

Financial Highlights

<i>In thousands of dollars unless otherwise shown</i>	1981	1980	1979	1978	1977
Sales	180,288	161,929	128,998	101,514	92,891
Depreciation and amortization	4,395	3,281	2,481	1,854	1,633
Earnings before extraordinary item	5,961	5,894	4,203	4,484	4,340
Net earnings	5,961	5,633	4,203	4,600	4,340
Earnings before extraordinary item in percentage of sales	3.31	3.64	3.26	4.42	4.67
Per common share (in dollars):					
Earnings before extraordinary item	1.28	1.26	0.90	0.97	0.95
Net earnings	1.28	1.20	0.90	0.99	0.95
Dividends	0.34	0.23	0.20	0.184	0.178
Shareholders' equity	7.15	6.21	5.23	4.52	3.69
Working capital	9,064	11,907	8,360	7,166	5,872
Fixed assets — net	38,619	27,293	24,710	15,524	12,308
Long-term debt	14,571	10,212	10,961	4,226	3,990
Shareholders' equity	33,374	29,001	24,353	21,005	16,881
Number of shares issued	4,670,636	4,670,636	4,655,636	4,643,260	4,579,220

Bankers:

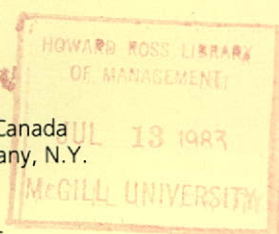
National Bank of Canada
Irving Trust Company, N.Y.

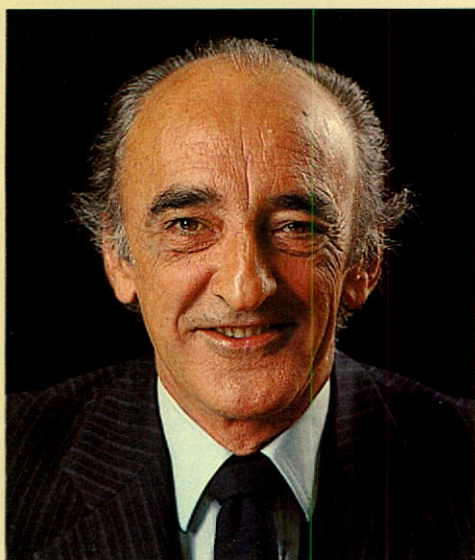
Trustees:

Fiducie du Québec

Auditors:

Laliberté, Lanctôt, Morin et Associés
Associated with Coopers & Lybrand





In 1981 the Canadian economy forced businesses to be cautious. Nevertheless, the basic health of the Culinar group enabled it to go through this difficult period and offset certain localized weak points. Without in any way underrating the job that is still to be done, Culinar can be satisfied with the year ended.

The profitability index (sales/earnings ratio) was 3.3 percent, while the Canadian food industry as a whole had a lower overall profitability than ours (2.7 percent). Net earnings were over \$5.9 million, up from the already exceptional 1980 figure. The company also achieved a new high in sales this year, reaching \$180 million.

However, we are not entirely pleased with these results. The advances made by Culinar in recent years have been truly remarkable. We would have liked to repeat last year's accomplishment. Still, considering the state of the economy and the fierce competition between companies, we believe we made a creditable effort. This year brought us back to a more realistic cruising speed: our sales rose from \$162 to \$180 million, or 11.3 percent. A similar increase this coming year will carry us over the \$200 million mark.

There is also a second major development that should be noted. Culinar has gone through a long period of intense growth, punctuated by a number of acquisitions. Here again, 1981 marked the start of a new phase, one that is highly encouraging. Le Groupe Resto, a new member acquired at the very beginning of the year, increased its sales substantially and undertook an ambitious expansion program.

Performance of our members

Let us take a closer look at the performance of the five members of our group. On examination, it is clear that the same overall economic conditions have had a different impact on each of them.

Vachon, which was already the leader of the group, exceeded its hoped-for objective for 1981 of \$100 million in sales. Vachon sales, which were \$102.2 million to be exact, or 14.5 percent over the preceding year, represent a significant contribution in these difficult times.

This division made progress on all counts. Its sales showed satisfactory growth, both in Canada and in the United States. Some products made remarkable inroads in Ontario. Operations implementing technological improvements (bulk storage, pneumatic transport of commodities) were completed on schedule and within budget.

Les Aliments Vachon, a division just next to Vachon, in Sainte-Marie de Beauce, increased its gross sales by 10.7 percent, to \$22.2 million. The earnings of this division grew substantially, despite a sluggish market.

Following the example of its two sister divisions, **Stuart** had a fine year in 1981. Its sales of \$22.7 million were up 14.3 percent from the preceding year. The chocolate-making equipment was installed, and the start-up of this modern technology (which will significantly reduce manufacturing costs) went smoothly. A new Stuart product seems to have been particularly successful with the consumers. Stuart continues to be a worthy and stimulating rival for Vachon.

Le Groupe Resto, a subsidiary which joined Culinar at the beginning of 1981, showed a mixed performance. It has achieved spectacular growth and a considerable increase in its sales (\$16.9 million); this bodes well for the future. On the other hand, the problems associated with this kind of expansion have hurt its profitability.

Already well established in the fast food restaurant market in the province of Québec, Le Groupe Resto opened a number of new restaurants, including several in Complexe Desjardins in Montréal. The excellent potential of this urban carrefour is obvious, and the choice a good one. Nevertheless, the start-up of the restaurants did not always proceed as we would have liked, cancelling out the favourable increase in sales. Moreover, the away-from-home eating sector was particularly hard hit by the recession. We should see a recovery on the part of Le Groupe Resto in 1982.

Orchard Hill Farms, a manufacturer of frozen convenience foods, is also operating in a market which economic conditions have not favoured. This American member of our group was unable to increase its sales, which remained at \$21.3 million. Modern and efficient, the Orchard Hill Farms plant produces at the lowest price possible. In spite of this, the company showed a deficit at the end of 1981.

1982: a twofold challenge

The coming year presents a twofold challenge to industries, governments and consumers in Canada. Everyone will have to cooperate, more forcefully than ever, in preventing the country's economy from sinking into a hopeless state of lethargy. Increased productivity, reduction of the public debt, moderation on the part of unions, and wise investments will play a crucial role.

Canadians sometimes think they can, individually or as part of a privileged sector, escape the havoc of "stagflation". Nothing could be less true. Even a company like Culinar which, year after year, has been able to present very positive balance sheets, is threatened by the general economic recession. Our markets could shrink; the cost of our basic commodities seems to want to stabilize, but this gain may be offset by the foreseeable increase in labour and energy costs.

Fortunately, the natural strengths of our group more than make up for its inadequacies. As we explained earlier, an increase in sales equal to that of 1981 — a completely realistic forecast — should give us a sales figure of over \$200 million.

Our three "strong" members should be able to increase their sales in all areas. Vachon is getting ready for a new and promising stage: starting this spring, this division will be offering a line of health-oriented products, which were tested successfully in 1981.

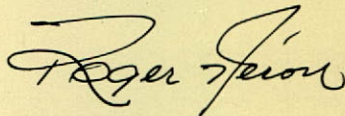
Orchard Hill Farms will probably not reach the break-even point in a single year. But the counter-offensive that was called for is already in progress. New management is seeing that this division becomes both less costly and more productive. On the other hand, Le Groupe Resto has all the necessary assets for a complete recovery within the near future: any teething problems there were have been solved, and new and promising markets will be opening up soon.

During the coming year, Vachon will inaugurate its "Placon" program. This project of major importance for the collection, entering and analysis of sales data, production scheduling and inventory control provides for the use of a minicomputer by the route salesman himself. This represents a first in Canada and will put our division in the forefront of North American industry.

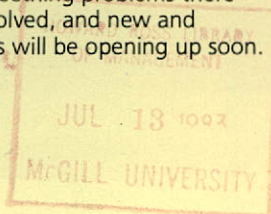
Our previous innovations, it will be recalled, concerned human resources. We have not in any way given up this priority, which must still come ahead of all others. In its prosperity, Culinar is above all rich in its human elements. Our employees, coping with difficult times with courage and good humour, have shown admirable loyalty to the company. I thank them, on my behalf and on behalf of the Board.

I wish to add that this Board, which presides over the destinies of the whole group, is also one of our most valuable human resources. I would therefore like to express a wish of gratitude and good luck to Mr. Michel Saint-Pierre, who left us at the beginning of the year. During the same period and with the same appreciation, I welcomed two new members, Mr. Terrence J. Griffin and Mr. André Marier.

Finally, I would like to extend these thanks to all those who literally make it possible for our company to live and grow: our customers and consumers. They have shown us unfailing confidence, which we will once again strive to be worthy of.



Roger Néron



Financial Position



Net consolidated earnings in 1981 increased slightly to \$5,961,000, or \$1.28 per share. This compares to \$5,894,000 in 1980 (\$1.26 per share), before extraordinary loss. The extraordinary loss in 1980 had reduced net earnings to \$5,633,000 (\$1.20 per share).

Referring to the charts on the opposite page, we see that the Company has maintained its strength in spite of the adverse effects of uncertain economic conditions together with some difficulties met in the course of its geographical expansion and diversification.

The following figures, taken from the 1981 financial statements, are a fair illustration of the size and strength of the Company: sales of \$180,288,000, assets of \$70,085,000, long-term debt of \$14,571,000, shareholders' equity \$33,374,000, funds provided from operations \$11,566,000. The growth of shareholders' equity is quite remarkable, as the chart on the opposite page illustrates.

Funds invested in fixed assets remain at a high level: \$8,686,000 in 1981 and \$7,534,000 in 1980, and equal 75% of the funds provided from operations for each of the two years, and an average of 72% for the last ten years. This attests to the determination of the Company to remain on top of technological developments in its industry, so as to ensure itself a continuing increase in its productivity, thus countering the inevitable increase in the cost of its goods and services during this period of unremitting inflation. The relation of additions to fixed assets and the funds provided from operations for the last ten years is illustrated on the opposite page.

As at December 31, 1981, working capital was \$9,064,000 and the current ratio of 1.52 compares to 1.68 the preceding year. Even with this reduction, the working capital is currently more than adequate for the Company, in view of the fast turnover of its accounts receivable and inventories, a distinctive feature of its lines of products.

Taking into account the acquisition of four businesses since 1978, the long-term debt of the Company has remained at a reasonable level. The businesses acquired are the following: Stuart, Flamingo, Orchard Hill Farms and Le Groupe Resto. The percentage of the long-term debt in relation to shareholders' equity stood at 44% as of December 31, 1981. It was 35% at the end of 1980.

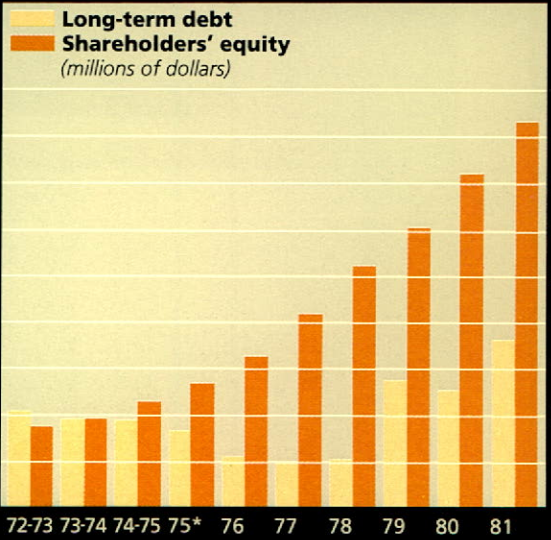
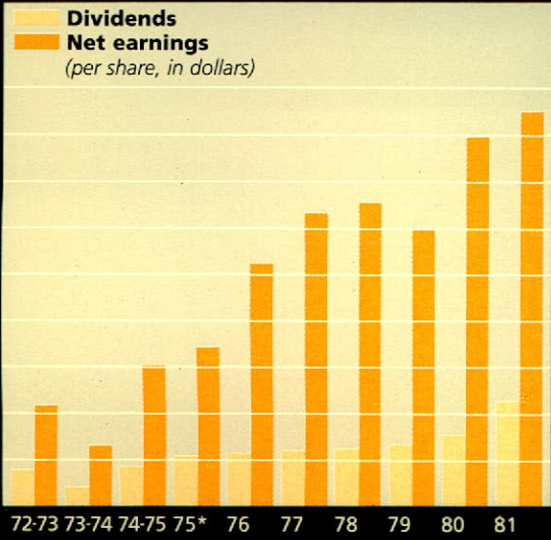
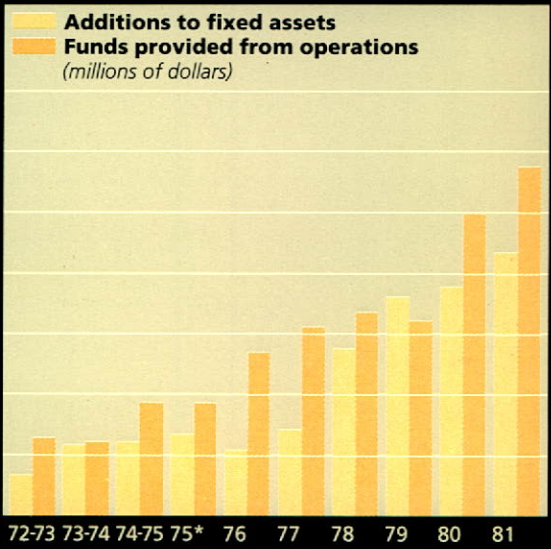
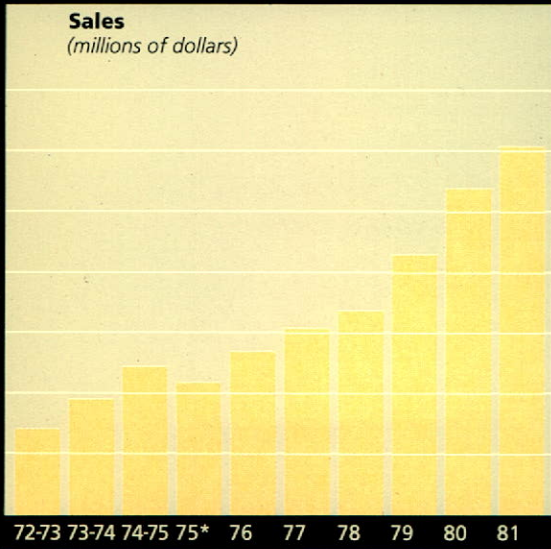
In 1981, dividends paid to shareholders were \$1,588,000 or 34 cents per share, compared to \$1,074,000 or 23 cents per share in 1980. This represents 26.6% of net earnings in 1981 versus 19.1% in 1980.

During the last ten years, dividends paid averaged 23% of net earnings. The average return on shareholders' equity was 22.4% during this same period. The fact that more than 75% of net earnings has been retained in the business was beneficial to the shareholders, and has contributed to a large extent to the constant growth of the Company. However, the Company has reached a stage of development where, while continuing its growth, it will be in a position to increase the percentage of net earnings paid to its shareholders as dividends.

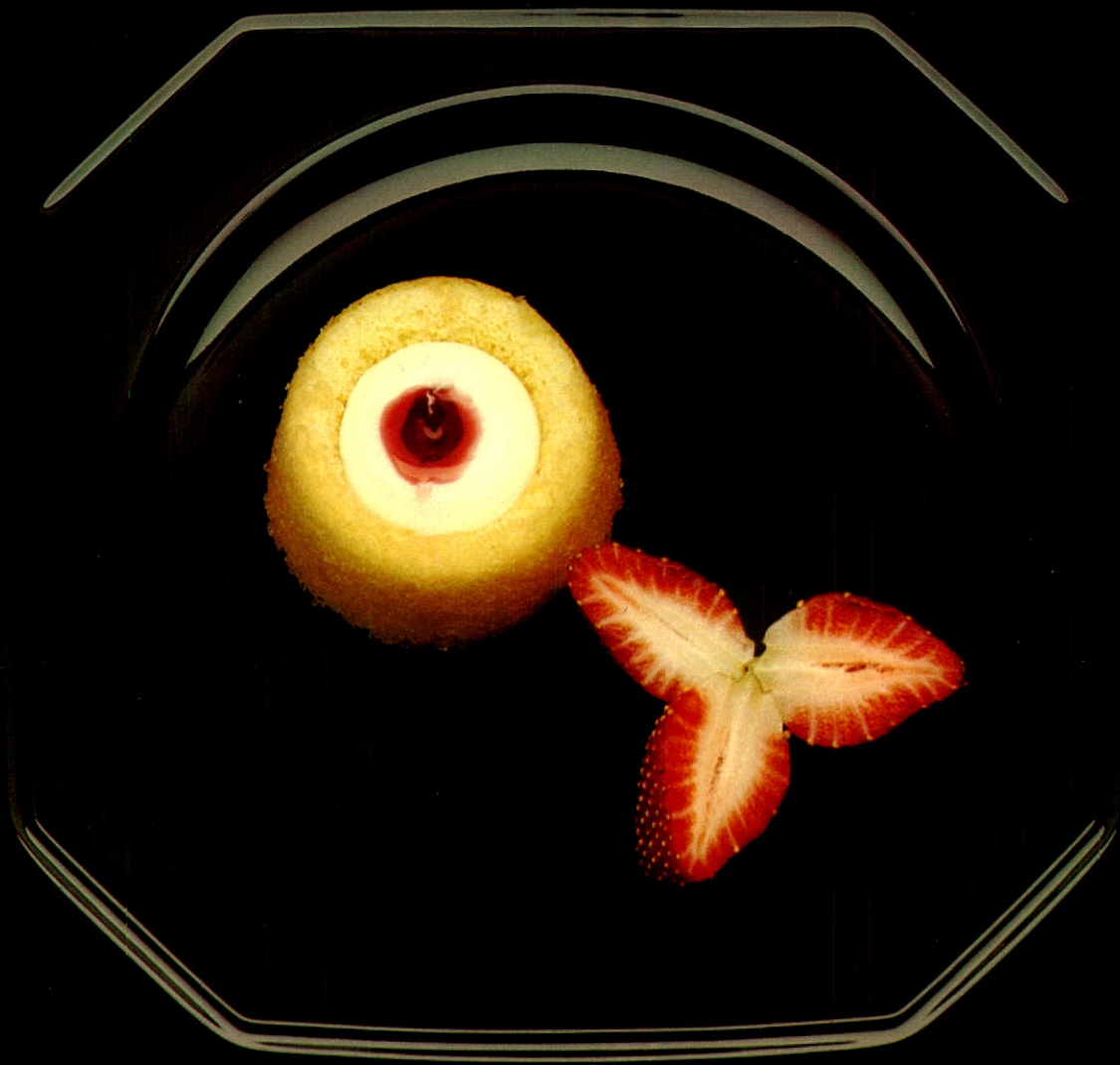
Shareholders' equity has reached \$33,374,000, an increase of \$4,373,000 or 15.1% over the preceding year. The book value per share stands at \$7.15 compared to \$6.21 in 1980.

A handwritten signature in dark ink, appearing to read 'Jean-Noël Domey', written in a cursive style.

Jean-Noël Domey, C.A.
Vice-President, Finance
and Secretary-Treasurer



*9 months



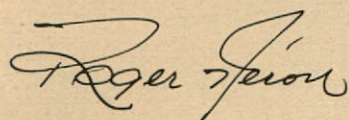
**Culinar Inc.
Consolidated
financial statements
for the year ended
December 31, 1981**

Consolidated balance sheet as at December 31, 1981

Signed on behalf of the Board



Philippe Pariseault,
Director



Roger Néron,
Director

Assets	1981	1980
	\$	\$
Current assets		
Cash and term deposits	97,229	4,166,319
Accounts receivable	13,755,772	14,870,557
Grants receivable (Note 4)	403,091	239,200
Income taxes recoverable	523,331	—
Inventories (Note 5)	11,564,736	9,906,366
Prepaid expenses	250,432	326,156
	26,594,591	29,508,598
Grant receivable	—	256,594
Investments (Note 6)	2,483,943	2,332,278
Fixed assets (Notes 7 and 9)	38,619,451	27,292,750
Other assets (Note 8)	2,387,251	673,499
	70,085,236	60,063,719
Liabilities	1981	1980
	\$	\$
Current liabilities		
Bank advances	2,903,368	1,287,000
Accounts payable and accrued liabilities	13,289,966	14,601,330
Income taxes	—	499,773
Current portion of long-term debt	1,337,576	1,213,023
	17,530,910	17,601,126
Long-term debt (Note 9)	14,570,868	10,212,162
Deferred income taxes	4,609,000	3,249,000
	36,710,778	31,062,288
Shareholders' equity		
Capital stock (Note 10)	1,242,667	1,242,667
Retained earnings	32,131,791	27,758,764
	33,374,458	29,001,431
	70,085,236	60,063,719

**Consolidated statement of earnings and retained earnings
for the year ended December 31, 1981**

Earnings	1981	1980
	\$	\$
Sales	180,287,567	161,929,233
Cost of sales and other costs before deducting the following expenses	153,601,430	138,574,257
	26,686,137	23,354,976
Administrative and general expenses	9,872,150	8,347,885
Research and development costs (including amortization of \$222,000 in 1981 and \$135,000 in 1980)	1,250,949	921,555
Depreciation and amortization	4,173,341	3,145,523
Interest on long-term debt	1,707,654	913,100
	17,004,094	13,328,063
	9,682,043	10,026,913
Provision for income taxes	3,721,000	4,133,000
	5,961,043	5,893,913
Earnings before extraordinary item	5,961,043	5,893,913
Extraordinary item	—	261,280
	5,961,043	5,632,633
Net earnings for the year	5,961,043	5,632,633
Earnings per share		
Before extraordinary item	1.28	1.26
Net earnings	1.28	1.20
Retained earnings	1981	1980
	\$	\$
Balance — beginning of year	27,758,764	23,200,377
Net earnings for the year	5,961,043	5,632,633
	33,719,807	28,833,010
Dividends	1,588,016	1,074,246
Balance — end of year	32,131,791	27,758,764

**Consolidated statement of changes in financial position
for the year ended December 31, 1981**

	1981	1980
	\$	\$
Source of working capital		
Earnings before extraordinary item	5,961,043	5,893,913
Items not affecting working capital —		
Depreciation of fixed assets	4,044,510	3,011,150
Amortization	350,831	269,373
Provision for income taxes — deferred	1,185,941	900,000
Loss (profit) on disposal of fixed assets	7,886	(47,031)
Other	15,640	—
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Funds provided from operations	11,565,851	10,027,405
Proceeds from sale of certain assets of a subsidiary company, less applicable income taxes	—	2,898,330
Proceeds from disposal of fixed assets	391,945	243,975
Long-term debt borrowings	5,012,872	467,500
Issue of capital stock	—	90,450
Grant from DREE	297,139	—
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	17,267,807	13,727,660
Use of working capital		
Additions to fixed assets	8,686,317	7,534,012
Investment in a subsidiary, including deficiency of working capital assumed	4,255,629	—
Payments on long-term debt	5,214,084	426,347
Increase in other assets	526,852	317,960
Increase (decrease) in current portion of long-term debt	(241,799)	789,572
Increase in investments	82,499	37,950
Dividends	1,588,016	1,074,246
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	20,111,598	10,180,087
Increase (decrease) in working capital		
Working capital — beginning of year	(2,843,791)	3,547,573
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Working capital — end of year	11,907,472	8,359,899
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	9,063,681	11,907,472

Notes to consolidated financial statements for the year ended December 31, 1981

1. Amalgamation

Under Part 1A of the Québec Companies Act, the company amalgamated as at January 1, 1981 with its wholly-owned subsidiaries: Produits Diamant Ltée, Lido Biscuit Cie Limitée, Vachon Inc. and Stuart Ltée. The corporate name of the continued company is Culinar Inc.

2. Accounting policies

a) Consolidation

These consolidated financial statements include the accounts of Culinar Inc. and its subsidiaries, Orchard Hill Farms, Inc. and Le Groupe Resto Inc.

b) Translation of foreign currencies

The accounts of Orchard Hill Farms, Inc. and the other operations in the United States have been translated into Canadian dollars.

Current assets and current liabilities have been translated at the year-end exchange rate; all other balance sheet accounts, at the exchange rate prevailing at the acquisition or transaction dates; and revenues and expenses at the average exchange rate for the year.

All realized and unrealized gains and losses arising from the translation of foreign currencies during the year have been recorded in the statement of earnings.

c) Inventories

Inventories are valued at the lower of cost and market. Cost is determined on the first-in, first-out or average cost basis using absorption costing. Market is defined as net realizable value for finished goods and as replacement cost for other inventories.

d) Depreciation of fixed assets

Depreciation is computed on the straight-line method at rates based on the estimated useful life of the assets:

- Buildings — 2½ and 5%
- Machinery and equipment — 10 and 12½%
- Trucks and automobiles — 20 and 30%
- Leasehold improvements — term of the lease plus first renewal period (maximum 10 or 15 years)

e) Capitalization of lease obligations

Certain lease transactions are accounted for as instalment purchases. The capitalized lease obligations reflect the present value of future minimum rental payments. The amount capitalized is the cost of the assets and is amortized on a straight-line basis.

f) Amortization of other assets

Development costs — 3 years
Franchises — 10 and 20 years
Goodwill representing the excess of the purchase price of shares of subsidiaries (including an amalgamated subsidiary) or businesses over the fair value of net assets at date of acquisition — 20 years

g) Provision for income taxes

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

The federal and provincial investment tax credits are accounted for as a reduction of the provision for income taxes.

3. Acquisition

On February 19, 1981 the company acquired all of the issued and outstanding shares of Le Groupe Resto Inc. for a consideration of \$2,266,434 with a balance of purchase price, subject to adjustments, of \$550,000.

This acquisition has been accounted for by the purchase method and is made up of the following:

Fixed assets	6,435,155	
Other assets	858,182	
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	7,293,337	7,293,337
Less:		
Long-term debt	4,318,119	
Deferred income taxes	174,059	
Deficiency of working capital	1,989,195	
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	6,481,373	6,481,373
Book value of shares acquired		<hr/>
		811,964
Excess of the purchase price allocated to —		
Fixed assets	690,115	
Goodwill	764,355	
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	1,454,470	1,454,470
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		\$2,266,434

The results of operations of this subsidiary have been consolidated from the date of acquisition.

4. Grants

a) Department of Regional Economic Expansion of Canada

DREE has agreed to make a grant to the company in the amount of \$814,250 which is subject to the conditions contained in an offer accepted by the company. An amount of \$517,111 was received during 1980; the balance of \$297,139 will be received in 1982. This grant has been accounted for as a reduction in the cost of fixed assets.

b) Financial assistance from Société de Développement Industriel du Québec

Under agreements entered into with this agency, the company will receive, during the next three years, a partial reimbursement of its interest expense, to a maximum of \$936,000, if certain conditions are met. In 1981, \$334,455 (1980 — \$380,385) has been recorded as a reduction of interest paid.

Notes to consolidated financial statements
for the year ended December 31, 1981

5. Inventories		1981	1980
		\$	\$
Finished goods		4,030,610	3,464,276
Raw materials and packing supplies		6,143,184	5,626,854
Spare parts		1,390,942	815,236
		<u>11,564,736</u>	<u>9,906,366</u>

6. Investments		1981	1980
		\$	\$
First mortgage bonds — 8%, maturing on March 4, 1986		1,450,000	1,450,000
Other advances		919,777	882,278
Investment in a significantly influenced company — at equity method		114,166	—
		<u>2,483,943</u>	<u>2,332,278</u>

7. Fixed assets		1981	1980	
		\$	\$	
	Cost	Accumulated depreciation	Net	Net
Land	2,887,920	—	2,887,920	1,463,243
Buildings	19,251,869	5,322,471	13,929,398	10,889,279
Machinery and equipment	31,580,889	14,639,402	16,941,487	13,084,977
Trucks and automobiles	6,827,716	4,790,787	2,036,929	1,788,088
Leasehold improvements	3,505,805	682,088	2,823,717	67,163
	<u>64,054,199</u>	<u>25,434,748</u>	<u>38,619,451</u>	<u>27,292,750</u>

8. Other assets at amortized cost		1981	1980
		\$	\$
Development costs		486,192	345,499
Franchises		192,755	—
Goodwill representing the excess of the purchase price of shares of subsidiaries (including an amalgamated subsidiary) or businesses over the fair value of net assets at date of acquisition		1,708,304	328,000
		<u>2,387,251</u>	<u>673,499</u>

Notes to consolidated financial statements
for the year ended December 31, 1981

9. Long-term debt	1981	1980
	\$	\$
Debentures * —		
Series "A" — 8½%, maturing \$260,000 in 1982 and \$270,000 in 1983	530,000	770,000
Series "B" — 8¼%, maturing from 1984 to 1988 inclusive	1,800,000	1,800,000
Bank advances —		
Interest at a rate equivalent to the cost of funds to the lender plus ½ of 1% for the first 12 months, plus ¼ of 1% for the remaining term, payable in annual instalments of \$666,667 from December 31, 1985	2,000,000	4,000,000
Interest at the London interbank offered rate plus ½ of 1%, payable in instalments of \$456,006 in 1982, \$1,029,012 in 1983 and \$1,789,778 in 1984 (U.S. \$2,800,000)	3,274,796	3,274,796
Interest at the London interbank offered rate plus ½ of 1% for an advance of U.S. \$2,000,000 and interest at prime rate for an advance of \$3,356,744, with respect to a revolving credit of \$7,000,000 for a three-year maximum term, convertible any time in a five-year term loan	5,720,744	—
Balance of purchase price of shares of a subsidiary, subject to adjustments —		
Non interest bearing, payable in annual instalments of \$110,000 beginning in 1982	550,000	—
Balance of purchase price of shares of a subsidiary of Le Groupe Resto Inc. —		
12%, payable in monthly instalments of \$10,429 including principal and interest, maturing in November 1988. This loan is secured by the assignment of certain shares of the subsidiary	591,391	—
Mortgage loans —		
Rates varying from 8½ to 11½%, payable in instalments of \$61,525 in 1982, \$179,530 in 1983 and in monthly instalments of \$4,925 for the balance	460,227	22,040
Notes payable —		
Non interest bearing, payable in instalments of \$305,585 in 1982, \$48,000 in 1983 and \$104,000 in 1984	457,585	705,585
12%, payable in monthly instalments of \$3,954 including principal and interest, and an amount of \$86,102 in August 1983	178,973	—
Other loan	—	701,500
Obligations under capital leases	344,728	151,264
	15,908,444	11,425,185
Less: Current portion	1,337,576	1,213,023
	14,570,868	10,212,162

* The debentures are subject to a trust deed whereby the company has given a floating charge on all its assets.

Payments required to meet the retirement provisions will amount approximately to \$1,860,000 in 1983, \$2,518,000 in 1984, \$1,340,000 in 1985 and \$1,348,000 in 1986.

Notes to consolidated financial statements
for the year ended December 31, 1981

10. Capital stock	1981	1980
	\$	\$
Authorized — 15,000,000 common shares of no par value		
Issued and fully paid — 4,670,636 shares	1,242,667	1,242,667

As at December 31, 1981, 36,352 shares of the company were reserved for the company's stock purchase plan for the employees of Culinar Inc.

11. Long-term operating leases

Total basic commitments of the company and its subsidiaries under long-term leases amounted to \$9,170,000. The annual rentals under these leases due in the next five years are \$885,000 in 1982, \$972,000 in 1983, \$997,000 in 1984, \$1,007,000 in 1985 and \$973,200 in 1986.

Auditors' report

To the Shareholders of Culinar Inc.

We have examined the consolidated balance sheet of Culinar Inc. as at December 31, 1981 and the consolidated statements of earnings, retained earnings and changes in financial position for the year then ended and have obtained all the information and explanations we have required. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the company, these consolidated financial statements are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company as at December 31, 1981 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Lalonde, Lavet, Morin & Associés

Chartered Accountants
Associated with COOPERS & LYBRAND

Montréal, January 29, 1982





Board of Directors

Philippe Pariseault**

Chairman of the Board
Director of the Dairy Division
Coopérative Fédérée de Québec
Montréal

Roger Néron**

President and Chief Executive Officer
Culinar Inc.
Montréal

Paul Gauthier**

Executive Vice-President
Société d'Investissement Desjardins
Montréal

Terrence J. Griffin*

Vice-President and General Manager
Société québécoise d'initiatives
agro-alimentaires (SOQUIA)
Québec

Leslie Jonas**

President and General Manager
Aliments Delisle Ltée
Boucherville

Pierre Leblanc, C.A.*

Partner
Dessureault, Leblanc, Lefebvre, C.A.
Trois-Rivières

André Marier

President
Société québécoise d'initiatives
agro-alimentaires (SOQUIA)
Québec

Oscar Mercure, C.A.*

President
L'Assurance-vie Desjardins
Lévis

Louis-Philippe Poulin

General Manager
Coopérative Fédérée de Québec
Montréal

Jean-Noël Domey, C.A.

Vice-President, Finance
and Secretary-Treasurer
Culinar Inc.
Montréal

* member of the Audit Committee
** member of the Executive Committee



Culinar Inc. is a group of several businesses in the food industry that manufacture and market some 300 different products (cakes, pastries, jams, convenience foods and frozen convenience foods) and operate fast food counters and restaurants.

Its five members, Vachon, Les Aliments Vachon, Stuart, Orchard Hill Farms and Le Groupe Resto, employ some 3,500 people and sell through over 30,000 outlets across Canada and the United States.

In addition to its head office in Montréal, Culinar has major industrial and commercial installations in Québec, Sainte-Marie de Beauce, Port Perry (Ontario), Montréal-Nord, Anjou, Montréal and Saint-Laurent, as well as Red Hook (New York). The territories and markets served by Culinar are even more extensive: Culinar products are distributed throughout Québec and Ontario, in the Atlantic provinces, across Western Canada and through the Northeastern United States. The group's solid Québec base should allow this expansion to continue, with beneficial results.

In 1981, Culinar was ranked 32nd among large Québec businesses by the newspaper *Les Affaires*, and 306th on the list of the 500 largest Canadian companies published by *Canadian Business* magazine.

The famous names

Vachon :

Jos Louis, Caramel, Half Moon, Flaky, Spade, Flaky Puff.

Stuart :

May West, Swiss Rolls, Croquettes, Anne Marie, Pop, Joker.

Les Aliments Vachon :

Vachon, Grenache, Tradition, Carmélite, Guest.

Orchard Hill Farms :

Jiffy's, Steak-it-Easy, Orchard Hill Farms, Dixie Home, Good Fun Supper.

Le Groupe Resto Inc. :

A&W, Le Coq Rôti, Croissant plus, La Boîte à Spaghetti, Les Délicatesses.

Management Team

Roger Néron

President and Chief Executive Officer

Jean-Noël Domey, C.A.

Vice-President, Finance
and Secretary-Treasurer

Richard Gervais, C.A.

Director, Accounting Services
and Assistant Secretary-Treasurer

Jean-Pierre Allard

Administrative Assistant to the President

Jacques Nadeau, C.R.I.

Vice-President, Human Resources

Jean-Claude Savard

Director,
Organizational and Managerial Development

Camillien Bolduc

Vice-President and General Manager
Vachon

Raymond Cherrier, C.A.

Vice-President and General Manager
Stuart

Jacques Gauthier

Vice-President and General Manager
Le Groupe Resto Inc.

Roger Goulet, C.A.

Vice-President and General Manager
Les Aliments Vachon

Jacques Larivière

President
Orchard Hill Farms

Culinar Inc.

2, Complexe Desjardins, Suite 1610
P.O. Box 32, Place Desjardins Station
Montréal, Québec
H5B 1B2

Ce rapport est également publié en français



