

" The following lines have been rebuilt :

|                                                                                                   |           |
|---------------------------------------------------------------------------------------------------|-----------|
| From Montreal to Vaudreuil, on south side of G. T. Ry.....                                        | 24        |
| " Waterloo to Magog, on Central Vermont Ry.....                                                   | 20        |
| " St. Lamberts to Contrecoeur, on Montreal and Sorel Ry.,<br>(replacing old line on highway)..... | 30        |
|                                                                                                   | <u>74</u> |

" Besides the above, several short lines have been rebuilt from towns  
 " to railway stations, a large number of new poles have been placed,  
 " sections of old lines have been wholly or partially renewed, and the  
 " lines in several of the principal towns have been remodelled and  
 " improved.

" The continued good condition of the lines and their gradual  
 " extension, afford to the public a most efficient service.

" Recapitulation of New Lines added to the system since the working  
 " arrangement with The Great North Western Telegraph  
 " Company came into force.

|                       |                    |
|-----------------------|--------------------|
| In 1881 and 1882..... | 507 miles.         |
| " 1883.....           | 360 "              |
| " 1884.....           | 41 "               |
| " 1885.....           | 172 "              |
|                       | <u>1080 miles.</u> |

The payment of the Eighty-sixth Dividend now due, is made out of the Eighteenth Quarterly Payment from The Great North Western Telegraph Company, under their agreement with us, and the Directors have much pleasure in expressing themselves as being entirely satisfied with the promptness with which each payment has been made, and the satisfactory manner in which the lessees are meeting their obligations to this Company.

The efficiency of the service is well maintained and gives general public satisfaction throughout the country.

The books continue to show a steady increase in the number of Shareholders. The lists of the year just closed showing the greatest number since the incorporation of the Company in 1847.

The books and accounts of the Company have been duly audited. The following statements made up to the 31st December 1885, show our financial position :