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Morley B. Goldblatt
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Hamilton

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Director and President, Hamilton

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Vice-President, Hamilton

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Toronto

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Toronto

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Director, Real Estate Broker,
Hamilton

Harry Bowler, C.A., A.C.I.S.
Vice-President
Finance, Hamilton

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Vice-President, Toronto

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Director of Corporate Planning,
Oakville

John J. Stortz, C.A.
Secretary, Assistant to President,
Burlington



Financial Highlights—Equity Basis

(in thousands of dollars except per share statistics)

	1981	1980
Sales	\$ 160,038	\$ 186,045
Net Earnings (Loss) Before Extraordinary Gain	\$ (565)	\$ 1,156
Net Earnings (Loss) Per Share Before Extraordinary Gain	\$ (0.36)	\$ 0.74
Net Earnings (Loss)	\$ (207)	\$ 1,156
Net Earnings (Loss) Per Share	\$ (0.13)	\$ 0.74
Working Capital	\$ 13,810	\$ 15,154

Miscellaneous Corporate Information

Registrar & Transfer Agent:
The Royal Trust Company, Toronto

Auditors:
Coopers & Lybrand

Stock Exchange Listing:
Toronto Stock Exchange

Annual Meeting

The annual meeting of shareholders of Intermetco Limited will be held in the Pavilion C Room at the Holiday Inn, 150 King Street East, Hamilton, Ontario on Thursday, the 25th day of March, 1982 at 4:30 p.m. E.S.T.

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President's Message



A Look Back— A Look Ahead

The continuing depressed state of the North American economies, reflected in declining activity in the automotive, agricultural and construction industries and in consumer spending restraint resulting from record high interest rates and accelerating inflation, significantly affected the Corporation's 1981 results. Despite the difficult business conditions, several operating units achieved satisfactory results. These include Tubular and Structural Products, General Refrigeration, C. & J. Willenborg, Western Bird's Hill Creamery and Krispak.

As can be seen from the financial statements, the 1980 figures have been restated to reflect changes in accounting policies in 1981. These changes were the switch to equity accounting for the company joint ventures, and the elimination of the base stock inventory. The changes will improve our reporting to shareholders.

Sales in 1981 were \$160,000,000 as compared with \$186,000,000 in 1980. Net loss this year amounted to \$207,000 (after extraordinary income of \$358,000) compared with earnings of \$1,156,000 in 1980. Capital expenditures were \$4,211,000 in 1981 against \$7,470,000 in 1980.

Each of our quarterly reports through 1981 reflected our concerns regarding the deteriorating business conditions. These concerns led us to omit dividends after the first quarter.

The economy generally became increasingly negative commencing with the fourth quarter of 1980 and continued to decline in many areas throughout fiscal 1981. At this time there appears to be little improvement in this downward trend.

Government actions were introduced in the United States to dampen the economy and restrain inflation in that country. Adjustments in Canadian monetary policy introduced to compensate for the United States strategies were designed to maintain the value of the domestic currency and to control inflation. These moves were instrumental in causing the downturn in Canadian industrial activity.

Although we were successful in placing some of our long-term debt in fixed rate borrowing during the year, our interest costs in 1981 were significantly increased over the previous year. Because of this, additional emphasis was placed on asset management and planned capital expenditures were reassessed. As a result, expenditures of \$4.2 million for plant and equipment were considerably less than the expenditures of 1980, and were directed mainly to strategic expansion and cost reduction projects.

The Metals Recycling section of our Metal Products Division, influenced by generally depressed world steel business conditions, experienced rather significant losses. This was typical of the industry throughout North America. Sharply decreased demand for recycled products, along with high interest rates and increased operating costs, contributed to the poor results. Unsettled labour conditions in the steel industry particularly affected fourth quarter results of our operations in Ontario and Quebec. Our Metals facilities expansion, begun in 1979 and completed during 1980, was unable to operate efficiently as the demand for product fell off considerably.

The Tubular and Structural section of the Metal Products Division showed an improvement in sales but an erosion in profit levels as a result of higher interest costs and generally weaker markets in Canada and the United States. With the opening of branch operations in Burnaby, British Columbia and Montreal, Quebec during 1981, this Division has the market coverage to move ahead when the economy improves.

General Refrigeration experienced the largest sales and profit levels in its history during 1981. This occurred as a result of a more aggressive sales approach. In addition, manufacturing efficiencies were realized due to industrial engineering studies that reduced manufacturing production cycles.

The 1981 sales in the Food Division were well ahead of 1980 but profits were down significantly. The major contributor to the lower profits was the David Ashley Company. This company opened up a branch warehouse operation and acquired a small specialty food operation in British Columbia during the year. This placed a heavy burden on the operation and the cost of carrying expanded inventories increased substantially as interest rates escalated—resulting in a substantial loss for the year.

C. & J. Willenborg, Inc., our United States specialty food operation, had an improved sales picture with satisfactory profit results.

The Krispak Division had an increase in sales and profits in 1981 despite severe market and supply difficulties.

Our dairy operation continues to make satisfactory profits on a solid sales base. In 1982, Western Creamery will celebrate its 50th anniversary in the Ontario market place. The challenge is to continue the steady progress of the Dairy Division in the face of rising milk prices.

On September 16, 1981, the directors of the Corporation passed a resolution approving the amalgamation of the Corporation and eight of its subsidiary corporations. Ratification was confirmed at a General Meeting of the Shareholders on October 14, 1981. This was done with a view to simplifying and rationalizing the management structure, accounting systems and financing. It will have the further effect of eliminating boards of directors of the subsidiary corporations, separate audited financial statements and the filing of separate tax returns.

Against an economic environment throughout most of Canada characterized by inflation, high interest rates, low real growth and high unemployment, there can be very little optimism for the coming year. These conditions which caused depressed markets still exist and there is little indication that the government is addressing this current stagnant situation. The first half of fiscal 1982 is expected to be bleak in our Metal Products and Refrigeration Divisions, with the first quarter forecasted to show a loss.

We are continuing our programme to improve our existing operations and to seek out new opportunities to enhance the growth of your Company.

I wish to express my sincere thanks to our many employees for their dedication during the past year.

A handwritten signature in cursive script that reads "M E Goldblatt".

M. E. Goldblatt
President

Intermetco Limited Consolidated Balance Sheet

as at October 31, 1981

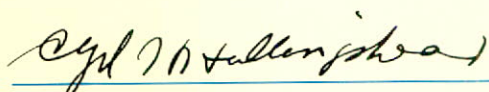
(thousands of dollars)

	1981	1980
Assets (Note 6)		(Note 2)
Current Assets		
Accounts receivable (Notes 3 and 6)	21,027	28,367
Inventories	21,891	25,554
Income taxes recoverable	652	830
Deferred income taxes	74	413
Prepaid expenses	1,157	1,322
	44,801	56,486
Fixed Assets (Note 4)	17,522	20,455
Investment in Joint Ventures (Note 5)	2,378	2,378
Other Assets		
Goodwill	4,337	4,376
Sundry	141	1,173
	4,478	5,549
	69,179	84,868

SIGNED ON BEHALF OF THE BOARD



M. E. Goldblatt
Director



Cyril Hollingshead, Q.C.
Director

	1981	1980
Liabilities		(Note 2)
Current Liabilities		
Bank advances (Note 3)	15,906	23,771
Accounts payable and accrued liabilities	13,692	16,819
Income taxes payable	52	—
Current portion of long-term debt (Note 6)	1,341	742
	30,991	41,332
Long-Term Debt (Note 6)	11,473	15,396
Deferred Income Taxes	1,432	2,924
Deferred Revenue	456	—
Minority interest in subsidiary companies	236	89
	44,588	59,741
Shareholders' Equity		
Capital Stock (Notes 6 and 7)		
Authorized 3,000,000 Shares of no par value		
Issued and fully paid 1,571,336 Shares	5,038	4,900
Retained earnings	18,771	19,445
Contributed surplus	51	51
Excess of appraised values of land and buildings over depreciated cost	731	731
	24,591	25,127
	69,179	84,868

Intermetco Limited Consolidated Statement of Retained Earnings

for the year ended October 31, 1981

(thousands of dollars)

	1981	1980
Balance—Beginning of Year		
As previously reported	18,824	18,528
Restatement		
Adjustment for change in method of inventory valuation (Note 1)	621	677
As restated	19,445	19,205
Net earnings (loss) for the year	(207)	1,156
Appraisal increase realized from sale of asset	—	13
	19,238	20,374
Dividends	467	929
Balance—End of Year	18,771	19,445

Intermetco Limited

Consolidated Statement of Operations

for the year ended October 31, 1981

(thousands of dollars)

	1981	1980 (Note 2)
Sales	160,038	186,045
Earnings from operations before the following	6,741	6,936
Depreciation	2,604	2,108
Interest on long-term debt	2,938	1,262
Other interest	2,629	2,648
Amortization of goodwill	233	202
Income from sale of real estate	—	(113)
Earnings (loss) before income taxes	(1,663)	829
Provision for (recovery of) income taxes (Note 8)	(260)	946
Loss before minority interest and equity in earnings of joint ventures	(1,403)	(117)
Minority interest	(42)	(31)
Equity in earnings of joint ventures	880	1,304
Earnings (loss) before extraordinary items	(565)	1,156
Extraordinary Items (Note 9)	358	—
Net Earnings (loss) for the year (Note 13)	(207)	1,156

Auditors' Report to the Shareholders

We have examined the consolidated balance sheet of Intermetco Limited as at October 31, 1981 and the consolidated statements of operations, 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 statements present fairly the financial position of the company as at October 31, 1981 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, after giving retroactive effect to the changes in accounting for

investments in joint ventures and inventory as explained in note 1 to the financial statements, on a basis consistent with that of the preceding year.

Hamilton, Ontario
December 19, 1981

Coopers & Lybrand
CHARTERED ACCOUNTANTS

Intermetco Limited
Consolidated Statement of Changes in Financial Position

for the year ended October 31, 1981

(thousands of dollars)



	1981	1980 (Note 2)
Source of working capital		
Provided from (used in) operations	(241)	2,742
Issuance of long-term debt	11,999	5,678
Dividends received from joint ventures	1,379	587
Proceeds on sales of fixed assets	5,980	351
Decrease in sundry assets	827	—
Proceeds on issue of common shares	138	84
	20,082	9,442
Use of working capital		
Purchase of fixed assets	4,211	7,470
Dividends	467	929
Payments on long-term debt	15,850	642
Investment in subsidiary and joint ventures	687	—
Extraordinary items	139	—
Increase in sundry assets	—	207
Debentures converted to capital stock	72	45
	21,426	9,293
Increase (decrease) in working capital	(1,344)	149
Working capital—beginning of year	15,154	15,005
Working capital—end of year	13,810	15,154

Intermetco Limited

Notes to Consolidated Financial Statements

for the year ended October 31, 1981

1. Accounting Policies (a) Basis of Consolidation

The consolidated financial statements include the accounts of the company and all domestic and foreign subsidiary companies. The assets and liabilities of subsidiary companies acquired prior to April 1, 1974 are included at their recorded values in the subsidiary companies' accounts and the excess of cost of shares over net book value at the date of acquisition is included in goodwill. The assets and liabilities of subsidiary companies acquired after March 31, 1974 are included at the assigned values. Any excess of the cost of shares over assigned values is included in goodwill.

(b) Investments in Joint Ventures

Investments in all corporate and unincorporated joint ventures are accounted for by the equity method. In prior years the consolidated financial statements included the accounts of joint ventures to the extent of the company's interest in their respective assets and liabilities, revenues and expenses. There is no effect on retained earnings at October 31, 1980 or on earnings for the year ended October 31, 1981 as a result of this change in policy.

(c) Inventories

Inventories are valued at the lower of moving average cost, determined on the first-in, first-out basis, and market. Market has been determined as net realizable value or as replacement cost. In prior years the majority of ferrous secondary metals were valued using the base stock method whereby the lower of the quantity of materials established as a base inventory and those at October 31, 1980 were valued at the lower of the cost prevailing at November 1, 1972 and the most recent moving average cost or market. Quantities in excess of the base levels and all other metals inventories were valued at the lower of the most recent moving average cost or market. This change in policy has been applied retroactively. This results in working capital at October 31, 1979 being increased by \$1,231,000; at October 31, 1980 by \$1,130,000; and October 31, 1981 by \$1,006,000. Accumulated retained earnings at October 31, 1979, are increased by \$677,000 and earnings for the years ended October 31, 1980 and October 31, 1981 decreased by \$56,000 and \$68,000.

(d) Fixed Assets and Depreciation

Property, buildings and machinery and equipment are stated at cost with the exception of certain property and buildings which are stated at appraised values. Depreciation and amortization are calculated at rates which will reduce the original cost to estimated residual value over the useful life of each asset using either the diminishing balance or straight line method. Rates used are:

Land improvements	5 - 15%
Buildings	5 - 10%
Machinery and equipment	8 - 30%
Leasehold improvements	Life of Lease

(e) Goodwill

The difference between the cost and book value of investments acquired before April 1, 1974 of \$1,685,780 and the difference between the cost and assigned value of the purchase made after April 1, 1974 of \$3,305,866 are being amortized on a straight line basis over a period of forty years.

(f) Foreign Exchange

Monetary assets and liabilities are translated into Canadian dollars at October 31, 1981 exchange rates and non-monetary assets and liabilities at the exchange rates prevailing when the assets were acquired or liabilities incurred. Sales and expenses, with the exception of depreciation and amortization of fixed assets and amortization of goodwill, are translated at the

average monthly rate of exchange. Depreciation and amortization are translated at the rates used in the translation of the relevant asset accounts. Translation gains and losses are included in determining net earnings in the year in which the exchange rate changes.

(g) Income Taxes

The company uses the deferral method of income tax allocation. Income taxes are provided at current rates for all items included in the statement of operations regardless of the period when such items are reported for income tax purposes. No adjustment is made to deferred income taxes for subsequent changes in income tax rates.

(h) Deferred Revenue

Deferred revenue represents one-half of the gain on sale of fixed assets to a joint venture. The deferred gain will be included in income over the next nine years on a straight line basis.

2. Comparative Figures The 1980 balance sheet and the statements of operations, retained earnings and changes in financial position have been restated to reflect the accounting of investments in joint ventures on an equity basis and the change in policy of inventory accounting.

3. Bank Advances Bank advances are secured by a general assignment of book debts.

4. Fixed Assets

	1981			1980
	Cost or Appraised Value	Accumulated Depreciation	Net	Net
				(Note 2)
				(thousands of dollars)
Land— at appraised value	418	—	418	418
Land and improvements—at cost	1,771	44	1,727	1,573
	2,189	44	2,145	1,991
Buildings—at appraised value	1,407	841	566	629
Buildings—at cost	3,519	952	2,567	2,130
Machinery and equipment—at cost	23,557	11,313	12,244	11,627
Construction in progress	—	—	—	4,078
	30,672	13,150	17,522	20,455

5. Equity in Joint Venture Companies

The company's share of joint venture operations accounted for by the equity method is summarized as follows:

	1981	1980
	(thousands of dollars)	
Balance Sheet		
Working capital	840	1,248
Fixed assets	5,014	2,495
Other assets (liabilities)	(358)	127
Long-term debt	3,214	1,544
Shareholders' equity	2,282	2,326
Statement of Earnings		
Sales	37,203	25,188
Net earnings	880	1,304

Intermetco Limited
Notes to Consolidated Financial Statements (cont'd)
for the year ended October 31, 1981

6. Long-Term Debt

	1981	1980
		(Note 2)
		(thousands of dollars)
Bank loan at 17.24% (U.S. \$10,000,000), interest payable monthly, U.S. \$1,000,000 in principal repayable annually commencing August 4, 1982 with balance of payment due October 31, 1986	11,999	—
Revolving term bank loans payable through 1986 with interest at ¼% to ¾% above prime rate	—	6,300
Revolving term bank loan payable through 1987 with interest at ¼% above prime rate	—	3,522
Revolving term bank loan (U.S. \$1,600,000) payable through 1984 with interest at ¼% above U.S. prime rate	—	1,892
Industrial Development Revenue Bonds (U.S. \$1,479,167) payable through 1986 with interest at 125% of U.S. prime bank rate to a maximum of 18%	—	1,734
Note payable through 1982 with interest at ½% above prime rate	—	600
Notes and other unsecured loans, maturing at various dates, with interest at rates up to ½% above prime rate	103	1,106
Mortgages payable through 1985, weighted average interest rate 10.07%	298	498
7½% Convertible Sinking Fund Debentures Series A	414	486
	12,814	16,138
Less: Due within one year	1,341	742
	11,473	15,396

The debentures are secured by a first floating charge on all assets of the company subject to prior security on mortgages and bank borrowings and are redeemable at 101½% of the principal to May 1, 1981 reducing one half of one percent in each year thereafter.

Each \$1,000 of debenture principal can be converted into one hundred fully paid shares at the holder's option at any time until April 28, 1984 or on the third business day immediately preceding the date fixed for redemption, whichever is earlier.

The debentures have been reduced by purchases for cancellation to date of \$721,000 (1980—\$721,000) and debentures converted to capital stock to date of \$365,000 (1980—\$293,000). Sinking fund requirements to date have been met.

Bank loans are secured by a general assignment of book debts and a fixed and floating charge on all of the company's assets and those of its Canadian subsidiaries. The company has also guaranteed bank advances to a joint venture company, which at October 31, 1981 amounted to \$700,000.

The aggregate amount of payments in each of the next five years to meet sinking fund or retirement provisions is as follows:

	(thousands of dollars)
1982	1,341
1983	1,252
1984	1,642
1985	1,376
1986	7,203
	12,814

7. Stock Options

Outstanding options have been granted to senior employees of the company for the purchase of shares.

Number of Shares Subject to Option	Exercise Price Per Share \$	Option Expiry Date
1,000	6.45	January 31, 1983
10,000	12.50	March 31, 1984
22,500	13.50	July 31, 1984

During the year options on 10,500 shares were exercised at a price of \$5.65 per share for 1,500 shares and \$6.45 per share for 9,000 shares.

On November 6, 1981 options on 7,500 shares at a price of \$12.50 and on 20,000 shares at a price of \$13.50 were cancelled. On that date options for 65,000 shares with an exercise price of \$7.00 per share and an expiry date of November 6, 1986 were granted to senior employees.

8. Income Taxes

The provision for income taxes is comprised as follows:

	1981	1980 (Note 2)
	(thousands of dollars)	
Current	892	758
Deferred	(1,152)	188
	(260)	946

In both years the overall tax rate has been effected by losses in subsidiaries for which no income tax benefit has been recognized.

Subsidiary companies have accumulated losses for tax purposes of U.S. \$1,698,000 and Canadian \$667,000 respectively which may be carried forward and used to reduce taxable income in future years.

These losses may be utilized no later than:

	U.S.	Canadian
	(thousands of dollars)	
Year ending October 31, 1982		116
1984		343
1985		208
1994	938	
1995	760	
	1,698	667

9. Extraordinary Items

The extraordinary gain is comprised of: (thousands of dollars)

Gain on sale of fixed assets net of taxes of \$206,000	222
Utilization of loss carry forward by a subsidiary	200
Goodwill written off	(64)
	358

10. Long-Term Lease Commitments

The company is committed to the following minimum rental payments over the next five years.

	(thousands of dollars)	
1982		1,228
1983		1,149
1984		999
1985		745
1986		403
		4,524

Intermetco Limited
Notes to Consolidated Financial Statements (cont'd)
for the year ended October 31, 1981

11. Segmented Information

Industry Segments

The company operates in essentially three industry segments. The metals products segment consists of processing and sale of scrap metals and sale of tubular and structural steel products. The food segment is involved in processing and distributing dairy and food products. Other consists of the production and sale of commercial refrigeration equipment and a realty operation. Inter-segment sales are accounted for at prices comparable to market prices for similar products at the transaction dates.

Business Segments	Metals Products	
	1981	1980 (Note 2)
(thousands of dollars)		
Sales to customers outside the company	111,331	143,234
Inter-segment sales	7,139	38,128
Total Revenue	118,470	181,362
Segment Operating Profit	1,988	2,285
Interest expense	—	—
Income taxes	—	—
Minority interest in earnings of subsidiaries	—	—
Extraordinary gain	—	—
Goodwill amortization	—	—
Equity in earnings of joint ventures	—	—
	—	—
Identifiable Assets	82,331	72,920
Capital Expenditure	2,247	6,540
Depreciation and Amortization	2,092	1,672

Geographic Segments

	Canada	
	1981	1980 (Note 2)
(thousands of dollars)		
Sales to customers outside the enterprise	137,885	156,480
Transfers between geographic segments	1,657	2,601
Total Revenue	139,542	159,081
Segment Operating Profit	4,116	4,669
Interest expense	—	—
Income taxes	—	—
Minority interest in earnings of subsidiaries	—	—
Extraordinary gain	—	—
Goodwill amortization	—	—
Equity in earnings of joint ventures	—	—
	—	—
Identifiable Assets	98,627	83,749

Note: Canadian operations include export sales of \$11,842,000 (1980—\$41,540,000) primarily to customers in the United States.

Food		Other		Eliminations		Total	
	(Note 2)		(Note 2)		(Note 2)		(Note 2)
1981	1980	1981	1980	1981	1980	1981	1980
38,603	34,286	10,104	8,525	—	—	160,038	186,045
—	71	—	—	(7,139)	(38,199)	—	—
38,603	34,357	10,104	8,525	(7,139)	(38,199)	160,038	186,045
1,435	2,220	714	571	—	—	4,137	4,941
—	—	—	—	—	—	(5,567)	(3,910)
—	—	—	—	—	—	260	(946)
—	—	—	—	—	—	(42)	(31)
—	—	—	—	—	—	358	—
—	—	—	—	—	—	(233)	(202)
—	—	—	—	—	—	880	1,304
—	—	—	—	—	—	(207)	1,156
15,806	14,560	7,920	8,735	(36,878)	(11,347)	69,179	84,868
958	452	1,006	478	—	—	—	—
280	194	232	242	—	—	—	—

United States		Eliminations		Total	
	(Note 2)		(Note 2)		(Note 2)
1981	1980	1981	1980	1981	1980
22,153	29,565	—	—	160,038	186,045
2,410	11,284	(4,067)	(13,885)	—	—
24,563	40,849	(4,067)	(13,885)	160,038	186,045
21	407	—	—	4,137	4,941
—	—	—	—	(5,567)	(3,910)
—	—	—	—	260	(946)
—	—	—	—	(42)	(31)
—	—	—	—	358	—
—	—	—	—	(233)	(202)
—	—	—	—	880	1,304
—	—	—	—	(207)	1,156
7,430	37,565	(36,878)	(36,446)	69,179	84,868

Intermetco Limited
Notes to Consolidated Financial Statements (cont'd)
for the year ended October 31, 1981

12. Pension Plan

The amount of past service costs remaining to be charged to future operations is approximately \$606,000. Based on actuarial advice, this liability will be funded and charged to earnings annually as follows:

(thousands of dollars)

1982-1988	81
1989-1994	38

13. Earnings per Share

	1981	1980 (Note 2)
Basic	\$	\$
Earnings (loss) before extraordinary item	(.36)	.74
Net earnings (loss) for the year	(.13)	.74

Basic earnings per share have been calculated using the weighted average number of shares outstanding during the year.

14. Related Party Transactions

Joint Ventures

(thousands of dollars)

Sales to	7,295
Purchases from	2,783
Other charges to	772
Interest charged to	93
Sale of equipment to	5,500

15. Amalgamation

On October 31, 1981, the company amalgamated with all of its wholly-owned subsidiaries incorporated in Ontario to continue under the name of Intermetco Limited. Each outstanding share of the company was converted into one common of the amalgamated corporation and all the outstanding shares of the subsidiaries were cancelled.

Intermetco Group of Companies

Principal Subsidiaries, Divisions and Associates
(percentage of ownership in brackets)



Division Managers

Metal Products Group— Recycling Products Divisions

Canadian

- International Iron & Metal Company—Hamilton
- Compressed Metals Company—Toronto
- Fers et Metaux Recyclés Ltée.—La Prairie, Quebec (50%)
- Ferrobec Ltée.—Montreal (50%)
- Fercyco Inc.—London (50%)
- Coretal—Quebec City
- J. Kovinsky & Sons Limited—Windsor (25%)

U.S.

- Intermetal U.S., Inc.—Buffalo, New York (100%)
- Intermetco U.S., Inc.—Detroit, Michigan (100%)
- Advance Metals Recycling (50%)

Harry K. Brown

Tubular and Structural Products Divisions

Canadian

- Cappco Tubular Products Company—Hamilton, Montreal, Burnaby

U.S.

- C & R Pipe And Steel Corporation—Spokane, Washington (50%)
- Petroleum Pipe And Fittings Corporation—Spokane, Washington (25.5%)

Charles E. Coughlan

Food Group

Canadian

- David Ashley And Company—Toronto, Montreal, Burnaby
- Krispak—Toronto
- Western Bird's Hill Creamery Company—Toronto

U.S.

- C. & J. Willenborg, Inc.—Ramsey, New Jersey (90%)

John V. Willenborg

Alan J. Oakes

Daniel Aronchick

John V. Willenborg

Commercial Refrigeration

- General Refrigeration—Toronto

Michael Gilhespy

Head Office

Intermetco Limited P.O. Box 70, Hamilton, Ontario,
Canada L8N 3B4

Intermetco Limited

Statistical Summary

(fully consolidated basis—amounts in thousands, except per share statistics)

Sales, earnings and dividends	1981**	1980**	1979	1978
Sales	\$160,038	\$186,045	\$195,205	\$117,553
Cost of sales	\$154,921	\$180,655	\$184,058	\$110,052
Depreciation	\$ 2,604	\$ 2,108	\$ 2,460	\$ 1,894
Interest on long-term debt	\$ 2,938	\$ 1,262	\$ 999	\$ 661
Income from sale of real estate	—	(113)	—	\$ (289)
Minority interest	\$ 42	\$ 31	\$ 62	\$ 25
Income taxes	\$ (260)	\$ 946	\$ 3,430	\$ 2,187
Net Earnings*	\$ (207)	\$ 1,156	\$ 4,196	\$ 3,023
Net Earnings per share*	\$ (.13)	\$.74	\$ 2.74	\$ 2.02
Dividends paid per share	\$.30	\$.60	\$.60	\$.40
Other financial data				
Current assets	\$ 44,801	\$ 56,486	\$ 54,696	\$ 40,639
Current liabilities	\$ 30,991	\$ 41,332	\$ 40,006	\$ 29,342
Working capital	\$ 13,810	\$ 15,154	\$ 14,689	\$ 11,297
Capital expenditures during year	\$ 4,211	\$ 7,470	\$ 8,339	\$ 2,262
Net property and plant	\$ 17,522	\$ 20,455	\$ 17,779	\$ 12,665
Total assets	\$ 69,179	\$ 84,868	\$ 78,118	\$ 57,964
Long-term debt	\$ 11,473	\$ 15,396	\$ 11,512	\$ 6,816
Shareholders' equity	\$ 24,591	\$ 25,127	\$ 24,139	\$ 19,776
Number of shares outstanding	1,571	1,554	1,542	1,500
Shareholders' equity per share	\$ 15.65	\$ 16.17	\$ 15.65	\$ 13.19

*Net earnings and net earnings per share are presented before an extraordinary gain of \$748,000 or 49¢ per share in 1979.

**Data for 1980 and 1981 reflects changed accounting policies.[See financial statements Note 1(b) and 1(c).]

1977	1976	1975	1974	1973	1972
\$67,083	\$76,681	\$87,127	\$107,398	\$47,024	\$31,997
\$61,459	\$71,627	\$79,863	\$ 97,492	\$44,541	\$30,224
\$ 1,666	\$ 1,520	\$ 1,270	\$ 1,139	\$ 770	\$ 642
\$ 597	\$ 584	\$ 438	\$ 421	\$ 297	\$ 247
—	\$ (108)	\$ (379)	\$ (66)	\$ (55)	\$ (66)
—	—	—	—	—	—
\$ 1,306	\$ 1,138	\$ 2,613	\$ 4,186	\$. 686	\$ 427
\$ 2,055	\$ 1,920	\$ 3,322	\$ 4,226	\$ 785	\$ 523
\$ 1.43	\$ 1.34	\$ 2.34	\$ 2.99	\$.56	\$.37
\$.40	\$.40	\$.30	\$.25	—	—
\$18,515	\$17,710	\$17,688	\$ 24,615	\$12,150	\$ 8,807
\$ 9,488	\$ 9,797	\$10,834	\$ 20,249	\$10,237	\$ 6,462
\$ 9,027	\$ 7,913	\$ 6,854	\$ 4,366	\$ 1,913	\$ 2,345
\$ 2,057	\$ 4,048	\$ 2,129	\$ 2,124	\$ 2,763	\$ 661
\$12,719	\$13,219	\$11,264	\$ 9,247	\$ 7,856	\$ 6,384
\$33,177	\$33,083	\$31,146	\$ 36,734	\$21,943	\$16,802
\$ 4,923	\$ 6,151	\$ 4,855	\$ 4,450	\$ 3,717	\$ 3,263
\$16,974	\$15,476	\$14,118	\$ 11,077	\$ 7,298	\$ 6,509
1,443	1,438	1,435	1,412	1,410	1,409
\$ 11.76	\$ 10.76	\$ 9.84	\$ 7.84	\$ 5.18	\$ 4.62

