Husky Injection Molding Systems Ltd. issues fiscal 2005 fourth quarter and full year results

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Toronto, Ontario --

Husky Injection Molding Systems Ltd. (TSX: HKY) today announced its results for the fourth quarter and year ended July 31, 2005. All figures in this press release are in US dollars unless otherwise stated.

Management's Discussion and Analysis

The following is a discussion of the consolidated financial condition and results of operations of Husky Injection Molding Systems Ltd. (the "Company") for the quarter and the year ended July 31, 2005. This analysis is current as of September 22, 2005, and should be read in conjunction with the Company's Annual Report 2004 - Financial Supplement for the year ended July 31, 2004, together with the consolidated financial statements for the three month period ended July 31, 2005 and the consolidated financial statements for the twelve month period ended July 31, 2005. Additional information regarding the Company, including its Annual Information Form, can be found on SEDAR at www.sedar.com.

The Company assesses its performance by reviewing the geographic mix of sales from its territories, and gross profit and profitability on a consolidated basis.

Summarized Financial Results

(in millions of US dollars, except per share data, unaudited)

	Three Months Ended		Year Ended	
	July 31, 2005	July 31, 2004	July 31, 2005	July 31, 2004
Orders	188.0	202.9	843.4	838.9
Sales	253.6	227.9	860.0	773.7
Net income	6.0	9.7	2.1	18.7
Earnings per Share	0.05	0.08	0.02	0.16

Results of Operations

Fourth Quarter 2005 and Fiscal Year ended July 31, 2005

Sales

Sales for the fourth quarter increased 11% to $253.6 million due to a higher opening backlog level. In North America, sales increased 7% due to higher shipments in packaging applications, partly offset by reduced shipments in all other markets. Sales in Europe were up 6% as lower shipments in PET applications were more than offset by increases in packaging and automotive markets. Approximately 40% of the increase was due to favourable exchange rates on the translation of Euro-denominated sales. In Asia Pacific, increased sales in non-PET markets more than offset the reduced PET shipments. Sales in Latin America increased 29% as a result of higher shipments in automotive and packaging applications.

Sales for the year ended July 31, 2005 were $860.0 million, up 11% from $773.7 million last year. The increase was primarily due to higher opening backlogs in all territories and strong order intake in the Americas. Increased shipments in the Americas and Asia Pacific were partly offset by weaker shipments in Europe.

Sales in North America grew 22% as a result of higher opening backlog and strong order bookings in the first half of the year. Shipments were up in all market applications except technical and general. The increase in PET shipments reflected strong growth in isotonic drink and juice applications. Non-PET shipments increased in packaging and automotive applications, partly offset by lower shipments in technical and general.

In Europe, sales decreased 9% as higher opening backlog levels were more than offset by lower orders booked in the first three quarters of the current fiscal year. PET shipments decreased as processors absorbed production capacity installed in the previous year. In non-PET markets, increased automotive, technical and general shipments were partly offset by decreases in packaging applications. The impact of year-over-year currency rate changes resulted in an increase of Euro-denominated sales by approximately $15.2 million.

Sales in Asia Pacific were up 16% over last year due to growth in all regions and all application markets. The increase in sales was principally due to the higher opening backlog, which offset weakness in order booking during the year. In Latin America, sales increased 42% with growth in all regions and in all market applications. The increase in PET shipments was principally due to higher demand in Mexico, Brazil and Southern South America in carbonated soft drink applications. The increase in automotive sales was principally due to growth in Mexico.

Net Income

For the fourth quarter net income was $6.0 million ($0.05 earnings per share), compared to $9.7 million ($0.08 earnings per share) last year. Net income for the year was $2.1 million ($0.02 earnings per share), compared to $18.7 million ($0.16 earnings per share) last year.

President's Message

John Galt, the Company's President and Chief Executive Officer commented, "The new product platforms developed over the past years reinforce our position as a technology leader and have become the foundation for technologies and processes that differentiate us from our competitors. While these developments are encouraging, our fiscal 2005 orders grew only marginally from the record levels achieved last year. Excess manufacturing capacity, currency fluctuations and rapidly changing raw material prices continue to exert relentless pressure on our industry.

Sales for the year increased 11% to $860 million, however, profits suffered primarily due to a lower margin product mix, a stronger Canadian dollar and an increased income tax rate. There is no question that we have to catch up and transform Husky into a leaner and more efficient company while continuing to invest in innovation, customer support and growth.

In fiscal 2006, our initiatives to improve profitability will include a focus on higher margin products. In addition, we will continue to build a global supply chain, globalize manufacturing and drive efficiency in all our operations. Of course, none of this can happen without the passion, creativity and commitment of great people. In fact, I believe that developing people is the most critical element of all.

Succeeding Robert Schad, our founder and CEO for over fifty years is a tremendous responsibility. I would like to thank Robert and the Board for their confidence and all the people at Husky for their support. I believe Husky is a great company with exciting prospects for the future."

2006 Outlook

Global orders for injection molding equipment remain well below peak levels reached in 2000. Given excess manufacturing capacity and challenging market conditions, the Company believes it prudent not to provide specific guidance for the fiscal year. Despite these uncertain market conditions, the Company remains cautiously optimistic about the growth prospects in its key markets and its ability to increase market share.

In fiscal 2006, the Company faces a number of specific challenges including achieving improved margins through aggressive cost reduction targets, the impact of currency fluctuations, in particular, a continued weakening of the US dollar relative to the Euro and Canadian dollar, and rapidly changing raw material prices. As discussed in the President's message above, initiatives are already in process to improve profitability. In addition, the Company expects a favourable impact from the price increase introduced in the second half of fiscal 2005. The Company expects to invest approximately $35.0 million in capital additions, the majority of which is equipment aimed at supporting manufacturing in Asia Pacific, providing customers with better lead times and reducing costs.

For the first quarter, despite lower opening backlog levels, the Company expects shipments to increase compared to last year. However, a loss of $0.09 to $0.12 per share is expected principally due to unfavourable foreign exchange rates on Canadian dollar-denominated expenses.

Consistent with prior years, the Company expects that a significant portion of sales and net income will be generated in the last six months of the fiscal year.

Gross Profit

In the fourth quarter gross profit decreased to $45.8 million from $50.1 million last year. As a result, margins were 18.1% of sales compared to 22.0%. The decrease was principally due to lower margin product mix and higher depreciation expense. Depreciation expense in fiscal 2004 included the favourable impact of investment tax credits recognized on certain manufacturing equipment. Gross profit, in fiscal 2005, was also reduced by costs associated with hot runner manufacturing in Asia Pacific, which were reclassified from selling and administration expenses, and costs related to the closure and transfer of the Vermont Controls operation to Bolton, Ontario, planned for October 2005. These factors reduced gross profit by approximately $17.0 million, and were partly offset by the favourable impact of higher sales volumes and cost reduction initiatives.

Gross profit for the year increased to $176.1 million (20.5% of sales) from $169.2 million (21.9% of sales) last year. Higher sales volumes, cost reduction initiatives and reduced compensation incentives increased gross profit by approximately $54.0 million. These factors were partly offset by lower margin product mix and lower investment tax credits. Other contributing factors included higher steel prices, unfavourable foreign exchange rates on Canadian dollar-denominated expenses, which were partly offset by favourable foreign exchange on the translation of Canadian and Euro-based balance sheets, and competitive pricing pressures. Gross profit was further reduced by approximately $1.5 million, due to the closure of the Vermont Controls operation and its transfer to the Bolton campus.

Other Income and Expenses

Selling and administration expenses for the fourth quarter were $30.9 million, down from $38.4 million last year. The decrease was principally due to lower compensation incentives, which were reduced as a result of lower profitability levels, reduced discretionary spending, and the reclassification of costs associated with hot runner manufacturing in Asia Pacific, which totalled $2.2 million.

For the year, selling and administration expenses were $148.7 million up from $145.9 million last year. The increase was due to higher salary and people related expenses and unfavourable foreign exchange rates on the translation of Euro and Canadian dollar-denominated expenses. These factors were partly offset by lower compensation incentives and reduced discretionary spending.

Interest expense for the fourth quarter, net of interest income, increased to $6.5 million from $2.6 million last year. The increase was principally due to a make-whole payment of $3.6 million associated with the early redemption of the Company's debentures, which were scheduled to mature in March 2006.

Interest expense for the year, net of interest income, increased to $14.3 million from $9.7 million last year, primarily as a result of the make-whole payment described above. Other contributing factors included higher average borrowing rates, increased average borrowing levels and lower interest income earned on cash and cash equivalent balances.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)(1)

For the fourth quarter EBITDA increased to $29.4 million from $20.3 million last year as a result of lower selling and administration expenses, partly offset by lower gross profit. EBITDA for the year increased to $79.0 million from $66.5 million last year due to higher gross profit, partly offset by increased selling and administration expenses.

Income Taxes

Last year's fourth quarter results included favourable tax rates due to the recognition of tax loss carryforwards, which did not recur this year.

The income tax provision for the year ended July 31, 2005 of $11.0 million compares to a recovery of income taxes of $5.2 million last year. The income tax provision includes a $4.6

million increase in the Company's future income tax asset valuation allowance. The Company records its future income tax assets (net of its valuation allowance) only to the extent that it is more likely than not it will realize the assets in the foreseeable future. In fiscal 2004, the income tax recovery was attributable to recognition of tax loss carryforwards.

The tax provision was recorded in accordance with the Company's practice of evaluating its future tax assets, which is discussed in more detail on page 8 under the "Critical Accounting Estimates" section of the Company's Annual Report 2004 - Financial Supplement.

Orders and Backlog

Orders for the fourth quarter decreased to $188.0 million from $202.9 million. Lower orders in Asia Pacific and North America were partly offset by increases in Latin America and Europe. PET orders decreased 21% principally due to lower order activity in Asia Pacific, compared to the record levels achieved last year. Non-PET orders grew 6% as increases in packaging applications were partly offset by decreases in other markets.

Orders in North America decreased as a result of lower demand in technical and general applications. Orders in other applications were consistent with last year. In Europe, orders increased primarily due to the impact of favourable foreign exchange rates on the translation of Euro- denominated orders, which accounted for approximately 60% of the increase. European orders, excluding the impact of foreign exchange, increased marginally as growth in non-PET applications was partly offset by lower PET orders. In Asia Pacific, orders decreased following a quarter of record orders last year. Decreased PET orders were partly offset by increased demand in packaging, technical and general applications. Orders in Latin America were up, primarily as a result of increased PET demand in all regions.

Orders for the year ended July 31, 2005 increased marginally to $843.4 million from the record level of $838.9 million achieved last year. PET orders declined as challenging market conditions in Asia Pacific and Europe offset growth in the Americas. Non-PET orders grew as demand in packaging and automotive applications were partly offset by decreases in technical and general markets.

Orders in North America increased due to strong growth in packaging and PET applications, partly offset by lower orders in technical and general markets. Packaging orders increased primarily due to continued growth in closures, and conversions to thinwall food packaging. PET demand improved as processors added capacity in isotonic drink and juice applications, following a year of weak order intake in fiscal 2004. Technical and general applications decreased as processors ramped up recently installed capacity, following strong growth achieved in orders last year.

In Europe, orders decreased primarily as a result of weakness in the PET market in Eastern Europe as processors focused on utilizing installed capacity following a year of strong growth in fiscal 2004. Orders in non-PET applications increased as strong demand in automotive was partly offset by lower orders in packaging, technical and general markets. Orders in automotive were higher due to increased new vehicle launches, and the specialized technology offered by the Quadloc platform. The impact of year-over-year currency rate changes resulted in an increase of Euro-denominated orders of approximately $16.0 million.

In Asia Pacific, orders decreased as a result of lower demand in North Asia, which was partly offset by growth in other regions. The decrease in North Asia was due to measures implemented by the Chinese government, which resulted in a tightening of credit and a deferral of capital purchases. As a result PET orders were down, partly offset by growth in non-PET applications. The increase in non-PET orders was principally due to growth in packaging applications. Other factors included higher hot runner orders, following the Company's investment strategy of local manufacturing in Shanghai. Orders in Latin America were higher in all regions except Mexico, and in all applications other than technical and general. Orders in Brazil increased significantly, primarily in PET and packaging, as a result of improved market conditions.

Consolidated backlog at July 31, 2005 was $243.8 million compared to $265.1 million last year.

Segmented Information

Sales and Orders

Please refer to the discussion of sales and orders above.

Gross Profit

The Company evaluates gross profit on a consolidated basis. The change in gross profit margin of the Company's manufacturing operations is attributable to the factors discussed previously under "Gross Profit". In general, gross profit earned by the Company's Service and Sales territories fluctuates primarily as a result of changes to internal pricing between business units, foreign exchange fluctuations, and competitive pricing pressures. The reader is reminded that internal changes in pricing between business units and foreign exchange fluctuations may affect comparative Service and Sales and manufacturing profit margins, and that such changes may give rise to segmented results which are not necessarily indicative of external business or market conditions.

Liquidity and Capital Resources

Cash Position

Cash provided by operating activities for the year ended July 31, 2005 totalled $34.0 million compared to cash used in operating activities of $35.1 million last year. The improvement was due to a comparative reduction in cash used by non-cash working capital and the change in future income taxes, partly offset by lower profitability.

From the beginning of the current fiscal year, non-cash working capital balances increased principally due to lower accounts payable and accruals and higher inventory, partly offset by lower income taxes receivable. The reduction in accounts payable and accruals is primarily due to reduced compensation incentives and lower trade payables.

Capital Additions

Capital additions for the year totalled $55.5 million compared to $54.4 million last year. Capital investments related principally to equipment purchases for the Company's manufacturing operations.

Capital Resources

Debt at July 31, 2005 totalled $164.3 million, down from $172.3 million last year. The decrease was principally due to the redemption of the Company's series A, B and C debentures, partly offset by the placement of the series D and E debentures. Net debt(2) was $145.1 million compared with $132.4 million at July 31, 2004. Debt as a percentage of capital was 30%, compared to 31% last year. Net debt as a percentage of capital was 28% compared to 26% last year.

The Company expects to meet its operating cash requirements through fiscal 2006, including required working capital investments, capital expenditures, and currently scheduled repayments of debt, from cash on hand, cash flow from operations, and its committed borrowing facilities.

Changes in Accounting Policies Including Initial Adoption

Asset Retirement Obligations

Effective August 1, 2004, the Company adopted the Canadian Institute of Chartered Accountants (CICA) Handbook Section 3110 "Asset Retirement Obligations". The Company estimated and accrued the present value of its obligation to restore certain leased premises at the end of the lease term. At lease inception, the present value of this obligation is recognized in other long-term liabilities with a corresponding amount recognized in capital assets. The capital asset amount is amortized over the period from lease inception to the time the Company expects to vacate the premises resulting in depreciation expense in the consolidated statements of operations.

Subsequently, the obligation is adjusted for the accretion of discount and any changes in the amount or timing of the underlying liability.

The Company adopted the new recommendations retroactively and comparative figures have been restated. Adopting the new standard for the reported figures as of July 31, 2004 resulted in an increase in capital assets, future income tax assets and other long-term liabilities of $203,000, $85,000 and $453,000 respectively, and a decrease in retained earnings of $165,000. The impact of this accounting policy change on reported net income for the year ended July 31, 2005 was a decrease of $170,000. The impact on reported net income for the year ended July 31, 2004 was a decrease of $76,000.

Revenue Recognition

During the year, the Company adopted the CICA Emerging Issues Committee (EIC) Abstract No. 142, "Revenue Arrangements with Multiple Deliverables". Some of the Company's sales contracts include a portion of revenue which relates to equipment installation. Revenues from these installation services, where applicable, are accounted for as a separate revenue element where the service has value to the customer on a stand-alone basis. Revenues associated with installation services are recognized upon completion of installation. This standard was applied to contracts with separate revenue elements entered into during 2005. The adoption of this standard did not have a material impact on the Company's consolidated financial statements.

Forward Looking Statements

This press release contains certain forward-looking statements which reflect the Company's current view of future events, business outlook and anticipated financial performance. Such statements are subject to assumptions which may be incorrect, and to risks and uncertainties which are difficult to predict. Future events, outcomes and financial performance may differ materially from those predicted in these statements as a result of factors which may include, but are not limited to, those described on pages 10 and 11 under the "Risks and Uncertainties" section in the Company's Annual Report 2004 - Financial Supplement for the year ended July 31, 2004.

About Husky

Husky Injection Molding Systems Ltd. (www.husky.ca) is a leading supplier of injection molding equipment and services to the plastics industry. The Company designs and manufactures the industry's most comprehensive range of injection molding equipment, including machines, molds, hot runners and robots. In addition, Husky's value-added services include factory planning, customer training and systems integration. In fiscal 2005, sales were $860 million, with approximately 3,050 people employed worldwide.

Customers use Husky's equipment and services to produce a wide range of plastic parts, including bottles and caps for water and soft drinks; containers, from yogurt cups to recycling bins; medical applications, such as syringes and vials; automotive components, from headlight housings to bumpers; and parts for electronic equipment, including personal digital assistants and mobile audio devices.

Husky has more than 40 Service and Sales offices - including 19 Technical Centers - supporting customers in over 100 countries. Manufacturing facilities are located on campuses in Canada, the United States, Luxembourg, and China. Our core values - a passion for excellence, bold goals, proactive environmental responsibility, making a contribution and uncompromising honesty - are the foundation of our business practices worldwide. They are integral to everything we do and define who we are as a company.

The Company's common shares are listed on the Toronto Stock Exchange (HKY).

(1) EBITDA is a non-GAAP measure, which means earnings before interest, taxes, depreciation and amortization. EBITDA does not have a standardized meaning prescribed by GAAP, and which may not be directly comparable to similar measures presented by other companies due to the nature of its calculation. The Company believes that this measure may be relevant to stakeholders.

(2) Net debt is a non-GAAP measure which does not have a standardized meaning prescribed by GAAP, and which may not be directly comparable to similar measures provided by other companies due to the nature of its calculation. The Company believes this measure may be relevant to stakeholders.

HUSKY INJECTION MOLDING SYSTEMS LTD.
CONSOLIDATED BALANCE SHEETS

(IN THOUSANDS OF US DOLLARS, UNAUDITED)

	July 31, 2005	July 31, 2004 (restated)
ASSETS		
Current		
Cash and cash equivalents	19,149	39,901
Accounts receivable	133,183	129,957
Income taxes receivable	2,419	6,541
Inventories	191,761	186,261
Prepaid expenses and other assets	9,523	11,147
Future income tax assets	16,749	22,724
Total current assets	372,784	396,531
Cross currency swap receivable, net	2,040	5,059
Future income tax assets	10,973	9,856
Capital assets, net	376,596	379,614
Total assets	762,393	791,060
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued charges	149,274	174,373
Customers' deposits	54,410	54,668
Current portion of long-term debt	3,904	3,910
Total current liabilities	207,588	232,951
Long-term debt	160,390	168,378
Employee future benefits	13,906	12,410
Future income tax liabilities	1,401	888
Other long-term liabilities	578	453
Total liabilities	383,863	415,080
Shareholders' equity		
Share capital	133,985	133,510
Retained earnings	244,545	242,470
Total shareholders' equity	378,530	375,980
Total liabilities and shareholders' equity	762,393	791,060

HUSKY INJECTION MOLDING SYSTEMS LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS AND RETAINED EARNINGS

(IN THOUSANDS OF US DOLLARS, EXCEPT SHARE DATA, UNAUDITED)

	Three Months Ended		Year Ended	
	July 31, 2005	July 31, 2004 (restated)	July 31, 2005	July 31, 2004 (restated)
Sales	253,616	227,884	860,030	773,699
Cost of sales	207,789	177,769	683,967	604,452
Gross profit	45,827	50,115	176,063	169,247

Other expenses

Sales and administration	30,937	38,411	148,703	145,945
Interest - current, net	(100)	(45)	(376)	(675)
- long-term	6,550	2,626	14,671	10,403
Total expenses	37,387	40,992	162,998	155,673
Income before income taxes	8,440	9,123	13,065	13,574
Provision for (recovery of) income taxes				
Current	2,537	(501)	8,573	2,032
Future	(78)	(52)	2,417	(7,196)
	2,459	(553)	10,990	(5,164)
Net income for the period	5,981	9,676	2,075	18,738
Basic and diluted earnings per share	0.05	0.08	0.02	0.16
Weighted average number of common shares outstanding	117,056,511	116,916,319	116,984,393	116,871,882
Retained Earnings				
Opening balance, as reported	238,564	232,936	242,635	223,821
Adjustment due to change in accounting policy	-	(142)	(165)	(89)
Opening balance as restated	238,564	232,794	242,470	223,732
Net income	5,981	9,676	2,075	18,738
Retained earnings, end of period	244,545	242,470	244,545	242,470

HUSKY INJECTION MOLDING SYSTEMS LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(IN THOUSANDS OF US DOLLARS, UNAUDITED)

	Three Months Ended		Year Ended	
	July 31, 2005	July 31, 2004 (restated)	July 31, 2005	July 31, 2004 (restated)
OPERATING ACTIVITIES				
Net income for the period	5,981	9,676	2,075	18,738
Add (deduct) items not affecting cash				
Depreciation	14,343	8,511	51,281	42,861

Amortization	186	65	408	356
Loss (gain) on disposal of capital assets	(596)	778	477	262
Employee future benefits	363	876	1,496	2,402
Future income taxes	3,545	(11,417)	5,371	(20,925)
	23,822	8,489	61,108	43,694
Net decrease (increase) in non-cash working capital balances related to operations	(1,921)	5,332	(27,155)	(78,765)
Cash provided by (used in) operating activities	21,901	13,821	33,953	(35,071)
INVESTING ACTIVITIES				
Additions to capital assets	(25,105)	(9,528)	(55,515)	(54,431)
Net increase (decrease) in accounts payable and accrued charges related to capital asset additions	2,330	1,124	(1,285)	3,294
Cash used for capital asset additions	(22,775)	(8,404)	(56,800)	(51,137)
Proceeds from sale of capital assets	6,346	352	6,849	3,064
Maturity of marketable securities	-	-	-	49,966
Cash provided by (used in) investing activities	(16,429)	(8,052)	(49,951)	1,893
FINANCING ACTIVITIES				
Additional long-term debt	132,897	3,291	137,897	3,291
Repayment of long-term debt	(141,822)	(857)	(149,883)	(3,458)
Proceeds on settlement of cross currency swap, net	6,757	-	6,757	-
Issue of common shares	68	76	475	516
Cash provided by (used in) financing activities	(2,100)	2,510	(4,754)	349
Net increase (decrease) in cash and cash equivalents during the period	3,372	8,279	(20,752)	(32,829)
Cash and cash equivalents, beginning of period	15,777	31,622	39,901	72,730
Cash and cash				

equivalents, end of period	19,149	39,901	19,149	39,901

Supplementary cash flow information				
Cash income taxes paid, net	2,490	1,553	3,917	7,659
Cash interest paid, net	6,355	130	16,425	9,368

HUSKY INJECTION MOLDING SYSTEMS LTD.
SEGMENTED INFORMATION

(IN THOUSANDS OF US DOLLARS, UNAUDITED)

Three Months Ended July 31, 2005

	Service and Sales territories						
	North America	Latin America	Europe	Asia Pacific	Manufact-uring operations	Elimin-ations & other (i)	Total
External sales	91,160	34,846	83,641	43,969	-	-	253,616
Intersegment sales	-	-	-	-	212,071	(212,071)	-
Total sales	91,160	34,846	83,641	43,969	212,071	(212,071)	253,616
Gross profit	16,785	5,084	9,265	7,566	11,257	(4,130)	45,827
Depreciation and amort-ization	891	197	678	366	11,764	633	14,529
Capital asset additions	184	201	361	1,958	14,341	8,060	25,105
Total assets	114,031	34,246	100,432	73,729	357,403	82,552	762,393

Three Months Ended July 31, 2004 (restated)

	Service and Sales territories						
	North America	Latin America	Europe	Asia Pacific	Manufact-uring operations	Elimin-ations & other (i)	Total
External							

sales	85,537	26,954	78,959	36,434	-	-	227,884
Intersegment sales	-	-	-	-	190,426	(190,426)	-
Total sales	85,537	26,954	78,959	36,434	190,426	(190,426)	227,884
Gross profit	14,471	3,029	9,690	4,914	17,559	452	50,115
Depreciation and amortization	865	112	589	329	5,579	1,102	8,576
Capital asset additions	194	94	585	7,332	(79)	1,402	9,528
Total assets	106,914	35,490	129,127	75,366	355,683	88,480	791,060

Year Ended July 31, 2005

	Service and Sales territories						
	North America	Latin America	Europe	Asia Pacific	Manufacturing operations	Eliminations & other (i)	Total
External sales	344,945	96,900	266,817	151,368	-	-	860,030
Intersegment sales	-	-	-	-	738,489	(738,489)	-
Total sales	344,945	96,900	266,817	151,368	738,489	(738,489)	860,030
Gross profit	59,455	14,401	32,428	24,849	38,297	6,633	176,063
Depreciation and amortization	3,475	802	2,542	1,597	38,982	4,291	51,689
Capital asset additions	3,703	356	1,117	3,396	34,573	12,370	55,515
Total assets	114,031	34,246	100,432	73,729	357,403	82,552	762,393

Year ended July 31, 2004 (restated)

	Service and Sales territories					
					Manufact-	Elimin-

	North America	Latin America	Europe	Asia Pacific	uring operations	ations & other (i)	Total
External sales	282,947	68,209	292,039	130,504	-	-	773,699
Intersegment sales	-	-	-	-	663,986	(663,986)	-
Total sales	282,947	68,209	292,039	130,504	663,986	(663,986)	773,699
Gross profit	49,028	11,081	33,794	20,635	55,083	(374)	169,247
Depreciation and amort- ization	3,532	617	2,425	1,085	30,438	5,120	43,217
Capital asset additions	618	364	1,375	16,773	29,802	5,499	54,431
Total assets	106,914	35,490	129,127	75,366	355,683	88,480	791,060

(i) Eliminations and other include Corporate activities and assets not attributable to the operating segments.

External sales to customers in Canada and the United States for the three months ended July 31, 2005 were $8,518 (2004 - $5,534) and $82,642 (2004 - $80,003), respectively. External sales to customers in Canada and the United States for the year ended July 31, 2005 were $29,961 (2004 - $15,383) and $314,984 (2004 - $267,564), respectively.

Capital assets in Canada, the United States and Luxembourg as at July 31, 2005 were $132,774 (2004 - $135,865), $95,663 (2004 - $105,745), $102,123 (2004 - $94,073), respectively.

For further information: Daniel Gagnon, Vice President, Finance & CFO, (905) 951-5000