

1 **Volume 3, Section 1 – McShane, Cost of Capital**

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3 **Q. (Appendix E, page 10) Please provide the annual market-to-book ratios used to plot**
4 **the S&P 500 and TSX lines on Figure E-2.**

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6 **A. See Attachment A.**

**Annual Market-to-Book Ratios used to Plot the S&P 500
and TSX Lines on Figure E-2**

Source: RBC Capital Markets

Date	Price-to-Book	
	S&P 500	TSX
Dec-79	1.14	1.29
Jan-80	1.19	1.42
Feb-80	1.18	1.49
Mar-80	1.06	1.23
Apr-80	1.08	1.25
May-80	1.13	1.29
Jun-80	1.16	1.34
Jul-80	1.21	1.41
Aug-80	1.22	1.40
Sep-80	1.24	1.41
Oct-80	1.25	1.38
Nov-80	1.37	1.47
Dec-80	1.32	1.38
Jan-81	1.25	1.37
Feb-81	1.25	1.31
Mar-81	1.29	1.41
Apr-81	1.25	1.39
May-81	1.25	1.40
Jun-81	1.23	1.38
Jul-81	1.21	1.29
Aug-81	1.13	1.23
Sep-81	1.07	1.04
Oct-81	1.10	1.02
Nov-81	1.14	1.11
Dec-81	1.10	1.07
Jan-82	1.07	0.98
Feb-82	1.01	0.91
Mar-82	0.99	0.87
Apr-82	1.03	0.85
May-82	0.99	0.83
Jun-82	0.97	0.75
Jul-82	0.94	0.78
Aug-82	1.05	0.89
Sep-82	1.06	0.88
Oct-82	1.17	0.98
Nov-82	1.21	1.01
Dec-82	1.23	1.07
Jan-83	1.26	1.10
Feb-83	1.28	1.16
Mar-83	1.32	1.20
Apr-83	1.40	1.32
May-83	1.39	1.36
Jun-83	1.44	1.37
Jul-83	1.37	1.39
Aug-83	1.39	1.39
Sep-83	1.40	1.41
Oct-83	1.37	1.33
Nov-83	1.39	1.43
Dec-83	1.38	1.44
Jan-84	1.37	1.38
Feb-84	1.25	1.35
Mar-84	1.27	1.33
Apr-84	1.33	1.29
May-84	1.25	1.23
Jun-84	1.27	1.23
Jul-84	1.23	1.17
Aug-84	1.37	1.30
Sep-84	1.36	1.30
Oct-84	1.34	1.28
Nov-84	1.32	1.28
Dec-84	1.34	1.29
Jan-85	1.42	1.40
Feb-85	1.42	1.39
Mar-85	1.42	1.38
Apr-85	1.40	1.38

Source: RBC Capital Markets

Date	Price-to-Book	
	S&P 500	TSX
May-85	1.48	1.42
Jun-85	1.50	1.40
Jul-85	1.48	1.43
Aug-85	1.48	1.44
Sep-85	1.42	1.34
Oct-85	1.46	1.35
Nov-85	1.56	1.43
Dec-85	1.62	1.44
Jan-86	1.62	1.41
Feb-86	1.73	1.41
Mar-86	1.82	1.49
Apr-86	1.77	1.49
May-86	1.85	1.50
Jun-86	1.87	1.48
Jul-86	1.75	1.40
Aug-86	1.87	1.44
Sep-86	1.71	1.41
Oct-86	1.78	1.43
Nov-86	1.81	1.44
Dec-86	1.75	1.45
Jan-87	1.99	1.58
Feb-87	2.06	1.65
Mar-87	2.09	1.77
Apr-87	2.03	1.77
May-87	2.04	1.75
Jun-87	2.13	1.78
Jul-87	2.23	1.91
Aug-87	2.30	1.87
Sep-87	2.25	1.83
Oct-87	1.73	1.42
Nov-87	1.58	1.41
Dec-87	1.69	1.51
Jan-88	1.75	1.45
Feb-88	1.82	1.49
Mar-88	1.75	1.52
Apr-88	1.74	1.53
May-88	1.74	1.47
Jun-88	1.81	1.55
Jul-88	1.76	1.51
Aug-88	1.69	1.46
Sep-88	1.75	1.41
Oct-88	1.78	1.45
Nov-88	1.74	1.40
Dec-88	1.77	1.43
Jan-89	1.87	1.53
Feb-89	1.79	1.51
Mar-89	1.82	1.50
Apr-89	1.90	1.50
May-89	1.96	1.52
Jun-89	1.94	1.53
Jul-89	2.09	1.61
Aug-89	2.10	1.61
Sep-89	2.09	1.57
Oct-89	2.02	1.55
Nov-89	2.05	1.55
Dec-89	2.10	1.58
Jan-90	1.94	1.48
Feb-90	1.93	1.46
Mar-90	1.97	1.43
Apr-90	1.91	1.30
May-90	2.08	1.39
Jun-90	2.06	1.37
Jul-90	2.02	1.36
Aug-90	1.83	1.28
Sep-90	1.73	1.21

Source: RBC Capital Markets

Date	Price-to-Book	
	S&P 500	TSX
Oct-90	1.70	1.18
Nov-90	1.80	1.20
Dec-90	1.84	1.24
Jan-91	1.90	1.24
Feb-91	2.03	1.33
Mar-91	2.06	1.34
Apr-91	2.06	1.33
May-91	2.14	1.37
Jun-91	2.03	1.34
Jul-91	2.12	1.37
Aug-91	2.17	1.37
Sep-91	2.12	1.30
Oct-91	2.13	1.37
Nov-91	2.03	1.35
Dec-91	2.27	1.37
Jan-92	2.23	1.41
Feb-92	2.25	1.43
Mar-92	2.19	1.36
Apr-92	2.30	1.34
May-92	2.30	1.36
Jun-92	2.25	1.36
Jul-92	2.32	1.38
Aug-92	2.25	1.37
Sep-92	2.27	1.32
Oct-92	2.26	1.33
Nov-92	2.32	1.30
Dec-92	2.35	1.33
Jan-93	2.43	1.31
Feb-93	2.52	1.39
Mar-93	2.56	1.46
Apr-93	2.52	1.55
May-93	2.57	1.58
Jun-93	2.58	1.64
Jul-93	2.56	1.65
Aug-93	2.65	1.71
Sep-93	2.62	1.64
Oct-93	2.64	1.75
Nov-93	2.61	1.71
Dec-93	2.65	1.77
Jan-94	2.69	1.88
Feb-94	2.60	1.83
Mar-94	2.49	1.78
Apr-94	2.50	1.73
May-94	2.53	1.73
Jun-94	2.47	1.61
Jul-94	2.52	1.66
Aug-94	2.60	1.72
Sep-94	2.53	1.72
Oct-94	2.52	1.67
Nov-94	2.38	1.58
Dec-94	2.41	1.62
Jan-95	2.45	1.53
Feb-95	2.53	1.55
Mar-95	2.59	1.61
Apr-95	2.57	1.60
May-95	2.65	1.65
Jun-95	2.71	1.65
Jul-95	2.72	1.67
Aug-95	2.71	1.63
Sep-95	2.81	1.62
Oct-95	2.76	1.59
Nov-95	2.85	1.66
Dec-95	2.89	1.67
Jan-96	2.99	1.76
Feb-96	2.99	1.76

Source: RBC Capital Markets

Date	Price-to-Book	
	S&P 500	TSX
Mar-96	3.01	1.77
Apr-96	3.03	1.82
May-96	3.10	1.85
Jun-96	3.10	1.77
Jul-96	2.91	1.72
Aug-96	2.96	1.76
Sep-96	3.12	1.80
Oct-96	3.14	1.88
Nov-96	3.36	2.03
Dec-96	3.29	2.00
Jan-97	3.42	2.06
Feb-97	3.36	2.08
Mar-97	3.21	1.97
Apr-97	3.44	1.99
May-97	3.65	2.11
Jun-97	3.80	2.13
Jul-97	4.01	2.26
Aug-97	3.78	2.15
Sep-97	3.99	2.29
Oct-97	3.74	2.20
Nov-97	3.91	2.09
Dec-97	3.96	2.13
Jan-98	3.95	2.16
Feb-98	4.23	2.27
Mar-98	4.43	2.40
Apr-98	4.48	2.43
May-98	4.39	2.39
Jun-98	4.57	2.31
Jul-98	4.44	2.12
Aug-98	3.78	1.68
Sep-98	4.01	1.74
Oct-98	4.21	1.86
Nov-98	4.48	1.89
Dec-98	4.77	1.92
Jan-99	4.82	2.00
Feb-99	4.69	1.88
Mar-99	4.86	1.96
Apr-99	4.85	2.09
May-99	4.71	2.03
Jun-99	4.94	2.08
Jul-99	4.77	2.11
Aug-99	4.71	2.07
Sep-99	4.58	2.06
Oct-99	4.78	2.09
Nov-99	4.87	2.21
Dec-99	5.26	2.48
Jan-00	4.84	2.50
Feb-00	4.73	2.72
Mar-00	5.19	2.85
Apr-00	4.97	2.78
May-00	4.83	2.70
Jun-00	4.94	2.98
Jul-00	4.71	3.03
Aug-00	4.90	3.28
Sep-00	4.63	3.02
Oct-00	4.47	2.60
Nov-00	4.11	2.36
Dec-00	4.16	2.43
Jan-01	4.20	2.44
Feb-01	3.81	2.10
Mar-01	3.56	1.99
Apr-01	3.67	2.03
May-01	3.69	1.96
Jun-01	3.59	1.86
Jul-01	3.57	2.10

Source: RBC Capital Markets

Date	Price-to-Book	
	S&P 500	TSX
Aug-01	3.31	1.98
Sep-01	3.04	1.83
Oct-01	3.10	1.85
Nov-01	3.35	2.01
Dec-01	3.37	2.07
Jan-02	3.34	2.07
Feb-02	3.27	2.06
Mar-02	3.39	2.12
Apr-02	3.22	2.11
May-02	3.30	2.10
Jun-02	3.06	1.96
Jul-02	2.82	1.83
Aug-02	2.79	1.84
Sep-02	2.48	1.72
Oct-02	2.64	1.71
Nov-02	2.79	1.79
Dec-02	2.60	1.81
Jan-03	2.61	1.79
Feb-03	2.62	1.77
Mar-03	2.63	1.71
Apr-03	2.79	1.79
May-03	2.94	1.86
Jun-03	2.95	1.89
Jul-03	2.87	1.99
Aug-03	2.92	2.05
Sep-03	2.86	2.02
Oct-03	3.02	2.09
Nov-03	3.00	2.11
Dec-03	3.14	2.22
Jan-04	3.11	2.30
Feb-04	3.12	2.36
Mar-04	3.06	2.30
Apr-04	2.93	2.18
May-04	2.95	2.19
Jun-04	2.99	2.22
Jul-04	2.83	2.17
Aug-04	2.83	2.09
Sep-04	2.86	2.17
Oct-04	2.82	2.21
Nov-04	2.90	2.26
Dec-04	2.99	2.32
Jan-05	2.86	2.31
Feb-05	2.90	2.38
Mar-05	2.84	2.38
Apr-05	2.76	2.30
May-05	2.84	2.31
Jun-05	2.84	2.39
Jul-05	2.90	2.49
Aug-05	2.84	2.53
Sep-05	2.86	2.63
Oct-05	2.74	2.48
Nov-05	2.83	2.59
Dec-05	2.82	2.68
Jan-06	2.82	2.84
Feb-06	2.81	2.74
Mar-06	2.83	2.84
Apr-06	2.83	2.84
May-06	2.73	2.64