



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 sheet as at June 30, 2009 and the interim consolidated statements of earnings, retained earnings and cash flows for the nine month period 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.

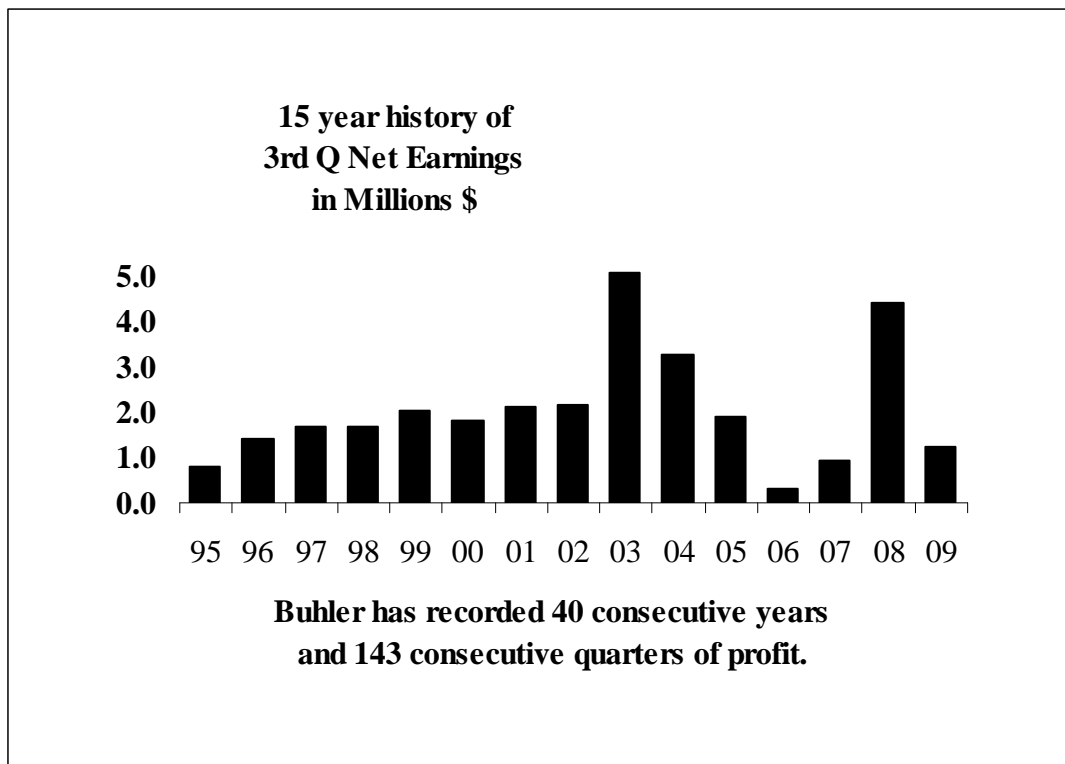
Yury Ryazanov
Chief Executive Officer
July 31, 2009

Dmitry Lyubimov
President
July 31, 2009

bühler

Third Quarter Report

June 30, 2009



A Leading Manufacturer and Distributor of Farm Equipment

Management Discussion & Financial Analysis

The Company recorded sales of \$76.7 million for the quarter, up 22% from \$62.9 million in the prior year. Sales for the first nine months are \$227.1 million, up \$81.2 million from the prior year. Overseas sales to our majority owner contributed approximately half of the sales increase up \$39.1 million over the prior year.

Third quarter gross profit percentage has decreased to 14.5% from 17.8% in the prior year due to stronger sales in the tractor division which traditionally carry lower margins.

Sales of our short-line products are up 10% for the first nine months over the prior year. Our short-line manufacturing facilities continue to operate near capacity.

Third quarter selling and administrative expenses are \$4.9 million up from \$4.0 million the year before. Year to date expenses are at \$13.8 million up from \$11.3 million in the prior year. Contributing factors to the increase in expenses are additional headcount, advertising, bad debt and travel expenses.

Research and development expense for the quarter increased to \$3.2 million up from \$0.8 million in the prior year. Expenditures for the year have increased to \$5.9 million up from \$1.9 million in the previous year. The Company continues to invest in the development of new products for the future.

The increase in sales volume and manufacturing activity has required additional working capital, primarily in inventory and receivables. Inventory increased to \$104.8 million up from \$81.0 million due to the increase in sales. In addition, the recent decline in overseas tractor demand has left the Company with higher than anticipated inventory levels. Accounts receivable is up due to strong sales in the second and third quarter. As a result of the increase in inventory and receivables, bank indebtedness is \$45.6 million. The Company is currently in discussion to secure additional financing to support its growth.

Looking Forward

Sales to date of \$227.1 million are just shy of our record year of \$232.6 million recorded in 2002 despite the current global economic crisis. Sales of short-line equipment continue to do well, however, a decline in overseas tractor sales is anticipated for the remaining part of the year and as a result, sales are expected to be lower in the fourth quarter. Overseas sales in Eastern Europe and Russia are experiencing significant credit issues and this has resulted in reduced demand for tractors.

Inventory is expected to drop in the fourth quarter resulting from a reduction in the production schedule that had been adjusted several months earlier specifically for overseas tractors.

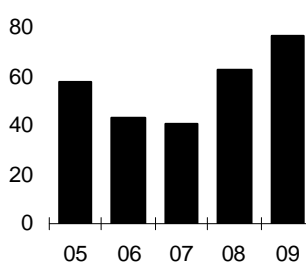
Cash flow for the Company is expected to improve as receivables are collected and as inventory levels begin to decline by year end. The Balance Sheet remains strong, with only \$1.1 million in long term debt.

Margins continue to be tight due to the strength in the Canadian dollar and the reduced demand for overseas tractors, however, this is partially offset by lower material costs.

The Company remains committed to its long term strategic growth plan and will continue to spend money on research and development to improve its product offering. The net book value of the Company's current shareholders' equity is currently at \$4.81 per share up from \$4.27 a year ago. The Company does not have plans to issue dividends in the near future.

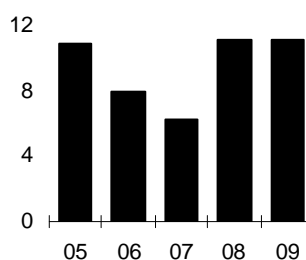
Dmitry Lyubimov
President
July 31, 2009

Sales and Growth (millions \$)



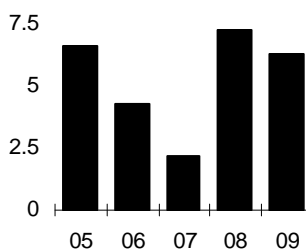
Revenue increased by 22% to \$76.7 million compared to last year. Revenue for nine months is up 56% to \$227.1 million. Sales to our majority owner increased by \$39.1 million over the same nine month period. We expect sales for the next three months to be less than the first nine months of the year.

Gross Profit (millions \$)



Gross profit was flat with last year coming in just over \$11.1 for the quarter. Gross profit for nine months increased to \$37.0 million or 16.3% of revenue from \$27.2 million or 18.6% of revenue last year. Increased sales in the tractor division contributed to the higher margin dollars, however tractor sales carry lower margins and as a result the overall margin percentage decreased. In addition, increases in material costs also contributed to lower margins.

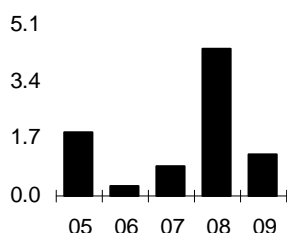
Income from Operations (millions \$)



Income from operations came in at \$6.3 million or 8.2% compared with \$7.2 million or 11.5% of revenue last year. Income from operations for nine months increased to \$23.2 million or 10.2% of revenue compared with \$15.8 million or 10.9% of revenue last year. Selling and administration expense dropped to 6.1% down from 7.8% sales contributing 1.7% to the bottom line.

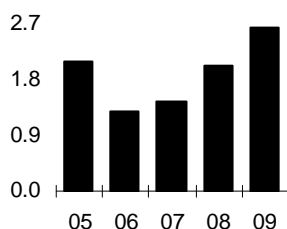
Management Discussion & Financial Analysis

Net Earnings (millions \$)



Net earnings for the quarter dropped to \$1.2 million from \$4.4 million in the prior year due to increased spending in R&D, overhead, interest expense and lower margin rates. Net earnings for nine months increased to \$10.3 million compared with \$8.8 million last year on higher volumes.

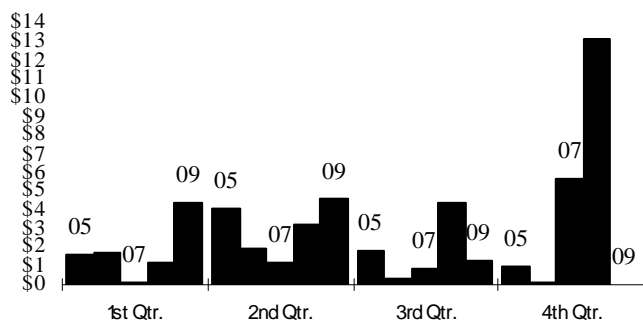
Inventory Turns



Inventory turns increased to 2.6 from 1.8 last year. The improvement is due to better management of inventory and increased production levels from last year. Inventory increased to \$104.8 million up from \$81.0 million in the prior year and we expect it to drop in the fourth quarter.

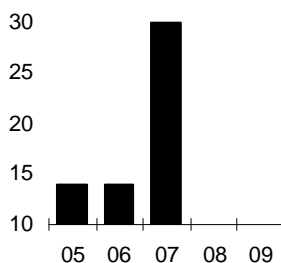
Quarterly Net Earnings Results (000's C\$)

	2005	2006	2007	2008	2009
	restated	restated	restated	restated	
1st Q	\$ 1,186	\$ 754	\$ 128	\$ 1,203	\$ 4,429
2nd Q	2,937	828	971	3,223	\$ 4,586
3rd Q	1,923	310	947	4,374	\$ 1,238
4th Q	674	54	4,826	13,110	
Total	\$ 6,721	\$ 1,946	\$ 6,872	\$21,910	\$ 10,253



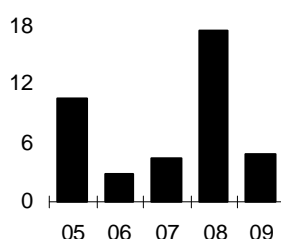
Third quarter earnings came in lower than average when compared with the previous four years earnings. Earnings for the quarter are lower due to increased headcount, interest expense and advertising. In addition, the Company is investing in research and development of new products and product enhancements for the future.

Dividends (cents \$)



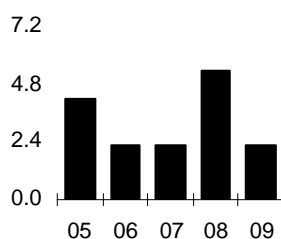
The Company has not paid a dividend since the 2007 fiscal year. Earnings are being re-invested in the Company to fund its growth.

Net Earnings (cents per share \$)



Earnings per share for the quarter decreased to \$0.05 per share from \$0.17 the prior year. Earnings for nine months increased to \$0.41 up from \$0.35 per share an increase of 17%. There are no options issued or outstanding and the number of shares outstanding remains at 25 million.

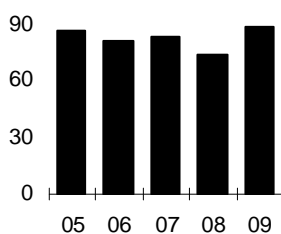
Net Cash Flow (millions \$)



The Company generated \$2.3 million cash flow in the third quarter, down from \$5.4 million in the previous year. This non GAAP measure is defined as the sum of net after tax earnings plus amortization. Actual year to date cash flow dropped \$60.2 million due to increases in accounts receivable and inventory offset by profits. The

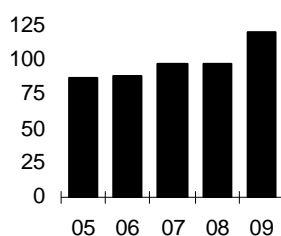
Company expects cash flow to improve in the fourth quarter as inventory levels start dropping and receivables are collected.

Liquidity, Working Capital (millions C\$)



Working capital of \$89.5 million is up from last year's \$74.0 million. However, the current ratio has dropped to 1.8 from 2.5. The Company is currently in negotiations to secure additional credit and has taken steps to reduce excess inventory.

Equity (millions C\$)



Equity has increased to \$120.3 million or \$4.81 per share compared with last year's \$97.0 million or \$3.88 per share. The change in equity accounts for a 24.1% increase over the prior year.

Consolidated Balance Sheets

Buhler Industries Inc. 3rd Quarter Fiscal 2009

Unaudited third quarter ended June 30 (\$000's C\$)

	2009	2008 Restated
ASSETS		
Current Assets		
Cash	\$ -	\$ 10,927
Accounts receivable (note 6, 8)	95,787	30,621
Inventories (note 2)	104,770	81,028
Prepaid expenses	1,294	790
Total Current Assets	201,851	123,366
Property plant and equipment (note 4)	23,910	24,634
Long term receivables (note 6)	7,799	8,296
Future income taxes (note 11)	5,368	6,625
Investments - (note 7)	297	231
Total Assets	\$ 239,225	\$ 163,152
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Bank indebtedness (note 3)	\$ 45,640	\$ -
Account payable and accrued liabilities	56,296	33,486
Income Taxes Payable	8,743	10,812
Current portion of deferred revenue & deposits	1,452	1,737
Current obligation under capital lease (note 14)	40	40
Current portion of long term debt (note 9)	215	3,283
Total Current Liabilities	112,386	49,358
Advances from related party (note 8)	3,612	266
Deferred revenue	1,784	3,223
Obligation under capital lease (note 14)	12	49
Long term debt (note 9)	1,101	13,289
Total Liabilities	118,895	66,185
SHAREHOLDERS' EQUITY		
Share capital (note 12)	30,000	30,000
Retained earnings	90,330	66,967
Total Shareholders' Equity	120,330	96,967
Total Liabilities and Equity	\$ 239,225	\$ 163,152

Consolidated Statements of Earnings and Retained Earnings

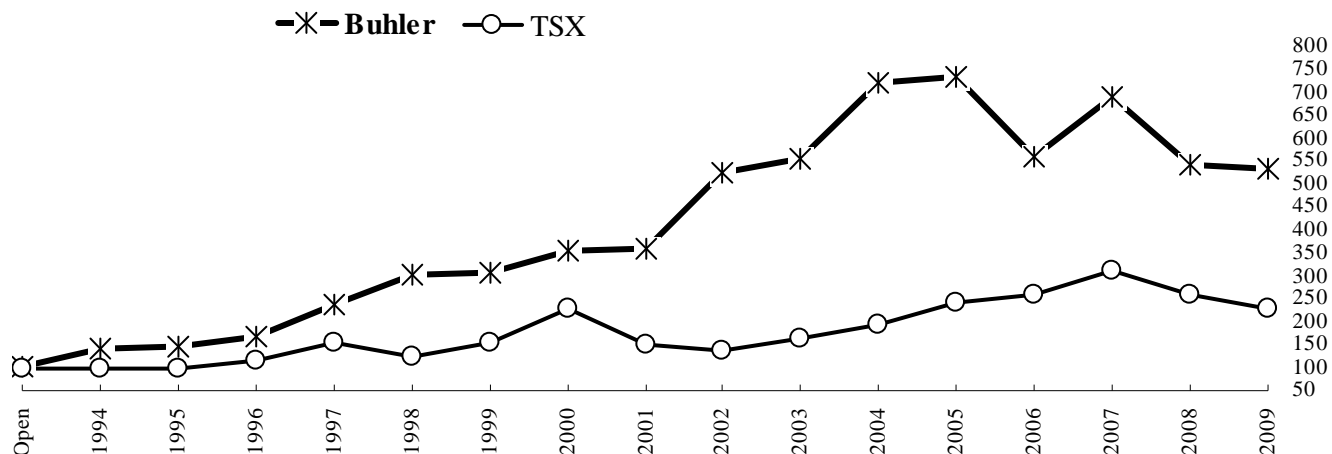
Buhler Industries Inc. 3rd Quarter Fiscal 2009

Unaudited (000's C\$) except per share amounts

For 9 months ended June 30 (000's)

	Q3 2009		Q3 2008 Restated		YTD 2009		YTD 2008 Restated	
Revenue	\$ 76,691		\$ 62,925		\$227,140		\$145,891	
Cost of Goods Sold	<u>65,546</u>		<u>51,736</u>		<u>190,130</u>		<u>118,724</u>	
Gross Profit	11,145	14.5%	11,189	17.8%	37,010	16.3%	27,167	18.6%
Selling & administration expenses	<u>4,887</u>	6.4%	<u>3,961</u>	6.3%	<u>13,788</u>	6.1%	<u>11,322</u>	7.8%
Income From Operations	6,258	8.2%	7,228	11.5%	23,222	10.2%	15,845	10.9%
Loss (gain) sale capital assets	(379)		(371)		(1,186)		(1,142)	
Interest expense (income) (note 10)	506		(278)		1,046		206	
Amortization	1,032		983		3,044		2,898	
Research & Development	3,199		788		5,876		1,869	
Earnings Before Taxes	1,900	2.5%	6,106	9.7%	14,442	6.4%	12,014	8.2%
Provision for income taxes	<u>662</u>		<u>1,732</u>		<u>4,189</u>		<u>3,214</u>	
NET EARNINGS	\$ 1,238	1.6%	\$ 4,374	7.0%	\$ 10,253	4.5%	\$ 8,800	6.0%
Retained Earnings, beginning period as previously reported	<u>89,092</u>		<u>73,210</u>		<u>80,077</u>		<u>68,407</u>	
Proposed Tax Reassessment							<u>(10,240)</u>	
Retained Earnings beginning period as restated	<u>89,092</u>		<u>73,210</u>		<u>80,077</u>		<u>58,167</u>	
Retained Earnings, End of Period	\$ 90,330		\$ 77,584		\$ 89,092		\$ 66,967	
Earnings per share (fully diluted)	\$ 0.05		\$ 0.17		\$ 0.41		\$ 0.35	

Buhler (excluding dividends) compared with TSX Index
1994 to June 30, 2009



Consolidated Statement of Cash Flows

For 9 months ended June 30 (000's)

	Q3 2009	Q3 2008	YTD 2009	YTD 2008
Cash provided by (used in) operating activities		Restated		Restated
Net earnings	\$ 1,238	\$ 4,374	\$ 10,253	\$ 8,800
Add (deduct) non-cash items				
Amortization	1,032	983	3,044	2,898
Loss (gain) on disposal of assets	(379)	(371)	(1,186)	(1,142)
Loss (gain) on foreign exchange	(782)	406	(1,407)	226
Deferred gain	323	-	1,050	-
Future income taxes	37	-	(38)	4
	<u>1,469</u>	<u>5,392</u>	<u>11,716</u>	<u>10,786</u>
Net change in non-cash working capital balances*	1,050	(3,070)	(75,022)	(9,513)
	<u>2,519</u>	<u>2,322</u>	<u>(63,306)</u>	<u>1,273</u>
Investing activities				
Purchase of capital assets, net of investment tax credits	(182)	(70)	(1,346)	(1,073)
Proceeds on sale of capital assets	160	403	296	1,554
Investments	-	(4)	(13)	15
	<u>(22)</u>	<u>329</u>	<u>(1,063)</u>	<u>496</u>
Financing activities				
(Increase)/decrease in long term receivables	118	361	50	(266)
Increase/(decrease) in long term debt	(113)	-	832	-
Repayment of long term debt	(45)	(820)	(138)	(2,439)
Increase/(decrease) in obligation under capital lease	(9)	(9)	(86)	89
Advances (repayment) from related party	17	297	2,152	1,267
	<u>(32)</u>	<u>(171)</u>	<u>2,810</u>	<u>(1,349)</u>
Foreign exchange gain on cash held in foreign currency	<u>782</u>	<u>(406)</u>	<u>1,407</u>	<u>(226)</u>
Net cash provided (used) in the period	<u>3,247</u>	<u>2,074</u>	<u>(60,152)</u>	<u>194</u>
Bank balance (debt), beginning of period	<u>(48,887)</u>	<u>8,853</u>	<u>14,512</u>	<u>10,733</u>
Bank balance (debt), end of period	<u>\$ (45,640)</u>	<u>\$ 10,927</u>	<u>\$ (45,640)</u>	<u>\$ 10,927</u>
*Net change in non-cash working capital balances is comprised of:				
Accounts receivable	\$ (5,494)	\$ (4,160)	\$ (46,463)	\$ 7,407
Inventories	277	64	(30,278)	(11,360)
Prepaid expenses	(593)	(574)	(270)	(131)
Accounts payable, accrued liabilities and taxes payable	7,231	2,007	3,209	533
Deferred revenue	(371)	(407)	(1,220)	(5,962)
Net cash provided (used)	<u>\$ 1,050</u>	<u>\$ (3,070)</u>	<u>\$ (75,022)</u>	<u>\$ (9,513)</u>

Notes to Consolidated Financial Statements

1. 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 in Bradley Steel Processors Inc., which is accounted for using proportionate consolidation.

(b) Inventories

Inventories are stated at the lower of cost 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 amortization

Capital assets are recorded at cost (first-in, first-out method) 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%	Calendar year acquired
Paving	6.52% & 5%	Straight line
Leaseholds	20%	Straight line
Signs	20%	Straight line
Fence	5%	Straight line

(d) Revenue recognition

Sales are recognized when the risks and rewards of ownership have transferred to the customer, which is generally considered to have occurred as products are shipped. 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 and net of losses, since the date 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 basis:

- 1) Monetary assets and monetary 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 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 uses derivative financial instruments to reduce its exposure to foreign exchange rate risk. The Company does not use derivatives financial instruments to reduce its exposure to interest 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.

(h) Use of Estimates

The preparation of financial statements in conformity with Canadian Generally Accepted Accounting principles 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.

2. INVENTORIES (000's)

	Q3 2009	Q3 2008
Land for development	\$ -	\$ 76
Finished goods	50,096	37,517
Work in process	3,800	3,001
Raw materials	50,874	40,434
	<u>\$ 104,770</u>	<u>\$ 81,028</u>

3. CREDIT FACILITY

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

4. PROPERTY, PLANT & EQUIPMENT (000's)

	Cost	Accum. Amort..	Q3 2009	Q3 2008
			Net Book Value	Net Book Value
Land	\$ 3,279		\$ 3,279	\$ 3,416
Buildings	26,289	(13,442)	12,847	13,591
Equipment	45,458	(38,859)	6,599	5,950
Equipment under capital lease	113	(108)	5	47
Equipment held for leasing	1,353	(656)	697	996
Computers	4,525	(4,130)	395	558
Software & tools	3,132	(3,044)	88	76
	<u>\$ 84,149</u>	<u>\$ (60,239)</u>	<u>\$ 23,910</u>	<u>\$ 24,634</u>

5. OPERATING LEASE REVENUE (000's)

Year to date, the Company received income from operating leases of \$159 (2008 YTD, \$159)

6. LONG TERM RECEIVABLES (000's)

	Q3 2009	Q3 2008
Current portion included in Accounts Receivable	\$ 540	\$ 450
Long term receivables	\$ 7,799	\$ 8,296
Long term receivables are secured by property.		

7. INVESTMENTS (000's)

	Q3 2009	Q3 2008
Investments accounted for by the equity method	\$ 188	\$ 122
Investments held at cost	109	109
	<u>\$ 297</u>	<u>\$ 231</u>

8. RELATED PARTY TRANSACTIONS (000's)

	Q3 2009	Q3 2008
Controlling Shareholder	\$ 36,706	\$ 4,147
Accounts Receivable	3,612	266
Miscellaneous Payable		
Accounts receivables due from the controlling shareholder carry a six month payment term. Miscellaneous payables have no repayment terms. Sales and purchases from majority shareholder as follows:	YTD 2009	YTD 2008
Net sales to controlling shareholder	\$ 42,167	\$ 3,057
Net purchases from controlling shareholder	2,152	25

9. LONG TERM DEBT (000's)

	Q3 2009	Q3 2008
Long term debt	\$ 1,316	\$ 16,572
Current portion	215	3,283
Long term portion	<u>\$ 1,101</u>	<u>\$ 13,289</u>

The unsecured, interest free, Industry Canada loan was repayable in 120 equal monthly installments of \$265 commencing July 31, 2003. In 2008, this loan was retired, with Industry Canada forgiving \$9,300 of the total due.

The U.S. Bank loan (State of North Dakota interest free loan) is repayable over 10 years and is secured by Company assets. Principal payments over the next 5 years in \$US are noted under Loan 1.

The U.S. Bank loan (State of North Dakota PACE loan) is repayable over 7 years and is secured by a specific piece of equipment. Interest is currently being charged at 1% with a buy down provision at the end of term. Principal payments over the next 5 years in \$US are noted under Loan 2.

	Loan 1	Loan 2
2009	\$ 26	\$ 20
2010	111	82
2001	119	87
2012	127	93
2013	124	98

Notes to Consolidated Financial Statements

10. INTEREST PAID (000's)

	YTD Q3 2009	YTD Q3 2008
Operating loan	\$ 1,619	\$ 1,028
Long term debt	11	-
	<u>\$ 1,630</u>	<u>\$ 1,028</u>

11. FUTURE INCOME TAXES

Future income taxes are recorded to reflect the timing differences arising from deduction of warranty costs for income tax purposes and the amounts of amortization provided in the year compared to the allowances deducted for income tax purposes.

12. SHARE CAPITAL STOCK AND OPTIONS (000's)

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

	2009 Shares		2008 Shares	
Issued at Apr 30				
Class A Common	25,000	\$30,000	25,000	\$30,000

There are no options outstanding as of June 30, 2009

13. 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 150,000 Buhler shares.

14. OBLIGATION UNDER CAPITAL LEASE (000's)

	Q3 2009	Q3 2008
To Cisco Systems Capital, requiring monthly payments of \$5,526 (including maintenance of \$1,800 excluding sales tax) with the final payment due October 31, 2010.	\$ 52	\$ 89
Less current portion	40	40
	<u>\$ 12</u>	<u>\$ 49</u>

Minimum payments over the next 3 years are as follows:

2009	\$ 10	2010	\$40	2011	\$3
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15. FINANCIAL INSTRUMENTS (000's)

For the quarter ended June 30, 2009, the Company recorded an unrealized gain of \$865 resulting from the mark-to-market adjustments of foreign exchange contracts at the end of the period. For the third quarter and nine month period ended June 30, 2009 the Company recorded cash gains of \$387 and \$72 respectively realized on the exercise of currency option contracts that matured during the period.

At June 30, 2009, the aggregate amount of foreign exchange forward contracts outstanding was US\$8,000 at an average exchange rate of 1.2711 Cdn. to 1.00 U.S.

16. TAX REASSESSMENT (000'S)

In the interest of conservatism, the Company is recording as a prior period adjustment a tax reassessment from Canada Revenue Agency (CRA). The Company believes the reassessment is without merit and is vigorously disputing it.

As a result, the 2007 accounts payable and accrued liabilities were understated by \$2,310 and income taxes payable were understated by \$7,930. The comparative figures have been restated to properly reflect opening retained earnings.

Interest expense of \$770 due to CRA was accrued in the fourth quarter of 2008 as a result of the assessment above. There is no net change to 2008, however, the quarterly comparative data has been restated to allocate the interest expense over the 2008 period. For the third quarter in 2008, taxes payable was understated by \$572 and have been restated. On the 2008 statement of operations and deficit, year to date interest expenses have been increased by \$572.

17. 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 period.

Directors, Officers and Senior Management

Name	Office	Principal Occupation
Dmitry Udras	Chairman/Officer	Director General of Novoe Sodrugestvo, CJSC
Yury Ryazanov	Director/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

Ten Year Summary

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
					restated	restated	restated	restated	restated	
SUMMARY OF OPERATIONS										
In thousands of Canadian dollars (except per share amounts)										
Revenue	79,961	116,700	187,633	232,619	181,162	206,130	202,319	175,067	166,189	218,955
Cost of goods sold	53,754	86,398	156,223	183,134	139,929	168,529	165,275	141,138	137,694	175,077
Gross profit	26,207	30,302	31,410	49,485	41,233	37,601	37,044	33,929	28,495	43,878
Selling & admin. expense	11,264	13,513	14,883	19,758	16,135	16,290	16,206	16,863	16,544	16,476
Income from operations	14,943	16,789	16,527	29,727	25,098	21,311	20,838	17,066	11,951	27,402
Gain on sale of capital assets	(346)	(1,039)	(733)	(134)	(726)	(2,010)	(119)	(801)	(3,689)	(10,812)
Interest expense (Income)	434	671	1,032	369	793	(68)	492	3,094	1,435	(221)
Amortization	5,126	5,520	7,684	7,339	6,894	6,812	6,411	6,133	4,768	3,933
Research & development exp.	577	1,043	1,895	2,850	3,683	2,903	3,342	3,183	2,003	2,621
Non-controlling interest	224	903	847	809	762	884	700	555	246	-
Net Earnings before taxes	8,928	9,691	5,802	18,494	13,692	12,790	10,012	4,902	7,188	31,881
Income taxes	3,131	2,393	(1,313)	5,134	3,648	3,824	3,291	2,956	316	9,971
NET EARNINGS	5,797	7,298	7,115	13,360	10,044	8,966	6,721	1,946	6,872	21,910
CASH FLOW SUMMARY										
Capital asset purchases	5,960	17,278	3,593	14,546	7,854	4,470	7,515	2,815	3,151	3,294
Long-term debt incurred	2,417	31,656	-	-	-	-	-	-	-	-
Reduction of long-term debt	-	-	2,894	795	1,657	3,628	3,360	3,315	3,315	18,852
Dividends Paid	1,992	2,209	2,435	2,584	2,760	2,990	3,500	3,750	7,500	-
Net cash flow	10,923	12,818	14,799	20,699	16,938	15,778	13,132	8,079	11,640	25,843
Net cash (Bank indebtedness)	(4,043)	(12,040)	(9,939)	(14,258)	(16,560)	15,360	(17,129)	(39,203)	10,733	14,512
BALANCE SHEET SUMMARY										
Acc'ts rec, cash & ppd. exp.	13,793	46,789	27,277	40,094	41,777	51,222	38,138	43,202	49,420	63,221
Inventory	20,610	52,846	60,179	70,361	90,495	73,762	105,979	104,888	69,668	74,492
Total current assets	34,403	99,635	87,456	110,455	132,272	124,984	144,117	148,090	119,088	139,352
Total assets	74,843	149,073	127,531	156,305	178,281	167,044	186,512	184,366	161,865	178,853
Total current liabilities	14,195	54,038	41,783	49,860	51,012	41,600	64,727	74,423	53,239	63,706
Total short and long term debt	7,587	47,240	42,245	57,743	60,409	29,870	45,398	61,813	19,011	2,082
Total liabilities	27,516	97,414	74,089	94,307	109,178	80,028	96,407	96,165	63,458	68,506
Total shareholders equity	47,327	51,659	53,442	61,998	69,282	87,377	90,593	88,795	88,167	110,077
Shares o/s (avg. in millions)	24.5	24.2	23.5	23.0	23.0	24.3	25.0	25.0	25.0	25.0
Working capital	20,208	45,597	45,673	60,595	81,260	83,384	79,390	73,667	65,849	75,646
DATA PER COMMON SHARE										
Revenue	\$ 3.27	\$ 4.82	\$ 7.98	\$ 10.11	\$ 7.88	\$ 8.47	\$ 8.09	\$ 7.00	\$ 6.65	8.76
EBITDA	0.59	0.66	0.62	1.14	0.93	0.80	0.68	0.57	0.54	1.42
Price to EBITDA	5.2	5.4	5.8	4.6	6.0	9.0	10.9	9.9	12.9	3.8
EBIT	0.38	0.43	0.29	0.82	0.63	0.52	0.42	0.32	0.34	1.27
Net earnings	0.24	0.30	0.30	0.58	0.44	0.37	0.27	0.08	0.27	0.88
Price to earnings	12.91	11.85	11.90	9.04	12.75	19.54	27.34	71.94	25.10	6.17
Cash flow	0.45	0.53	0.63	0.90	0.74	0.65	0.53	0.32	0.47	1.03
Dividends Paid	0.08	0.09	0.10	0.11	0.12	0.13	0.14	0.15	0.30	0.30
Closing share price	3.06	3.57	3.60	5.25	5.57	7.20	7.35	5.60	6.90	5.41
Shareholders' equity	1.93	2.13	2.27	2.70	3.01	3.59	3.62	3.55	3.53	4.40
STATISTICAL DATA										
Current ratio	2.4	1.8	2.1	2.2	2.7	3.3	2.5	2.3	2.2	2.2
Interest bearing debt to equity ratio	0.1	0.2	0.2	0.2	0.2	-	0.2	0.4	0.1	-
Inventory turnover	2.7	2.8	2.6	2.6	1.5	2.3	1.6	1.3	2.0	2.4
Gross margin (% of revenue)	32.8%	26.0%	16.7%	21.3%	22.8%	18.2%	18.3%	19.4%	17.1%	20.0%
Selling & Admin. (% of revenue)	14%	12%	8%	8%	9%	8%	8%	10%	10%	8%
EBITDA (% of revenue)	18%	14%	8%	11%	12%	10%	9%	8%	7%	16%
Net earnings (% of revenue)	7%	6%	4%	6%	6%	6%	5%	3%	5%	10%
Return on average capital	18%	14%	8%	18%	13%	12%	8%	5%	7%	28%
Return on average equity	13%	15%	13%	23%	18%	14%	10%	5%	8%	20%