

### This is Indal

Indal Limited is a diversified industrial company with 23 operating subsidiaries and divisions in Canada and 17 in the United States. Founded in 1964 as a small extruder of aluminum and producer of cold rollformed metal products, it employs more than 6,000 people at 69 plants, warehouses and sales offices in North America.

Indal subsidiaries and divisions recycle and extrude aluminum, cold rollform and stamp aluminum and steel, die cast zinc, temper glass and fabricate a broad range of metal, wood and glass products. The output of Indal's plants is sold principally to the following markets: residential construction, non-residential construction, home improvement and consumer, and industrial, which includes automotive and design engineering. Definitions of Indal's business terms can be found in the glossary on page 39 of the Annual Report.

Fifty-six percent of the common shares of Indal Limited is beneficially owned by R.T.Z. Industries Limited, London, England, a wholly-owned subsidiary of The Rio Tinto-Zinc Corporation PLC, a world-wide mining and industrial company. The balance is owned by institutional and individual investors, principally in Canada.



Cover photograph: Aluminum scrap in the intense heat of the melt furnace at Indal Aluminum division's recycling and billet casting facility in City of Industry, California. Other group recycling and billet casting facilities are located in Gulfport, Mississippi, and Toronto, Ontario.

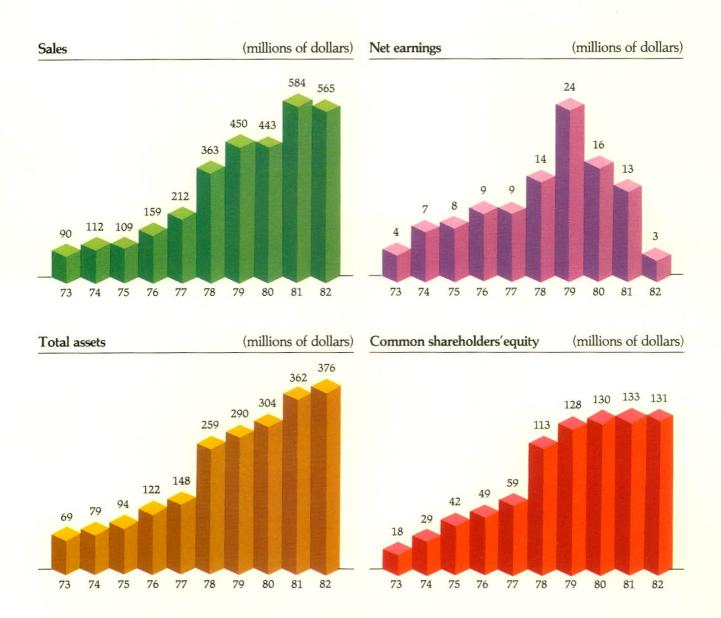
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# Financial highlights

for the year ended December 31, 1982

(in thousands of dollars)		1982	1981	change
Operations	Sales	\$565,087	\$583,549	- 3%
•	Gross profit	129,323	144,924	-11%
	Gross profit percentage	22.9%	24.8%	- 8%
	Net earnings	3,178	12,541	-75%
	Preferred dividends paid	2,632	2,536	+ 4%
	Common dividends paid	4,340	7,708	- 44 %
	Return on common shareholders' equity	0.4%	7.6%	- 95%
	Funds from operations	24,822	44,731	<b>- 45 %</b>
Common share data	Average number of shares outstanding			
	(in thousands)	9,647	9,632	_
	Book value per common share	\$13.56	\$13.77	- 2%
	Earnings per common share	\$0.06	\$1.04	- 94 %
	Dividends per common share	45¢	80¢	<b>- 44</b> %
Financial position	Total assets	376,350	361,664	+ 4%
•	Net borrowings	144,317	132,633	+ 9%
	Shareholders' equity	155,931	157,744	- 1%



# Report to the shareholders

#### Review of 1982

In 1982, the North American recession had a serious impact on your Company's earnings. Despite a rapid second half decline in interest rates, the combined effect of high unemployment and a low level of business and consumer confidence continued to severely depress demand in all sectors of the Canadian and U.S. economies. The forecast in the 1981 Annual Report of your Company's key economic statistics proved incorrect and the anticipated modest improvement in markets in the second half of 1982 did not occur; the North American economy in fact plunged even deeper into recession.

Although there were late signs of an upturn in important U.S. interest-sensitive markets, the depth of the North American recession made 1982 the most difficult year in your Company's history. Net earnings were \$3.2 million (6¢ per share) on sales of \$565 million (after providing for a loss from discontinued operations) compared with 1981 earnings of \$12.5 million (\$1.04 per share) on sales of \$584 million.

Steps taken by management in a continuing effort to counter the recession included cost reductions, cutbacks and reorganization or divestment at several operations, reductions in working capital and severe

cuts in budgeted capital expenditure.

The extended North American recession caused business conditions to deteriorate in other markets as well as the interest-sensitive areas of residential construction and automotive. Consumer spending contracted severely and business investment declined significantly in the second half of 1982. However, it was in residential construction, your Company's largest market, and in the automotive sector, that the major impact of the recession was felt. Canadian housing starts in 1982 were 126,000, a 29% reduction from the previous year and the worst level since 1961. In the United States, the new housing market experienced even worse conditions. Starts in 1982 were 1.06 million, the lowest level of activity in 36 years. Although all regions of North America were affected, activity levels were particularly low in Western Canada and in California, which had previously enjoyed the most buoyant conditions. Automotive markets suffered similar setbacks with North American car and truck production falling to 8.2 million units, 11 % below the depressed 1981 output of 9.2 million units.

The low level of activity in the trading of free market aluminum continued throughout 1982. Industry over-supply and the active emergence in the aluminum market of the London Metal Exchange had the effect of substantially lowering free market prices. Late in 1982, these changing industry conditions caused your Company to withdraw from the metal trading business. The costs of discontinuance were written off against 1982 earnings. Also at the end of 1982, the assets of Alamo Aluminum Corp., a small window manufacturer selling to low-cost housing markets in California, were sold.

In 1982 gross margins deteriorated by 1.9% to 22.9%. Apart from the impact of the recession, margins were also adversely affected by a long-term

aluminum supply contract with a price formula based on a small discount off prime producer list prices. During the year prime producers sold aluminum on the market at prices up to 35 % below list. The purchase by your Company of aluminum under this contract had an unfavourable effect on the competitive position of U.S. extrusion operations.

U.S. industrial markets served by the extrusion sector suffered from intense competition for much of the year. The design engineering sector however experienced a successful year with major contracts being awarded for the supply of helicopter hauldown systems to the U.S. Navy. Existing orders total \$112 million and the value of this business could exceed

\$400 million by 1990.

The non-residential construction market, apart from steel rollforming, was supported by large orders going into 1982, which resulted in a successful year. There was, however, a rapid second half decline in activity in low-rise construction projects. Glass operations serving this market produced excellent results due to regional strength and the high quality of tempered glass produced.

#### Outlook for 1983

The slowing of North American inflation and the significant drop in interest rates in late 1982 are encouraging economic developments. These gave some impetus to markets at the end of the year and provide justification for expectations of a 1983 recovery in interest-sensitive markets. This forecast is made with due caution in view of events of the last two years. It is believed, however, that current circumstances are different and there is good reason to believe that the upturn which is developing in the United States will be reasonably sustained.

U.S. housing starts are forecast to be 1.4 million units, a 32% improvement over 1982, and Canadian starts are forecast at 145,000 units, a 15% improvement over 1982. The current availability of long-term fixed-rate mortgages in the United States will be an important factor in any improvement. Car and truck production in 1983 is forecast to rise 11% to 9 million

The recent substantial increases in prime aluminum prices should reduce the adverse financial impact of Indal's U.S. aluminum supply contract in 1983 and should result in selling price increases in extrusion operations. Increased earnings should also be obtained from continued growth in the design engineering sector. In addition to the supply of helicopter hauldown systems, initial sales of 500-kw vertical axis wind turbines, on which prospects for North American and overseas sales are promising, will be completed in 1983.

Tight control on working capital will be maintained in 1983 and capital expenditure will again be kept under close scrutiny, with only essential expenditures committed. Your Company has recently been operating at low levels of capacity and the anticipated increase in volume should permit a greater utilization of productive capacity and a higher level of earnings.

It appears likely that the U.S. economy will recover more vigorously than the Canadian economy. One negative factor in 1983 in both countries is a likely drop in business spending as corporations attempt to strengthen their balance sheets. This will probably cause a lower level of activity in your Company's non-residential construction markets, particularly high-rise construction. Despite this, provided that the 1983 forecast levels of activity in residential construction and automotive mentioned above are achieved, demand in 1983 will be stronger than in 1982 and should enable an improvement in earnings to be achieved.

#### Strategic objectives

The prolonged recession and its adverse impact on earnings over the past two years means that in 1983 your Company will again emphasize improvement in earnings from existing operations and strengthening

of the Company's financial position.

In previous Annual Reports comment has been made regarding the need for further market diversification to lessen your Company's dependence on the cyclical market of residential construction. The continued development of the design engineering sector is an encouraging part of that diversification program. It is planned that, over time, design engineering, based on higher technology, become one of your Company's five major business sectors. This will be accomplished by continued development of existing products, by development of new products and, if appropriate, by acquisition. A further area of growth has been glass tempering which in 1982 represented 8 % of total sales. Further investment in glass laminating and insulating is planned, which will broaden the product range and expand the sales base of this sector. The expansion of the replacement and remodelling market, which is expected to show substantial growth in the 1980's, remains an objective of your Company.

The private placement since year-end of 950,000 common shares at \$16.50 and the anticipated improvement in earnings in 1983 will strengthen your Company's balance sheet. Some acquisitions or expansions, consistent with strategic objectives of diversification, could be made during 1983 but the main priority will be improving earnings from existing operations. Excluding acquisitions, capital expenditure on new plant and equipment over the last five years has been \$120 million and this has provided adequate high standard productive capacity in the various operating companies in North America. The greater utilization of that capacity is an immediate objective, achievement of which will much improve the return on shareholders' equity.

Dividends

In the 1981 Annual Report it was stated that the length and depth of the recession would be major factors when considering future dividend levels. The quarterly dividend on the common shares was

reduced from 20¢ per share to 15¢ and 10¢ per share in the second and third quarters of 1982 respectively, and temporarily discontinued in the fourth quarter. For the full year, dividends on the common shares totalled \$4.3 million (45¢ per share) compared with \$7.7 million (80¢ per share) in 1981. Your Board will continue to review dividend policy on the basis of current and potential earnings.

Dividends paid on the preferred shares of the Company in 1982 amounted to \$2.6 million com-

pared with \$2.5 million in 1981.

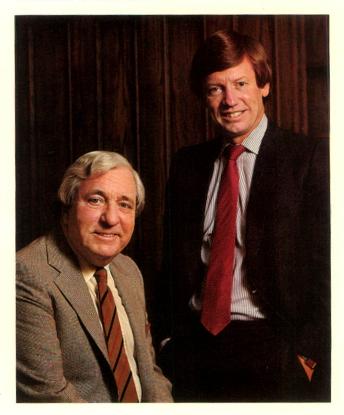
#### Conclusion

Your Company has come through two extremely difficult years and the low earnings recorded in 1982 reflect market conditions that were the worst since the 1930's. Providing interest rates remain stable, there appear to be good prospects in 1983 of your Company initiating a return to more satisfactory earnings levels. If economic conditions in North America show a sustained recovery, by 1984 your Company should produce a level of earnings and a return on investment in line with those achieved in the late 1970's.

We would like to express our thanks to all employees for their support and efforts during the difficult

conditions experienced in 1982.

On behalf of the Board



Walter E. Stracey Chairman of the Board

March 11, 1983

Dermot G. Coughlan President and Chief Executive Officer

# Indal's markets and operations

### Historical perspective

#### Introduction

Before discussing Indal's performance in each of its market segments in 1982 and the outlook for 1983, a brief review of its origins and development may be helpful to those not familiar with the Company.

#### Corporate evolution

Indal has grown considerably since its inception in 1964 as a small extruder of aluminum in Eastern Canada and producer of cold rollformed metal products in Western Canada.

Until 1973, the Company operated exclusively in Canada. In view of the size and proximity of the U.S. market, it was good business strategy to establish a presence in that country. Now most of the Company's activities in Canada have been extended to the

United States.

The Company's geographic development in Canada has been centered in and around heavily populated Southern Ontario and the growing Western provinces. In the United States, the Sunbelt areas—California and the Southeast—have been especially favoured.

In its early development, the Company acquired or established a number of operations manufacturing doors, windows and related products for the residential, non-residential and home improvement markets. These operations provided additional outlets for extrusions and stimulated further expansion of its original business.

The Company has since broadened its interests to include wood windows, insulated steel entry doors and related home improvement products. The introduction of legislation requiring the use of tempered glass in new construction and in certain home improvement products provided a further oppor-

tunity to augment existing activities.

Group operations now consume significant quantities of aluminum, steel, glass and wood, although none of these materials—with the exception of recycled aluminum—is produced by the Company. Indal is a processor, convertor and fabricator.

A major factor in Indal's growth and development has been its diversification strategy, created to reduce dependence on cyclical construction markets. A good example is the steel stamping and fabricating operation in Windsor, Ontario, which has been expanded several times since its acquisition in 1972. It is now a major supplier to the North American automotive industry. Similarly, Indal's design engineering subsidiary, with the aid of major defense-related contracts, has grown dramatically since it was acquired in 1968. In addition to its recently-signed contract to supply helicopter hauldown systems for the U.S. Navy, it has designed a commercially viable wind

turbine and produces a variety of other engineered products. The continuation of this diversification strategy is a key element in Indal's future expansion plans.

Indal's approach to business, backed by a comprehensive financial reporting system, is to encourage operating autonomy. For this reason, a strong entrepreneurial spirit prevails throughout the group.

By blending acquisitions and new ventures, Indal's investment base has been developed so that the Company is now involved in four principal market areas: residential construction; non-residential construction; home improvement and consumer; and industrial.

#### The recession and Indal

Indal's 1982 results were directly and adversely affected by two major factors: interest rates and aluminum prices. The following discussion of these items is intended to facilitate a clearer interpretation of the market reviews on pages 9 to 15.

#### Interest rates

Volatile interest rates are inextricably linked to the duration and severity of current recessionary conditions in North America. Consequently, before discussing Indal's individual markets, a closer examination of the impact of interest rates on the Company is merited. This should assist in developing a clearer understanding of the Company's results during the recession and the potential for improvement as interest rates exert a less dominant influence on future performance.

The past ten years' activity in the housing and automotive markets, which, together with the home improvement market, represent more than 50% of Indal's business, is illustrated in the charts opposite. The performance of both markets is directly related to movements in interest rates, as is shown for example in 1981 when the sharp but temporary fall in rates spurred a short-lived recovery in the housing and automobile markets. If interest rates stabilize at or near current levels, recovery in activity in these markets will result, with beneficial effects on the Company's earnings.

The direct effect high interest rates have had on the cost of the Company's borrowings in recent years, is

reflected below:

	Prime rate (%)	Interest costs (\$ millions)
1978	9.4	8.2
1979	12.8	8.4
1980	14.8	9.8
1981	19.1	22.0
1982	15.4	21.0

Lower interest rates in 1983 will reduce borrowing costs and contribute towards improved earnings.

It should be noted that the results discussed in the market reviews which follows, exclude interest expense.

#### Aluminum prices

The second factor, one not immediately evident in the 1982 profit reduction, was the adverse effect of a sharp and significant decline in the market price of aluminum.

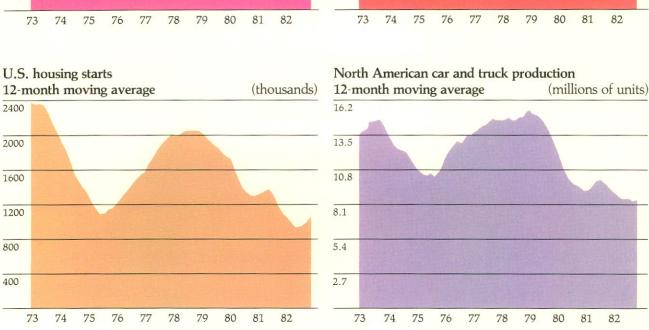
In 1981, Indal entered into a U.S. supply contract for aluminum at a discount from published producer list price. However, during 1982 prime producers

actually sold aluminum at prices as much as 35 % below list, in effect creating a fictitious published price. Consequently, Indal paid substantially more for its aluminum in 1982 than actual producer market prices, causing serious damage to its competitive position.

Since aluminum is a major element of cost in each of Indal's market segments, the effect of this situation inevitably affected all of them and this explains much of the deterioration in performance from the previous

Substantial upward movements in the market price of aluminum have taken place since the year end. Providing these are maintained, the adverse financial impact of the contract will be substantially lessened in 1983.







### Residential construction

# Segmented financial data (in thousands of dollars)

	1982	1981	change
External sales	\$164,600	\$191,703	-14.1%
Operating prof (before interest expense)	7it 3,486	13,342	-73.9%
% profit to sale	s <b>2.1</b> %	7.0%	

**Residential construction products:** for use in all types of residential construction. Examples: entrance, patio and storm doors; windows; kitchen and bathroom cabinets; other building products.

**Principal manufacturing processes:** aluminum extruding; wood profiling; aluminum and steel rollforming; glass tempering; zinc diecasting; fabrication and assembly.

#### Review of 1982

The forecast for housing markets in last year's Annual Report significantly underestimated the severity of the North American recession.

In Canada, housing starts declined by 29 % to 126,000 units, compared with 178,000 in 1981, producing the lowest level of activity since 1961. More damaging for Indal was a 40 % fall in the construction of detached, single-family homes. In the West, markets reflected the scaling back of activity in the energy sector. Housing starts fell 52 % in Alberta and 30 % in British Columbia, and for the first time for several years, the Company's operations in those markets failed to make a contribution to earnings. In Eastern Canada, primarily in Ontario, results were better as operations benefited from increased market penetration and favourable product mix.

In the United States, residential construction failed to move out of the slump which started in the second half of 1981. Once again housing starts fell, to 1.06 million, 3% less than in 1981, resulting in the lowest level of activity in this market in 36 years. As a result of the abnormally low demand for new housing, the Company's performance in this important market was severely affected. The aluminum door and window manufacturing plant in Prescott, Arizona, which began manufacturing in 1981, experienced some success in penetrating weak markets—but sales volumes remained below break-even levels. While production problems at the new wood window plant in Gainesville, Georgia, were overcome, it was difficult to achieve significant market penetration. Both operations will become important contributors to Indal's profitability as markets improve.

To address the more competitive industry conditions in 1982, the assets of the aluminum window manufacturing subsidiary in California were sold, and two Canadian operations were reorganized.

Recovery in the level of U.S. residential construction activity is of particular significance to Peachtree Doors, Inc. which supplies residential steel insulated doors, patio doors and windows to customers across the United States.

#### Outlook for 1983

Improvements in North American residential construction markets are being forecast for 1983. From the Company's perspective, the anticipated resurgence of detached, single-family dwelling construction, predicted to account for much of the 1983 increase, will be the most welcome aspect of market performance. Canadian housing starts are expected to increase to 145,000 units, a 15 % rise from the 1982 level—though well below the average activity of recent years. British Columbia and Ontario are anticipated to be the stronger regions, with Alberta the only province where a further decline in activity is forecast. Current predictions for U.S. housing activity in 1983 estimate starts at 1.4 million units, a 32 % increase over 1982. Demand for new housing in North America remains extremely sensitive to shifts in interest rates. If the decline in rates continues, as is widely predicted, the activity levels noted above should be achieved. However, high unemployment will continue to be a feature of both the Canadian and U.S. economies in the near future, and, this factor may prevent the new housing markets in both countries from recovering as fast as might otherwise have been expected. The Company's extensive regional representation in North America and currently underutilized capacity, combined with the action taken to improve or eliminate marginal operations, should ensure full participation in any recovery.



Maintenance-free balcony railings such as those supplied for the Parkview Place Senior Citizens apartment home in Oshawa, Ontario, are among the many aluminum products extruded and fabricated by Indalex division in Toronto.



### Non-residential construction

# Segmented financial data (in thousands of dollars)

	1982	1981	change
External sales	\$162,556	\$148,314	+9.6%
Operating profit (before interest expense)	17,404	21,521	- 19.1 %
% profit to sales	10.7%	14.5 %	

Non-residential construction products: for ultimate use in industrial, commercial and institutional construction. Examples: commercial entrances and store fronts; revolving door systems; door closers; windows; industrial and agricultural cladding; curtainwall; pre-engineered buildings; office panels, screen systems and furniture components; agricultural grain bins; custom-size tempered glass.

**Principal manufacturing processes:** aluminum extruding; aluminum and steel rollforming; glass tempering; fabrication and assembly.

#### Review of 1982

The non-residential construction segment of the Company's operations demonstrated considerable strength in the face of difficult market conditions in 1982.

Non-residential construction spending in Canada in 1982 showed a slight increase, generated mainly by office and institutional construction. High-rise construction markets were strong through most of the year, especially in Alberta and Ontario, reflecting the effect of low-cost financing arranged before the rise in interest rates. As 1982 progressed there was a marked decline in new project announcements. In these conditions Indal's Winnipeg-based subsidiary specializing in high-rise window and curtainwall systems achieved record earnings and accumulated a healthy order backlog for 1983. The glass and metal fabricating operations recorded good results.

In contrast, rollforming operations—particularly in Western Canada—suffered a major reversal in profitability. Demand for industrial cladding shrank, prices fell and margins were compressed as competitors endeavoured to liquidate excess inventories and it may be some time before profits in this sector return to former levels.

U.S. non-residential construction spending declined in 1982. Office, storefront and commercial segments were particularly hard hit as spending in these areas fell by 12%. Despite this decline in activity, the Company's glass tempering operations improved on their 1981 performance and enjoyed another outstanding year.

The high cost of the Company's aluminum in the United States caused significant margin erosion at all U.S. aluminum extrusion and fabricating plants as did a precipitous fall in selling prices for extruded aluminum products in the third quarter of the year.

Commercial Aluminum division in Toronto supplied many of the store-front doors and sections in the new 130-store Markville Shopping Centre in Unionville, Ontario, which opened in 1982.

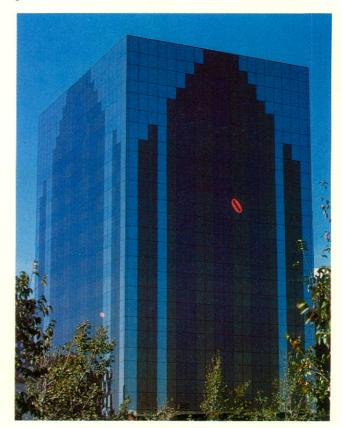
#### Outlook for 1983

Forecasts for 1983 indicate a slow year for nonresidential construction in North America as the full effects of the extended recession are felt in this market.

In Canada, high-rise construction is expected to decline as there is now over-capacity of office space in most major urban centres. Low-rise construction activity is forecast to remain stagnant in 1983. The Company will be shielded to some extent by projects commenced or already committed for 1983 and by representation in the relatively strong Ontario market. Some reorganization of Western plants, combined with a general improvement in the economy, should enable the Company's rollforming operations to record an improved performance in 1983.

A similar picture is anticipated in the United States, although growth in low-rise construction there is forecast, based upon the expected increase in residential construction. Shopping mall development and store construction are heavily influenced by trends in home building. Improvement in the contribution from extrusion and metal fabricating operations is dependent upon general economic recovery enabling industry selling prices to rise.

Glass tempering operations should have another good year, although perhaps not matching 1982 performance.



Tempglass Southern, Inc. in Grand Prairie, Texas, supplied the two-colour tempered glass for the new curtainwall with which the Zorina/Blue Cross Building in Dallas, Texas, was renovated in 1982. Glazing by Haley-Greer Inc., Dallas.



# Home improvement and consumer

# Segmented financial data (in thousands of dollars)

	1982	1981	change
External sales	\$87,533	\$93,320	-6.2%
Operating profit (before interest expense)	3,470	7,149	- 51.5%
expense/	3,470	/,14/	31.3 70
% profit to sales	4.0%	7.7%	

Home improvement and consumer products:

for use in home improvement. Examples: replacement entrance, patio, storm and screen doors; replacement windows; door and window hardware; weatherstripping and thresholds; shower and tub enclosures; ladders; recreational vehicle components; garden furniture.

**Principal manufacturing processes:** aluminum extruding; aluminum and steel rollforming; glass tempering; zinc diecasting; fabrication and assembly.

#### Review of 1982

Last year's Annual Report included a cautionary note that increased unemployment and high interest rates would depress demand in this segment. In 1982, unemployment in North America reached levels unprecedented in recent years. This caused consumers to delay discretionary expenditures while personal savings rose. Despite significant interest-rate reductions in the second half of the year, the lack of confidence, manifested by this reluctance to spend, forestalled the widely anticipated consumer-led recovery.

The impact of high-priced contract aluminum at the Prescott, Arizona plant and at the Californian extruder producing a range of home improvement products, aggravated the problems caused by poor trading conditions.

Competition in the Canadian storm door, replacement window, ladder and tub enclosure markets was intense, causing some deterioration in margins. Contraction of product ranges and the introduction costs of a new replacement window line compounded these difficulties, delaying anticipated profit improvements at the aluminum door and window operation in Toronto.

#### Outlook for 1983

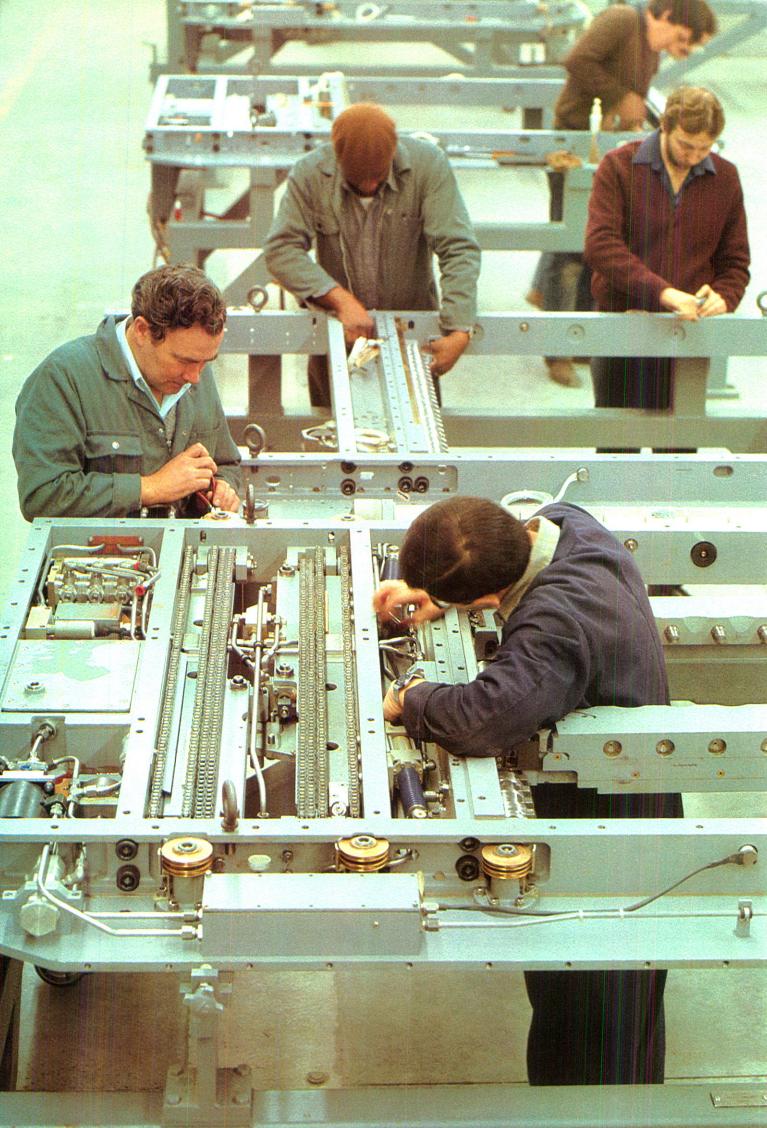
Unemployment levels in 1983 in North America are forecast to remain close to those experienced in 1982, a situation which does not bode well for substantial increases in consumer spending. However, personal savings levels, especially in the United States, increased considerably in 1982 and U.S. consumer debt as a percentage of disposable income is at a ten year low, creating a favourable environment for increased consumer spending. With some stabilization of interest rates at the current or lower levels, there is a good chance that demand for consumer products will improve despite high unemployment.

Utilization of recently added capacity in the United States, combined with the market inroads made in 1982 should enable the Company to improve its earnings from this segment in 1983. Efforts to increase U.S. market share will continue. It remains a long-term strategic objective of the Company to develop its presence in this market since it is seen as one possessing significant growth opportunities.



Peachtree Doors Canada division in Toronto manufactures insulated steel entry doors for new residential construction and has recently introduced the "Renaissance Door System" offering the same quality, appearance and insulation features, for installation in existing homes.

Fasco division in Toronto produces a wide range of storm door hardware and home improvement products such as the items packaged for retail outlets, pictured opposite.



### Industrial

Segmented financial data (in thousands of dollars)

	1982	1981	change
External sales	\$133,457	\$131,408	+1.6%
Operating profit (before interest		12 400	17.00
expense)	10,291	12,400	-17.0%
% profit to sales	7.7%	9.4 %	

**Industrial components:** for incorporation in industrial and defense products. Examples: automotive stampings, fabricated products and containers; computer, other machine and general industrial components; helicopter hauldown and rapid securing systems; hangars; wind turbines; custom-engineered products; components for marine and land transportation equipment.

**Principal manufacturing processes:** aluminum extruding; steel stamping; fabrication and assembly.

#### Review of 1982

A large increase in the contribution from the Torontobased design engineering operation was responsible for the relatively good overall performance in this market in 1982. Other areas deteriorated considerably during the year, although regional and market diversification limited the impact of the generally poor trading conditions on the Company's operations.

During 1982, full production of helicopter hauldown systems for the U.S. Navy commenced, enabling the engineering subsidiary to achieve record earnings. An initial contract for 18 systems valued at \$52 million was signed in September and a second contract for a further 27 systems valued at \$60 million was finalized in January 1983.

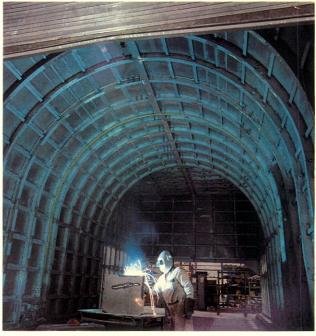
The North American automotive market, an important outlet for the Company's stampings, fabricated products and aluminum extrusions, declined further from the depressed level of 1981. Only 8.2 million vehicles were produced by North American manufacturers in 1982. This represented a 12 % reduction from the 9.3 million units produced in the previous year and was the lowest level of output since 1962. Cost reduction programmes and participation in the relatively active small truck and compact car sector of the market enabled the Company's steel stamping operation to contain earnings deterioration.

#### Outlook for 1983

Another good performance is anticipated from the design engineering operation in 1983 as U.S. Navy contract production of hauldown systems enters its second year. With a substantial order backlog spanning the next three years already in hand, sales from this source could ultimately exceed \$400 million. In addition, prospects for the sale of wind turbines are good.

The outlook for the Company's other industrial markets is less sure and tied very much to some recovery in economic conditions in North America. Car and truck production is forecast to be 9 million units in 1983, an increase of 11% over 1982 output. This forecast is dependent upon stable and attractive interest rates. Even at this level, production will be below recent historical levels, as can be seen from the chart on page 7.

The acquisition in 1981 of increased U.S. aluminum extruding capacity, combined with the Company's reputation as a leader in the field of specialized aluminum structures, provides a solid base from which to take full advantage of any improvement in industrial markets.



A telescopic shipboard helicopter hangar nears completion at DAF Indal's Mississauga plant.



### Financial review

#### Changes in financial statement presentation

The 1982 financial statements reflect some changes in presentation, the result of ongoing effort to further improve the standard of the Company's financial reporting. In particular, the currency translation account, previously included in the liabilities section of the balance sheet, is now accounted for as part of shareholders' equity in accordance with a recently issued exposure draft from the Canadian Institute of Chartered Accountants.

#### **Earnings**

Although sales and earnings were lower in 1982 than in 1981, there was an improving trend to results during the year:

(in millions of dollars)	1982	1981
Sales		
First quarter	\$113.5	\$127.0
Second quarter	139.4	155.7
Third quarter	157.9	160.0
Fourth quarter	154.3	140.8
	565.1	583.5
Earnings from continuing operations		
before income taxes		
First quarter	(4.9)	4.6
Second quarter	2.4	9.8
Third quarter	4.4	6.7
Fourth quarter	5.4	6.9
	7.3	28.0
	\$0.06	686.00

The first six months were characterized by low sales volumes which, combined with the relatively fixed nature of expenses, produced a net loss of \$0.17 per share for the half-year compared with a profit of \$0.64 per share in the first half of 1981. The second half of the year, aided by positive but weak seasonal factors, showed increases in sales and earnings levels.

Gross profits for the year were eroded by increasing competition and the effects of high cost prime aluminum, and averaged 22.9 % in 1982 compared with 24.8 % in 1981.

Earnings per share did not demonstrate the same improving trend through the year because the final two quarters' income tax charge did not reflect full recognition of current year tax losses in the United States.

The year's income tax provision is fully analyzed in note 3 to the financial statements, the comparatively low level of earnings in 1982 greatly distorting the reconciliation between the basic Canadian corporate rate and the effective tax rate. The benefit of tax losses and investment tax credits not recognized in 1982 amounted to \$1,274,000 (\$0.13 per share) and is available to be offset against tax on future profits. To effect accounting recognition of carry-forward losses

Casting operations are carefully controlled at Indalloy division's aluminum recycling and billet casting facility in Toronto.

which were recognized in 1982, deferred income taxes were adjusted as set out in note 3.

The operating and disposal losses of the window manufacturing subsidiary in California, reported as a "loss from discontinued operation," occurred mainly in the fourth quarter, depressing earnings for that period.

The "loss from discontinued metal trading operation" reflects provision for the full cost of closing that operation. Note 5 to the financial statements discloses the components of the loss. The "provision for pension plan refund" represents the surplus refundable on the windup of the plan.

Financial position		
Cash flow for the year was: (in millions of dollars)	1982	1981
Cash inflow from operations	\$ 24.8	\$ 44.7
Cash outflow from operations Investment in fixed assets Investment in working capital Taxation payments Dividends to shareholders Other	22.9 (4.8) 6.0 7.2 5.2	22.5 (4.1 15.0 10.5 4.8
	36.5	48.7
Net cash outflow from operations Fixed assets and working capital of business acquired	11.7	4.0 45.5
Net cash outflow Net borrowings—beginning of year	11.7 132.6	49.5 83.1
Net borrowings—end of year	\$144.3	\$132.6

The sharp decline in cash flow from operations could not be fully offset by working capital reductions and lower tax and dividend payments, and there was an outflow for the year of \$11.7 million. Investment in fixed assets remained at the 1981 level, as expansions and the upgrading of various group operations were completed. A number of planned projects were postponed pending better economic conditions.

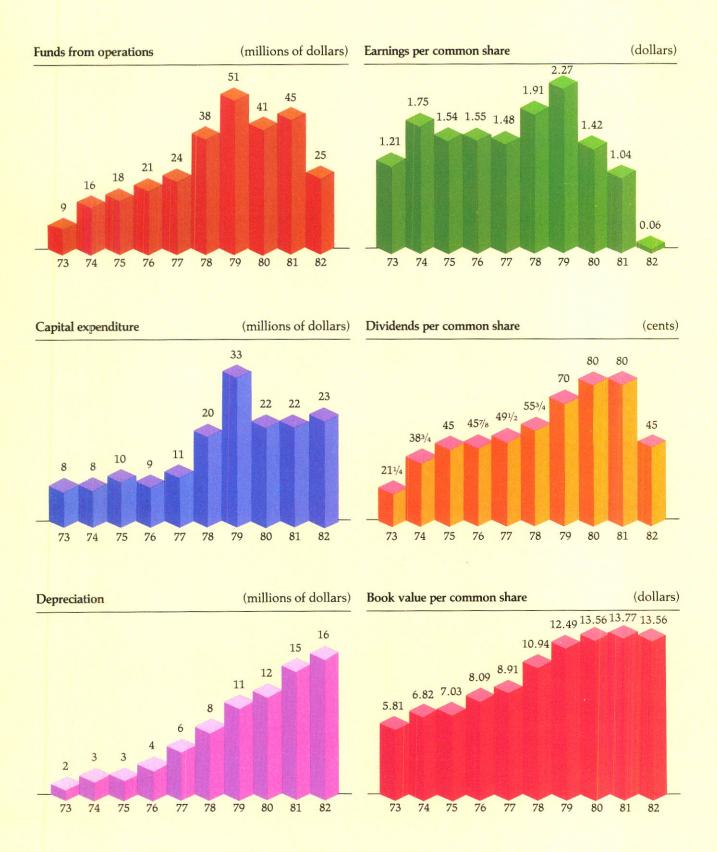
Balance sheet ratios were:

	1982	1981
Current ratio	2.0:1	2.4:1
Liquidity ratio	1.1:1	1.1:1
Debt/equity ratio	0.93:1	0.84:1

The financial position of the Company remains strong despite two consecutive years of economic decline. Continued strengthening of the Company's balance sheet will remain an objective of management.

The private placement since year end of 950,000 new common shares for a total cash consideration of \$15.7 million, has enabled the Company to reduce its bank indebtedness by a corresponding amount and to improve the foregoing financial ratios appreciably. The current, liquidity and debt/equity ratios at the end of 1982 as adjusted for this subsequent issue of shares would be 2.4:1, 1.3:1 and 0.75:1 respectively.

# Financial charts



# Management's report to the shareholders

The accompanying financial statements and all information in the Annual Report have been prepared by management and approved by the Board of Directors of the Company. The financial statements were prepared in conformity with the generally accepted accounting principles considered appropriate in the circumstances. The significant accounting policies followed by the Company are set out on page 20. Management is responsible for the accuracy, integrity and objectivity of the consolidated financial statements within reasonable limits of materiality, and for the consistency of financial data included in the text of the Report.

To assist management in the discharge of these responsibilities, the Company maintains a system of internal control designed to provide reasonable assurance that its assets are safeguarded; that only valid and authorized transactions are executed; and that accurate, timely and comprehensive financial information is prepared. Management believes that this system is appropriate in terms of cost and risk to meet the objectives outlined. The Company's internal audit department, working under the direction of management, monitors the system of internal control to ensure that adequate standards are maintained.

The consolidated financial statements have been examined independently by Coopers & Lybrand on behalf of the shareholders, in accordance with generally accepted auditing standards. Their report below outlines the nature of their examination and gives their opinion on the consolidated financial statements of the Company.

The Company's Audit Committee is appointed by the Board of Directors annually and is comprised of non-management directors. The Committee meets with management as well as with the internal and external auditors to satisfy itself that each group is properly discharging its responsibilities and to review the financial statements and the independent auditors' report. The Audit Committee reports its findings to the Board of Directors for consideration in approving the financial statements for presentation to the shareholders.

February 16, 1983

P. G. Selley Senior Vice-President, Finance

# Auditors' report to the shareholders

We have examined the consolidated balance sheet of Indal Limited at December 31, 1982 and the consolidated statements of earnings and retained earnings and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial state-

ments present fairly the financial position of the Company as at December 31, 1982 and the results of its operations and the changes in its 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.

Toronto, Ontario February 16, 1983

Coopers & Lybrand

# Significant accounting policies

#### Accounting standards

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

#### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and all subsidiaries except Rio Indal, Inc., the Company's metal trading operation accounted for as a discontinued operation in 1982. All material inter-company items and transactions are eliminated on consolidation. Acquisitions are consolidated from the date of acquisition.

#### Foreign currency translation

Assets and liabilities in foreign currencies are translated to Canadian dollars at the rate of exchange in effect at the year-end. Income and expenses in foreign currencies are translated to Canadian dollars at rates approximating the average rates of exchange during the year. Exchange differences arising on translation of the financial statements of foreign subsidiaries are taken to a currency translation account in the shareholders' equity section of the consolidated balance sheet. This account was previously recorded in the liabilities section.

#### Inventories

Raw material inventories are valued at the lower of cost and replacement cost and other inventories are valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

#### Fixed assets

Fixed assets, including expenditures which improve or prolong the useful lives of the assets, are stated at cost. Fixed assets obtained through acquisitions are stated at the values assigned at date of acquisition.

Depreciation is computed on a straight-line basis at rates based on the estimated useful lives of the assets. Estimated useful lives range from twenty to forty years for buildings, eight to ten years for machinery and equipment, seven to ten years for office furniture and equipment, three to four years for motor vehicles and two to ten years for tools and dies. Leasehold improvements are amortized over the terms of the leases.

Maintenance and repair costs of a routine nature are expensed as incurred.

#### Capital leases

Leases that transfer substantially all the benefits and risks of ownership are capitalized. Other leases are accounted for as operating leases.

#### Goodwill

Goodwill resulting from acquisitions or agreements entered into prior to January 1, 1974 is not amortized. Goodwill resulting from acquisitions subsequent to January 1 1974 is amortized on a straight-line basis, over its estimated life or forty years, whichever is the lesser.

#### Deferred charges

Start-up and preproduction costs are amortized over periods of one to five years. Debenture issue expenses are amortized over the terms of the debentures. Patents and licences are amortized over their estimated useful lives.

#### Inter-segment sales

Inter-segment sales are accounted for at prices comparable to open market prices.

#### Long-term contracts

Sales and earnings relating to long-term construction and design engineering contracts are recognized on a percentage of completion basis. Full provision is made for estimated losses on contracts as soon as these are identified.

#### Income taxes

The deferral method is used in accounting for income taxes. Timing differences giving rise to deferred income taxes relate primarily to:

- -depreciation and amortization—where the cumulative amounts claimed for income tax purposes differ from the amounts written off for accounting purposes.
- -accounts receivable holdbacks—where amounts are not taxed until released.
- -inventories—where values determined on the lastin, first-out method have been restated on consolidation on the first-in, first-out method.

Investment tax credits are taken into income in full when they arise.

#### Earnings per share

Earnings per common share are calculated after deducting dividends on preferred shares and using the weighted average number of shares outstanding during the year.

Fully diluted earnings per common share are computed as though outstanding stock options had been exercised at the beginning of the year.

# Consolidated statements of earnings and retained earnings

for the year ended December 31, 1982

Tot the year critical 2 document - , - , - , -				
(in thousands of dollars)	1982		1981	
Earnings		%		%
Sales	\$565,087	100.0	\$583,549	100.0
Cost of sales	435,764	77.1	438,625	75.2
Gross profit	129,323	22.9	144,924	24.8
Expenses				2.2
Selling and distribution	56,604	10.0	53,852	9.2
Administration	45,987	8.1	42,686	7.3
Financial	18,472	3.3	19,949	3.4
	121,063	21.4	116,487	19.9
	8,260	1.5	28,437	4.9
Other expenses (net)	984	0.2	468	0.1
Earnings from continuing operations before		201		
income taxes	7,276	1.3	27,969	4.8
Income taxes (note 3)	2,622	0.5	9,235	1.6
Earnings from continuing operations	4,654	0.8	18,734	3.2
Loss from discontinued operation (note 4)	(767)	(0.1)	(3,100)	(0.5)
Earnings from manufacturing operations (note 2)	3,887	0.7	15,634	2.7
Loss from discontinued metal trading operation (note 5)	(788)	(0.1)	(2,867)	(0.5)
Earnings before minority shareholders' interests	3,099	0.6	12,767	2.2
Minority shareholders' interests	(79)		226	
Net earnings	\$ 3,178	0.6	\$ 12,541	2.2
Earnings per common share	-			
Basic	\$ 0.06		\$ 1.04	
Fully diluted	\$ 0.06		\$ 1.04	
Retained earnings			<b>^</b>	
Balance—beginning of year	\$ 62,160		\$ 59,863	
Net earnings	3,178		12,541	
	65,338		72,404	
Dividends paid				
Preferred shares	2,632		2,536	
Common shares	4,340		7,708	
	6,972		10,244	
Balance—end of year	\$ 58,366		\$ 62,160	

# Consolidated balance sheet

as at December 31, 1982

(in thousands of dollars)	1982	1981
Assets		
Current assets		
Cash	\$ 5,596	\$ 1,881
Accounts receivable	94,576	79,934
Inventories (note 6)	95,321	107,876
Income tax recoverable	4,219	4,525
Other accounts receivable and prepaid expenses	8,993	6,468
Net assets of discontinued operation (note 5)	2,868	525
	211,573	201,209
Investment in non-consolidated subsidiary (note 5)	_	3,279
Fixed assets (note 7)		
Land	10,333	10,021
Buildings	60,194	51,242
Machinery and equipment	92,858	84,032
Leasehold improvements	5,974	5,715
Office furniture and equipment	6,251	5,437
Motor vehicles	8,281	8,158
	183,891	164,605
Accumulated depreciation	(62,032)	(49,723
	121,859	114,882
Tools and dies—at cost, less amortization	4,643	4,090
	126,502	118,972
Intangible assets		
Goodwill (note 8)	36,673	35,948
Deferred charges, less amortization (note 9)	1,602	2,256
	38,275	38,204
		30,204
	\$376,350	\$361,664

Signed on behalf of the Board

D. G. Coughlan, Director P. G. Selley, Director

	1982	1981
Liabilities		
Current liabilities		
Bank advances	\$ 28,239	\$ 28,565
Accounts payable	30,776	24,139
Other accounts payable and accrued charges	20,510	18,559
Other taxes payable	3,626	2,852
Deferred income taxes relating to current items	6,159	4,165
Current portion of long-term liabilities (note 10)	14,771	6,635
	104,081	84,915
Long-term liabilities less current portion (note 10)	106,903	99,314
Deferred income taxes	5,231	13,941
Minority shareholders' interests in subsidiary companies	4,204	5,750
	220,419	203,920

# Shareholders' equity

	\$376,350	\$361,664
	155,931	157,744
Retained earnings	58,366	62,160
Currency translation account	6,202	4,301
9,656,111 (December 31, 1981—9,643,445) common shares	66,363	66,283
Capital stock (note 11) Issued and fully paid 1,000,000 floating rate preferred shares	25,000	25,000

# Consolidated statement of changes in financial position

for the year ended December 31, 1982

for the year ended December 31, 1902		
(in thousands of dollars)	1982	1981
Source of funds		
Operations:		
Earnings from continuing operations before income taxes	S 7,276	\$ 27,969
Items not affecting funds		
Depreciation and amortization of fixed assets	15,857	14,717
Amortization of goodwill	656	627
Amortization of deferred charges	1,033	878
Dividend from metal trading operation		540
	24,822	44,731
Proceeds from sale of fixed assets	1,397	2,288
Issue of common shares	80	212
Total source of funds	26,299	47,231
Application of funds		
Working capital (excluding fund items)		
Accounts receivable and prepaid expenses	17,167	(1,623)
Inventories	(12,555)	4,601
Accounts payable, accruals and other taxes	(9,362)	(7,066
Working capital of business acquired		35,351
	(4,750)	31,263
Purchase of fixed assets	22,941	22,479
Additions to deferred charges	432	551
Net payment arising from transactions in shares of subsidiaries	2,820	5,883
Fixed assets of business acquired		10,115
Taxation payments	6,019	15,020
Dividends		
Preferred shares	2,632	2,536
Common shares	4,340	7,708
Minority shareholders	176	212
Foreign exchange adjustments	1,439	(540
Other	1,191	643
Total application of funds	37,240	95,870
DECREASE IN FUNDS FROM CONTINUING OPERATIONS	10,941	48,639
DECREASE IN FUNDS ATTRIBUTABLE TO DISCONTINUED OPERATION	743	895
DECREASE IN FUNDS	\$ 11,684	\$ 49,534
OPENING FUNDS		
Bank advances (net of cash)	\$ 26,684	5 1,932
Long-term liabilities (including current portion)	105,949	81,167
Net borrowings—beginning of year	132,633	83,099
CLOSING FUNDS		
Bank advances (net of cash)	22,643	26,684
Long-term liabilities (including current portion)	121,674	105,949
Net borrowings—end of year	\$144,317	\$132,633
Note: Funds are defined as cash, bank advances and long-term liabilities	<del></del>	Ψ10Z,033
INDIE: CUDOS ARE GETINEG AS CASH, DANK AGVANCES AND TONO-TERM Trabilities.		

Note: Funds are defined as cash, bank advances and long-term liabilities. For the change in long-term liabilities see note 10.

### Notes to consolidated financial statements

for the year ended December 31, 1982

2. Farnings from manufacturing operations

Effect of non-recognition for income tax purposes of foreign losses and investment tax credits

Adjustment of amounts previously provided

Other

#### 1. Investment in subsidiaries

During the year, the Company acquired additional equity in the following subsidiaries: Peachtree Doors Canada Ltd. (30%); Tempglass Limited (15%); Better-Bilt Aluminum Products Co. (1%); Peachtree Doors, Inc. (3.24%). Also, during the year the share capital of Deltaglass S.A. was increased by \$600,000 of which minority shareholders contributed \$294,000.

The net cash consideration in respect of these changes in holdings during the year amounted to \$2,820,000.

1982 \$15,857	1981
\$15,857	
	\$14,717
656	627
354	
1,033	878
6,324	3,355
14,654	18,608
1982	1981
0	<b>•</b> - • • •
	\$ 7,840
3,666	474
5,212	8,314
(3 (45)	/202
	(303
	1,224
(2,590)	921
-	
(1,069)	7,537
3,691	1,698
\$ 2,622	\$ 9,235
non-current ite	ems.
1082	1981
	45.8
	2.4
(70.6)	(16.0
8.2	2.3
	(3.9
	\$ 1,546 3,666 5,212 (2,615) 25 (2,590) (1,069) 3,691

The 1982 percentages are distorted due to the low level of earnings from continuing operations.

 $\frac{2.4}{33.0}$ 

17.5

24.6

12.9

#### 3. Income taxes (continued)

Deferred income tax arises from timing differences. The sources and tax effects of these timing differences and other movements through the deferred income tax account are:

(in thousands of dollars)	1982	1981
Tax depreciation and amortization in excess		
of accounting depreciation and amortization	\$ 326	\$ 991
Accounts receivable holdbacks	2,275	415
Deferred recognition for income tax purposes of		
profit on long-term contracts	2,623	_
Inventories restated on the first-in, first-out method	(619)	118
Other	(914)	174
Deferred income tax provision of the year Transfer from income tax recoverable in respect of income	3,691	1,698
tax losses and investment tax credits recognized, and other adjustments	(10,407)	_
	\$ (6,716)	\$ 1,698

Tax benefits not recognized in the financial statements at December 31, 1982 in respect of losses and investment tax credits amount to \$1,274,000 (December 31, 1981—nil). These benefits can be carried forward up to 1997 and offset against income tax liabilities arising in future periods.

#### 4. Loss from discontinued operation

The assets of Alamo Aluminum Corp., a prime window and patio door manufacturing subsidiary in California, were sold on December 31, 1982. Comparative figures reflect the closure and subsequent sale of the Murphysboro, Illinois plant of the Indal Aluminum division of Indal Inc. The operating results and losses on disposal arising at these operations have been segregated from the results of continuing operations in the consolidated statement of earnings and are:

(in thousands of dollars)	1982	1981
Sales	\$ 2,247	\$25,832
Operating loss Loss on disposal	324 773	3,434 2,400
Income tax recovery	1,097 330	5,834 2,734
	\$ 767	\$ 3,100

#### 5. Loss from discontinued metal trading operation

The metal trading operation, accounted for by the equity method, was discontinued effective September 30, 1982. The operating results to September 30, 1982 and provisions arising on discontinuance were:

(in thousands of dollars)	1982
Sales	\$86,795
Operating loss Provision for closure costs	1,600 1,224
Provision for pension plan refund	2,824 1,364
Income tax recovery	1,460 672
	\$ 788

The net assets of the discontinued metal trading operation amounting to \$2,868,000 at December 31, 1982 will be realized during 1983.

6. Inventories				
(in thousands of dollars)			1982	1983
Raw materials Work in process Finished goods			\$ 55,664 20,050 19,607	\$ 64,072 22,294 21,510
			\$ 95,321	\$107,876
7. Leases				
Assets financed by capital leases, accounted for in fixed assets are:	or and depreciated as o	company-owne	ed facilities ar	nd included
(in thousands of dollars)			1982	1981
Land and buildings Machinery and equipment			\$11,216 6,432	\$10,785 6,262
Accumulated depreciation			17,648 (5,876)	17,047 (4,646
Aggregate future minimum lease payments at	December 31 1082 ar	۵.	\$11,772	\$12,401
(in thousands of dollars)			Capital leases	Operating leases
1983 1984 1985 1986 1987 Thereafter			\$ 1,888 1,785 1,708 1,605 1,577 13,943	\$ 6,664 5,749 4,503 3,132 2,074 8,897
Total minimum lease payments Less: amount representing interest			22,506 9,304 \$13,202	31,019 — \$31,019
8. Goodwill				
(in thousands of dollars)				
Resulting from acquisitions and agreements entered into:	Prior to Jan. 1, 1974	After Jan. 1, 1974	1982	1981
B <mark>al</mark> ance–beginning of year Additions Amortization	\$13,751 —	\$22,197 990	\$35,948 990	\$34,190 2,473
Continuing operations Discontinued operation Exchange rate adjustments	Ξ	(656) (354) 745	(656) (354) 745	(627) — (88)
Balance–end of year	\$13,751	\$22,922	\$36,673	\$35,948
9. Deferred charges, less amortization				
(in thousands of dollars)			1982	1981
Balance—beginning of year Additions Amortization Exchange rate adjustments			\$ 2,256 432 (1,033)	\$ 1,379 1,757 (878)
Balance-end of year			(53) \$ 1,602	\$ 2,256

(in thousands of dollars)	1982	1981
Prime plus ¼% unsecured revolving bank credit facility of U.S. \$35,000,000. The Company has the option to extend the facility annually on December 31 or convert the amount in use to a five-year term loan at prime plus ¾%, repayable in 20 equal quarterly instalments	\$ 18,450	\$ 3,570
Unsecured bank term loan of U.S. \$39,324,000 with interest at London Interbank Offered Rate (LIBOR) plus 1¼% or U.S. base rate plus ¾% at the Company's option, repayable in increasing annual instalments over the term of the loan, from	49.245	44 704
1984 to 1988 8½% Sinking Fund Debentures, Series A, secured by a pledge of certain assets of the Company and shares of certain subsidiaries, due on March 15, 1993 with annual sinking fund repayments of \$139,000 in 1983, \$300,000 in 1984, \$400,000 from	48,345	46,796
1985 to 1988 and \$550,000 from 1989 to 1992	6,139	6,139
Mortgages maturing— within 5 years, at from 6% to 11¼% within 5-10 years, at from 9½% to 11½% after 10 years, at from 2% to 17¼%	4,691 2,799 8,053	5,216 3,523 4,516
7% Notes Payable, secured by a pledge of shares of a U.S. subsidiary,		
repayable January 2, 1983	3,620	7,003
10% Industrial Development Revenue Bonds repayable in 1983 Other	7,380 8,995	7,140 8,705
Capital leases:  Manufacturing plant leases payable in varying monthly or annual instalments at interest rates of between 6¾% and 9%. At the end of the lease terms the Company has the option to purchase the properties on payment of nominal sums	13,202	13,341
*	121,674	105,949
Portion due within one year	14,771	6,635
	\$106,903	\$ 99,314
The change during the year in long-term liabilities, including the current portion, wa	S:	
(in thousands of dollars)	1982	1981
Balance—beginning of year	\$105,949	\$ 81,167
New borrowings	19,066	51,047
Repayments Exchange rate adjustments	(6,077) 2,736	(25,992 (273
Balance—end of year	\$121,674	\$105,949
Data de Jens		,,

#### 11. Capital stock

Authorized share capital:

The authorized share capital of the Company consists of an unlimited number of preferred shares of no par value, issuable in series, and an unlimited number of common shares of no par value.

#### Preferred shares:

There are issued and outstanding 1,000,000 cumulative floating rate preferred shares Series A with a stated value of \$25 each. These preferred shares, which do not have general voting rights, carry a cumulative floating rate dividend equal to half the average Canadian bank prime rate plus  $1\frac{1}{2}\%$ . The shares are redeemable at their stated value. The shares are retractable at their stated value, at the option of the holders, in 1988. In the event of a change in the income tax treatment of dividends, either the dividend rate will be increased or these preferred shares will be redeemed by the Company. The holders have agreed to accept term promissory notes of the Company in the event of a redemption pursuant to such a tax change.

Change during the year in issued capital stock:			
(in thousands of units/dollars)		1982	1981
Common shares Balance—beginning of year Exercise of stock options	number of shares 9,643 13	\$66,283 80	\$66,071 212
Balance-end of year	9,656	\$66,363	\$66,283

The weighted average number of shares outstanding in 1982 was 9,647,000 (1981–9,632,000).

Stock options:

At December 31, 1982 there were stock options outstanding in respect of 139,500 common shares (including 70,000 to officers, some of whom are also directors of the Company) exercisable at between \$4.45 and \$14.50 per share. These options expire at various dates between 1983 and 1988.

#### 12. Commitments and contingencies

Minority shareholders in five subsidiaries have the option to require the Company to purchase their shareholdings at prices based on the earnings of these companies. In respect of two subsidiaries these options were not yet exercisable at December 31, 1982 and hence the total potential cost cannot be determined. For those subsidiaries in respect of which options were already exercisable, the cost based on earnings to December 31, 1982 would be approximately \$2,600,000.

A Canadian subsidiary of the Company has received federal and provincial income tax assessments totalling \$3,500,000 including interest and penalties in respect of the years 1971-1976. Certain of these assessments allege that additional income was earned in those years and the remainder allege that the subsidiary failed to withhold tax on amounts paid or credited to a non-resident corporation. These assessments are being resisted and no provision therefor has been made in the financial statements of the Company.

A U.S. subsidiary is a co-defendant in a civil law suit in the United States in which tortious pollution is alleged and damages of U.S. \$30,000,000 are claimed. The Company believes that this claim has no merit and accordingly no provision therefor has been made in the financial statements.

Various retirement pension plans exist within the group. Contributions to plans for salaried and hourly employees charged to income were \$2,900,000 (1981-\$3,500,000). The decreased contribution level was caused by a change in determination of the value of plan assets and favourable past experience, but included \$300,000 for past service costs as a result of the Company having voluntarily upgraded pension benefits. On the basis of valuations by the Company's actuaries in 1982, the remaining liability at December 31, 1982 with respect to unfunded past service benefits amounted to \$1,700,000 which is being funded and charged to earnings at varying rates over periods ranging from two to twenty years.

At December 31, 1982, capital commitments in respect of fixed asset additions amounted to approximately \$500,000.

There were no material transactions during the year between the Company and related parties.

#### 13. Segmented information

Based on the products and operations of the Company, the classes of business as determined by the Directors

products:

Residential construction For use in residential construction, including new housing and apartment buildings.

Non-residential construction products: For ultimate use in industrial, commercial or institutional construction.

Home improvement and consumer products:

Supplied to mass merchandisers, lumber yards and do-it-yourself outlets for use in home improvements.

Industrial components:

For incorporation as a part or sub-assembly in an industrial product, including automotive products and design engineered products.

Other manufacturing:

Products that do not fall into any other industry segment.

Segmented information is set out in Appendix 1.

# Segmented information (in thousands of dollars)

Industry segments

	Reside constru prodi 1982	action	Non-residential construction products 1982 1981			
Sales to customers Inter-segment sales	\$164,600 9,564	\$191,703 13,753	\$162,556 8,218	\$148,314 8,080		
	\$174,164	\$205,456	\$170,774	\$156,394		
Segment operating profit	\$ 3,486	\$ 13,342	\$ 17,404	\$ 21,521		
General corporate expenses Interest expense						
Earnings from continuing operations before income taxes Income taxes						
Earnings from continuing operations Loss from discontinued operation						
Earnings from manufacturing operations Loss from discontinued metal trading operation						
Earnings before minority shareholders' interests						
Identifiable assets	\$131,593	\$136,242	\$106,312	\$ 86,955		
Investment in metal trading subsidiary accounted for by the equity method  Net assets of discontinued operation  Corporate assets						
Total assets						
Capital expenditure	\$ 4,041	\$ 7,614	\$ 7,305	\$ 10,096		
Depreciation and amortization of fixed assets	\$ 5,267	\$ 4,807	\$ 3,839	\$ 2,965		
Geographic segments  Sales to customers Transfers between geographic segments						
Segment operating profit						
General corporate expenses Interest expense						
Earnings from continuing operations before income taxes income taxes						
Earnings from continuing operations Loss from discontinued operation						
Earnings from manufacturing operations Loss from discontinued metal trading operation						
Earnings before minority shareholders' interests						
1 - 2 11 - 2						
dentifiable assets						

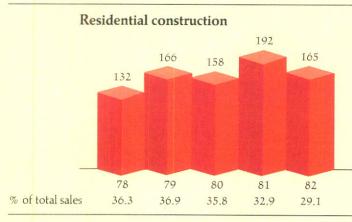
F	lome impand co prod 1982	กรเ	ımer	Indu comp 1982		Ot manufa 1982		Consol elimin 1982		Consol	lidated 1981
\$	87,533 8,560	\$	93,320 7,843	\$ 133,457 2,319	\$ 131,408 3,187	\$ 16,941 454	\$ 18,804 1,031	\$ 	\$ (33,894)	\$565,087 —	\$583,549 —
\$	96,093	\$	101,163	\$ 135,776	\$ 134,595	\$ 17,395	\$ 19,835	\$ (29,115)	\$ (33,894)	\$565,087	\$583,549
\$	3,470	\$	7,149	\$ 10,291	\$ 12,400	\$ (284)	\$ 2,119	\$ (1,516)	\$ (3,101)		\$ 53,430
										(4,659) (20,916)	(4,930) (20,531)
										7,276 2,622	27,969 9,235
										4,654 (767)	18,734 (3,100)
										3,887 (788)	15,634 (2,867)
										\$ 3,099	\$ 12,767
\$	65,002	\$	59,182	\$ 85,666	\$ 78,781	\$ 15,340	\$ 13,692	\$ (51,262)	\$ (31,952)	\$352,651	\$342,900
										2,868 20,831	3,279 525 14,960
										\$376,350	\$361,664
\$	2,539	\$	3,656	\$ 6,161	\$ 8,326	\$ 2,895	\$ 2,947				
\$	2,761	\$	2,367	\$ 3,075	\$ 3,174	\$ 915	\$ 696				

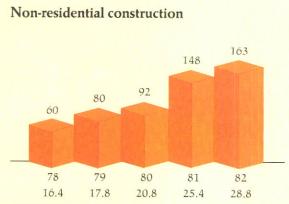
Canada			l States	Consol		Consolidated			
1982	1981	1982	1981	1982	1981	1982	1981		
\$255,303 2,258	\$268,316 2,096	\$309,784 113	\$315,233 356	\$ (2,371)	\$ (2,452)	\$565,087 —	\$583,549		
\$257,561	\$270,412	\$309,897	\$315,589	\$ (2,371)	\$ (2,452)	\$565,087	\$583,549		
\$ 25,303	\$ 32,475	\$ 9,064	\$ 20,955	\$ (1,516)	\$ 	\$ 32,851	\$ 53,430		
						(4,659) (20,916)	(4,930 (20,531		
						7,276 2,622	27,969 9,235		
						4,654 (767)	18,734 (3,100		
						3,887 (788)	15,634 (2,867		
						\$ 3,099	\$ 12,767		
\$143,703	\$146,267	\$208,948	\$196,633			\$352,651	\$342,900		

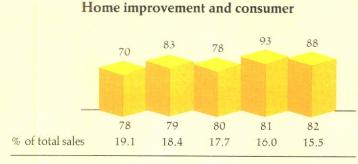
### Financial charts

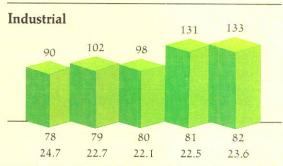
(millions of dollars)

# Sales by market segment

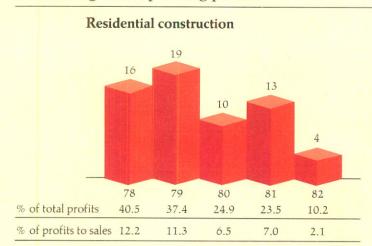


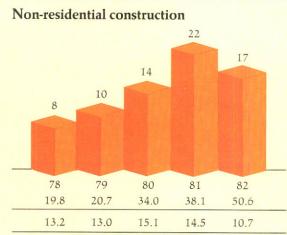




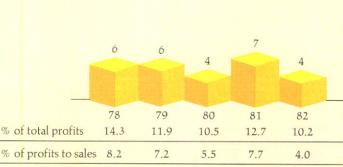


### Market segment operating profits





# Home improvement and consumer



78 79 80 27.3 24.4 24.2 10.8 13.5 10.1

Industrial

14 12 10 10 10 81 82 22.0 29.0 9.4 7.7

Notes: Segment operating profits are before interest expense and consolidation eliminations.

Figures for total sales and total profits reflected in percentage calculations include figures for the "other manufacturing" segment.

# Summarized quarterly financial information (unaudited)

for the year ended December 31, 1982

		Year ended				
1982	March 31	June 30	September 30	December 31	December 31	
(in thousands of dollars)						
Sales <sup>(1)</sup>	\$113,529	\$139,363	\$157.859	\$154,336	\$565,087	
Gross profit <sup>(1)</sup>	23,812	32,445	36,058	37,008	129,323	
Gross profit percentage(1)	21.0%	23.3%	22.8%	24.0%	22.9%	
Net earnings	(1,882)	1,612	2,226	1,222	3,178	
Earnings per common share						
Basic	\$(0.27)	\$0.10	\$0.17	\$0.06	\$0.06	
Fully diluted	\$(0.27)	\$0.10	\$0.17	\$0.06	\$0.06	
Market price of common shares(2)						
High	\$15	\$141/4	\$13	\$15½	\$15½	
Low	\$121/4	\$ 91/2	\$ 91/2	\$113/4	\$ 9½	
Number of shares traded(3)	1	7 /-	± , - ,=	T-2/-	7 /2	
(in thousands)	174	310	181	245	910	

		Year ended				
1981	March 31	June 30	September 30	December 31	December 31	
(in thousands of dollars)						
Sales <sup>(1)</sup>	\$126,993	\$155,707	\$159,961	\$140,888	\$583,549	
Gross profit <sup>(1)</sup>	30,625	39,060	39,862	35,377	144,924	
Gross profit percentage(1)	24.1%	25.1%	24.9%	25.1%	24.8%	
Net earnings	2,320	4,939	2,232	3,050	12,541	
Earnings per common share						
Basic	\$0.19	\$0.45	\$0.16	\$0.24	\$1.04	
Fully diluted	\$0.19	\$0.45	\$0.16	\$0.24	\$1.04	
Market price of common shares(2)						
High	\$16%	\$20	\$17½	\$151/4	\$20	
Low	\$141/2	\$161/2	\$11	\$123/4	\$11	
Number of shares traded(3)					3.55	
(in thousands)	146	805	261	188	1,400	

<sup>(1)</sup> Sales, gross profits and gross profit percentages for the first three quarters of the year are restated to exclude figures for operations discontinued during the year.

<sup>(2)</sup> High/low market prices reflect prices quoted on The Toronto Stock Exchange.

<sup>(3)</sup> The number of shares traded reflects the combined volume of shares traded on The Toronto and Montreal Stock Exchanges.

# Ten year financial summary (in millions of dollars)

Earnings	Sales—manufacturing operations Gross profit—manufacturing operations Earnings before income taxes—manufacturing operations Sales from discontinued metal trading operation Earnings from discontinued metal trading operation Net earnings Preferred dividends paid Common dividends paid
Performance statistics	Gross profit percentage Net earnings as a percentage of sales Sales/assets ratio Return on total assets (based on net earnings) Return on common shareholders' equity (based on net earnings after preferred dividends and on average opening and closing equity)(1)
Common share data	Earnings per common share <sup>(4)</sup> Earnings per share growth Dividends paid per common share <sup>(4)</sup> Book value per common share <sup>(4)</sup> Average number of common shares outstanding (in millions) <sup>(4)</sup>
Assets	Working capital Current ratio Fixed assets Total assets
Shareholders' equity	Preferred shareholders' equity  Common shareholders' equity  Number of common shares outstanding at year end  (in millions)
Cash flow	Funds from operations Purchase of fixed assets Depreciation of fixed assets
	<ol> <li>(1) The figures from 1977 to 1981 have been restated to include the currency translation account in shareholders' equity.</li> <li>(2) Sales from discontinued metal trading operation exclude sales to other group companies.</li> <li>(3) The 1976 figures have been restated to reflect an inventory repurchase commitment of \$9.0 million originally recorded by way of a note.</li> <li>(4) Figures prior to 1977 have been adjusted to reflect a two for one stock split in that year.</li> <li>(5) The 1981 figure excludes the assets of the extrusion operations acquired in that year.</li> <li>(6) Percentages and ratios have been calculated using figures in thousands of</li> </ol>

(6) Percentages and ratios have been calculated using figures in thousands of dollars.

1982	1981	1980	1979	1978	1977	1976	1975	1974	1973
565	584	443	450	363	212	159	109	112	90
129	145	110	116	93	55	43	32	31	22
7.3	28.0	27.0	39.3	28.0	16.5	15.7	12.8	11.9	6.0
19	119	211	324	161	226	236	109	76	36
(0.8)	(2.9)	1.1	2.5	(0.2)	0.8	1.4	0.8	1.2	0.8
3.2	12.5	15.8	23.6	13.8	9.3	9.5	7.5	7.0	3.9
2.6	2.5	2.2	1.8	1.1	0.1	0.1	0.1	0.1	0.1
4.3	7.7	7.7	6.7	3.6	3.1	2.8	2.2	1.6	0.7
22.9%	24.8%	24.8%	25.8%	25.5%	25.9%	27.1%	29.1%	27.6%	24.3%
0.6%	2.2%	3.6%	5.2%	3.8%	4.4%	6.0%	6.8%	6.3%	4.3%
1.5	1.6	1.5	1.6	1.4	1.4	1.3	1.2	1.4	1.3
0.8%	3.5%	5.2%	8.1%	5.3%	6.3%	7.7% (3)		8.9%	5.6%
0.4%	7.6%	10.6%	18.1%	14.8%	17.1%	20.5%	20.6%	29.0%	22.7%
 100,000,000	27,740.4 (27,000)			10	74072 MARCO	20.5 70	20.0 70	29.0 70	
\$0.06	\$1.04	\$1.42	\$2.27	\$1.91	\$1.48	\$1.55	\$1.54	\$1.75	\$1.21
(94.2)%	(26.8)%	(37.4)%	18.8%	29.1%	(4.5)%	0.6%	(12.0)%	44.6%	65.8%
45¢	80¢	80¢	70¢	55¾¢	49½¢	45%¢	45¢	38¾¢	211/4¢
\$13.56	\$13.77	\$13.56	\$13.31	\$11.85	\$9.06	\$8.09	\$7.03	\$6.82	\$5.81
9.6	9.6	9.6	9.6	6.7	6.2	6.1	4.8	4.0	3.1
107	116	103	92	98	33	32	24	13	6
2.0:1	2.4:1	3.0:1	2.5:1	3.1:1	1.6:1	2.1:1(3)	1.9:1	1.5:1	1.2:1
127	119	105	95	77	46	39	31	25	20
376	362	304	290	259	148	122(3)	94	79	69
25	25	25	25	25	1	1	1	1	1
131	133	130	128	113	59	49	42	29	18
9.7	9.6	9.6	9.6	9.6	6.5	3.0	3.0	2.2	1.6
25	45	41	51	38	24	21	18	16	9
23	22(5)	22	33	20	11	9	10	8	8
16	15	12	11	8	6	4	3	3	2

# Principal operating subsidiaries and divisions

	% of equity attributable	
Canada	to the Company	
AIRLITE GLASS INSULATING Division, Toronto, Ont. J. Shapiro, President	100	Insulating glass units
ALUMIPRIME Division, Toronto, Ont. H. Lazar, President	100	Aluminum prime windows and patio doors
COMMERCIAL ALUMINUM Division, Toronto, Ont. B. R. Leaman, President	100	Architectural aluminum store fronts, entrances, window systems and curtainwall
COMMERCIAL ALUMINUM (WESTERN) Division, Calgary and Edmonton, Alta.; and Saskatoon, Sask. L. E. Krause, General Manager	100	Architectural aluminum store fronts, entrances, window systems and curtainwall
C. R. METAL PRODUCTS Division, Toronto, Ont. G. Berdan, President	100	Cold rollformed metal products
DAF INDAL LTD., Mississauga, Ont. M. R. Maynard, Chairman G. R. Rutledge, President and Chief Executive Officer	100	Design engineering, structural products, shipboard helicopter hangars, helicopter hauldown and rapid securing systems and wind turbines
DOMINION BRONZE LIMITED, Winnipeg, Man.; Calgary, Alta.; Regina, Sask.; and Toronto, Ont. R. H. R. Dryburgh, President	100	Curtainwall, commercial and institutional windows and specialty architectural systems
EASTLAND METALS Division, Mississauga, Ont. G. R. Grant, Vice-President and General Manager	100	Cold rollformed steel and aluminum products including industrial and agricultural siding and roofing
FABRICATED STEEL PRODUCTS Division, Windsor, Ont. J. R. Davidson, President	100	Automotive parts and steel containers
FASCO PRODUCTS Division, Toronto, Ont. J. E. Faveri, President	100	Storm and patio door hardware and aluminum home improvement products
HIALCO MFG. Division, Port Coquitlam, Kelowna and Nanaimo, B.C. P. Houweling, President	100	Aluminum prime windows and patio doors
INDAL PRODUCTS Group J. N. LeHeup, President	100	
LITE MÉTALS Division, Mississauga, Ont. R. A. Englhardt, Vice-President and General Manager		Aluminum ladders
MARITIMES Division, Amherst, N.S. R. W. Janes, Vice-President and General Manager		Aluminum storm doors and windows
REBMEC Division, Toronto, Ont. J. N. LeHeup, President		Aluminum storm doors, windows and other home improvement products, recreational vehicle components and auto sun roofs
INDALEX Division, Toronto, Ont.; Montreal, P.Q.; Calgary, Alta.; and Port Coquitlam, B.C. W. J. MacDonald, President	100	Aluminum extrusions, surface finishing and fabricated products
INDALLOY Division, Toronto, Ont. L. Kozierok, President	100	Aluminum recycling and billet casting
McKNIGHT WINDOW INDUSTRIES Division, Toronto, Ont. D. R. Williams, President	100	Wood and vinyl windows and doors
PEACHTREE DOORS CANADA Division, Toronto, Ont. S. G. Abray, President G. R. Kerr, Vice-President and General Manager	100	Residential insulated steel entry door systems
RAM PARTITIONS Division, Toronto, Ont. A. W. Stokes, President	100	Office panel systems, furniture components and acoustic office screens
TEMPGLASS Division, Toronto, Ont. I. R. Moore, President	100	Glass tempering and processing
WESTERN ALUMINUM PRODUCTS Division, Calgary, Edmonton, Medicine Hat and Red Deer, Alta.; Regina and Saskatoon, Sask. C. M. Kline, President	100	Aluminum, vinyl and wood prime windows, doors, insulating glass units and recreational vehicle components
WESTLAND METALS Division, Richmond, B.C.; Calgary, and Edmonton, Alta.; and Regina and Saskatoon, Sask. B. G. Harrison, President	100	Cold rollformed steel and aluminum products including industrial and agricultural siding and roofing, rainwater goods, grain bins and pre-engineered buildings
WESTWOOD WINDOWS Division, Airdrie, Alta. D. S. Cheetham, Vice-President, Operations	100	Wood windows and patio doors

United States	% of equity attributable to the Company	
BETTER-BILT ALUMINUM PRODUCTS CO., Smyrna, TN and Prescott, AZ L. M. Moffatt, President	100	Aluminum patio and storm doors, aluminum prime and storm windows and aluminum screen doors
DELTAGLASS INC., Toledo, OH 1. D. Fintel, General Manager	51	Laminated glass
INDAL ALUMINUM Division of Indal Inc., City of Industry and City of Commerce, CA J. B. Teets, Chairman and Chief Executive Officer D. A. Reeber, President	100	Aluminum extrusions, recycling and billet casting, custom fabrication, proprietary products including weatherstripping, recreational vehicle trim and carpet trim
INDAL ALUMINUM GULFPORT Division of Indal Inc., Gulfport, MS D. DeLano, President	100	Aluminum extrusions, recycling and billet casting, and custom fabrication
KABINART CORPORATION, Nashville, TN G. Boudoucies, President	95	Wood cabinets for kitchens and bathrooms
MIDEAST ALUMINUM INDUSTRIES Division of Indal Inc., Dayton, NJ and Mountaintop, PA R. B. Sowers, President	100	Aluminum extrusions, finishing and custom fabrication
NORTH AMERICAN DIE CASTING CORP., Fredericksburg, VA S. H. Ruderfer, President	100	Zinc die cast products
PEACHTREE DOORS, INC., Norcross, Gainesville and Atlanta, GA, and St. Joseph, MO J. R. Hewell, Jr., President	85	Residential insulated steel entry door systems, patie doors and windows
REPLACEMENT PRODUCTS INDUSTRIES CORPORATION Philadelphia, PA R. Matyasik, President	100	Aluminum replacement windows
SEALRITE WINDOWS, INC., Lincoln, NE D. L. Farnsworth, President	100	Wood windows and patio doors
TEMPGLASS, INC., Toledo, OH I. D. Fintel, Vice-Chairman and Chief Executive Officer G. L. Christman, President	100	Glass tempering and processing
TEMPGLASS EASTERN, INC., Atlanta, GA J. G. Mulvanerty, President	95	Glass tempering and processing
TEMPGLASS SOUTHERN, INC., Grand Prairie, TX W. C. Metcalfe, President	92.5	Glass tempering and processing
TEMPGLASS WESTERN, INC., Fremont, CA R. B. Cobie, President	100	Glass tempering and processing
TENNESSEE BUILDING PRODUCTS, INC., Nashville, Knoxville and Chattanooga, TN and Charlotte, NC J. Fishel, President	100	Aluminum, wood and other building products
TENNESSEE GLASS, Division of Tennessee Building Products, Inc., Nashville, TN J. L. Soyars, Vice-President and General Manager	100	Retail glass sales and commercial glazing
TUBELITE Division of Indal Inc., Reed City, MI, Atlanta, GA, Dallas, TX and Denver, CO R. K. Waldron, President	100	Architectural and commercial aluminum extrusions and fabrication, door closers, revolving doors and aluminum doors and windows
Switzerland		
DELTAGLASS S.A., Fribourg FR	51	Laminated glass

# Location of plants and warehouses/sales offices



# Glossary

### Manufacturing and production terms

Aluminum billet casting: pouring molten aluminum into long, vertical, cylindrical moulds, which forms the metal into log-shaped sections which are then cut into shorter lengths, called billets, for use in aluminum extruding.

Aluminum extruding: forcing preheated and softened aluminum billet horizontally through a steel die under pressure from a hydraulic ram. The aluminum takes on the shape of the die as it emerges from the press and is cut into lengths for use in fabrication processes.

Aluminum recycling: billet casting from sorted and remelted aluminum scrap.

Die: a press tool, usually made of steel, which matches within very close tolerances either two or three dimensions of a metal product and which imparts its shape to the metal passing through the press process. An extrusion die has the form of the two-dimensional extruded section; a pressure-casting die has the complete form of a three-dimensional product.

Glass laminating: a method of making safety glass by sandwiching and bonding an interlayer of clear, flexible material with two outer layers of plain or tempered glass. Can also be used to make multi-layer product for use as vandal-proof or bullet-resistant glass.

Glass tempering: passing sheets of glass through a hightemperature furnace and then air-cooling them rapidly. This strengthens the glass and changes its molecular structure so that if broken, it will shatter into a myriad of tiny, crystal-like and relatively harmless fragments.

Steel or aluminum cold rollforming: passing coiled sheets of steel or aluminum through a series of roller dies that form the metal into sections of various shapes, sizes and thicknesses for use in construction products and general manufacturing.

Steel stamping: placing and punching metal blanks in punch presses containing dies, so that the processed blanks, called stampings, have the shape of the die.

Wood profiling: machine processing of lengths of wood to form shaped mouldings for use in products such as window frames and door jambs.

Zinc diecasting: molten zinc is forced under pressure into the cavities of moulds or dies that shape the metal to their pattern. Door handles, window locks and other hardware are made in this manner.

### Product and market terms

Architectural products or systems: refers generally to the fabrication of large windows and entrance systems for commercial and industrial buildings.

Cladding: steel and aluminum sheet produced in a variety of profiles by cold rollforming for use as roofing and siding on agricultural, commercial and industrial buildings.

Curtainwall: windows, panels and frames assembled and affixed to the outer walls of multi-storey buildings.

Design engineering: products designed and engineered for custom applications.

Glazing: glass installed in window and door frames.

Helicopter hauldown systems: systems engineered by DAF Indal Ltd. to link a hovering helicopter securely to the deck of a naval vessel shortly before touchdown, and, in the U.S. Navy application, to manoeuvre it along a track into the vessel's hangar. These systems are invaluable operating aids in rough weather.

Insulated steel entry doors: residential entry doors manufactured from stamped steel panels on a wood frame with a centre core of insulating material.

Insulating glass units: an energy-efficient product comprising two or three sheets of glass separated by metal spacers and thoroughly sealed for use in windows and doors.

Pre-engineered buildings: steel-framed buildings designed around a standard prefabricated system of components, and delivered to site for erection without further fabrication.

Prime aluminum: aluminum made from alumina as opposed to secondary aluminum made from recycled scrap.

Prime windows: windows installed in a new building or an extension to an existing building.

Replacement windows: windows for installation in existing buildings to upgrade insulating characteristics and lower maintenance requirements.

Shipboard helicopter hangars: hangars to house helicopters on the decks of ships not normally of an aircraft-carrying type.

Thresholds: strips of aluminum at the base of entry door frames used to exclude air filtration.

Weatherstripping: plastic or metal strip used to reduce air filtration around door and window frames.

Wind turbines: wind-driven rotary blade systems producing the motive power for an electrical generator.

# Corporate directory

#### **Directors**

DERMOT G. COUGHLAN

President and Chief Executive Officer, Indal Limited, Toronto

DEREK EDWARDS

Chairman and Chief Executive, R.T.Z. Industries Limited, London, England, an industrial holding company

MICHAEL M. FREEMAN

Finance Director, R.T.Z. Industries Limited, London, England

JAMES R. HEWELL, JR.

President, Peachtree Doors, Inc., Atlanta,

a residential door and window manufacturing company

LEO P. LARKIN, JR.

Partner, Rogers & Wells, New York, Attorneys

J. ROSS LeMESURIER

Vice-Chairman, Wood Gundy Limited, Toronto, an investment dealer

G. ALLAN MacKENZIE

Executive Vice-President, General Distributors of Canada Ltd., Winnipeg, a retailing and distributing company

DONALD J. McDONALD

Company Director, Toronto

GEORGE H. MONTAGUE

Vice-President, TALcorp Associates Limited, Toronto, an investment company

J. DEREK RILEY

Company Director, Winnipeg

ALASTAIR H. ROSS

President, Allaro Resources Ltd., Calgary, an oil and gas exploration company

SIMON B. SCOTT

Partner, Borden & Elliot, Toronto, Barristers and Solicitors

PETER G. SELLEY

Senior Vice-President, Finance, Indal Limited, Toronto

WALTER E. STRACEY

Chairman, Indal Limited, Toronto

- Member of the Executive Committee
- Member of the Audit Committee

#### Officers

WALTER E. STRACEY

Chairman

DERMOT G. COUGHLAN

President and Chief Executive Officer

J. NORMAN McKNIGHT

Executive Vice-President and Chief

Operating Officer, Canadian Operations

THOMAS A. ROSKO

Executive Vice-President and Chief

Operating Officer, U.S. Operations

PETER G. SELLEY

Senior Vice-President, Finance

DOWNIE BROWN

Vice-President, Corporate Development

JOHN D. HILLERY

Vice-President, Corporate Counsel and Secretary

VINCENT J. HOWCROFT

Vice-President, Administration

ION N. LeHEUP

Vice-President, Special Projects

KERIN H. S. LLOYD

Vice-President, Manufacturing and Marketing Services

A. M. GORDON TURNBULL

Vice-President, Treasurer

GEORGE A. GODWIN

Assistant Corporate Counsel and Assistant Secretary

W. LYLE MUIR

Administrator, Risk Management and Employee Benefits

PETER SUURTAMM

Manager, Information Systems

PETER E. WYATT

Controller

# Corporate office

4000 Weston Road, Weston, Ontario M9L 2W8

Telephone (416) 743-1400

Telecopier (416) 746-1311

Telex 065-27290

#### Auditors

COOPERS & LYBRAND

Chartered Accountants

# Principal bankers

THE TORONTO-DOMINION BANK

CANADIAN IMPERIAL BANK OF COMMERCE

#### General counsel

BORDEN & ELLIOT, Toronto

ROGERS & WELLS, New York

### Transfer agents and registrars

PREFERRED SHARES

INDAL LIMITED

**COMMON SHARES** 

THE ROYAL TRUST COMPANY, Toronto, Montreal,

Winnipeg, Calgary, Regina and Vancouver

# Annual meeting

The annual meeting of the common shareholders of Indal Limited will be held on May 12, 1983 at 4:00 p.m. in the Territories Room of the Royal York Hotel, 100 Front Street West, Toronto, Ontario

### Exchange listings

The common shares of Indal Limited (ticker symbol ICL) are listed on The Toronto Stock Exchange and the Montreal Stock Exchange.

# Annual report

Copies of the Indal Limited 1982 Annual Report or the booklet "This is Indal" may be obtained by contacting the Secretary at the corporate office.

