

1 **Q. Please provide a complete explanation why an apparently consistent outlier, like**
2 **Rothmans, was included in Schedule 18. Please show the results of Schedule 18**
3 **without Rothmans.**
4

5 A. Rothmans was included because it meets the selection criteria. By focusing on the
6 median values, rather than the averages (or means), the impact of the level of Rothmans
7 outlier returns is minimized. The results without including Rothmans in the sample are
8 provided in Attachment A.

Results of Schedule 18 excluding Rothmans

**RETURNS ON AVERAGE COMMON STOCK EQUITY FOR
14 LOW RISK CANADIAN INDUSTRIALS
(Does Not Include Rothmans)**

	Returns on Equity										Average 1992-2001	Average 1992-1995	Average 1996-2001
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001			
CANADIAN TIRE CORP	6.4	6.9	0.5	10.2	10.4	11.4	13.0	11.2	10.6	11.5	9.2	6.0	11.4
CARA OPERATIONS LTD	12.6	11.7	9.5	12.2	10.9	13.8	7.4	10.5	34.6	10.3	13.4	11.5	14.6
EMPIRE CO LTD	6.8	12.3	9.4	3.9	11.9	17.9	21.7	13.3	69.1	16.3	18.3	8.1	25.0
FINNING INTERNATIONAL INC	0.7	6.5	14.9	16.3	16.0	16.2	0.5	8.7	10.5	14.1	10.4	9.6	11.0
JEAN COUTU GROUP	18.5	10.1	17.0	15.2	16.2	15.3	15.5	15.7	14.9	15.7	15.4	15.2	15.6
LEONS FURNITURE LTD	11.4	16.4	15.3	14.0	13.4	15.1	16.7	21.1	19.3	17.3	16.0	14.3	17.2
LOBLAW COS LTD	8.7	9.6	12.4	13.3	14.2	15.3	12.8	13.7	15.7	16.8	13.2	11.0	14.8
MAGNA INTERNATIONAL	22.8	19.6	21.7	21.8	15.8	21.6	12.3	12.0	15.9	14.7	17.8	21.5	15.4
MAPLE LEAF FOODS INC	7.9	7.3	7.5	-6.7	14.8	14.7	-6.3	17.9	8.0	10.3	7.5	4.0	9.9
MOLSON INC	15.7	10.1	6.5	-26.8	3.7	11.8	16.3	-4.1	14.7	18.0	6.6	1.4	10.1
SHAW COMMUNICATN INC	11.5	11.5	10.2	6.2	11.8	2.9	-0.1	1.9	5.5	-8.4	5.3	9.9	2.3
THOMSON CORP	6.0	10.0	14.6	22.4	14.2	12.9	34.7	8.0	17.9	10.2	15.1	13.2	16.3
TORSTAR CORP	8.4	-1.7	7.9	6.7	11.3	38.4	-0.7	12.8	5.4	-14.6	7.4	5.3	8.8
WESTON (GEORGE) LTD	3.2	4.5	8.7	12.9	15.1	14.5	37.3	14.0	17.4	18.5	14.6	7.3	19.5
Median	8.5	10.0	9.9	12.6	13.8	14.9	12.9	12.4	15.3	14.4	13.3	9.7	14.7
Average											12.2	9.9	13.7
Average of Medians											12.5	10.2	14.0

Source: Standard & Poor's Research Insight

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