans to officers

The outstanding loans to officers under the Executive Share Purchase Plan have been reduced from \$15,030 as at June 30, 1991 to \$13,552 as at June 30, 1992. A personal loan to an officer of the Corporation to purchase Common shares of the Corporation has been reduced from \$23,199 as at June 30, 1991 to \$21,497 at June 30, 1992.

3. Investments

Investments consist of:

	1992		1991	
	Cost	Market Value	Cost	Market Value
Canadian stocks	\$28,326,275	\$33,597,751	\$31,567,243	\$35,774,750
United States stocks	6,337,679	6,863,923	4,480,103	5,124,727
Canadian bonds	34,663,954	40,461,674	36,047,346	40,899,477
Government treasury bills and short-term deposits	3,392,725	3,490,624	938,250	890,950
	3,425,194	3,429,154	3,352,991	3,352,991
	\$41,481,873	\$47,381,452	\$40,338,587	\$45,143,418

4. Taxes

During the year the Corporation met the requirements of Section 130 of the Income Tax Act (Canada) and thus continued to qualify as an investment corporation. An investment corporation is not taxed on dividends received from taxable Canadian corporations; other investment income is taxed at reduced rates. Interest income earned by MPGM Holdings Ltd. is taxed at full corporate rates.

Foreign investments are subject to withholding tax.

Taxes on capital gains are refundable to the Corporation if such gains are distributed to shareholders by way of capital gains dividends. The amount of refundable taxes available to the Corporation at June 30, 1992 is \$3,823,238 (1991 — \$3,450,524).

If the Corporation incurs net capital losses, these may be carried back three years and any balance may then be carried forward indefinitely against taxable capital gains.

If the investments had been sold at their market value, approximately \$4,425,000 (being the taxable portion of the capital gains thereby realized) would have been subject to tax, refundable as described above.

5. Share capital

The authorized share capital of the Corporation consists of the following:

- (a) 80,000 1964 Series Preferred non-voting shares, having \$1.30 cumulative dividend rights, redeemable at \$26.25 per share;
- (b) Unlimited number of Class B non-voting shares, ranking junior to the 1964 Series Preferred shares, issuable in series, redeemable as noted below;
- (c) Unlimited number of Common shares.

Notes on Class B shares —

The 1980 Series Class B shares had cumulative dividend rights of one-half the average prime rate plus 2.25%. The Corporation was required to redeem 12,500 shares annually for ten years at the stated value of \$125,000. The tenth redemption requirement took place on December 31, 1990. On January 10, 1991 the balance of the shares outstanding were redeemed at par value.

The 1985 Series Class B shares had cumulative dividend rights of \$2.125 per share and were redeemable at \$25.00 per share for redemptions effected on or after December 1, 1990. The shares were retractable at the option of the holder on November 30, 1990 at a price of \$25.00 per share and 229,700 shares were retracted. The 10,300 shares outstanding were called for redemption on December 21, 1990 at a price of \$25.00 per share payable on January 31, 1991. The excess of the redemption value over the carrying value in the capital accounts of \$5,760,000, in the amount of \$240,000, has been charged to Retained Earnings.

6. Common shares

The issued Common shares of the Corporation (which are traded on the Montreal and Toronto stock exchanges) are eligible investments for Registered Retirement Savings Plans and similar plans.

7. 1985 Common Share Purchase Warrants

The 1985 Warrants entitled the holders to purchase 1.6 Common shares of the Corporation at a price of \$9.59 per share prior to November 30, 1990. No Warrants were exercised during the life of the Warrants. On November 30, 1990, the 240,000 1985 Common Share Purchase Warrants expired. The carrying value of the Warrants of \$240,000 was recognized as contributed surplus and appropriated by the Board of Directors to Retained Earnings.

8. Net Asset Value per Common share

The Net Asset Value per Common share as at June 30, 1992 and the end of the four preceding years is as follows:

1992	\$13.00
1991	\$12.43
1990	\$12.00
1989	\$12.62
1988	\$11.30

Net Asset Value per Common share at June 30, 1992 and June 30, 1991 is based on 3,847,190 shares.

Consolidated Portfolio of Investments

June 30, 1992

MPG
INVESTMENT
CORPORATION
LIMITED

Number of shares or face value of bonds or treasury bills		Book Cost	Market Value
EQUITY STOCKS			
Business Equipment			
*7,000	Honeywell Inc.	\$ 312,546	\$ 586,481
*5,000	Adobe Systems Inc.	254,786	272,295
*4,000	Borland International Inc.	257,406	197,489
		824,738	1,056,265
Chemicals			
30,000	Du Pont Canada Inc. — Class A	994,699	1,320,000
150,000	NOVA Corporation of Alberta	1,346,119	1,275,000
*5,000	Monsanto Corp.	396,230	329,896
		2,737,048	2,924,896
Communications & Media			
100,000	Quebecor Inc. — Class B	946,733	1,425,000
40,000	Newbridge Networks Corp.	615,925	775,000
		1,562,658	2,200,000
Consumer Products			
60,000	The Seagram Company Ltd.	1,404,110	1,987,500
75,000	Canada Malting Co. Limited	579,778	1,125,000
*12,000	Johnson & Johnson	684,230	642,735
*15,000	PepsiCo Inc.	601,345	626,128
20,000	John Labatt Limited	502,001	545,000
50,000	Dorel Industries Inc. — Class B	449,968	462,500
50,000	Dominion Textile Inc.	410,569	312,500
*30,000	Beverly Enterprises, Inc.	356,801	282,768
*7,000	Healthcare Compare Corp.	259,663	261,822
		5,248,465	6,245,953
Entertainment			
*14,000	The Walt Disney Company	415,960	605,332
Financial Services			
70,000	Bank of Montreal	1,947,939	3,237,500
50,000	Royal Bank of Canada	859,864	1,212,500
50,000	Laurentian Bank of Canada	981,584	900,000
35,000	Power Financial Corp.	684,311	691,250
65,000	Trilon Financial Corp. — Class A	601,914	446,875
30,000	The Toronto-Dominion Bank	508,238	543,750
*7,500	GEICO Corp.	412,824	527,384
		5,996,674	7,559,259
Industrial Products			
30,000	Northern Telecom Limited	1,106,768	1,327,500
80,000	Bombardier Inc. — Class B	442,527	1,170,000
50,000	Linamar Machine Ltd.	628,674	812,500
50,000	Spar Aerospace Products	918,476	775,000
*16,000	Ingersoll-Rand Company	442,157	526,636
*5,000	Hewlett-Packard Co.	321,996	412,182
*21,500	Millicom Inc.	215,162	173,700
		4,075,760	5,197,518
Merchandising			
70,000	The Loewen Group Inc.	422,487	1,146,250
*10,000	Toys R Us Inc.	381,410	412,932
		803,897	1,559,182

Number of shares or face value of bonds or treasury bills		Book Cost	Market Value
Metals & Mining			
25,000	Inco Limited	\$ 974,262	\$ 915,625
20,000	Alcan Aluminium Ltd.	510,268	517,500
		1,484,530	1,433,125
Oil & Gas			
20,000	Imperial Oil Ltd.	855,725	877,500
100,000	CS Resources Limited	566,107	410,000
40,000	Suncor Inc. — Instalment Receipts	380,000	380,000
30,000	Canadian Natural Resources Ltd.	280,754	322,500
15,000	Renaissance Energy Ltd.	239,896	223,125
3,000	Ranchmen's Resources Ltd.	26,028	12,000
		2,348,510	2,225,125
Pharmaceutical			
*6,000	Bristol-Myers Squibb Company	550,172	473,075
30,000	Biomira Inc.	394,129	382,500
		944,301	855,575
Pipelines			
80,000	TransCanada PipeLines Limited	1,314,395	1,390,000
Transportation			
*7,000	Norfolk Southern Corporation	474,992	533,069
Utilities			
45,000	BCE Inc.	1,710,336	2,008,125
55,000	British Columbia Telephone Company	737,454	1,093,125
75,000	Telus Corporation — Instalment Receipts	634,631	496,875
		3,082,421	3,598,125
Convertible Preferred Stocks			
45,000	Inter-City Products Corp., 8% Pfd., Series C	1,176,650	1,170,000
42,000	Laidlaw Inc., 5% Pfd., Series G	745,621	724,500
30,000	Noranda Inc., 7.75% Pfd., Series C	897,821	678,750
20,000	Bow Valley Industries Ltd., \$2.025 Pfd., Class D, Series 3	529,513	505,000
		3,349,605	3,078,250
Total stocks		34,663,954	40,461,674
CONVERTIBLE BONDS AND DEBENTURES			
\$1,000,000	Province Saskatchewan Potash Exc., 11.50%, December 1, 1992	1,303,250	1,426,660
1,000,000	Le Groupe Vidéotron Ltée, 7.50%, March 31, 2002	955,000	957,500
500,000	Amoco Canada Petroleum Company, 7.375%, September 1, 2013	657,475	670,264
600,000	MacMillan Bloedel, 5%, May 1, 2007	477,000	436,200
Total bonds and debentures		3,392,725	3,490,624
TREASURY BILLS AND SHORT-TERM DEPOSITS			
\$1,800,000	Canada Treasury Bill, 7.44%, September 18, 1992	1,736,982	1,736,982
1,250,000	Canada Treasury Bill, 7.10%, July 10, 1992	1,213,412	1,213,412
*400,000	Bank of Montreal Certificate of Deposit, 3.25%, October 29, 1992	474,800	478,760
Total treasury bills and short-term deposits		3,425,194	3,429,154
Total portfolio		\$41,481,873	\$47,381,452

*United States securities are translated into Canadian dollars at \$1.1969, the rate of exchange prevailing at June 30, 1992.

•Interest-bearing demand deposits on hand of \$744,160 are not included in the Portfolio of Investments.

See accompanying notes

**Changes in
Investment Portfolio**
Year ended June 30, 1992

	Number of Shares or Face Value of Bonds	
	Additions	Deletions
EQUITY STOCKS		
Business Equipment		
*Adobe Systems Inc.	5,000	
*Borland International Inc.	4,000	
*Honeywell Inc.		1,000
Chemicals		
Du Pont Canada Inc. — Class A	10,000	
*Monsanto Corp.	5,000	
NOVA Corporation of Alberta	50,000	
Communications & Media		
BCE Mobile Communications Inc.		35,000
Newbridge Networks Corp.	40,000	
Quebecor Inc. — Class B	100,000(1)	
Torstar Corp. — Class B		20,000
Transalta Utilities Corp.	50,000	50,000
Consumer Products		
*American Greetings Corporation — Class A		10,000
*Beverly Enterprises, Inc.	30,000	
Canada Malting Co. Limited	25,000(1)	
Dominion Textile Inc.	50,000	
Dorel Industries Inc. — Class B	50,000	
*Healthcare Compare Corp.	7,000	
Imasco Limited	40,000	40,000
*Johnson & Johnson	12,000(1)	
The Molson Companies Limited — Class A	12,500(1)	37,500
*PepsiCo Inc.	15,000	
The Seagram Company Ltd.	45,000(1)	5,000
Entertainment		
*The Walt Disney Company	14,000(1)	3,000
Financial Services		
Bank of Montreal		30,000
Canadian Imperial Bank of Commerce		70,000
*GEICO Corp.	7,500(1)	
Laurentian Bank of Canada	50,000	
Power Financial Corp.	35,000	
Royal Bank of Canada		70,000
The Toronto-Dominion Bank	30,000	
Trilon Financial Corporation — Class A	65,000	
Gold		
Glamis Gold Ltd.		120,000
Industrial Products		
Autostock Inc.		100,000
Bombardier Inc. — Class B	70,000(1)	60,000
*Corning Incorporated	3,000(1)	9,000
*Hewlett-Packard Co.	5,000	
*Ingersoll-Rand Company	8,000(1)	2,000
Linamar Machine Ltd.	50,000	
*Millicom Inc.	21,500	
Northern Telecom Limited	10,000	
The SNC Group Inc. — Class A	10,000	40,000
Spar Aerospace Products	50,000	

	Number of Shares or Face Value of Bonds	
	Additions	Deletions
Merchandising		
*American Stores Company	5,000 (1)	10,000
*Dayton Hudson Corp. Loblaw Companies Limited	2,500	2,500 50,000
*The May Department Stores Company		8,000
*Rite Aid Corporation	10,000 (1)	20,000
*Toys R Us Inc. George Weston Limited	10,000	11,000
Woodward's Limited — Class A	4,225	154,225
Metals and Mining		
Alcan Aluminium Limited	20,000	
Inco Limited		10,000
Oil and Gas		
Canadian Natural Resources Ltd.	30,000	
Imperial Oil Limited — Class A	20,000	25,000
Ranchmen's Resources Ltd.	45,419 (1)	42,419
Suncor Inc. — Instalment Receipts	40,000	
Paper and Forest Products		
Repap Enterprises Inc.	120,000	240,000
Pharmaceuticals		
Biomira Inc.	40,000	10,000
*Bristol-Myers Squibb Company	2,000	
Deprenyl Research Limited	30,000	30,000
*Deprenyl USA Inc.	181 (1)	181
*Schering-Plough Corporation		12,000
Pipelines		
Interprovincial Pipe Line Inc.	10,000	10,000
TransCanada PipeLines Limited	80,000	30,000
TransCanada PipeLines Limited — Instalment Receipts		100,000
Real Estate		
Cambridge Shopping Centres Limited		30,000
Transportation		
*Norfolk Southern Corporation	7,000	
Utilities		
BCE Inc.	15,000	20,000
B.C. Gas Inc.		70,000
British Columbia Telephone Company		20,000
*GTE Corporation		10,000
Telus Corporation — Instalment Receipts	75,000	
Convertible Preferred Stocks		
Inter-City Products Corp., 8% Pfd., Series C	45,000	
International Corona Corporation, 1st Pfd., Series C		30,000
Laidlaw Inc., 5% Pfd., Series G	42,000	
Ranchmen's Resources Ltd., \$2.45 1st Pfd. A		15,000
CONVERTIBLE BONDS AND DEBENTURES		
Amoco Canada Petroleum Company, 7.375%, September 1, 2013	\$500,000	
Le Groupe Vidéotron Ltée, 7.50%, March 31, 2002	\$600,000	
MacMillan Bloedel, 5%, May 1, 2007	\$600,000	
Province Saskatchewan Potash Exc., 11.50%, December 1, 1992	\$500,000	

(1) The above transactions include shares received through stock splits, stock dividends, exchanges of rights issued or conversions. Changes in short-term deposits are excluded.

* United States securities.

**Portfolio
Analysis**

**Our Ten
Largest Holdings**

	Cost	Value	% of Total Portfolio	% Yield
Bank of Montreal	\$1,947,939	\$3,237,500	6.73	4.58
BCE Inc.	1,710,336	2,008,125	4.17	5.83
The Seagram Company Ltd.	1,404,110	1,987,500	4.13	2.02
Quebecor Inc. — Class B	946,733	1,425,000	2.96	0.98
TransCanada PipeLines Limited	1,314,395	1,390,000	2.89	4.37
Northern Telecom Limited	1,106,768	1,327,500	2.76	0.87
Du Pont Canada Inc. — Class A	994,699	1,320,000	2.74	1.59
NOVA Corporation of Alberta	1,346,119	1,275,000	2.65	2.82
Royal Bank of Canada	859,864	1,212,500	2.52	4.78
Bombardier Inc. — Class B	442,527	1,170,000	2.43	1.45

**Performance of Our Ten Largest Holdings
Over the Last Year**

	% Change
Bank of Montreal	+34.5
BCE Inc.	+ 6.6
The Seagram Company Ltd.	+11.1
Quebecor Inc. — Class B	+50.5
TransCanada PipeLines Limited & Receipts	+ 5.8
Northern Telecom Limited	+ 6.6
Du Pont Canada Inc. — Class A	+35.4
NOVA Corporation of Alberta	+ 9.7
Royal Bank of Canada	+ 2.1
Bombardier Inc. — Class B	+29.3
TSE 300 Composite Index	- 2.3

Relative Sector Weightings

	% of our Total Portfolio		% of Toronto Stock Exchange 300 Composite Index
	1992	1991	1992
Industrial Products	19.1	13.4	11.1
Consumer Products	17.2	13.4	10.6
Financial Services	14.3	18.2	19.2
Utilities	7.5	10.7	12.9
Metals and Mining	7.3	5.9	8.5
Oil and Gas	7.1	6.2	7.6
Communications and Media	6.6	3.7	5.4
Conglomerates	1.4	0.0	5.5
Merchandising	3.2	9.6	4.0
Pipelines	2.9	3.1	2.2
Transportation	2.6	0.0	2.4
Entertainment	1.3	0.8	0.0
Paper and Forest Products	0.9	2.0	2.7
Gold and Silver	0.0	1.9	7.3
Real Estate	0.0	1.7	0.6
Total Equity Exposure	91.4	90.6	100.0
Reserves	8.6	9.4	0.0
TOTAL	100.0	100.0	100.0

Performance of MPG Common shares Compared to TSE 300 Composite Index

Years Shares held (June 30)	Average Annual Compound Rate of Return on MPG Common shares*	Toronto Stock Exchange 300 Composite Index Compound Rate of Return
1	16.63%	1.11%
3	5.53%	0.17%
5	3.79%	1.58%
10	13.85%	13.46%

* assuming receipt but no reinvestment of dividend income

Corporate Information

For comparative purposes all information expressed either as a market price or as a value per Common share and relating to the periods prior to the payment of the capital gains stock dividend on November 10, 1986 have been restated to provide for the increase in the number of shares issued.

Comparative Financial Summary

(for years ended June 30)

	Gross Assets (000's)	Gross Income (000's)	Net Income (000's)	Earnings per share (1)	Dividend per share	Expense Ratio (2)	Net Asset Value (3)	Market Price
1982	\$17,649	\$1,146	\$ 891	15.8¢	12.5¢	1.22%	\$6.64	\$3 ¹ / ₈
1983	29,325	1,206	917	18.4	15.0	1.09	7.81	4 ³ / ₄
1984	27,064	1,141	849	18.0	16.3	.98	7.25	5 ³ / ₄
1985	35,242	1,334	1,008	22.8	18.1	.97	9.70	7
1986	48,099	1,752	1,314	23.6	18.8	1.03	11.35	8 ¹ / ₂
1987	52,916	1,726	1,229	15.1	21.5	1.05	12.40	8 ³ / ₄
1988	47,738	2,014	1,433	21.8	26.0	1.10	11.30	7 ¹ / ₂
1989	52,806	2,376	1,711	30.4	29.0	1.09	12.62	8 ¹ / ₂
1990	54,137	3,188	2,273	42.3	35.0	1.40	12.00	8
1991	46,708	2,450	1,552	30.2	31.0	1.61	12.43	8
1992	48,508	1,988	1,270	30.3	33.0	1.36	13.00	9

(1) Earnings per Common share are based on the weighted average number of shares outstanding.

(2) Expenses as a percentage of average net assets.

(3) Net Asset Value per Common share figures have been calculated as follows:

- the figure for June 30, 1985 is based on the assumption that all 1984 Warrants outstanding were exercised at \$8.07 per Common share;
- the figures for June 30, 1986, 1987, 1988 and 1989 are based on the assumption that all 1984 and 1985 Warrants outstanding were exercised at \$8.07 and \$9.59 per Common share respectively;
- the figure for June 30, 1990 is based on the assumption that all 1985 Warrants outstanding were exercised at \$9.59 per Common share.

Valuation

Day — (December 22, 1971 share prices)

Common shares	— \$ 1.31 (reflects capital gains stock dividends paid on October 14, 1981 and November 10, 1986)
1964 Series Preferred shares	— \$15.00

Directors

Donald C. Cameron

Director since 1972.
Retired Chairman of Jones
Heward & Company Ltd. He
is a Director of Jones
Heward Fund Ltd.

**The Rt. Hon. H. Paul G.
Channon, M.P.**

Director since 1992.
Member of the United
Kingdom Parliament. He is
also a Director of The
Iveagh Trustees Limited –
Management Company.

J. Robertson Collins

Director since 1983.
Chairman and Chief
Executive Officer, Morgan
Financial Corporation, and
Counsel with Stikeman
Elliott.

Thor A. Foss

Director since 1983.
Vice-Chairman and Director of
Jones Heward Investment
Management Inc. and a Director
of Burns Fry Limited.

J. A. Michael Hutchinson

Director since 1988.
Joint Managing Director,
The Iveagh Trustees
Limited. He is also a
Director of Endurance Fund
Management Limited.

J. D. H. Mackenzie

Director since 1966.
Retired President of the
Company and also of
Elgistan Management
Limited.

Robert P. Mather

Director since 1989.
Managing Director,
ScotiaMcLeod Inc., as well as
Chairman of ScotiaMcLeod
(USA) Inc.

John K. McBride

Director since 1990
and President since 1991.
Vice-President of Elgistan
Management Limited. He is
also a Director of Jones
Heward Fund Ltd. and a
Trustee of Bullock American
Fund.

Officers

John K. McBride
President

J. Vernon Holt
Treasurer

Sheila A. Duncan
Secretary

Darleen C. Acheson
Assistant Treasurer

J. Robertson Collins
Assistant Secretary

Joyce N. Madden
Assistant Secretary

Norman L. Scott, C.A.
Assistant Secretary

Corporate Policy

MPG Investment Corporation Limited is an investment corporation which invests its assets in the common shares of Canadian companies listed on the recognized stock exchanges; to a lesser extent (approximately 15% of its total portfolio) MPG also invests in the shares of foreign companies and, from time to time, it will hold reserve funds in treasury bills, certificates of deposit, or cash.

MPG's Investment Objective has been and remains one of providing shareholders with long-term growth of assets.

MPG's Dividend Policy is to pay dividends on Common shares, if earnings permit, equal to the amount necessary to continue to qualify the Company as a closed-end investment corporation under the Income Tax Act; in practical terms, this means total annual distributions on the Common shares of about three quarters of the net income available to Common shareholders.

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Contains over 8 1/2% recycled
paper including 10% post
consumer fibre
Contains less than 10%
recycled ink print weight 10g
100% of fibre is post
consumer recycled