

Q. NLH-86 CA (Re: Page 7, lines 19-20)

Dr. Kalymon characterizes the TSX Index price/earnings ratio of 24.78 as of May 2003 to be “at a moderate level.” Please define what range of price/earnings ratios for the TSX Index would be considered moderate.

A. **The description of the P/E as moderate is relative to the observed range of P/E values which showed a peak of 69.81 in Aug 2002 and have been at the 19.72 level in March of 2001. Thus, a level of 24.78 can be seen as moderate.**