

Consolidated Balance Sheets

(in thousands of Canadian dollars)	December 31 2011	December 31 2010	January 1 2010
ASSETS			
Current Assets			
Cash and cash equivalents NOTE 8	\$ 67,276	\$ 155,998	\$ 249,988
Accounts receivable NOTE 9	279,324	243,955	191,821
Income taxes receivable NOTE 21	15,981	13,823	14,055
Inventories NOTE 10	146,786	126,132	109,379
Prepaid expenses	20,970	14,171	14,392
Derivative financial instruments NOTE 21	270	1,130	1,782
	530,607	555,209	581,417
Non-current Assets			
Property, plant and equipment NOTE 11	299,118	287,697	284,291
Intangible assets NOTE 12	86,362	91,353	62,784
Investment in associate NOTE 14	30,095	31,995	24
Derivative financial instruments NOTE 21	-	-	39
Deferred income taxes NOTE 29	30,058	33,555	41,415
Other assets NOTE 15	26,691	9,923	9,608
Goodwill NOTE 16	220,334	215,204	214,449
	692,658	669,727	612,610
	\$ 1,223,265	\$ 1,224,936	\$ 1,194,027
LIABILITIES			
Current Liabilities			
Bank indebtedness NOTE 19	\$ 12,281	\$ -	\$ -
Loan payable NOTE 27	5,001	5,126	-
Accounts payable and accrued liabilities NOTE 17	155,796	132,743	119,813
Provisions NOTES 18 AND 20	12,317	7,892	9,845
Income taxes payable NOTE 21	35,334	44,968	42,971
Derivative financial instruments NOTE 21	419	527	510
Deferred revenue	27,446	54,751	75,100
Current portion of long-term debt NOTE 19	-	25,005	26,235
Obligations under finance lease NOTE 22	165	345	371
	248,759	271,357	274,845
Non-current Liabilities			
Long-term debt NOTE 19	-	-	26,052
Obligations under finance lease NOTE 22	103	339	492
Provisions NOTES 18 AND 20	50,859	45,024	26,047
Derivative financial instruments NOTE 21	2,499	807	-
Deferred income taxes NOTE 29	56,984	75,166	75,576
	110,445	121,336	128,167
	359,204	392,693	403,012
Equity			
Share capital NOTE 24	218,381	206,775	204,151
Contributed surplus	16,391	18,144	17,277
Retained earnings	654,062	644,191	569,587
Non-controlling interest	7,473	-	-
Accumulated other comprehensive loss	(32,246)	(36,867)	-
	864,061	832,243	791,015
	\$ 1,223,265	\$ 1,224,936	\$ 1,194,027

The accompanying notes are an integral part of these consolidated financial statements.



PAUL G. ROBINSON, DIRECTOR



VIRGINIA L. SHAW, DIRECTOR

Consolidated Statements of Income

For the year ended December 31: (in thousands of Canadian dollars, except per share amounts)

	2011	2010
Sale of products	\$ 332,242	\$ 317,443
Rendering of services	825,023	716,720
Revenue	1,157,265	1,034,163
Cost of Goods Sold	734,730	623,641
Gross Profit	422,535	410,522
Selling, general and administrative expenses	269,241	219,084
Research and development expenses	13,119	11,050
Foreign exchange losses (gains)	1,338	(5,647)
Amortization of property, plant and equipment NOTE 11	41,906	45,077
Amortization of intangible assets NOTE 12	7,244	5,038
Impairment of property, plant & equipment NOTE 13	5,244	14,923
Impairment of intangible assets	-	958
Impairment of goodwill NOTE 16	-	208
Income from Operations	84,443	119,831
Accounting gain on acquisition	-	(13,181)
Loss on investment in associate NOTE 14	10,133	1,939
Finance costs, net	4,507	2,805
Income Before Income Taxes	69,803	128,268
Income taxes NOTE 29	13,120	33,196
Net Income	56,683	95,072
Net Income Attributable to:		
Shareholders of the Company	56,086	95,072
Non-controlling interests	597	-
Net Income	\$ 56,683	\$ 95,072
Earnings per Share		
Basic NOTE 28	\$ 0.79	\$ 1.35
Diluted NOTE 28	\$ 0.78	\$ 1.33
Weighted Average Number of Shares Outstanding (000s)		
Basic NOTE 28	70,725	70,566
Diluted NOTE 28	71,536	71,444

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Consolidated Statements of Comprehensive Income

For the year ended December 31: (in thousands of Canadian dollars)

	2011	2010
Net Income for the Year	\$ 56,683	\$ 95,072
Other Comprehensive Income (Loss)		
Unrealized gain (loss) on translation of foreign operations	8,724	(38,072)
Gain on hedges of unrealized foreign currency translation	603	1,423
Gain on hedges of unrealized foreign currency translation transferred to net income during the period	(1,833)	(218)
Share of other comprehensive loss attributable to investment in associate	(3,081)	-
Income tax on other comprehensive income (loss)		
Gain on hedges of unrealized foreign currency translation	(103)	-
Gain on hedges of unrealized foreign currency translation transferred to net income during the period	311	-
Other Comprehensive Income (Loss) for the Year, Net of Income Tax	4,621	(36,867)
Comprehensive Income for the Year	\$ 61,304	\$ 58,205
Attributable to:		
Shareholders of the Company	60,707	58,205
Non-controlling interests	597	-

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Consolidated Statement of Changes in Shareholders' Equity

For the year ended December 31, 2011 (in thousands of Canadian dollars)	Capital Stock	Contributed Surplus	Retained Earnings	Non-Controlling Interest	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
Balance - January 1, 2010	\$ 204,151	\$ 17,277	\$ 569,587	\$ -	\$ -	\$ 791,015
Net income for the year	-	-	95,072	-	-	95,072
Issued on exercise of stock options	2,013	-	-	-	-	2,013
Compensation cost on exercised options	611	(611)	-	-	-	-
Stock-based compensation expense	-	1,478	-	-	-	1,478
Other comprehensive loss	-	-	-	-	(36,867)	(36,867)
Dividends paid	-	-	(20,468)	-	-	(20,468)
Balance - December 31, 2010	\$ 206,775	\$ 18,144	\$ 644,191	\$ -	\$ (36,867)	\$ 832,243
Net income for the year	-	-	56,086	597	-	56,683
Issued on exercise of stock options	9,878	-	-	-	-	9,878
Compensation cost on exercised options	4,122	(4,122)	-	-	-	-
Compensation cost on exercised RSUs	7	(7)	-	-	-	-
Stock-based compensation expense	-	2,376	-	-	-	2,376
Purchase - Normal Course Issuer Bid	(2,401)	-	-	-	-	(2,401)
Excess of purchase price over stated value of shares	-	-	(14,068)	-	-	(14,068)
Other comprehensive income	-	-	-	-	4,621	4,621
Adjustment for non-controlling interest	-	-	(10,217)	10,217	-	-
Non-cash dividends paid to non-controlling interest	-	-	-	(3,341)	-	(3,341)
Dividends paid NOTE 24	-	-	(21,930)	-	-	(21,930)
Balance - December 31, 2011	\$ 218,381	\$ 16,391	\$ 654,062	\$ 7,473	\$ (32,246)	\$ 864,061

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flow

For the year ended December 31 (in thousands of Canadian dollars)	2011	2010
OPERATING ACTIVITIES		
Net income for the year	\$ 56,683	\$ 95,072
Add (deduct) items not affecting cash		
Amortization of property, plant and equipment NOTE 11	41,906	45,077
Amortization of intangible assets NOTE 12	7,244	5,038
Amortization of long-term prepaid expenses	754	4
Decommissioning obligations expense NOTE 18	425	1,096
Stock based and incentive based compensation NOTE 25	4,501	4,487
Other provisions expense NOTE 18	4,362	1,890
Deferred income taxes NOTE 29	(14,686)	(7,472)
Loss (gain) on disposal of property, plant and equipment	180	(1,100)
Loss on derivative financial instruments	2,444	708
Accretion expense on deferred purchase consideration NOTE 18	1,053	189
Accounting gain on acquisition	-	(13,181)
Loss on investment in associate NOTE 14	10,133	1,939
Impairment of property, plant and equipment NOTE 13	5,244	14,923
Impairment of intangible assets NOTE 12	-	958
Impairment of goodwill NOTE 16	-	208
Other	294	-
Settlement of decommissioning liability obligations NOTE 18	(1,074)	(3,218)
Settlement of other provisions NOTE 18	(2,240)	(2,027)
Net change in employee future benefits NOTES 18 AND 20	636	(3,637)
Net change in non-cash working capital and foreign exchange	(72,532)	(87,710)
Cash Provided by Operating Activities	45,327	53,244
INVESTING ACTIVITIES		
Purchases of property, plant and equipment NOTE 11	(55,982)	(48,723)
Proceeds on disposal of property, plant and equipment	745	3,420
Purchase of intangible assets NOTE 12	(392)	(302)
Acquisition of subsidiaries - net of cash acquired NOTE 6	(12,839)	(19,728)
Loan provided to associate NOTES 14 AND 15	(10,347)	-
(Increase) decrease in other assets	(6,096)	-
Investment in associate NOTE 14	(10,517)	(34,917)
Cash Used in Investing Activities	(95,428)	(100,250)
FINANCING ACTIVITIES		
Increase in bank indebtedness NOTE 19	12,281	-
Proceeds from loan NOTE 27	-	5,126
Repayments of obligations under finance lease	(416)	(179)
Repayment of long-term debt NOTE 19	(24,402)	(26,043)
Issuance of shares NOTE 24	9,878	2,013
Repurchase of treasury shares NOTE 24	(16,469)	-
Dividends paid to shareholders NOTE 24	(21,930)	(20,468)
Cash Used in Financing Activities	(41,058)	(39,551)
Effect of Foreign Exchange on Cash and Cash Equivalents	2,437	(7,433)
Net Decrease in Cash and Cash Equivalents for the Year	(88,722)	(93,990)
Cash and Cash Equivalents - Beginning of Year	155,998	249,988
Cash and Cash Equivalents - End of Year	\$ 67,276	\$ 155,998
Supplemental Information		
Cash interest paid	\$ 5,531	\$ 5,022
Cash interest received	1,024	1,455
Cash income taxes paid	\$ 35,379	\$ 38,892

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