

Consolidated Statement of Financial Position

	December 31 2018	March 31 2018	April 1 2017
<i>(amounts in millions of Canadian dollars)</i>		Restated	Restated
Assets			
Cash and cash equivalents	\$ 361.7	\$ 611.5	\$ 504.7
Accounts receivable	577.3	452.0	450.1
Contract assets	497.3	439.7	348.5
Inventories	604.2	516.1	549.0
Prepayments	63.7	50.0	63.8
Income taxes recoverable	63.9	40.7	25.6
Derivative financial assets	7.7	13.3	23.4
Total current assets	\$ 2,175.8	\$ 2,123.3	\$ 1,965.1
Property, plant and equipment	1,947.6	1,803.9	1,582.6
Intangible assets	1,318.0	1,055.6	944.0
Investment in equity accounted investees	297.8	242.7	375.8
Deferred tax assets	56.7	61.2	42.9
Derivative financial assets	11.2	11.5	16.0
Other assets	487.4	482.0	471.3
Total assets	\$ 6,294.5	\$ 5,780.2	\$ 5,397.7
Liabilities and equity			
Accounts payable and accrued liabilities	\$ 893.5	\$ 666.9	\$ 686.1
Provisions	28.4	32.1	43.2
Income taxes payable	17.8	15.3	9.6
Deferred revenue	10.0	10.0	11.4
Contract liabilities	759.7	679.5	593.4
Current portion of long-term debt	230.6	52.2	51.9
Derivative financial liabilities	42.3	18.1	15.5
Total current liabilities	\$ 1,982.3	\$ 1,474.1	\$ 1,411.1
Provisions	35.6	39.5	39.1
Long-term debt	1,116.8	1,208.7	1,203.5
Royalty obligations	137.0	140.8	138.5
Employee benefits obligations	194.0	200.6	157.7
Deferred gains and other liabilities	261.1	229.9	217.8
Deferred tax liabilities	194.2	184.7	213.0
Derivative financial liabilities	4.7	4.4	4.7
Total liabilities	\$ 3,925.7	\$ 3,482.7	\$ 3,385.4
Equity			
Share capital	\$ 640.9	\$ 633.2	\$ 615.4
Contributed surplus	25.2	21.3	19.4
Accumulated other comprehensive income	248.9	260.3	191.1
Retained earnings	1,374.2	1,314.3	1,126.2
Equity attributable to equity holders of the Company	\$ 2,289.2	\$ 2,229.1	\$ 1,952.1
Non-controlling interests	79.6	68.4	60.2
Total equity	\$ 2,368.8	\$ 2,297.5	\$ 2,012.3
Total liabilities and equity	\$ 6,294.5	\$ 5,780.2	\$ 5,397.7

Consolidated Income Statement

	Three months ended December 31		Nine months ended December 31	
	2018	2017	2018	2017
<i>(amounts in millions of Canadian dollars, except per share amounts)</i>				
		Restated		Restated
Revenue	\$ 816.3	\$ 828.2	\$ 2,282.1	\$ 2,102.6
Cost of sales	583.0	572.5	1,628.6	1,461.7
Gross profit	\$ 233.3	\$ 255.7	\$ 653.5	\$ 640.9
Research and development expenses	31.1	29.8	91.5	92.1
Selling, general and administrative expenses	101.4	98.6	292.0	268.5
Other gains – net	(2.5)	(15.1)	(17.1)	(33.1)
After tax share in profit of equity accounted investees	(9.7)	(8.8)	(23.1)	(31.9)
Operating profit	\$ 113.0	\$ 151.2	\$ 310.2	\$ 345.3
Finance expense – net	19.3	17.2	55.2	53.0
Earnings before income taxes	\$ 93.7	\$ 134.0	\$ 255.0	\$ 292.3
Income tax expense (recovery)	14.2	(11.8)	40.3	23.2
Net income	\$ 79.5	\$ 145.8	\$ 214.7	\$ 269.1
Attributable to:				
Equity holders of the Company	\$ 77.6	\$ 143.8	\$ 207.7	\$ 263.7
Non-controlling interests	1.9	2.0	7.0	5.4
Earnings per share attributable to equity holders of the Company				
Basic	\$ 0.29	\$ 0.54	\$ 0.78	\$ 0.98
Diluted	\$ 0.29	\$ 0.53	\$ 0.77	\$ 0.98

Consolidated Statement of Comprehensive Income

<i>(amounts in millions of Canadian dollars)</i>	Three months ended December 31		Nine months ended December 31	
	2018	2017 Restated	2018	2017 Restated
Net income	\$ 79.5	\$ 145.8	\$ 214.7	\$ 269.1
Items that may be reclassified to net income				
Foreign currency differences on translation of foreign operations	\$ 137.9	\$ 32.3	\$ 51.8	\$ (41.1)
Reclassification to income of foreign currency differences	(2.0)	(4.3)	(17.9)	(24.3)
Net (loss) gain on cash flow hedges	(27.0)	(4.2)	(22.7)	20.3
Reclassification to income of gains (loss) on cash flow hedges	0.1	4.0	0.7	(6.1)
Net (loss) gain on hedges of net investment in foreign operations	(26.3)	(2.9)	(27.7)	28.5
Income taxes	3.9	2.6	8.6	2.5
	\$ 86.6	\$ 27.5	\$ (7.2)	\$ (20.2)
Items that will never be reclassified to net income				
Remeasurement of defined benefit pension plan obligations	\$ (14.6)	\$ (44.3)	\$ 18.5	\$ (44.0)
Net gain on financial assets carried at fair value through OCI	0.1	—	—	—
Income taxes	3.9	11.9	(4.9)	11.8
	\$ (10.6)	\$ (32.4)	\$ 13.6	\$ (32.2)
Other comprehensive income (loss)	\$ 76.0	\$ (4.9)	\$ 6.4	\$ (52.4)
Total comprehensive income	\$ 155.5	\$ 140.9	\$ 221.1	\$ 216.7
Attributable to:				
Equity holders of the Company	\$ 150.6	\$ 138.9	\$ 209.9	\$ 213.5
Non-controlling interests	4.9	2.0	11.2	3.2

Consolidated Statement of Changes in Equity

<i>Nine months ended December 31, 2018</i> <i>(amounts in millions of Canadian dollars,</i> <i>except number of shares)</i>	Attributable to equity holders of the Company								Total equity
	Number of shares	Common shares Stated value	Contributed surplus	Accumulated other comprehensive income	Retained earnings	Total	Non-controlling interest		
Balances, beginning of period (Restated)	267,738,530	\$ 633.2	\$ 21.3	\$ 260.3	\$ 1,314.3	\$ 2,229.1	\$ 68.4	\$ 2,297.5	
Net income	—	\$ —	\$ —	\$ —	\$ 207.7	\$ 207.7	\$ 7.0	\$ 214.7	
Other comprehensive (loss) income	—	—	—	(11.4)	13.6	2.2	4.2	6.4	
Total comprehensive (loss) income	—	\$ —	\$ —	\$ (11.4)	\$ 221.3	\$ 209.9	\$ 11.2	\$ 221.1	
Stock options exercised	771,825	13.3	(1.8)	—	—	11.5	—	11.5	
Optional cash purchase of shares	1,873	0.1	—	—	—	0.1	—	0.1	
Common shares repurchased and cancelled	(3,610,100)	(8.7)	—	—	(84.1)	(92.8)	—	(92.8)	
Share-based compensation expense	—	—	5.7	—	—	5.7	—	5.7	
Stock dividends	113,600	3.0	—	—	(3.0)	—	—	—	
Cash dividends	—	—	—	—	(74.3)	(74.3)	—	(74.3)	
Balances, end of period	265,015,728	\$ 640.9	\$ 25.2	\$ 248.9	\$ 1,374.2	\$ 2,289.2	\$ 79.6	\$ 2,368.8	
<i>Nine months ended December 31, 2017</i> <i>(amounts in millions of Canadian dollars,</i> <i>except number of shares)</i>	Attributable to equity holders of the Company								Total equity
	Number of shares	Common shares Stated value	Contributed surplus	Accumulated other comprehensive income	Retained earnings	Total	Non-controlling interest		
Balances, beginning of period (Restated)	268,397,224	\$ 615.4	\$ 19.4	\$ 191.1	\$ 1,126.2	\$ 1,952.1	\$ 60.2	\$ 2,012.3	
Net income	—	\$ —	\$ —	\$ —	\$ 263.7	\$ 263.7	\$ 5.4	\$ 269.1	
Other comprehensive loss	—	—	—	(18.0)	(32.2)	(50.2)	(2.2)	(52.4)	
Total comprehensive (loss) income	—	\$ —	\$ —	\$ (18.0)	\$ 231.5	\$ 213.5	\$ 3.2	\$ 216.7	
Stock options exercised	1,002,300	15.2	(2.4)	—	—	12.8	—	12.8	
Optional cash purchase of shares	1,496	—	—	—	—	—	—	—	
Common shares repurchased and cancelled	(2,061,500)	(4.8)	—	—	(39.6)	(44.4)	—	(44.4)	
Share-based compensation expense	—	—	4.4	—	—	4.4	—	4.4	
Additions to non-controlling interests	—	—	—	—	—	—	3.3	3.3	
Dividends to non-controlling interests	—	—	—	—	—	—	(2.5)	(2.5)	
Stock dividends	108,899	2.4	—	—	(2.4)	—	—	—	
Cash dividends	—	—	—	—	(67.4)	(67.4)	—	(67.4)	
Balances, end of period (Restated)	267,448,419	\$ 628.2	\$ 21.4	\$ 173.1	\$ 1,248.3	\$ 2,071.0	\$ 64.2	\$ 2,135.2	

Consolidated Statement of Cash Flows

Nine months ended December 31

(amounts in millions of Canadian dollars)

	2018	2017
		Restated
Operating activities		
Net income	\$ 214.7	\$ 269.1
Adjustments for:		
Depreciation of property, plant and equipment	97.3	90.8
Amortization of intangible and other assets	56.4	61.1
After tax share in profit of equity accounted investees	(23.1)	(31.9)
Deferred income taxes	24.9	(9.8)
Investment tax credits	(8.0)	(14.4)
Share-based compensation	3.4	7.9
Defined benefit pension plans	12.4	6.0
Amortization of other non-current liabilities	(22.1)	(24.0)
Derivative financial assets and liabilities – net	4.4	4.8
Remeasurement of investment, net of reorganization and other costs	—	(4.0)
Other	3.5	(15.1)
Changes in non-cash working capital	0.3	(75.0)
Net cash provided by operating activities	\$ 364.1	\$ 265.5
Investing activities		
Business combinations, net of cash and cash equivalents acquired	\$ (33.5)	\$ (124.4)
Net proceeds from disposal of interests in investment	—	117.8
Addition of assets through the monetization of royalties	(202.7)	—
Capital expenditures for property, plant and equipment	(155.6)	(116.5)
Proceeds from disposal of property, plant and equipment	2.5	16.4
Additions to intangibles	(62.1)	(31.9)
Net payments to equity accounted investees	(27.0)	(11.7)
Dividends received from equity accounted investees	7.1	23.6
Other	2.9	0.7
Net cash used in investing activities	\$ (468.4)	\$ (126.0)
Financing activities		
Proceeds from borrowing under revolving unsecured credit facilities	\$ 237.0	\$ 106.0
Repayment of borrowing under revolving unsecured credit facilities	(237.0)	(106.0)
Proceeds from long-term debt	84.3	27.3
Repayment of long-term debt	(66.6)	(23.8)
Repayment of finance lease	(8.3)	(15.6)
Dividends paid	(74.3)	(67.4)
Issuance of common shares	11.6	12.8
Repurchase of common shares	(92.8)	(44.4)
Other	—	(1.9)
Net cash used in financing activities	\$ (146.1)	\$ (113.0)
Effect of foreign exchange rate changes on cash and cash equivalents	\$ 0.6	\$ (0.4)
Net (decrease) increase in cash and cash equivalents	\$ (249.8)	\$ 26.1
Cash and cash equivalents, beginning of period	611.5	504.7
Cash and cash equivalents, end of period	\$ 361.7	\$ 530.8
Supplemental information:		
Interest paid	\$ 38.0	\$ 38.8
Interest received	10.5	9.5
Income taxes paid	23.4	30.6