

About Us

CANADA POST IS A FINANCIALLY SELF-SUSTAINING CROWN CORPORATION THAT'S A VITAL PART OF THE CANADIAN ECONOMY, EMPLOYS 72,500 CANADIANS WITHIN THE CANADA POST GROUP, AND CONNECTS MILLIONS OF INDIVIDUALS, COMMUNITIES AND COMPANIES TO EACH OTHER AND TO THE WORLD.

Canada Post and its affiliates spend more than \$2.8 billion annually on goods and services, thereby creating an additional 30,000 jobs.

Every business day, Canada Post delivers some 40 million pieces of mail to approximately 14 million residential and business addresses; this delivery network expands by some 200,000 addresses every year. There are more than 20,000 delivery routes in Canada, and each day, 585 planned domestic flights, 100 national service delivery vehicles and 18 rail services are used to deliver the mail from coast to coast. Canada Post also has 6,600 post offices, giving it the largest retail network in Canada.

Canada Post and its employees are strong believers in giving back to the community. In 2007, we announced that mental health would be Canada Post's new cause of choice. Canada Post also supports literacy, the Canadian Freestyle Ski Team and the United Way. Each year, employees help Santa answer more than one million letters in 26 languages, a feat which earned Canada Post a spot in The Guinness World Records.

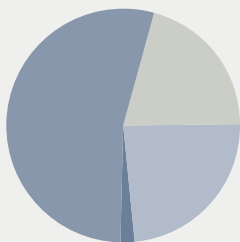
Canada Post's competitors range from niche players to large multinationals with revenues up to ten times higher

than the Corporation's, including FedEx, UPS and DHL. Unlike its competitors, Canada Post has a mandated universal service obligation to deliver mail to every address in Canada, five days a week. Since 1982, Canada Post has also been restricted by a price-cap formula that holds rate increases on the basic letter rate to two-thirds the rate of inflation.

To compete more effectively, we operate as a group of companies called The Canada Post Group to deliver a full range of delivery, logistics and fulfillment services to customers. The Corporation holds an interest in Purolator Courier, Innovapost and SCI Logistics. The Canada Post segment represents approximately 80% of the Corporation's consolidated revenue.

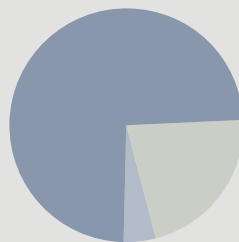
In 2006, Canada Post restructured into three lines of business – Transaction Mail (bills, invoices, notices and statements), Parcels and Direct Marketing – so that we could better focus on our customers. As our customers' needs evolve, Canada Post is changing too, developing new delivery and communication services so we can continue to offer real value to businesses and consumers alike.

PRODUCT VIEW



Transaction Mail **54.0%**
Parcels **20.6%**
Direct Marketing **23.6%**
Other **1.8%**

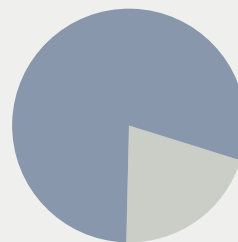
REVENUE SOURCES



Commercial **\$4,418**
Retail **\$1,292**
International Inbound **\$250**
Other **(\$5)**

in millions of dollars

REVENUE (Consolidated)

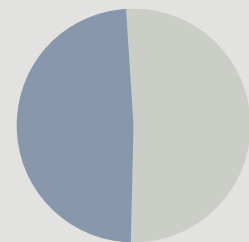


Canada Post **\$5,955**
Subsidiaries/
Joint Venture* **\$1,519**

* including consolidation entries

in millions of dollars

INCOME BEFORE TAXES (Consolidated)



Canada Post **\$78**
Subsidiaries/
Joint Venture* **\$82**

* including consolidation entries

in millions of dollars

6,600

POST OFFICES ACROSS CANADA

96%

ON-TIME DELIVERY PERFORMANCE

A representative sample of fabricated short/long and oversized Lettermail test pieces is weighted according to origin-destination mail volumes.

14 million

ADDRESSES SERVED IN CANADA



TOP 100 EMPLOYER

For the second year in a row, Canada Post was recognized as one of the country's Top 100 Employers, chosen from more than 10,000 companies invited to apply. The 100 companies, selected by Mediacorp, were featured in a special edition of Maclean's magazine in October.



Companies were rated on their performance in several areas, including work atmosphere, community involvement, environmental leadership, benefits, training and development, vacation policy, and employee engagement.

		Canadian \$ equivalent (as of Feb. 2008)
AUSTRALIA	\$0.40	
UNITED STATES	\$0.44	
CANADA	\$0.52	
JAPAN		\$0.69
SWEDEN		\$0.70
UNITED KINGDOM		\$0.73
FRANCE		\$0.79
GERMANY		\$0.81
ITALY		\$0.88

CANADA HAS ONE OF THE LOWEST BASIC LETTER RATES IN THE WORLD