

# CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of dollars)

	For the years ended	
	September 28, 2013	September 29, 2012
	\$	\$
Cash flows from operating activities:		
Net earnings	37,265	30,261
Adjustments for:		
Depreciation of property, plant and equipment (note 4)	12,357	11,684
Amortization of intangible assets (note 4)	230	177
Changes in fair value of derivative financial instruments included in cost of sales	(4,672)	420
Income tax expense (note 6)	13,146	10,648
Pension contributions	(12,503)	(11,490)
Pension expense	9,702	7,484
Net finance costs (note 5)	9,127	9,695
Loss on disposal of property, plant and equipment	(216)	25
Share-based compensation (note 22)	(4)	40
Other	1	146
	64,433	59,090
Changes in:		
Trade and other receivables	945	6,777
Inventories	5,912	12,747
Prepaid expenses	(358)	515
Trade and other payables	(9,112)	(5,540)
Provisions	(839)	(82)
	(3,452)	14,417
Cash generated from operating activities:	60,981	73,507
Interest paid	(10,246)	(10,460)
Income taxes paid	(13,082)	(15,254)
Net cash from operating activities	37,653	47,793
Cash flows (used in) from financing activities:		
Dividends paid (note 21)	(67,750)	(31,998)
Increase (decrease) of revolving credit facility (note 15)	15,000	(10,000)
Payment of financing fees	(569)	(2,716)
Issuance of shares (note 22)	92	361
Issuance of convertible unsecured subordinated debentures (note 20)	—	60,000
Redemption of convertible unsecured subordinated debentures (note 20)	—	(51,679)
Repurchase of convertible debentures (note 20)	—	(9)
Net cash used in financing activities	(53,227)	(36,041)
Cash flows used in investing activities:		
Additions to property, plant and equipment, net of proceeds on disposal	(9,117)	(8,454)
Additions to intangible assets	—	(729)
Net cash used in investing activities	(9,117)	(9,183)
Net (decrease) increase in cash and cash equivalents	(24,691)	2,569
Cash and cash equivalents, beginning of period	27,895	25,326
Cash and cash equivalents, end of period	3,204	27,895

Supplemental cash flow information (note 27)

The accompanying notes are an integral part of these consolidated financial statements.