

COMPANY RESULTS

Under the program, recipients of PEMD assistance are required to report any incremental sales in the target market during the activity period and for three years thereafter. Repayment of the assistance is based on 4% of these annual sales increments.

In 1998-99, 309 companies reported \$117 million in export sales as a result of their PEMD-assisted market development activities. Total reported sales for PEMD companies in 1997-98 were \$441.8 million which included a \$275 million capital project bidding contract won by a PEMD supported company.

Reported sales to the U.S. were the highest with \$92.16 million, which accounted for 79% of total reported export sales. This was followed by Japan with \$11.03 million (9%) and the United Kingdom with \$4.25 million (4%).

Since the inception of the program in 1971, export sales or contracts reported by companies as a result of PEMD assisted initiatives, total \$14.48 billion. Sales reported in 1998-99 were \$117 million. The \$8.62 million invested in industry initiated activities resulted in a sales to investment ratio of approximately 14 to 1.

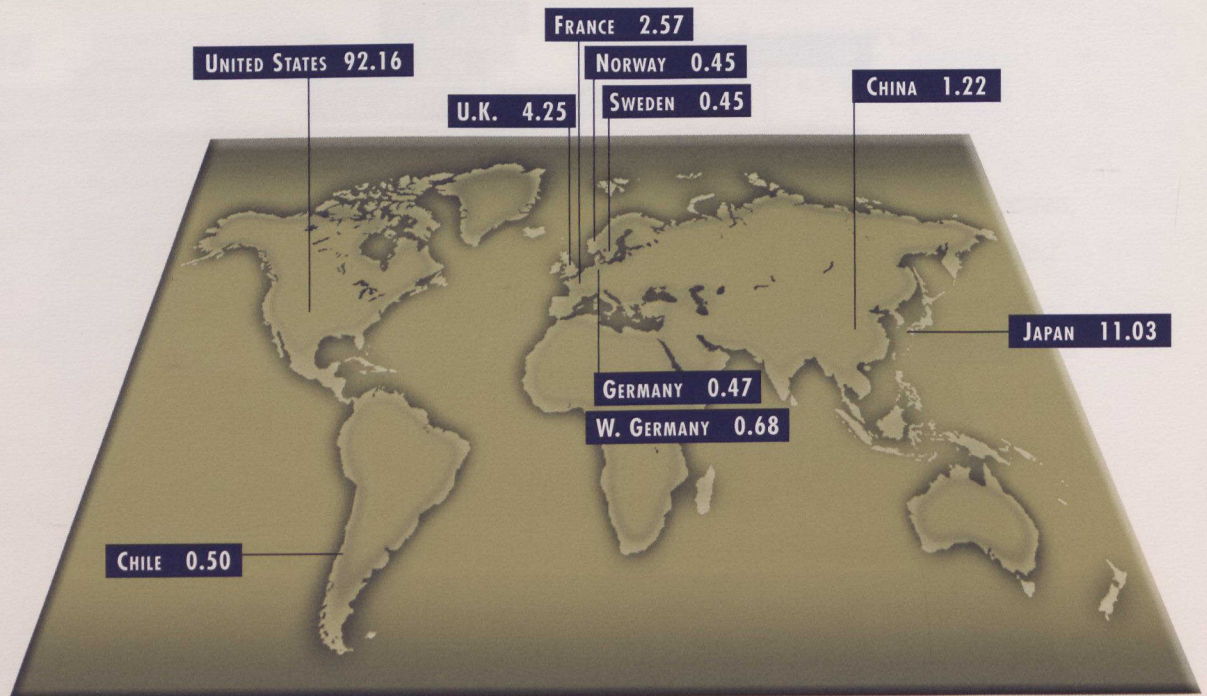
For additional information, please refer to the results of the PEMD User Survey which are outlined in the last section of this Report.

PEMD SUCCESS STORY

Mr. Brian Keown
Sales, Marketing &
Contracts Manager
IMRIS (Innovative
Magnetic Resonance
Imaging Systems Inc.)
Winnipeg, Manitoba

"The funds helped us to attend a significant conference of neurosurgeons. The leads are still being followed-up at this time, and we expect that at least one of these will result in a sale."

TOP TEN COUNTRIES FOR REPORTED EXPORT SALES/REVENUES 1998-99 (\$ MILLIONS)



TOTAL EXPORT SALES/REVENUE \$117 MILLION