

Consolidated Statements of Cash Flows

(in thousands of US dollars)

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

Years Ended August 31,	1999	2000	2001
Cash flows from operating activities			
Net earnings (loss) for the year	\$ 5,814	\$ 9,924	\$ (15,294)
Add (deduct) items not affecting cash and cash equivalents			
Amortization of discount on short-term investments	-	(807)	(594)
Amortization of property, plant and equipment	857	1,451	3,559
Amortization of intangible assets	41	47	9,876
Foreign exchange gains on disposal of short-term investments	-	-	(3,437)
Non-recurring expenses	-	-	1,083
Future income taxes	(42)	(33)	(1,779)
Amortization of goodwill	-	297	31,076
Change in non-cash operating working capital items			
Accounts receivable	(3,875)	(10,476)	447
Income taxes receivable	(381)	2,149	(2,291)
Inventories	(1,259)	(10,732)	(20,308)
Prepaid expenses	(205)	(519)	(67)
Accounts payable and accrued liabilities	1,965	3,917	(3,736)
Income taxes payable	(115)	-	4,528
Deferred revenue	327	215	100
Deferred grants	533	567	(57)
	3,660	(4,000)	3,106
Cash flows from financing activities			
Bank advances	(136)	(357)	(2,046)
Repayment of mandatorily redeemable preferred shares	-	-	(354)
Repayment of loan from a company under common control	-	(1,349)	-
Repayment of long-term debt	(20)	(812)	(3,355)
Issuance of share capital	86	209,690	-
Resale of share capital	-	-	1,490
Redemption of share capital	-	-	(33)
Share issue expenses	-	(16,743)	(331)
Dividends paid	(3,215)	(17,587)	-
	(3,285)	172,842	(4,629)
Cash flows from investing activities			
Additions to short-term investments	(33)	(519,645)	(772,808)
Proceeds from disposal of short-term investments	-	359,886	866,158
Additions to property, plant and equipment and intangible assets	(1,181)	(7,180)	(15,911)
Business combinations (note 3)	-	(2,108)	(68,255)
	(1,214)	(169,047)	9,184
Change in cash and cash equivalents	(839)	(205)	7,661
Effect of foreign exchange rate changes on cash and cash equivalents	-	511	(661)
Cash and cash equivalents – Beginning of year	1,262	423	729
Cash and cash equivalents – End of year	\$ 423	\$ 729	\$ 7,729
Supplementary information			
Interest paid	\$ (148)	\$ (480)	\$ (377)
Interest received	\$ 98	\$ 949	\$ 6,046
Income taxes paid	\$ (2,801)	\$ (3,761)	\$ (8,171)