Buhler Industries Inc.

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NOTICE TO READER OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The financial statements of Buhler Industries Inc. and the accompanying interim consolidated balance sheets as at December 31, 2008 and 2009 and the interim consolidated statements of earnings, retained earnings and cash flows for the three month periods then ended are the responsibility of the Company's management. These consolidated financial statements have not been audited or reviewed on behalf of the shareholders by the independent external auditors of the Company.

The interim consolidated financial statements have been prepared by management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these financial statements in accordance with Canadian generally accepted accounting principles.

Yury Ryazanov
Chief Executive Officer
January 29, 2010

Dmitry Lyubimov
President
January 29, 2010

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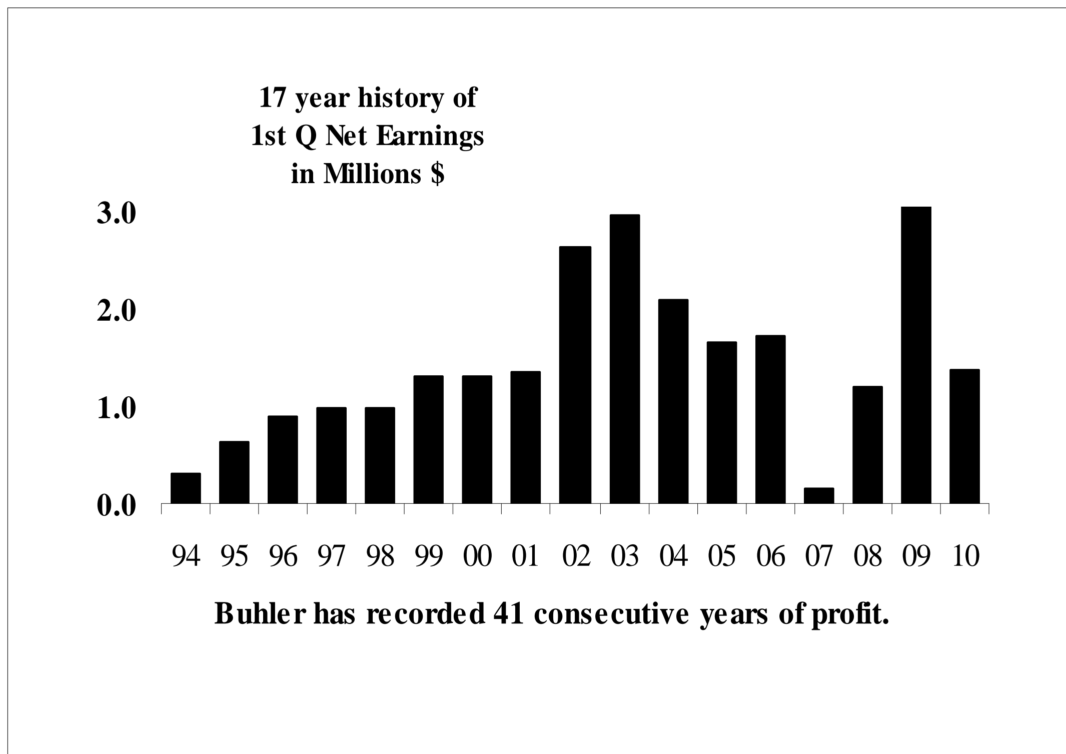
First Quarter Report

December 31, 2009



A Leading Manufacturer and Distributor of Farm Equipment

Management Discussion & Financial Analysis

Certain statements made in the following Management's Discussion and Analysis contain forward-looking statements including, but not limited to, statements concerning possible or assumed future results of operations of Buhler Industries Inc. (the Company). Forward-looking statements represent the Company's intentions, plans, expectations and beliefs, and are not guarantees of future performance. Such forward-looking statements represent the Company's current views based on information as at the date of this report. They involve risks, uncertainties and assumptions and the Company's actual results could differ, which in some cases may be material, from those anticipated in these forward-looking statements. Unless otherwise required by applicable securities law, the Company disclaims any intention or obligation to publicly update or revise this information, whether as a result of new information, future events or otherwise. The Company cautions investors not to place undue reliance upon forward-looking statements.

Company Overview

The Company is headquartered in Winnipeg, Manitoba, Canada. Established in 1932 as an agricultural equipment manufacturer, the original company was purchased by John Buhler in 1969. Through expansion, new products and acquisitions, the Company has experienced progress and steady growth.

Over the years, many brands have joined Buhler Industries: Farm King, Allied, Inland and Versatile. Today the Company operates several modern manufacturing plants and distribution centers. Factories in Morden and Winnipeg, Manitoba, and Fargo, North Dakota, build tractors, sprayers, front-end loaders, augers, snow blowers, compact implements and more. The Company maintains several well-stocked parts warehouses.

In 2007, Combine Factory Rostselmash Ltd, a major combine manufacturer located in Rostov-on-Don, Russia, acquired 80% of the common shares of the Company. The Company continues to grow with additional investment in engineering, research and development and production. The dealer / distribution network in North America remains steady, however the Rostselmash network adds more than 200 dealers in Russia, Ukraine and Kazakhstan that provides for additional sales growth in the future.

Buhler Industries remains committed to continuous product improvement and incorporating new value-added features. That tradition of excellence will continue well into the future.

Ten Year Highlights

In thousands of Canadian dollars (except per share amounts)

Year ended Sept. 30	2000	2001	2002	2003 restated	2004 restated	2005 restated	2006 restated	2007 restated	2008 restated	**2009**
Revenue	116,700	187,633	232,619	181,162	206,130	202,319	175,067	166,189	218,955	**284,072**
Gross profit	30,302	31,410	49,485	41,233	37,601	37,044	33,929	28,495	43,878	**51,258**
GP%	26.0%	16.7%	21.3%	22.8%	18.2%	18.3%	19.4%	17.1%	20.0%	**18.0%**
Income from operations	16,789	16,527	29,727	25,098	21,311	20,838	17,066	11,951	27,402	**32,283**
As percentage of revenue	14%	9%	13%	14%	10%	10%	10%	7%	13%	**11%**
Net earnings	7,298	7,115	13,360	11,314	11,726	9,331	4,406	8,012	11,670	**14,388**
Earnings per share (EPS)	0.30	0.30	0.58	0.49	0.48	0.37	0.18	0.32	0.47	**0.57**
EPS without EOI	0.30	0.30	0.58	0.49	0.48	0.37	0.18	0.32	0.18	**0.57**
EBITDA	15,882	14,518	26,202	21,380	19,534	16,915	14,129	13,391	33,504	**26,710**
Total assets	149,073	127,531	156,305	178,460	167,044	186,512	184,960	161,865	178,583	**193,817**
Working capital	45,597	45,673	60,595	82,530	87,414	86,030	81,121	76,089	75,718	**93,073**
Shareholders' Equity	51,659	53,442	61,998	70,552	91,407	97,233	97,895	98,407	110,077	**124,465**
Book value per share	2.13	2.27	2.70	3.07	3.76	3.90	3.92	3.94	4.40	**4.98**
Return on average capital	14%	8%	18%	13%	12%	8%	5%	7%	12%	**12%**
Return on average equity	15%	13%	23%	18%	14%	10%	5%	8%	11%	**12%**

Management Discussion & Financial Analysis

General Information

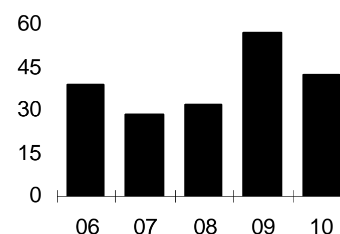
The following discussion and analysis dated January 29, 2010 was prepared by management and should be read in conjunction with the consolidated financial statements prepared in accordance with Canadian GAAP. The following discussion and analysis is presented in millions of Canadian dollars except where otherwise noted. The consolidated financial statements include the accounts of all subsidiaries. All subsidiaries in the United States operate with the U.S. dollar as the functional currency, while the Company and all its Canadian subsidiaries operate with the Canadian dollar as the functional currency.

Highlights

Sales

Revenues decreased by $14.3 (25.1%) to $42.8 for the first quarter. Sales for the quarter remain higher than the historical average for the Company. The reduction in sales can be attributed to the late harvest which has postponed sales and the reduction in overseas shipments arising from the credit crisis in Russia, Kazakhstan and Ukraine. Revenues in the short-line division remain strong, and the manufacturing facilities continue to operate near capacity.

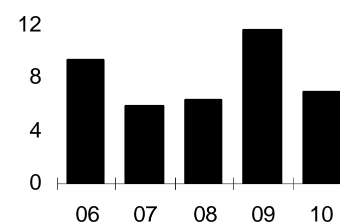
Sales (millions)



Gross Profit

While gross profits remain above historical levels for the Company, they are down by $4.7 (40.1%) to $7.0 in the first quarter, largely due to the decrease in sales. As a percentage of sales, gross profit for the quarter was 16.3%, down from 20.4% in the first quarter last year. The decrease was due to economic and competitive pressures as well as the strengthening of the Canadian dollar.

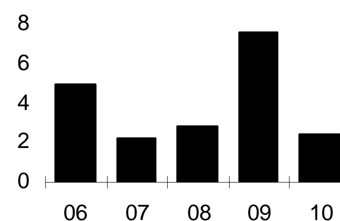
Gross Profit (millions)



Income from Operations

Income from operations were near historical levels, although down from the record first quarter seen in 2008, coming in at $2.4, a decrease of 68.0% or $5.2 from the prior first quarter. Selling and administration expenses increased to $4.5, up from $4.0 in the same period last year. As a percentage of sales, selling and administration expenses are up to 10.6% from 7.0%. Contributing to this were increases in salaries, travel and advertising expenses.

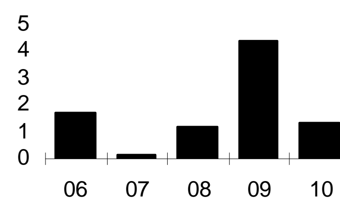
Income from Operation (millions)



Net Earnings

Net earnings came in at $1.4, compared to the record $4.4 in the prior year's first quarter. The prior year's first quarter was elevated due to higher than normal sales. Capital gains increased for the quarter as the Company sold off excess assets. This gain was partially offset by an increase in research and development spending during the quarter.

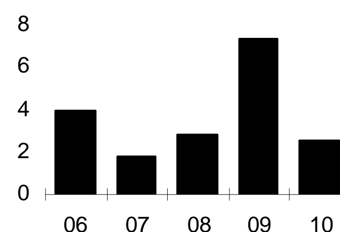
Net Earnings (millions)



EBITDA

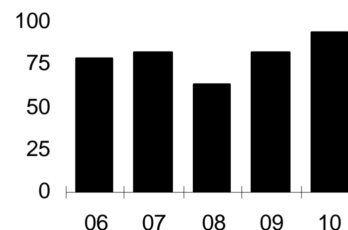
EBITDA is the earnings before income taxes, depreciation and amortization, and is considered to be a useful measure of the cash flow from operations of the Company. EBITDA for the quarter was $2.6, a decrease of $4.8 from the same period last year. The prior period figure was strengthened by above average sales, while the current quarter is closer to historical levels.

EBITDA (millions)



Management Discussion & Financial Analysis

Working Capital



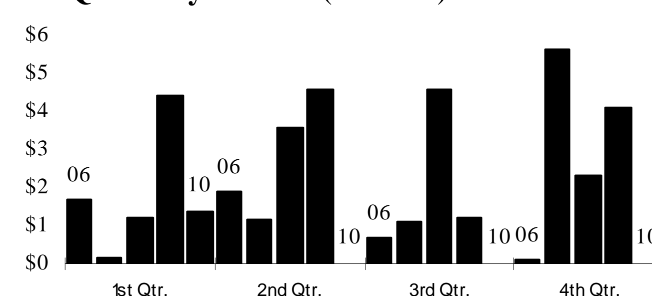
Working capital is a measure of company's ability to discharge its current obligations by using its current assets. The Company continues to be in a strong position as the working capital at quarter end was $95.1, up $12.7 (15.4%) from December 31, 2008. The Company has reduced the investment in inventory by $12.5 (12.4%) from the same quarter last year, while at the same time reducing the bank indebtedness by $7.21(50.6%), accounts payable and accrued liabilities by $$9.3 (21.7%) and income taxes payable by $8.5 (54.4%). These reductions in liabilities were made possible by the cash generated in fiscal 2009.

Research and Development

In keeping with the Company's strategy to invest in the development of new products for the future, expenditures for research and development increased to $1.3 from $0.7 for the same quarter in 2008, an increase of 86.3%. Management believes this strategy will maintain the Company's competitive position in the marketplace.

Quarterly Net Earnings Results *(000's C$)*

	2006 restated	2007 restated	2008 restated	2009	**2010**
1st Q	$ 1,707	$ 149	$ 1,203	$ 4,429	**$1,364**
2nd Q	1,875	1,132	3,223	4,586	–
3rd Q	701	1,104	4,374	1,238	–
4th Q	123	5,627	2,870	4,135	–
Total	$ 4,406	$ 8,012	$ 11,670	$ 14,388	**$1,364**

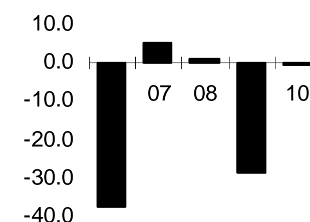


Summary of Quarterly Results

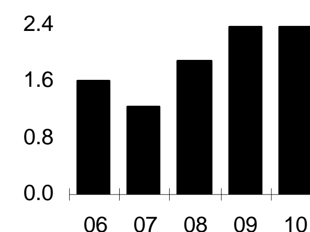
The Company saw a return to historical first quarter earnings in 2009. Sales are down due to the late harvest which has postponed sales and the reduction in overseas tractor shipments resulting from the global economic crisis. The Company also spent significantly more on research and development, which was offset by the proceeds on the sale of excess assets in the quarter. Gross profit fell due to the reduction in sales, the strengthening of the Canadian dollar and competitive pressures prevalent in the current market place.

Cash Flow and Capital Resources

Operating Activities



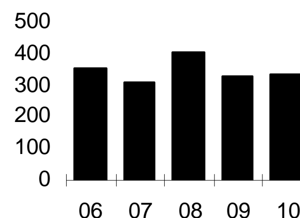
Cash for the quarter was down $0.4 from September 30, 2009. While a reduction in accounts receivable for the quarter brought in $13.4, inventories were increased by $0.9, and accounts payable, accrued liabilities and income taxes payable were paid in the amount of $14.4. These cash outflows were offset by net earnings of $1.4.



Management has diligently worked to control the investment in inventory in order to keep the cash position strong. Despite the reduction in sales, inventory turns remained the same as 2009 coming in a 2.37 turns.

Management Discussion & Financial Analysis

Investing Activities



Cash provided for in the quarter by investing activities was $1.5, an improvement of $1.8 when compared to last year. The Company purchased $0.6 of capital assets (net of investment tax credits), up from $0.3 in the first quarter 2008. The company generated cash of $2.1 by selling off excess assets during the year, up $2.1 from last year.

Financing Activities

The Company generated cash of $0.1 from financing activities in the first quarter, compared to cash generated of $2.2 in the prior year's first quarter. The cash brought in for the prior year consisted primarily of advances from the parent company of $1.2, as well as additional long term debt of $0.9.

Resources

In order for the Company to operate and grow, continued funding resources are required. The Company has several options for funding available to it, such as cash in the bank, cash provided by operations and acquiring new debt. Under the current bank agreements in place, the Company has access to a $60.0 credit facility.

Risks and Financial Instruments

The Company recognizes that net earnings are exposed to changes in market interest rates, foreign exchange rates, prices of raw materials and risks regarding the financial condition of customers. These market conditions are regularly monitored and actions are taken when appropriate. Despite the methods employed to manage these risks, future fluctuations in interest rates, exchange rates, raw material costs and customers condition can be expected to impact net earnings.

The Company may enter into fixed-rate debt to minimize the risk associated with interest rate fluctuations. In addition, the Company may employ hedging programs to minimize foreign exchange risks associated with the changes in the value of the Canadian dollar relative to the U.S. dollar. To the extent possible, the Company maximizes natural currency hedging by matching inflows from sales in either currency with outflows of costs and expenses denominated in the same currency. A portion of the remaining exposure to fluctuations in exchange rates may be mitigated with forward and option contracts.

The Company currently has a variable interest bank credit facility and two loans from the State of North Dakota, one of which is zero interest, the other at low interest. Should future cash requirements result in additional debt be taken on, management would evaluate the financing options available at that time and take a course of action that is in the best interests of the Company in the long term. Currently, all of the financing needs of the Company are being met by the bank credit facility, which carries a low rate of variable interest.

With respect to foreign exchange, the Company manages risk by use of the natural hedge that exists between the U.S. dollar denominated accounts receivables and accounts payable. Where a large difference in this hedge is anticipated, forward foreign exchange contracts may be entered into to mitigate the risk. Purchases of foreign exchange products for the purpose of speculation are not permitted. Transactions are only conducted with certain approved financial institutions. Fluctuations in foreign exchange rates represent a material exposure for the Company's financial results. Hedging programs employed may mitigate a portion of exposures to short-term fluctuations in foreign currency exchange rates. The Company's financial results over the long term will be affected by sizeable changes in the value of the Canadian dollar relative to the U.S. dollar.

Credit risk arises from cash held with banks and credit exposure to customers, including outstanding accounts receivable. The Company assesses the credit quality of customers, taking into account their financial position, past experience and other factors. Management regularly monitors customer credit limits, performs credit reviews and, in certain cases, insures accounts receivable balances against credit losses. Nonetheless, unexpected deterioration in the financial condition of a customer can have a negative impact on net earnings in the case of default.

Accounting Policy Changes

As described more fully in note 2 to the consolidated financial statements, the Company has prospectively adopted new accounting standards for comprehensive income, financial instruments, capital disclosures and inventories effective with the annual statement beginning September 30, 2009. These standards had no significant impact on the Company's consolidated financial results.

In February 2008, the Canadian Accounting Standards Board confirmed that Publicly Accountable Enterprises will be required to adopt International Financial Reporting Standards (IFRS) for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition from Canadian generally accepted accounting principles (GAAP) to IFRS will be applicable for the Company's first quarter of 2012, at which time the Company will prepare both its fiscal 2012 and fiscal 2011 comparative financial information using IFRS. The Company expects the transition to IFRS to impact financial reporting, business processes, disclosure controls, information systems and internal controls.

The Company will formally commence its IFRS conversion project in the second quarter of 2010. Regular reporting will be provided to the Company's senior management and Audit Committee of the Board of Directors. The Company's conversion project consists of three phases: diagnostic assessment, design and development, and implementation. A high-level review of the major differences between Canadian GAAP and current IFRS will be undertaken and, at that time, the Company will determine where the differences with the highest potential impact to the Company's accounting policies are. These are likely to be, but are not limited to, property, plant and equipment; financial instruments and hedges; impairments; income taxes; financial statement disclosures; as well as the initial adoption of IFRS under the provisions of IFRS 1, First-Time Adoption of IFRS. The potential impact of these changes on the Company's future financial position and results of operations has yet to be determined as accounting policy choices under IFRS are subject to a number of accounting alternatives which still have to be evaluated by the Company. The Company will continue to invest in training and external advisor resources as required throughout the transition to facilitate a timely and successful conversion.

Looking Forward

The Company is excited about the launch of its new sprayer line in 2010. The investment was made in 2009 and the new product line up will start contributing to the sales growth for the Company in 2010. Overall sales for the coming year are expected to be off the record highs recorded in 2009. Contributing to the reduction are overseas tractor sales to Russia, Kazakhstan and Ukraine. In addition, U.S. exchange rates have weakened against the Canadian dollar and will also contribute to a reduction in sales for the year. Short line equipment sales are expected to be strong in 2010.

Net earnings are expected to be lower in 2010 due to reduced sales and the impact of a stronger Canadian dollar driving margins lower. The Company will continue to look at excess assets in 2010 and expects to sell some non-core land and buildings which will not impact its ability to operate. Research and development spending is expected to continue to be higher as the Company continues to invest in its future.

Cash flow is expected to improve during 2010 as receivables are collected. In addition, sales of non-core assets will also contribute to future cash flows. The Company continues to review investment opportunities in line with its current core products and future investments may impact cash flow for the year.

Critical Accounting Estimates

The Company believes the following accounting estimates are critical to determining and understanding the operating results and the financial position of the Company.

Allowance for doubtful accounts. The Company estimates allowances for potential losses resulting from the inability of customers to make required payments of accounts receivable. Additional allowances may be required if the financial condition of any customer deteriorates.

Allowance for inventory obsolescence. The Company estimates allowances for potential losses resulting from inventory becoming obsolete and that cannot be processed and/or sold to customers. Additional allowances may be required if the physical condition of inventory deteriorates or customer requirements change.

Impairment of long-lived assets. On an ongoing basis, the Company estimates the useful life of long-lived assets such as plant, equipment and intangible assets. The net carrying value of these assets is determined by providing depreciation and amortization based on the estimated useful life of each asset. The Company periodically reviews these assets for impairment whenever certain events or changes in circumstances indicate that the net carrying value may not be recoverable, based upon future net cash flows directly associated with the use and possible disposal of the asset. The amount of impairment, if any, is measured by deducting the fair value of the asset from its net carrying value and charged to depreciation or amortization expense. Goodwill is reviewed annually for possible impairment. Assumptions and projections used in the determination of possible impairment losses, such as future cash flows, may affect the carrying value of goodwill and require an impairment

Contingencies and litigation. Should a lawsuit or claim be brought again the Company, management would assesses the potential financial exposure of the Company. In assessing any probable losses, the amount of possible insurance recoveries will be projected. The Company accrues such liabilities when a loss becomes probable and the net amount of the loss can reasonably be estimated. Due to the inherent uncertainties relating to the eventual outcome of litigation and potential insurance recovery, certain matters could ultimately be resolved for amounts materially different to provisions or disclosures previously made by the Company.

Warranty obligation. The Company has accrued amounts that are expected to be potential future warranty claims. These amounts are based on management's best estimates based on the Company's sales and history of past warranty claims. Due to the inherent uncertainty associated with these estimates, the actual amount of future claims could be different than the amount accrued. Management believes that the amounts accrued are reasonable.

Income taxes. The future income tax assets and liabilities are measured using the income tax rates that are expected to apply upon realization or settlement. They are also determined on the basis of management's best estimate of the period over which they will be realized or settled. Future income tax assets are realized to the extent that the realization of benefits is considered more likely than not. In the event that the actual outcome differs from management's assumptions and estimates, the carrying amounts may be adjusted. Management believes that estimates employed are reasonable and reflect the probable outcome of known tax contingencies.

Disclosure Controls and Internal Controls

Disclosure Controls

Management is responsible for establishing and maintaining disclosure controls and procedures in order to provide reasonable assurance that material information relating to the Company is made known to them in a timely manner and that information required to be disclosed is reported within time periods prescribed by applicable securities legislation. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. Based on management's evaluation of the design and effectiveness of the Company's disclosure controls and procedures, the Company's Chief Executive Officer and Chief Financial Officer have concluded that these controls and procedures are designed and operating effectively as of December 31, 2009 to provide reasonable assurance that the information being disclosed is recorded, summarized and reported as required.

Internal Controls Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles. Internal control systems, no matter how well designed, have inherent limitations and therefore can only provide reasonable assurance as to the effectiveness of internal controls over financial reporting, including the possibility of human error and the circumvention or overriding of the controls and procedures. Based on management's design and testing of the effectiveness of the Company's internal controls over financial reporting, the Company's Chief Executive Officer and Chief Financial Officer have concluded that these controls and procedures are designed and operating effectively as of December 31, 2009 to provide reasonable assurance that the financial information being reported is materially accurate. During the quarter ended December 31, 2009, there have been no changes in the design of the Company's internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, its internal controls over financial reporting.

Consolidated Balance Sheet

Unaudited first quarters ended December 31 ($000's C$)	**2009**	2008
Assets		
Current Assets		
Accounts receivable	**$ 53,749**	$ 53,974
Inventories (note 5)	**88,672**	101,159
Prepaid expenses	**2,075**	1,651
Total Current Assets	**144,496**	156,784
Property, plant, equipment and intangibles (note 6)	**22,170**	25,116
Long term receivables (note 7)	**7,604**	7,735
Future income taxes (note 8)	**6,271**	5,389
Investments (note 9)	**149**	284
Total Assets	**$ 180,690**	$ 195,308
Liabilities and Shareholders' Equity		
Current Liabilities		
Bank indebtedness (note 10)	**$ 6,948**	$ 14,051
Account payable and accrued liabilities	**33,600**	42,866
Income taxes payable	**7,114**	15,593
Current portion of deferred gains	**1,200**	1,310
Current portion of deferred revenue	**247**	319
Current obligation under capital lease	**32**	66
Current portion of long term debt (note 11)	**206**	219
Total Current Liabilities	**49,347**	74,424
Advances from related party (note 12)	**3,570**	2,692
Deferred gains	**693**	1,893
Deferred revenue	**365**	468
Obligation under capital lease	**-**	56
Long term debt (note 11)	**886**	1,269
Total Liabilities	**54,861**	80,802
Shareholders' Equity		
Share capital (note 13)	**30,000**	30,000
Retained earnings	**95,829**	84,506
Total Shareholders' Equity	**125,829**	114,506
Total Liabilities and Equity	**$ 180,690**	$ 195,308

Commitments and Contingency (notes 15 and 16)

Approved on behalf of the Board:

Director:
Yury Ryazov
Chief Executive Officer
January 29, 2010

Director:
Dmitry Udras
Director General
January 29, 2010

Consolidated Statement of Earnings

Unaudited three months ended December 31 ($000's)	**2009**		2008	
Revenue (note 12)	**$ 42,754**		$ 57,097	
Cost of goods sold (note 12)	**35,769**		45,449	
Gross Profit	**6,985**	16.3%	11,648	20.4%
Selling & administration expenses	**4,541**	10.6%	4,014	7.0%
Income from Operations	**2,444**	5.7%	7,634	13.4%
Gain on disposal of assets	**(1,385)**		(384)	
Interest expense	**159**		212	
Amortization	**782**		973	
Research and development costs	**1,267**		680	
Net Earnings before Taxes	**1,621**	3.8%	6,153	10.8%
Current income taxes (note 14)	**509**		1,783	
Future income taxes (recovered) (note 8)	**(252)**		(59)	
Net Earnings	**$ 1,364**	3.2%	$ 4,429	7.8%

Consolidated Statement of Retained Earnings

Unaudited three months ended December 31 ($000's) except per share amounts		
Retained Earnings, beginning of period	**$ 94,465**	$ 80,077
Net earnings for the period	**1,364**	4,429
Retained Earnings, end of period	**$ 95,829**	$ 84,506
Earnings per share		
Basic	**$ 0.06**	$ 0.18
Fully diluted	**$ 0.06**	$ 0.18

Consolidated Statement of Cash Flows

Unaudited three months ended December 31 (000's)	**2009**	2008
Cash provided by (used in) operating activities		
Net earnings	**$ 1,364**	$ 4,429
Add (deduct) non-cash items		
Amortization	**782**	973
Gain on disposal of assets	**(1,385)**	(384)
Gain on foreign exchange	**(316)**	(127)
Deferred warranty revenue	**(43)**	(92)
Future income taxes (recovered)	**(252)**	(59)
	150	4,740
Net change in non-cash working capital balances*	**(2,450)**	(35,315)
	(2,300)	(30,575)
Investing activities		
Purchase of capital assets, net of investment tax credits	**(598)**	(339)
Proceeds on sale of capital assets	**2,147**	28
	1,549	(311)
Financing activities		
Increase in long term receivable	**116**	114
Increase in long term debt	**-**	917
Repayment of long term debt	**(28)**	(51)
Decrease in obligations under capital lease	**(10)**	(16)
Advances from related party	**-**	1,232
	78	2,196
Foreign exchange gain on cash held in foreign currency	**316**	127
Net cash used in the period	**(357)**	(28,563)
Bank indebtedness, beginning of period	**(6,591)**	14,512
Bank indebtedness, end of period	**$ (6,948)**	$ (14,051)

***Net change in non-cash working capital balances is comprised of:**		
Accounts receivable	**$ 13,444**	$ (4,650)
Inventories	**(941)**	(26,667)
Prepaid expenses	**(504)**	(627)
Accounts payable, accrued liabilities and taxes payable	**(14,449)**	(3,371)
Net cash used	**$ (2,450)**	$ (35,315)

Notes to Consolidated Financial Statements

1. Basis of presentation

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP) and have been prepared on a basis consistent with the same accounting policies and methods of application as disclosed in the Company's audited consolidated financial statements for the year ended September 30, 2009.

These unaudited interim consolidated financial statements do not include all of the information required by GAAP for annual financial statements and therefore should be read in conjunction with the audited consolidated financial statements and notes included in the Company's annual report for the year ended September 30, 2009.

The preparation of interim consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities as at the date of the consolidated financial statements and the reported amounts of revenues and expenses in the reporting period. Management believes that the estimates and assumptions used in preparing its interim consolidated financial statements are reasonable and prudent, however, actual results could differ from these estimates.

2. Accounting Policy Changes

Effective October 1, 2008, the Company adopted the following new Canadian Institute of Chartered Accountants (CICA) accounting standards:

(a) Section 1530 - Comprehensive Income, Section 3251 - Equity, Section 3855 - Financial Instruments - Recognition and Measurement, Section 3861 - Financial Instruments - Disclosure and Presentation and Section 3865 - Hedges.

These Handbook sections provide requirements for the recognition and measurement of financial instruments. Section 1530 establishes standards for reporting and presenting comprehensive income, which is defined as the change in equity from transactions and other events from non-owner sources. Section 3865 allows the Company, at its option, to apply hedge accounting provided that the Company properly designates hedges as fair value hedges, cash flow hedges or hedges of a self-sustaining foreign operation. As the Company does not have any elements of other comprehensive income or designated hedges, the adoption of these sections does not have any impact on the Company's consolidated financial statements.

(b) Section 1535 - Capital Disclosures

This section establishes standards for disclosing information about an entity's capital and how it is managed. These standards require an entity to disclose its objectives, policies and processes for managing capital, a summary of quantitative data about what it manages as capital and whether it complied with any externally imposed capital requirements to which it is subject and, if not, the consequences of such non-compliance.

(c) Section 3031- Inventories

This section, which replaced Section 3030- Inventories, establishes standards on the definition of 'cost' to include all costs of purchase (net of supplier payment discounts), costs of conversion and other costs incurred in bringing the inventories to their present location and condition. As a result, companies are required to systematically allocate variable and fixed production overhead costs that are incurred in converting materials into finished goods. The allocation of fixed production overhead costs is based on normal production capacity of the production facilities. In addition, this standard requires companies to assess the recoverability of inventory costs in comparison to net realizable value. Declines in replacement cost below carrying values for raw material inventories do not require write downs if the finished goods in which they will be utilized are expected to be sold at or above cost. This standard requires disclosing, in the current period, the amount recognized as an expense and the amount recognized as a reversal of previous write-downs.

3. Future accounting standards

(a) International Financial Reporting Standards

In January 2006, the CICA Accounting Standards Board (AcSB) adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards for public companies would be required to converge with International Financial Reporting Standards (IFRS) for fiscal years beginning on or after January 1, 2011 with comparative figures presented on the same basis. In February 2008, the CICA ASB confirmed the effective date of the initial adoption of IFRS.

While the implementation of these new standards will not impact the Company's financial statement until the September 30, 2012 year end, the Company will soon begin the process of the conversion by evaluating the major differences between Canadian GAAP and IFRS.

The Company has not yet determined the impact these future changes may have on the Company's future consolidated financial position and results of operation.

(b) Business Combinations - Handbook Section 1582

This section, which replaces CICA Section 1581- Business Combinations, establishes standards for the accounting for a business combination. It is the Canadian equivalent to International Financial (Reporting Standard IFRS 3, Business Combinations. The standard applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 2011 with earlier applications permitted.

3. Future accounting standards - continued

The Company has not yet determined the impact of the adoption of this change on its consolidated financial statements.

(c) Consolidated Financial Statements and Non-Controlling Interests - Handbook Section 1601 and 1602

These sections replace CICA Section 1600 - Consolidated Financial Statements. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination.

Section 1602 is equivalent to the corresponding provisions of International Financial Reporting Standard IAS 27, Consolidated and Separate Financial Statements. These standards are effective on or after the beginning of the first annual reporting period on or after January 2011 with earlier application permitted.

The Company has not yet determined the impact of the adoption of these changes on its consolidated financial statements.

4. Significant Accounting Policies

(a) Basis of consolidation

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in Canada and include the accounts of the company and all of its subsidiaries, including a 50% joint venture interest in Bradley Steel Processors Inc., which is accounted for using proportionate consolidation.

(b) Inventories

Inventories are stated at the lower of cost (first-in, first-out) and net realizable value. It is the Company's policy to record provisions for obsolete and slow moving inventory based on management estimates. These estimates are necessarily subject to a degree of measurement uncertainty.

(c) Property, plant & equipment, and intangibles

Capital assets and intangibles are recorded at cost less accumulated amortization and related investment tax credits. Amortization is provided over the estimated useful lives using the following rates and methods:

Buildings	4 to 5%	Straight line
Equipment	20 to 30%	Declining balance
Computers	30%	Declining balance
Software and tools	100%	Year acquired
Paving	6.52% & 5%	Straight line
Leaseholds	20%	Straight line
Signs	20%	Straight line
Fence	5%	Straight line

Goodwill is evaluated on an annual basis, and any write down in valuation that may be required is charged to income immediately.

(d) Revenue recognition

The Company records revenue when goods are shipped and legal title passes to the customer. Customer volume rebates and cash discounts are accrued at the time of sale and are recorded as a reduction of sales. Interest income is recognized as earned.

(e) Investments

The Company accounts for its investments where significant influence is exercised using the equity method of accounting whereby original costs are increased by the Company's proportionate share of earnings, net of losses, since dates of acquisition and are decreased by dividends received.

(f) Foreign currency translation

The accounts of the United States subsidiaries, which are considered integrated foreign operations, have been translated into Canadian dollars on the following bases:

1) Monetary assets and liabilities at the year-end rates of exchange;
2) Non-monetary assets and related amortization at rates prevailing at dates of transactions;
3) Revenue and expense items, other than amortization, at the average rate for the year.

The resulting currency translation gains and losses are included in earnings.

(g) Financial instruments

Foreign exchange and interest rate risk

These are the risks to the Company's earnings that arise from fluctuations in interest rates and foreign exchange rates. The Company does not use any derivative financial instruments to reduce its exposure to interest rate or foreign exchange rate risk.

Other risks

The Company is exposed to credit risk on its accounts receivable. Also, as part of the Company's risk management, the Company will assume some risk in insuring some of its widely held assets.

Fair value

The carrying values of financial assets and financial liabilities are considered to approximate fair value unless otherwise disclosed.

Notes to Consolidated Financial Statements

4. Significant Accounting Policies - continued

h) Use of estimates

The preparation of financial statements in conformity with Canadian Generally accepted accounting principals requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. The more subjective of such estimates is valuation of accounts receivable, inventory, future income tax asset long term receivables and long term investments. Management believes its estimates to be appropriate; however, actual results could differ from the amounts estimated.

5. Inventories (000's C$)

	2010 Q1	2009 Q1
Finished goods	$ 44,352	$ 46,927
Work in process	3,816	3,449
Raw materials	40,504	50,762
Land for development	-	21
	$ 88,672	$ 101,159

6. Property, Plant, Equipment, and Intangible Assets (000's C$)

	Cost	Accum. Amort.	2010 Q1 Net Book Value	2009 Q1 Net Book Value
Land	$ 3,147	$ -	$ 3,147	$ 3,416
Buildings	24,255	(12,951)	11,304	13,294
Equipment	46,079	(39,703)	6,376	6,788
Equipment under capital lease	113	(113)	-	17
Equipment held for leasing purposes	1,240	(763)	477	917
Computers	4,577	(4,216)	361	453
Software & tools	3,219	(3,140)	79	231
Goodwill	426	-	426	-
	$ 83,056	$ (60,886)	$ 22,170	$ 25,116

7. Long Term Receivables (000's C$)

	2009 Q1	2008 Q1
Current portion (included in accounts receivable)	$ 543	$ 507
Long Term receivables	7,604	7,735
	$ 8,147	$ 8.242

8. Future Income Taxes (000's C$)

Future income taxes are recorded to reflect the timing differences arising from deduction of warranty costs for income tax purposes, the amounts of amortization provided in the year compared to the allowances deducted for income tax purposes, and from expected Scientific Research and Experimental Development (SR&ED) tax credit claims. Future tax benefits are composed of an asset of $676 (2008—$236) relating to amortization of capital assets, a benefit of $2,256 (2008—$2,372) in respect of provisions for warranty, and a benefit from SR&ED and other amounts of $3,339 (2008—$2,781).

9. Investments (000's C$)

	2010 Q1	2009 Q1
Investments accounted for by the equity method	$ 40	$ 175
Investments held at cost	109	109
	$ 149	$ 284

10. Bank Indebtedness (000's C$)

The Company has available a financing facility with the Bank of Montreal in the amount of $60,000. The credit facility is secured by a mortgage, debenture, general security agreement and assignment of receivables and inventory. On average, the Company borrows at interest rates less than prime.

11. Long Term Debt (000's C$)

	2010 Q1	2009 Q1
Long term debt	$ 1,092	$ 1,488
Current portion	206	219
Long term portion	$ 886	$ 1,269

The U.S. Bank loans (State of North Dakota low interest loans) are repayable over 10 years and are secured by company assets. Principal payments over the next 5 years are as follows:

2010	$ 178	2013	238
2011	221	2014	118
2012	237		

12. Related Party Transactions (000's C$)

	2010 Q1	2009 Q1
Accounts receivable from controlling shareholder	$ 21,280	$ 17,160
Advances from controlling shareholder	3,570	2,692
Net sales to controlling shareholder	344	8,073
Net purchases from controlling shareholder	-	1,231

All transactions with related parties are recorded at the exchange amount agreed to by the related parties. The advances to the controlling shareholder were made in the normal course of trade and have no specific terms of repayment.

13. Capital Stock and Options (000's C$)

Authorized, an unlimited number of Class A & B common shares.

	2010 Q1 Shares		2009 Q1 Shares	
Issued at December 31				
Class A Common	25,000	$30,000	25,000	$30,000

There are no options outstanding as of December 31, 2009

14. Income Taxes (000's C$)

	2009 Q1	2008 Q1
At applicable statutory rate	$298	$ 1,361
Federal SRED Credits Earned	(252)	(87)
Reassessments and other	211	450
Income tax provision	$257	$ 1,724

Income taxes paid during the period were $4,380 (2008– $1,678)

15. Lease Commitment (000's C$)

The Company leases automobiles and office equipment under long term operating leases which mature on various dates to September 2011. Minimum annual lease payments to the expiration dates of these leases (including GST and PST) are as follows:

2010	$ 119
2011	83
2012	9

16. Contingent Liability (000's C$)

In a prior year, a loan from Industry Canada in the amount of $9,300 was forgiven. Should the Company fail to maintain certain tractor production levels in Winnipeg until October 22, 2017, $5,000 of the amount forgiven may become payable by the Company.

As at December 31, 2009, the Company was in compliance with this requirement, and management believes that productions levels will continue to be met during the time period set out in the contract with Industry Canada.

17. Deferred Profit Sharing Plan

In 1995, the Company established a Deferred Profit Sharing Plan for its employees. The Company contributes funds to the plan annually as determined by the Board of Directors, subject to certain maximum limits established by the plan. Contributions are used to purchase common shares of the Company for the employees from the plan trust. The plan trust owns approximately 259,000 Buhler Industries Inc. shares.

18. Capital Disclosures

The Company's fundamental objectives in managing capital are to maintain financial flexibility in order to preserve its ability to meet financial obligations, ensure adequate liquidity and financial flexibility at all times, and deploy capital to provide an appropriate investment return to its shareholders while maintaining prudent levels of financial risk. The Company believes that the aforementioned objectives are appropriate in the context of the Company's business.

The Company defines its capital as bank indebtedness, shareholders' equity, long-term debt including the current portion, net of any cash and cash equivalents. The Company's financial strategy is designed to maintain a flexible capital structure including an appropriate debt to capital ratio consistent with the objectives stated above and to respond to changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may purchase shares for cancellation pursuant to normal course issuer bids, issue new shares, raise debt (secured, unsecured, convertible and/or other types of available debt instruments), enter into hedging arrangements and refinance existing debt with different characteristics, amongst others.

The Company constantly monitors and assesses its financial performance and economic conditions in order to ensure that its net debt levels are prudent.

The Company's financial objectives and strategy are reviewed on an annual basis. The Company believes that its ratios are within reasonable limits, in light of the relative size of the Company and its capital management objectives.

There were no changes in the Company's approach to capital management during the current year.

19. Financial Instruments (000's)

The Company's policy is not to utilize derivative financials instruments for trading or speculative purposes. The Corporation may utilize derivative instruments in the management of its foreign currency and interest rate exposures.

Categories of financial assets and liabilities

Under Canadian GAAP, financial instruments are classified into one of the following five categories: held for trading, held to maturity investments, loans and receivables, available-for-sale financial assets, or other financial liabilities. All financial instruments, including derivatives, are included on the consolidated balance sheet, which are measured at fair value except for loans and receivables, held-to-maturity investments and other financial liabilities, which are measured at amortized costs.

Held for trading financial investments are subsequently measured at fair value and all gains and losses are included in net income in the period in which they arise. Available-for-sale financial instruments are subsequently measured at fair value with revaluation gains and losses included in other comprehensive income until the instruments is derecognized or impaired.

Financial Asset/Liability	Classification	Carried at cost/ Amortized cost	Carrying/ Fair Value
Cash/bank indebtedness	Held for trading		($6,948)
Accounts receivable	Loans and receivables	53,749	
Long term receivables	Loans and receivables	7,604	
Investments	Held for trading		149
Accounts payable and accrued liabilities	Other financial liabilities	33,600	
Long term debt	Other financial liabilities	1,092	

Fair value is based on quoted market prices when available. However, when financial instruments lack an available trading market, fair value is determined using management's estimates and is calculated using market factors with similar characteristics and risk profiles. These amounts represent point-in-time estimates and may not reflect fair value in the future. These calculations are subjective in nature, involve uncertainties and are a matter of judgment.

The following summarizes the methods and assumptions used in estimating the fair value of the Company's financial instruments:

a) Short-term financial instruments approximate their carrying amount due to the relatively short period to maturity. These include cash (bank indebtedness), accounts receivable and accounts payable and accrued liabilities.
b) Long-term debt with a variable interest rate is carried at cost, which reflects fair value as the interest rate is the current market rate available to the Company.

20. Financial Risk Management (000's C$)

The Company's risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company manages its risks and risk exposures through a combination of insurance, a system of internal and disclosure controls and sound business practices.

Risk management is primarily the responsibility of the Company's corporate finance function. Significant risks are regularly monitored and actions are taken, when appropriate, according to the Company's approved policies, established for that purpose. In addition, as required, these risks are reviewed with the Company's Board of Directors.

Foreign Exchange Risk
The Canadian dollar is the Company's functional currency. The Company operates primarily in Canada and the United States. The reporting currency of the Company is Canadian dollars, whereas the functional currency for operations in the United States is the U.S. dollar. Fluctuations in the exchange rate between the U.S. dollar and Canadian dollar will affect the Company's reported results. However, the impact of changes in foreign exchange rates on the Company's reported results differs over time depending on whether the Company is generating a net cash inflow or outflow of Canadian dollars. This is largely dependent on the Company's revenue mix by currency as operating costs denominated in Canadian dollars have been relatively stable.

In addition, translation differences arise when foreign currency monetary assets and liabilities are translated at foreign exchange rates that change over time. These foreign exchange gains and losses are recorded in revenues. As a result of the Company's U.S. dollar net monetary position within the Canadian dollar reporting currency operations as at December 31, 2009, a one-cent strengthening/weakening in the year-end foreign exchange rate from Canadian dollars to U.S. dollars would increase/decrease net earnings by $429.

The Company is insulated from large foreign exchange gains and losses by virtue of its mix of cash inflows and outflows in U.S. dollars. Gains and losses generated by fluctuations in the exchange rates used to translate U.S. dollar assets are offset by similar gains and losses on U.S. dollar liabilities. The Company also uses forward contracts to further mitigate these fluctuations when the natural hedges are forecasted to be insufficient. There were no forward contracts in place at December 31, 2009.

Interest Rate Risk
The Company's interest rate risk arises from its variable rate bank indebtedness. The long-term debt is either interest-free or very low rate, and therefore carries minimal interest rate risk. As the bank indebtedness is all variable rate, the Company is exposed to a certain level of interest rate risk. Management feels that these risks are manageable as the interest rate on this debt is less than prime and therefore has not entered into any instruments to mitigate this risk. Based on the level of bank indebtedness outstanding at December 31, 2009, a 1% increase/decrease in the rate being charged to the Company would result in a $84 decrease/increase in net earnings for the quarter.

Liquidity Risk
Investments to drive growth can require significant financial resources. A range of funding alternatives is available to the Company including cash on hand, cash flow provided by operations, additional debt, the issuance of equity or a combination thereof. The low level of outstanding debt and an informal investment grade credit rating allow the Company to enjoy relatively low interest rates. The Company has determined that total current credit facilities of $60,000 are adequate. The Company has remained within all bank debt covenants during 2009 and foresees no change in its ability to meet these covenants in 2010.

The 2010 requirements for capital expenditures, working capital and debt repayments can be financed from cash resources, cash flow provided by operating activities and unused credit facilities.

Credit Risk
Credit risk arises from cash held with banks and credit exposure to customers, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

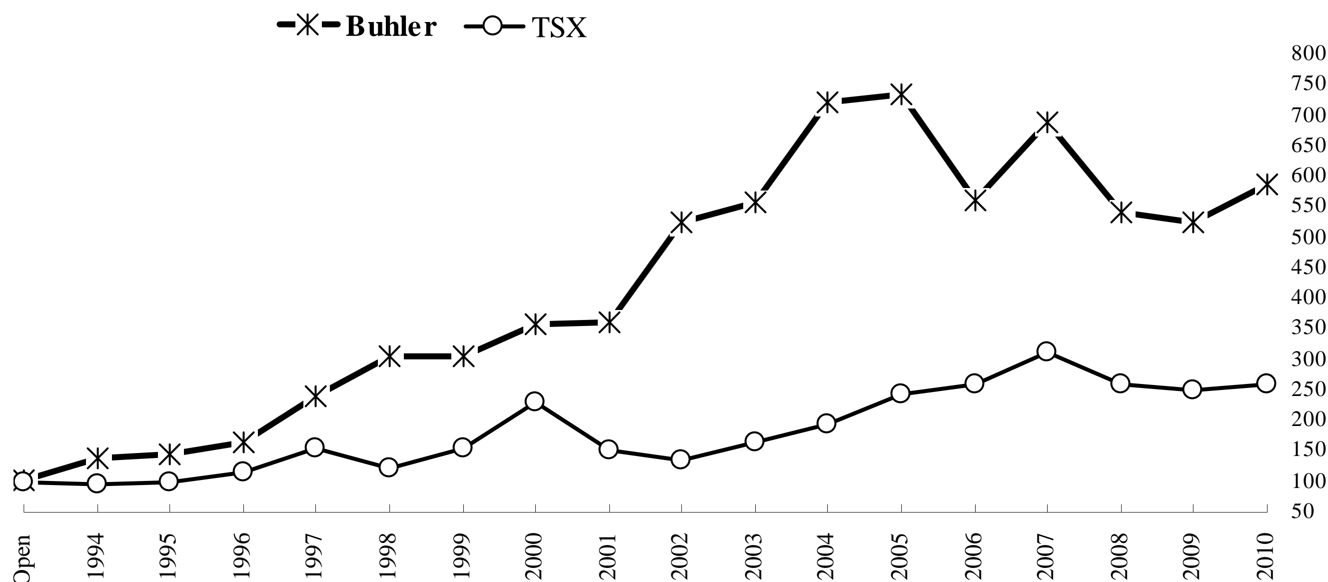
The objective of managing counterparty credit risk is to prevent losses on financial assets. The Company assesses the credit quality of counterparties, taking into account their financial position, past experience and other factors. Management regularly monitors customer credit limits, performs credit reviews and, in certain cases insures accounts receivable balances against credit losses.

The carrying amount of accounts receivable is reduced through the use of an allowance account and the amount of the loss is recognized in the earnings statement within selling, general and administrative expenses. When a receivable balance is considered uncollectible, it is written off against the allowance for accounts receivable. Subsequent recoveries of amounts previously written off are credited against selling, general and administrative expenses in the earnings statement.

Directors, Officers and Senior Management

Name	Office	Principal Occupation
Dmitry Udras	Chairman/Officer	Director General of Novoe Sodrugestvo, CJSC
Yury Ryazanov	Director/Chief Executive Officer	Vice President of Novoe Sodrugestvo, CJSC
Konstantin Babkin	Director	Chairman of the Board of Directors of Novoe Sodrugestvo, CJSC
Oleg Gorbunov	Director	Deputy Head of Government Bank, Russia
Allan Stewart, *B.A., LL.B.*	Director	Lawyer, Perlov Stewart LLP
John Buhler	Director	President, Highland Park Financial Inc.
Dmitry Lyubimov	Officer	President, Buhler Industries Inc.
Maxim Loktionov	Officer	Vice President, Buhler Industries Inc.
Grant Adolph, *P.Mgr*	Management	Chief Operating Officer, Buhler Industries Inc.
Eric Allison	Management	Director of Sales, Tractor division
Bill Morgan	Management	Director of Sales, Short Line Division
Willy Janzen, *C.G.A., B.Comm.*	Management	Chief Financial Officer, Buhler Industries Inc.
Min Lee, *I.S.M.*	Management	Chief Information Officer, Buhler Industries Inc.
Todd Trueman, *C.I.M. P.Mgr*	Management	Director of Human Resources, Buhler Industries Inc.
Adam Reid	Management	Marketing Manager, Buhler Industries Inc.

Stock Data



Ten Year Summary

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
				restated	restated	restated	restated	restated	restated	
SUMMARY OF OPERATIONS						In thousands of Canadian dollars (except per share amounts)				
Revenue	116,700	187,633	232,619	181,162	206,130	202,319	175,067	166,189	218,955	**284,072**
Cost of goods sold	86,398	156,223	183,134	139,929	168,529	165,275	141,138	137,694	175,077	**232,814**
Gross profit	30,302	31,410	49,485	41,233	37,601	37,044	33,929	28,495	43,878	**51,258**
Selling & admin. expense	13,513	14,883	19,758	16,135	16,290	16,206	16,863	16,544	16,476	**18,975**
Income from operations	16,789	16,527	29,727	25,098	21,311	20,838	17,066	11,951	27,402	**32,283**
Gain on sale of capital assets	(1,039)	(733)	(134)	(726)	(2,010)	(119)	(801)	(3,689)	(1,512)	**(3,247)**
Interest expense (Income)	671	1,032	369	703	(328)	62	2,414	585	2,089	**1,148**
Amortization	5,520	7,684	7,339	6,894	6,812	6,411	6,133	4,768	3,933	**4,070**
Research & development exp.	1,043	1,895	2,850	3,683	2,903	3,342	3,183	2,003	2,621	**8,820**
Non-controlling interest	903	847	809	762	884	700	555	246	-	**-**
Net Earnings before taxes	9,691	5,802	18,494	13,783	13,050	10,442	5,582	8,038	20,271	**21,492**
Income taxes (expense) recovery	(2,393)	1,313	(5,134)	(2,468)	(1,324)	(1,111)	(1,176)	(26)	(15,812)	**(7,104)**
Extraordinary items	-	-	-	-	-	-	-	-	7,211	**-**
NET EARNINGS	7,298	7,115	13,360	11,314	11,726	9,331	4,406	8,012	11,670	**14,388**
CASH FLOW SUMMARY										
Capital asset purchases	17,278	3,593	14,546	7,854	4,470	7,515	2,815	3,151	3,294	**2,088**
Long-term debt incurred	31,656	-	-	-	-	-	-	-	-	**807**
Reduction of long-term debt	-	2,894	795	1,657	3,628	3,360	3,315	3,315	18,852	**1,305**
Dividends Paid	2,209	2,435	2,584	2,760	2,990	3,500	3,750	7,500	-	**-**
Net cash flow	12,818	14,799	20,699	16,938	15,778	13,132	8,079	11,640	25,843	**18,958**
Net cash (Bank indebtedness)	(12,040)	(9,939)	(14,258)	(16,560)	15,360	(17,129)	(39,203)	10,733	14,512	**(6,591)**
BALANCE SHEET SUMMARY										
Acc'ts rec, cash & ppd. exp.	46,789	27,277	40,094	41,777	51,222	38,138	43,202	49,420	64,860	**68,764**
Inventory	52,846	60,179	70,361	90,495	73,762	105,979	104,888	69,668	74,492	**87,731**
Total current assets	99,635	87,456	110,455	132,272	124,984	144,117	148,090	119,088	139,352	**156,495**
Total assets	149,073	127,531	156,305	178,460	167,044	186,512	184,960	161,865	178,583	**193,817**
Total current liabilities	54,038	41,783	49,860	49,742	37,570	58,087	66,969	42,999	63,634	**63,422**
Total short and long term debt	47,240	42,245	57,743	60,409	29,870	45,398	61,813	19,011	760	**1,198**
Total liabilities	97,414	74,089	94,307	107,908	75,998	96,407	87,065	63,458	68,506	**69,352**
Total shareholders equity	51,659	53,442	61,998	70,552	91,407	97,233	97,895	98,407	110,077	**124,465**
Shares o/s (avg. in millions)	24.2	23.5	23.0	23.0	24.3	25.0	25.0	25.0	25.0	**25.0**
Working capital	45,597	45,673	60,595	82,530	87,414	86,030	81,121	76,089	75,718	**93,073**
DATA PER COMMON SHARE										
Revenue	$ 4.82	$ 7.98	$ 10.11	$ 7.88	$ 8.47	$ 8.09	$ 7.00	$ 6.65	$ 8.76	**$ 11.36**
EBITDA	0.66	0.62	1.14	0.63	0.95	0.69	0.57	0.54	1.34	**1.07**
Price to EBITDA	5.4	5.8	4.6	6.2	6.8	10.9	11.9	13.5	3.8	**4.9**
EBIT	0.43	0.29	0.82	0.60	0.54	0.42	0.22	0.32	1.27	**0.91**
Net earnings	0.30	0.30	0.58	0.49	0.48	0.37	0.18	0.32	0.47	**0.57**
Net earnings, no extraordinary item	0.30	0.30	0.58	0.49	0.48	0.37	0.18	0.32	0.18	**0.57**
Price to earnings	11.85	11.90	9.04	14.94	15.25	27.34	31.77	21.53	11.51	**9.21**
Cash flow	0.53	0.63	0.90	0.79	0.76	0.53	0.42	0.41	1.03	**0.76**
Dividends Paid	0.09	0.10	0.11	0.12	0.13	0.14	0.15	0.30	0.00	**0.00**
Closing share price	3.57	3.60	5.25	5.57	7.20	7.35	5.60	6.90	5.41	**5.25**
Shareholders' equity	2.13	2.27	2.70	3.07	3.76	3.90	3.92	3.94	4.40	**4.98**
STATISTICAL DATA										
Current ratio	1.8	2.1	2.2	2.7	3.3	2.5	2.3	2.8	2.2	**2.5**
Interest bearing debt/ equity ratio	0.2	0.2	0.2	0.2	-	0.2	0.4	0.1	-	**0.1**
Inventory turnover	2.8	2.6	2.6	1.5	2.3	1.6	1.3	2.0	2.4	**2.7**
Gross margin (% of revenue)	26.0%	16.7%	21.3%	22.8%	18.2%	18.3%	19.4%	17.1%	20.0%	**18.0%**
Selling & Admin. (% of revenue)	12%	8%	8%	9%	8%	8%	10%	10%	8%	**7%**
EBITDA (% of revenue)	14%	8%	11%	12%	10%	9%	8%	7%	16%	**9%**
Net earnings (% of revenue)	6%	4%	6%	6%	6%	5%	3%	5%	5%	**5%**
Return on average capital	14%	8%	18%	13%	12%	8%	5%	7%	12%	**12%**
Return on average equity	15%	13%	23%	18%	14%	10%	5%	8%	11%	**12%**