

**Canada's Top 100 Corporate R&D Spenders 2006**

| Rank |      | Company                           | R&D Expenditures |              |                    | Revenue      | Research Intensity    | Industry Sector                 |
|------|------|-----------------------------------|------------------|--------------|--------------------|--------------|-----------------------|---------------------------------|
| 2005 | 2004 |                                   | FY2005 \$000     | FY2004 \$000 | % Change 2004-2005 | FY2005 \$000 | R&D as % of Revenue** |                                 |
| 1    | 1    | Nortel Networks Corporation*      | \$2,248,730      | \$2,549,639  | -11.8              | \$12,749,667 | 17.6                  | Comm/telecom equipment          |
| 2    | 2    | Bell Canada                       | \$1,740,000      | \$1,451,000  | 19.9               | \$17,250,000 | 10.1                  | Telecommunications services     |
| 3    | 3    | Magna International Inc.*         | \$823,888        | \$689,795    | 19.4               | \$27,637,808 | 3.0                   | Automotive                      |
| 4    | 4    | Pratt & Whitney Canada Corp. (fs) | \$472,000        | \$465,000    | 1.5                | \$2,700,000  | 17.5                  | Aerospace                       |
| 5    | 5    | ATI Technologies Inc.*            | \$451,372        | \$389,063    | 16.0               | \$2,692,792  | 16.8                  | Computer equipment              |
| 6    | 6    | IBM Canada Ltd. (fs)              | \$343,000        | \$334,000    | 2.7                | \$5,500,000  | 6.2                   | Software and computer services  |
| 7    | 7    | Alcan Inc.*                       | \$275,033        | \$311,059    | -11.6              | \$24,619,712 | 1.1                   | Mining and metals               |
| 8    | 13   | Atomic Energy of Canada Limited   | \$264,092        | \$215,879    | 22.3               | \$286,567    | 92.2                  | Energy/oil and gas              |
| 9    | 9    | Bombardier Inc.*                  | \$212,030        | \$192,622    | 10.1               | \$17,842,022 | 1.2                   | Aerospace                       |
| 10   | 8    | Ericsson Canada Inc. (fs)         | \$201,000        | \$235,000    | -14.5              | \$610,000    | 33.0                  | Comm/telecom equipment          |
| 11   | 10   | Alcatel Canada Inc. (fs)          | \$194,000        | \$190,000    | 2.1                | nd           |                       | Comm/telecom equipment          |
| 12   | 11   | Apotex Inc.                       | \$183,141        | \$172,363    | 6.3                | \$1,000,000  | 18.3                  | Pharmaceuticals/biotechnology   |
| 13   | 12   | Pfizer Canada Inc. (fs)           | \$178,730        | \$157,883    | 13.2               | \$2,162,707  | 8.3                   | Pharmaceuticals/biotechnology   |
| 14   | 14   | GlaxoSmithKline Inc. (fs)         | \$135,535        | \$140,317    | -3.4               | \$975,125    | 13.9                  | Pharmaceuticals/biotechnology   |
| 15   | 18   | Cognos Incorporated*              | \$128,354        | \$118,692    | 8.1                | \$1,000,213  | 12.8                  | Software and computer services  |
| 16   | 38   | TELUS Corporation                 | \$125,000        | \$56,700     | 120.5              | \$8,142,700  | 1.5                   | Telecommunications services     |
| 17   | 30   | Research In Motion Limited*       | \$122,590        | \$84,210     | 45.6               | \$1,636,202  | 7.5                   | Comm/telecom equipment          |
| 18   | 19   | Merck Frosst Canada Ltd. (fs)     | \$117,019        | \$117,673    | -0.6               | \$606,897    | 19.3                  | Pharmaceuticals/biotechnology   |
| 19   | 80   | Suncor Energy Inc.                | \$108,000        | \$95,000     | 13.7               | \$11,084,000 | 1.0                   | Energy/oil and gas              |
| 20   | 26   | Biovail Corporation*              | \$107,692        | \$94,359     | 14.1               | \$1,133,495  | 9.5                   | Pharmaceuticals/biotechnology   |
| 21   | 27   | CAE Inc.                          | \$107,643        | \$118,202    | -8.9               | \$986,200    | 10.9                  | Aerospace                       |
| 22   | 23   | PMC Sierra, Ltd. (fs)             | \$103,072        | \$96,309     | 7.0                | \$200,505    | 51.4                  | Electronic parts and components |
| 23   | 16   | EnCana Corporation*               | \$96,933         | \$123,175    | -21.3              | \$20,356,092 | 0.5                   | Energy/oil and gas              |
| 24   | 25   | AstraZeneca Canada Inc. (fs)      | \$96,703         | \$94,786     | 2.0                | \$1,184,761  | 8.2                   | Pharmaceuticals/biotechnology   |
| 25   | 29   | Hydro-Québec                      | \$96,000         | \$87,000     | 10.3               | \$10,890,000 | 0.9                   | Electrical power and utilities  |
| 26   | 20   | Tembec Inc.                       | \$94,411         | \$111,100    | -15.0              | \$3,585,000  | 2.6                   | Forest and paper products       |
| 27   | 24   | Sanofi Pasteur Limited (fs)       | \$92,837         | \$95,000     | -2.3               | \$325,900    | 28.5                  | Pharmaceuticals/biotechnology   |
| 28   | 28   | Honeywell Canada (fs)             | \$92,131         | \$90,285     | 2.0                | \$1,302,048  | 7.1                   | Aerospace                       |

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| 29   | 17   | Ballard Power Systems Inc.*                   | \$91,466         | \$119,396    | -23.4              | \$65,103     | 140.5                 | Energy/oil and gas              |
| 30   | 32   | QLT Inc.*                                     | \$90,382         | \$77,690     | 16.3               | \$293,174    | 30.8                  | Pharmaceuticals/biotechnology   |
| 31   | 21   | MDS Inc.                                      | \$87,000         | \$100,000    | -13.0              | \$1,489,000  | 5.8                   | Health services                 |
| 32   | 22   | Zarlink Semiconductor Inc.*                   | \$78,996         | \$97,743     | -19.2              | \$259,525    | 30.4                  | Comm/telecom equipment          |
| 33   | 37   | Open Text Corporation*                        | \$78,922         | \$56,766     | 39.0               | \$502,606    | 15.7                  | Software and computer services  |
| 34   | 72   | CGI Group Inc.                                | \$78,200         | \$64,500     | 21.2               | \$3,685,986  | 2.1                   | Software and computer services  |
| 35   | 31   | sanofi-aventis Canada Inc. (fs)               | \$72,246         | \$79,000     | -8.5               | \$664,911    | 10.9                  | Pharmaceuticals/biotechnology   |
| 36   | 41   | Vasogen Inc.                                  | \$71,635         | \$52,131     | 37.4               | \$0          |                       | Pharmaceuticals/biotechnology   |
| 37   | 33   | Geac Computer Corporation Limited* +          | \$70,125         | \$76,535     | -8.4               | \$538,425    | 13.0                  | Software and computer services  |
| 38   | 34   | Imperial Oil Limited                          | \$68,000         | \$70,000     | -2.9               | \$27,797,000 | 0.2                   | Energy/oil and gas              |
| 39   | 40   | Novartis Pharmaceuticals Canada Inc. (fs)     | \$65,000         | \$55,000     | 18.2               | nd           |                       | Pharmaceuticals/biotechnology   |
| 40   | 35   | Wyeth Pharmaceuticals (fs)                    | \$60,600         | \$68,963     | -12.1              | \$570,432    | 10.6                  | Pharmaceuticals/biotechnology   |
| 41   | 36   | NOVA Chemicals Corporation*                   | \$60,580         | \$62,472     | -3.0               | \$6,804,346  | 0.9                   | Chemicals and materials         |
| 42   | 43   | Hummingbird Ltd.*                             | \$56,209         | \$49,423     | 13.7               | \$286,061    | 19.6                  | Software and computer services  |
| 43   | 77   | Aastra Technologies Limited                   | \$52,325         | \$24,847     | 110.6              | \$522,561    | 10.0                  | Comm/telecom equipment          |
| 44   | 50   | Motorola Canada Limited (fs)                  | \$51,000         | \$43,000     | 18.6               | nd           |                       | Comm/telecom equipment          |
| 45   | 65   | Neurochem Inc.                                | \$50,495         | \$31,152     | 62.1               | \$4,441      | 1,137.0               | Pharmaceuticals/biotechnology   |
| 46   | 47   | Mitel Networks Corporation*                   | \$50,160         | \$47,114     | 6.5                | \$414,610    | 12.1                  | Comm/telecom equipment          |
| 47   |      | Novelis Inc.*                                 | \$49,676         | nc           |                    | \$10,132,611 | 0.5                   | Mining and metals               |
| 48   | 48   | MacDonald, Dettwiler and Associates Ltd.      | \$49,038         | \$43,274     | 13.3               | \$832,933    | 5.9                   | Aerospace                       |
| 49   | 49   | Gennum Corporation                            | \$44,666         | \$43,153     | 3.5                | \$142,766    | 31.3                  | Electronic parts and components |
| 50   | 58   | Syncrude Canada Ltd.                          | \$44,400         | \$34,200     | 29.8               | nd           |                       | Energy/oil and gas              |
| 51   | 60   | Cangene Corporation                           | \$43,012         | \$32,411     | 32.7               | \$102,725    | 41.9                  | Pharmaceuticals/biotechnology   |
| 52   | 54   | Inco Limited*                                 | \$42,406         | \$37,744     | 12.4               | \$5,474,009  | 0.8                   | Mining and metals               |
| 53   | 45   | Eli Lilly Canada Inc. (fs)                    | \$41,616         | \$48,601     | -14.4              | \$587,111    | 7.1                   | Pharmaceuticals/biotechnology   |
| 54   | 51   | Cardiome Pharma Corp.                         | \$41,499         | \$38,715     | 7.2                | \$16,120     | 257.4                 | Pharmaceuticals/biotechnology   |
| 55   | 69   | Shell Canada Limited                          | \$41,000         | \$28,000     | 46.4               | \$14,171,000 | 0.3                   | Energy/oil and gas              |
| 56   | 42   | Janssen-Ortho Inc. (fs)                       | \$39,925         | \$50,819     | -21.4              | \$774,540    | 5.2                   | Pharmaceuticals/biotechnology   |
| 57   |      | Boehringer Ingelheim (Canada) Ltd./Ltée. (fs) | \$39,400         | \$39,200     | 0.5                | \$292,283    | 13.5                  | Pharmaceuticals/biotechnology   |
| 58   | 57   | Angiotech Pharmaceuticals, Inc.*              | \$38,757         | \$35,312     | 9.8                | \$241,894    | 16.0                  | Pharmaceuticals/biotechnology   |
| 59   | 76   | Axcan Pharma Inc.*                            | \$38,596         | \$25,856     | 49.3               | \$304,527    | 12.7                  | Pharmaceuticals/biotechnology   |
| 60   | 55   | Sierra Wireless, Inc.*                        | \$37,872         | \$37,651     | 0.6                | \$129,816    | 29.2                  | Electronic parts and components |
| 61   | 56   | Westaim Corporation                           | \$37,666         | \$36,740     | 2.5                | \$28,560     | 131.9                 | Electronic parts and components |

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| 62   | 68   | Bayer Inc. (fs)                        | \$36,850         | \$28,172     | 30.8               | \$748,017    | 4.9                   | Pharmaceuticals/biotechnology   |
| 63   | 74   | DALSA Corporation                      | \$36,840         | \$25,953     | 41.9               | \$166,694    | 22.1                  | Electronic parts and components |
| 64   | 108  | Aspreva Pharmaceuticals Corporation*   | \$36,736         | \$13,357     | 175.0              | \$92,663     | 39.6                  | Pharmaceuticals/biotechnology   |
| 65   | 62   | Leitch Technology Corporation+         | \$35,321         | \$32,243     | 9.5                | \$217,892    | 16.2                  | Comm/telecom equipment          |
| 66   | 97   | Falconbridge Limited*+                 | \$35,136         | \$28,633     | 22.7               | \$9,872,117  | 0.4                   | Mining and metals               |
| 67   | 63   | AEterna Zentaris Inc.*                 | \$33,446         | \$31,713     | 5.5                | \$299,737    | 11.2                  | Pharmaceuticals/biotechnology   |
| 68   | 66   | Husky Injection Molding Systems Ltd.*  | \$31,502         | \$31,106     | 1.3                | \$1,042,012  | 3.0                   | Machinery                       |
| 69   |      | Constellation Software Inc.*           | \$30,342         | \$19,460     | 55.9               | \$200,353    | 15.1                  | Software and computer services  |
| 70   |      | Corel Corporation*                     | \$28,519         | \$18,937     | 50.6               | \$198,756    | 14.3                  | Software and computer services  |
| 71   | 78   | Tundra Semiconductor Corporation       | \$28,416         | \$24,237     | 17.2               | \$79,614     | 35.7                  | Electronic parts and components |
| 72   |      | Pharmascience Inc.                     | \$28,271         | \$26,773     | 5.6                | \$233,398    | 12.1                  | Pharmaceuticals/biotechnology   |
| 73   | 53   | Emergis Inc.                           | \$28,200         | \$37,800     | -25.4              | \$159,000    | 17.7                  | Telecommunications services     |
| 74   | 67   | Cascades Inc.                          | \$27,500         | \$30,000     | -8.3               | \$3,460,000  | 0.8                   | Forest and paper products       |
| 75   | 73   | Psion Teklogix Inc. (fs)               | \$26,600         | \$26,535     | 0.2                | \$370,235    | 7.2                   | Software and computer services  |
| 76   | 52   | ConjuChem Inc.                         | \$25,963         | \$38,443     | -32.5              | \$82         |                       | Pharmaceuticals/biotechnology   |
| 77   | 81   | Xerox Canada Inc. (fs)                 | \$24,889         | \$21,826     | 14.0               | \$1,182,386  | 2.1                   | Machinery                       |
| 78   | 59   | Westport Innovations Inc.              | \$24,402         | \$34,140     | -28.5              | \$34,436     | 70.9                  | Transportation                  |
| 79   |      | ViXS Systems Inc.*                     | \$24,232         | \$15,618     | 55.2               | nd           |                       | Comm/telecom equipment          |
| 80   | 90   | Petro-Canada                           | \$23,000         | \$17,000     | 35.3               | \$17,585,000 | 0.1                   | Energy/oil and gas              |
| 81   | 61   | SR Telecom Inc.                        | \$22,757         | \$32,272     | -29.5              | \$76,384     | 29.8                  | Comm/telecom equipment          |
| 82   | 85   | Isotechnika Inc.                       | \$22,584         | \$18,503     | 22.1               | \$1,368      | 1,650.9               | Pharmaceuticals/biotechnology   |
| 83   | 96   | Labopharm Inc.                         | \$22,451         | \$16,037     | 40.0               | \$3,238      | 693.4                 | Pharmaceuticals/biotechnology   |
| 84   | 75   | Stressgen Biotechnologies Corporation  | \$20,766         | \$25,913     | -19.9              | \$645        |                       | Pharmaceuticals/biotechnology   |
| 85   | 94   | CMC Electronics Inc.                   | \$20,400         | \$16,400     | 24.4               | \$183,000    | 11.1                  | Comm/telecom equipment          |
| 86   | 101  | AnorMED Inc.                           | \$19,561         | \$14,808     | 32.1               | \$24,268     | 80.6                  | Pharmaceuticals/biotechnology   |
| 87   | 87   | SNC-Lavalin Group Inc.                 | \$19,433         | \$18,110     | 7.3                | \$3,787,809  | 0.5                   | Engineering services            |
| 88   | 83   | EXFO Electro-Optical Engineering Inc.* | \$19,238         | \$20,392     | -5.7               | \$117,787    | 16.3                  | Comm/telecom equipment          |
| 89   | 82   | Ontario Power Generation Inc.          | \$19,000         | \$21,000     | -9.5               | \$6,949,000  | 0.3                   | Electrical power and utilities  |
| 90   | 93   | ratiopharm inc. (fs)                   | \$18,814         | \$16,481     | 14.2               | nd           |                       | Pharmaceuticals/biotechnology   |
| 91   | 89   | MethylGene Inc.                        | \$18,737         | \$17,038     | 10.0               | \$6,688      | 280.2                 | Pharmaceuticals/biotechnology   |
| 92   | 107  | Biomira Inc.                           | \$16,907         | \$13,576     | 24.5               | \$4,377      | 386.3                 | Pharmaceuticals/biotechnology   |
| 93   | 110  | Workbrain Corporation*                 | \$16,610         | \$12,753     | 30.2               | \$107,520    | 15.4                  | Software and computer services  |
| 94   | 99   | Rio Tinto Iron & Titanium Inc. (fs)    | \$16,000         | \$15,000     | 6.7                | \$922,000    | 1.7                   | Mining and metals               |

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| 95   | 98   | ProMetic Life Sciences Inc. | \$15,082         | \$15,569     | -3.1               | \$8,052      | 187.3                 | Pharmaceuticals/biotechnology |
| 96   | 181  | Adherex Technologies Inc.*  | \$15,074         | \$4,963      | 203.7              | \$0          |                       | Pharmaceuticals/biotechnology |
| 97   | 100  | Xantrex Technology Inc.*    | \$15,052         | \$14,871     | 1.2                | \$172,674    | 8.7                   | Energy/oil and gas            |
| 98   | 86   | Theratechnologies Inc.      | \$14,987         | \$18,439     | -18.7              | \$14,856     | 100.9                 | Pharmaceuticals/biotechnology |
| 99   | 71   | Lorus Therapeutics Inc.     | \$14,394         | \$26,785     | -46.3              | \$6          |                       | Pharmaceuticals/biotechnology |
| 100  | 113  | Cipher Pharmaceuticals Inc. | \$14,093         | \$12,455     | 13.2               | \$0          |                       | Pharmaceuticals/biotechnology |

**Notes:**

1. We have attempted, wherever possible, to provide gross R&D expenditures before deduction of investment tax credits or government grants.
2. FY2004 R&D expenditure figures may have been adjusted, as more accurate information became available.
3. Canadian-owned company results include worldwide R&D expenditures; foreign subsidiaries (fs) include R&D expenditures for Canadian operations **only**.
4. We have attempted, wherever possible, to provide revenue figures net of interest and investment income.

\* = Converted to CDN\$ at average 2005 = \$1.2116, 2004 = \$1.3015 (Bank of Canada)

+ = Not current name

nc = New company

\*\* = \$1 million or more of revenue

fs = Foreign subsidiary (includes R&D expenditures for Canadian operations only)

nd = Not disclosed

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