



Third Quarter 2000 Interim Results**October 11, 2000**

<i>(C\$ millions)</i>	<i>Three months ended September 30</i>		<i>Nine months ended September 30</i>	
	2000	1999	2000	1999
Revenue	533.2	503.6	1,776.4	1,627.3
Net Income	18.7	16.2	51.9	38.4
Cash Flow	64.4	65.9	192.6	181.9
EPS	0.25	0.20	0.67	0.48

“FINNING SHOWS CONTINUING GROWTH IN REVENUE AND EARNINGS IN THE THIRD QUARTER OF 2000”

Third Quarter Results *(three months ending September 30th, 2000)*

Consolidated: EPS increased 25% in the third quarter to \$0.25 from \$0.20 in the third quarter of 1999. Net income increased 15.1% in the third quarter to \$18.7 million compared with \$16.2 million in the third quarter of 1999. Revenue increased 5.9% to \$533.2 million for the three months ending September 30th due to higher activity in Western Canada and Chile. Cash flow from operations was \$64.4 million. The Company's total debt has decreased \$161.1 million or 17.9% from December 31st, 1999. As a result, Finning's operating debt-to-equity ratio (excluding rental and finance) has improved from 0.47:1.0 at December 31st, 1999 to 0.20:1.0 at September 30th, 2000.

“We continue to generate higher revenue and earnings while improving our asset performance and strengthening the balance sheet,” said Doug Whitehead, President and C.E.O. of Finning International. “Results in Canada were strong and performance in Chile is rapidly improving. While the UK has done an admirable job in reducing expenses, management will be making its plans known by year-end to address future growth prospects in this operation.”

Canada: Revenue in the third quarter increased 20.8% to \$267.4 million compared with \$221.3 million in the same period of 1999. Net income in Canada was \$12.6 million, up 36.1% compared with last year. New equipment revenues increased 72.3% due to higher mobile equipment and power system sales. Customer support services revenue climbed 7.9% and equipment rental revenue increased 5.5%.

U.K.: Revenue in the U.K. in the third quarter was \$148.2 million, 16.9% lower as compared with the third quarter last year. In pounds sterling, revenue was 12.0% lower compared with the same period in 1999. Power systems sales improved whereas mobile equipment, customer service and rental revenues were lower. Finning (UK) reported net income of \$4.1 million compared with \$2.4 million for the same period last year primarily as a result of continued cost reduction.

Chile: Revenue in Chile improved 28.9% to \$104.0 million in the third quarter compared with \$80.7 million last year. In Chilean pesos, revenue was 37.0% higher as compared with the same period in 1999. Net income was \$3.8 million compared with \$3.1 million for the same period in 1999. Results in Chile reflect a tax rate of 15% this year (0% in 1999). On a comparable tax basis, results in the third quarter have improved 34%. New equipment sales increased 86% reflecting sales to the mining industry including delivery of '797' mining trucks to Minera Escondida Ltda.

Universal Machinery Services: The sale of used equipment and used parts by Universal Machinery Services (UMS) is now being segmented separately from the borrowing and administrative costs associated with the Company's corporate head office. Revenue in the third quarter of 2000 for UMS was \$13.5 million compared with \$23.3 million last year. Unit deliveries in the third quarter were lower to both the U.S. and Latin American markets compared with last year. UMS reported a loss of \$1.3 million for the third quarter compared with a loss of \$0.7 million last year. UMS's auction site, "finning-auctions.com," launched in the second quarter, has seen increased traffic and has held several successful auctions online.

Nine month consolidated results:

Revenue for nine months ending September 30th, 2000 was \$1,776.4 million, 9.2% higher than the same period last year. Net income was \$51.9 million (or \$0.67 per share) up 35.1% compared with \$38.4 million (or \$0.48 per share) in 1999. Cash flow from operations for the nine month period was \$192.6 million. In the first nine months of 2000, new equipment revenue was higher by 16.7% and customer service increased 7.2%. Interest expense during this period was down 13.0% compared with the same period last year as debt burden was reduced.

Finning has repurchased 3.0 million common shares between the period February 15th and September 30th, 2000 as part of its normal course issuer bid in which the Company is allowed to buy back a maximum of 6.83 million shares.

RESULTS IN BRIEF

(C\$ thousands except per share data)

	Three months ended Sept 30		Nine months ended Sept 30	
	2000	1999	2000	1999
REVENUE				
Canadian operations	\$ 267,388	\$ 221,281	\$ 890,278	\$ 722,772
U.K. operations	148,231	178,389	495,576	537,985
Chilean operations	103,968	80,678	323,045	277,951
Universal Machinery Services	13,509	23,266	67,355	88,594
Consolidated (Note 1)	\$ 533,174	\$ 503,616	\$ 1,776,372	\$ 1,627,307
NET INCOME (LOSS)				
Canadian operations	\$ 12,624	\$ 9,272	\$ 38,843	\$ 27,722
U.K. operations	4,072	2,426	8,955	4,677
Chilean operations	3,756	3,134	10,468	8,135
Universal Machinery Services	(1,320)	(695)	(890)	84
Consolidated (Note 1)	\$ 18,688	\$ 16,233	\$ 51,895	\$ 38,405
EARNINGS PER SHARE (EPS)				
Basic	\$ 0.25	\$ 0.20	\$ 0.67	\$ 0.48
Fully diluted	\$ 0.23	\$ 0.20	\$ 0.64	\$ 0.47
Average number of common shares outstanding			77,837,534	79,577,169

Note 1: Consolidated totals include corporate and consolidation entries which are not shown in the segmented information.

Note 2: Finning operates in four main currencies; Canadian dollars, U.S. dollars, British pound sterling and Chilean pesos. In the first nine months of 2000, the average pound sterling exchange rate against the Canadian Dollar was 2.2635, compared with 2.4048 in the first nine months of 1999, and the average US dollar exchange rate against the Canadian dollar was 1.4724 compared with 1.4902 in the first nine months of 1999. The average Chilean peso against the Canadian dollar was 0.00278 compared with 0.00299 in the first nine months of 1999.

These statements have not been audited and are subject to year-end adjustments.

FOR MORE INFORMATION

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INTERIM CONSOLIDATED STATEMENTS OF INCOME

(C\$ thousands)

	Three months ended September 30		Nine months ended September 30	
	2000	1999	2000	1999
Revenue				
New equipment	\$ 198,888	\$ 173,597	\$ 702,861	\$ 602,511
Used equipment	55,844	59,626	230,191	237,281
Equipment rental	44,403	44,393	125,214	116,501
Operating leases	25,497	24,321	73,136	71,297
Customer support services	204,215	198,246	632,449	589,974
Finance and other	4,327	3,433	12,521	9,743
Total revenue	<u>533,174</u>	<u>503,616</u>	<u>1,776,372</u>	<u>1,627,307</u>
Cost of sales	<u>388,142</u>	<u>362,244</u>	<u>1,316,732</u>	<u>1,197,947</u>
Gross profit	145,032	141,372	459,640	429,360
Selling, general and administrative expenses	<u>102,945</u>	<u>103,913</u>	<u>335,308</u>	<u>322,359</u>
Earnings before interest and taxes	42,087	37,459	124,332	107,001
Finance cost and interest on other indebtedness	<u>13,944</u>	<u>15,958</u>	<u>43,568</u>	<u>50,086</u>
Income before provision for income taxes	28,143	21,501	80,764	56,915
Provision for income taxes	<u>9,455</u>	<u>5,268</u>	<u>28,869</u>	<u>18,510</u>
Net income	<u>18,688</u>	<u>16,233</u>	<u>51,895</u>	<u>38,405</u>
Dividends on preferred shares	-	-	-	15
Earnings attributable to common shares	<u>\$ 18,688</u>	<u>\$ 16,233</u>	<u>\$ 51,895</u>	<u>\$ 38,390</u>
Gross profit as a percentage of revenue	27.2%	28.1%	25.9%	26.4%
Earnings before interest and taxes as a percentage of revenue	7.9%	7.4%	7.0%	6.6%
Net income as a percentage of revenue	3.5%	3.2%	2.9%	2.4%

These statements have not been audited and are subject to year-end adjustments.

NEXT QUARTERLY RESULTS – FEBRUARY 1, 2001

FOURTH QUARTER RESULTS

Finning International's fourth quarter results for 2000 will be released at 11:00 a.m. Pacific time on Thursday, February 1, 2001.

CONFERENCE CALL

You are invited to participate in the Finning shareholder/analyst conference call at 12:30 p.m. Pacific time on Thursday, February 1, 2001 by dialing one of the following numbers:

**Toll-free number for participants dialing from
anywhere within Canada (except Toronto)
and the United States:
1-877-888-3490**

**Number for participants dialing from within the
Toronto area and for participants outside of
Canada and the United States:
(416) 695-9757**

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INTERIM CONSOLIDATED BALANCE SHEETS

(C\$ thousands)

	September 30 2000	December 31 1999
ASSETS		
Current assets		
Accounts receivable	\$ 355,884	\$ 386,561
Inventories		
On-hand equipment	422,762	406,882
Parts and supplies	216,053	219,423
Current portion of instalment notes receivable	61,517	47,442
Total current assets	<u>1,056,216</u>	<u>1,060,308</u>
Finance assets		
Instalment notes receivable	66,895	71,628
Equipment leased to customers	247,762	272,151
Total finance assets	<u>314,657</u>	<u>343,779</u>
Rental equipment	329,223	341,534
Land, buildings and equipment	192,951	206,254
Goodwill	59,986	74,359
Future income taxes	9,174	-
Total assets	<u>\$ 1,962,207</u>	<u>\$ 2,026,234</u>
LIABILITIES		
Current liabilities		
Short-term debt	\$ 250,398	\$ 305,639
Accounts payable and accruals	505,380	424,609
Income tax payable	4,617	(11,201)
Current portion of long-term debt	10,391	70,494
Total current liabilities	<u>770,786</u>	<u>789,541</u>
Long-term debt	476,669	522,426
Future income taxes	19,703	17,672
Total liabilities	<u>1,267,158</u>	<u>1,329,639</u>
SHAREHOLDERS' EQUITY		
Share capital	203,261	209,955
Retained earnings	513,256	502,028
Cumulative currency translation adjustments	(21,468)	(15,388)
Total shareholders' equity	<u>695,049</u>	<u>696,595</u>
Total liabilities and shareholders' equity	<u>\$ 1,962,207</u>	<u>\$ 2,026,234</u>

These statements have not been audited and are subject to year-end adjustments.

ADDITIONAL INFORMATION

FINNING INTERNATIONAL INC.

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SHARE INQUIRIES

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REGISTRAR AND TRANSFER AGENT

Montreal Trust Company of Canada:
Vancouver, Calgary, Regina,
Winnipeg, Toronto and Montreal

STOCK EXCHANGE

Toronto (TSE)
(Symbol: FTT)

INTERNET

<http://www.finning.ca>

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW

(C\$ thousands)

	Nine months ended Sept 30	
	2000	1999
OPERATING ACTIVITIES		
Net income	\$ 51,895	\$ 38,405
Add (deduct) items not affecting cash		
Depreciation	135,962	137,380
Amortization of goodwill	1,375	1,663
Future income taxes	3,453	2,762
Other items	(117)	1,728
	<u>192,568</u>	<u>181,938</u>
Changes in operating assets and liabilities:		
Accounts receivable	22,816	17,752
Inventories		
On-hand equipment	(23,203)	118,152
Parts and supplies	7,530	27,834
Instalment notes receivable	(9,362)	(13,040)
Accounts payable and accruals	89,590	16,814
Income taxes	15,706	5,356
Cash provided by working capital items and other	103,077	172,868
Rental equipment, net of disposals	(62,860)	(77,842)
Equipment leased to customers, net of disposals	(26,357)	(90,900)
Cash provided by operating activities	<u>206,428</u>	<u>186,064</u>
INVESTING ACTIVITIES		
Cash invested in land, buildings and equipment, net of disposals	(6,817)	(7,309)
Cash used for investing activities	<u>(6,817)</u>	<u>(7,309)</u>
FINANCING ACTIVITIES		
Term debt	(99,191)	(5,610)
Conversion and redemption of preferred shares	-	(996)
Issue of common shares on conversion of preferred shares and on exercise of stock options	1,285	2,144
Repurchase of common shares	(36,998)	-
Dividends paid	(11,647)	(11,932)
Currency translation adjustments	2,181	19,953
Cash provided by (used for) financing activities	<u>(144,370)</u>	<u>3,559</u>
Decrease in short-term debt	55,241	182,314
Short-term debt at beginning of period	305,639	608,974
Short-term debt at end of period	<u>\$ 250,398</u>	<u>\$ 426,660</u>

These statements have not been audited and are subject to year-end adjustments.

Approved by the Directors:



(signed)
D. W. G. Whitehead

(signed)
C. A. Pinette