August 8th, 2013

SHAWCOR LTD.
(TSX: SCL)

PRESS RELEASE

SHAWCOR LTD. ANNOUNCES SECOND QUARTER 2013 RESULTS

- Second quarter revenue reached a new quarterly record of $457.3 million, increasing by 1% from the $454.7 million reported in the first quarter of 2013 and increased by 40% from the $326.9 million reported in the second quarter a year ago.
- EBITDA in the second quarter of 2013 was $101.5 million, $65.1 million, or 179%, higher than in the prior year period but $2.7 million, or 3%, lower than in the first quarter of 2013. The reduction from the first quarter was primarily due to start up costs associated with Socotherm facilities in the USA and Italy.
- The consolidated EBITDA margin was 22.2%, compared with 11.1% in the second quarter a year ago, as a result of favourable revenue mix and the benefits of significantly higher facility utilization from the growth in revenue in the Company's Asia Pacific operations.
- Net income (attributable to shareholders of the Company) in the second quarter was $53.9 million (or $0.90 per share diluted) compared with net income of $21.4 million (or $0.30 per share diluted) in the second quarter of the prior year.

Mr. Bill Buckley, President and CEO of ShawCor Ltd. remarked "We are pleased to announce a continuation of strong financial results for the second quarter of 2013 with revenue reaching a new record level and EBITDA continuing strong despite the significant start up costs associated with two important deepwater coating facility mobilizations in the Socotherm group."

Mr. Buckley added "ShawCor continues to be well positioned to benefit from the on-going trend for global pipeline infrastructure investment. The sustainability of the global pipeline market is reflected in the Company's healthy backlog of $778 million at June 30, 2013 and the level of outstanding bids which continues at levels that will provide growth opportunities in the years ahead."

Selected Financial Highlights

(in thousands of Canadian dollars, except per share amounts and percentages)	Three Months ended June 30, 2013	Three Months ended June 30, 2012[c]	Six Months ended June 30, 2013	Six Months ended June 30, 2012[c]
Revenue	**$ 457,261**	$ 326,923	**$ 911,942**	$ 639,191
Gross profit	**192,245**	113,789	**396,887**	231,977
Gross profit %	**42.0%**	34.8%	**43.5%**	36.3%
EBITDA[a]	**101,529**	36,394	**205,804**	80,011
Income from operations	**78,536**	23,232	**167,661**	53,786
Net income for the period[b]	**$ 53,914**	$ 21,377	**$ 124,509**	$ 44,624
Earnings per share:				
Basic	**$ 0.91**	$ 0.30	**$ 1.94**	$ 0.63
Fully diluted	**$ 0.90**	$ 0.30	**$ 1.91**	$ 0.63

(a) EBITDA is a non-GAAP measure calculated by adding back to net income the sum of net finance costs, income taxes, depreciation/amortization of property, plant and equipment and intangible assets and impairment of assets. EBITDA does not have a standardized meaning prescribed by GAAP and is not necessarily comparable to similar measures provided by other companies. EBITDA is used by many analysts in the oil and gas industry as one of several important analytical tools.
(b) Attributable to shareholders of the Company, excluding non-controlling interests.
(c) Restated due to the adoption of certain new IFRS standards that became effective as at January 1, 2013, but were implemented retrospectively to January 1, 2012.

1.0 KEY DEVELOPMENTS

ShawCor Names New Chair & Vice Chair

On April 15, 2013, Ms. Virginia L. Shaw and Mr. Leslie W. J. Hutchison, the Chair and Vice Chair, respectively, of the Company's Board of Directors, advised that they would not stand for re-election to the Board at the Company's annual meeting of shareholders scheduled for May 16, 2013. Ms. Shaw was a director of the Company since 1994 and its Chair since 2007. She was preceded as Chair by her father, Leslie Shaw (1987 to 2007) and her uncle, JR Shaw (1969 to 1987). Mr. Hutchison was a director and Vice Chair of the Company since 2008 and from 2001 to 2008 he served as a senior executive with two of the Company's divisions.

Including stock splits and reinvestment of dividends, the Company has generated an average annual total return to shareholders of 13.7% from its inception as a public company in February 1969 to the end of 2012. This performance represents an enduring legacy of the Shaw family's stewardship of ShawCor.

On May 16, 2013, the Company’s Board of Directors appointed independent director John F. (Jack) Petch as its new Chair of the Board. Mr. Petch joined the ShawCor Board in 2005 and has previously served as its Lead Director, Chair of the Corporate Governance Committee and Chair of the Special Committee which was constituted in the fall of 2012 in connection with ShawCor's strategic review process.

Another independent director, Robert J. Ritchie, was appointed Vice Chair of the Board. Mr. Ritchie joined the ShawCor Board in 1994, previously served as the Chair of its Audit Committee and currently serves as the Chair of its Compensation Committee.

Significant Business Contracts

In June 2013, the Company was awarded a contract with a value of approximately US$30 million from Statoil Norway to provide pipeline coatings for the Edvard Grieg Oil Pipeline project and the Utsira High Gas Pipeline project. These pipelines will transport oil and gas from the Edvard Grieg and Ivar Aasen fields. The gas will be transported to St. Fergus through a tie in of the Utsira High Gas Pipeline to the Sage system and the oil will be transported to Sture, Norway, through a tie in of the Edvard Grieg Oil Pipeline to the existing Grane Oil Pipeline. The Edvard Grieg field (formerly Luno) is located in the Utsira High area of the Norwegian North Sea. The contract will be executed at the Bredero Shaw pipe coating facility in Leith, Scotland. This contract involves coating approximately 98km of 16" pipe and 46km of 29" pipe with 3-layer polypropylene anticorrosion coating, internal flow efficiency coating and concrete weight coating. Coating will commence during the fourth quarter of 2013.

Acquisition of Remaining 49% of Socotherm LaBarge LLC

On April 15, 2013, the Company completed the acquisition of the remaining 49% of Socotherm S.p.A's joint venture in the USA for total consideration of approximately $30 million, including the assumption of bank debt. The venture has a strategically located facility in Channelview, Texas which provides anticorrosion and advanced insulation coatings for global offshore applications, including in the Gulf of Mexico and West African markets.

1.1 OUTLOOK

The outlook for market activity in the Company's Pipeline and Pipe Services segment by region and in the Petrochemical and Industrial segment is outlined below:

Pipeline and Pipe Services Segment - North America

North American pipeline markets are expected to continue to provide ShawCor with opportunities for revenue growth. In the second half of 2013, modest revenue improvement is expected over second quarter levels as Western Canada resumes well completion activity following the downturn associated with spring breakup. Also in the second half of 2013, the Company expects to see a pick-up in large diameter pipe coating project work including a planned restart of the large diameter pipe coating plant in Portland, Oregon. Finally, second half revenue will be enhanced by the launching of full production at the Socotherm Gulf of Mexico facility on projects with a value in excess of $80 million to be executed over the next twelve months.

Beyond 2013, the Company anticipates that North America will be a key source of long term growth. Continued shale oil and gas developments are expected to drive growth for the Flexpipe composite pipe and Guardian OCTG pipe inspection and refurbishment businesses. The Company's Texas based insulation coating facilities are expected to benefit from increased offshore deepwater project activity in the Gulf of Mexico. Lastly, large diameter pipe coating volumes are likely to continue to strengthen as pipeline infrastructure investment is made to facilitate increasing unconventional oil production and, over the longer term, the production and export of liquid natural gas.

Pipeline and Pipe Services Segment - Latin America

With the $90 million Technip project now over 90% complete, the Company expects that revenue from Latin America pipe coating operations will be sustained, at the level reported in the second quarter, for the balance of 2013. Current activity levels in Mexico are projected to remain strong with multiple bidding opportunities for both onshore and offshore pipelines being pursued. The internal coating of OCTG at Socotherm's Argentina facility is a second area of strength that is expected to remain stable in future quarters. Although volume levels at the Company's wholly-owned facility in Belo Horizonte, Brazil are presently very low, this is expected to change in early 2014 when production will commence for the deepwater insulation coating for flowlines and risers for Petrobras' Sapinhoa field in the Santos basin.

Pipeline and Pipe Services Segment - EMAR

The Company's Europe, Middle East, Africa, Russia ("EMAR") region has experienced strong project revenues from the pipe coating facilities in Orkanger, Norway and Ras Al Khaimah, UAE. This is expected to continue throughout 2013, supported by the Company's recent acquisition of Socotherm which will contribute revenue from its facilities in Europe. In 2014, further improvement in region activity is expected based on the planned mobilization of the Leith, Scotland facility to execute several projects including the recently announced Edvard Grieg project.

Pipeline and Pipe Services Segment - Asia Pacific

In the second quarter of 2013, the Inpex Ichthys export line and Chevron Wheatstone flowlines projects were in full production resulting in the record revenue from the region. In the second half of 2013, this level of activity will be sustained with the ramping up of the insulated flowlines for the Apache Julimar and Inpex Ichthys projects. In 2014, it is likely that revenue levels will decrease, particularly once the $400 million Inpex Ichthys export line project is completed in the first quarter of 2014. However, the Company remains confident that the Asia Pacific region will continue to provide compelling opportunities beyond 2014, particularly with the emergence of deepwater oil and gas developments that will require the Company's operational capability and unique product technologies.

Petrochemical and Industrial Segment

ShawCor's Petrochemical and Industrial segment businesses are significantly exposed to demand in the North American and European automotive, industrial and nuclear refurbishment markets. Although the outlook for demand in industrial markets in developed economies remains uncertain, the Company's Petrochemical and Industrial segment businesses have achieved gains in market share. This trend is expected to continue with the result that the segment should generate modest revenue growth in 2013 versus 2012 levels. With the completion in the third quarter of a new facility in Germany for the segment's heat shrink tubular business, steady revenue growth combined with improved operational efficiencies is expected to generate higher operating margins and earnings for the Petrochemical and Industrial segment in 2014 and beyond.

Order Backlog

The Company's order backlog consists of firm customer orders only and represents the revenue the Company expects to realize on booked orders over the succeeding twelve months. The Company reports the twelve month billable backlog because it provides a leading indicator of significant changes in consolidated revenue. The order backlog at June 30, 2013 remained strong at $778 million although reduced from the record level of $875 million attained at the end of the first quarter of 2013. Compared to the prior year, the order backlog has improved by approximately 4%. In addition to the strong backlog at quarter end, bidding activity remains very high with outstanding bids currently exceeding $800 million dollars. The bidding activity is also very well diversified across all of the Company's regions, an indication of the strong global demand for pipeline infrastructure that is expected to drive the Company's performance, particularly in 2015 and 2016.

2.0 CONSOLIDATED INFORMATION AND RESULTS FROM OPERATIONS

2.1 Revenue

The following table sets forth revenue by reportable operating segment for the following periods:

(in thousands of Canadian dollars)	Three months ended			Six months ended	
	June 30, 2013	March 31, 2013	June 30, 2012[(a)]	**June 30, 2013**	June 30, 2012[(a)]
Pipeline and Pipe Services	**$ 417,443**	$ 416,674	$ 287,931	**$ 834,117**	$ 562,828
Petrochemical and Industrial	**40,351**	38,572	39,528	**78,923**	77,281
Elimination	**(533)**	(565)	(536)	**(1,098)**	(918)
	$ 457,261	$ 454,681	$ 326,923	**$ 911,942**	$ 639,191

(a) Revenue for the three-month and six-month periods ending June 30, 2012 has been restated due to the adoption of certain new IFRS standards that became effective as at January 1, 2013, but were implemented retrospectively to January 1, 2012.

Second Quarter 2013 versus First Quarter 2013

Consolidated revenue increased 1%, or $2.6 million, from $454.7 million during the first quarter of 2013 to $457.3 million during the second quarter of 2013, due to an increase of $0.8 million in the Pipeline and Pipe Services segment and an increase of $1.8 million, or 5%, in the Petrochemical and Industrial segment.

In the Pipeline and Pipe Services segment, revenue was slightly higher in the second quarter of 2013 than in the first quarter of 2013, as a result of increased activity in Asia Pacific and EMAR, partially offset by lower revenue in North America and Latin America. See section 3.1 – *Pipeline and Pipe Services segment* for additional disclosure with respect to the change in revenue in the Pipeline and Pipe Services segment.

In the Petrochemical and Industrial segment, revenue was slightly higher in the second quarter of 2013 than in the first quarter of 2013, mainly due to slightly higher activity levels in all three regions. See section 3.2 – *Petrochemical and Industrial segment* for additional disclosure with respect to the change in revenue in the Petrochemical and Industrial segment.

Second Quarter 2013 versus Second Quarter 2012

Consolidated revenue increased by $130.3 million, or 40%, from $326.9 million during the second quarter of 2012 to $457.9 million during the second quarter of 2013, due to an increase of $129.5 million, or 45%, in the Pipeline and Pipe Services segment and an increase of $0.8 million, or 2%, in the Petrochemical and Industrial segment.

In the Pipeline and Pipe Services segment, revenue in the second quarter of 2013 was higher than in the second quarter of 2012, primarily due to increased activity in Asia Pacific, Latin America and North America, partially offset by lower revenue in EMAR. See section 3.1 – *Pipeline and Pipe Services segment* for additional disclosure with respect to the change in revenue in the Pipeline and Pipe Services segment.

In the Petrochemical and Industrial segment, revenue increased by $0.8 million during the second quarter of 2013 compared to the second quarter of 2012, due to slightly higher activity levels in EMAR and Asia Pacific, partially offset by lower revenue in North America. See section 3.2 – *Petrochemical and Industrial segment* for additional disclosure with respect to the change in revenue in the Petrochemical and Industrial segment.

Six Months ended June 30, 2013 versus Six Months ended June 30, 2012

Consolidated revenue increased by $272.9 million, or 43%, from $639.1 million for the six month period ended June 30, 2012 to $911.9 million for the six month period ended June 30, 2013, due to an increase of $ 271.3 million, or 48%, in the Pipeline and Pipe Services segment and $1.6 million, or 2%, in the Petrochemical and Industrial segment.

Revenue for the Pipeline and Pipe Services segment in 2013 was $834.1 million, or $271.3 million higher than in 2012, primarily due to higher revenue in Asia Pacific, North America and Latin America, partially offset by lower activity in EMAR. See section 3.1 – *Pipeline and Pipe Services segment* for additional disclosure with respect to the change in revenue in the Pipeline and Pipe Services segment.

Revenue for the Petrochemical and Industrial segment increased by $1.6 million in 2013 compared to 2012, primarily due to higher activity levels in all regions. See section 3.2 – *Petrochemical and Industrial segment* for additional disclosure with respect to the change in revenue in the Petrochemical and Industrial segment.

2.2 Income from Operations

The following table sets forth income from operations ("Operating Income") and Operating Margin for the following periods:

(in thousands of Canadian dollars)	Three months ended			Six months ended	
	June 30, 2013	March 31, 2013	June 30, 2012 [(a)]	**June 30, 2013**	June 30, 2012 [(a)]
Operating Income	**$ 78,536**	$ 89,125	$ 23,232	**$ 167,661**	$ 53,786
Operating Margin[(a)]	**17.2%**	19.6%	7.1%	**18.4%**	8.4%

(a) Operating Income for the three-month and six-month periods ending 30, 2012 has been restated due to the adoption of certain new IFRS standards that became effective as at January 1, 2013, but were implemented retrospectively to January 1, 2012.
(b) Operating Margin is defined as Operating Income divided by revenue.

Second Quarter 2013 versus First Quarter 2013

Operating Income in the second quarter of 2013 decreased by $10.6 million, from $89.1 million during the first quarter of 2013 to $78.5 million. Operating income was impacted by a decrease in gross profit of $12.4 million, higher amortization of property, plant, equipment and intangible assets of $4.1 million and an increase in the loss on assets held for sale of $2.3 million. This was partially offset by a decrease in selling, general and administration ("SG&A") expenses of $6.4 million and an increase in net foreign exchange gains of $2.0 million.

The decrease in gross profit resulted from a reduction in the gross margin percentage, which declined by 3.0 percentage points from the first quarter of 2013. Approximately half of the reduction in gross margin percentage was the result of start up costs at Socotherm facilities in the USA and Italy while the remainder of the gross margin decrease was due to lower utilization of Canadian pipe coating plants and the Company's flexible composite pipe plant due to reduced demand in Western Canada. Both factors are not expected to continue in the second half of 2013.

SG&A expenses decreased by $6.4 million, from $94.9 million (restated from $91.5 million previously reported to reclassify some of Socotherm's expenses from cost of goods sold to SG&A to conform with ShawCor presentation) in the first quarter of 2013 to $88.6 million in the second quarter of 2013, primarily due to one time costs recorded in the first quarter of $7.6 million incurred to complete the Company's Plan of Arrangement on March 20, 2013, and related expenses associated with amended executive retirement arrangements of $ 5.0 million. This reduction in SG&A was partially offset by higher personnel related costs of $1.5 million (primarily severance costs on closure of a DSG Canusa facility in Europe), higher SG&A costs following the acquisition and full consolidation of the Socotherm Channelview facility of $1.8 million, increased legal fees of $1.1 million associated with a Socotherm arbitration case, and an increase in provisions for bad debts and other items of $1.8 million.

Second Quarter 2013 versus Second Quarter 2012

Operating Income increased by $55.3 million from $23.2 million in the second quarter of 2012 to $78.5 million during the second quarter of 2013. Operating income benefited from a year over year increase in gross profit of $78.5 million and an increase in the net foreign exchange gain of $1.6 million. This was partially offset by increases in SG&A expenses of $14.3 million, research and development expenses of $0.5 million, amortization of property, plant, equipment and intangible assets of $8.2 million and a loss on assets held for sale of $1.3 million.

The increase in gross profit resulted from higher revenue of $130.3 million and a 7.2 percentage point improvement in gross margin attributable to favourable product and project mix and better facility utilization and absorption of overheads.

SG&A expenses increased by $14.3 million compared with the second quarter of 2012, as a result of higher SG&A costs of $4.6 million following the acquisition and full consolidation of Socotherm, higher personnel related costs and management incentive compensation expenses of $5.4 million, legal and professional consulting fees of $2.2 million and increased provisions for bad debts and other items of $2.1 million.

Six Months ended June 30, 2013 versus Six Months ended June 30, 2012

Operating Income increased by $113.9 million from the six month period ended June 30, 2012 to $167.7 million during the comparable period in 2013. Operating income benefited from a year over year increase in gross profit of $164.9 million and an increase in the net foreign exchange gain increased by $1.3 million. This was partially offset by increases in SG&A expenses of $37.2 million, research and development expenses of $1.3 million, amortization of property, plant, equipment and intangible assets of $8.2 million and a loss on assets held for sale of $1.7 million.

The increase in gross profit resulted from higher revenue of $272.8 million and a 7.2 percentage point improvement in gross margin attributable to favourable project mix and better facility utilization and absorption of overheads..

SG&A expenses increased by $37.2 million in 2013 compared to 2012, as a result of higher SG&A costs of $8.3 million following the acquisition and full consolidation of Socotherm, one time costs of $7.6 million incurred to complete the Company's Plan of Arrangement on March 20, 2013 and related expenses associated with amended executive retirement arrangements of $ 5.0 million, higher personnel related costs and management incentive compensation expenses of $10.8 million, legal and professional consulting fees of $3.0 and increased provisions for bad debts and other items of $1.7 million.

2.3 Finance Costs, net

The following table sets forth the components of finance costs, net for the following periods:

(in thousands of Canadian dollars)	Three months ended			Six months ended	
	June 30, 2013	March 31, 2013	June 30, 2012[(a)]	**June 30, 2013**	June 30, 2012[(a)]
Interest Income on short-term deposits	**$ (234)**	$ (470)	$ (999)	**$ (704)**	$ (1,093)
Interest expense, other	**1,220**	919	269	**2,138**	661
Interest expense on long-term debt	**3,163**	400	–	**3,564**	–
Finance costs (income), net	**$ 4,149**	$ 849	$ (730)	**$ 4,998**	$ (432)

(a) Finance (costs) income for the three-month periods ending December 31, 2012 and June 30, 2012 has been restated due to the adoption of certain new IFRS standards that became effective as at January 1, 2013, but were implemented retrospectively to January 1, 2012.

Second Quarter 2013 versus First Quarter 2013

In the second quarter of 2013, net finance cost was $4.1 million, compared to a net finance cost of $0.8 million during the first quarter of 2013, as a result of higher interest on long term senior notes issued on March 20, 2013, higher other interest expenses on bank loans and overdrafts and lower interest income on short-term deposits.

Second Quarter 2013 versus Second Quarter 2012

In the second quarter of 2013, net finance cost was $4.1 million, compared to a net finance income of $0.7 million during the second quarter of 2012. The increase in net finance costs was a result of interest on long term senior notes issued on March 20, 2013, higher other interest expenses on bank loans and overdrafts and lower interest income on short-term deposits.

Six Months ended June 30, 2013 versus Six Months ended June 30, 2012

In the six months ended June 30, 2013, net finance cost was $5.0 million, compared to a net finance income of $0.4 million during the comparable period of 2012, as a result of interest on long term senior notes issued on March 20, 2013, higher other interest expenses on bank loans and overdrafts and lower interest income on short-term deposits.

2.4 Income Taxes

Second Quarter 2013 versus First Quarter 2013

The Company recorded an income tax expense of $21.7 million (29% of income before income taxes) in the second quarter of 2013, compared to an income tax expense of $17.1 million (20% of income before income taxes) in the first quarter of 2013. The effective tax rate in the second quarter of 2013 was higher than the Company's expected effective income tax rate of 27%, primarily due to the incurrence of tax losses in jurisdictions where the Company is unable to record a tax benefit.

Second Quarter 2013 versus Second Quarter 2012

The Company recorded an income tax expense of $21.7 million (29% of income before income taxes) in the second quarter of 2013, compared to an income tax expense of $4.4 million (18% of income before income taxes) in the second quarter of 2012. The effective tax rate in the second quarter of 2013 was higher than the Company's expected effective income tax rate of 27%, primarily due to the incurrence of tax losses in jurisdictions where the Company is unable to record a tax benefit.

Six Months ended June 30, 2013 versus Six Months ended June 30, 2012

The Company recorded an income tax expense of $38.7 million (24% of income before income taxes) during the six-month period ended June 30, 2013, compared to an income tax expense of $12.0 million (21% of income before income taxes) during the six-month period ended June 30, 2012. The effective income tax rate for the six months ending June 30, 2013 is lower than the expected income tax rate of 27% due to a portion of the Company’s taxable income being earned in the Trinidad Free Zone, Asia Pacific, the Middle East and other jurisdictions where the tax rate is 25% or less.

2.5 Foreign Exchange Impact

The following table sets forth the significant currencies in which the Company operates and the average foreign exchange rates for these currencies versus Canadian dollars, for the following periods:

	Three Months ended June 30,		**Six Months ended June 30,**	
	2013	2012	**2013**	2012
U.S. dollar	**1.0279**	1.0092	**1.0195**	1.0098
Euro	**1.3339**	1.2992	**1.3359**	1.3086
British Pounds	**1.5703**	1.5955	**1.5751**	1.5858

The following table sets forth the impact on revenue, income from operations and net income, compared with the prior year period, as a result of foreign exchange fluctuations on the translation of foreign currency operations:

(in thousands of Canadian dollars)		Q2-2013 Versus Q1-2013	Q2-2013 versus Q2-2012	Q2-2013 YTD versus Q2-2012 YTD
Revenue	$	**4,754**	7,500	9,025
Income from operations		**1,619**	2,081	2,835
Net income		**1,445**	1,778	2,708

In addition to the translation impact noted above, the Company recorded a foreign exchange gain of $1.2 million in the second quarter of 2013, compared to a loss of $0.4 million for the comparable period in the prior year, as a result of the impact of changes in foreign exchange rates on monetary assets and liabilities and short term foreign currency intercompany loans within the group, net of hedging activities.

2.6 Net Income

Second Quarter 2013 versus First Quarter 2013

Net income decreased by $16.7 million, from $70.6 million during the first quarter of 2013 to $53.9 million during the second quarter of 2013, mainly due to the lower operating income in the second quarter of 2013, as explained in section 2.2 above. This was further compounded by increases in net finance costs of $3.3 million and income tax expense of $4.6 million, partially offset by a net increase in the income in investment in joint ventures of $1.5 million.

Second Quarter 2013 versus Second Quarter 2012

Net income increased by $32.5 million, from $21.4 million during the second quarter of 2012 to $53.9 million during the second quarter of 2013, mainly due to higher operating income in the second quarter of 2013 as explained in section 2.2 above, and a net increase in income in investment in joint ventures of $1.3 million. This was partially offset by increases in net finance costs of $4.9 million and income tax expense of $17.2 million.

Six Months ended June 30, 2013 versus Six Months ended June 30, 2012

Net income increased by $79.9 million, from $44.6 million during the six-month period ended June 30, 2012 to $124.5 million during the six-month period ended June 30, 2013, mainly due to higher operating income in the first six months of 2013 as explained in section 2.2 above. This was partially offset by increases in net finance costs of $5.4 million and income tax expense of $26.8 million.

3.0 SEGMENT INFORMATION

3.1 Pipeline and Pipe Services segment

The following table sets forth, by geographic location, the Revenue, Operating Income and Operating Margin for the Pipeline and Pipe Services segment for the following periods:

(in thousands of Canadian dollars)		Three months ended						Six months ended		
		June 30, 2013		March 31, 2013		June 30, 2012[(a)]		**June 30, 2013**		June 30, 2012[(a)]
North America	**$**	**149,919**	$	157,355	$	146,054	**$**	**307,274**	$	300,370
Latin America		**37,071**		60,319		21,990		**97,390**		36,924
EMAR		**52,177**		34,039		68,661		**86,216**		127,090
Asia Pacific		**178,276**		164,961		51,226		**343,237**		98,444
Total Revenue	**$**	**417,443**	$	416,674	$	287,931	**$**	**834,117**	$	562,828
Operating Income	**$**	**85,945**	$	109,226	$	26,784	**$**	**195,171**	$	64,065
Operating Margin		**20.6%**		26.2%		9.3%		**23.4%**		11.4%

(a) Restated due to the adoption of certain new IFRS standards that became effective as at January 1, 2013, but were implemented retrospectively to January 1, 2012.

Second Quarter 2013 versus First Quarter 2013

In the second quarter of 2013, revenue was $417.4 million, $0.8 million higher than in the first quarter of 2013. This was driven by increased activity levels in Asia Pacific and EMAR, partially offset by lower activity levels in North America and Latin America:

- In North America, revenue decreased by $7.4 million, or 4.7%, as a result of decreased small diameter pipe coating activity and lower flexible composite pipe volumes in Canada due to lower well completion activity associated with spring break up, partially offset by higher pipe weld service revenue.

- Latin America revenue decreased by $23.2 million, or 38.5%, primarily as a result of lower activity from the Technip project in Trinidad, partially offset by higher offshore pipe coating activity in Mexico.

- In EMAR, revenue increased by $18.1 million, or 53%, primarily due to increased activity at the Company's pipe coating facilities in Leith, Scotland and in Ras Al Khaimah ("RAK"), UAE.

- Asia Pacific revenue increased $13.3 million, or 8%, mainly due to increased volumes on the Chevron Wheatstone flowlines project and the commencement of production on a large project for PTT Provincial Gas Transmission.

Operating Income in the second quarter of 2013 was $85.9 million compared to $109.2 million in the first quarter of 2013, a decrease of $23.3 million, or 21%. Revenue increased by $0.8 million as explained above, however operating income was impacted by a decrease in the gross margin percentage of 3.0 percentage points and the Company incurred higher amortization expenses on property, plant, equipment and intangible assets and a net higher loss on assets held for sale, as explained in section 2.2 above.

Second Quarter 2013 versus Second Quarter 2012

In the second quarter of 2013, revenue was $417.4 million, an increase of $129.5 million, or 45%, from $287.9million in the second quarter of 2013. Revenues in Asia Pacific and North America were higher, partially offset by decreases in EMAR and Latin America revenue:

- North America revenue increased by $3.9 million, or 3%, due to increased flexible composite pipe volumes and pipe weld inspection service revenue in the US, partially offset by lower small diameter pipe coating activity in the Gulf of Mexico compared to the second quarter of 2012.

- In Latin America, revenue increased by $15.0 million, or 69%, primarily due to the inclusion of revenue from Argentina as a result of the Socotherm acquisition.

- EMAR revenue decreased by $16.5 million, or 24%, primarily due to decreased activity at the Company's pipe coating facility in RAK on the Barzan project, partially offset by increased volumes from Leith, Scotland on the Mafumeira Sul project.

- In Asia Pacific, revenue increased by $127.1 million, or 248%, in the second quarter of 2013, due to the increase in volumes associated with the Inpex Ichthys and Chevron Wheatstone projects at both Kabil, Indonesia and Kuantan, Malaysia.

Operating Income in the second quarter of 2013 was $85.9 million compared to $26.8 million in the second quarter of 2013, an increase of $59.2 million, or 221%, primarily due to the increase in revenue of $129.5 million, as explained above, and a 8.3 percentage point increase in gross margin due to favourable project mix, better facilities' utilization and the absorption of overheads. The increase in gross profit was partially offset by higher SG&A expenses as explained in section 2.2 above.

Six Months ended June 30, 2013 versus Six Months ended June 30, 2012

Revenue in the Pipeline and Pipe Services segment for the six month period ended June 30, 2013 was $834.1 million, an increase of $271.3 million, or 48%, from $562.8 million in the comparable period in the prior year. Activity levels in Asia Pacific, North America and Latin America were significantly higher in 2013 compared to 2012, partially offset by a decrease in EMAR revenue:

- Revenue in North America increased by $7.0 million, or 2.3%, primarily due to increased pipe weld inspection service revenue and the Socotherm Gulf of Mexico acquisition.

- In Latin America, revenue was higher by $60.5 million, or 164%, mainly due to higher activity levels on the Dragon Cigma project in Trinidad and the inclusion of revenue from Argentina as a result of the acquisition of Socotherm.
- In EMAR, revenue decreased by $40.9 million, or 32%, primarily due to decreased pipe coating activity levels in RAK and at Orkanger, Norway, partially offset by increased volumes on the execution of the Mafumeria Sul project at the Leith, Scotland facility and the inclusion of revenue from Italy as a result of the acquisition of Socotherm.
- Revenue in Asia Pacific increased by $244.8 million, or 249%, mainly due to full production being achieved on the Inpex Ichthys and the Chevron Wheatstone projects at both Kuantan, Malaysia and Kabil, Indonesia.

Operating Income for the six month period ended June 30, 2013 was $195.2 million compared to $64 million for the six month period ended June 30, 2012, an increase of $131.1 million, or 205%. The increase in operating income is due to higher gross profit due to the increase in revenue, as explained above, and a 7.7 percentage points increase in gross margin due to favourable project mix, better facilities utilization and the absorption of overheads. The increase in gross profit was partially offset by higher SG&A expenses as explained in section 2.2 above.

3.2 Petrochemical and Industrial segment

The following table sets forth, by geographic location, the Revenue, Operating Income and Operating Margin for the Petrochemical and Industrial segment for the following periods:

(in thousands of Canadian dollars)	Three months ended			Six months ended	
	June 30, 2013	March 31, 2013	June 30, 2012[(a)]	**June 30, 2013**	June 30, 2012[(a)]
North America	**$ 24,611**	$ 23,349	$ 25,313	**$ 47.960**	$ 47,906
EMAR	**14,125**	13,968	13,220	**28,093**	27,594
Asia Pacific	**$ 1,615**	$ 1,255	$ 995	**$ 2,870**	$ 1,781
Total Revenue	**40,351**	38,572	39,528	**78,923**	77,281
Operating Income	**$ 5,056**	$ 5,017	$ 5,424	**$ 10,073**	$ 10,465
Operating Margin	**12.5%**	13.0%	13.7%	**12.8%**	13.5%

(a) Restated due to the adoption of certain new IFRS standards that became effective as at January 1, 2013, but were implemented retrospectively to January 1, 2012.

Second Quarter 2013 versus First Quarter 2013

Revenue increased in the second quarter of 2013 by $1.8 million, or 5 %, to $40.4 million, compared to the first quarter of 2013 due to stable and steady growth of wire and cable product shipments to North American electrical utilities and the oil sands segment.

Operating Income of $5.1 million in the second quarter of 2013 was mostly at par with the first quarter of 2013. Revenue was higher by $1.8 million, as explained above, with a 0.7 percentage point increase in gross margin. This was offset by higher SG&A expenses which was primarily the result of the closure of a DSG Canusa facility in Europe.

Second Quarter 2013 versus Second Quarter 2012

In the second quarter of 2013, revenue totaled $40.4 million compared to $39.5 million in the second quarter of 2012, an increase of $0.8 million, or 2%. The increase was primarily driven by higher revenues in the Asia Pacific heat shrinkable product market.

Operating Income in the second quarter of 2013 was $5.1 million compared to $5.4 million in the second quarter of 2013, a decrease of $0.3 million, or 7%, primarily due to higher SG&A expenses as a result of the closure of a DSG Canusa facility in Europe.

Six Months ended June 30, 2013 versus Six Months ended June 30, 2012

Revenue increased in the six months ended June 30, 2013 by $1.6 million, or 2.1%, to $78.9 million compared to the comparable period in 2012 due to increased shipments of wire and cable products to the North American electrical utilities and oil sands market combined with increased heat shrinkable product shipments in Asia Pacific.

Operating Income for the six months ended June 30, 2013 was $10.1 million compared to $10.5 million for the six months ended June 30, 2012, a decrease of $0.4 million, or 4%. The decrease was primarily due to higher SG&A expenses, partially offset by higher revenue and gross profit.

3.3 Financial and Corporate

Financial and corporate costs include corporate expenses not allocated to the operating segments and other non-operating items, including foreign exchange gains and losses on foreign currency denominated cash and working capital balances. The corporate division of the Company only earns revenue that is considered incidental to the activities of the Company. As a result, it does not meet the definition of a reportable operating segment as defined under IFRS.

The following table sets forth the Company's unallocated financial and corporate expenses, before foreign exchange gains and losses, for the following periods:

(in thousands of Canadian dollars)	Three months ended			Six months ended	
	June 30, 2013	March 31, 2013	June 30, 2012[(a)]	**June 30, 2013**	June 30, 2012[(a)]
Loss from operations	**$ (13,636)**	$ (24,280)	$ (8,576)	**$ (37,916)**	$ (19,499)

(a) Restated due to the adoption of certain new IFRS standards that became effective as at January 1, 2013, but were implemented retrospectively to January 1, 2012.

Second Quarter 2013 versus First Quarter 2013

Financial and corporate costs decreased by $10.6 million from $24.3 million during the first quarter of 2013, to $13.6 million during the second quarter of 2013, primarily as a result of higher one time costs of $7.6 million incurred to complete the Company's Plan of Arrangement on March 20, 2013 and related expenses associated with amended executive retirement arrangements of $5.0 million recorded in the first quarter of 2013, partially offset by higher personnel related costs in the second quarter.

Second Quarter 2013 versus Second Quarter 2012

Financial and corporate costs increased by $5.1 million from the second quarter of 2012 to $13.6 million in the second quarter of 2013, primarily due to higher personnel and management incentive compensation related expenses of $3.5 million and higher decommissioning obligation expense recorded in 2013.

Six Months ended June 30, 2013 versus Six Months ended June 30, 2012

Financial and corporate costs increased by $18.4 million from the six month period ended June 30, 2012 to $37.9 million for the six month period ended June 30, 2013, primarily as a result of higher one time costs of $7.6 million incurred to complete the Company's Plan of Arrangement on March 20, 2013 and related expenses associated with amended executive retirement arrangements of $5.0 million and due to increased personnel and management incentive compensation and professional consulting expenses totaling $5.5 million.

4.0 FORWARD-LOOKING INFORMATION

This document includes certain statements that reflect management's expectations and objectives for the Company's future performance, opportunities and growth, which statements constitute "forward-looking information" and "forward looking statements" (collectively "forward looking information") under applicable securities laws. Such statements, other than statements of historical fact, are predictive in nature or depend on future events or conditions. Forward looking information involves estimates, assumptions, judgments and uncertainties. These statements may be identified by the use of forward-looking terminology such as ″ may″ , ″will″, ″should″, ″anticipate″, ″expect″, ″believe″, ″predict″, ″estimate″, ″continue″, ″intend″, ″plan″ and variations of these words or other similar expressions. Specifically, this document includes forward looking information in the Outlook section and elsewhere in respect of, among other things, the timing of major project activity, the sufficiency of resources and capital to meet market demand and to execute the Company's development and growth strategy, the impact of the existing order backlog and other factors on the Company's revenue and operating income in 2013 and in the longer term, the impact of global economic activity on the demand for the Company's products, the impact of changing energy demand, supply and prices, the impact and likelihood of changes in competitive conditions in the markets in which the Company participates, the impact of changing laws for environmental compliance on the Company's capital and operating costs, and the adequacy of the Company's existing accruals in respect thereof and in respect of litigation matters and other claims generally, the level of payments under the Company's performance bonds, the outlook for revenue and operating income and the expected development in the Company's order backlog.

Forward looking information involves known and unknown risks and uncertainties that could cause actual results to differ materially from those predicted by the forward-looking information. We caution readers not to place undue reliance on forward looking information as a number of factors could cause actual events, results and prospects to differ materially from those expressed in or implied by the forward looking information. Significant risks facing the Company include, but are not limited to: changes in global or regional economic activity and changes in energy supply and demand, which impact on the level of drilling activity and pipeline construction; exposure to product and other liability claims; shortages of or significant increases in the prices of raw materials used by the Company; compliance with environmental, trade and other laws; political, economic and other risks arising from the Company's international operations; fluctuations in foreign exchange rates, as well as other risks and uncertainties, as more fully described under the heading "Risks and Uncertainties" in the Company's annual MD&A.

These statements of forward looking information are based on assumptions, estimates and analysis made by management in light of its experience and perception of trends, current conditions and expected developments as well as other factors believed to be reasonable and relevant in the circumstances. These assumptions include those in respect of continued global economic recovery, increased investment in global energy infrastructure, the Company's ability to execute projects under contract, the continued supply of and stable pricing for commodities used by the Company, the availability of personnel resources sufficient for the Company to operate its businesses, the maintenance of operations in major oil and gas producing regions and the ability of the Company to satisfy all covenants under its credit facilities and the senior notes . The Company believes that the expectations reflected in the forward looking information are based on reasonable assumptions in light of currently available information. However, should one or more risks materialize or should any assumptions prove incorrect, then actual results could vary materially from those expressed or implied in the forward looking information included in this document and the Company can give no assurance that such expectations will be achieved.

When considering the forward looking information in making decisions with respect to the Company, readers should carefully consider the foregoing factors and other uncertainties and potential events. The Company does not assume the obligation to revise or update forward looking information after the date of this document or to revise it to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws.

ShawCor will be hosting a Shareholder and Analyst Conference Call and Webcast on Friday August 9th, 2013, at 10:00 AM EDT, which will discuss the Company's second quarter financial results.

Additional information relating to the Company, including its Annual Information Form, is available on SEDAR at www.sedar.com.

Please visit our website at www.shawcor.com for further details.

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ShawCor Ltd.
Interim Consolidated Balance Sheets
(Unaudited)

(in thousands of Canadian dollars)	June 30, 2013 $	December 31, 2012 $ Restated
Assets		
Current Assets		
Cash and cash equivalents	$ **83,872**	$ 284,981
Short-term investments	**13,336**	77,950
Loans receivable	**677**	1,565
Accounts receivable	**353,198**	376,788
Income taxes receivable	**7,720**	11,837
Inventories	**220,454**	188,347
Prepaid expenses	**21,345**	41,370
Derivative financial instruments	**2,297**	3,988
	702,899	986,826
Non-current Assets		
Loans receivable	**4,871**	20,903
Property, plant and equipment	**408,707**	371,584
Intangible assets	**134,694**	101,455
Investment in joint venture	**37,677**	49,321
Investment in associate	**1,179**	1,348
Deferred income taxes	**51,530**	36,147
Other assets	**9,453**	10,080
Goodwill	**307,219**	285,710
	955,330	876,548
Assets held for sale	**26,582**	27,141
	$ **1,684,811**	$ 1,890,515
Liabilities		
Current Liabilities		
Bank indebtedness	$ **10,844**	$ 5,751
Accounts payable and accrued liabilities	**236,351**	206,051
Provisions	**50,246**	46,182
Income taxes payable	**43,957**	35,057
Derivative financial instruments	**1,855**	1,926
Deferred revenue	**238,492**	377,091
Obligations under finance lease	**1,561**	1,927
	583,306	673,985
Non-current Liabilities		
Loans payable	**1,722**	2,664
Long-term debt	**366,160**	–
Obligations under finance lease	**13,011**	12,728
Provisions	**79,920**	70,637
Deferred revenue	**478**	64,392
Deferred income taxes	**77,938**	61,479
	539,229	211,900
Liabilities directly associated with the assets classified as held for sale	**12,399**	11,917
	1,134,934	897,802
Equity		
Share capital	**293,009**	221,687
Contributed surplus	**14,093**	17,525
Retained earnings	**297,221**	803,787
Non-controlling interest	**(429)**	(331)
Accumulated other comprehensive loss	**(54,017)**	(49,955)
	549,877	992,713
	$ **1,684,811**	$ 1,890,515

ShawCor Ltd.
Interim Consolidated Statements of Income
(Unaudited)

(in thousands of Canadian dollars)	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012 Restated	**2013**	2012 Restated
Revenue				
Sale of products	**$ 113,432**	$ 90,352	**$ 219,289**	$ 194,833
Rendering of services	**343,829**	236,571	**692,653**	444,358
	457,261	326,923	**911,942**	639,191
Cost of Goods Sold and Services Rendered	**265,016**	213,134	**515,055**	407,214
Gross Profit	**192,245**	113,789	**396,887**	231,977
Selling, general and administrative expenses	**88,569**	74,305	**183,488**	146,314
Research and development expenses	**4,112**	3,660	**8,051**	6,765
Foreign exchange (gains) losses	**(1,171)**	400	**(333)**	1,245
Amortization of property, plant and equipment	**17,614**	10,385	**31,829**	20,252
Amortization of intangible assets	**2,790**	1,807	**4,899**	3,615
Loss on assets held for sale	**1,795**	–	**1,292**	–
Income from Operations	**78,536**	23,232	**167,661**	53,786
Income on investment in associate	**–**	1,450	**–**	2,718
Income (loss) on investment in joint ventures	**794**	(480)	**123**	(360)
Finance (costs) income, net	**(4,149)**	730	**(4,998)**	432
Income before Income Taxes	**75,181**	24,932	**162,786**	56,576
Income taxes	**21,659**	4,441	**38,738**	11,952
Net Income for the Period	**$ 53,522**	$ 20,491	**$ 124,048**	$ 44,624
Net Income Attributable to:				
Shareholders of the Company	**$ 53,914**	$ 21,377	**$ 124,509**	$ 44,624
Non-controlling interests	**(392)**	(886)	**(461)**	–
Net Income for the Period	**$ 53,522**	$ 20,491	**$ 124,048**	$ 44,624
Earnings per Share				
Basic	**$ 0.91**	$ 0.30	**$ 1.94**	$ 0.63
Diluted	**$ 0.90**	$ 0.30	**$ 1.91**	$ 0.63
Weighted Average Number of Shares Outstanding (000's)				
Basic	**59,404**	70,574	**64,192**	70,613
Diluted	**60,118**	71,270	**65,032**	71,299

ShawCor Ltd.

Interim Consolidated Statements of Comprehensive Income

(Unaudited)

(in thousands of Canadian dollars)	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012 Restated	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012 Restated
Net Income for the Period	**$ 53,522**	$ 20,491	**$ 124,048**	$ 44,624
Other comprehensive loss to be reclassified to net income in subsequent periods:				
Exchange differences on translation of foreign operations	**(2,435)**	1,191	**3,181**	(5,762)
Other comprehensive income attributable to investment in associate	**–**	(1,409)	**–**	(613)
Loss on cash flow hedge	**–**	–	**(6,880)**	–
Net other comprehensive loss to be reclassified to net income in subsequent periods	**(2,435)**	(218)	**(3,699)**	(6,375)
Items not to be reclassified to net income in subsequent periods:				
Actuarial loss on defined benefit plans	**–**	(1,312)	**–**	(2,623)
Income tax expense	**–**	338	**–**	677
	–	(974)	**–**	(1,946)
Net other comprehensive loss not to be reclassified to net income in subsequent periods	**–**	(974)	**–**	(1,946)
Other Comprehensive Loss, Net of Income Tax	**(2,435)**	(1,192)	**(3,699)**	(8,321)
Total Comprehensive Income For the Period, Net of Income Tax	**$ 51,087**	$ 19,299	**$ 120,349**	$ 36,303
Comprehensive Income Attributable to:				
Shareholders of the Company	**$ 51,465**	$ 20,322	**$ 120,447**	$ 36,303
Non-controlling interests	**(378)**	(1,023)	**(98)**	–
Total Comprehensive Income for the Period, Net of Income Tax	**$ 51,087**	$ 19,299	**$ 120,349**	$ 36,303

ShawCor Ltd.

Interim Consolidated Statements of Changes in Equity

(Unaudited)

(in thousands of Canadian dollars) **(Restated)**	**Share Capital**	**Contributed Surplus**	**Retained Earnings**	**Non-Controlling Interest**	**Accumulated Other Comprehensive Loss**	**Total Equity**
Balance - December 31, 2012	**$ 221,687**	**$ 17,525**	**$ 803,787**	**$ (331)**	**$ (49,955)**	**$ 992,713**
Net income for the period	–	–	124,509	(461)	–	124,048
Issued on exercise of stock options	12,182	–	–	–	–	12,182
Compensation cost on exercised options	4,678	(4,678)	–	–	–	–
Compensation cost on exercised RSUs	24	(24)	–	–	–	–
Stock-based compensation expense	–	1,270	–	–	–	1,270
Cancellation of Class B shares	54,438	–	(553,215)	–	–	(498,777)
Share cancellation costs (net of income tax benefit of $1.5 million)	–	–	(4,312)	–	–	(4,312)
Other comprehensive income (loss)	–	–	–	363	(4,062)	(3,699)
Dividends paid	–	–	(73,548)	–	–	(73,548)
Balance - June 30, 2013	**$ 293,009**	**$ 14,093**	**$ 297,221**	**$ (429)**	**$ (54,017)**	**$ 549,877**
Balance - December 31, 2011	$ 218,381	$ 16,391	$ 668,521	–	$ (45,033)	$ 858,260
Net income for the period	–	–	44,624	–	–	44,624
Issued on exercise of stock options	2,978	–	–	–	–	2,978
Compensation cost on exercised options	1,088	(1,088)	–	–	–	–
Compensation cost on exercised RSUs	40	(40)	–	–	–	–
Stock-based compensation expense	–	1,427	–	–	–	1,427
Other comprehensive loss	–	–	–	–	(8,321)	(8,321)
Dividends paid	–	–	(12,523)	–	–	(12,523)
Purchase – normal course issuer bid	(2,176)	–	–	–	–	(2,176)
Excess of purchase price over stated value of shares	–	–	(16,712)	–	–	(16,712)
Balance – June 30, 2012	$ 220,311	$ 16,690	$ 683,910	–	$ (53,354)	$ 867,557

ShawCor Ltd.
Interim Consolidated Statements of Cash Flows
(Unaudited)

(in thousands of Canadian dollars)	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012 Restated	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012 Restated
Operating Activities				
Net income for the period	**$ 53,522**	$ 20,491	**$ 124,048**	$ 44,624
Add (deduct) items not affecting cash				
Amortization of property, plant and equipment	**17,614**	10,385	**31,829**	20,252
Amortization of intangible assets	**2,790**	1,807	**4,899**	3,615
Amortization of long-term prepaid expenses	**329**	357	**438**	511
Decommissioning liabilities expense	**(168)**	119	**233**	712
Other provisions expense (recovery)	**7,967**	1,023	**17,068**	(2,832)
Stock-based and incentive based compensation	**4,344**	3,984	**11,358**	6,206
Deferred income taxes	**(2,025)**	147	**(9,307)**	(1,464)
(Gain) loss on disposal of property, plant and equipment	**–**	(354)	**42**	(296)
Loss (gain) on derivative financial instruments	**1,179**	(155)	**1,620**	–
Gain on investment in associate	**–**	(1,450)	**–**	(2,718)
(Gain) loss on investment in joint ventures	**(794)**	480	**(123)**	360
Loss on assets held for sale	**1,795**	–	**1,292**	–
Other assets	**639**	(1,263)	**627**	(1,066)
Settlement of decommissioning liabilities	**(58)**	(292)	**(609)**	(541)
Settlement of other provisions	**(7,705)**	(266)	**(11,700)**	(410)
Net change in non-current deferred revenue	**(1,305)**	(78,487)	**(63,914)**	205,876
Net change in employee future benefits	**(445)**	102	**(5,691)**	804
Net change in non-cash working capital and foreign exchange	**(101,046)**	24,004	**(100,271)**	174,870
Cash (used in) provided by Operating Activities	**(23,367)**	(19,368)	**1,839**	448,503
Investing Activities				
Decrease (increase) in loans receivable	**547**	(61,535)	**1,063**	(61,580)
Redemption (purchase) of short-term investments, net	**(7,048)**	(24,615)	**64,614**	(144,493)
Purchase of property, plant and equipment	**(22,141)**	(17,803)	**(38,247)**	(27,416)
Proceeds on disposal of property, plant and equipment	**300**	429	**300**	641
Purchase of intangible assets	**(13)**	(10)	**(72)**	(45)
Investment in joint venture	**(7,398)**	–	**(7,398)**	–
Business acquisition	**(30,163)**	–	**(30,163)**	–
(Increase) decrease in other assets	**(4)**	–	**105**	–
Cash used in Investing Activities	**(65,920)**	(103,534)	**(9,798)**	(232,893)
Financing Activities				
Increase (decrease) in bank indebtedness	**5,167**	2,256	**5,093**	(9,192)
(Decrease) increase in loans payable	**(1,518)**	462	**824**	462
Repayment of finance lease obligation	**–**	(114)	**–**	(175)
Proceeds from long-term debt	**–**	–	**356,280**	–
Proceeds from interest rate swap	**–**	–	**2,111**	–
Issuance of shares	**5,467**	978	**12,182**	2,978
Repurchase of shares	**–**	(18,888)	**(503,089)**	(18,888)
Dividend paid to shareholders	**(66,632)**	(6,958)	**(73,548)**	(12,523)
Cash Used in Financing Activities	**(57,516)**	(22,264)	**(200,147)**	(37,338)
Foreign Exchange impact on Cash and Cash Equivalents	**5,227**	267	**6,997**	157
Net change in Cash and Cash Equivalents for the Period	**(141,576)**	(144,899)	**(201,109)**	178,429
Cash and Cash Equivalents - Beginning of Period	**225,448**	379,865	**284,981**	56,537
Cash and Cash Equivalents - End of Period	$ **83,872**	$ 234,966	$ **83,872**	$ 234,966