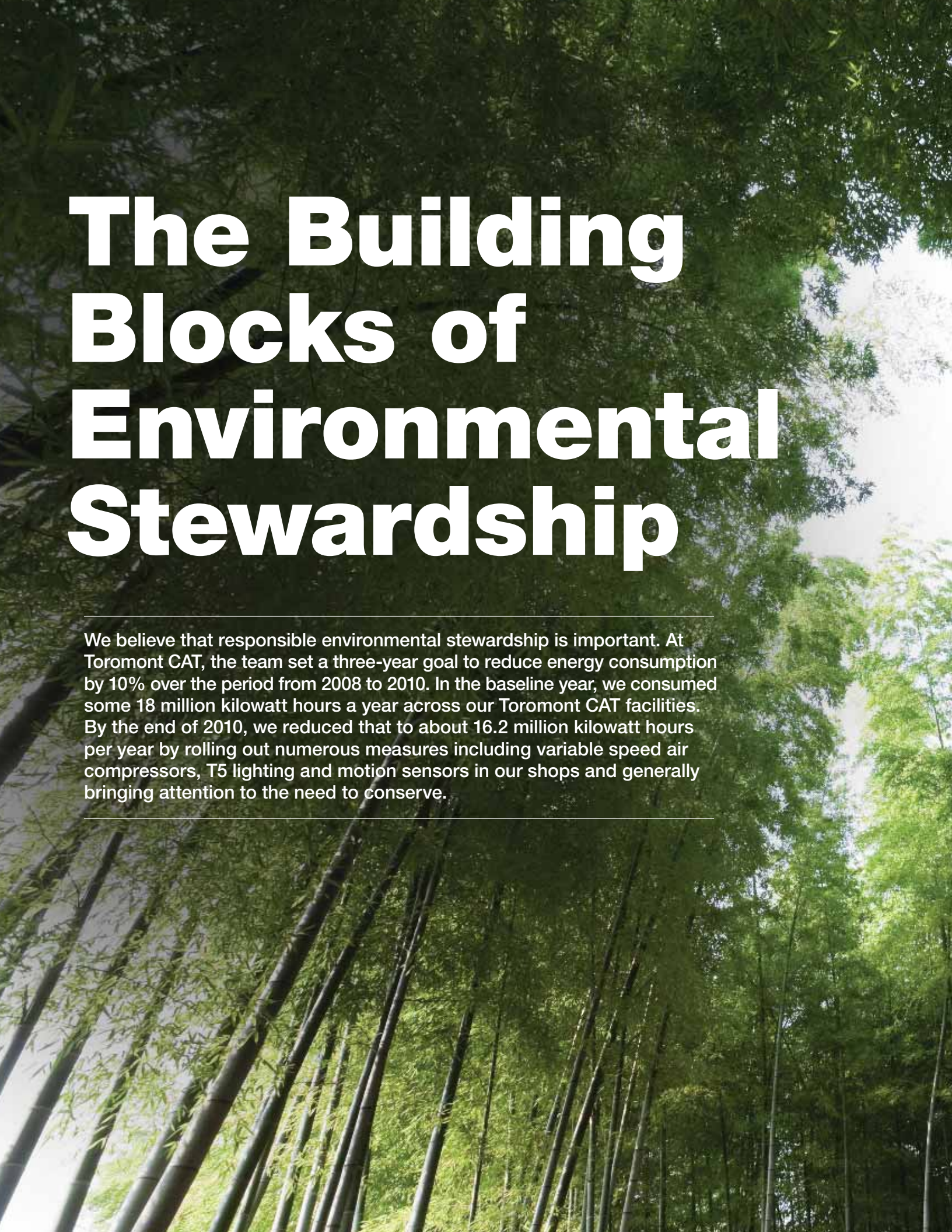

The Building Blocks of Environmental Stewardship

We believe that responsible environmental stewardship is important. At Toromont CAT, the team set a three-year goal to reduce energy consumption by 10% over the period from 2008 to 2010. In the baseline year, we consumed some 18 million kilowatt hours a year across our Toromont CAT facilities. By the end of 2010, we reduced that to about 16.2 million kilowatt hours per year by rolling out numerous measures including variable speed air compressors, T5 lighting and motion sensors in our shops and generally bringing attention to the need to conserve.

There is more to sustainability than energy use. For that reason, Toromont CAT tracks its carbon footprint – including the output of its delivery vehicles through special monitoring systems installed in 2010 – and is developing plans for a comprehensive long-term approach to balance economic prosperity, human resource management and environmental stewardship. Battlefield – The CAT Rental Store continues to do its part through steps such as anti-idling policies for its delivery fleet, upgraded lighting systems now installed in seven stores, and investments in special wash bays – three more will be installed in 2011 – that conserve up to 1,245 cubic metres of water per location per year while removing oil and fuel residue for safe disposal.

We also help our customers reduce their environmental impact. Customers continue to demand CIMCO's ECO CHILL technology, which is now offsetting some 70,000 tonnes of greenhouse gas ("GHG") per year across its installed base that would have been produced using old refrigeration technology – the equivalent of taking 15,000 cars, each travelling 20,000 kilometres per year, off the road. Beyond ECO CHILL, CIMCO is spreading the benefits of its environmental solutions to the industrial sector. Recently, it helped Hoffman-La Roche, a world leader in pharmaceuticals and diagnostics, to phase out the HCFC/HFC air conditioning units at its Mississauga, Ontario facility. The units were replaced with a central refrigeration plant that produces cold, non-toxic propylene glycol that is pumped to 47 air handlers and cooling units. The system has ozone depleting and global warming potential of exactly zero. Toromont CAT applies its knowledge to engineer landfill-gas-to-energy plants, thereby harnessing methane to create electricity. Methane gas is 21 times more harmful to the environment than carbon dioxide.

Within the oil and natural gas industry worldwide, it is becoming increasingly important not only to reduce CO_2 and minimize vented and fugitive emissions, but to measure the reduction. Enerflex has developed technologies and processes to do both. Enerflex's GHG technologies capture and re-insert waste or vent gases (predominantly methane) into the fuel stream used by the engines in its packages. In some cases, captured vent gas can provide up to 5% of an engine's fuel consumption. Capturing and re-inserting exhaust gas also generates significant "static" carbon-offset credits, which are more valued than dynamic credits because they are generated regardless of the load on the engine or compressor. In 2010, Enerflex implemented GHG solutions on select units within its rental fleet to demonstrate the full-cycle economic benefits customers can expect to realize. TIM