

CANAM
GROUP

Better Building Solutions

Quarterly Report
March 31, 2007

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MESSAGE TO SHAREHOLDERS, EMPLOYEES AND PARTNERS

Canam Group posted net earnings of \$6.4 million, or \$0.13 per share, for the first quarter ended March 31, 2007, up 17.1% from \$5.4 million, or \$0.13 per share, for the corresponding period in 2006. Consolidated sales rose 8.3% to \$161.1 million, compared with \$148.8 million last year.

We are delighted with these results and such an excellent start to the year, considering that the first quarter is traditionally the least profitable three-month period. The Company turned in a good performance due to a high level of activity on Canadian and U.S. markets. We wish to underscore the positive impact of our heavy steel construction activities and point out that deliveries for the New York Mets stadium project began during the first quarter.

These results will allow Canam Group to continue to improve its balance sheet. The net debt decreased to \$83.9 million, while shareholders' equity climbed to \$345.9 million, reflecting a ratio of only 0.24.

The gross margin for the first quarter of 2007 represented 22.5% of sales, compared with 23.6% for the same period last year. The backlog for all business units stood at \$411 million, compared with \$223 million in 2006, representing an 84% increase year-over-year.

We also wish to announce the election of Pierre Marcouiller and the re-election of the other members to the Board of Directors at the Annual General and Special Meeting of Shareholders.

The Board of Directors has approved a quarterly dividend of \$0.04 per share payable on June 29, 2007 to shareholders of record on June 15, 2007.

There were 49.1 million outstanding shares on March 31, 2007, as opposed to 42.6 million on March 25, 2006.



Marcel Dutil, C.M.
Chairman of the Board and Chief Executive Officer



Marc Dutil
President and Chief Operating Officer

Ville de Saint-Georges, Beauce
April 25, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

Scope of Financial Management's Analysis

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the Company's consolidated financial statements and the accompanying notes for the quarters ended March 31, 2007 and March 25, 2006, as well as the audited consolidated financial statements for the fiscal year ended December 31, 2006. Reference should also be made to the annual MD&A of financial position and results of operations included in the Company's 2006 annual report, including the section describing risks and uncertainties. This MD&A is based on the Company's accounting policies that are in compliance with Canadian generally accepted accounting principles ("GAAP").

The preparation of consolidated financial statements requires the Company's financial management to make estimates and judgments that affect the amounts recorded as assets, liabilities, shareholders' equity, sales and expenses, as well as disclosures on contingencies. These assumptions are revised on a regular basis by the Company based on historical results and new events.

Financial management invites readers to refer to the notes to the consolidated financial statements presented in this report.

The Company's management is responsible for maintaining appropriate control systems, procedures and information systems, thereby ensuring that the information it discloses is reliable and complete.

The Company applies financial information disclosure rules and takes the necessary actions to comply with new accounting standards once they come into force. The Company also applies the standards set by the capital market regulatory authorities.

The Company establishes and maintains disclosure controls and procedures as well as internal control over financial reporting in order to provide reasonable assurance that material information related to the Company and its consolidated subsidiaries is disclosed as specified by Canadian Securities Administrators Regulation 52-109.

No material changes were made to internal control over financial information during the three-month period ended March 31, 2007, that could have had a significant impact or that could have been reasonably believed to have a significant impact on internal control over financial reporting.

All amounts are expressed in Canadian dollars unless otherwise indicated. The table below indicates the exchange rates used, i.e. the period-end exchange rate for the balance sheets and the average exchange rate of the reporting quarter for the statements of earnings.

Exchange rates used

		March 31 2007	Dec. 31 2006	March 25 2006
Consolidated statements of earnings	CAN\$/US\$	1.1716	1.1400	1.1537
	CAN\$/Euro	1.5347	1.4659	1.3878
	CAN\$/Peso	0.1064	0.1046	0.1090
Consolidated balance sheets	CAN\$/US\$	1.1529	1.1653	1.1674
	CAN\$/Euro	1.5418	1.5377	1.4048
	CAN\$/Peso	0.1044	0.1079	0.1075

The Company's fiscal year-end is December 31. The interim financial results published on a quarterly basis reflect the results to the last Saturday of the reporting period, in keeping with the Company's manufacturing realities.

Significant Events

Canam Romsa de Mexico S.A. de C.V.

Following the sale in June 2006 of 65% of the participating shares of Canam Romsa de Mexico S.A. de C.V. ("Canam Romsa") to Steelmax S.A. de C.V., the Company holds a 35% interest in Canam Romsa, a joist and structural steel fabrication plant located in Monterrey, Mexico. In accordance with Canadian Institute of Chartered Accountants ("CICA") Accounting Guideline 15 ("AcG-15") pertaining to the consolidation of variable interest entities, the Company is the primary beneficiary of Canam Romsa and must therefore consolidate the accounts of this company despite the sale of 65% of its shares.

Canam Romsa incurred a net loss of \$1.1 million during the first quarter in 2007, compared to net earnings of \$0.3 million in the first quarter of 2006. The net loss in 2007 is partially attributable to irregularities committed by members of Canam Romsa's management team. These management members were replaced and measures are being taken to recover the amounts owed to Canam Romsa.

Amcan Threaded Products Inc. ("Amcan")

On January 1, 2007, Amcan acquired all issued and outstanding shares of Boulons Jumax Inc. ("Jumax"), a company that markets threaded products, for a consideration of \$1.8 million, of which \$0.2 million was paid in cash and \$1.6 million was paid by the issuance of Amcan shares. Jumax was then wound up in Amcan, and the corporate name of the new company was changed to Amcan-Jumax Inc. Following this transaction, the Company's interest in Amcan decreased from 50% to 37.5%. Because of the characteristics and rights associated with the shares held by the Company, Amcan is still considered a joint venture and its activities are accounted for using the proportionate consolidation method.

Signing of an agreement to acquire a 49% interest in United Steel Structures Limited ("USSL") located in China

On January 31, 2007, the Company signed an agreement to acquire a 49% interest in the share capital of USSL. The Company had announced that a third party would acquire 20% of the interest acquired by the Company to bring the latter's interest to 39.2%. During the first quarter of 2007, the third party indicated that it would not proceed with the transaction. USSL operates a structural steel and bridge plant that has an annual production capacity of 40,000 tons. The plant is located in Guangzhou, China, and mainly serves international markets. The Company's majority shareholder in USSL is Guangzhou Shipyard International Co. Ltd.

This agreement comes in the wake of an auction held on January 31, 2007 by the United States Bankruptcy Court following the bankruptcy of Havens Steel Company (Chapter 11). The transaction was approved by the United States Bankruptcy Court on March 22, 2007 and remains subject to approval by Chinese regulatory authorities.

Dividends on common shares

On March 6, 2007, the Board of Directors approved the payment, on March 30, 2007, of a quarterly dividend of \$0.04 per common share to shareholders of record on March 16, 2007. The amount paid out on March 30 was \$2 million and has been applied against retained earnings.

Operating Results

Net earnings for the first quarter of 2007 stood at \$6.4 million, or \$0.13 per basic share based on a weighted average number of 48,840,975 common shares, compared with net earnings of \$5.4 million or \$0.13 per basic share during the first quarter in 2006, based on a weighted average number of 42,332,350 common shares.

Net earnings from continuing operations increased to \$6.5 million or \$0.13 per basic share in 2007, compared to \$6 million or \$0.14 per basic share in 2006.

The Company's consolidated sales during the first quarter of 2007 totaled \$161.1 million, which represents a \$12.3 million or 8.3% increase compared to sales of \$148.8 million during the corresponding quarter in 2006. The increase in sales in 2007 is mainly attributable to the activities of Canam Canada (joists and steel deck) and Structural-Heavy Steel Construction.

The gross margin was 22.5% for the first quarter in 2007 compared to 23.6% for the corresponding quarter last year.

Selling and administrative expenses totaled \$19.9 million or 12.4% of sales in 2007 compared to \$17.5 million or 11.8% of sales during the first quarter of 2006. The \$2.4 million increase is mainly attributable to an increase in salaries (the first quarter of 2007 has 13 weeks compared to 12 weeks during the same quarter in 2006), and professional fees.

The \$0.9 million decrease in the continuous improvement and profit sharing programs in 2007 is mainly attributable to the reduction of the amount paid under the continuous improvement program. This program is based on a formula that measures performance in terms of productivity, quality, and occupational health and safety.

Fluctuations in the value of the Canadian dollar against the U.S. dollar resulted in a positive impact on earnings of \$0.5 million during the first quarter in 2007 compared to the corresponding quarter in 2006. However, since February 19, 2007, foreign currency forward contracts concluded by the Company are designated as hedging instruments.

Interest income stood at \$0.4 million for the first quarter of 2007 compared to \$0.6 million for the corresponding quarter in 2006. The decrease is attributable to the note receivable from Placements CMI Inc., the balance of which was \$4.5 million as at March 31, 2007 compared with \$15 million as at March 25, 2006, and to an advance to a third party, the balance of which was \$3.2 million as at March 31, 2007 (\$4.1 million as at March 25, 2006). These notes bear interest at the same rates as those applicable to the Company's loans.

The increase in the redemption value of an investment in Finloc Inc. in the amount of \$0.5 million represents the growth of the investment in preferred shares based on the terms described in the MD&A for fiscal 2006.

Non-GAAP measures

In this MD&A, the Company's financial management uses a measure that is not in accordance with GAAP. Earnings before interest, tax, depreciation and amortization ("Pro forma EBITDA") are not defined by GAAP and cannot be formally presented in financial statements. Nevertheless, management wishes to specify that Pro forma EBITDA corresponds to the amounts appearing on the line in the statements of earnings above the item "Depreciation of property, plant and equipment". The definition of Pro forma EBITDA does not take into account the loss on disposal of property, plant and equipment, the expenses related to plant closings and the share in earnings of companies subject to significant influence. The reader can establish the link between Pro forma EBITDA and net earnings. The definition of Pro forma EBITDA used by the Company may differ from that used by other companies.

Even though Pro forma EBITDA is a non-GAAP measure, it is used by management, analysts, investors and other financial stakeholders to assess the Company's performance and management.

Reconciliation of Pro forma EBITDA and net earnings

Periods ended March 31, 2007 and March 25, 2006

(in thousands of dollars) (unaudited)	Three months	
	2007	2006 (restated)
Net earnings	\$ 6,354	\$ 5,426
Net loss from discontinued operations	149	618
Net earnings from continuing operations	6,503	6,044
PLUS:		
Share in loss (earnings) of companies subject to significant influence	4	(148)
Income tax expense	4,933	4,229
Expenses related to plant closings	--	383
Gain on disposal of investments	(44)	--
Loss on disposal of property, plant and equipment	7	10
Financial expenses	1,686	2,938
Total depreciation and amortization	4,158	3,762
Pro forma EBITDA	\$ 17,247	\$ 17,218

With regard to the earnings for the first quarter of 2007, Pro forma EBITDA stood at \$17.2 million and accounted for 10.7% of sales, as compared with Pro forma EBITDA of \$17.2 million or 11.6% of sales for the corresponding quarter of 2006.

For the first quarter of 2007, depreciation and amortization expenses in the amount of \$4.2 million were \$0.4 million higher than those recorded in 2006, which totaled \$3.8 million.

Still in the first quarter of 2007, financial expenses amounted to \$1.7 million, which represents a \$1.2 million decrease compared to the first quarter of 2006 at which time financial expenses totaled \$2.9 million. The decrease is attributable to the reduction in the Company's long-term debt and bank loans.

The effective taxation rate was 43.1% for the quarter ended March 31, 2007, compared to an effective rate of 41.8% for the quarter ended March 25, 2006.

Management's Discussion and Analysis

Balance Sheet

Current working capital went from \$159.4 million as at December 31, 2006 (for a current ratio of 2.06) to \$160.6 million as at March 31, 2007 (for a current ratio of 2.09).

The net debt, the balance of which stood at \$83.9 million as at March 31, 2007, decreased by \$4.1 million compared to December 31, 2006, at which time the net debt totaled \$88 million. Shareholders' equity rose to \$345.9 million as at March 31, 2007, compared to \$343.4 million as at December 31, 2006.

The net debt to Pro forma EBITDA ratio for the last four quarters was 0.92 as at March 31, 2007, compared to 0.96 as at December 31, 2006.

The net debt to shareholders' equity ratio was 0.24 as at March 31, 2007, whereas it was 0.26 as at December 31, 2006.

Financial information

(in thousands of dollars, except for ratios)	Periods ended	
	March 31 2007	Dec. 31 2006
Working capital	\$160,587	\$159,359
Current ratio	2.09	2.06
Net debt	\$83,941	\$88,010
Pro forma EBITDA for the last four quarters	\$91,331	\$91,302
Shareholders' equity	\$345,917	\$343,360
Net debt to pro forma EBITDA ratio for the last four quarters	0.92	0.96
Net debt to shareholders' equity ratio	0.24	0.26

As at March 31, 2007, trade accounts receivable totaled \$126.7 million compared to \$137.2 million as at December 31, 2006.

The decrease in accounts receivable from related companies, which fell from \$6.6 million as at December 31, 2006 to \$4.5 million as at March 31, 2007, is mainly attributable to the repayment of \$1.5 million by Placements CMI. The latter has also guaranteed a trade account receivable from a third party, the balance of which decreased from \$3.5 million as at December 31, 2006 to \$3.2 million as at March 31, 2007. These amounts receivable bear interest at the same rates as those applicable to the Company's loans.

A committee of the Board of Directors composed of independent directors is mandated to monitor transactions between the Company and related companies, and to ensure an orderly opting out process.

Inventories increased by \$20.2 million to \$146.3 million as at March 31, 2007, compared to \$126.1 million as at December 31, 2006. The increase is attributable to a \$6 million rise in raw materials inventories and a \$13.5 million rise in custom-made finished goods inventories. These rises are the result of the increase in the Company's level of business (the backlog stood at \$411 million as at March 31, 2007 compared to \$287 million as at December 31, 2006). The rise in custom-made finished goods inventories is also explained by major heavy steel projects for which fabrication began in recent months.

The \$4.1 million decrease in the net debt as at March 31, 2007 is attributable to cash flows from operations.

Cash Position

For the three-month period ended March 31, 2007, cash flows from continuing operating activities stood at \$9 million compared to \$7.8 million for the previous corresponding period. The favorable variance is mainly attributable to the increase in net earnings from continuing operations.

Cash flows used in financing activities stood at \$10 million for the first quarter in 2007 versus \$5 million for the same quarter in 2006. The difference is mainly attributable to the repayment in 2007 of \$8.4 million in long-term debt and bank loans compared to \$4.9 million for the corresponding quarter in 2006.

Cash flows used in investing activities in the first quarter of 2007 totaled \$5.1 million compared to \$5.2 million for the first quarter of 2006.

Cash flows

A comparison of the Company's cash flows for the periods ended March 31, 2007 and March 25, 2006 is presented below:

(in thousands of dollars) (unaudited)	Three months	
	2007	2006 (restated)
Cash flows from continuing operating activities	\$9,015	\$7,820
Cash flows from continuing financing activities	(10,042)	(4,995)
Cash flows from continuing investing activities	(5,117)	(5,241)
Effect of changes in foreign exchange rate on cash	(33)	6
Net change	(6,177)	(2,410)
Net cash flows from discontinued operations	2,480	402
Cash - beginning of year	8,977	5,279
Cash - end of year	\$5,280	\$3,271

Discontinued Operations

During the first quarter of 2007, except for the receipt of accounts receivable and the disposal of inventories of the Tanguay Industries joint venture, there were no significant changes related to discontinued operations items reflected in the balance sheet. As regards the statement of earnings, a net loss of \$0.1 million was recorded during this quarter compared to a net loss of \$0.6 million for the same quarter in 2006.

Foreign Currency Forward Contracts

The Company concluded foreign currency forward contracts to cover future sales denominated in U.S. currency. As at March 31, 2007, foreign currency forward contracts designated as hedging instruments and maturing in the next 12 months totaled US\$10.5 million at an average conversion rate of 1.1714, while those maturing in 13 to 24 months totaled US\$16.5 million at an average conversion rate of 1.1577. Foreign currency forward contracts not designated as hedging instruments and maturing in the next 12 months totaled US\$37 million at an average conversion rate of 1.1277, while those maturing in 13 to 24 months totaled US\$4.5 million at an average conversion rate of 1.1450.

Significant Accounting Estimates

Significant accounting estimates consist of the same items as those described as at December 31, 2006.

Accounting Policies

The accounting policies are in accordance with those used in the preparation of the audited consolidated financial statements as at December 31, 2006, with the exception of the accounting changes listed below.

Changes in Accounting Policies

On January 1, 2007, the Company adopted the following sections of the CICA Handbook:

- a) Section 3855, "Financial Instruments: Recognition and Measurement", which establishes recognition and measurement standards for financial instruments such as financial assets and liabilities as well as derivatives. It also specifies how financial instrument gains and losses are to be presented.
- b) Section 1530, "Comprehensive Income", and Section 3251, "Equity". Comprehensive income is the change in a company's net assets resulting from transactions and other events and circumstances from non-shareholder sources. This section establishes standards for reporting and display of comprehensive income and its components. Section 3251, "Equity", replaces Section 3250, "Surplus", and describes the standards for the presentation of equity and changes in equity resulting from the new requirements of Section 1530, "Comprehensive Income".
- c) Section 3865, "Hedges", under which hedge accounting is optional, describes the rules relating to the application of hedge accounting and the information to be presented in this respect. In accordance with its risk management strategy, the Company has chosen to apply hedge accounting to certain foreign currency forward contracts and designate them as cash flow hedges. These derivatives are valued at fair value and gains/losses resulting from the revaluation at the end of each period are recorded under comprehensive income to the extent that the hedging relationship is deemed effective.

The application of these new standards must be made without restating prior period consolidated financial statements, except for changes in the translation adjustment balances related to self-sustaining foreign operations. During the initial application, any adjustments to the previous carrying value of existing financial assets and liabilities must be recorded as an adjustment to the opening balance of retained earnings or accumulated other comprehensive income, depending on the classification of these financial assets and liabilities.

For the three-month period ended March 31, 2007, the application of these new standards resulted in an adjustment of \$545,000 to the opening balance of accumulated other comprehensive income in relation to gains and losses on available-for-sale financial assets, as well as a \$990,000 increase in investments, a \$158,000 increase in future income tax liabilities, a \$434,000 decrease in long-term receivables of discontinued operations, and a \$148,000 increase in future income tax assets of discontinued operations. Furthermore, transaction costs related to financial instruments that are not classified as being held for trading are recorded on the balance sheet as an adjustment to the cost of the financial instrument at the time of its

initial recognition and amortized using the effective interest rate method. Consequently, deferred financing expenses and long-term debt decreased by \$248,000 as at January 1, 2007. Deferred financing expenses related to revolving credit recorded under long-term assets continue to be deferred and amortized over the related financing term. Finally, the comparative consolidated financial statements are restated to reflect the application of Section 1530, "Comprehensive Income", regarding changes in the translation adjustment balances related to self-sustaining foreign operations.

Future Accounting Changes

The CICA published the following new sections that will apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007:

- a) Section 3862, "Financial Instruments – Disclosures", describes the required disclosure to evaluate the significance of financial instruments for the entity's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the entity is exposed and how the entity manages those risks.
- b) Section 3863, "Financial Instruments – Presentation", establishes standards for presentation of financial instruments and non-financial derivatives. It details the presentation of standards described in Section 3861, "Financial Instruments – Disclosure and Presentation".
- c) Section 1535, "Capital Disclosures", establishes standards for disclosing information about an entity's capital and how it is managed. It describes the disclosure of the entity's objectives, policies and processes for managing capital as well as summary quantitative data on the elements included in the management of capital. The section seeks to establish whether the entity has complied with capital requirements and if not, the consequences of such non-compliance.

The Company has not yet assessed the effect of these new standards on its consolidated financial statements, which will apply in the fiscal year beginning on January 1, 2008.

Outlook

The backlog stood at \$411 million as at March 31, 2007 compared to \$223 million as at March 25, 2006. This 84% increase is due to growth in economic activity, and the broadening of certain of our business units' geographic coverage.

Risks and Uncertainties

The Company is confident in its medium- and long-term prospects. However, the reader should take into account the risks and uncertainties described in the 2006 annual report as they could impact the Company's ability to fulfill its strategic vision and growth objectives. The reader is therefore invited to take them into account.

Management's Discussion and Analysis

Other

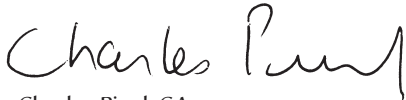
As at March 31, 2007, there were 49,095,306 common shares and 968,010 stock options outstanding.

The Company's common shares are identified on the Toronto Stock Exchange (TSX) under ticker symbol "CAM".

The MD&A, and additional information, including the Annual Information Form, are available on the SEDAR web site (www.sedar.com) and the Company's web site (www.canamgroup.ws).



Marcel Dutil, C.M.
Chairman of the Board and
Chief Executive Officer



Charles Pinel, CA
Vice President and
Chief Financial Officer

April 25, 2007

QUARTERLY RESULTS

(unaudited quarterly results - in thousands of dollars, except per share amounts)

2007 Quarters ended	March 31				Total
Sales	\$ 161,107				\$ 161,107
Net earnings from continuing operations	6,503				6,503
Net earnings	6,354				6,354
Basic net earnings per share					
from continuing operations	0.13				0.13
Basic net earnings per share	0.13				0.13
Diluted net earnings per share					
from continuing operations	0.13				0.13
Diluted net earnings per share	0.13				0.13
Total assets	598,846				
Net debt ⁽²⁾	83,941				
Shareholders' equity	345,917				
Cash dividend declared per common share	0.04				0.04
2006 Quarters ended	March 25 ⁽³⁾	June 24 ⁽³⁾	Sept. 30	Dec. 31	Total
Sales	\$ 148,758	\$ 166,156	\$ 213,719	\$ 212,016	\$ 740,649
Net earnings from continuing operations	6,044	10,164	13,585	11,980	41,773
Net earnings	5,426	9,870	13,296	12,148	40,740
Basic net earnings per share					
from continuing operations	0.14	0.23	0.28	0.25	0.90
Basic net earnings per share	0.13	0.22	0.28	0.25	0.88
Diluted net earnings per share					
from continuing operations	0.14	0.22	0.28	0.24	0.89
Diluted net earnings per share	0.13	0.21	0.28	0.24	0.87
Total assets	571,395	599,247	610,765	600,192	
Net debt ⁽²⁾	110,239	120,388	114,131	88,010	
Shareholders' equity	281,191	314,592	325,873	343,360	
Cash dividend declared:					
Per common share	0.04	0.04	0.04	0.04	0.16
Per Class "C" share	0.0067	0.0067	--	--	0.0134
2005 Quarters ended ⁽¹⁾⁽³⁾	March 26	June 25	Oct. 1	Dec. 31	Total
Sales	\$ 132,562	\$ 173,926	\$ 195,730	\$ 181,175	\$ 683,393
Net earnings from continuing operations	2,519	7,369	14,434	15,513	39,835
Net earnings	3,006	7,921	12,800	14,942	38,669
Basic net earnings per share					
from continuing operations	0.07	0.18	0.33	0.39	0.99
Basic net earnings per share	0.09	0.19	0.30	0.38	0.96
Diluted net earnings per share					
from continuing operations	0.07	0.17	0.32	0.36	0.95
Diluted net earnings per share	0.09	0.19	0.29	0.35	0.92
Total assets	591,691	601,571	585,059	582,185	
Net debt ⁽²⁾	210,760	164,042	122,588	113,097	
Shareholders' equity	199,360	252,695	260,922	276,371	
2004 Quarters ended ⁽¹⁾⁽³⁾	March 27	June 26	Sept. 25	Dec. 31	Total
Sales	\$ 120,836	\$ 150,006	\$ 187,044	\$ 191,781	\$ 649,667
Net earnings (net loss) from continuing operations	(5,778)	(18,637)	6,381	9,010	(9,024)
Net earnings (net loss)	(7,402)	(10,143)	4,565	7,079	(5,901)
Basic net earnings (net loss) per share					
from continuing operations	(0.16)	(0.55)	0.19	0.26	(0.26)
Basic net earnings (net loss) per share	(0.22)	(0.29)	0.13	0.21	(0.17)
Diluted net earnings (net loss) per share					
from continuing operations	(0.16)	(0.55)	0.19	0.25	(0.26)
Diluted net earnings (net loss) per share	(0.22)	(0.29)	0.13	0.20	(0.17)
Total assets	707,421	631,183	643,719	604,651	
Net debt ⁽²⁾	284,773	243,041	239,186	211,209	
Shareholders' equity	197,396	189,220	190,915	195,126	

⁽¹⁾ No cash dividend was declared in the said quarters of 2005 and 2004.

⁽²⁾ Net debt comprises bank loans and the long-term debt, net of cash, and does not include convertible debentures.

⁽³⁾ Restated.

CONSOLIDATED STATEMENTS OF EARNINGS

Periods ended March 31, 2007 and March 25, 2006

(in thousands of dollars, except per share amounts) (unaudited)			Three months	
			2007	2006 (restated)
Sales	000,000 \$	000,000 \$	\$ 161,107	\$ 148,758
Cost of sales			124,797	113,623
Gross profit			36,310	35,135
Selling and administrative expenses			19,926	17,523
Profit sharing and continuous improvement programs			468	1,362
Exchange loss (gain)			(487)	23
Interest income			(379)	(557)
Increase in the redemption value of an investment in a related company			(465)	(434)
			17,247	17,218
Depreciation of property, plant and equipment			3,704	3,528
Amortization of intangible assets			454	234
Financial expenses (note 6)			1,686	2,938
Loss on disposal of property, plant and equipment			7	10
Gain on disposal of investments			(44)	--
Expenses related to plant closings			--	383
Earnings before income tax expense and undermentioned items			11,440	10,125
Income tax expense				
Current			4,622	3,865
Future			311	364
			4,933	4,229
Earnings before undermentioned items			6,507	5,896
Share in earnings (loss) of companies subject to significant influence			(4)	148
Net earnings from continuing operations			6,503	6,044
Net loss from discontinued operations			(149)	(618)
Net earnings			\$ 6,354	\$ 5,426
Net earnings (net loss) per share				
Basic:				
From continuing operations			\$ 0.13	\$ 0.14
From discontinued operations			--	(0.01)
Total			\$ 0.13	\$ 0.13
Diluted:				
From continuing operations			\$ 0.13	\$ 0.14
From discontinued operations			--	(0.01)
Total			\$ 0.13	\$ 0.13
Weighted average number of shares (in thousands of shares)				
Basic			48,841	42,332
Diluted			49,343	47,047
Number of common shares			48,784	42,402

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Periods ended March 31, 2007 and March 25, 2006

(in thousands of dollars) (unaudited)	Three months	
	2007	2006 (restated)
Net earnings	\$ 6,354	\$ 5,426
Other comprehensive income, net of income taxes:		
Unrealized gains (losses) on translating financial statements of self-sustaining foreign operations	\$ (1,516)	\$ 584
Reclassification adjustment related to the reduction in the net investment in a self-sustaining foreign operation	144	--
Unrealized gains (losses) on translating financial statements of self-sustaining foreign operations	\$ (1,372)	\$ 584
Unrealized losses on available-for-sale financial assets arising during the period	\$ (47)	\$ --
Reclassification adjustment for gains	(64)	--
Unrealized losses on available-for-sale financial assets	\$ (111)	\$ --
Gains on derivatives designated as cash flow hedges	\$ 123	\$ --
Other comprehensive income	(1,360)	584
Comprehensive income	\$ 4,994	\$ 6,010

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS

Periods ended March 31, 2007 and March 25, 2006

(in thousands of dollars) (unaudited)	Three months	
	2007	2006
Opening balance	\$ 160,840	\$ 127,633
Net earnings	6,354	5,426
Dividends	(1,963)	(1,701)
Closing balance	\$ 165,231	\$ 131,358

CONSOLIDATED BALANCE SHEETS

(in thousands of dollars)	As at March 31 2007 (unaudited)	As at December 31 2006
Assets		
Current assets		
Cash	\$ 5,280	\$ 8,977
Accounts receivable (note 2)	136,928	149,291
Inventories	146,343	126,149
Income taxes recoverable	217	209
Future income tax assets	6,012	6,380
Prepaid expenses and other assets	4,525	6,510
Current assets of discontinued operations (note 8)	8,822	12,618
Total current assets	308,127	310,134
Investments		
Property, plant and equipment	170,419	172,025
Property, plant and equipment held for sale (note 7)	6,710	6,782
Future income tax assets	3,432	3,487
Intangible assets	2,651	2,713
Goodwill	312	160
Unrealized asset on foreign currency forward contracts (note 10)	245	--
Other assets (note 3)	8,229	8,704
Long-term assets of discontinued operations (note 8)	22,923	23,917
	\$ 598,846	\$ 600,192
Liabilities		
Current liabilities		
Bank loans	\$ 2,069	\$ 10,363
Accounts payable and accrued liabilities	135,707	129,083
Unrealized liability on foreign currency forward contracts (note 10)	586	1,450
Income taxes payable	4,214	4,246
Future income tax liabilities	37	37
Current portion of long-term debt	1,897	1,240
Current liabilities of discontinued operations (note 8)	3,030	4,356
Total current liabilities	147,540	150,775
Long-term debt		
Deferred credits	85,255	85,384
Future income tax liabilities	5,135	5,287
Long-term liabilities of discontinued operations (note 8)	9,663	9,556
	5,336	5,830
	252,929	256,832
Shareholders' equity		
Share capital (note 4)	194,568	195,822
Retained earnings	165,231	160,840
Contributed surplus (note 4)	2,255	2,020
Accumulated other comprehensive income (note 5)	(16,137)	(15,322)
	345,917	343,360
	\$ 598,846	\$ 600,192

Contingencies and commitments (note 10)

CONSOLIDATED STATEMENTS OF CASH FLOWS

Periods ended March 31, 2007 and March 25, 2006

(in thousands of dollars) (unaudited)	Three months	
	2007	2006 (restated)
Cash flows from the following activities:		
Operating activities		
Net earnings from continuing operations	\$ 6,503	\$ 6,044
Items not affecting cash		
Depreciation of property, plant and equipment	3,704	3,528
Amortization of intangible assets	454	234
Amortization of deferred financing expenses	106	525
Amortization of deferred issue expenses related to convertible debentures	--	56
Future income tax expense	311	364
Loss on disposal of property, plant and equipment	7	10
Unrealized loss (earnings) on foreign currency forward contracts	(928)	128
Gain on disposal of investments	(44)	--
Pension expense	(156)	353
Compensation cost related to stock options	10	(84)
Amortization of compensation costs related to the employee share purchase plan on the open market	225	105
Increase in the fair value of convertible debentures	--	156
Increase in the redemption value of an investment in a related company	(465)	(434)
Share in loss (earnings) of companies subject to significant influence	4	(148)
	9,731	10,837
Net change in non-cash operating working capital items		
Decrease in accounts receivable	13,169	15,633
Increase in inventories	(21,196)	(6,148)
Increase in income taxes recoverable	(8)	(1,405)
Decrease in prepaid expenses and other assets	1,903	832
Increase (decrease) in accounts payable and accrued liabilities	5,474	(8,841)
Increase (decrease) in interest payable	6	(297)
Decrease in income taxes payable	(64)	(2,791)
	(716)	(3,017)
Cash flows from continuing operating activities	9,015	7,820
Financing activities		
Shares purchased in employee's name on the open market	(1,445)	(214)
Proceeds from issuance of shares	191	461
Dividends	(1,963)	--
Increase in long-term debt and bank loans	1,587	--
Repayment of long-term debt and bank loans	(8,401)	(4,874)
Issue expenses related to long-term debt	(18)	(114)
Deferred credits	7	(254)
Cash flows from continuing financing activities	(10,042)	(4,995)
Investing activities		
Proceeds from sale of property, plant and equipment	7	25
Additions to property, plant and equipment	(2,724)	(3,272)
Additions to intangible assets	(378)	(831)
Acquisition of investments	(2,306)	--
Proceeds from disposal of investments	168	--
Decrease (increase) in long-term receivables	216	(699)
Acquisition of business assets (note 11)	(100)	--
Assets held for sale	--	(471)
Other assets	--	7
Cash flows from continuing investing activities	(5,117)	(5,241)
Effect of changes in foreign exchange rate on cash	(33)	6
Net change in cash from continuing operations	(6,177)	(2,410)
Net cash flows from discontinued operations (note 8)	2,480	402
Cash, beginning of year	8,977	5,279
Cash, end of year	\$ 5,280	\$ 3,271
Supplementary information		
Interest paid	\$ 1,557	\$ 2,150
Income taxes paid, net	\$ 4,623	\$ 7,948

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(in thousands of dollars, except per share amounts)

1. Summary of Significant Accounting Policies

The unaudited interim consolidated financial statements of the Company, for the three-month period ended March 31, 2007, have been prepared in accordance with Canadian generally accepted accounting principles and should be read in conjunction with the 2006 audited annual consolidated financial statements.

The accounting policies are the same as those used for the 2006 audited annual financial statements, with the exception of the accounting changes listed below.

Changes in accounting policies

On January 1, 2007, the Company adopted the following sections of the Canadian Institute of Chartered Accountants ("CICA") Handbook:

- Section 3855, "Financial Instruments: Recognition and Measurement", which establishes recognition and measurement standards for financial instruments such as financial assets and liabilities as well as derivatives. It also specifies how financial instrument gains and losses are to be presented.
- Section 1530, "Comprehensive Income", and Section 3251, "Equity". Comprehensive income is the change in a company's net assets resulting from transactions and other events and circumstances from non-shareholder sources. This section establishes standards for reporting and display of comprehensive income and its components. Section 3251, "Equity", replaces Section 3250, "Surplus", and describes the standards for the presentation of equity and changes in equity resulting from the new requirements of Section 1530, "Comprehensive Income".
- Section 3865, "Hedges", under which hedge accounting is optional, describes the rules relating to the application of hedge accounting and the information to be presented in this respect. In accordance with its risk management strategy, the Company has chosen to apply hedge accounting to certain foreign currency forward contracts and designate them as cash flow hedges. These derivatives are valued at fair value and gains/losses resulting from the revaluation at the end of each period are recorded under comprehensive income to the extent that the hedging relationship is deemed effective.

The application of these new standards must be made without restating prior period consolidated financial statements, except for changes in the translation adjustment balances related to self-sustaining foreign operations. During the initial application, any adjustments to the previous carrying value of existing financial assets and liabilities must be recorded as an adjustment to the opening balance of retained earnings or accumulated other comprehensive income, depending on the classification of these financial assets and liabilities.

For the three-month period ended March 31, 2007, the application of these new standards resulted in an adjustment of \$545 to the opening balance of accumulated other comprehensive income in relation to gains and losses on available-for-sale financial assets, as well as a \$990 increase in investments, a \$158 increase in future income tax liabilities, a \$434 decrease in long-term receivables of discontinued operations, and a \$148 increase in future income tax assets of discontinued operations. Furthermore, transaction costs related to financial instruments that are not classified as being held for trading are recorded on the balance sheet as an adjustment to the cost of the financial instrument at the time of its initial recognition and amortized using the effective interest rate method. Consequently, deferred financing expenses and long-term debt decreased by \$248 as at January 1, 2007. Deferred financing expenses related to revolving credit recorded under long-term assets continue to be deferred and amortized over the related financing term. Finally, the comparative consolidated financial statements are restated to reflect the application of Section 1530, "Comprehensive Income", regarding changes in the translation adjustment balances related to self-sustaining foreign operations.

Future accounting changes

The CICA published the following new sections that will apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007:

- Section 3862, "Financial Instruments – Disclosures", describes the required disclosure to evaluate the significance of financial instruments for the entity's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the entity is exposed and how the entity manages those risks.

- Section 3863, "Financial Instruments – Presentation", establishes standards for presentation of financial instruments and non-financial derivatives. It details the presentation of standards described in Section 3861, "Financial Instruments – Disclosure and Presentation".
- Section 1535, "Capital Disclosures", establishes standards for disclosing information about an entity's capital and how it is managed. It describes the disclosure of the entity's objectives, policies and processes for managing capital as well as summary quantitative data on the elements included in the management of capital. The section seeks to determine if the entity has complied with capital requirements and if not, the consequences of such non-compliance.

The Company has not yet assessed the effect of these new standards on its consolidated financial statements, which will apply in the fiscal year beginning on January 1, 2008.

2. Accounts Receivable

	2007 (unaudited)	As at December 31 2006
Trade	\$ 126,713	\$ 137,221
Companies subject to significant influence	812	198
Joint ventures	891	1,224
Other related companies ⁽¹⁾	4,519	6,567
Advances ⁽²⁾	3,993	4,081
	\$ 136,928	\$ 149,291

⁽¹⁾ Corresponds mainly to an account receivable from Placements CMI Inc., a company indirectly controlled by the Chairman of the Board and Chief Executive Officer of the Company, who holds 16.33% (16.35% as at December 31, 2006) of the Company's common shares.

⁽²⁾ Advances in the amount of \$3,248 (\$3,500 as at December 31, 2006) are secured by a guarantee from Placements CMI Inc.

3. Other Assets

	2007 (unaudited)	As at December 31 2006
Long-term receivables ⁽¹⁾	\$ 7,065	\$ 7,284
Deferred financing expenses	962	1,302
Others	202	118
	\$ 8,229	\$ 8,704

⁽¹⁾ The balance of long-term receivables includes a receivable of \$4,250 as at March 31, 2007 and as at December 31, 2006, from a company controlled by Placements CMI Inc., which bears interest at the same rates as those related to the Company's loans, and \$834 (\$987 as at December 31, 2006) from joint ventures.

4. Share Capital

Authorized

- Unlimited number of common shares, without par value, participating, entitling the holder to one vote per share.
- Unlimited number of Class "D", "E" and "F" shares, without par value, issuable in one or more series and whose attributes are to be determined by the Board of Directors.

Issued and fully paid

Common shares ⁽²⁾	Number	Amount (in thousands of dollars)
Net balance outstanding as at December 31, 2005	42,302,170	\$ 161,204
Issuance of shares pursuant to options	276,490	1,450
Issuance of shares pursuant to conversion of debentures and interest payment on debentures	4,482,266	29,606
Issuance of shares pursuant to conversion of Class "C" shares ⁽¹⁾	1,850,030	3,776
Shares purchased in employees' name on the open market	(23,100)	(214)
Net balance outstanding as at December 31, 2006	48,887,856	\$ 195,822
Issuance of shares pursuant to options	39,250	\$ 191
Shares purchased in employees' name on the open market	(143,525)	(1,445)
Net balance outstanding as at March 31, 2007	48,783,581	\$ 194,568
Outstanding as at March 31, 2007	49,095,306	\$ 197,274
Shares purchased in employees' name on the open market	(311,725)	(2,706)
Net balance outstanding as at March 31, 2007	48,783,581	\$ 194,568

Class "C" shares⁽¹⁾

Outstanding as at December 31, 2005	7,000,000	\$ 3,776
Conversion into Class "A" subordinate shares	(7,000,000)	\$ (3,776)
Outstanding as at December 31, 2006 and as at March 31, 2007	--	\$ --

⁽¹⁾ On April 26, 2006, at the Annual General and Special Meeting of Shareholders, the shareholders passed a by-law regarding the amendment of the articles of the Company in order to provide for a conversion right attached to the Class "C" shares at a conversion rate of 0.26429 Class "A" subordinate share for each Class "C" share for a total of 1,850,030 Class "A" subordinate shares, exercisable on or before December 15, 2006. The Class "C" shares, without par value, entitling their holders to five votes per share, are retractable at a price equal to the average paid-up capital per Class "C" share, entitling to an annual, preferential, fixed, non-cumulative dividend of \$0.02666 per share and confer an anti-dilution right by allowing the holder to purchase an additional number of Class "C" shares and the issuance of these shares should Class "A" subordinate shares be issued.

On August 24, 2006, Placements CMI Inc. converted the 7 million Class "C" shares that it held into 1,850,030 Class "A" subordinate shares. Following the conversion of all the Class "C" shares into Class "A" subordinate shares, the authorized and unissued Class "C" shares, as well as the rights, privileges, restrictions and conditions relating thereto, were cancelled and accordingly, the Company's share capital no longer provides for multiple voting shares.

⁽²⁾ On August 28, 2006, the Class "A" subordinate shares were renamed common shares.

Restricted share purchase plan

The Company has introduced a stock ownership component in its profit sharing plan for management personnel under which restricted common shares are acquired by a trust. Common shares are bought on the open market by a trust and held until the rights are acquired by the employees. Employees' rights vest over a period of three years and the related stock-based compensation costs are amortized on a straight-line basis over this period. As at March 31, 2007, the trust held 311,725 Company shares (168,200 as at December 31, 2006) whose acquisition cost was \$2,706

(\$1,261 as at December 31, 2006). For the three-month period ended March 31, 2007, the related stock-based compensation costs of \$225 (\$105 as at March 25, 2006) have been accounted for.

Statement of changes in contributed surplus

Periods ended March 31, 2007 and March 25, 2006

(unaudited)	Three months	
	2007	2006
Opening balance	\$ 2,020	\$ 1,658
Compensation costs related to stock options	10	23
Decrease in compensation costs following the cancellation of stock options	--	(107)
Amortization of compensation costs related to the employee share purchase plan on the open market	225	105
Closing balance	\$ 2,255	\$ 1,679

5. Accumulated Other Comprehensive Income

Periods ended March 31, 2007 and March 25, 2006

(unaudited)	Three months	
	2007	2006 (restated)
Opening balance	\$ (15,322)	\$ (17,236)
Cumulative impact of accounting changes relating to financial instruments (note 1)	545	--
Restated opening balance	\$ (14,777)	\$ (17,236)
Unrealized gains (losses) on translating financial statements of self-sustaining foreign operations	(1,372)	584
Unrealized losses on available-for-sale financial assets	(111)	--
Gains on derivatives designated as cash flow hedges	123	--
Closing balance	\$ (16,137)	\$ (16,652)

6. Financial Expenses

Periods ended March 31, 2007 and March 25, 2006

(unaudited)	Three months	
	2007	2006 (restated)
Interest on bank loans	\$ 446	\$ 138
Interest on long-term debt	1,134	1,442
Interest on convertible debentures	--	575
Dividends on Class "C" shares	--	47
Amortization of deferred financing expenses	106	525
Amortization of convertible debenture issue expenses	--	56
Increase in the fair value of convertible debentures	--	155
	\$ 1,686	\$ 2,938

7. Property, Plant and Equipment Held for Sale

Property, plant and equipment held for sale included in the balance sheet are detailed as follows:

	As at March 31 2007 (unaudited)	As at December 31 2006
	United States	United States
Property, plant and equipment held for sale	\$ 6,710	\$ 6,782

The Company announced the closing of its plants in Lafayette, Indiana and in Columbus, Ohio in 2003 and 2004 respectively. The Company decided to close these plants because of excess production capacity in the joist business in the Midwest region.

Property, plant and equipment held for sale consist mainly of pieces of land, buildings and equipment and are accounted for at the lower of cost and net estimated realizable value. These assets are being offered for sale based on conditions in their respective real estate markets. The earnings and cash flows of the two plants located in the United States are included in the Company's continuing operations and are not considered to be discontinued operations, as the sales territories of these plants are still covered by the Company's other U.S. plants.

8. Discontinued Operations

On April 15, 2002, the Board of Directors of the Company approved a plan to sell the operations of Canam S.A. which operated the structural steel plant in Niort, France. The first plant located in Jarny, France ceased operations on April 19, 2002.

The net assets of the Manac division, which specializes in the fabrication of semitrailers, were sold on April 25, 2004. The transaction amount was \$66,511, of which \$58,542 was paid in cash and the balance paid in non-voting and non-participating Class "C" (\$5,000) and Class "D" (\$2,969) preferred shares. As a result of the characteristics of Class "C" shares, which are retractable without a redemption schedule, these shares have not been assigned a carrying value, in accordance with the recommendations of the CICA Handbook. On September 29, 2006, the Company and Manac Inc. agreed to convert the 5 million Class "C" shares into a debenture of \$5,000, bearing interest at an annual rate of 6%. Interest is payable semi-annually. The principal amount will become repayable as of the time the debenture issued by Manac Inc. to the Solidarity Fund QFL is fully repaid. During fiscal year 2006, the Company recognized a net gain of \$3,300, which corresponds to the gain of \$5,000 minus an amount of \$1,700 relating to future income tax liabilities.

On August 15, 2005, the Company sold the assets of its operating facility located in Juárez, Mexico, as well as the plot of land and the building used by this subsidiary but owned by Grupo Canam Manac S.A. de C.V., a Company subsidiary. The sales price for property, plant and equipment and raw materials inventory amounted to \$10,486 (US\$8,760). Of this sum, an amount of \$8,690 (US\$7,260) was cashed at the closing of the transaction, and an amount of \$1,796 (US\$1,500) was escrowed in anticipation of possible claims by the purchaser during the two-year period following the sale. In August 2006, the Company received \$838 (US\$750).

Management considers that all the criteria found in Section 3475 of the CICA Handbook were met after the Company's decision, on September 1, 2006, to cease the activities of manufacturing forestry equipment. Accordingly, the Company had to record the Tanguay Industries joint venture as a discontinued operation.

On September 22, 2006, the Company announced that it was ceasing activities at the reporting unit manufacturing multi-residential building envelope systems. The results of that reporting unit are presented as a discontinued operation.

The results of the discontinued operations for the periods ended March 31, 2007 and March 25, 2006 are as follows:

(unaudited)	2007						2006 (restated)					
	Semi-trailers	Forestry equipment	Multi-residential buildings	France	Mexico (Juárez)	Total	Semi-trailers	Forestry equipment	Multi-residential buildings	France	Mexico (Juárez)	Total
Sales	\$ 433	\$ 2,695	\$ 6	\$ --	\$ --	\$ 3,134	\$ 433	\$ 4,379	\$ 1,973	\$ --	\$ --	\$ 6,785
Net earnings (net loss) from discontinued operations	\$ (33)	\$ (116)	\$ --	\$ 50	\$ (50)	\$ (149)	\$ (17)	\$ (212)	\$ (504)	\$ 7	\$ 108	\$ (618)

The assets and liabilities of the discontinued operations presented on the balance sheet are as follows:

	As at March 31 2007 (unaudited)					As at December 31 2006				
	Semi-trailers	Forestry equipment	France	Mexico (Juárez)	Total	Semi-trailers	Forestry equipment	France	Mexico (Juárez)	Total
Assets										
Current assets										
Cash	\$ --	\$ --	\$ --	\$ 213	\$ 213	\$ --	\$ --	\$ --	\$ 223	\$ 223
Accounts receivable	150	3,531	78	865 ⁽⁴⁾	4,624	429	4,572	75	882 ⁽⁴⁾	5,958
Inventories	--	1,900	--	--	1,900	--	4,410	--	--	4,410
Income taxes recoverable	--	1,123	--	--	1,123	--	1,064	--	--	1,064
Future income tax assets	210	741	--	--	951	210	741	--	--	951
Prepaid expenses	--	11	--	--	11	--	12	--	--	12
Total current assets of discontinued operations	360	7,306	78	1,078	8,822	639	10,799	75	1,105	12,618
Semitrailers and forestry equipment leased to clients ⁽¹⁾	5,969	666	--	--	6,635	6,369	709	--	--	7,078
Property, plant and equipment held for sale	--	2,366	--	640	3,006	--	2,392	--	662	3,054
Investments ⁽²⁾	--	--	--	--	--	22	--	--	--	22
Long-term receivables	4,566 ⁽³⁾	1,400	7,168	--	13,134	5,000 ⁽³⁾	1,614	7,149	--	13,763
Future income tax assets	148	--	--	--	148	--	--	--	--	--
Total long-term assets of discontinued operations	10,683	4,432	7,168	640	22,923	11,391	4,715	7,149	662	23,917
Total assets of discontinued operations	\$ 11,043	\$ 11,738	\$ 7,246	\$ 1,718	\$ 31,745	\$ 12,030	\$ 15,514	\$ 7,224	\$ 1,767	\$ 36,535
Liabilities										
Current liabilities										
Accounts payable and accrued liabilities	\$ 146	\$ 912	\$ --	\$ 49	\$ 1,107	\$ 167	\$ 2,367	\$ --	\$ 51	\$ 2,585
Deferred revenue ⁽⁵⁾	1,731	191	--	--	1,922	1,731	23	--	--	1,754
Income taxes payable	1	--	--	--	1	17	--	--	--	17
Total current liabilities of discontinued operations	1,878	1,103	--	49	3,030	1,915	2,390	--	51	4,356
Obligations relating to residual values	--	196	--	--	196	--	196	--	--	196
Deferred revenue ⁽⁵⁾	4,697	362	--	--	5,059	5,130	423	--	--	5,553
Future income tax liabilities	--	58	--	--	58	--	58	--	--	58
Other liabilities	23	--	--	--	23	23	--	--	--	23
Total long-term liabilities of discontinued operations	4,720	616	--	--	5,336	5,153	677	--	--	5,830
Total liabilities of discontinued operations	\$ 6,598	\$ 1,719	\$ --	\$ 49	\$ 8,366	\$ 7,068	\$ 3,067	\$ --	\$ 51	\$ 10,186

⁽¹⁾ The amounts of \$5,969 (\$6,369 as at December 31, 2006) for semitrailers and \$666 (\$709 as at December 31, 2006) for forestry equipment leased to clients result from the application of EIC-84 and EIC-85 relating to guarantees provided to financial institutions regarding resale values or lease contracts. These assets and the related liabilities are amortized on a straight-line basis over the duration of the guarantees that expire at various dates through 2010.

The Company has guaranteed commitments for semitrailer and forestry equipment leased to clients for an amount of \$1,974 (\$2,755 as at December 31, 2006), which have been included under Contingencies and Commitments (note 10).

⁽²⁾ The investment of \$22 as at December 31, 2006, represents the Class "D" shares the Company holds in Manac Inc. The consideration for this investment consists of the provision for warranties and financing guarantees that will be disbursed by Manac Inc. The initial total amount was \$2,969.

⁽³⁾ Long-term debenture from Manac Inc., bearing interest at an annual rate of 6% and redeemable in February 2013. On January 1, 2007, this debenture was adjusted pursuant to Section 3855 of the CICA Handbook (note 1).

⁽⁴⁾ Includes an amount of US\$750 under escrow in case of any potential claims following the sale of the Juárez assets in August 2005. The initial total was US\$1,500.

⁽⁵⁾ These liabilities are related to semitrailers and forestry equipment leased to clients.

The net cash flow amounts related to the discontinued operations are as follows:

Periods ended March 31, 2007 and March 25, 2006

(unaudited)	Three months	
	2007	2006 (restated)
Cash flows from discontinued operations:		
Operating activities	\$ 2,254	\$ 1,073
Financing activities	--	(108)
Investing activities	226	(563)
	<u>\$ 2,480</u>	<u>\$ 402</u>

9. Segment Information

The Company is organized under one single business segment, this being the construction products segment, which includes many complementary goods and services.

Periods ended March 31, 2007 and March 25, 2006

(unaudited)	Three months	
	2007	2006 (restated)
Sales		
Canada	\$ 71,556	\$ 59,378
United States	77,750	80,909
Mexico	10,312	7,765
Europe and Asia	1,489	706
	<u>\$ 161,107</u>	<u>\$ 148,758</u>

	As at March 31 2007 (unaudited)	As at December 31 2006
Assets		
Reportable segment	\$ 567,101	\$ 563,657
Attributed to discontinued operations	31,745	36,535
	<u>\$ 598,846</u>	<u>\$ 600,192</u>

10. Contingencies and Commitments

- The Company is a defendant in a number of lawsuits, claims and imminent litigations. In the opinion of management, the resolution of these lawsuits, claims and litigations will not have a significant adverse effect on the financial position of the Company.

- The Company has guaranteed bank loans and letters of credit for an amount of up to \$7,007 as at March 31, 2007 (\$7,176 as at December 31, 2006). The guaranteed loans are as follows:

	As at March 31 2007 (unaudited)	As at December 31 2006
Portfolio investment	\$ 4,017	\$ 4,017
Third parties	2,990	3,159
	<u>\$ 7,007</u>	<u>\$ 7,176</u>

- In the normal course of business, the Company has guaranteed commitments for semitrailers and forestry equipment leased to clients for an amount of up to \$1,974 (\$2,755 as at December 31, 2006).

The guaranteed loans are as follows:

	As at March 31 2007 (unaudited)	As at December 31 2006
Other related companies(1)	\$ 452	\$ --
Third parties	1,522	2,755
	<u>\$ 1,974</u>	<u>\$ 2,755</u>

(1) Corresponds to guarantees for a company controlled by Placements CMI Inc.

- The Company is exposed to exchange risks for sales denominated in U.S. dollars. These risks are partially offset by purchases in U.S. dollars and foreign currency forward contracts.

The fair value of foreign currency forward contracts is detailed as follows:

	As at March 31 2007 (unaudited)	As at December 31 2006
Long-term assets		
Unrealized asset on foreign currency forward contracts	\$ 245	\$ --
Current liabilities		
Unrealized liability on foreign currency forward contracts	\$ 586	\$ 1,450

The Company held the following foreign currency forward contracts:

Designated as hedging instruments

As at March 31, 2007 (unaudited)

	Type	Average rate	Contract amounts (U.S. dollars)
Maturity			
From 0 to 12 months	Sale	1.1714	\$ 10,500
From 13 to 24 months	Sale	1.1577	\$ 16,500

Not designated as hedging instruments

As at March 31, 2007 (unaudited)

	Type	Average rate	Contract amounts (U.S. dollars)
Maturity			
From 0 to 12 months	Sale	1.1277	\$ 39,980
From 13 to 24 months	Sale	1.1450	\$ 4,500

As at December 31, 2006

	Type	Average rate	Contract amounts (U.S. dollars)
Maturity			
From 0 to 12 months	Sale	1.1280	\$ 45,310
From 13 to 24 months	Sale	1.1407	\$ 7,000

11. Business Acquisitions

a) Goodco and Z-Tech

During the first quarter of 2007, the Company completed the purchase price allocation related to the acquisition of the assets of Goodco Limited and Z-Tech/Geogard Inc. No significant adjustment was made to the preliminary purchase price allocation.

b) Amcan Threaded Products ("Amcan")

On January 1, 2007, the Amcan joint venture acquired all issued and outstanding shares of Boulons Jumax inc. ("Jumax"), a company that markets threaded products, for a consideration of \$1,800, of which \$200 was paid in cash and \$1,600 was paid by the issuance of Amcan shares and allocated as follows:

Assets acquired	
Cash	\$ 404
Accounts receivable	828
Inventories	589
Property, plant and equipment	62
Intangible assets	4
Goodwill	367
Other assets	40
	<hr/>
	\$ 2,294
Liabilities assumed	
Accounts payable and accrued liabilities	\$ 288
Income taxes payable	93
Long-term debt	113
	<hr/>
Net assets acquired	\$ 1,800

Jumax was then wound up in Amcan, and the corporate name of the new company is Amcan-Jumax Inc. This transaction was accounted for using the purchase method of accounting. Following this transaction, the Company's interest in Amcan went from 50% to 37.5%. Because of the characteristics and rights associated with the shares held by the Company, Amcan is still considered a joint venture and its activities are accounted for using the proportionate consolidation method.

b) Acquisition of a 49% interest in United Steel Structures Ltd. ("USSL")

On January 31, 2007, the Company signed an agreement for the acquisition of a 49% interest in the share capital of USSL for the amount of US\$9,200 (CAN\$10,607). USSL operates a bridge and structural steel plant in Guangzhou, China. The transaction is subject to approval by the Chinese regulatory authorities.



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SHAREHOLDER INFORMATION

Stock Exchange Listing

Common shares
TSX
Trading symbol: CAM

CUSIP Numbers

Common shares: 13710C 10 7
ISIN CA 13710C1077

Earnings Release Date

2nd quarter: August 3, 2007