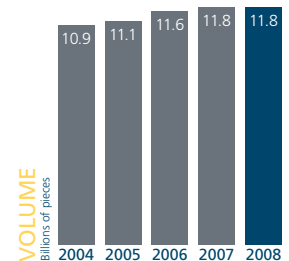
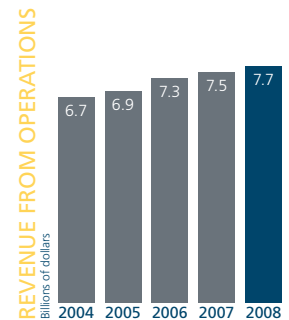


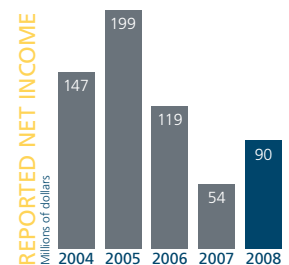
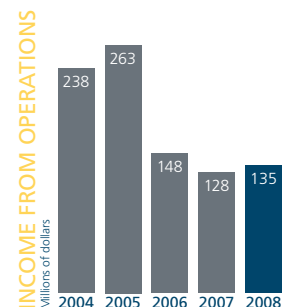
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Financial and Operating Highlights – The Canada Post Group

ANNUAL REPORT (in millions of dollars)		2008	2007	% CHANGE
Operations				
Revenue from operations	As reported	\$7,729	\$7,474	3.0%
Income from operations	Revenue from operations – cost of operations	135	128	5.6%
Operating profit margin (%)	Income from operations ÷ revenue from operations	1.8%	1.7%	–
Productivity (%)	Cost of operations as a % of revenue from operations	98.2%	98.3%	–
Income before income taxes	As reported	161	160	1.0%
Net income	As reported	90	54	66.1%
Return on equity (%)	Net income ÷ average equity	6.1%	3.8%	–
Dividend paid		22	47	(54.1)%
Dividend payout ratio (%)	Dividend paid as a % of prior year's net income	40%	40%	–
Cash from operations	As reported	597	344	73.6%
Capital expenditures	As reported	391	331	18.1%
Financial Position				
Cash		605	386	56.9%
Total assets		5,591	5,167	8.2%
Equity of Canada		1,507	1,439	4.8%



The Canada Post Group processed 11.8 billion pieces during the 12-month period. Consolidated revenue from operations reached \$7.7 billion and consolidated net income totalled \$90 million.