

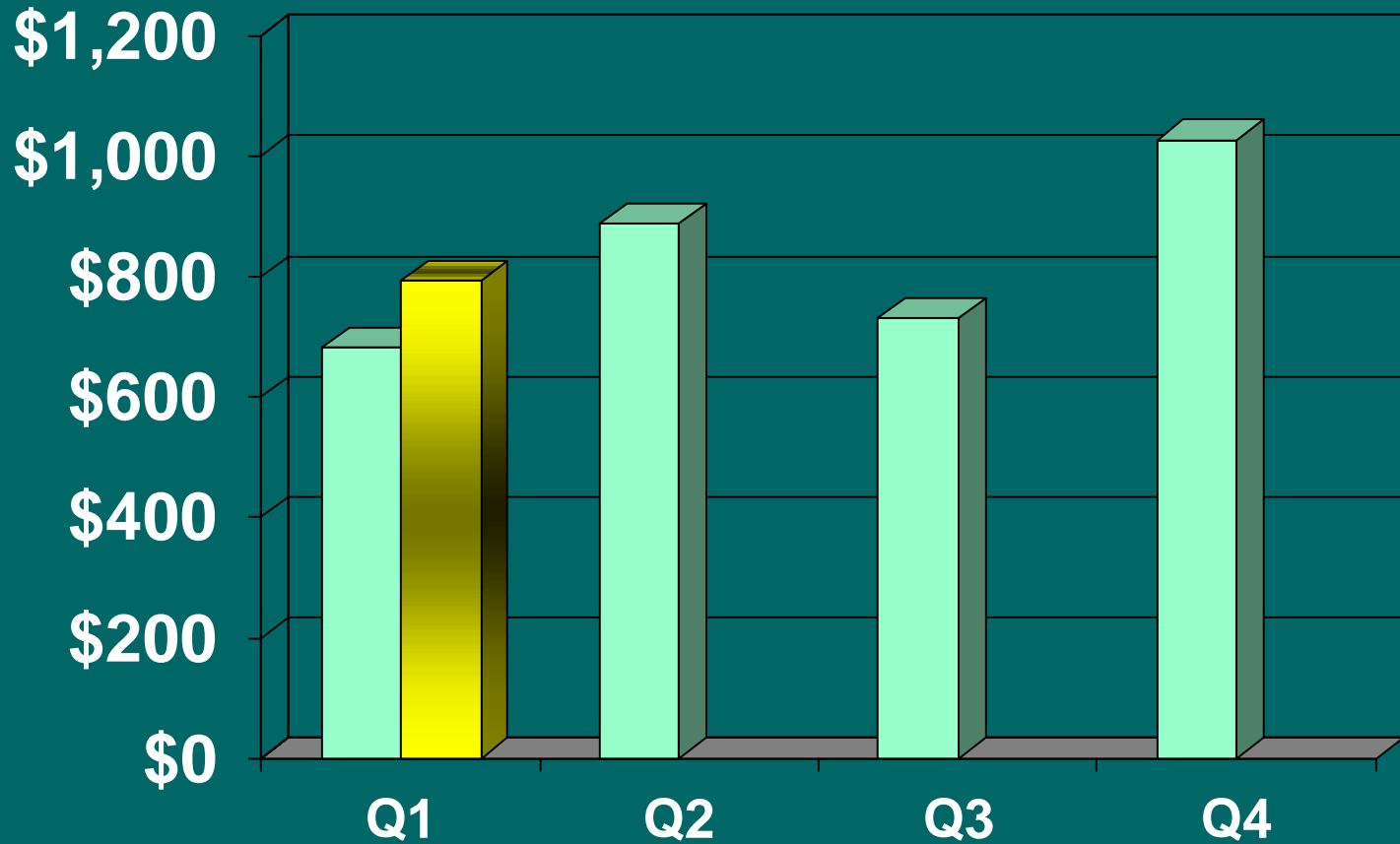


# Financial Performance

Fiscal 2001  
1st Quarter Report

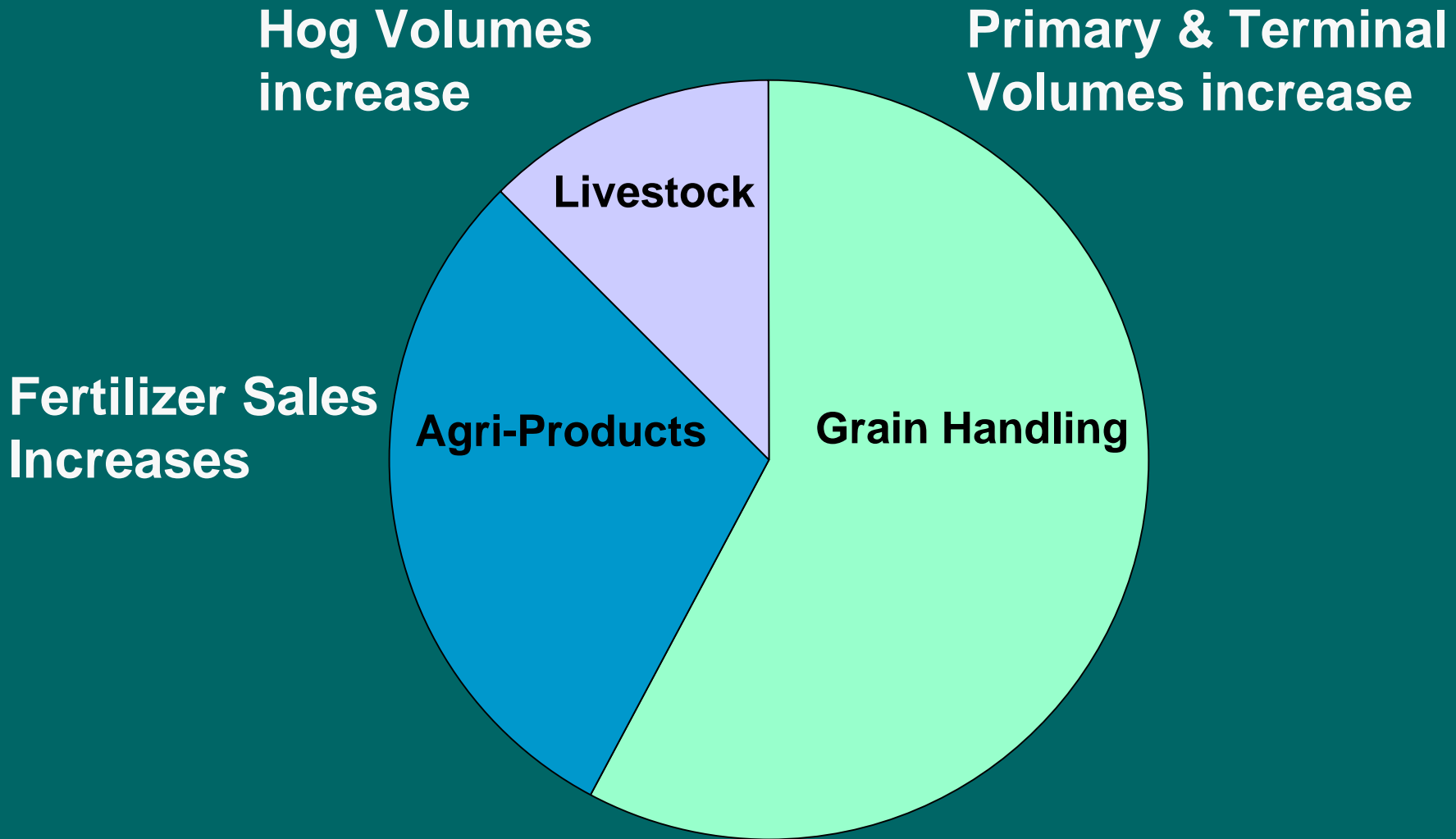
# Sales and Operating Revenue

(\$ millions)



F2000 F2001

# Contribution to Sales Improvement

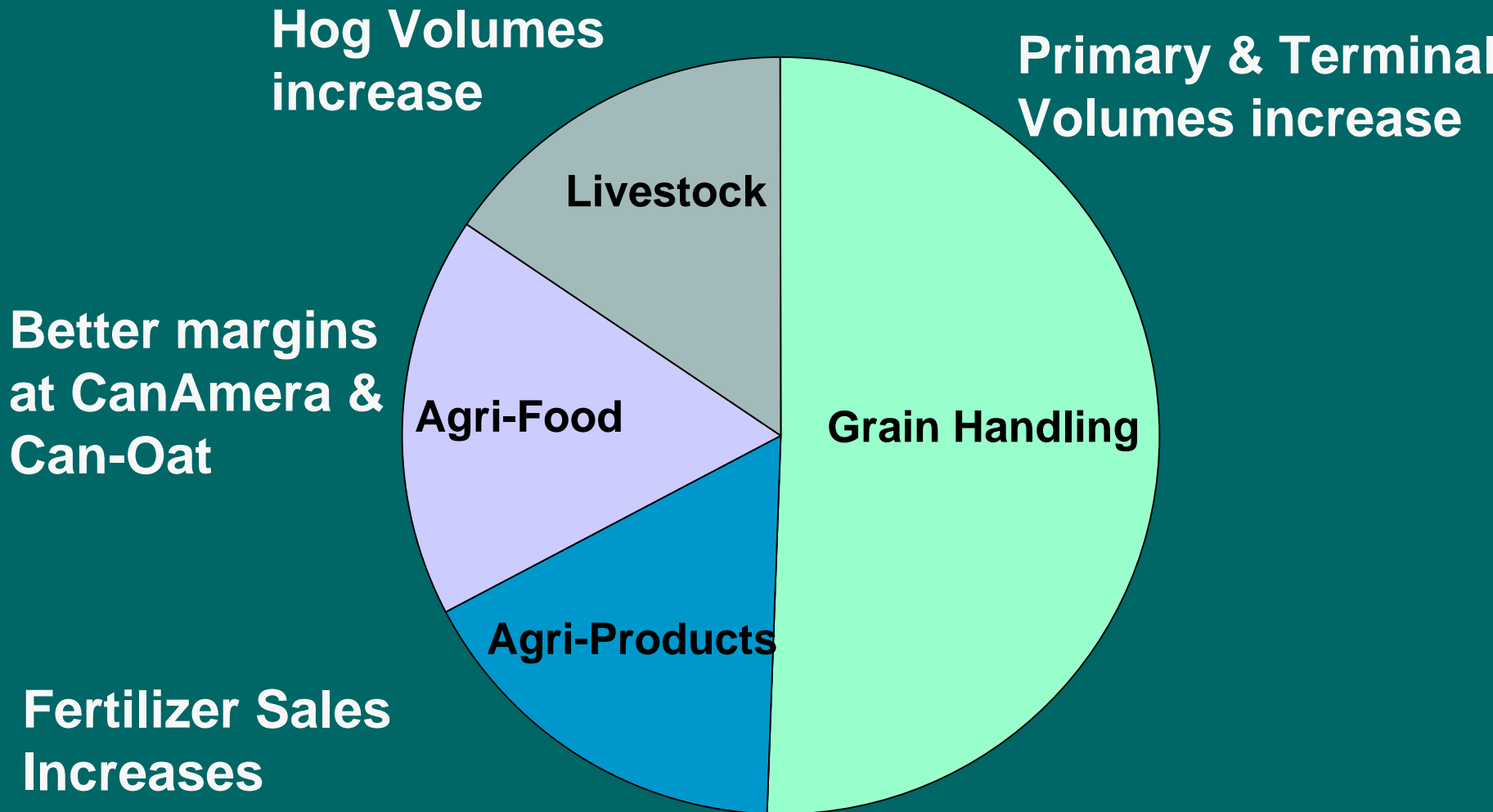


# Costs

Cost of sales down due to margin  
improvements

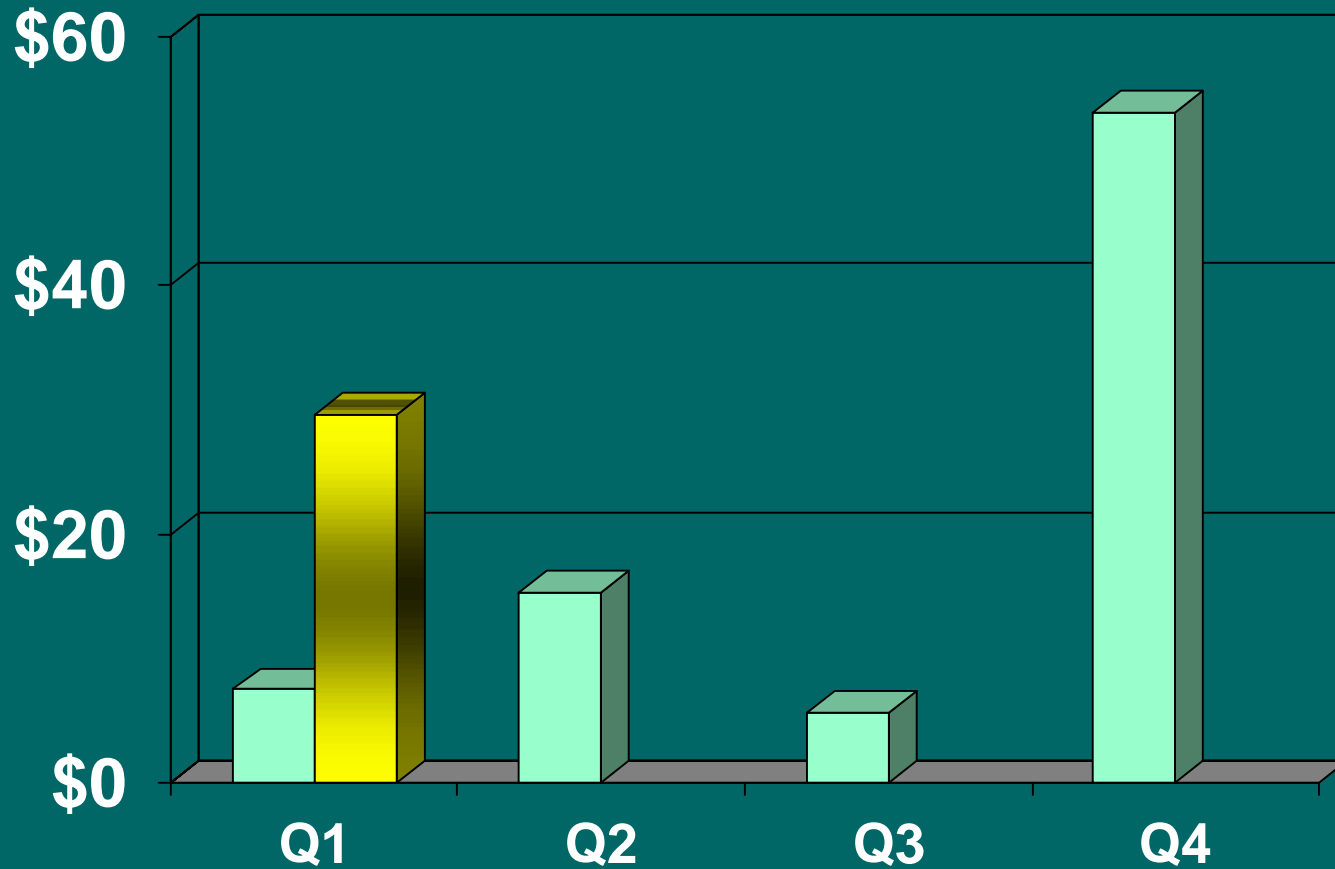
Selling and Administrative expenses  
down \$2 million

# Contribution to Margin Improvement



# EBITDA

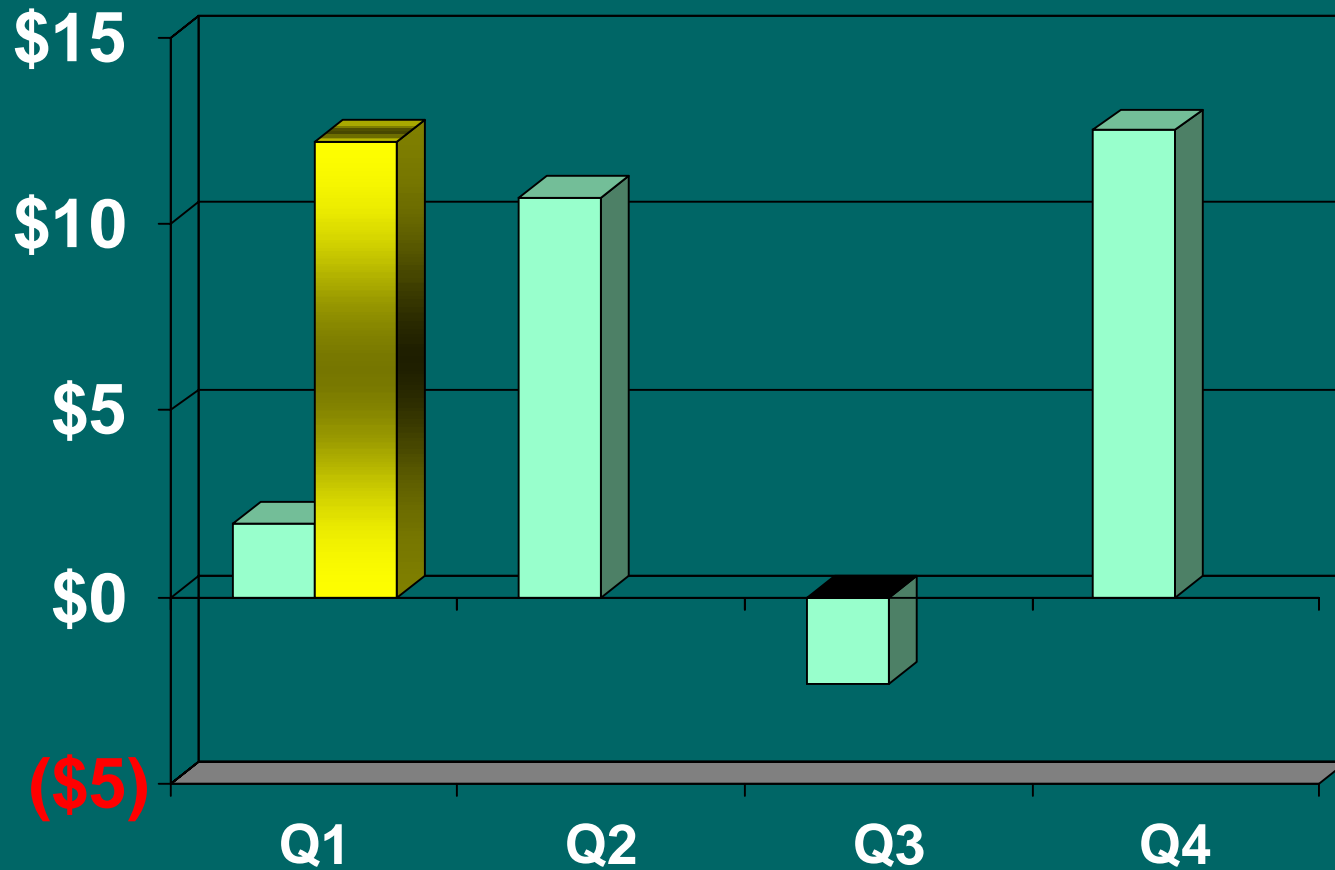
(\$ millions)



F2000 F2001

# Grain Handling EBITDA

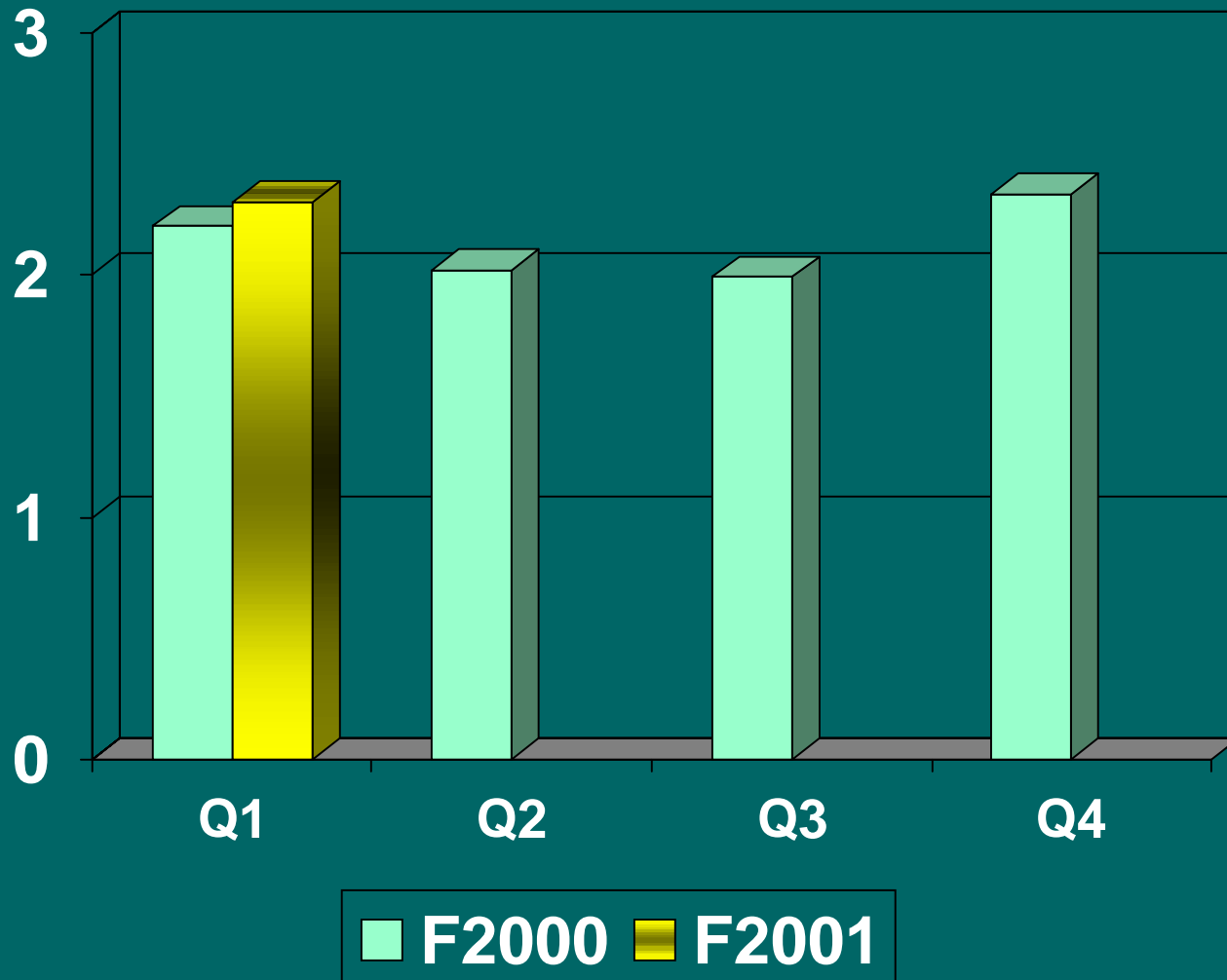
(\$ millions)



F2000 F2001

# Primary Volumes

(millions of tonnes)

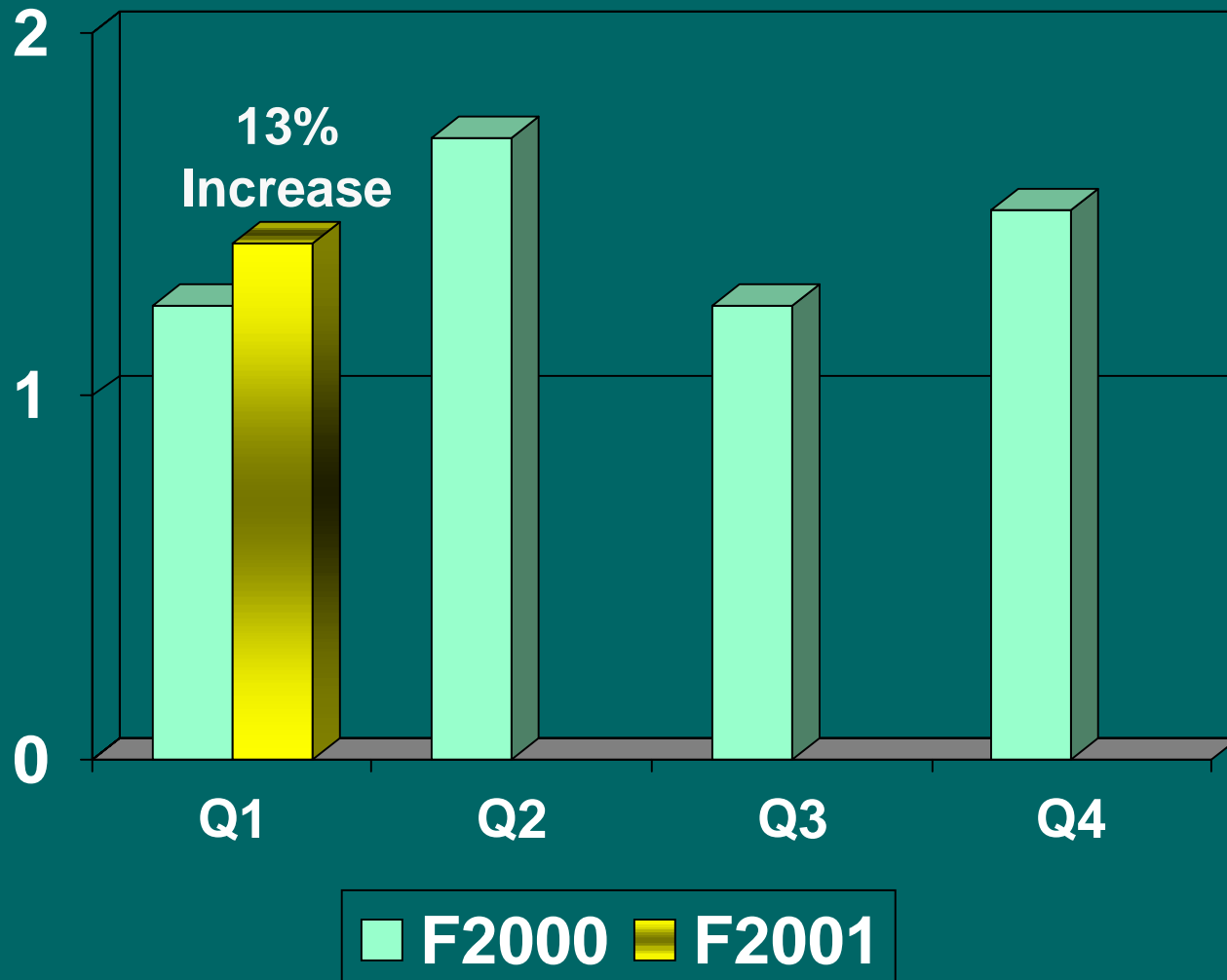


# Primary Volumes

- Board/Non-Board Split - 54/46  
v.s. 58/42 in Q1 Fiscal 2000
- Non-Board grains up 14%
- Pool received 27.5% of CWB shipments

# Port Terminal Volumes

(millions of tonnes)

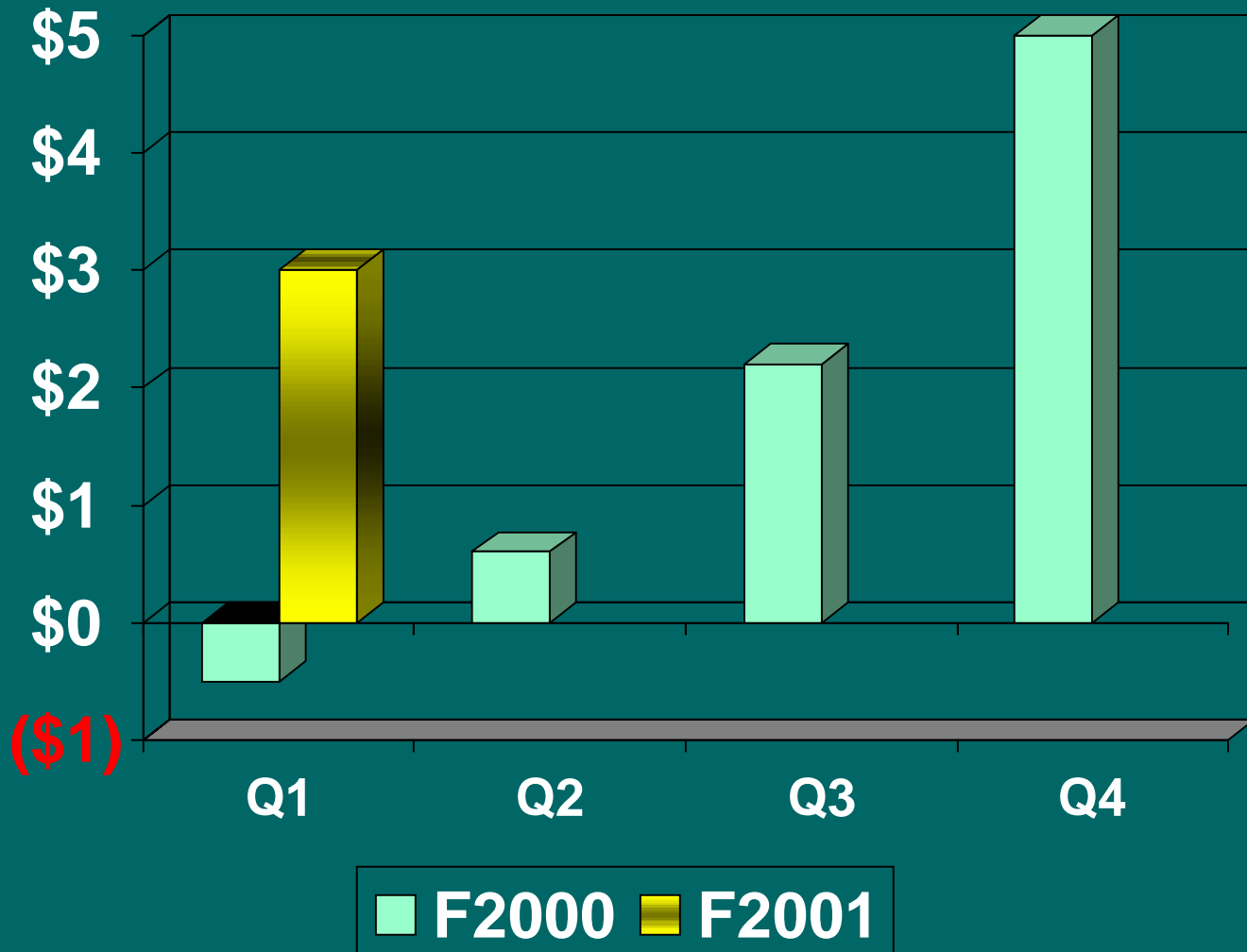


# Port Terminal Volumes

- Wholly owned terminals up 18.5%
  - Vancouver volumes up 260,000t - 60%
  - Thunder Bay down 79,000t - 14.6%
- Affiliates down 6.5% as a result of decline at PRG

# Agri-Products EBITDA

(\$ millions)

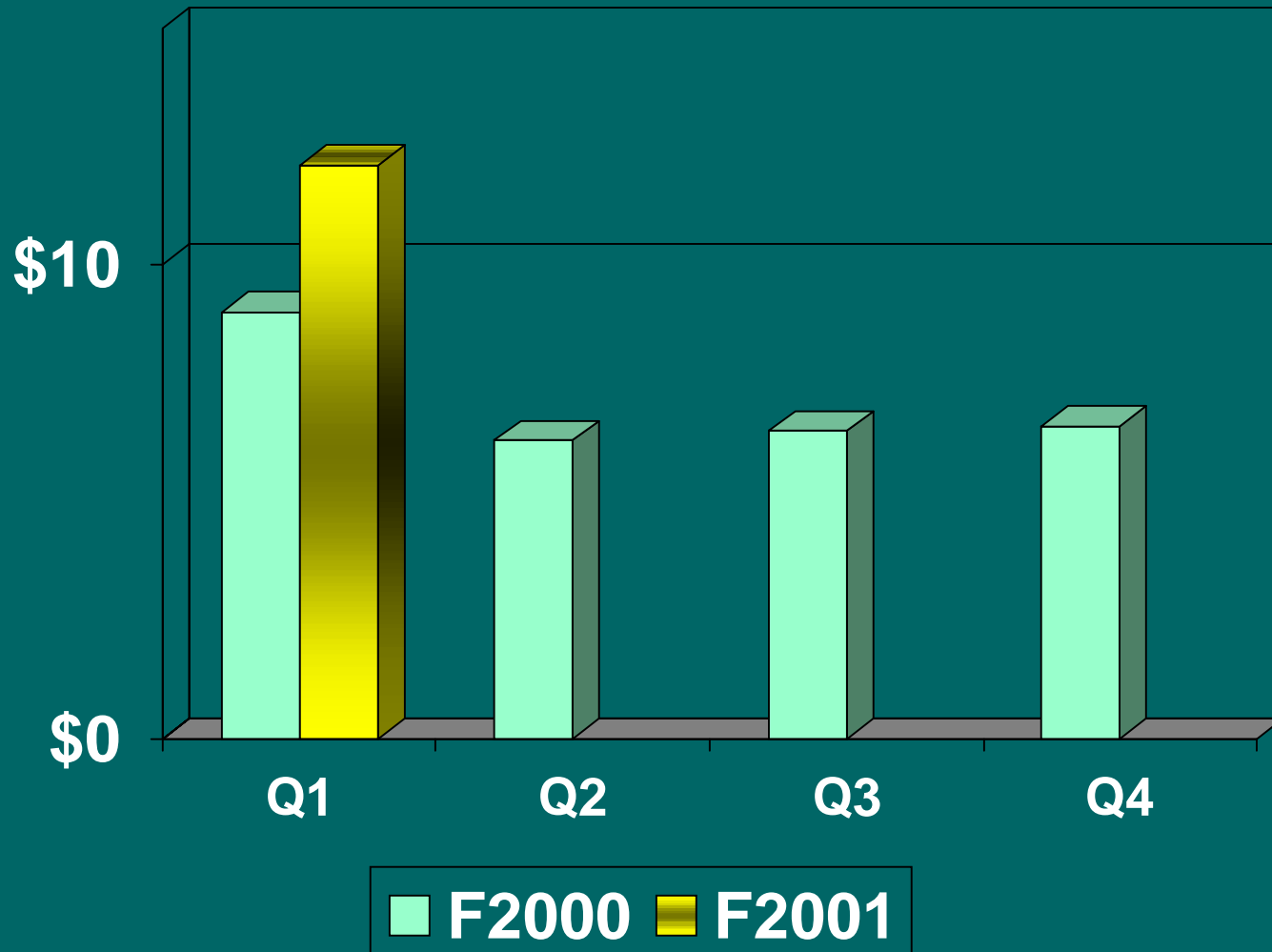


# Agri-Products

- Strong Fertilizers Sales
  - good fertilizer applications in the Fall
  - producer expectation of higher fertilizer costs due to natural gas increases
- Pool retail operations & WCFL both improved results

# Agri-Food EBITDA

(\$ millions)



# Agri-Food Processing

- CanAmera led improvement
  - Strong volumes and higher margins per tonne
- Can-Oat achieved a higher margin product mix
- CSP improved margins as a result of cost reduction initiatives

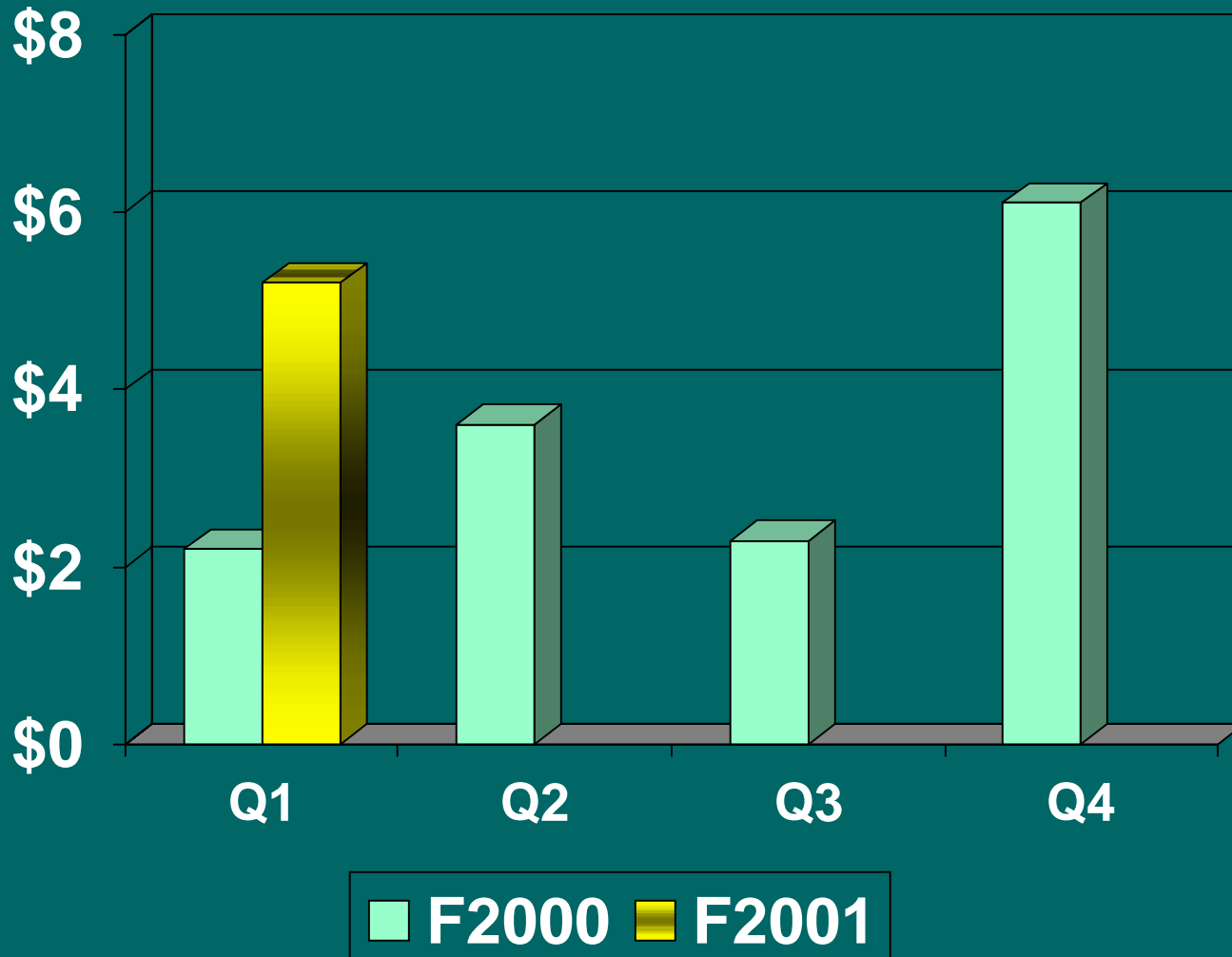
# Agri-Food Processing

## Loss from Premium Brands

- Insufficient hog supply
- Inability to achieve cost efficiencies at Red Deer plant

# Livestock EBITDA

(\$ millions)



# Livestock

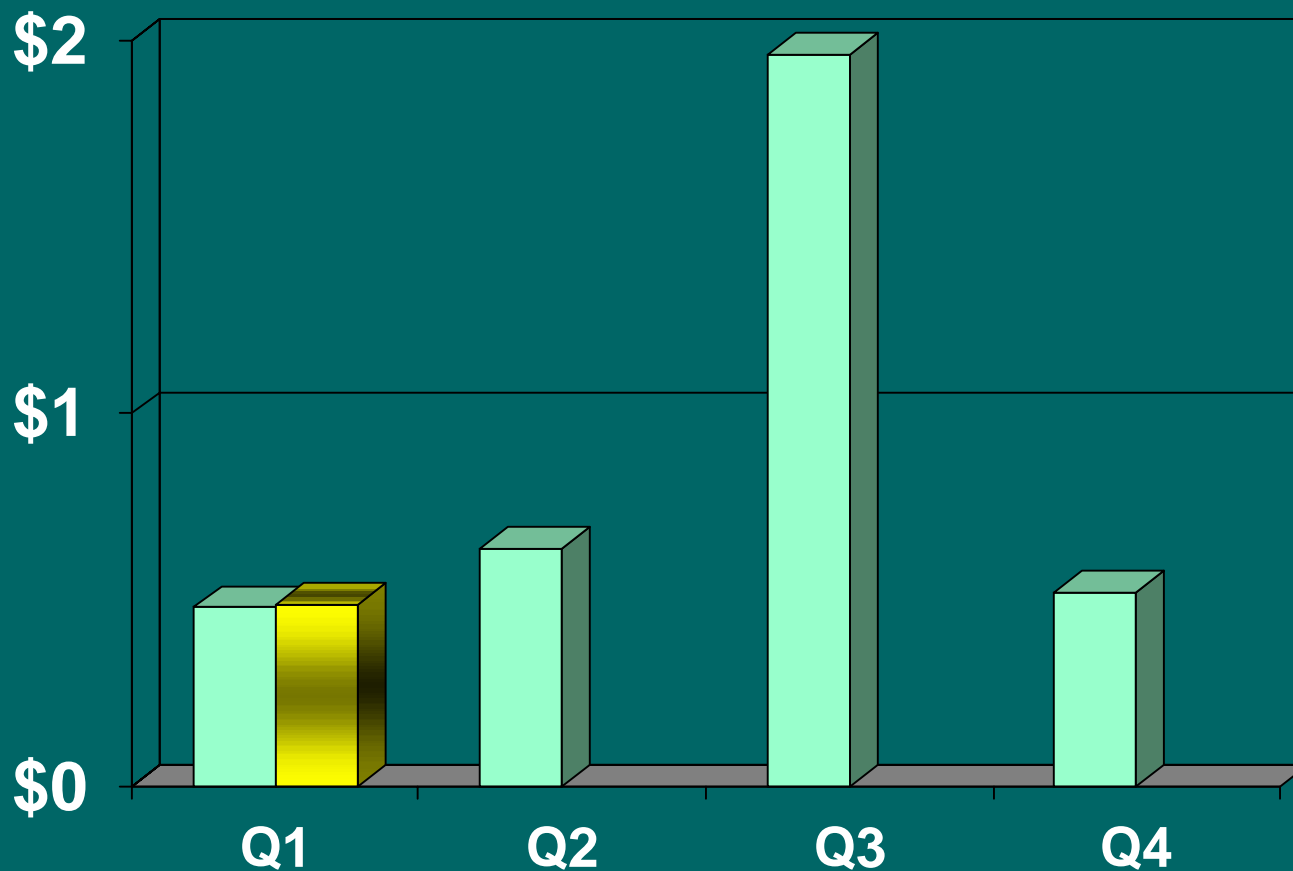
Heartland Pork marketed 80,400 finished hogs v.s. 24,000 hogs in F2000 1st Q

Heartland Livestock increased # of head

- 264,000 v.s. 241,000 head

# Publishing EBITDA

(\$ millions)



■ F2000 ■ F2001

# Costs

- Corporate costs down \$1.4 million from \$5.4 million in F2000 to \$4 million in F2001

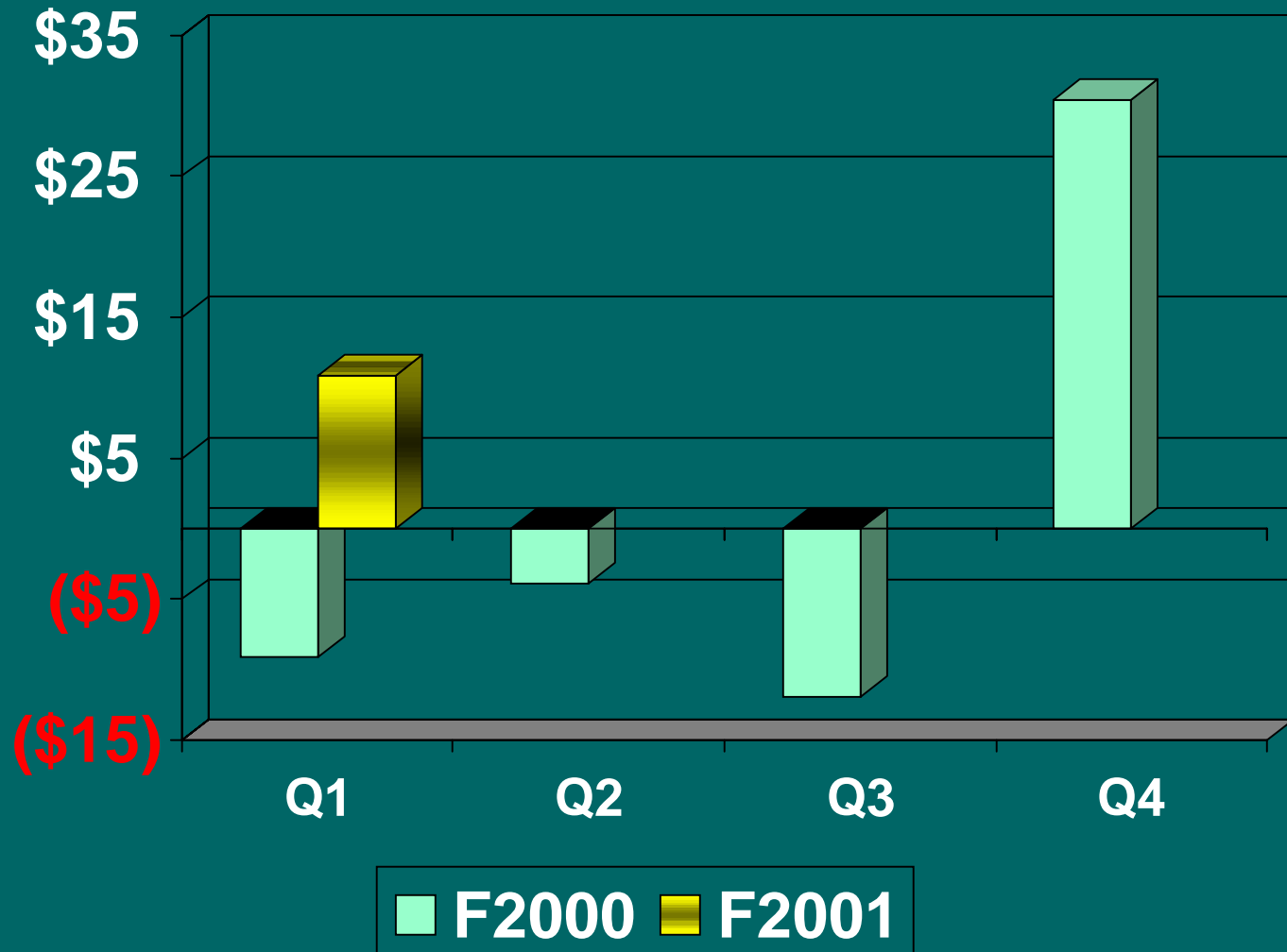
# Income Statement Items

## Depreciation and Amortization increases

- F2001 - \$18.8 million
- F2000 - \$16.7 million
- First full year of depreciation on Project Horizon and hog production units

# EBIT

(\$ millions)



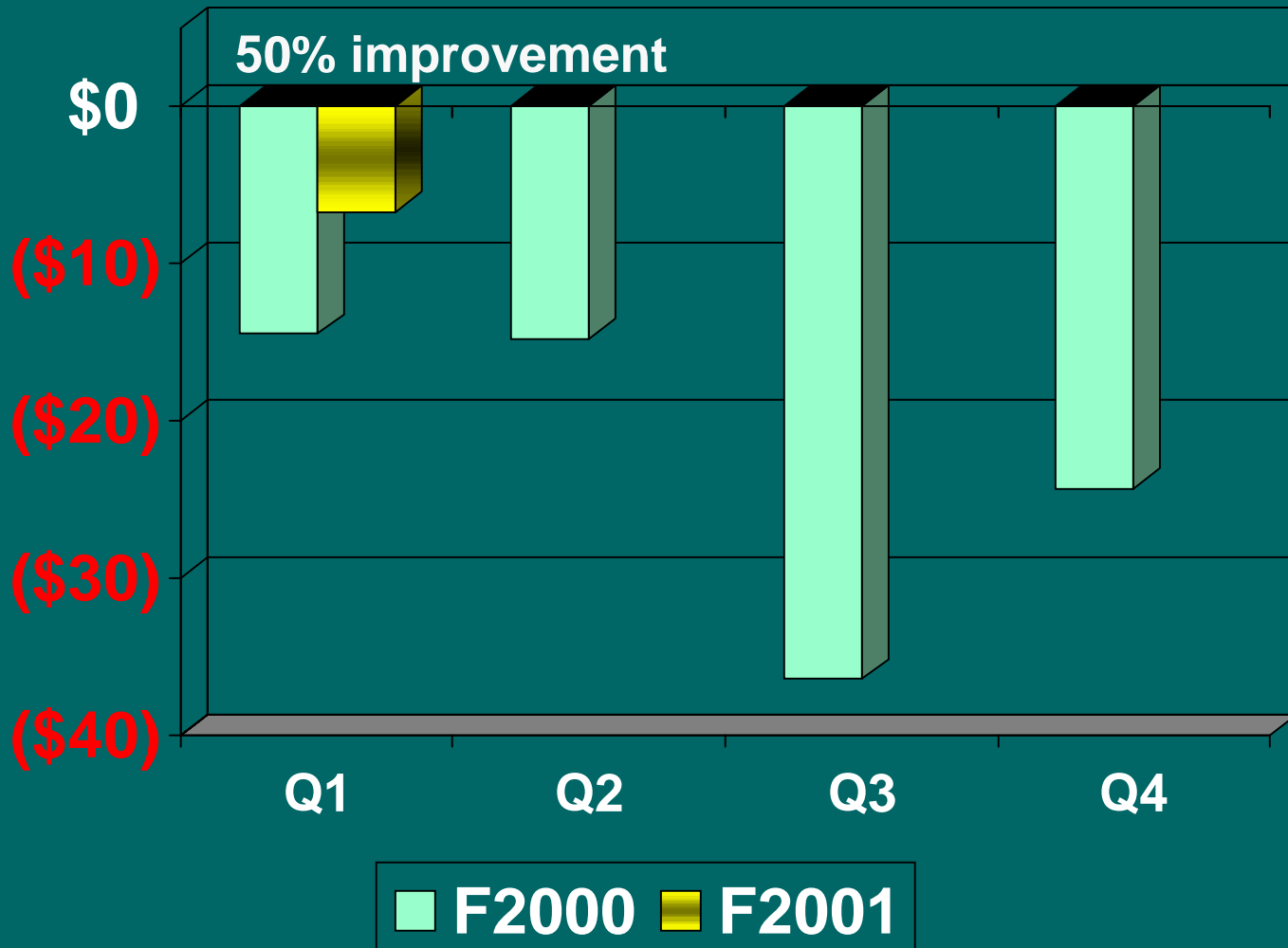
# Income Statement Items

## Interest and Securitization Expenses

- F2001 - \$20.0 million
- F2000 - \$14.2 million
- Increased rates, increased borrowings and less interest capitalized

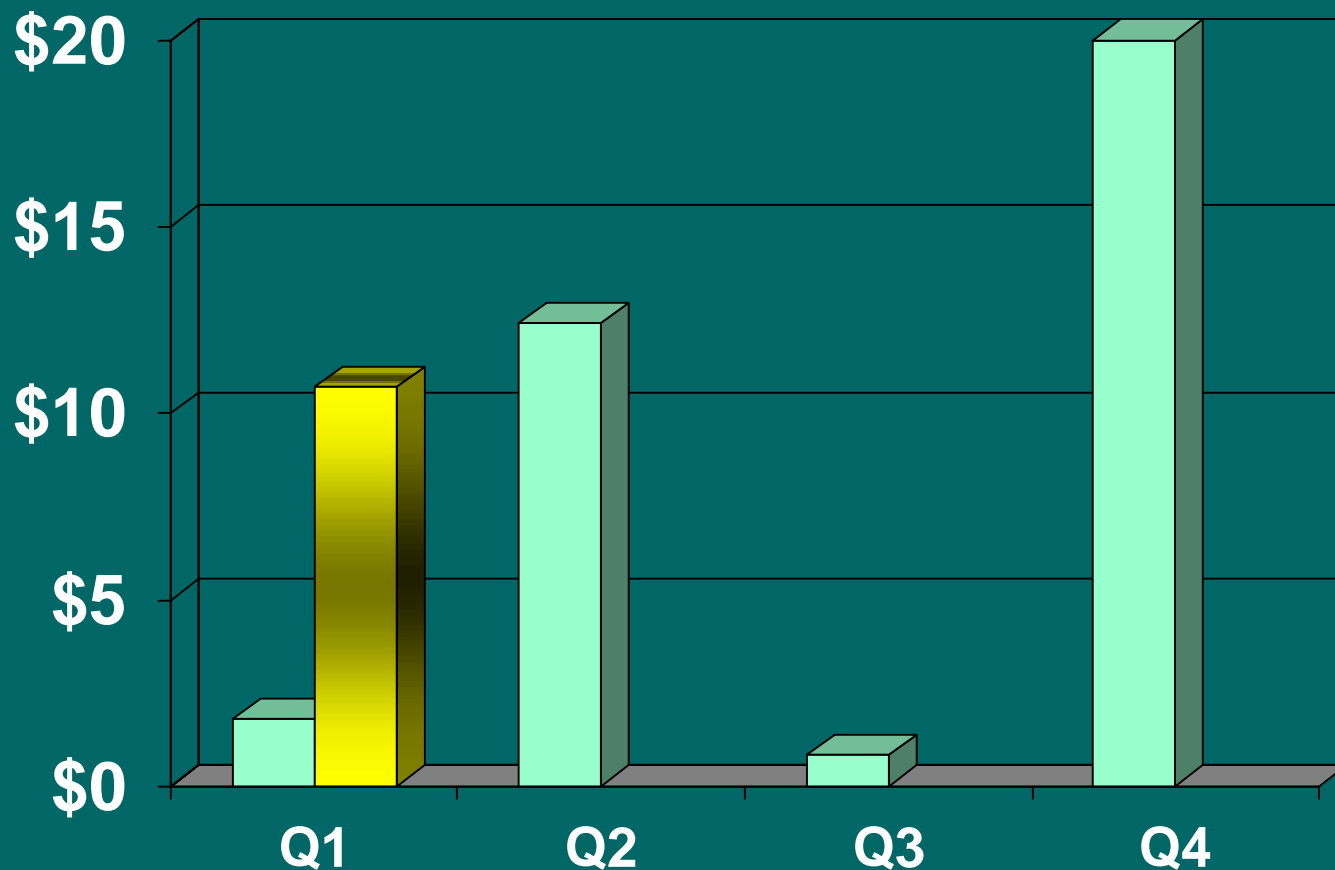
# Net Earnings/Loss

(\$ millions)



# Cash flow from Operations

(\$ millions)



F2000 F2001

# Balance Sheet Items

## Working Capital

- F2001 - \$82 million
- F2000 - \$76 million

## Current Ratio

- F2001 - 1.12
- F2000 - 1.11

# Balance Sheet Items

## Debt//Equity Ratio

- 1st Quarter F2001 - 61:39
- 1st Quarter F2000 - 56:44

Waivers received for interest coverage test at Oct 31

# Balance Sheet Items

AR Securitization program expired  
November 3

Currently reviewing options to renew  
or replace program

# Capital Spending

Q1 - F2001	\$ 9 million
Q1 - F2000	\$52 million

Approximately 1/2 of Q1-F2001 spending was by affiliates.



# Operational Review

Fiscal 2001  
1st Quarter Report

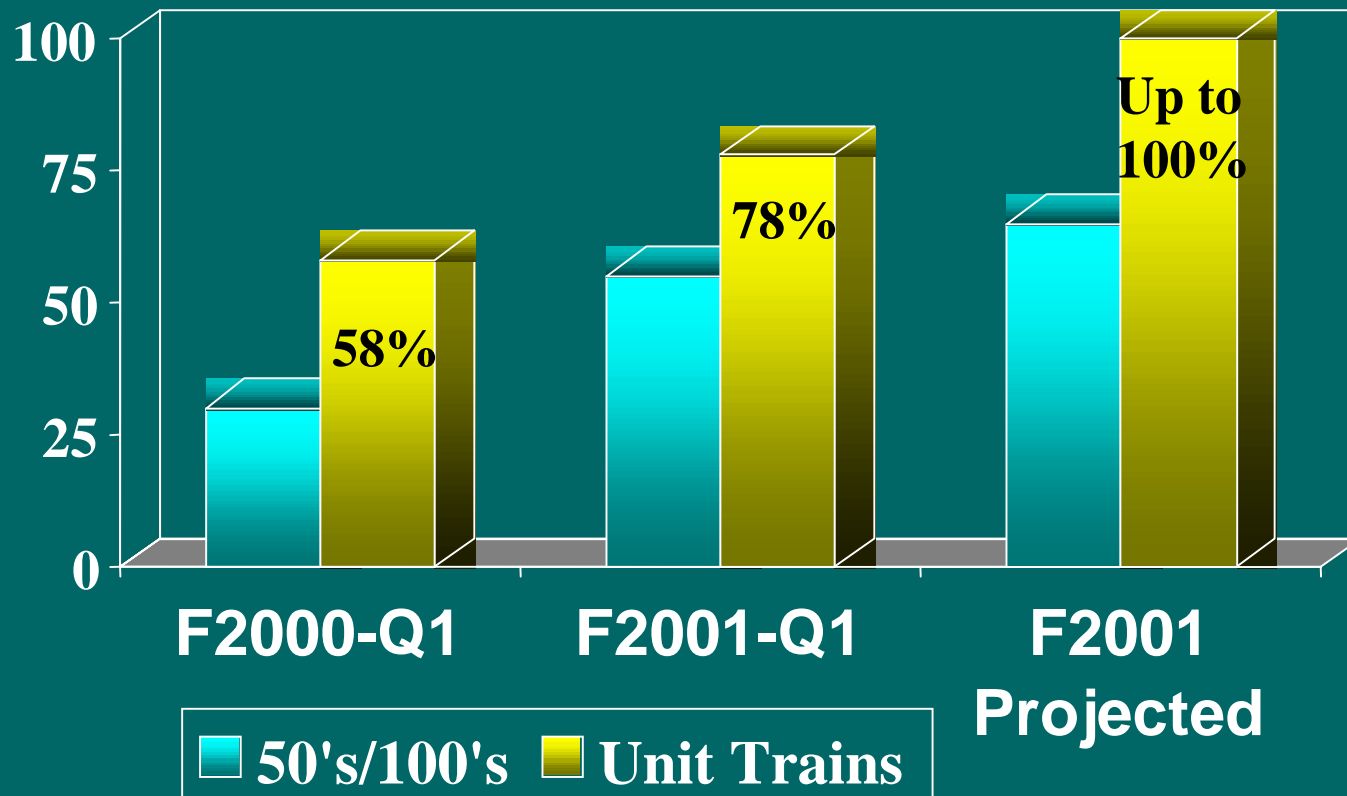
# Operational Review

Good Progress made in Q1

Q2 and Q3 are seasonally low quarters

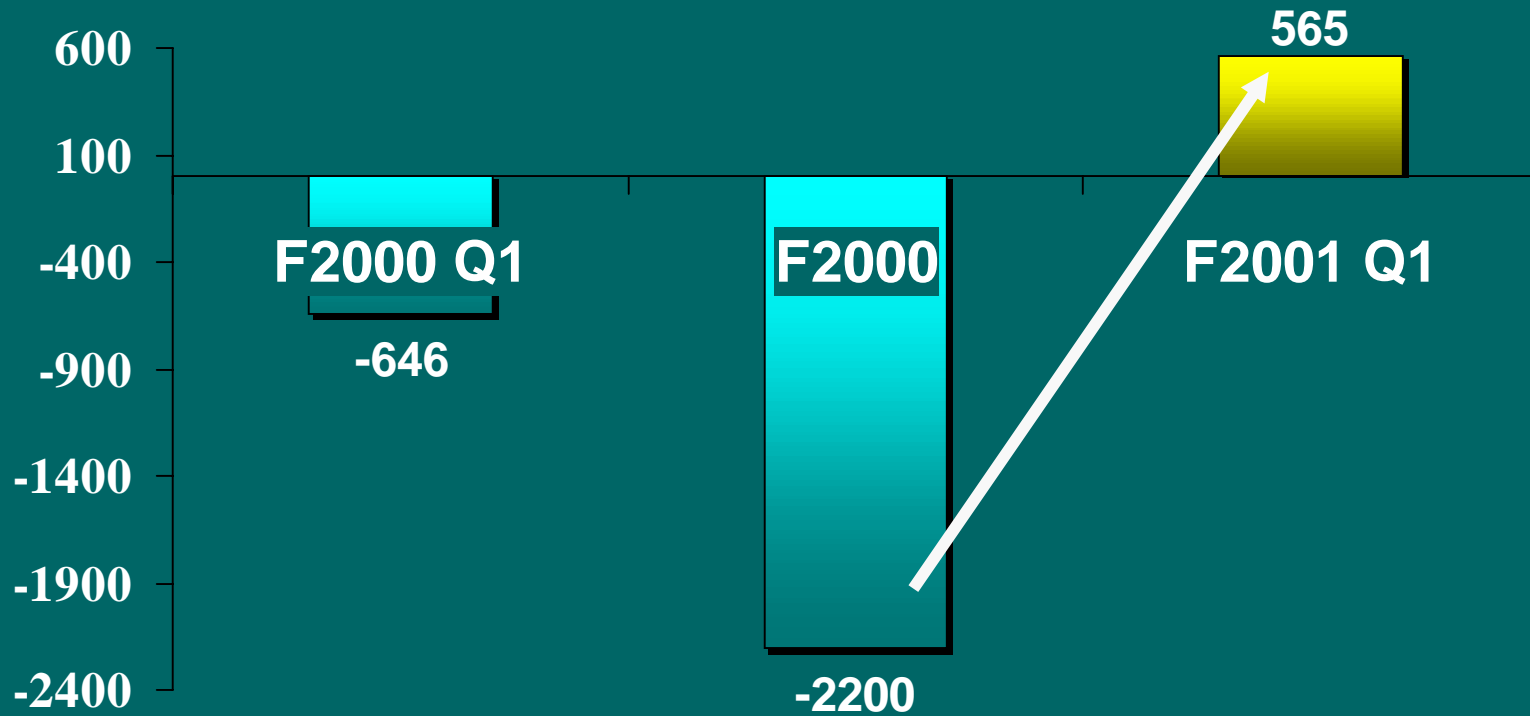
# Operational Review

## Percentage of Shipments by Unit Train



# Operational Review

## Shipping Performance



# Operational Review

## November 16 Consolidation

- Further reduction in costs
- \$13 million pre-tax Q2 provision

## Two restructuring announcements

- Fiscal 2001 cost savings - \$21M
- Fiscal 2002 & beyond - \$31M

# Operational Review

## XCAN Transaction

- Redemption of SWP shares for \$11 million
- Represents book value of investment

# Operational Review

## SWP Integrated Marketing Approach

- Utilization of XCAN in Japan
- Utilization of SWP expertise in other markets
- Strategic partnerships with other international marketing firms

# Operational Review

## EuroPort, Poland

- Transaction closed
- Litigation discontinued

# Outlook

- Expect Improvements in F2001 operating earnings & cash flows