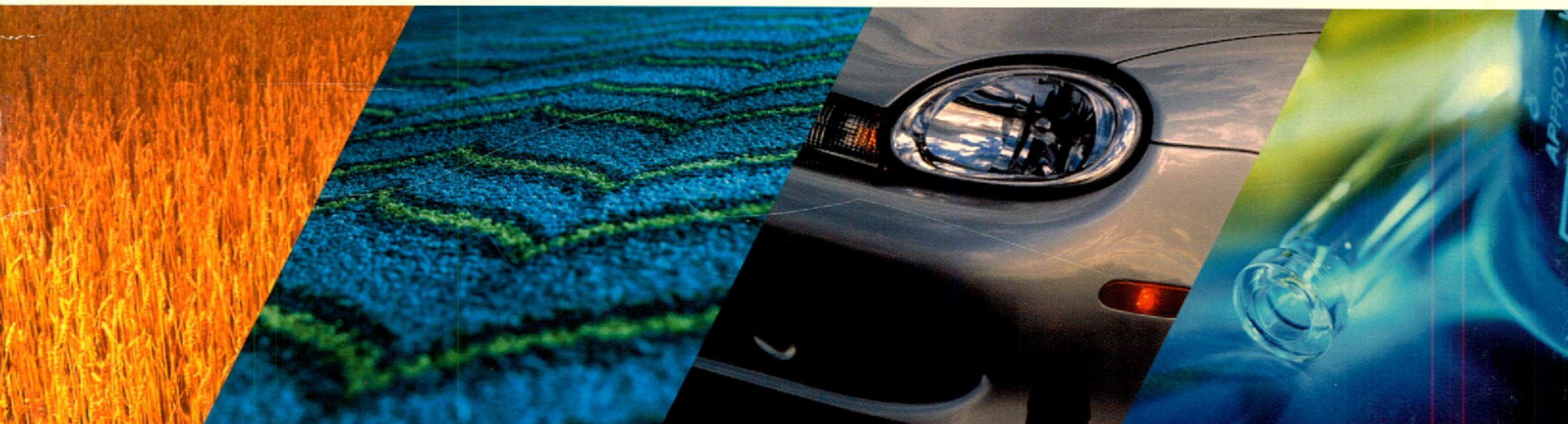


DELIVERING TODAY,
POSITIONING FOR TOMORROW

DuPont

DuPont Canada

1999 ANNUAL REPORT

DuPont Canada

SAFETY, CONCERN AND CARE FOR PEOPLE, PROTECTION OF THE ENVIRONMENT AND PERSONAL AND CORPORATE INTEGRITY ARE DUPONT CANADA'S HIGHEST VALUES — WE WILL NOT COMPROMISE THEM.

SAFETY, HEALTH AND ENVIRONMENTAL MILESTONES

- A RECORD 175 CONSECUTIVE, ON-THE-JOB, INJURY-FREE DAYS
- EIGHTY PER CENT REDUCTION IN TOTAL EMISSIONS (EXCLUDING CARBON DIOXIDE) SINCE 1990, WHILE DELIVERING PRODUCTION INCREASES
- RECIPIENT OF THE VOLUNTARY CHALLENGE AND REGISTRY LEADERSHIP AWARD FOR OUR SUCCESS IN REDUCING GREENHOUSE GAS EMISSIONS
- FOUNDING SPONSOR OF THE SUSTAINABLE ENTERPRISE ACADEMY

COVER

DELIVERING TODAY, POSITIONING FOR TOMORROW has been the DuPont Canada promise throughout the 1990s. We have consistently delivered on our commitments to shareholders, customers, employees and our communities, while driving towards a long-term goal of sustainable growth. This annual report celebrates the accomplishments of our people and how their innovation has created our products.

DELIVERING TODAY

- RECORD SALES REVENUE FROM CONTINUING OPERATIONS OF $2.2 BILLION, UP 9%.
- SIXTH CONSECUTIVE YEAR OF RECORD NET EARNINGS FROM CONTINUING OPERATIONS OF $253 MILLION, OR $2.72 PER SHARE, UP 15%. 1998 NET EARNINGS OF $299 MILLION, OR $3.21 PER SHARE, INCLUDED $79 MILLION, OR $0.84 PER SHARE, FROM THE DIVESTITURE OF THE HYDROGEN PEROXIDE OPERATIONS.
- FIXED-COST PRODUCTIVITY GAIN OF 4%, WITH A NET INCREASE IN THE NUMBER OF REGULAR EMPLOYEES.
- AUTHORIZED $107 MILLION IN CAPITAL PROJECTS, INCLUDING MAJOR EXPANSIONS FOR BULKED CONTINUOUS FILAMENT CARPET YARN, HIGH-TEMPERATURE NYLON COMPOUNDING AND A PILOT NYLON RECYCLE OPERATION.
- TOTAL SHAREHOLDER RETURN (SHARE PRICE APPRECIATION AND REINVESTMENT OF DIVIDENDS) REACHED 40%, COMPARED TO 31% FOR THE TSE 300.

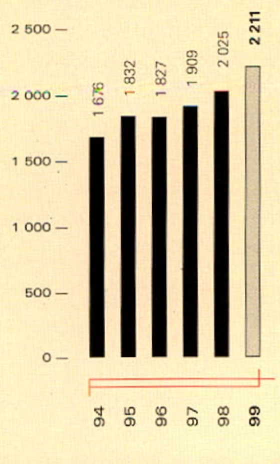
1999 HIGHLIGHTS

Years ended December 31 (Dollars in millions except per share data)		1999		1998	% Change
OPERATING RESULTS					
Net sales	**$**	**2 211**	$	2 025	9
Net earnings – continuing operations		**253**		220	15
Net earnings – discontinued operations		**–**		79	–
Net earnings		**253**		299	(15)
Cash flow from operations		**253**		306	(18)
FINANCIAL POSITION					
Working capital – conventional	**$**	**867**	$	702	24
– excluding cash resources		**173**		47	265
Shareholders' equity		**1 389**		1 210	15
Total assets		**1 951**		1 821	7
DATA PER COMMON SHARE					
Net earnings – continuing operations	**$**	**2.72**	$	2.37	15
Net earnings – discontinued operations		**–**		0.84	–
Net earnings		**2.72**		3.21	(15)
Dividends declared		**0.70**		0.64	9
Cash flow from operations		**2.71**		3.29	(17)
Value at year-end – Company books		**14.93**		13.01	15
– Market (TSE)		**59.35**		43.00	38

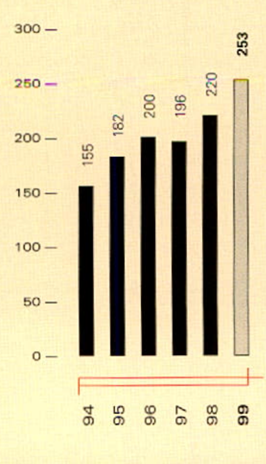
KEY RATIOS

KEY RATIOS	1999	1998	1997
Net earnings as a per cent of net sales	**11.4%**	10.9%	10.2%
– including discontinued operations	**11.4%**	14.8%	11.1%
Return on average common shareholders' equity	**19.3%**	21.0%	20.4%
– including discontinued operations	**19.3%**	27.3%	21.7%
Current ratio	**3.1**	2.5	2.0
Trade receivables – days sales outstanding	**55**	56	59
Inventories – days sales coverage	**68**	45	49
Debt-to-total capital ratio	**1%**	1%	1%

NET SALES
(MILLIONS $)



NET EARNINGS | *excluding discontinued operations*
(MILLIONS $)



LETTER TO SHAREHOLDERS

A true measure of a business organization's success is its sustainability – its ability to consistently perform well over time, contribute value to society and reward its shareholders and employees. Further enhancing DuPont Canada's proven sustainability was a major focus of our efforts in 1999, as we prepared to move confidently forward into a new century.

DELIVERING IN 1999

DuPont Canada has much to celebrate from our 1999 achievements. I am delighted to report that, by almost every measure, we met or exceeded our objectives.

- *We equalled our previous record low number of recordable safety incidents, set back in 1996.*
- *Our environmental performance continued its steady path towards a goal of zero incidents, emissions and waste generation, following a plan developed as far back as 1990.*
- *Through many months of meticulous work, we cleared the hurdle posed by the so-called "Year 2000 bug" with no safety or environmental incidents, or disruptions to our business or manufacturing operations.*
- *We once again set new sales highs and hit record earnings levels.*

Our financial performance was outstanding. Sales revenue of $2.2 billion rose 9 per cent over 1998, with our Nylon, Performance Coatings and Polymers business units making the strongest gains. For the sixth consecutive year, earnings from continuing operations set a new record, up 15 per cent from last year and delivering a 19 per cent return on equity. The company generated $253 million in cash from operations in 1999 and remains debt-free. Our shareholders enjoyed a 40 per cent return on investment in 1999, compared to 31 per cent for the TSE 300. This was the fifth consecutive year that we delivered shareholder returns of more than 20 per cent.

We also continued to make impressive fixed-cost productivity gains, with an overall 4 per cent improvement over last year. This result was achieved, we are proud to say, with an increase in the number of regular employees.

Our manufacturing teams across the company significantly improved uptime and yields, enabling us to meet strong and more stringent customer demand, and to push sales to record levels. For example, nylon fibre yields at our Kingston, Ontario, facility were up 4 per cent and uptime rose 5 per cent, while uptime in our Engineering Polymers facility in Maitland, Ontario, improved by 8 per cent. In total, manufactured volume gains across the company contributed $127 million to 1999 revenue.

In October, we announced a major $51 million expansion of our bulked continuous filament (BCF) nylon spinning facility at Kingston. This is the third such BCF investment in the past five years. On each occasion, the decision to invest in Kingston was based on the site's proven ability to deliver on its commitments at low cost and to get to market even faster than planned. This latest expansion will increase capacity by a further 35 per cent and position DuPont to capture anticipated growth in the high-margin segment of the North American flooring industry.

Following many years of outstanding results, our 1999 performance is the result of the dedication and innovation of our people, guided by fundamental strategies initiated more than a decade ago.

PRIMARY GROWTH STRATEGIES

- *Sustain and benefit from our corporate values.*
- *Increase our participation in Canadian markets.*
- *Grow the competitiveness of our world-class manufacturing operations.*
- *Improve the efficiency and effectiveness of our infrastructure.*
- *Develop Canadian entrepreneurial growth opportunities.*

POSITIONING FOR THE FUTURE

Securing our future prosperity requires that we continue to grow. In 1999, on the threshold of a new century, we embarked on a disciplined sustainable growth process to ensure that we continue to reach our goal of achieving 10 per cent earnings growth per year over a business cycle. This highly energizing process is aimed at delivering rapid results by capturing both short- and long-term opportunities. More than 130 different sustainable growth projects were initiated. Together, these projects contributed $32 million to 1999 pre-tax earnings. Exciting new offerings and business models emerged from this work, including some potential acquisitions, joint ventures, partnerships, expanded electronic business initiatives and a pilot state-of-the-art nylon recycling facility.

By organizing virtual companies within DuPont Canada, we bring the full power of our business and product knowledge to the resolution of customer problems in specific industries, such as food processing. These "sustainable growth organizing concepts" better position us to uncover new growth opportunities and tap into the full potential of Canadian markets.

In 1999, we also announced plans to establish our Packaging unit as a new company called Enhance Packaging Technologies Inc. The new structure will enable Enhance Packaging Technologies to pursue numerous strategic growth initiatives, particularly in the global liquid packaging market.

We are employing other entirely new business models with urgency and discipline, as well as continuing to position ourselves to maximize the opportunities offered through our integration within the global DuPont company.

Our talented and dedicated people are the key to our achievements and future success. Their creativity, commitment and ability to meet and exceed tough objectives enable us to make a positive difference, both in the workplace and through our volunteer work in the community. By using Six Sigma methodology, a team-based approach to work, and applying thinking technology, we have made huge strides toward becoming a developmental business organization where there is opportunity for both personal and business growth. Our goal is for everyone to be involved in at least one growth project so that they can contribute to improving earnings and to developing their personal capabilities.

DuPont is a science company. Our new global branding campaign, with the theme of *The miracles of science™*, was launched in Canada during the fall of 1999. Print advertisements appeared in a variety of key business and consumer publications. The campaign, along with our sponsorship of a major new exhibit at the Ontario Science Centre, expresses publicly our commitment to continue using science to discover knowledge-based solutions that address people's needs for improved shelter, safety, health, and mobility – in short, to improve the quality of life.

Combining DuPont Canada's energy, focus and innovative spirit with our proven success formula enables us to achieve impressive results today with enormous promise for tomorrow. And, as we move forward, our long-standing values will continue to guide us toward our goal of sustainable growth.

Dave Colcleugh

DAVE W. COLCLEUGH
CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER, DUPONT CANADA

BIGGER, BETTER, FASTER

Since the early 1990s, DuPont Canada's Flooring Systems business unit has earned a reputation for taking on some of the toughest challenges and delivering on each and every commitment. The result has been repeated expansions of carpet fibre production capacity and ever-improving yields, margins, revenue and earnings. In 1999, that distinction led to yet another major investment decision that will equip the Canadian business unit to strengthen its long-term contribution to DuPont's competitive position in the global carpet marketplace.

The company announced a $51 million expansion of bulked continuous filament (BCF) nylon yarn production capacity at the Kingston, Ontario, site. This latest investment in state-of-the-art facilities will produce some of DuPont's highest quality nylon sold under such world-renowned brands as STAINMASTER® carpet and ANTRON® nylon for the residential, commercial, automotive and rug market segments. With this, their third major BCF expansion since 1994, the employees of the Flooring Systems unit have committed to extending their formidable record of step-change improvements in project design and implementation – once again, dramatically cutting overall costs and construction time while introducing industry-leading nylon technology. Their goal: increased capacity to meet the needs of a vibrant and growing North American flooring industry.

NADINE MACRAE
OPERATIONS
KINGSTON SITE

DUNCAN BLACHFORD
CENTRAL ENGINEERING
KINGSTON SITE

STEVE GRANT
OPERATIONS
KINGSTON SITE

1994

DuPont Canada invests $55 million at the Kingston site to switch from low-margin nylon staple to high-value BCF yarns and expand production capacity by 60 per cent.

1998

A $58 million expansion of the BCF manufacturing facility officially opens. The investment increases capacity by 35 per cent and creates more than 50 permanent jobs. The facility operates at full capacity right from start-up.

1999

The company announces a $51 million investment in its BCF operations, once again increasing capacity by 35 per cent, introducing state-of-the-art technology and creating permanent employment.

ANTRON LUMENA® solution-dyed nylon was developed to deliver stain cleanability for tough environments where frequent spills and cleanings are inevitable, such as hospitals, restaurants and public spaces.

MICHAEL LUCKOVITCH
MAINTENANCE
KINGSTON SITE

BILL BAIRD
TECHNICAL SPINNING
KINGSTON SITE

HARVEY VOWELS
PLANNING
MISSISSAUGA SITE

A MODEL OF PLANNING EXCELLENCE

Harvey Vowels, planning manager for Nylon, was awarded a Daedalus Award, DuPont Canada's highest honour, for his leadership role in bringing about the three successive BCF expansions. The award recognizes Harvey's skills and ability to analyze business opportunities and to lead complex global initiatives which have boosted the competitiveness of the Kingston manufacturing facility. The Daedalus Award is also a testament to the extraordinary teamwork and performance of the Kingston operations, technical, engineering, purchasing and research and business development people (some of whom are pictured here). Together, they have made a tremendous contribution to DuPont Canada's success.

EXTRACTING VALUE FROM KNOWLEDGE

As our economy becomes increasingly information-based, the ability to add value and impact industries will be derived from the knowledge that surrounds the products DuPont Canada takes to its value chains.

DuPont Canada Consulting Services was formed in 1999 to capture and transfer this intellectual capital and deliver tangible business results to our clients.

As we view our commercial relationships more from a total business perspective, DuPont Canada Consulting Services improves our customers' competitiveness, enhances our positioning in the marketplace, and fosters the professional development of our people.

Among the first offerings of DuPont Canada Consulting Services is an interactive CD ROM-based training program designed to assist legal departments in providing guidance on Canadian competition laws.

THOMAS POLORE
DUPONT CANADA CONSULTING SERVICES

RICHARD HILL
DUPONT CANADA CONSULTING SERVICES

JENNIFER HOOPER
SAFETY, HEALTH AND ENVIRONMENT

ENVIRONMENTAL MANAGEMENT SYSTEMS: FROM COMPLIANCE TO COMPETITIVENESS

Environmental compliance standards are becoming increasingly stringent in many industries. DuPont Canada's Environmental Management System is a comprehensive methodology to assist manufacturers in meeting their compliance objectives. Our environmental stewardship is transferred to customers through the application of leading management systems, processes and documentation procedures.

The basics of recycling, materials reduction, energy management and efficiency in operational processes provide a compelling business case around the need to convert these principles into everyday practice.

EMISSIONS REDUCTION CREDIT TRADING: INNOVATION AND EARLY ACTION IN GREENHOUSE GAS REDUCTION

The 1997 Kyoto Protocol, which signalled a global commitment to reduce greenhouse gases, identified emissions credit trading as an attractive market-driven means to help countries meet their reduction targets.

DuPont Canada Consulting Services is engaged in a number of pilot projects to establish credit trading as a viable mechanism and to develop a market for the company's emissions reduction credits. The credits were created at our Maitland site following the installation of emissions abatement equipment in 1997. In December 1999, DuPont Canada and Ontario Power Generation completed a transaction involving the sale of 100 000 tonnes of carbon dioxide credits.

Through an understanding of the financial and policy frameworks surrounding these innovative instruments, DuPont Canada Consulting Services is well-positioned to assist manufacturers in the creation, registration and marketing of emissions credits.

LEGAL COMPLIANCE TRAINING SERIES: THE INTERACTIVE SOLUTION

DuPont Canada's Legal department has raised its profile with an entertaining, interactive CD ROM-based training program designed to instruct our business units on Canadian competition laws. The popularity of the CD ROM prompted the Consulting Services group to market the package externally.

Several leading Canadian companies have already acquired licences to the program. The DuPont Global Services business unit Preventive Law team has used it as a template from which to create a series of legal training modules. Because of the program's rapid acceptance in the marketplace, a second CD ROM in the series has been created to provide instruction on insider trading and the Securities Act.

PETER CHANTRAINE
ENERGY AND ENVIRONMENT
KINGSTON SITE

STEVE LAURIDSEN
ENVIRONMENT
MAITLAND SITE

ROBERT ROUTLIFFE
DUPONT CANADA CONSULTING SERVICES

The Consulting Services team works in close partnership with DuPont Canada's environment and energy specialists to transfer their expertise along our value chains.

ANNOUNCING ENHANCE PACKAGING TECHNOLOGIES

Born January 1, 2000: **Enhance Packaging Technologies Inc.**

In 1999, we announced plans to establish our 40-year-old Packaging and Films business unit as an independent company called Enhance Packaging Technologies Inc., wholly owned by DuPont Canada. This structure will enable DuPont Canada to participate in the financial success of a company whose strongest growth opportunities lie outside of our primary markets. As we succeed, we can expect to gain fresh insights and uncover synergies and opportunities that shape our future growth and evolution in promising new ways.

This is a new and exciting business model for DuPont Canada. In recent years, we have made acquisitions and divestitures, and entered into joint ventures and strategic alliances — all in our drive to deliver rapid, sustainable growth.

DOUG BROWN
FINANCE

JOHN FOSTER
HUMAN RESOURCES

ALAN JEFFS
BUSINESS LEADERSHIP – FILMS

ASH SAHI
PRESIDENT AND CHIEF EXECUTIVE OFFICER
ENHANCE PACKAGING TECHNOLOGIES INC.

THE BUSINESS PORTFOLIO

LIQUID PACKAGING SYSTEMS

In Canada, more than 50 per cent of all retail milk is sold in the familiar plastic pouch, first developed by DuPont Canada in the 1960s. About 80 per cent of these milk bags are produced using Enhance Packaging Technologies' liquid packaging systems. Today, the market for liquid packaging systems has extended beyond milk and outside Canada. In the United States, Enhance Packaging Technologies is the leading supplier of plastic packaging systems and films to U.S. dairies selling milk to school boards for government-subsidized lunch programs. In Latin America – a relatively new market for the company – as many as 50 systems have already been installed for packaging milk, juice and other drinks.

ASEPTIC PACKAGING SYSTEMS

In the 1990s, Enhance Packaging Technologies developed a proprietary aseptic liquid packaging system to meet rising global demand for unrefrigerated, shelf-stable packages. Much of the market focus for aseptic systems has been on packaging milk and juice in Latin America, where the company already has a number of installations. In the United States, products packaged using the company's technology include sour cream, cheese sauce and iced cappuccino mixes for quick-serve restaurants and convenience food stores, and nutritional supplements for use in hospitals and nursing homes.

FLEXIBLE PLASTIC PACKAGING FILMS

Enhance Packaging Technologies' films business is focused on tailor-made products that meet our customers' needs for unique film, size and thickness combinations. The company has developed a reputation for its high-quality products, on-time delivery, superior technical support and ability to bundle many different types of film. Among the broad range of products are Sclairfilm® polyethylene film, DARTEK® nylon film, MYLAR®, MELINEX® and Tetoron® polyester films, and KALADEX® and Teonex® PEN films. The company also manufactures VEXAR® plastic netting for applications ranging from turkey and onion bags to fencing and Christmas tree wrap.

PETER KRAUS
TECHNOLOGY AND OPERATIONS

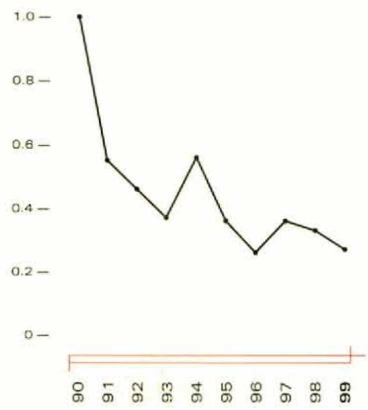
FRANCISCO GONZALEZ
BUSINESS LEADERSHIP – LATIN AMERICA

Films produced by Enhance Packaging Technologies Inc. are present in many materials used in the packaging of familiar consumer products.

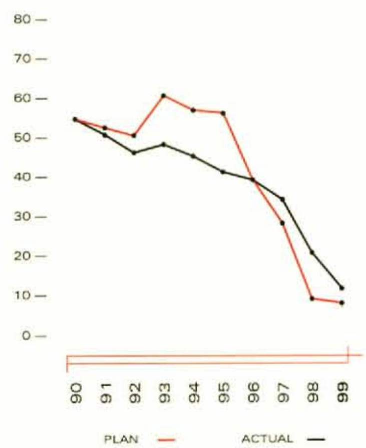
Pictured is the global leadership team for Enhance Packaging Technologies Inc.

CORPORATE VALUES

DUPONT CANADA INJURY/OCCUPATIONAL ILLNESS FREQUENCY PER 100 EMPLOYEES

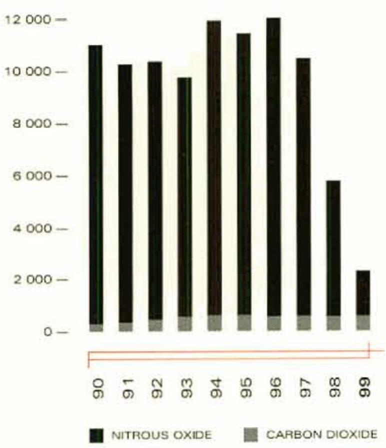


TOTAL DISCHARGES
(MILLION kg)



Goal: 50% Reduction by 2000
Total waste (emissions, effluents and solids), excluding carbon dioxide existing on all DuPont Canada sites.

DUPONT CANADA GREENHOUSE GASES
(k TONNES OF CO_2 EQUIVALENTS)



Exceptional performance against long-standing corporate values demonstrates DuPont's uncompromising commitment.

SAFETY

We are committed to excellence in safety and occupational health for all our people on and off the job. Our "Safe Person" processes in 1999 significantly contributed to the following accomplishments:

- *A record 175 consecutive, on-the-job, injury-free days.*
- *Two consecutive years without a lost-time injury.*
- *Canadian Chemical Producers' Association (CCPA) award for excellence in safety for the third straight year.*
- *Tied our best-ever year for on-the-job safety performance.*

TOTAL DISCHARGES

Total emissions (excluding carbon dioxide) have declined by approximately 80 per cent since 1990. This reduction substantially exceeds our 50 per cent reduction goal established in 1990, and is particularly significant in that during the same period production volumes of manufactured goods increased by approximately 20 per cent.

CLIMATE CHANGE: OUR POSITION, PERFORMANCE AND GOALS

DuPont has participated in international efforts to study the science of climate change, and we believe there is cause for concern. As a result, we have undertaken numerous initiatives over the last several years to reduce greenhouse gas emissions:

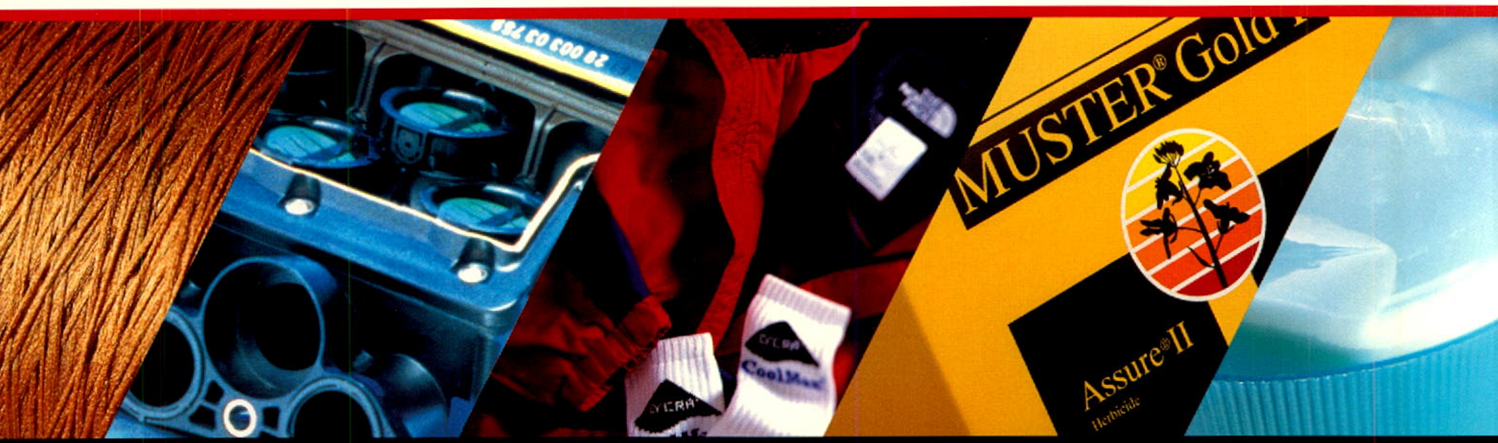
- *Nitrous oxide abatement – We reduced nitrous oxide emissions at our Maitland site by 85.5 per cent in 1999 (equivalent to 10.3 million metric tonnes of carbon dioxide). This amount represents about 1.5 per cent of Canada's total 1997 greenhouse gas emissions. (1997 is the latest year for which data is available)*
- *Energy conservation – DuPont Canada has reduced energy consumption per unit of production by 25 per cent since 1990.*
- *Master Energy Service Agreement – We signed a Master Energy Service Agreement with AGRA Cogenex to develop and implement energy conservation measures at all DuPont Canada sites.*

In recognition of our success in reducing greenhouse gas emissions, The Honourable Ralph Goodale, Minister of Natural Resources, and Christine Stewart, then Minister of the Environment, presented DuPont Canada with a Voluntary Challenge and Registry Leadership Award at the VCR Awards Ceremony in February 1999.

Looking ahead, DuPont Canada is committed to reducing energy consumption per unit of production by 15 per cent between 1995 and 2005. The global DuPont company announced three new energy goals, signalling an intent to continue to reduce the greenhouse gas impact of operations worldwide:

- *Reduce global carbon-equivalent greenhouse gas emissions by 65 per cent by 2010, based on 1990 levels.*
- *Hold global total energy use flat at 1990 levels by 2010.*
- *Source 10 per cent of global energy demands from renewable sources by 2010.*

It is DuPont Canada's intent to fully support these initiatives.



DUPONT CANADA AT-A-GLANCE

DuPont Canada Inc. is a diversified science company, serving customers across Canada and in more than 40 other countries. We sell products manufactured in Canada to customers here and around the world, as well as offering the thousands of products and services of the global DuPont company to Canadian customers.

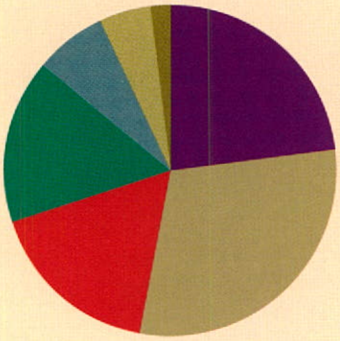
Our business is reported in five segments: Nylon Enterprise (35 per cent of total sales), Performance Coatings and Polymers (25 per cent of sales), Specialty Fibres (9 per cent of sales), Specialty Materials (16 per cent of sales), and Specialty Polymers and Films (15 per cent of sales).

About 76 per cent of the common shares of DuPont Canada are owned by E.I. du Pont de Nemours and Company. The remaining shares are held principally by Canadian investors, including close to 2 000 employee shareholders.

DuPont Canada operates a research and development centre and an engineering centre at Kingston, Ontario; five manufacturing facilities in Ontario (Ajax, Kingston, Maitland, Sarnia, Whitby); one manufacturing facility in Thetford Mines, Quebec; and offices and distribution centres in Alberta, Ontario and Quebec. At the end of 1999, DuPont Canada employed more than 3 300 people.

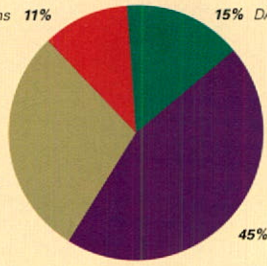
Visit our Web site at http://dupont.ca or call Product Inquiry at 1-800-387-2122.

1999 CORPORATE SALES PROFILE BY INDUSTRY



24%	Transportation
29%	Primary Textiles
17%	Other
16%	Plastic Products
7%	Agriculture
5%	Food Industries
2%	Paper and Allied Products

Other	
Construction	***5%***
Packaging and Films	***3%***
Rubber Products	***2%***
Machinery Industries	***1%***
Electric and Electronics	***1%***
Health Care	***1%***
Mining and Quarrying	***1%***
Printing and Publishing	***1%***
Other	***2%***



SPECIALTY FIBRES

MANUFACTURED AND MARKETED IN CANADA

LYCRA® elastane fibre – *Diapers*

GLOBAL DUPONT PRODUCTS MARKETED IN CANADA

COMFOREL® sleep products – *Pillows, comforters, mattress pads*

QUALLOFIL® and **HOLLOFIL®** insulation fill – *Cold weather clothing, sleeping bags*

MICROMATTIQUE® microfibre polyester – *Soft, lightweight apparel garments*

COOLMAX® and **COOLMAX ALTA™** performance fabrics – *Athletic and casual apparel, socks, hosiery*

THERMOSTAT™ and **THERMOLITE® BASE** performance fabrics – *Thermal apparel*

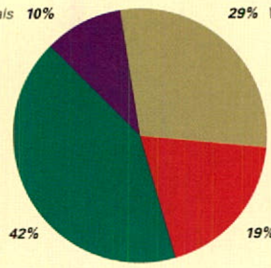
DACRON® polyester fibre – *Pillows, duvets, sleeping bags, winter clothing, apparel*

LYCRA® elastane fibre – *Intimate apparel, swimwear, ready to wear, active sportswear, hosiery, socks*

NOMEX® aramid fibre – *Industrial fire-resistant workwear, protective apparel systems for fire-fighters, electrical insulation, hot gas filtration*

KEVLAR® aramid fibre – *Protective gloves, personal body armour, mechanical rubber goods, sporting goods, other high-performance applications*

TYVEK® spunbonded olefin – *Air-infiltration barrier for building construction, specialty protective garments, printing stock, car covers, medical packaging*



SPECIALTY MATERIALS

MANUFACTURED AND MARKETED IN CANADA

SUVA®-123 fluorochemical – *Refrigeration, air conditioning, specialty applications*

GLOBAL DUPONT PRODUCTS MARKETED IN CANADA

KRYTOX® performance lubricants – *Automotive, paper corrugation, electronics*

ZONYL® fluorosurfactants – *Coatings, textiles, carpet and specialty applications*

ZONYL® fluoroadditives – *Modifying polymers, elastomers, inks, coatings, sealants, lubricants*

Specialty aramids – *Rubber anti-oxidants, textile dyes, pharmaceutical intermediates and animal feed additives*

TI-PURE® titanium dioxide – *Paints, vinyl siding, paper industry, plastics*

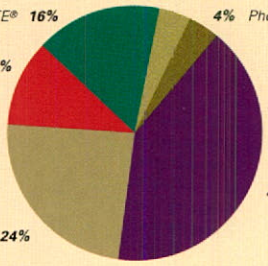
DuPont Safety Resources – *Services to enhance safety performance of Canadian industry*

TEFLON® coatings – *Consumer and commercial cookware, fabric protection*

TEFLON® fluoropolymers – *Data, aerospace and appliance cable, tapes and chemical processing industries*

Fluorochemicals – *Refrigeration, air conditioning, specialty applications*

Crop protection chemicals for all areas of agriculture including: **REFINE EXTRA®**, **MUSTER GOLD™**, **HARMONY TOTAL™**, and **ULTIMAX®** herbicides



SPECIALTY POLYMERS AND FILMS

MANUFACTURED AND MARKETED IN CANADA

BYNEL® – *Food and non-food packaging and industrial additives*

FUSABOND® specialty reactive polymers – *Adhesive in multi-layer packaging structures and three-layer pipe coating systems, polymer toughener*

Sclairfilm® polyethylene film – *Food packaging, medical applications, paper overwrap*

ENHANCE® flexible packaging systems – *Pouches for pasteurized and aseptic beverages and food*

DARTEK® nylon film – *Food packaging, industrial applications*

VAMAC® ethylene acrylic elastomeric polymer – *Belts and hoses in critical automotive and industrial applications*

VEXAR® extruded netting – *Packaging of produce, tree wrapping, fencing*

GLOBAL DUPONT PRODUCTS MARKETED IN CANADA

CYREL® printing plates – *Flexographic printing*

TERATHANE® PTMEG – *Polyurethane cast and sporting goods*

BUTACITE® polyvinyl butyral – *Automotive glass, architectural glazing*

MYLAR® and **MELINEX®** polyester films, and **KALADEX™ PEN** films – *Food packaging, graphic arts, electrical insulation, electrical applications, photographic applications*

KAPTON® polyimide film, **TEFLON®** and **TEFZEL®** fluoropolymer films – *Magnet wire insulation, electronics, aerospace*

TEDLAR® polyvinyl fluoride film – *Architectural, aerospace, surface decoration*

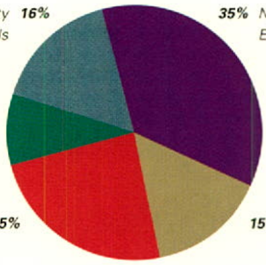
SURLYN® ionomer resin – *Flexible packaging, oil field and mining, sporting goods*

SURLYN REFLECTIONS™ super gloss molding alloys – *Moulded-in colour body panels in automotive and non-automotive applications*

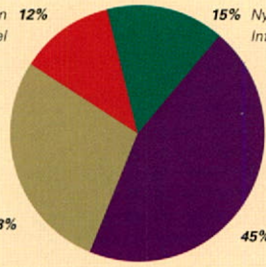
DuPont 20 series specialty polyethylene resins – *Squeeze tubes and bottles*

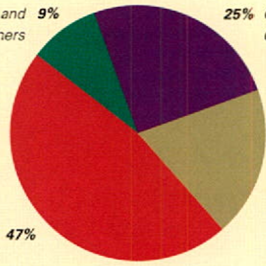
DuPont Canada

1999 SALES BY BUSINESS SEGMENT



1999 SEGMENT SALES





PRODUCTS MANUFACTURED IN CANADA AND RESALE PRODUCTS

Products and principal applications by business segment (as listed on right)

NYLON ENTERPRISE

MANUFACTURED AND MARKETED IN CANADA

Bulked continuous filament nylon – **STAINMASTER®** *and* **ANTRON®** *carpets*

DYTEK™ A Amine – *Polyamide adhesive and ink resins, epoxy curing agents, polyurethanes, pharmaceuticals, polyamide resins*

Hexamethylenediamine (HMD) – *Nylon products, epoxy curing agents, petroleum additives, polyamide resins, adhesives, inks*

Nylon industrial yarn – *Air bags, threads, dental floss, aircraft escape slides, personal flotation devices, tires, webbing, cordage*

ADI-PURE® adipic acid – *Nylon products, polyesters, food additives, plasticizers, polyols*

Dibasic esters – *Paints, coatings, equipment cleaning solvents, plastics, foundry core binder*

Specialty nylon polymers – *Apparel, industrial fibre applications*

GLOBAL DUPONT PRODUCTS MARKETED IN CANADA

ANTRON® nylon staple – *Carpets*

CORDURA® nylon – *Outerwear, footwear, luggage, sport bags*

Nylon apparel yarn – *Outerwear, intimate apparel, swimwear, activewear, hosiery, socks*

Nylon staple – *Contract upholstery, papermaker felts*

PERFORMANCE COATINGS AND POLYMERS

MANUFACTURED AND MARKETED IN CANADA

ZYTEL® nylon resin – *Automotive parts, electrical, sporting goods, furniture, consumer and industrial durables*

Coatings for automotive Original Equipment Manufacturers (OEMs) and sub-suppliers (suppliers of painted parts)

Coatings for refinishing systems including the brands of **CHROMACLEAR®**, **CHROMABASE®** and **CENTARI®**

DuPont Dow Elastomers (DDE) **NEOPRENE®**, **ENGAGE®**, **NORDEL® IP**, **VITON®**, **TYRIN®**, **HYPALON®** – *Thermoplastic/thermoset applications in the automotive, industrial, plastic processing and consumer market segments*

GLOBAL DUPONT PRODUCTS MARKETED IN CANADA

BEXLOY® resins – *Automotive body panels*

CRASTIN® PBT thermoplastic polyester resin – *Electrical/electronic, mechanical components*

HYTREL® polyester elastomer – *Air bag doors, automotive components, tubing, flexible components*

DELRIN® acetal resin – *Automotive interior door housings, gears, automotive components*

MINLON® mineral reinforced nylon – *Automotive engine components*

RYNITE® PET thermoplastic, **ZENITE® LCP**, **ZYTEL® HTN** – *Electrical/electronic and automotive components*

CHROMAPREMIER® – *Automotive refinishing system*

CHROMALUSION® – *Special effects coatings*

IMRON® polyurethane enamel – *Commercial vehicle coatings*

Standox™ – *High-end automotive refinish brands from Europe*

Spies-Hecker – *High-end automotive refinish brands from Europe*

SIX-YEAR COMPARISON

(Amounts in thousands of dollars except where otherwise noted)	1999	1998	1997(1)	1996	1995	1994
OPERATING RESULTS						
Net sales	**2 211 441**	2 025 072	1 909 315	1 827 437	1 832 009	1 676 386
Earnings before income taxes	**397 517**	345 230	308 865	310 829	289 088	243 804
Income taxes	**144 772**	125 286	113 218	110 817	107 534	88 561
Earnings from – continuing operations	**252 745**	219 944	195 647	–	–	–
– discontinued operations	**–**	78 828	16 480	–	–	–
Net earnings	**252 745**	298 772	212 127	200 012	181 554	155 243
Cash flow from operations	**252 598**	306 186	243 174	206 384	324 916	126 455
FINANCIAL POSITION						
Current assets	**1 276 963**	1 169 154	756 837	903 586	951 502	726 462
Current liabilities	**409 657**	467 471	380 024	366 972	535 855	329 638
Working capital – including cash resources	**867 306**	701 683	376 813	536 614	415 647	396 824
Net property, plant and equipment	**640 700**	627 353	591 330	679 100	646 964	597 985
Accumulated depreciation	**760 512**	704 927	658 507	787 887	749 270	689 311
Investments and other assets	**33 359**	24 216	4 117	14 505	20 407	29 496
Non-current assets of discontinued operations	**–**	–	152 243	–	–	–
Total assets	**1 951 022**	1 820 723	1 504 527	1 597 191	1 618 873	1 353 943
Long-term debt	**–**	–	–	12 500	12 500	84 534
Other long-term obligations	**72 750**	79 975	81 661	71 130	65 524	66 838
Deferred income taxes	**75 285**	63 609	56 254	59 776	57 599	71 668
Non-current liabilities of discontinued operations	**–**	–	10 517	–	–	–
Shareholders' equity	**1 388 541**	1 209 668	976 071	1 086 813	947 395	801 265
DATA PER COMMON SHARE* (IN DOLLARS)						
Average number of common shares outstanding	**93 044 822**	93 048 301	92 793 134	92 429 291	92 473 221	92 568 004
Net earnings – continuing operations	**2.72**	2.37	2.11	2.16	1.96	1.68
– total	**2.72**	3.21	2.29	2.16	1.96	1.68
Dividends declared – regular	**0.70**	0.64	0.55	0.52	0.41	0.32
– extraordinary	**–**	–	3.00	–	–	–
Book value (year-end)	**14.93**	13.01	10.50	11.78	10.24	9.07
Market value – high	**60.00**	47.50	36.00	34.95	24.50	20.13
– low	**40.00**	31.50	29.00	23.88	16.50	14.75
– year-end	**59.35**	43.00	35.05	31.95	24.00	18.75
FINANCIAL RATIOS						
Return on average common shareholders' equity(2)	**19.3**	27.3	21.7	19.6	20.6	19.9
Return on capital employed(3)	**18.2**	25.7	20.5	17.4	17.4	16.0
Debt-to-total capital ratio(4)	**1**	1	1	2	9	10
Earnings from continuing operations as a per cent of net sales	**11.4**	10.9	10.2	10.9	9.9	9.3
Current ratio(5)	**3.1**	2.5	2.0	2.5	1.8	2.2
OTHER						
Expenditures on property, plant and equipment, net	**78 382**	85 486	128 911	112 059	123 780	85 568
Depreciation and amortization	**66 022**	57 414	53 318	82 323	77 043	81 753
Average number of employees	**3 244**	3 190	3 232	3 520	3 650	3 707

* Restated to reflect 3-for-1 stock split in 1994.

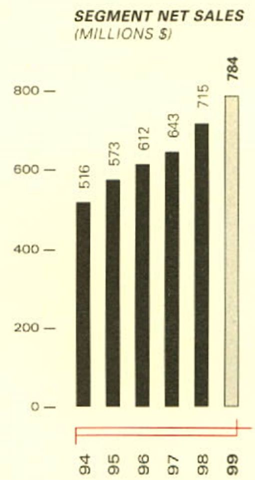
(1) Figures for 1997 have been restated to reflect discontinued operations recorded in 1998.
(2) Net earnings less preferred share dividends all as a percentage of average common shareholders' equity.
(3) Net earnings as a percentage of the sum of average total debt, deferred income taxes and shareholders' equity.
(4) Total debt as a percentage of the sum of total debt and shareholders' equity, all at year-end.
(5) Current assets divided by current liabilities, all at year-end.

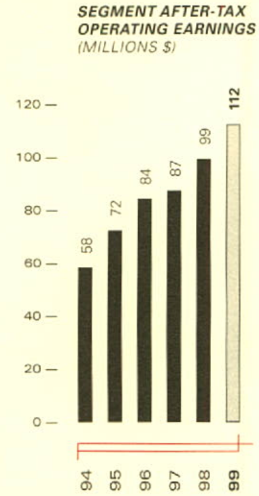
MANAGEMENT'S DISCUSSION AND ANALYSIS OF SEGMENT OPERATIONS

NYLON ENTERPRISE

Millions $	94	95	96	97	98	99
Net segment sales	516	573	612	643	715	**784**
EBITDA[1]	117	142	160	162	188	**214**
Depreciation and amortization	24	27	29	25	32	**37**
Earnings before income tax	92	115	131	138	156	**178**
Income taxes	34	43	47	51	58	**66**
After-tax operating earnings	58	72	84	87	99	**112**
Segment assets	358	411	436	529	594	**613**
Capital expenditures	57	58	45	94	61	**43**

(1) Earnings Before Interest, Taxes, Depreciation, Amortization.





This segment produces intermediate chemicals for nylon production at our Maitland, Ontario, site, and nylon yarns and polymers at our Kingston, Ontario, site. For Canadian customers, these manufactured products are complemented with a full range of nylon yarn and fibres produced by other DuPont sites around the world. In turn, we export our Canadian-made nylon products to customers globally.

Total segment sales of $784 million rose 10 per cent in 1999 on the strength of an 11 per cent increase in domestic sales and a 9 per cent increase in export sales. Higher shipment volume was the primary cause as North American markets remained strong and Asian markets improved sharply.

The Nylon Intermediates unit produces adipic acid and hexamethylenediamine (the two ingredients required to manufacture nylon polymer), dibasic esters (a coatings solvent), and DYTEK™ A (a chemical used in the manufacture of pharmaceuticals, vitamins and polymers). Sales increased 10 per cent in 1999 due primarily to increased shipments of adipic acid from our Maitland plant to food additive applications in Canada and the U.S.A. and to nylon production at DuPont sites in the U.S.A. We also posted a 92 per cent increase in DYTEK™ A sales. In the third quarter, we announced plans to construct a pilot facility to test new technology to recycle nylon 6,6 back to its primary chemical ingredients. Construction should be complete in October 2000 and testing will begin immediately thereafter.

The Flooring Systems unit produces bulked continuous filament (BCF) yarns for the manufacture of rugs, automotive interiors, and residential and commercial carpets. Sales increased 12 per cent in 1999 due primarily to a 16 per cent increase in export shipments. The expanded BCF facility operated at capacity throughout the year, responding to robust North American demand from all market segments. We improved uptime by 12 per cent during the year, allowing us to bring this hidden capacity into a sold-out market. In September, we announced the third BCF expansion in the last five years (see feature on pages 4 and 5). This state-of-the-art facility is anticipated to cost $51 million and will begin commercial production in the fourth quarter of 2000. Again this year, several new carpet yarns were introduced for both our ANTRON® and STAINMASTER® product lines and we further expanded our portfolio of solution-dyed yarns for critical commercial applications. Our product mix remained healthy throughout the year as customers in both the residential and commercial markets showed preference for DuPont's premium STAINMASTER® and ANTRON® branded carpets.

The Nylon Industrial Specialties unit produces and markets a wide range of high-strength, durable nylon yarns for Canadian and global markets. Our Kingston site is DuPont's primary producer of light- and mid-decitex yarns for critical automotive air bag applications, for sewing threads and for the manufacture of industrial fabrics. Canadian customers also have access to DuPont's full line of specialty industrial yarns. Sales increased 6 per cent in 1999 due to higher shipments to customers in both Canada and the U.S.A. Canadian sales were particularly strong, up 20 per cent led by strong gains in tire, webbing and cordage applications. We improved manufacturing uptime in 1999 adding new capacity as a result. The automotive air bag market is expected to increase with the potential introduction of side collision protection in North American vehicles planned for the 2001 model year. We introduced a new premium white sewing thread to the market in 1999 that has created new growth opportunities. In addition, new air bag yarns have been produced to target the projected growth in this segment.

The Nylon Apparel unit manufactures both yarn and nylon polymer for sale to customers around the world. We also bring the full portfolio of DuPont's apparel yarns to Canadian customers. Sales climbed 11 per cent in 1999 primarily due to sharply higher shipments of polymer to customers in the Asia-Pacific region and to the export success of several Canadian customers. This was in spite of our completing, in April, the planned shutdown of our small apparel yarn spinning facility at Kingston. Canadian apparel yarn sales climbed 23 per cent in 1999. Our Canadian customers aggressively pursue new and innovative styles and rapidly introduce them to the North American market. To support their efforts, we introduced several new TACTEL® nylon apparel specialty yarns to the Canadian warp-knit, circular-knit and the new "seamless" market segments. This family of engineered fibres allows customers to create unique effects in their fabrics and garments including lustre, softer "hand" and a more natural feel.

OUTLOOK

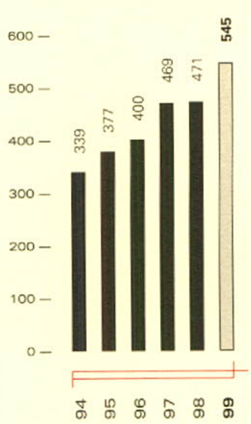
We enter 2000 operating essentially at capacity with strong market demand and a Canadian customer base that has demonstrated its ability to compete in a North American market. Prices are moving up in several markets and this should allow us to offset potentially higher raw material costs. We expect to have a full year's benefit from improved uptime and our new BCF capacity should boost volume in the fourth quarter 2000 and beyond.

PERFORMANCE COATINGS AND POLYMERS

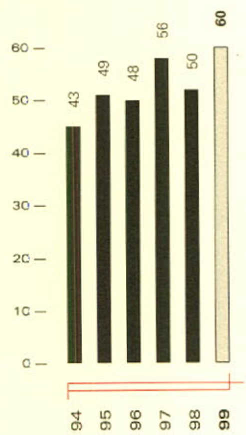
Millions $	94	95	96	97	98	**99**
Net segment sales	339	377	400	469	471	**545**
EBITDA[1]	78	87	83	97	85	**102**
Depreciation and amortization	8	8	8	9	6	**6**
Earnings before income tax	70	78	75	89	79	**96**
Income taxes	27	29	27	33	29	**35**
After-tax operating earnings	43	49	48	56	50	**60**
Segment assets	164	156	171	186	167	**165**
Capital expenditures	7	12	10	10	5	**6**

(1) Earnings Before Interest, Taxes, Depreciation, Amortization.

SEGMENT NET SALES (MILLIONS $)



SEGMENT AFTER-TAX OPERATING EARNINGS (MILLIONS $)



This segment manufactures primer and top-coat automotive finishes at our Ajax, Ontario, site, for Canadian automotive original equipment manufacturers (OEMs), manufacturers of painted plastic components and for automotive refinish body shops across Canada. At our Kingston and Maitland, Ontario, sites, we produce nylon-based engineering polymers used by custom moulders in both Canada and around the world. We also distribute to our Canadian customers DuPont's full line of automotive finishes and engineering polymers, the elastomeric products of the DuPont Dow joint venture, and the specialty polymers produced by Advanced Polymer Alloys, now a division of Ferro Corporation.

Total segment sales of $545 million climbed 16 per cent due primarily to increased shipments to customers in both Canada and abroad.

Performance Coatings delivered a 17 per cent revenue growth in 1999 as several factors came together to produce this outstanding performance. Canadian automotive plants operated at high rates and many of our customers who supply painted plastic parts to this industry were also exceptionally busy. We have the DuPont North American technology mandate for the "Supplier Finish" group of customers and this requires that we ship to sites in both Canada and the U.S.A. The Canadian "Transportation" segment includes heavy trucks, buses and trains. In 1999, we significantly grew our sales to this segment as many Canadian heavy truck manufacturers operated at capacity and ended the year with a large backlog of orders. While Canadian automotive refinish revenue was essentially flat in 1999, we developed several new market approaches that are expected to deliver substantial gains in 2000. We also manufacture DuPont's epoxy primers for the North American market and in 1999 enjoyed a 19 per cent growth in this segment. Beginning in January 2000, DuPont Canada will include the Canadian sales of Herberts, the automotive and industrial coatings company acquired by the global DuPont company at the end of 1998. We have developed plans to leverage the outstanding Spies-Hecker and Standox™ high-quality brand reputation with the broad scope and power of our Canadian distribution system. The addition of these two brands and extensive powder coatings offerings has significantly broadened our product line and reinforced our position as the premier Canadian coatings supplier.

The Engineering Polymers unit produces a wide range of ZYTEL® nylon resins used in the automotive, electronics, sporting goods and commercial/industrial durable markets in Canada and around the globe. We also offer to Canadian customers DuPont's DELRIN® acetal resin and CRASTIN® PBT thermoplastic polyester resin. Sales revenue increased 16 per cent in 1999 due to substantially higher shipments to both domestic and export markets. Domestic sales climbed 18 per cent as many customers grew both their local sales and their exports to the U.S.A. Significant 1999 sales gains came from new product commercializations such as the "lost core" air-intake manifold used on General Motors light trucks. This product is made with DuPont ZYTEL® nylon moulded by Siemens Automotive and assembled by Delphi Automotive Systems. In addition to qualifying dozens of new products, our compounding operation at Maitland significantly reduced product turnaround time and improved yields, generating extra capacity at a time when we were essentially sold out. In January 2000, we announced a significant capital project to install new compounding facilities at our Maitland site to produce high-temperature nylon (ZYTEL® HTN), a nylon polymer with superior dimensional stability in high-temperature, moist or chemically aggressive environments. This added capacity will allow us to meet growing demands in automotive, electrical, telecommunications, and other industrial markets.

The Elastomers unit is the exclusive Canadian distributor for the products of the DuPont Dow Elastomers (DDE) joint venture. Products are marketed under the brand names of NEOPRENE®, ENGAGE®, NORDEL® IP, VITON®, TYRIN® and HYPALON® and are sold to thermoplastic and thermoset applications in the automotive, industrial, plastic processing and consumer market segments. Sales revenue grew 12 per cent in 1999 due to strong volume growth and increased prices in several market segments. Our customers benefited from a strong Canadian economy and increased exports to the U.S.A. from their improved competitive position.

OUTLOOK

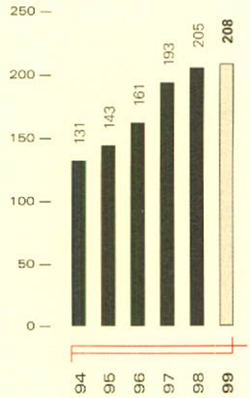
We enter 2000 with a strong North American economy, record Canadian automotive production and strong domestic markets. We believe that new products, increased capacity and aggressive marketing programs will continue to deliver good revenue growth in 2000.

SPECIALTY FIBRES

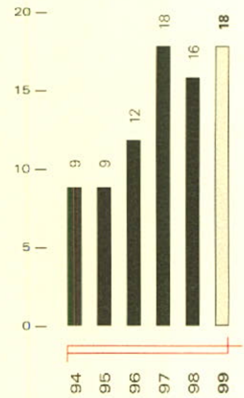
Millions $	94	95	96	97	98	99
Net segment sales	131	143	161	193	205	**208**
EBITDA[1]	18	17	21	31	28	**31**
Depreciation and amortization	3	3	3	2	3	**3**
Earnings before income tax	14	14	19	28	25	**28**
Income taxes	5	5	7	10	9	**10**
After-tax operating earnings	9	9	12	18	16	**18**
Segment assets	56	54	55	68	68	**62**
Capital expenditures	1	2	3	4	4	**1**

(1) Earnings Before Interest, Taxes, Depreciation, Amortization.

SEGMENT NET SALES
(MILLIONS $)



SEGMENT AFTER-TAX OPERATING EARNINGS
(MILLIONS $)



This segment produces LYCRA® XA, an elastane fibre used in disposable diapers to produce "comfort-fit" characteristics in the legs and waistbands. To Canadian apparel customers, we offer DuPont's full range of LYCRA® fibre for apparel applications, DACRON® polyester fibres and yarns, KEVLAR® and NOMEX® aramid fibres, and TYVEK® spunbonded olefin.

Total segment revenue of $208 million rose just 2 per cent in 1999 as gains in some units were partially offset by declines in others.

LYCRA® revenue grew a modest 1 per cent in 1999. Three significant Canadian customers – two makers of disposable diapers, and a LYCRA® covering operation – consolidated operations at larger facilities in the U.S.A. These losses were partially offset through continued apparel market penetration and the introduction of several new products, especially those that provide soft stretch and enhanced chlorine resistance. These will enable fashion designers to extend comfort-fit and durability characteristics to a broader range of apparel. To further enhance our speed of delivery, we consolidated our supply chain and began to ship manufactured product directly to customers in the U.S.A. and Central America. Late in 1999, we announced our intent to modernize our Maitland facility with automated winders and an enhanced polymer that together should deliver a 20 per cent capacity increase. We anticipate producing commercial product toward the end of 2000. We believe that the Canadian market for LYCRA® products will continue to grow in 2000, particularly in the new seamless technology area.

We supply DuPont's DACRON® polyester fibres and yarns to Canadian customers in the apparel, moisture management, thermal insulation and sleep products markets. This was a difficult year as Canadian sales declined 11 per cent. In the first half of the year, North American markets continued to experience significant imports of low-cost, commodity polyester from Asian producers with excess capacity. As global supply and demand tightened in the second half, prices began to move upward. However, Canadian sales were also negatively impacted by the financial difficulties of two large customers and the relatively warm weather that depressed fleece markets. As DuPont continues to restructure its Polyester Enterprise, we remain committed to being the supplier of choice of these products for the Canadian market.

TYVEK® nonwovens revenue increased 13 per cent in 1999 with all market segments making positive contributions. The largest gains came in the construction housewrap market and were due to increased new home construction, tighter building codes and our aggressive marketing efforts. Limited wear protective apparel sales also improved as Canadian manufacturers continued to gain market share. Sales of TYVEK® for graphics arts applications improved sharply due to our successful education and promotion programs. Continued growth is anticipated in 2000.

KEVLAR® and NOMEX® aramid fibre sales grew by 7 per cent during 1999. NOMEX® sales were strong due to heavy North American demand for high-temperature automotive hoses, to improved transformer build rates and to increased market share for our Canadian value chain in both domestic and U.S. flame-resistant protective apparel markets. KEVLAR® sales declined marginally, as improved sales of automotive friction products and recreational marine composites did not make up for reduced sales in athletic footwear and a softer global ballistics market. Renewed growth is expected for both products in 2000.

OUTLOOK

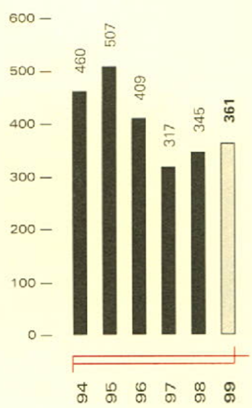
With increased LYCRA® capacity, a more stable polyester market, and solid growth in Nonwovens and Aramids, we foresee better results from this segment in 2000.

SPECIALTY MATERIALS

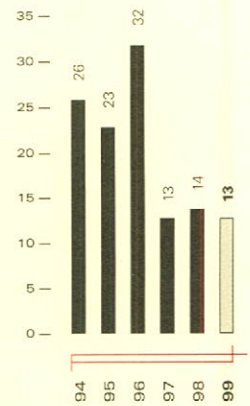
Millions $	94	95	96	97	98	99
Net segment sales	460	507	409	317	345	**361**
EBITDA[1]	66	59	73	25	27	**26**
Depreciation and amortization	24	22	23	5	5	**5**
Earnings before income tax	41	37	50	20	22	**21**
Income taxes	15	14	18	7	8	**8**
After-tax operating earnings	26	23	32	13	14	**13**
Segment assets	268	302	321	123	121	**164**
Capital expenditures	5	37	41	2	3	**3**

(1) Earnings Before Interest, Taxes, Depreciation, Amortization.

SEGMENT NET SALES
(MILLIONS $)



SEGMENT AFTER-TAX OPERATING EARNINGS
(MILLIONS $)



This segment produces SUVA®-123, a hydrochlorofluorocarbon (HCFC) used as a refrigerant in large industrial chillers and as a chemical intermediate in the production of other products. We also distribute the full range of DuPont's industrial chemicals, performance chemicals, agricultural chemicals and safety systems to our Canadian customers.

Segment sales of $361 million increased 5 per cent in 1999 due mainly to higher sales of fluorochemicals and increased volume and prices for titanium dioxide white pigment.

We are a major supplier of DuPont fluoroproducts, including fluorochemicals and TEFLON® fluoropolymers to the Canadian market. The Maitland, Ontario, facility is global DuPont's sole manufacturing site for SUVA®-123, an alternative to chlorofluorocarbon (CFC) refrigerants. Total sales rose 8 per cent in 1999 with a 12 per cent increase in manufactured exports and a 6 per cent increase in domestic sales. Most of the domestic gains came from increased shipments of TEFLON® FEP, a fire-retardant polymer used as insulation on electrical and instrumentation wires and cables in high-rise buildings and critical industrial applications. Export growth came from sales of SUVA®-123 as a raw material in the manufacture of agricultural and pharmaceutical products.

The Industrial and Performance Chemicals unit supplies a wide range of chemical products to Canadian industry. Sales declined 19 per cent during 1999 as gains from performance chemicals were insufficient to offset significant declines for industrial chemicals. Weak gold prices caused many Canadian mines to operate well below capacity and depressed our sales of the industrial gold refining chemical, sodium cyanide. Anticipating the decline in industrial chemicals, we have focused on the performance group of differentiated, high-margin products for the past three years. We anticipate that new partnerships and products from global DuPont and others will return our chemicals group to growth in the coming year.

Our Agricultural Products unit supplies DuPont herbicides and fungicides to Canadian farmers producing cereal grains, corn, canola, and soy. After an 11 per cent sales growth in 1998, sales in 1999 declined 3 per cent due primarily to the difficult Canadian farm economy. Our total market share rose in 1999 but this was insufficient to offset the general market decline. In 2000, we are forecasting double-digit growth in growers' use of our products but we also expect our distribution partners will significantly improve the efficiency of their inventory management. Thus, the market is expected to be flat for the crop protection chemicals supplier.

The White Pigment unit supplies DuPont titanium dioxide to Canadian customers in the coatings, plastics and paper markets. Sales climbed sharply in 1999 due to increased volume and higher prices. We also gained market share during the year and many of our customers significantly increased their export activity. Canadian coatings manufacturers were particularly successful, especially those supplying the automotive, industrial, and architectural segments where growth was strong. In 2000, we will be developing more complete offerings, bringing the full range of all DuPont business units to better serve our customers.

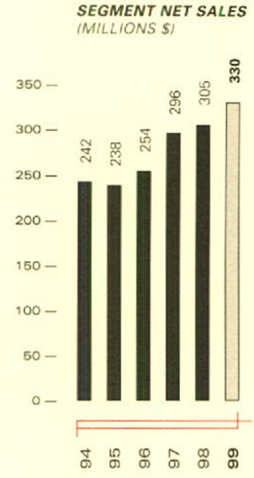
OUTLOOK

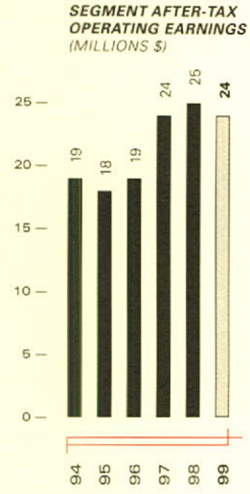
We anticipate that North American economies will remain strong in 2000 and that this segment will deliver modest growth.

SPECIALTY POLYMERS AND FILMS

Millions $	94	95	96	97	98	99
Net segment sales	242	238	254	296	305	**330**
EBITDA(1)	37	35	37	45	45	**49**
Depreciation and amortization	6	6	7	7	6	**8**
Earnings before income tax	30	29	30	38	39	**41**
Income taxes	11	11	11	14	15	**16**
After-tax operating earnings	19	18	19	24	25	**24**
Segment assets	110	100	100	125	150	**165**
Capital expenditures	7	7	6	13	5	**10**

(1) Earnings Before Interest, Taxes, Depreciation, Amortization.





This segment manufactures polyethylene and nylon film and plastic netting for food, liquid and industrial applications at our Whitby, Ontario, site. Adhesives and other modified polymers are produced at our Sarnia, Ontario, site. Our Granirex unit in Quebec produces a broad range of decorative and durable engineered-stone products used in decorative surface applications. To these manufactured products, we add DuPont's full range of specialty films, polymers and printing products.

Segment sales of $330 million rose 8 per cent in 1999 due to both higher volume and improved prices.

Our Modified Polymers unit in Sarnia, Ontario, employs sophisticated reactive extrusion technology to produce specialty polymers used as adhesives, compatibilizers and tougheners in packaging and industrial applications. Sales climbed 10 per cent in 1999 due primarily to strong demand for BYNEL®, DuPont's premier packaging adhesive. Successful development programs and more aggressive marketing strategies in Europe, North America and Asia were behind the BYNEL® growth. During the year, we also announced and commercialized new facilities in the manufacture of VAMAC®, an ethylene acrylic elastomeric polymer used to produce belts and hoses in critical automotive and industrial applications. Several new commercializations are planned for 2000. With this new capability, we anticipate continued revenue growth and near-capacity operation.

The Packaging and Films unit, located in Whitby, Ontario, manufactures Sclairfilm® polyethylene films, DARTEK® nylon films, VEXAR® netting, and ENHANCE® pouch packaging systems for food and industrial packaging markets. It also brings the full range of DuPont packaging and industrial films to Canadian customers. Sales declined 3 per cent in 1999 due primarily to difficult market conditions in Liquid Packaging. Cool weather in Mexico and the introduction of an adverse tax on the pouch in Central America depressed sales in these regions. The Canadian dairy market was extremely competitive in 1999 due to two new entrants in the market. We are pursuing legal action against these new competitors who we believe are infringing our patents. We continue to pursue our new aseptic pouch technology in both food service and milk/beverage applications in the U.S.A. and Latin America. In addition, we intend to explore potential joint venture partners to rapidly grow both liquid and food service pouch applications beyond the Americas. Specialty polyethylene film sales grew in 1999 as we increased shipments to customers in both Canada and the U.S.A. Sales of DARTEK® nylon film were up 8 per cent due to increased penetration of both packaging and industrial markets in North America. In total, resale film sales rose 9 per cent, much of this a result of increased demand for DuPont's TEDLAR® polyvinyl fluoride film, KAPTON® polyimide film, and TEFLON® film. Strong growth also came from the distribution of MELINEX® and MYLAR® polyester films.

On December 14, 1999, we announced plans to establish our Packaging Film and Liquid Systems unit as a new company, effective January 1, 2000. This new company – Enhance Packaging Technologies Inc. – will be a wholly owned subsidiary of DuPont Canada Inc. (see feature on pages 8 and 9).

This was the first full year of operation for our Granirex unit that produces durable engineered-stone products for decorative surface applications. The product will be used by the DuPont CORIAN® business unit to complement and broaden this business unit's product offering. In 1999, we fully integrated the Granirex team, their operation and their product offerings. In addition, DuPont CORIAN® completed a major new product development.

In Canada, we market the full range of global DuPont's Packaging and Industrial Polymers (P&IP). The major offerings in this group include SURLYN® ionomer resin, SURLYN REFLECTIONS™ super gloss moulding alloys, and ELVAX® ethylene-vinyl acetate copolymer resin. Canadian markets were very strong in 1999 and we delivered a 33 per cent sales growth from the P&IP family of products.

Our Photopolymer unit supplies the Canadian printing industry with an integrated offering of CYREL® flexographic printing plates, equipment and associated materials. Sales in 1999 grew by 16 per cent due to strong film sales and several equipment sales in Ontario.

We offer DuPont's BUTACITE® products to Canadian manufacturers of automotive and architectural glass. North American glass manufacturing operations continued to rationalize in 1999 and a major Canadian manufacturer moved production to the U.S.A. As a result, our sales fell slightly in 1999, in spite of stronger shipments to the remaining producers.

OUTLOOK

We anticipate that all units in this segment will deliver good growth in 2000.

CONSOLIDATED STATEMENTS OF EARNINGS AND RETAINED EARNINGS

SALES AND OTHER INCOME

Net sales in 1999 of $2 211 million rose by 9 per cent or $186 million, compared to $2 025 million in 1998, again setting a new sales record for continuing operations. The strong year-over-year sales growth came from both domestic and export markets, which were up 9 per cent and 10 per cent respectively over 1998 levels. Domestic sales of Canadian manufactured product increased by 12 per cent and domestic sales of product from global DuPont rose 8 per cent. Export sales rose to a new record level of $970 million versus our previous record of $882 million in 1998. Approximately 89 per cent of 1999 export sales were to DuPont global affiliates.

The *Nylon Enterprise* segment's sales of $784 million increased by 10 per cent. Improvements were the result of higher customer demand for BCF carpet yarn, automotive industrial yarn, nylon intermediates and nylon apparel polymer. The expanded BCF nylon carpet yarn facility in Kingston and the DYTEK™ A facilities in Maitland, both completed in 1998, operated at full capacity throughout 1999. The *Performance Coatings and Polymers* segment's sales rose by 16 per cent to $545 million. Canadian OEM automotive plants operated at high rates and the models awarded to the Performance Coatings unit experienced high consumer demand. Engineering Polymers experienced excellent growth in both domestic and export sales levels due to new product commercialization and improved yields. The *Specialty Fibres* segment's sales increased by a modest 2 per cent to $208 million as the lower DACRON® polyester sales almost entirely offset the strong gains from Aramids and Nonwovens. The *Specialty Materials* segment's sales increased by 5 per cent to $361 million. Strong sales gains in Fluoroproducts and domestic resale of White Pigments were partially offset by sales declines in Agricultural Products due to a weak Canadian farm economy, and in Industrial and Performance Chemicals stemming from weak gold prices resulting in lower mining activity. The *Specialty Polymers and Films* segment's sales increased by 8 per cent to $330 million largely due to the first-year inclusion of Granirex (acquired in December 1998), complemented by increased sales of Modified Polymers and Packaging and Industrial Polymers. *Interest and other income* of $33.3 million was up $8.9 million compared to 1998, due to the higher average short-term investment portfolio in 1999.

EXPENSES

The cost of goods sold and other operating charges declined slightly to 73 per cent of net sales from 74 per cent in 1998. Selling, general and administrative expenses were held to 6.8 per cent of net sales in 1999, unchanged from the prior year. Depreciation and amortization charges rose by $8.6 million from 1998, due to additional charges for new capital assets. We invested $11.7 million in research and development expenses (net of affiliate reimbursements and other credits), up by $3.2 million over 1998 (see Note 2).

Net Earnings from continuing operations of $252.7 million ($2.72 per share) reflected an increase of 15 per cent, or $32.8 million over the 1998 earnings from continuing operations of $219.9 million ($2.37 per share), marking the sixth consecutive year of record earnings from continuing operations. In 1998, the net earnings from the discontinued Hydrogen Peroxide operations contributed an additional $78.8 million.

OUTLOOK

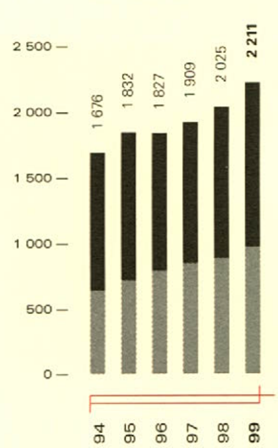
North American economic conditions remain strong with Asian economies continuing to improve. Product demand is expected to remain firm and, with prices slowly moving upward, modest margin gains are anticipated during 2000. We expect demand in the first quarter to be fairly strong and the outlook is for continued positive growth. Sales growth will be facilitated by the capacity expansion and improvement projects currently underway and scheduled for start-up during 2000.

Effective January 1, 2000, the Canadian Packaging Film and Liquid Systems business unit was established as a new company. This new company – Enhance Packaging Technologies Inc. – will be a wholly owned subsidiary of DuPont Canada.

(in thousands except per common share) Years Ended December 31	1999	1998
NET SALES	$ 2 211 441	$ 2 025 072
Interest and other income	33 267	24 346
	2 244 708	2 049 418
Cost of goods sold and other operating charges	1 619 777	1 499 691
Selling, general and administrative expenses	149 696	138 605
Depreciation and amortization	66 022	57 414
Research and development expenses (Note 2)	11 696	8 478
	1 847 191	1 704 188
EARNINGS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	397 517	345 230
Income taxes (Note 3)		
Current	133 096	118 478
Deferred	11 676	6 808
	144 772	125 286
NET EARNINGS FROM CONTINUING OPERATIONS	252 745	219 944
NET EARNINGS FROM DISCONTINUED OPERATIONS (Note 4)	–	78 828
NET EARNINGS	$ 252 745	$ 298 772
NET EARNINGS PER COMMON SHARE – from continuing operations	$ 2.72	$ 2.37
– total	2.72	3.21
DIVIDENDS DECLARED PER COMMON SHARE	$ 0.70	$ 0.64
RETAINED EARNINGS AT BEGINNING OF YEAR	$ 1 098 985	$ 873 968
Add: Net Earnings	252 745	298 772
Less: Dividends declared	65 131	59 555
Excess of consideration paid over stated capital of common shares (Note 10)	17 601	14 200
RETAINED EARNINGS AT END OF YEAR	$ 1 268 998	$ 1 098 985

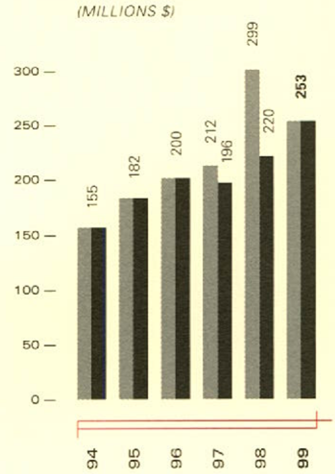
The accompanying Notes form an integral part of these consolidated financial statements.

NET SALES
(MILLIONS $)



DOMESTIC SALES	1035	1112	1040	1062	1143	**1241**
EXPORT SALES	641	720	787	847	882	**970**

NET EARNINGS
(MILLIONS $)



EXCLUDES DISCONTINUED OPERATIONS

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE

CONSOLIDATED BALANCE SHEETS

OVERVIEW

We completed 1999 with an exceptionally strong balance sheet as the ratio of current assets to current liabilities climbed to 3.1:1, compared to 2.5:1 at the end of 1998.

Cash and cash equivalents increased by $40.1 million during 1999, as a result of a positive cash flow of $95.0 million from continuing operations, offset in part by a net cash outflow of $54.9 million from discontinued operations. Our year-end investment portfolio of $694.4 million was comprised of cash equivalents, all maturing within 90 days of December 31. Our total receivables of $343.5 million decreased by $3.4 million during 1999, which included a decrease of $26.1 million in inter-company export receivables, a $16.8 million increase in trade and other receivables and an income tax recoverable of $5.8 million. Total customer collections, as measured by days sales outstanding, improved marginally to 55 versus 56 days at the end of 1998. During 1999, customer business failures resulted in bad debts totalling $1.1 million (net of recoveries of $0.4 million), compared to $1.5 million (net of recoveries of $0.1 million) in 1998. Total inventories increased by $72.5 million, due to a widespread build-up of finished goods as our customers aggressively reduced their inventory levels at year-end. We ended the year with a 68-day supply of inventory, compared to a 45-day supply at the end of 1998.

Property, plant and equipment investments increased by $13.3 million during the year (see Note 6). This increase resulted from capital expenditures of $78.4 million, reduced by depreciation charges of $65.0 million. Other assets increased by $9.1 million to $33.4 million (see Note 7), primarily related to a $4.8 million increase in deferred pension cost.

Accounts payable increased by $3.8 million (see Note 5), essentially due to higher year-end trade payables. Income taxes payable decreased by $5.3 million as our 1999 installment payments fully provided for our provision for current taxes. Dividends payable rose by $1.9 million due to the increase in the quarterly dividend rate from 16 to 18 cents in the second quarter of 1999. Other long-term obligations decreased by $2.4 million, consisting of a $4.6 million reduction in pension funding liabilities, offset in part by a $1.5 million increase to other post-retirement benefit liabilities and a $0.7 million increase in accrued liabilities to employees under the Performance Sharing Program.

Capital stock increased by $8.9 million. During 1999, we issued 238 250 shares of common stock under the Employee Stock Option Plan at an average option price of $10.77 per share and a further 149 565 common shares under the Performance Sharing Program at an average of $45.20 per share for combined proceeds of $9.3 million (see Note 10). To offset the current and anticipated dilution from these employee share-related programs, we purchased 369 600 common shares on the open market at an average per share cost of $48.88, for a total cost of $18.1 million. As at December 31, 1999, our cumulative re-purchases of common shares had fully offset the dilution impact of the 1 500 600 unexercised common share options outstanding as of that date, with an additional 137 937 in anticipation of share-related employee plan requirements to be determined in the first quarter of 2000.

During 1999 retained earnings increased by $170.0 million, reflecting net earnings from operations of $252.7 million, offset in part by dividends of $65.1 million and share purchase related charges of $17.6 million. Our return on average common shareholders' equity was 19.3 per cent for 1999, down from 27.3 per cent in the prior year. The return on average common shareholders' equity in 1998 included the net earnings of the discontinued Hydrogen Peroxide operations – based only on continuing operations, the return comparable to the 19.3 per cent in 1999, would be 21.0 per cent. Over the five-year period ending 1999, we have achieved an average return of 21.7 per cent.

Effective January 1, 2000, the company will be adopting the recommendations of CICA Handbook Sections 3461 "Employee Future Benefits" and 3465 "Income Taxes". The effect of adopting these new recommendations on the company's financial position will be to increase the obligation for post-retirement benefits, decrease the liability for deferred income taxes, with any remaining difference being a reduction to retained earnings.

ASSETS (in thousands) Years Ended December 31	1999	1998
CURRENT ASSETS		
Cash and cash equivalents (Note 5)	**$ 694 415**	$ 654 322
Accounts receivable (Note 5)	**337 649**	346 902
Income taxes recoverable	**5 833**	–
Inventories:		
Finished goods and work in process	**193 030**	123 599
Raw materials and supplies	**35 624**	32 603
Prepaid expenses	**10 412**	8 438
Current assets of discontinued operations (Note 4)	**–**	3 290
	1 276 963	1 169 154
PROPERTY, PLANT AND EQUIPMENT (Note 6)	**640 700**	627 353
OTHER ASSETS (Note 7)	**33 359**	24 216
	$ 1 951 022	$ 1 820 723

LIABILITIES AND SHAREHOLDERS' EQUITY	1999	1998
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	**$ 392 918**	$ 389 110
Income taxes	**–**	5 291
Dividends	**16 739**	14 877
Current liabilities of discontinued operations (Note 4)	**–**	58 193
	409 657	467 471
OTHER LONG-TERM OBLIGATIONS		
Other post-retirement benefits	**63 660**	62 197
Other	**13 879**	17 778
	77 539	79 975
DEFERRED INCOME TAXES	**75 285**	63 609
SHAREHOLDERS' EQUITY		
Capital stock (Note 10)	**119 543**	110 683
Retained earnings	**1 268 998**	1 098 985
	1 388 541	1 209 668
	$ 1 951 022	$ 1 820 723

The accompanying Notes form an integral part of these consolidated financial statements.

Approved by the Board:

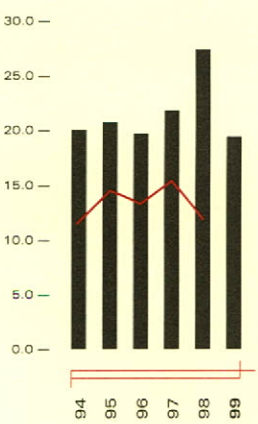
WENDY K. DOBSON

CHAIR, AUDIT COMMITTEE

DAVE W. COLCLEUGH

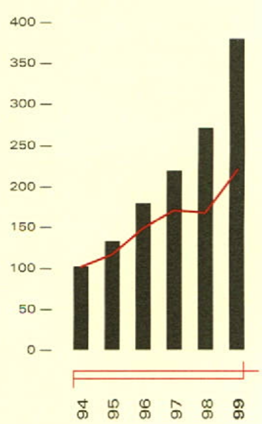
CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER

RETURN ON EQUITY
(PER CENT)



		94	95	96	97	98	99
DUPONT CANADA ■	%	19.9	20.6	19.6	21.7	27.3	**19.3**
TOP 50 INDUSTRIALS —	%	11.4	14.4	13.2	15.3	11.8	**NA**

SHAREHOLDER CUMULATIVE TOTAL RETURN
(DOLLARS)



	94	95	96	97	98	99
DUPONT CANADA ■	100	131	177	217	270	**378**
TSE 300 TOTAL RETURN INDEX —	100	115	147	169	166	**219**

Assumes an investment of $100 on December 31, 1994, and reinvestment of dividends.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE

CONSOLIDATED STATEMENTS OF CASH FLOWS

OVERVIEW

Our net cash and cash equivalents increased by $40.1 million to a total of $694.4 million at the end of 1999. This change represented a positive cash flow of $95.0 million from continuing operations, offset by a net outflow of $54.9 million from discontinued operations – largely the final tax installment on the sale proceeds of the Hydrogen Peroxide operations in 1998.

Cash flow from operating activities of $252.6 million was a decrease of $53.6 million from the $306.2 million generated in 1998. Net earnings from continuing operations contributed $252.7 million, up $32.8 million from 1998. Total non-cash charges in the earnings statement amounted to $77.7 million; comprised of depreciation of $65.0 million, patent amortization of $1.0 million and an increase in deferred taxes of $11.7 million. Investment in working capital increased by $70.6 million (see Note 8), due to an increase in inventories of $72.5 million, a net reduction of tax liabilities of $11.1 million – offset in part by a $9.3 million reduction in total receivables. Other operating activities decreased by $7.2 million, primarily a $7.9 million decrease in accrued pension obligations.

During 1999, we invested $78.4 million in property, plant and equipment and authorized new capital projects totalling $107.0 million, almost double the $53.7 million authorized in 1998. At year-end, we carried forward $59.6 million of unexpended project activity to 2000 for completion. Capacity expansions and productivity improvements currently underway and scheduled for start-up in 2000 include: a new Maitland facility to produce ZYTEL® high-temperature nylon to meet the growing demands in automotive, electrical, telecommunications and other industrial markets; an upgrade to the Maitland LYCRA® facility anticipated to increase capacity by 20 per cent; a nylon recycling pilot facility at Maitland, where new technology is being tested for viability and quality in transforming nylon back to its original constituents; and our third major BCF carpet yarn expansion at Kingston in the last five years, increasing our capacity by 35 per cent. Other investments increased by $5.3 million, largely due to a $2.9 million increase in long-term loans and receivables.

During 1999, we issued 387 815 shares of common stock under employee compensation programs for combined proceeds of $9.3 million and purchased 369 600 common shares on the open market for a total cost of $18.1 million.

We declared regular quarterly dividends totalling $65.1 million in 1999, an increase of $5.6 million or 9 per cent over the prior year. We increased the regular quarterly dividend rate to 18 cents per share in the second quarter (from 16 cents per share previously), raising our annual dividend payout per share to 70 cents for the full year, up from 64 cents in 1998. The Board of Directors reviews the company's quarterly dividend on a regular basis against a goal of achieving sustainable payouts within the range of 15 to 25 per cent of cash flow from operations, excluding the impact of working capital fluctuations, discontinued operations and non-recurring items. In 1999, the dividend payout of $0.70 per share equalled 20 per cent of cash flow from operations of $3.47 per share. There have been four regular dividend increases since 1994 in support of this goal.

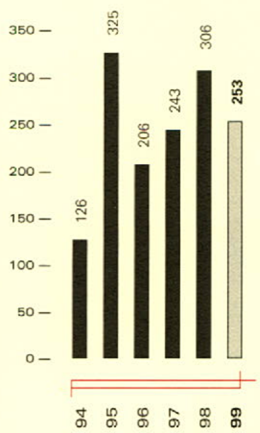
AVAILABLE FUNDING

We maintain operating lines of credit of $60 million and an authorized commercial paper program of $250 million. During 1999, the Dominion Bond Rating Service (DBRS) confirmed the company's AA (low) bond rating and the R-1 (middle) commercial paper rating. Similarly, the Canadian Bond Rating Service (CBRS) reaffirmed the company's A+ (high) bond rating and the A-1+ commercial paper rating. In light of its current cash position, the company does not anticipate any need for debt funding in 2000.

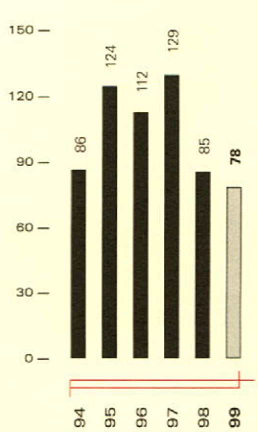
CASH FLOWS (USED IN) (in thousands) Years Ended December 31	**1999**	1998
OPERATING ACTIVITIES		
Net earnings from continuing operations	**$ 252 745**	$ 219 944
Non-cash items in earnings statement:		
Depreciation and amortization	**66 022**	57 414
Deferred income taxes	**11 676**	6 808
Net change in working capital excluding cash and cash equivalents (Note 8)	**(70 620)**	23 706
Other	**(7 225)**	(1 686)
	252 598	306 186
INVESTING ACTIVITIES		
Property, plant and equipment, net	**(78 382)**	(85 486)
Acquisition of a business	**–**	(21 265)
Other	**(5 348)**	(6 492)
	(83 730)	(113 243)
FINANCING ACTIVITIES		
Issue of common shares	**9 326**	9 010
Purchase of common shares	**(18 067)**	(14 630)
Dividends to shareholders	**(65 131)**	(59 555)
	(73 872)	(65 175)
CHANGE IN CASH AND CASH EQUIVALENTS FROM CONTINUING OPERATIONS	**94 996**	127 768
CHANGE IN CASH AND CASH EQUIVALENTS FROM DISCONTINUED OPERATIONS	**(54 903)**	285 308
Cash and cash equivalents at beginning of year	**654 322**	241 246
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 694 415**	$ 654 322

The accompanying Notes form an integral part of these consolidated financial statements.

CASH GENERATED FROM OPERATIONS
(MILLIONS $)



CAPITAL SPENDING
(MILLIONS $)



RISKS AND UNCERTAINTIES

Currently the only *foreign currency exposure* of significance is U.S. dollars. Our practice is to net U.S. dollar revenues and liabilities to determine our U.S. dollar exposure at any point in time. Over time, the imported and exported product levels denominated in U.S. dollars have created a natural hedge position. The company enters into forward contracts to manage its residual net exposure to changes in exchange rates. At December 31, 1999, there were contracts outstanding to purchase U.S. $34 000 and sell U.S. $5 000. The net unrealized gain on these contracts was not significant at year-end.

DuPont Canada's *environmental activities* include ongoing risk assessment programs and compliance with the *Responsible Care®* program sponsored by the Canadian Chemical Producers' Association. The expenses related to environmental initiatives are reflected in business financial results. On the basis of our extensive audit program, management is not aware of any significant potential liabilities; therefore no costs have been accrued for future environmental remediation activities.

The Year 2000 issue arises because many computerized systems use two digits, rather than four, to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems that use certain dates in 1999 to represent something other than a date. Our overriding goal is to maintain continuity of business through the year 2000 and beyond, as well as prevent any safety or environmental incidents. We have had an active Year 2000 program to address this issue since 1997. The issue was significantly reduced due to the recent conversion of the majority of our commercial applications to Year 2000 compatible SAP technology. All expenses related to the Year 2000 remediation program have been included in business financial results.

Our Year 2000 program fully achieved its goal of maintaining business continuity as we moved into the year 2000, with no safety or environmental incidents. No significant events have occurred to-date in any area of the company, including those impacted by our customers or suppliers.

RESPONSIBILITIES FOR FINANCIAL REPORTING

The consolidated financial statements of DuPont Canada Inc. and its subsidiaries and all information in the annual report are the responsibility of management. Financial information contained elsewhere in the annual report is consistent with that shown in the financial statements.

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles, and necessarily include some amounts that are based on management's best estimates and judgements.

Management maintains a system of internal control designed to provide reasonable assurance as to the reliability of the financial records and the safeguarding of assets. Employees are required to maintain the highest standards of personal and business integrity in their conduct of company affairs. An internal audit unit reviews and evaluates the accounting records and the related system of internal control on an ongoing basis, and reports its findings and recommendations to management and to the Audit Committee.

The Board has established an Audit Committee and appoints a majority of its members from outside directors. This committee reviews the consolidated financial statements with management and the external auditors prior to submission to the Board for approval, as well as the recommendations of the external and internal auditors for improvements in internal controls and the action of management to implement such recommendations.

PricewaterhouseCoopers LLP, Chartered Accountants, are responsible for performing an independent audit of the consolidated financial statements in accordance with Canadian generally accepted auditing standards and for expressing an opinion on the statements. Their report follows.

Dave Colcleugh

DAVE W. COLCLEUGH
CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER

A. Pompeo

ANTONIO POMPEO
VICE-PRESIDENT AND CHIEF FINANCIAL OFFICER

February 11, 2000

AUDITORS' REPORT

TO THE SHAREHOLDERS, DUPONT CANADA INC.

We have audited the consolidated balance sheets of DuPont Canada Inc. as at December 31, 1999 and 1998 and the consolidated statements of earnings and retained earnings and cash flows for the years then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the company as at December 31, 1999 and 1998 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP

CHARTERED ACCOUNTANTS

Mississauga, Ontario
February 11, 2000

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1999 AND 1998 (IN THOUSANDS UNLESS OTHERWISE INDICATED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF CONSOLIDATION

DuPont Canada Inc. is incorporated under the Canada Business Corporations Act. These consolidated financial statements are prepared in accordance with accounting principles generally accepted in Canada and include the accounts of DuPont Canada Inc. and its wholly owned subsidiaries (the company). All dollar figures are reported in Canadian dollars.

CASH EQUIVALENTS

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

INVENTORIES

Inventories are carried at the lower of average cost and net realizable value. The cost of finished goods inventories is based on material, direct labour and other costs relating to product conversion.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are carried at cost. Preproduction expenses related to manufacturing and interest on borrowings incurred in connection with new facilities are charged to expense as incurred.

Depreciation is provided based on the estimated useful life of assets. The straight-line method is used. Buildings are depreciated over 25 years while equipment is depreciated over 15 years. Depreciation is not charged on new assets until they become operative.

GOODWILL

Goodwill represents the excess purchase price paid, on the acquisition of a business, over the value assigned to identifiable net assets acquired and is being amortized on a straight-line basis over 15 years.

OTHER POST-RETIREMENT BENEFITS

Other post-retirement benefits include medical and life insurance benefits for pensioners and survivors. These benefits are accounted for on an accrual basis. The expected costs of the employees' post-retirement benefits are expensed during the years that the employees render services and an accumulated post-retirement benefit obligation is recognized. The obligation is determined by application of the terms of the plans together with relevant actuarial assumptions.

FOREIGN CURRENCY TRANSLATION

Assets and liabilities denominated in foreign currencies are all monetary and are translated to Canadian dollars at exchange rates in effect at the balance sheet date. Revenues and expenses in foreign currencies are translated to Canadian dollars at rates which approximate the exchange rates at the dates of the transactions. Exchange gains and losses arising on these transactions are included in net earnings for the year.

RESEARCH AND DEVELOPMENT

Research costs are expensed in the period in which they are incurred. Development costs are also expensed unless they are significant and meet generally accepted criteria for deferral. Costs are reduced by government grants, investment tax credits where applicable, and reimbursements from affiliates.

USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and use assumptions that affect certain reported amounts. Actual amounts could differ from those estimates.

FINANCIAL INSTRUMENTS

The carrying value of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, income taxes and dividends approximates fair value due to the relatively short-term maturities of these instruments.

The company does not have any significant concentration of credit risk with parties other than with its major shareholder, E.I. du Pont de Nemours and Company.

The company enters into forward contracts to manage its exposure to changes in exchange rates. At December 31, 1999, the company had contracts outstanding to purchase U.S. $34 000 and sell U.S. $5 000. The net unrealized gain on these contracts is not significant at year-end.

STOCK-BASED COMPENSATION PLAN

The company has a stock-based compensation plan, which is described in Note 10. No compensation expense is recognized for this plan when stock or stock options are issued to employees. Any consideration paid by employees on exercise of stock options or purchase of stock is credited to share capital.

ACCOUNTING PRONOUNCEMENTS

In 1999, the company adopted and applied retroactively the recommendations of CICA Handbook Section 1540 "Cash Flow Statements". This new basis of presentation did not have any effect on prior years' results or shareholders' equity. However, certain comparative figures have been restated in order to comply with the new basis of presentation.

The company has also applied the new disclosure recommendations of the CICA regarding stock-based compensation plans as outlined in Note 10.

NOTE 2 – RESEARCH AND DEVELOPMENT EXPENSES

	1999	1998
RESEARCH AND DEVELOPMENT EXPENSES INCLUDE:		
Gross expenditures on research and development	**$ 38 379**	$ 31 733
Less: Reimbursements from affiliates	**20 377**	18 144
Investment tax credits	**6 306**	5 111
	$ 11 696	$ 8 478

NOTE 3 – INCOME TAXES

	1999	1998
THE COMPANY'S EFFECTIVE INCOME TAX RATE CONSISTS OF:		
Combined basic Canadian federal and provincial income tax rate	**43.0%**	42.9%
INCREASE (DECREASE) IN THE INCOME TAX RATE RESULTING FROM:		
Manufacturing and processing allowance	**(7.2)**	(7.1)
Federal income tax surcharge and large corporation tax	**1.0**	1.1
Other	**(0.4)**	(0.6)
Effective income tax rate	**36.4%**	36.3%

NOTE 4 – DISCONTINUED OPERATIONS

In 1998, the company disposed of its Hydrogen Peroxide operations for total cash proceeds of $274 201, resulting in a total gain on sale of $78 601, net of applicable taxes of $41 221. The net sales of $35 795, operating results of $227 (net of taxes of $134), gain on sale and assets and liabilities associated with these discontinued operations were segregated in the financial statements. Net working capital amounted to $54 903 and included $3 290 in accounts receivable, $6 455 in accounts payable and accrued liabilities, and $51 738 in income taxes.

NOTE 5 – TRANSACTIONS WITH AFFILIATES

In the normal course of business, the company had transactions with its major shareholder, E.I. du Pont de Nemours and Company, and other affiliates as summarized below. Trade terms with affiliates are generally 90 days.

	1999	1998
Sales	**$ 867 813**	$ 808 851
Purchases – for consumption and resale	**1 031 833**	943 282
Interest income	**22 208**	16 941
Demand notes, included in cash equivalents	**–**	475 000
Accounts receivable	**187 015**	213 133
Accounts payable and accrued liabilities	**267 442**	262 278
Dividends	**49 605**	45 353
Reimbursement of R&D expenditures	**20 377**	18 144

NOTE 6 – PROPERTY, PLANT AND EQUIPMENT

	1999	1998
PROPERTY, PLANT AND EQUIPMENT INCLUDE THE FOLLOWING:		
Equipment	**$ 1 109 099**	$ 1 046 116
Buildings	**246 911**	236 975
Construction in progress	**36 767**	41 278
Land	**8 435**	7 911
	1 401 212	1 332 280
Less: Accumulated depreciation – equipment	**607 008**	558 282
– buildings	**153 504**	146 645
	760 512	704 927
	$ 640 700	$ 627 353

At December 31, 1999, $59 601 (1998 – $36 493) remained unexpended on authorized capital appropriations.

NOTE 7 – OTHER ASSETS

	1999	1998
OTHER ASSETS INCLUDE:		
Goodwill	**$ 13 660**	$ 13 660
Less: Accumulated amortization	**911**	–
	12 749	13 660
Long-term loans and receivables	**9 443**	6 496
Deferred pension cost	**4 789**	–
Other	**6 378**	4 060
	$ 33 359	$ 24 216

NOTE 8 – FINANCIAL INFORMATION INCLUDED IN THE CONSOLIDATED STATEMENTS OF CASH FLOWS

	1999	1998
NET CHANGE IN WORKING CAPITAL EXCLUDING CASH AND CASH EQUIVALENTS		
Accounts receivable	**$ 9 253**	$ (11 651)
Income taxes recoverable	**(5 833)**	–
Inventories	**(72 452)**	223
Prepaid expenses	**(1 974)**	(1 867)
Accounts payable and accrued liabilities	**3 808**	43 498
Income taxes	**(5 291)**	(6 505)
Dividends	**1 862**	–
Other	**7**	8
	$ (70 620)	$ 23 706
Income taxes paid for continuing operations	**$ 144 220**	$ 124 436

NOTE 9 – PENSION COSTS AND OBLIGATIONS

The company has a non-contributory defined benefit pension plan covering all employees. Benefits are based on length of service and average earnings in the employee's highest paid consecutive 36-month period. Pension costs are funded through payments made to an irrevocable trust fund held by an independent trustee.

Actuarial valuations are prepared regularly to determine the costs of pension benefits and the financial status of the fund. The actuarial calculations incorporate management's best-estimate assumptions to determine pension expense and the present value of accrued pension benefit obligations, based on projections of salaries and wages to normal retirement dates. The most significant of these economic assumptions, established at the beginning of each year, are:

	1999	1998
Discount rate	**8.75%**	8.75%
Wage and salary escalation	**4.0 %**	3.5 %

The long-term wage and salary escalation rate of 5.5 per cent is being phased in over a five-year period starting at 3.5 per cent in 1998 and increasing to 5.5 per cent in 2002.

Pension fund assets are valued using a moving average method, which recognizes changes in the market value of the investment portfolio over a four-year period in order to reflect long-term market trends rather than short-term fluctuations.

The company's pension assets and obligations as at December 31 were as follows:

		1999		1998
Pension fund assets	**$**	**680 451**	$	614 030
Accrued pension obligations				
– to be funded from pension fund	**$**	**586 796**	$	548 553
– to be funded from general company resources	**$**	**28 922**	$	26 986
DETERMINATION OF PENSION EXPENSE FOR THE YEAR ENDED DECEMBER 31 IS SUMMARIZED BELOW:				
Current service costs	**$**	**10 974**	$	10 927
Interest cost on pension obligations		**49 264**		48 595
Return on fund assets		**(52 284)**		(48 512)
Other		**(4 173)**		(1 676)
Pension expense	**$**	**3 781**	$	9 334

NOTE 10 – CAPITAL STOCK

	1999			1998		
	Number of Shares		**Stated Capital**	Number of Shares		Stated Capital
Unlimited authorized Class A common Shares without nominal or par value						
January 1	**92 978 824**	**$**	**110 683**	92 982 270	$	102 103
Issued during the year for cash:						
– on exercise of options	**238 250**		**2 565**	195 700		2 357
– in respect of Performance Sharing	**149 565**		**6 761**	173 354		6 653
Shares purchased for cash and cancelled	**(369 600)**		**(466)**	(372 500)		(430)
December 31	**92 997 039**	**$**	**119 543**	92 978 824	$	110 683

The company has an Employee Stock Option Plan that was introduced in 1984. It is administered by the Human Resources and Corporate Governance Committee of the Board. A maximum of 11 698 027 shares have been authorized for this plan.

There are currently three ways to participate in the Stock Option Plan:

1. Senior employees qualify for grants based on a percentage of salary, which vary from 15 per cent to 375 per cent, depending upon the position of the incumbent and Corporation's financial performance during the year. The actual number of options granted in a year is determined by multiplying the salary by the grant percentage factor and dividing

by the market price of common shares. Options are generally not transferable and expire no later than 10 years from the date granted.

Option grants are considered annually. The Committee takes into account previous grants, position level, individual contributions and future managerial or professional potential when determining awards.

2. Each outside director of the Board may elect in advance to receive all or a part of the director's fee in the form of stock options. This option was first made available in 1998.

3. Incentive awards, for participants in the company's variable compensation program, are in the form of stock options or, if so elected in advance, cash. This three-year program was first made available in 1999. In its initial year, employees awarded stock options also qualified for a 10-year term loan in the amount of their variable compensation target, with principal and interest repayments starting in year three. The interest rate utilized is the prescribed rate as established quarterly by Canada Customs and Revenue Agency. At December 31, 1999, the associated loan receivable, including accrued interest, was $1 806.

The following table summarizes the options outstanding at December 31, 1999:

	SHARES	WEIGHTED-AVERAGE EXERCISE PRICE
Outstanding, beginning of year	1 427 250	$ 21.37
Granted	311 600	45.14
Exercised	238 250	10.77
Outstanding, end of year	1 500 600	$ 27.99
Options exercisable at year-end	1 363 850	$ 26.27

	OPTIONS OUTSTANDING			OPTIONS EXERCISABLE	
RANGE OF EXERCISE PRICES	OUTSTANDING SHARES	WEIGHTED-AVERAGE REMAINING YEARS CONTRACTUAL LIFE	WEIGHTED-AVERAGE EXERCISE PRICE	EXERCISABLE SHARES	WEIGHTED-AVERAGE EXERCISE PRICE
$ 8.08 – $ 9.79	67 400	1.0	$ 8.08	67 400	$ 8.08
$ 13.47 – $ 18.78	557 800	3.5	16.72	557 800	16.72
$ 26.08 – $ 38.41	559 100	7.0	31.97	559 100	31.97
$ 40.75 – $ 45.15	316 300	8.5	45.08	179 550	45.03
	1 500 600	5.0	$ 27.99	1 363 850	$ 26.27

The company's Performance Sharing program is an incentive plan under which participants share in both the risks and rewards of the company's financial performance. A portion of payments under the program may be taken in company shares at the participant's option. Participants are given the option of receiving their dividends in either cash or shares. The costs associated with this program are expensed annually.

The company regularly purchases shares on the open market pursuant to a normal course issuer bid to offset shares that are issued under the Employee Stock Option Plan and Performance Sharing program.

NOTE 11 – COMMITMENTS AND CONTINGENT LIABILITIES

The company's future minimum lease payments under operating leases are as follows:

YEARS ENDING DECEMBER 31	
– 2000	$ 4 025
– 2001	2 886
– 2002	1 981
– 2003	221
– 2004	190
	$ 9 303

The company has no capital leases.

The company is subject to various lawsuits and claims arising out of the normal course of business. In the opinion of company counsel, any liability resulting from such lawsuits and claims would not materially affect the financial position of the company.

NOTE 12 – UNCERTAINTY DUE TO THE YEAR 2000 ISSUE

The Year 2000 issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than a date. Although the change in date has occurred, it is not possible to conclude that all aspects of the Year 2000 issue that may affect the entity, including those related to customers, suppliers, or other third parties, have been fully resolved.

NOTE 13 – INDUSTRY SEGMENT INFORMATION

The company's strategic business units are organized by product line. These product lines have been aggregated into five principal segments. Major products by segment include: *Nylon Enterprise* (flooring systems, textiles, industrial fibres and nylon intermediates); *Performance Coatings and Polymers* (automotive finishes, engineering polymers and elastomers); *Specialty Fibres* (LYCRA® elastane yarn, DACRON®, nonwovens and aramids); *Specialty Materials* (crop protection products, white pigment and mineral products, specialty chemicals and fluorochemicals); and *Specialty Polymers and Films* (modified polymers, photopolymers, BUTACITE®, Granirex surfaces, and packaging films and systems). A significant portion of the company's sales are to its major shareholder, E.I. du Pont de Nemours and Company. These sales are principally in the Nylon segment. Approximately 44% (1998 – 44%) of total sales relate to exports, 85% (1998 – 89%) of which are made to customers in the United States.

The accounting policies of the segments are the same as those described in Note 1 to the consolidated financial statements. Segment sales include intra-segment sales. After-tax operating income does not include charges held at corporate, principally corporate administrative expenses, financing charges and miscellaneous amounts. Total segment assets include: current assets, property, plant and equipment, and other non-current operating assets of the segment.

1999	NYLON ENTERPRISE	PERFORMANCE COATINGS AND POLYMERS	SPECIALTY FIBRES	SPECIALTY MATERIALS	SPECIALTY POLYMERS AND FILMS	TOTAL[1]
Total segment sales	**$ 784 054**	**$ 545 139**	**$ 207 789**	**$ 360 714**	**$ 329 750**	**$ 2 227 446**
After-tax operating income	**111 894**	**60 189**	**17 673**	**13 118**	**24 309**	**227 183**
Income taxes	**65 716**	**35 348**	**10 380**	**7 704**	**16 381**	**135 529**
Segment assets	**613 483**	**164 734**	**62 237**	**164 090**	**165 476**	**1 170 020**
Capital expenditures	**42 949**	**6 221**	**1 376**	**2 536**	**10 291**	**63 373**
Depreciation and amortization	**36 817**	**6 427**	**2 900**	**5 285**	**8 318**	**59 747**
1998						
Total segment sales	$ 715 326	$ 470 550	$ 204 552	$ 344 659	$ 305 025	$ 2 040 112
After-tax operating income	98 505	49 667	15 650	13 647	24 769	202 238
Provision for income taxes	57 852	29 170	9 191	8 014	14 542	118 769
Segment assets	594 235	167 475	67 695	120 901	150 067	1 100 373
Capital expenditures	60 585	5 403	4 247	2 980	5 442	78 657
Depreciation and amortization	32 123	6 187	2 804	5 065	5 859	52 038

(1) A reconciliation of the totals reported for the operating segments to the applicable line items on the consolidated financial statements is as follows:

		1999		1998
SEGMENT SALES TO TOTAL SALES				
Total sales for reportable segments	$	**2 227 446**	$	2 040 112
Elimination of intra-segment sales		**(16 005)**		(15 040)
Reported sales		**2 211 441**		2 025 072
Sales from discontinued operations		–		35 795
Total sales	$	**2 211 441**	$	2 060 867
AFTER-TAX OPERATING INCOME (ATOI) TO NET EARNINGS				
ATOI for reportable segments	$	**227 183**	$	202 238
Interest and other income		**18 687**		13 105
Other corporate		**6 875**		4 601
Net earnings from continuing operations		**252 745**		219 944
Net earnings from discontinued operations		–		78 828
Net earnings	$	**252 745**	$	298 772
PROVISION FOR INCOME TAXES				
Provision for reportable segments	$	**135 529**	$	118 769
Provision held in corporate		**9 243**		6 517
Income taxes for continuing operations	$	**144 772**	$	125 286
SEGMENT ASSETS				
Assets for reportable segments	$	**1 170 020**	$	1 100 373
Cash and cash equivalents		**694 415**		654 322
Corporate assets		**86 587**		62 738
Assets of discontinued operations		–		3 290
Total assets	$	**1 951 022**	$	1 820 723
CAPITAL EXPENDITURES				
Capital expenditures for reportable segments	$	**63 373**		78 657
Corporate expenditures		**15 009**		6 829
Total capital expenditures	$	**78 382**	$	85 486
DEPRECIATION AND AMORTIZATION				
Depreciation and amortization for reportable segments	$	**59 747**	$	52 038
Corporate depreciation and amortization		**6 275**		5 376
Total depreciation and amortization	$	**66 022**	$	57 414

SHAREHOLDER INFORMATION

STOCK LISTING

Common Stock (DUP.A)
Valuation Day value $1.6875*
The Toronto Stock Exchange
*Restated to reflect 2-for-1 stock splits in 1984 and 1987, and the 3-for-1 stock split in 1994.

AUDITORS

PricewaterhouseCoopers LLP
Mississauga Executive Centre
Suite 1100
1 Robert Speck Parkway
Mississauga, Ontario L4Z 3M3

SCHEDULED 2000 FINANCIAL REPORTING DATES

April 27, July 27, October 26

ANTICIPATED 2000 DIVIDEND PAYMENT DATES

April 28, July 31, October 31

SHAREHOLDER INFORMATION

Seymour Trachimovsky
Corporate Secretary
Tel: (905) 821-5444
Fax: (905) 821-5651

INVESTOR INFORMATION

Beth Kidnie
Treasurer and Director, Finance
Tel: (905) 821-5320

PUBLIC INFORMATION

Lili Ziobakas
Corporate Communications
Tel: (905) 821-5679
Fax: (905) 821-5653

CORRESPONDENCE

DuPont Canada Inc.
Box 2200, Streetsville
Mississauga, Ontario L5M 2H3

Nous serons heureux de vous envoyer, sur demande, l'édition français de ce rapport.
Téléphone : (905) 821-5679
Télécopie : (905) 821-5653

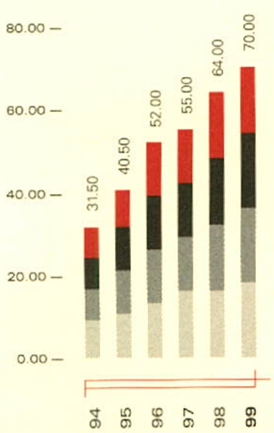
STOCK TRANSFER AGENT AND REGISTRAR

Inquiries regarding change of address, registered shareholdings, share transfers, lost certificates and dividend payments should be directed, as appropriate to:

Montreal Trust Company of Canada
151 Front Street West, 8th Floor
Toronto, Ontario, Canada M5J 2N1
Tel: (416) 981-9633/1-800-663-9097
Fax: (416) 981-9507

For ongoing, up-to-date information on DuPont Canada results, please see our Web site at **http://dupont.ca**

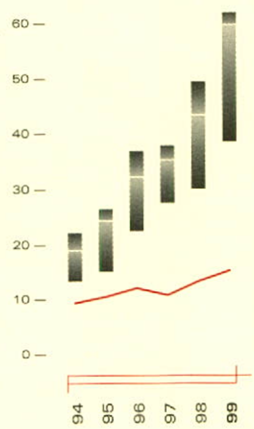
COMMON STOCK DIVIDEND DECLARATIONS
(CENTS PER SHARE)



	94	95	96	97	98	99
4th QUARTER	9.00	10.50	13.00	16.00	16.00	**18.00**
3rd QUARTER	7.50	10.50	13.00	13.00	16.00	**18.00**
2nd QUARTER	7.50	10.50	13.00	13.00	16.00	**18.00**
1st QUARTER	7.50	9.00	13.00	13.00	16.00	**16.00**
TOTAL YEAR	31.50	40.50	52.00	55.00	64.00	**70.00**

Restated to reflect 3-for-1 stock split in 1994.
Excludes extraordinary dividend.

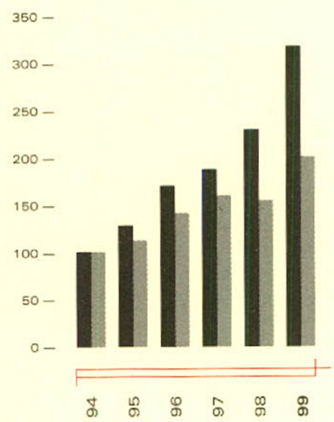
COMMON STOCK TRADING RANGES
(DOLLARS PER SHARE)



	94	95	96	97	98	99
HIGH	20.13	24.50	34.95	36.00	47.50	**60.00**
LOW	14.75	16.50	23.88	29.00	31.50	**40.00**
CLOSE	18.75	24.00	31.95	35.05	43.00	**59.35**
BOOK VALUE (YEAR END)	9.07	10.24	11.78	10.50	13.01	**14.93**

Restated to reflect 3-for-1 stock split in 1994.

DUP.A STOCK INDEX VS. TSE 300 PRICE INDEX
(LEVELS SET TO 100 ON DECEMBER 31, 1994)



	94	95	96	97	98	99
DUP.A	100	128	170	187	229	**317**
TSE 300 PRICE INDEX	100	112	141	159	154	**200**

BOARD OF DIRECTORS (AS OF MARCH 1, 2000)

Dave W. Colcleugh
Chairman, President and
Chief Executive Officer
DuPont Canada Inc.
Director since November, 1997

John D. Broyles
Vice President, Corporate
Human Resources
E.I. du Pont de Nemours and Company
Director since May, 1998

Wendy K. Dobson
Professor and Director
Institute for International Business
Rotman School of Management
University of Toronto
Director since November, 1989

L. Yves Fortier, C.C., Q.C.
Chairman and Senior Partner
Ogilvy Renault
Director since February, 1992

J. Erik Fyrwald
Vice President, E-Commerce and
Business Development
E.I. du Pont de Nemours and Company
Director since May, 1999

Keith R. McLoughlin
Vice President and
General Manager, Corian®
E.I. du Pont de Nemours and Company
Director since December, 1999

Hon. Gordon F. Osbaldeston, P.C., C.C.
Professor Emeritus
Richard Ivey School of Business
University of Western Ontario
Director since January, 1987

Hartley T. Richardson
President and Chief Executive Officer
James Richardson & Sons, Limited
Director since April, 1997

BOARD COMMITTEES

AUDIT COMMITTEE

Wendy K. Dobson, Chair
L. Yves Fortier
J. Erik Fyrwald
Hon. Gordon F. Osbaldeston
Hartley T. Richardson

This committee has overall responsibility for reviewing financial statements of the corporation, accounting principles used in financial reporting, the adequacy of internal controls and relations with external auditors.

HUMAN RESOURCES AND CORPORATE GOVERNANCE COMMITTEE

Hon. Gordon F. Osbaldeston, Chair
John D. Broyles
Wendy K. Dobson
L. Yves Fortier
Hartley T. Richardson

This committee reviews and approves the compensation of executives, reviews management succession planning and compensation and benefits policy and strategy, assesses the performance of individual directors, proposes new nominees to the board, and develops and monitors the corporation's approach to corporate governance.

The corporation's approach to corporate governance is outlined in our 2000 Management Proxy Circular.
For a copy of the Proxy Circular, please contact Seymour Trachimovsky, Corporate Secretary, at (905) 821-5444.

BUSINESS COUNCIL (AS OF MARCH 1, 2000)

Dave W. Colcleugh*
Chairman, President and
Chief Executive Officer

James R. Barton*
Vice-President, Human Resources
and Communications

David K. Findlay*
Vice-President

Beth Kidnie*
Treasurer and Director, Finance

Antonio Pompeo*
Vice-President and
Chief Financial Officer

Seymour B. Trachimovsky*
General Counsel and
Corporate Secretary

Ronald A. Zelonka*
Vice-President, Technology

Karl J. Boelter
Modified Polymers

A.F. (Sandy) Cameron
Marketing

Philip J. Duggan
Global Services Business and
Specialty Polymers

R.F. (Rob) Eadie
Chemical Solutions Enterprise

John R. Elder
Aramids and Nonwovens

James R. Hay
Engineering Polymers

Josée Lachance
Sourcing and Services

Hosum Li
Agricultural Products

John L. McEwan
Flooring Systems

J. Michael Parks
Operations and Engineering

Gloria L. Pennycook
Fluoroproducts

Gerald R. Peterson
LYCRA®, Nylon Apparel and Polymers

Ash Sahi
President and Chief Executive Officer
Enhance Packaging Technologies Inc.

William J. Smith
Performance Coatings

D. J. (Dan) Stone
Nylon Industrial Specialties

Bernie Theriault
Granirex

* Corporate officers

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