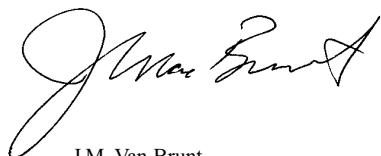


management's report to the shareholders

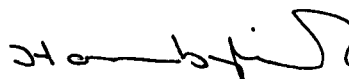
THE CONSOLIDATED FINANCIAL statements and all information contained in this annual report are the responsibility of management and the Board of Directors of the Corporation. The financial statements have been prepared by management in accordance with accounting principles generally accepted in Canada and, where appropriate, reflect management's best estimates and judgements based on currently available information. The Corporation has established an internal audit program and accounting and reporting systems supported by internal controls designed to safeguard assets from loss or unauthorized use and ensure the accuracy of the financial records. The financial information presented throughout this annual report is consistent with the financial statements.

KPMG LLP, an independent firm of chartered accountants, has been appointed by the shareholders as external auditors of the Corporation. The Auditors' Report to the Shareholders, which describes the scope of their examination and expresses their opinion, is presented herein.

The Audit Committee of the Board of Directors, whose members are independent of management, meets with management, the internal auditors and the independent auditors to satisfy itself that the responsibilities of the respective parties are properly discharged and to review the consolidated financial statements before they are presented to the Board for approval.



J.M. Van Brunt
President and Chief Executive Officer



I.C. Hornby-Smith
Controller

Calgary, Canada
March 6, 2000

auditors' report to the shareholders

WE HAVE AUDITED the consolidated balance sheets of Agrium Inc. as at December 31, 1999 and 1998 and the consolidated statements of operations, cash flows and changes in shareholders' equity for each of the years in the three year period ended December 31, 1999. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 1999 and 1998 and the results of its operations and its cash flows for each of the years in the three year period ended December 31, 1999 in accordance with Canadian generally accepted accounting principles.

Accounting principles generally accepted in Canada vary in certain significant respects from accounting principles generally accepted in the United States. Application of accounting principles generally accepted in the United States would have affected results of operations for each of the years in the three year period ended December 31, 1999 and shareholders' equity as at December 31, 1999 and 1998 to the extent summarized in *Note 24* to the consolidated financial statements.



Chartered Accountants

Calgary, Canada
March 5, 2000

consolidated balance sheets

As at December 31

ASSETS

(millions of US dollars)

Current assets

Cash and cash-equivalents	\$ 104	\$ 113
Accounts receivable (Note 5)	268	299
Inventories (Note 6)	256	277
Prepaid expenses	15	15

Capital assets (Note 7)

	643	704
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Other assets (Note 8)

	1,149	951
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Goodwill

	115	73
	52	55
	\$ 1,959	\$ 1,783

LIABILITIES

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities

Bank indebtedness (Note 9)	\$ 179	\$ 28
Accounts payable and accrued liabilities (Note 10)	267	255
Income and other taxes payable	22	59
Current portion of long-term debt (Note 11)	1	—

Long-term debt (Note 11)

	469	342
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Other liabilities (Note 12)

	497	482
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Future income taxes (Note 18)

	57	48
	172	188
	1,195	1,060

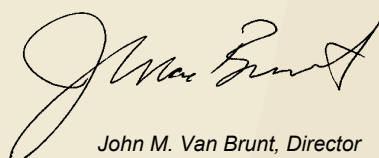
SHAREHOLDERS' EQUITY

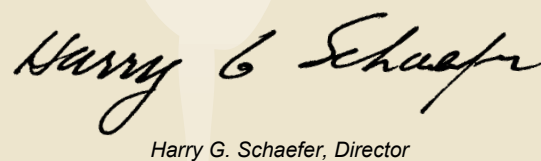
Preferred securities (Note 13)	171	171
Common shares (Note 14)	347	359
Retained earnings	266	243
Cumulative translation adjustment	(20)	(50)
	764	723
	\$ 1,959	\$ 1,783

Commitments (Note 15)

See accompanying notes.

APPROVED BY THE BOARD:


John M. Van Brunt, Director


Harry G. Schaefer, Director

consolidated statements of operations

Years ended December 31

		1999	1998	1997
		<i>(millions of US dollars)</i>		
INCOME	Net sales	\$ 1,716	\$ 1,805	\$ 1,938
	Cost of product	1,224	1,222	1,246
	Gross profit	492	583	692
EXPENSES	Selling	202	205	204
	General and administrative	41	49	49
	Depreciation and amortization	93	92	85
	Other (income) expense (Note 17)	20	5	(5)
	Interest on long-term debt	36	35	34
	Other interest	1	5	12
		393	391	379
EARNINGS	Earnings before income taxes	99	192	313
	Income taxes (Note 18)	35	71	128
	Net earnings	\$ 64	\$ 121	\$ 185
	Earnings per common share (Note 19)			
	Basic (in dollars)	\$ 0.49	\$ 0.96	\$ 1.43
	Fully diluted (in dollars)	\$ 0.49	\$ 0.94	\$ 1.40

See accompanying notes.

consolidated statements of cash flows

Years ended December 31

		1999	1998	1997
		<i>(millions of US dollars)</i>		
OPERATING	Net earnings	\$ 64	\$ 121	\$ 185
	Depreciation and amortization	93	92	85
	Future income taxes (recoveries)	(25)	(5)	129
	Cash provided by operating activities, before changes in non-cash working capital	132	208	399
	Net changes in non-cash working capital (Note 20)	33	79	(110)
	Cash provided by operating activities	165	287	289
INVESTING	Capital assets	(234)	(174)	(144)
	Other assets	(49)	8	(10)
	Net changes in non-cash working capital (Note 20)	2	35	–
	Other	13	(10)	(26)
	Cash used in investing activities	(268)	(141)	(180)
FINANCING	Common shares	(32)	(147)	(209)
	Preferred securities	–	169	–
	Bank indebtedness	151	(41)	(230)
	Issue of long-term debt	–	–	301
	Repayment of long-term debt	(4)	(3)	(4)
	Common share dividends paid	(13)	(14)	(11)
	Preferred securities charges paid	(8)	(6)	–
	Cash provided by (used in) financing activities	94	(42)	(153)
	Increase (decrease) in cash and cash-equivalents	(9)	104	(44)
	Cash and cash-equivalents – beginning of year	113	9	53
	Cash and cash-equivalents – end of year	\$ 104	\$ 113	\$ 9

See accompanying notes.

consolidated statements of changes in shareholders' equity

<i>(millions of US dollars and millions of shares)</i>		CAPITAL							Total
		Preferred		Common		Contributed Surplus	Retained Earnings	Cumulative Translation Adjustment	
		Securities	Amount	Shares	Amount				
1997	Balance as at January 1, 1997	-	\$ -	140	\$ 431	\$ 51	\$ 204	\$ 15	\$ 701
	Repurchased for cash	-	-	(15)	(46)	(51)	(116)	-	(213)
	Issued on exercise of stock options	-	-	1	4	-	-	-	4
	Net earnings	-	-	-	-	-	185	-	185
	Common share dividends declared	-	-	-	-	-	(15)	-	(15)
	Translation adjustment	-	-	-	-	-	-	(31)	(31)
	Balance as at December 31, 1997	-	-	126	389	-	258	(16)	631
1998	Issued for cash – preferred securities	7	175	-	-	-	-	-	175
	Preferred securities issue costs	-	(4)	-	-	-	-	-	(4)
	Repurchased for cash	-	-	(12)	(35)	-	(117)	-	(152)
	Issued on exercise of stock options	-	-	1	5	-	-	-	5
	Net earnings	-	-	-	-	-	121	-	121
	Common share dividends declared	-	-	-	-	-	(13)	-	(13)
	Preferred securities charges	-	-	-	-	-	(6)	-	(6)
	Translation adjustment	-	-	-	-	-	-	(34)	(34)
	Balance as at December 31, 1998	7	171	115	359	-	243	(50)	723
1999	Repurchased for cash	-	-	(3)	(12)	-	(20)	-	(32)
	Net earnings	-	-	-	-	-	64	-	64
	Common share dividends declared	-	-	-	-	-	(13)	-	(13)
	Preferred securities charges	-	-	-	-	-	(8)	-	(8)
	Translation adjustment	-	-	-	-	-	-	30	30
	Balance as at December 31, 1999	7	\$ 171	112	\$ 347	\$ -	\$ 266	\$ (20)	\$ 764

See accompanying notes.

(Amounts are stated in millions of US dollars unless otherwise indicated)

1. DESCRIPTION OF THE BUSINESS

Agrium Inc. (the “Corporation”) is an integrated fertilizer company. The Corporation’s assets include six nitrogen production facilities in Alberta, Texas and Nebraska and one nitrogen facility currently under construction in Argentina; two phosphate production facilities in Alberta and Idaho, two phosphate rock mines in Ontario and Idaho and one phosphate rock mill in Ontario; one potash mine and mill in Saskatchewan and the related North American wholesale distribution and storage system. The Corporation also owns a retail business of crop production inputs in the United States and Argentina. The consolidated financial statements include the accounts of the Corporation and all of its subsidiaries.

2. SIGNIFICANT ACCOUNTING POLICIES

The Corporation’s accounting policies are in accordance with accounting principles generally accepted in Canada (“Canadian GAAP”) and except as outlined in *Note 24* are in accordance with accounting principles generally accepted in the United States (“US GAAP”). When necessary, the financial statements include amounts based on informed estimates and best judgements of management. Certain comparative figures have been reclassified to conform with the current year’s presentation.

Foreign Currency

The US dollar is the unit of measurement for the majority of the Corporation’s business transactions. Accordingly, the US dollar is the Corporation’s reporting currency. The Corporation’s Canadian operations are considered self-sustaining and are translated into US dollars using the current rate method. Under this method, assets and liabilities are translated at year-end exchange rates and items included in the statements of operations are translated at weighted average rates. The resulting translation gains and losses are deferred as a separate component of shareholders’ equity until there is a realized reduction in the net investment.

Consolidation

The accounts of all subsidiary companies are consolidated from the dates of acquisition. All significant intercompany balances and transactions have been eliminated. Investments in joint ventures are accounted for using the proportionate consolidation method. Under this method the Corporation’s proportionate share of joint venture revenues, expenses, assets and liabilities is included in the accounts.

Cash and Cash-Equivalents

Short-term investments with an original maturity of three months or less are considered to be cash-equivalents and are stated at their fair value.

Inventories

Inventories, consisting of fertilizer and chemicals, are recorded at the lower of average cost and net realizable value. Operating supplies are recorded at average cost less allowances for obsolescence. Raw material inventory is comprised of phosphate rock at cost.

Capital Assets

Capital assets are carried at cost and include the cost of renewals and betterments. Interest during construction of major development projects is capitalized. Maintenance and repair expenditures are expensed as incurred. When assets are sold or abandoned, the recorded costs and related accumulated depreciation are removed from the accounts and any gains or losses are included in earnings.

Depreciation is calculated on the straight-line method using rates based on the estimated service lives of the respective assets, ranging from three to 25 years. Depreciation is not provided on major additions until commencement of commercial operation.

Expenditures incurred during start-up of a new facility prior to commencement of commercial operations are capitalized. These pre-production costs are classified as deferred start-up costs and amortized on a straight-line basis over a period not exceeding five years commencing on completion of the start-up period. The net book value of these deferred start-up costs is written down if the value becomes permanently impaired.

Leases

Leases which transfer substantially all the benefits and inherent risks of ownership of the property leased to the Corporation are recorded as capital leases. The present value of the payments under the leases is included in capital assets and long-term debt. The leased property is amortized on a straight-line basis over its estimated useful life.

All other leases are classified as operating leases under which lease payments are recorded as expenses in the period in which they are incurred.

Goodwill

Goodwill represents the excess of purchase price over fair value of the net assets of acquired businesses, and is amortized on a straight-line basis over 20 years. On an ongoing basis, management reviews the valuation and amortization of goodwill, taking into consideration any events and circumstances which might have impaired the fair value. Goodwill is written down to fair value when declines in value are considered to be other than temporary, based upon expected undiscounted cash flows of the related acquired business.

The cost and accumulated amortization of goodwill at December 31, 1999 amounted to \$67 million (1998 – \$67 million) and \$15 million (1998 – \$12 million) respectively.

Pension Costs

Defined benefit pension plans are funded by the Corporation and pension expense and obligations are determined using the projected benefit method of actuarial valuation prorated over the projected length of employee service. Pension surpluses and deficiencies, experience gains or losses and the effects of changes in plan assumptions are amortized on a straight-line basis over the expected average remaining service life of the relevant employee group.

Contributions by the Corporation to defined contribution pension plans are expensed as incurred.

Post-Retirement Benefits

Post-retirement benefit costs are expensed as incurred.

Site Restoration and Reclamation

The operations of the Corporation are affected by environmental regulations, including those for future removal and site restoration costs. The Corporation's policy is to meet or exceed standards set by relevant legislation or industry practice.

The Corporation capitalizes environmental-related expenditures that increase the life or efficiency of a property or that reduce or prevent future environmental contamination. When remediation costs are likely and reasonably estimable, the Corporation records provisions for such costs in a systematic manner over the estimated life of the underlying assets.

In determining the amount of provision, the Corporation uses the most current information available and considers factors such as prior experience, existing technology, regulations in effect and the timing of the remediation.

Future Income Taxes

Future income taxes are recognized for the future income tax consequences attributable to differences between the carrying values of assets and liabilities and their respective income tax bases. Future income tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled. The effect on future income tax assets and liabilities of a change in rates is included in earnings in the period that includes the enactment date. Future income tax assets are recorded in the financial statements if realization is considered more likely than not.

Stock Option Plan

The Corporation has a stock option plan which is described in *Note 14*. When stock options are issued, no compensation expense is recorded. Any consideration received on exercise of the stock options is credited to share capital.

3. CHANGE IN ACCOUNTING POLICY

The Corporation changed its policy for accounting for income taxes in the fourth quarter of 1998 and adopted the provisions of Section 3465 (the liability method) of the Canadian Institute of Chartered Accountants (“CICA”) Handbook effective January 1, 1998. The provisions were applied without restatement of prior-period financial statements. Prior to January 1, 1998, the Corporation and its subsidiaries used the deferral method of accounting for income taxes.

At January 1, 1998, capital assets increased by \$17 million and the future income tax liability increased by \$17 million arising from adjustments of previous acquisitions. There was no impact on retained earnings.

4. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Risk Management Program

The Corporation is subject to the risks and uncertainties inherent in the fertilizer business. Financial results are subject to fluctuations in fertilizer prices, foreign exchange rates and natural gas supply prices over which it has limited control. In addition, the Corporation is subject to normal credit risks as well as the risks of conducting business in an international environment.

The Corporation monitors and, when appropriate, utilizes financial instruments to manage its exposure to certain of these risks as described below. Market risk related to these financial instruments should be substantially offset by changes in the valuation of the underlying items being hedged. The Corporation, in order to mitigate risk, deals with major financial institutions.

Foreign Exchange Rate Fluctuations

The Corporation is exposed to foreign exchange fluctuations on its Canadian dollar cash flow. In order to manage this exposure, the Corporation periodically enters into derivative contracts. The contracts are designated as hedges of fixed obligations and hedges of net foreign currency positions. At December 31, 1999, the Corporation had sold forward \$48 million at rates ranging from \$1.4664 to \$1.4724 (1998 – nil). The contracts have expiry dates ranging from January 25, 2000 to October 25, 2001. The unrealized gain and fair value of these contracts at December 31, 1999 was \$1 million (1998 – nil). At December 31, 1999 and 1998 there were no currency options outstanding.

Natural Gas Supply Prices

The market price of natural gas, as with other commodities, is volatile. The Corporation manages prices for its natural gas requirements through the use of index-priced contracts with suppliers (*Note 15*). As part of this process, the Corporation has entered into natural gas derivative contracts, under which it receives or makes payments based on the difference between a fixed and basis price and the current market price for natural gas.

Gains and losses on these natural gas derivative contracts are recognized as a component of cost of product when the underlying natural gas being hedged is used. At December 31, 1999, the Corporation had contracts with financial institutions and brokers to exchange payments on approximately 88 million MMBtu (1998 – 84 million MMBtu) of natural gas, which represents approximately 65% of its expected 2000 natural gas needs and approximately 18% of its expected 2001 natural gas needs.

The carrying values and fair values of the Corporation’s natural gas derivative contracts as at December 31, 1999 were nil and \$16 million respectively (1998 – nil and \$9 million). The fair value represents the approximate amount the Corporation would pay or receive to terminate the contracts based on the prevailing forward prices.

Financial Instruments

The fair value of long-term debt, including the current portion, at December 31, 1999 was \$450 million (1998 – \$466 million). The fair value of preferred securities at December 31, 1999 was \$137 million (1998 – \$175 million). This estimate is based on the quoted market price of these or similar issues or by discounting expected cash flows at the rates currently offered to the Corporation for debt and securities of the same remaining maturities.

The fair value of each class of other financial instruments, including cash and short-term investments, accounts receivable, accounts payable, advances and loans, and bank indebtedness, approximates its carrying value due to their short-term maturity.

Credit Risk

The Corporation is subject to credit risk through trade receivables and short-term investments. Although a substantial portion of its debtors’ ability to pay is dependent upon the agribusiness economic sector, credit risk with respect to trade receivables is reduced by a large customer base and its geographic dispersion.

Short-term cash investments are placed with well-capitalized financial institutions and in short-term corporate and government debt securities. By policy, the Corporation limits the amount of credit exposure in any one type of investment instrument.

5. ACCOUNTS RECEIVABLE

	1999	1998
Trade accounts		
North America – Wholesale	\$ 126	\$ 157
North America – Retail	118	114
South America	58	39
Rebates and other non-trade accounts	41	34
	343	344
Allowance for doubtful accounts	(11)	(7)
Receivable interest sold ^(a)	(64)	(38)
	\$ 268	\$ 299

(a) On December 24, 1996, the Corporation entered into an agreement with a financial institution to sell, on an ongoing basis, an undivided percentage interest in a designated pool of North American Retail receivables, on a non-recourse basis, in an amount not to exceed \$50 million. On July 17, 1998, this amount was increased to \$75 million. In 1999, fee and expense payments related to this sale totalled \$3 million (1998 – \$3 million; 1997 – \$3 million).

6. INVENTORIES

	1999	1998
Fertilizers and chemicals		
North America – Wholesale	\$ 92	\$ 90
North America – Retail	90	97
South America	15	26
Operating supplies		
North America – Wholesale	43	45
Raw materials		
North America – Wholesale	16	19
	\$ 256	\$ 277

7. CAPITAL ASSETS

	1999			1998		
	Cost	Accumulated Depreciation and Amortization	Net Book Value	Cost	Accumulated Depreciation and Amortization	Net Book Value
Land	\$ 29	\$ –	\$ 29	\$ 26	\$ –	\$ 26
Buildings and improvements	263	97	166	211	82	129
Building under capital lease	16	1	15	–	–	–
Machinery and equipment	1,369	670	699	1,246	594	652
Resource properties	37	15	22	31	10	21
Construction in progress	218	–	218	123	–	123
	\$ 1,932	\$ 783	\$ 1,149	\$ 1,637	\$ 686	\$ 951

During the year, the Corporation capitalized interest of \$16 million (1998 – \$1 million) on construction in progress.

8. OTHER ASSETS

	1999	1998
Recoverable value added taxes	\$ 49	\$ 7
Receivable under environmental indemnity agreements (Note 12)	12	18
Investment in retail dealerships	8	7
Information systems costs	8	11
Deferred start-up costs	7	4
Advances and loans	6	8
Other	25	18
	\$ 115	\$ 73

9. BANK INDEBTEDNESS

	1999	1998
Profertil bridge financing ^(a)	\$ 149	\$ 28
Commercial paper borrowing facility ^(b)	30	-
	\$ 179	\$ 28

(a) Profertil S.A.

The Corporation's 50% share of bank indebtedness in the Profertil nitrogen joint venture project (Note 21) was \$149 million at December 31, 1999 (1998 – \$28 million).

In February 1999, Profertil completed a bridge financing of up to \$285 million to finance the construction of a \$600 million urea and ammonia production facility. The Corporation and YPF S.A. have each severally guaranteed 50% of amounts outstanding under the bridge facility. It is anticipated that this bridge financing will be replaced by non-recourse long-term debt by mid-year 2000.

(b) Agrium Inc.

The Corporation has an unsecured four-year term loan facility for \$100 million. Interest rates on this term loan facility are at either the London interbank offered rate ("LIBOR") or a base rate established by the bank plus variable spreads, at the election of the Corporation. Amounts drawn at December 31, 1999, were nil (1998 – nil). Additional lines of credit include a C\$35 million or \$25 million demand operating loan facility. Interest rates on this demand operating loan facility are based on the prevailing bankers' acceptance rates plus a spread, or at commercial rates plus a commission. This facility was unutilized at December 31, 1999 and 1998. The Corporation also has a commercial paper borrowing facility of C\$150 million, or its equivalent in US dollars. The paper is rated investment-grade by the two Canadian rating agencies and bears interest at prevailing market rates at December 31, 1999. Amounts drawn at December 31, 1999, were \$30 million (1998 – nil). The loan agreements require the Corporation to maintain certain financial ratios and other covenants.

(c) Agrium US Inc.

In October 1995, a group of US banks agreed to provide Agrium US Inc. with an unsecured revolving credit facility with a termination date of October 5, 2000. The facility, which was amended in September 1998, is guaranteed by the Corporation and consists of a base revolving credit of up to \$70 million and an excess revolving credit of up to \$30 million for the period beginning on May 1 and ending on November 30 of each year during the term of the agreement. Agrium US Inc. may borrow at interest rates related to US prime rates or LIBOR. The revolving credit facility requires the Corporation to maintain certain financial ratios and other covenants. This facility was unutilized at December 31, 1999 and 1998.

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	1999	1998
Trade accounts payable and accrued liabilities	\$ 191	\$ 186
Payroll and related taxes	40	35
Accrued interest payable	10	10
Dividends payable	6	6
Customer rebates	9	14
Other	11	4
	\$ 267	\$ 255

11. LONG-TERM DEBT

	1999	1998
Unsecured senior notes ^(a)	\$ 175	\$ 175
Unsecured notes and debentures ^(b)	300	300
Capital lease obligation ^(c)	16	–
Other	7	7
	498	482
Principal repayments due within one year	1	–
	\$ 497	\$ 482

(a) The unsecured senior notes were issued in two tranches: \$75 million at a coupon rate of 6.86% maturing December 29, 2007 with five equal annual principal repayments beginning December 29, 2003, and \$100 million at a coupon rate of 7.06% maturing December 29, 2010 with seven equal annual principal repayments beginning December 29, 2004. These notes require the Corporation to maintain certain financial ratios and meet other covenants.

(b) The Corporation has long-term unsecured financing comprised of \$75 million 7.0% notes due 2004, \$100 million 7.7% debentures due 2017, and \$125 million 7.8% debentures due 2027. These notes and debentures require the Corporation to meet certain covenants.

(c) The capital lease obligation is the Corporate Head Office building lease (*Note 7*) which is denominated in Canadian dollars, bears interest at 7% and expires in March, 2019. The annual instalments, including principal and interest, to be paid in the next five years are \$2 million per annum and the total interest payable is \$8 million.

12. OTHER LIABILITIES

At December 31, 1999, the accumulated provision for estimated site restoration and reclamation costs in Other liabilities included \$33 million (1998 – \$26 million) for its Canadian and US wholesale facilities and \$18 million (1998 – \$18 million) for its retail facilities. The Corporation has environmental indemnity agreements with the prior owners of substantially all of the retail facilities. At December 31, 1999, the amounts receivable under the environmental indemnity agreements, as recorded in Other assets (*Note 8*), totalled \$12 million (1998 – \$18 million).

The Corporation's operations are affected by federal, provincial, state and local laws and regulations regarding environmental protection. The outcome or timing of the full impact, if any, of legislative or regulatory developments on future operations is not estimable.

13. PREFERRED SECURITIES

In April 1998, the Corporation issued \$175 million 8% unsecured preferred securities due June 30, 2047, accruing charges from the date of issuance and payable quarterly commencing June 30, 1998. The Corporation also has the ability to defer the charges for up to 20 consecutive periods, subject to certain restrictions. The preferred securities are redeemable at the option of the Corporation, in whole or in part, on or after April 22, 2003 at the principal amount plus accrued and unpaid charges (the "Redemption Price") to the date of redemption. The Corporation may, at its option, pay the Redemption Price or any quarterly charges in cash or by delivering common shares to a trustee for subsequent sale, in which event the holder of the preferred securities shall be entitled to receive a cash payment equal to the Redemption Price or any quarterly charges from proceeds of the sale of the common shares on behalf of the holder. Holders of the preferred securities will not be entitled to receive any common shares in satisfaction of the obligation to pay the Redemption Price.

The principal amount of the preferred securities, net of after-tax issue costs of \$4 million, is classified as preferred securities in Shareholders' Equity. Preferred securities charges are recorded, after current tax (1999 – \$6 million; 1998 – \$4 million), against retained earnings.

14. COMMON SHARES**Authorized**

The Corporation is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares issuable in series.

Stock Option Plan

The Corporation has a stock option plan under which the Board of Directors may grant options to acquire common shares to its directors, officers and employees. At December 31, 1999, the Board of Directors was authorized to grant options up to 7.5 million common shares of which approximately 6 million common shares had been granted. The exercise price of each option equals the market price of the Corporation's common shares on the last business day prior to the date of grant and an option's maximum term is 10 years. Options are granted throughout the year, and vest and become exercisable equally over a four year period, commencing one year after the grant date. In addition, under this plan the Board of Directors has resolved to grant options to directors and officers of the Corporation on the basis of one option for each common share acquired by the director or officer in the open market with the exercise price of each option equal to the purchase price paid for the original share. These options lapse if the participant does not hold 100% of the purchased shares on the first anniversary date, 75% on the second anniversary date, 50% on the third anniversary date or 25% on the fourth anniversary date.

Stock option transactions for the respective years were as follows:

	1999		1998	
	Options Outstanding	Weighted avg. exercise price	Options Outstanding	Weighted avg. exercise price
	<i>millions</i>	<i>C\$</i>	<i>millions</i>	<i>C\$</i>
Outstanding, beginning of year	5	17.62	5	16.58
Granted	1	12.53	1	18.94
Exercised	–	–	(1)	11.25
Outstanding, end of year	6	16.40	5	17.62
Exercisable, end of year	3	17.20	2	16.48

The following table summarizes stock options outstanding and exercisable under the plan at December 31, 1999:

Range of exercise prices	Options Outstanding			Options Exercisable		
	Number outstanding at year end	Weighted avg. remaining contractual life	Weighted avg. exercise price	Number exercisable at year end	Weighted avg. exercise price	
	<i>millions</i>	<i>years</i>	<i>C\$</i>	<i>millions</i>	<i>C\$</i>	
1.92 to 12.00	1	8	11.26	1	10.25	
12.21 to 13.15	1	8	12.99	–	12.72	
13.50 to 18.65	3	7	18.44	2	18.61	
18.80 to 22.15	1	8	19.70	–	20.13	
1.92 to 22.15	6	8	16.40	3	17.20	

Stock Appreciation Rights Plan

In May 1999, the Board of Directors of the Corporation approved a Stock Appreciation Rights (“SARs”) plan for employees in certain business segments. Under this plan, each eligible employee is granted SARs which provide for payment of a cash award based upon the appreciation in value of the Corporation’s common stock, to certain guaranteed levels over a five year term expiring on May 4, 2004. The employees receive cash for the SARs equal to their intrinsic value, being the difference between the SARs base price and their market value at the time the specified level is achieved. At December 31, 1999, no cash payments had been made under this plan. These payments, when incurred, will be recorded as an expense against net earnings.

Shareholders’ Rights Plan

In May 1998, the Corporation’s shareholders approved a shareholders’ rights plan in which one right was issued for each outstanding common share. The rights remain attached to the shares and are not exercisable until the occurrence of certain designated events. The shareholders’ rights plan expires in May 2001.

Normal Course Issuer Bid

In September 1999, the Corporation initiated a normal course issuer bid to repurchase 5% or approximately 5.6 million of its common shares. There have been no share repurchases under this program through to March 5, 2000.

15. COMMITMENTS

At December 31, 1999, the aggregate annual minimum payments under operating leases in each of the next five years were: 2000 – \$32 million; 2001 – \$23 million; 2002 – \$21 million; 2003 – \$18 million; and 2004 – \$17 million.

The Corporation has commitments for the purchase of natural gas, sulphuric acid and other purchases for the next five years through agreements with its suppliers. The annual payments under these agreements in each of the next five years are: 2000 – \$126 million; 2001 – \$97 million; 2002 – \$100 million; 2003 – \$89 million; and 2004 – \$48 million.

The Corporation’s share of commitments for completion of the construction of a nitrogen facility which is held by the Profertil nitrogen joint venture project (*Note 21*) for the next year is estimated at \$65 million.

16. PENSION OBLIGATIONS AND POST-RETIREMENT BENEFITS

The Corporation maintains both defined benefit and defined contribution pension plans which are both contributory and non-contributory with regard to participants. The majority of salaried and hourly employees are members of the defined contribution pension plan. Benefits from defined benefit plans are based on either years of service and compensation or a rated amount for each year of service. The pension costs are determined annually by independent actuaries and include current service costs and a provision for the amortization of prior service costs. Pension costs for current service are charged to earnings in the year incurred. The liability for past service is charged to earnings over the remaining service lives of the employees.

The Corporation has supplemental funded defined benefit and defined contribution retirement income plans for senior management which are non-contributory and provide a supplementary pension benefit. The plans are provided for by annual charges to earnings sufficient to meet the projected benefit obligations.

Defined Benefit Plans

The Corporation's 1999 net pension expense for defined benefit plans was \$2 million in Canada and \$1 million in the United States (1998 – \$1 million and \$2 million; 1997 – \$1 million and \$1 million).

The status of the Corporation's defined benefit pension plans in Canada and the United States is as follows:

	1999	1998
Canada:		
Accumulated pension benefits	\$ (46)	\$ (38)
Plan assets at fair value	46	41
Funded status	–	3
United States:		
Accumulated pension benefits	\$ (31)	\$ (29)
Plan assets at fair value	27	29
Funded (unfunded) status	\$ (4)	\$ –

The actuarial present value of accumulated pension benefits, substantially all of which are vested, amounted to \$46 million in Canada and \$31 million in the United States at December 31, 1999 (1998 – \$38 million and \$29 million). The pension plan assets amounted to \$46 million in Canada and \$27 million in the United States at December 31, 1999 (1998 – \$41 million and \$29 million).

The 1999 rate of return on pension plan assets was estimated to be 7% per annum in Canada and ranged from 8% to 9% in the United States (1998 – 8% and 9%).

In determining the actuarial present value of projected pension benefit obligations, the discount rates used were 7% per annum in Canada and 8% per annum in the United States (1998 – 8% and 7%). The rate of increase in future compensation levels ranged from 4% to 5% (1998 – 4% to 5%).

Defined Contribution Plans

The defined contribution pension expense associated with the Canadian and United States plans in 1999 was \$2 million and \$4 million respectively (1998 – \$2 million and \$4 million; 1997 – \$5 million and \$4 million).

Other Post-Retirement Plans

The Corporation provides certain health care and life insurance benefits for retired employees. These plans are either contributory or non-contributory and contain certain cost-sharing features such as deductibles and co-insurance. These plans are unfunded and benefits are subject to change.

In March 1999, the CICA Handbook – Section 3461, Employee Future Benefits, was issued. This section will be effective for the Corporation's year ending December 31, 2000. Section 3461 is virtually identical to the US Statement of Financial Accounting Standards ("SFAS") No. 106. See *Note 24* for the impact on the Corporation's financial statements for 1999, 1998 and 1997.

17. OTHER (INCOME) EXPENSE

	1999	1998	1997
Interest income	\$ (12)	\$ (13)	\$ (9)
Capital and other taxes	12	12	12
Provision for doubtful accounts	7	3	3
Environmental expense	5	4	1
Restructuring charges ^(a)	11	–	–
Write-offs of other assets	–	9	–
Other	(3)	(10)	(12)
	\$ 20	\$ 5	\$ (5)

(a) At December 31, 1999, \$8 million and \$3 million of restructuring charges had been paid and were payable respectively.

18. INCOME TAXES

The significant components of non-current future income tax assets and liabilities at December 31 are as follows:

	1999	1998
Debt retirement and other financing	\$ 14	\$ 14
Site restoration and reclamation	14	11
Loss carryforwards expiring through 2006	10	8
Other	5	7
Future income tax assets before valuation allowance	43	40
Valuation allowance	(4)	(5)
Future income tax assets, net of valuation allowance	39	35
Depreciation and amortization	178	159
Deferred income	24	57
Other	9	7
Future income tax liabilities	211	223
Net future income tax liabilities	\$ 172	\$ 188

The major factors which caused variations from the expected combined Canadian federal and provincial statutory income tax rate of 45% (1998 – 45%; 1997 – 45%) were the following:

	1999	1998	1997
Earnings before income tax:			
Canadian	\$ 21	\$ 120	\$ 229
Foreign	78	72	84
	\$ 99	\$ 192	\$ 313
Statutory rate	45%	45%	45%
Income tax at statutory rates	45	87	142
Differences in foreign tax rates	(10)	(10)	(7)
Manufacturing and processing allowance	1	(5)	(14)
Large Corporation Tax	–	–	2
Other	(1)	(1)	5
Income tax provision	\$ 35	\$ 71	\$ 128
Current:			
Canadian	\$ 35	\$ 57	\$ (24)
Foreign	25	19	23
	60	76	(1)
Future:			
Canadian	(26)	(12)	114
Foreign	1	7	15
	(25)	(5)	129
	\$ 35	\$ 71	\$ 128

19. EARNINGS PER COMMON SHARE

Basic and fully diluted earnings per common share are calculated based on the weighted average number of common shares outstanding during the year of 113 million and 118 million (1998 – 120 million and 125 million; 1997 – 129 million and 134 million). Supplementary fully diluted earnings per common share of \$0.47 per share in 1999 (1998 – \$0.89 per share) (as required under EIC 71 issued by the CICA) is calculated based on the weighted average number of common shares outstanding during the year of 141 million (1998 – 138 million). The calculation assumes that the principal amount of preferred securities was settled through the issuance of common shares at market price on December 31, 1999 and 1998.

The rate of imputed interest used to calculate fully diluted earnings per share is the average rate of interest earned by the Corporation on its cash and cash-equivalents of 5% (1998 – 5%; 1997 – 5%).

20. SUPPLEMENTAL CASH FLOW INFORMATION

The net change in non-cash working capital is as follows:

	1999	1998	1997
Decrease (increase) in current assets			
Accounts receivable	\$ 38	\$ 15	\$ (54)
Income and other taxes recoverable	–	40	(30)
Inventories	28	(29)	(2)
Prepaid expenses	–	3	6
Increase (decrease) in current liabilities			
Accounts payable and accrued liabilities	5	26	(30)
Income and other taxes payable	(36)	59	–
Net change in non-cash working capital	\$ 35	\$ 114	\$ (110)
Investing activities	\$ 2	\$ 35	\$ –
Operating activities	\$ 33	\$ 79	\$ (110)

Interest of \$37 million, \$40 million and \$40 million was paid during 1999, 1998 and 1997, respectively. Income taxes paid (received) during 1999, 1998 and 1997 were \$97 million, \$(18) million and \$44 million, respectively.

21. JOINT VENTURE OPERATIONS

The Corporation has a 50% interest in the Profertil nitrogen joint venture project which is accounted for using the proportionate consolidation method.

A summary of the Corporation's proportionate interest in the joint venture at December 31 is as follows:

	1999	1998
Balance Sheet		
Cash and cash-equivalents	\$ 1	\$ 2
Accounts receivable	12	–
Inventories	4	–
Capital assets	195	54
Other assets	44	6
	\$ 256	\$ 62
Bank indebtedness (Note 9)	\$ 149	\$ 28
Accounts payable and accrued liabilities	37	34
Long-term debt	4	–
	\$ 190	\$ 62
Cash invested in joint venture	\$ 66	\$ –
Statement of Cash Flows		
Operating activities	\$ (16)	\$ –
Investing activities	(176)	(26)
Financing activities	191	28
Increase (decrease) in cash and cash-equivalents	\$ (1)	\$ 2

22. SEGMENTED INFORMATION

The Corporation's primary activity is the production and wholesale marketing of nitrogen, potash, phosphate, sulphate and other fertilizer products and the retail sales of fertilizers, chemicals and other agricultural inputs and services. The Corporation operates principally in Canada, the United States and South America.

Net sales between geographic regions are accounted for at prices which approximate fair market value and are eliminated on consolidation.

Segmented Net Sales, Expenses and Assets

	North America		South America	Other Unallocated	Total
	Wholesale	Retail			
1999 Net sales – external customers	\$ 828	\$ 794	\$ 94	\$ –	\$ 1,716
– internal customers	59	–	–	(59)	–
Total net sales	887	794	94	(59)	1,716
Cost of product	652	557	76	(61)	1,224
Gross profit	235	237	18	2	492
Expenses:					
Selling	18	169	15	–	202
General and administrative	19	6	4	12	41
Depreciation and amortization	56	22	7	8	93
Other (income) expense	10	(3)	(2)	15	20
	103	194	24	35	356
Earnings before interest expense and income taxes	\$ 132	\$ 43	\$ (6)	\$ (33)	\$ 136
Total assets	\$ 1,233	\$ 297	\$ 386	\$ 43	\$ 1,959
Capital expenditures	\$ 80	\$ 18	\$ 137	\$ 18	\$ 253
1998 Net sales – external customers	\$ 934	\$ 821	\$ 50	\$ –	\$ 1,805
– internal customers	59	–	–	(59)	–
Total net sales	993	821	50	(59)	1,805
Cost of product	659	585	37	(59)	1,222
Gross profit	334	236	13	–	583
Expenses:					
Selling	21	172	12	–	205
General and administrative	23	6	3	17	49
Depreciation and amortization	55	23	6	8	92
Other (income) expense	5	(1)	1	–	5
	104	200	22	25	351
Earnings before interest expense and income taxes	\$ 230	\$ 36	\$ (9)	\$ (25)	\$ 232
Total assets	\$ 1,312	\$ 331	\$ 186	\$ (46)	\$ 1,783
Capital expenditures	\$ 88	\$ 20	\$ 65	\$ 1	\$ 174
1997 Net sales – external customers	\$ 1,072	\$ 830	\$ 36	\$ –	\$ 1,938
– internal customers	52	–	–	(52)	–
Total net sales	1,124	830	36	(52)	1,938
Cost of product	671	600	28	(53)	1,246
Gross profit	453	230	8	1	692
Expenses:					
Selling	29	163	12	–	204
General and administrative	22	8	3	16	49
Depreciation and amortization	55	23	3	4	85
Other (income) expense	(6)	1	–	–	(5)
	100	195	18	20	333
Earnings before interest expense and income taxes	\$ 353	\$ 35	\$ (10)	\$ (19)	\$ 359
Total assets	\$ 1,281	\$ 292	\$ 94	\$ (6)	\$ 1,661
Capital expenditures	\$ 78	\$ 26	\$ 26	\$ 14	\$ 144

Net Sales and Gross Profit by Business Unit and Product Line

	1999			1998			1997		
	Net Sales	Cost of Product	Gross Profit	Net Sales	Cost of Product	Gross Profit	Net Sales	Cost of Product	Gross Profit
North America – Wholesale									
Nitrogen	\$ 422	\$ 334	\$ 88	\$ 501	\$ 330	\$ 171	\$ 633	\$ 337	\$ 296
Phosphate	255	195	60	262	187	75	279	195	84
Potash	145	79	66	160	91	69	140	89	51
Sulphate and other products	65	44	21	70	51	19	72	50	22
	887	652	235	993	659	334	1,124	671	453
North America – Retail									
Fertilizers	357	257	100	377	277	100	410	306	104
Chemicals	345	297	48	361	308	53	351	295	56
Other products and services	92	3	89	83	–	83	69	(1)	70
	794	557	237	821	585	236	830	600	230
South America									
Fertilizers	80	67	13	44	37	7	33	28	5
Other products and services	14	9	5	6	–	6	3	–	3
	94	76	18	50	37	13	36	28	8
Other Unallocated	(59)	(61)	2	(59)	(59)	–	(52)	(53)	1
Total	\$ 1,716	\$ 1,224	\$ 492	\$ 1,805	\$ 1,222	\$ 583	\$ 1,938	\$ 1,246	\$ 692

Net Sales by Market Destination and Assets by Country

	1999			1998			1997		
	Net Sales	Capital Assets	Goodwill	Net Sales	Capital Assets	Goodwill	Net Sales	Capital Assets	Goodwill
Canada	\$ 383	\$ 606	\$ –	\$ 487	\$ 521	\$ –	\$ 507	\$ 522	\$ 2
United States	1,167	317	52	1,230	334	55	1,325	320	58
Argentina	94	226	–	51	96	–	36	36	–
Other	72	–	–	37	–	–	70	–	–
	\$ 1,716	\$ 1,149	\$ 52	\$ 1,805	\$ 951	\$ 55	\$ 1,938	\$ 878	\$ 60

23. UNCERTAINTY DUE TO THE YEAR 2000 ISSUE

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than a date. Although the change in date has occurred, it is not possible to conclude that all aspects of the Year 2000 Issue that may affect the entity, including those related to customers, suppliers, or other third parties, have been fully resolved.

24. DIFFERENCES BETWEEN CANADIAN AND UNITED STATES GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

The Corporation's consolidated financial statements are prepared in accordance with Canadian GAAP. These principles differ in certain respects from those applicable under US GAAP. The approximate impact of these differences on the Corporation's financial statements is summarized below:

Consolidated Statements of Operations

	1999	1998	1997
Net earnings – Canadian GAAP	\$ 64	\$ 121	\$ 185
Adjustments net of tax:			
Post-retirement benefits ^(a)	(3)	(2)	(3)
Deferred start-up costs ^(b)	(5)	–	–
Preferred securities charges ^(c)	(8)	(6)	–
Other	3	1	(1)
Net earnings – US GAAP	\$ 51	\$ 114	\$ 181
Other comprehensive income:			
Translation adjustments (net of tax)	18	(20)	(18)
Comprehensive income – US GAAP ^(e)	\$ 69	\$ 94	\$ 163
Earnings per common share – US GAAP			
Basic (<i>in dollars</i>)	\$ 0.45	\$ 0.95	\$ 1.40
Fully diluted (<i>in dollars</i>)	\$ 0.44	\$ 0.95	\$ 1.40

Consolidated Statements of Cash Flow

	1999	1998	1997
Operating – Canadian GAAP	\$ 165	\$ 287	\$ 289
Post-retirement benefits ^(a)	(3)	(2)	(3)
Deferred start-up costs ^(b)	(5)	–	–
Preferred securities charges paid ^(c)	(8)	(6)	–
Other	–	1	–
Operating – US GAAP	\$ 149	\$ 280	\$ 286
Investing – Canadian GAAP	\$ (268)	\$ (141)	\$ (180)
Other assets ^{(b) (c)}	5	(6)	–
Other ^(a)	3	1	3
Investing – US GAAP	\$ (260)	\$ (146)	\$ (177)
Financing – Canadian GAAP	\$ 94	\$ (42)	\$ (153)
Preferred securities ^(c)	–	(169)	–
Issue of long-term debt ^(c)	–	175	–
Preferred securities charges paid ^(c)	8	6	–
Financing – US GAAP	\$ 102	\$ (30)	\$ (153)
Cash and cash-equivalents – end of year			
– Canadian and US GAAP	\$ 104	\$ 113	\$ 9

Consolidated Balance Sheets

As discussed in (c) below, a significant difference between Canadian and US GAAP on balance sheet items relates to preferred securities, which are not considered equity instruments for US GAAP due to the redemption feature. Under US GAAP, long-term debt would increase by \$175 million, other assets would increase by \$6 million and shareholders' equity would decrease by \$171 million at December 31, 1999 and 1998. The remaining balance sheet items under US GAAP are not materially different from balances under Canadian GAAP.

(a) Post-retirement benefits, as required by SFAS No. 106, are accrued under US GAAP similar to pension benefits but are expensed as incurred under Canadian GAAP.

(b) As disclosed in *Note 2*, expenditures incurred by the Corporation during start-up of a new facility prior to commencement of commercial operations are capitalized in accordance with Canadian GAAP. Under US GAAP, in accordance with Statement of Position 98-5, Reporting on the Costs of Start-Up Activities, all such expenditures must be expensed.

(c) As disclosed in *Note 13*, the Corporation has included the preferred securities, net of issue costs, as part of shareholders' equity in accordance with Canadian GAAP. Under US GAAP, the preferred securities would be classified as long-term debt and accordingly, the annual carrying charges would be recognized as an expense.

(d) SFAS No. 123, Accounting for Stock-based Compensation, establishes financial accounting and reporting standards for stock-based employee compensation plans as well as transactions in which an entity issues its equity instruments to acquire goods or services from non-

employees. As permitted by the Statement, the Corporation has elected to continue to follow the intrinsic value method of accounting for stock-based compensation arrangements, as provided for in Accounting Principles Board Opinion 25. Since all options were granted with exercise prices equal to the market price at the date of grant, no compensation cost has been charged to operations.

(e) SFAS No. 130 requires the reporting of comprehensive income in addition to net earnings. Comprehensive income includes net income plus other comprehensive income; specifically, all changes in equity of a company during a period arising from transactions and other events from non-owner sources.

(f) In June 1998, SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities, was issued. This statement will be effective for the Corporation's year ending December 31, 2001. The Corporation is unable to assess the impact of this standard at the present time.

25. SUBSEQUENT EVENT

In January 2000, the Corporation signed an agreement with Union Oil Company of California ("Unocal") to acquire the nitrogen-based production and distribution businesses operated by Unocal in Alaska, Washington, Oregon and California. The consideration to be paid by the Corporation to Unocal is approximately \$325 million, including net working capital at the time of closing, estimated to be approximately \$73 million. Upon closing of the Unocal transaction ("Closing"), the consideration payable will consist of \$50 million principal amount of 6% convertible preferred securities which will be convertible into the Corporation's common shares at a 20% premium to the weighted average common share price for the 20 days preceding Closing; \$25 million of the Corporation's common shares based on 96% of the average of the closing common share price on the 20 days prior to Closing; and the balance in cash which is expected to be financed through the issue of approximately \$250 million principal amount of debentures at market rates at the time of issue, with a term of 20 years. In addition, the Corporation and Unocal have negotiated an "Earn-Out" under which Unocal will have the opportunity to receive an annual payment for each of the six years following Closing equal to 35% of the excess of an international commodity price index for ammonia and urea over certain forecasted prices for the production volumes of the Kenai, Alaska facilities.

In February 2000, the Corporation arranged a bridge financing of up to \$250 million non-revolving term credit facility to finance the acquisition of the Unocal assets. The termination date on this facility is October 31, 2000.

Completion of the acquisition is subject to the fulfillment of certain conditions, including obtaining all necessary regulatory approvals. The Corporation anticipates the transaction to close before the end of the second quarter, 2000.

26. QUARTERLY FINANCIAL RESULTS (unaudited)

The following quarterly information includes all normal recurring adjustments necessary for fair presentation:

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
1999					
Net sales	\$ 289	\$ 675	\$ 355	\$ 397	\$ 1,716
Gross profit	88	207	101	96	492
Earnings before tax	1	89	5	4	99
Net earnings	1	55	3	5	64
Basic earnings (loss) per common share (in dollars)	\$ (0.01)	\$ 0.46	\$ 0.01	\$ 0.03	\$ 0.49
Average outstanding shares (in millions)	114	113	113	112	113
Fully diluted earnings (loss) per common share (in dollars)	\$ (0.01)	\$ 0.44	\$ -	\$ 0.03	\$ 0.49
Average outstanding shares (in millions)	119	119	118	117	118
1998					
Net sales	\$ 295	\$ 732	\$ 389	\$ 389	\$ 1,805
Gross profit	99	238	127	119	583
Earnings before tax	8	127	31	26	192
Net earnings	5	77	20	19	121
Basic earnings per common share (in dollars)	\$ 0.04	\$ 0.61	\$ 0.15	\$ 0.15	\$ 0.96
Average outstanding shares (in millions)	126	123	117	115	120
Fully diluted earnings per common share (in dollars)	\$ 0.04	\$ 0.59	\$ 0.15	\$ 0.14	\$ 0.94
Average outstanding shares (in millions)	131	128	122	120	125
1997					
Net sales	\$ 290	\$ 810	\$ 400	\$ 438	\$ 1,938
Gross profit	113	295	128	156	692
Earnings before tax	31	192	30	60	313
Net earnings	19	114	16	36	185
Basic earnings per common share (in dollars)	\$ 0.14	\$ 0.90	\$ 0.13	\$ 0.29	\$ 1.43
Average outstanding shares (in millions)	134	127	127	127	129
Fully diluted earnings per common share (in dollars)	\$ 0.14	\$ 0.87	\$ 0.13	\$ 0.28	\$ 1.40
Average outstanding shares (in millions)	139	132	132	131	134