CANAM GROUP

Better Building Solutions

Quarterly Report September 29, 2007

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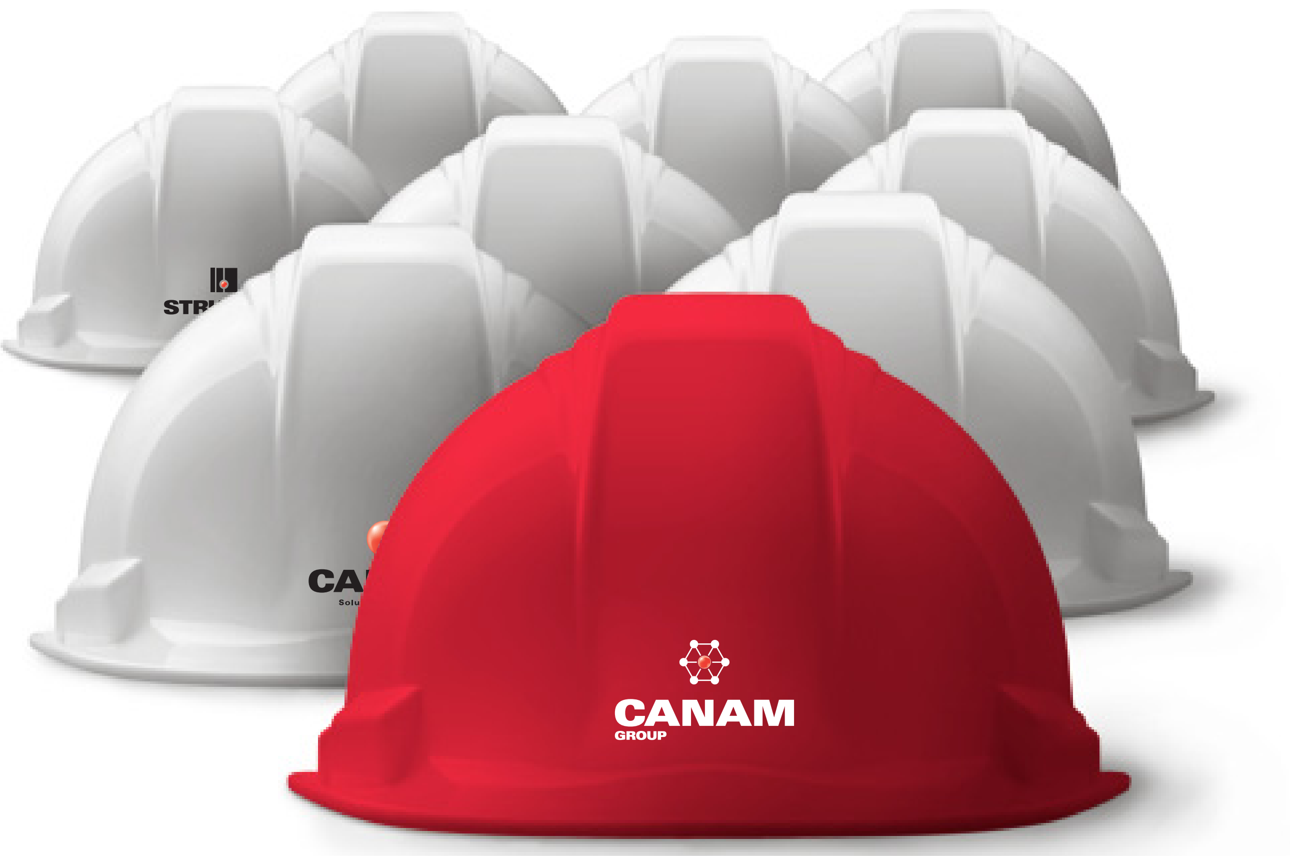

www.canamgroup.ws

Message to Shareholders, Employees and Partners

Canam Group Inc. posted net earnings of \$14.1 million, or \$0.29 per share, for the third quarter ended September 29, 2007, up 6% from \$13.3 million, or \$0.28 per share, for the corresponding period in 2006. Consolidated sales totaled \$238.3 million compared with \$213.7 million, which represents a 12% increase over 2006.

For the nine-month period ended September 29, 2007, net earnings totaled \$33.8 million, or \$0.69 per share, up 18% compared with net earnings of \$28.6 million, or \$0.63 per share for the same period in 2006. Consolidated sales for the first nine months of 2007 increased by 17% to \$618.3 million, from \$528.6 million for the same period in 2006.

The growth of our earnings reflects a sustained level of activity on non-residential construction and infrastructures markets in North America.

As at September 29, 2007, we had a healthy balance sheet, with shareholders' equity totaling \$353 million and a net debt of \$96 million, reflecting a net debt to shareholders' equity ratio of 0.27. For the third quarter of 2007, EBITDA stood at \$30.3 million, or 12.7% of sales, compared to \$27 million, or 12.6% of sales, for the corresponding quarter.

Our backlog stood at \$361 million as at September 29, 2007, which represents a 22% increase compared with \$297 million for the same period in 2006. During the third quarter, Canam Group also acquired the assets of Eastern Bridge, a company located in Claremont, New Hampshire, which specializes in the fabrication of road and railway bridges.

The board of directors has approved a quarterly dividend of \$0.04 per share payable on December 31, 2007 to shareholders of record on December 17, 2007.

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

Marc Dutil
President and Chief Operating Officer

Saint-Georges, Beauce

November 1, 2007

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 September 29, 2007, June 30, 2007, March 31, 2007 and September 30, 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 and those presented in the 2006 annual report. The significant accounting estimates are similar to those used as at December 31, 2006.

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 subsidiaries is disclosed pursuant to Multilateral Instrument 52-109 dealing with the Certification of Disclosure in Issuers' Annual and Interim Filings.

No material changes were made to internal control over financial information during the three-month period ended September 29, 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

		Sept. 29 2007	Dec. 31 2006	Sept. 30 2006
Consolidated statements of earnings	CAN$/US$	**1.0461**	1.1400	1.1202
	CAN$/Euro	**1.4378**	1.4659	1.4273
	CAN$/Peso	**0.0951**	0.1046	0.1022
Consolidated balance sheets	CAN$/US$	**0.9963**	1.1653	1.1153
	CAN$/Euro	**1.4166**	1.5377	1.4150
	CAN$/Peso	**0.0911**	0.1079	0.1016

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. ("Canam Romsa")

Following the sale in June 2006 of 65% of the participating shares of 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.

In the third quarter of 2007, Canam Romsa's operating activities resulted in a net loss of $2.1 million compared to a net loss of $0.3 million during the third quarter in 2006. For the nine-month period ended September 29, 2007, Canam Romsa's operating activities ($4.6 million) and the Company's impairment of its investment in the latter ($1.8 million) resulted in a net loss of $6.4 million, compared to net earnings of $2.5 million for the corresponding period in 2006. The net loss in 2007 is partially attributable to irregularities committed by some members of Canam Romsa's management team. These officers were replaced and measures are being taken to recover the amounts owed to Canam Romsa.

Acquisition of the assets of Eastern Bridge, LLC

On July 16, 2007, Canam Steel Corporation ("CSC"), a wholly-owned subsidiary of the Company, acquired the majority of the assets of Eastern Bridge, a company located in Claremont, New Hampshire that specializes in the fabrication of steel structures for road and railway bridges. CSC acquired the production equipment for US$3.6 million ($3.7 million), the working capital for US$0.9 million ($1 million) and intangible assets for US$0.4 million ($0.5 million). We wish to specify that the purchase price allocation is preliminary. CSC also has the option, until September 2009, to purchase the land (1,000,000 sq. ft.) and building (400,000 sq. ft.) for a consideration of US$5 million.

New U.S. credit agreement

On October 2, 2007, CSC concluded a new 5-year credit agreement for US$60 million in the United States. The credit agreement is composed of a revolving credit of US$50 million, which varies according to accounts receivable and inventories, and which is guaranteed by a security interest on accounts receivable and inventories, as well as a US$10 million non-revolving credit that is guaranteed by liens on certain buildings in the United States. The production equipment is no longer pledged as collateral. The U.S. subsidiary must also meet certain financial covenants that will be measured quarterly.

Dividends on common shares

On August 2, 2007, the Board of Directors approved the payment, on September 28, 2007, of a quarterly dividend of $0.04 per common share to shareholders of record on September 14, 2007. The amount paid out on September 28, 2007 was $2 million and has been applied against retained earnings.

Operating Results

Net earnings for the third quarter of 2007 increased by 6.4% to $14.1 million or $0.29 per basic share based on a weighted average number of 48,985,593 common shares, as compared with net earnings of $13.3 million or $0.28 per basic share during the third quarter of 2006, based on a weighted average number of 47,709,967 common shares. Net earnings from continuing operations increased to $14.4 million or $0.29 per basic share in the third quarter of 2007, as compared with $13.6 million or $0.28 per basic share for the same quarter in 2006.

After the first nine months of fiscal 2007, net earnings increased 18.1% to $33.8 million or $0.69 per basic share, based on a weighted average number of 48,932,839 common shares, as compared with net earnings of $28.6 million or $0.63 per basic share for the same period in 2006, based on a weighted average number of 45,292,624 common shares. Net earnings from continuing operations stood at $34.7 million in 2007, or $0.71 per basic share, as compared with $29.8 million or $0.66 per basic share in 2006.

Consolidated sales for the third quarter of 2007 totaled $238.3 million, which represents a $24.5 million or 11.5% increase as compared with sales of $213.7 million for the same quarter in 2006. The increase in sales is primarily attributable to the Structal-Heavy Steel Construction, Canam Canada and Canam U.S. (joists and steel deck) and Structal-Bridges business units, and is explained by economic activity in the non-residential construction market. Consolidated sales after the first nine months of 2007 were up $89.6 million or 17% to $618.3 million, as compared with sales of $528.6 million for the same period in 2006. The increase in sales in 2007 is also attributable to the above-mentioned business units.

The gross margin was 20% of sales in the third quarter of 2007 as compared with 22.8% for the corresponding quarter in 2006. After nine months, the gross margin represented 20.6% of sales as compared with 23.1% for the same period in 2006. The decline in the gross margin is attributable to a change in the sales mix in 2007 compared to that of 2006.

Selling and administrative expenses totaled $20 million or 8.4% of sales in the third quarter of 2007 as compared with $20.1 million or 9.4% of sales for the corresponding quarter in 2006. On a cumulative basis, the same expenses totaled $58.4 million or 9.4% of sales in 2007, as compared with $54.5 million or 10.3% of sales for the same period in 2006.

On September 20, 2007, the Company sold the majority of its foreign currency forward contracts totaling US$38.5 million at an average rate of 1.1469 and realized an exchange gain of $3.8 million, before income taxes, for the third quarter of 2007. The Company decided to sell its foreign currency forward contracts because it expects to be less exposed to US dollar exchange rate variations in the future since its cash flows will be offset by an increase in raw material purchases denominated in US dollars. The Company cashed $5.3 million for the sale of these foreign currency forward contracts, which was used to reduce debt by the same amount and save approximately $0.3 million in financial expenses on an annual basis. The Company also realized an exchange gain of $0.2 million, before income taxes, during the third quarter of 2007 on foreign currency forward contracts that matured since July 1, 2007 and had not been designated as hedging instruments.

Interest income stood at $0.4 million for the third quarter of 2007 as compared with $0.7 million for the corresponding quarter in 2006. After the first nine months of 2007, interest income stood at $1.1 million as compared with $1.8 million for the same period in 2006. The decrease results from the total repayment, during the third quarter of 2007, of amounts owed to the Company by Placements CMI Inc., a company indirectly controlled by the Chairman of the Board and Chief Executive Officer of the Company who holds 16.28% of the Company's common shares, the balance of which was $13.5 million as at September 30, 2006, and by the partial repayment of an advance to a third party, the balance of which was $2.7 million as at September 29, 2007 ($3.7 million as at September 30, 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., a related company that is a subsidiary of Placements CMI Inc., in the amount of $0.5 million during the third quarter of 2007, represents the growth of the investment in preferred shares based on the terms described in the MD&A for fiscal 2006. As at September 29, 2007, the balance of this investment totaled $55.4 million ($54 million as at December 31, 2006).

Expenses related to plant closings in the amount of $1.2 million for the nine-month period ended September 30, 2006 are explained by the provision recorded to reduce land, buildings and equipment at the Columbus, Ohio and Lafayette, Indiana plants to their net estimated realizable value.

Non-GAAP measures

In this MD&A, the Company's financial management uses a measure that is not in accordance with GAAP. Adjusted earnings before interest, tax, depreciation and amortization ("Adjusted EBITDA") are not defined by GAAP and cannot be formally presented in financial statements. Nevertheless, management wishes to specify that Adjusted 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 Adjusted EBITDA does not take into account the impairment of the investment in a variable interest entity located in Mexico and share in earnings (loss) of companies subject to significant influence. The reader can establish the link between Adjusted EBITDA and net earnings. The definition of Adjusted EBITDA used by the Company may differ from that used by other companies.

Even though Adjusted 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 Adjusted EBITDA and net earnings

Periods ended September 29, 2007 and September 30, 2006

	Three months	
(in thousands of dollars) (unaudited)	**2007**	2006
Net earnings	**$ 14,143**	$ 13,296
Net loss from discontinued operations	**234**	289
Net earnings from continuing operations	**14,377**	13,585
PLUS:		
Share in loss (earnings) of companies subject to significant influence	**(264)**	67
Income tax expense	**9,217**	6,959
Financial expenses	**2,649**	2,526
Total depreciation and amortization	**4,326**	3,873
Adjusted EBITDA	**$ 30,305**	$ 27,010

	Nine months	
(in thousands of dollars) (unaudited)	**2007**	2006
Net earnings	**$ 33,779**	$ 28,592
Net loss from discontinued operations	**938**	1,201
Net earnings from continuing operations	**34,717**	29,793
PLUS:		
Share in earnings of companies subject to significant influence	**(517)**	(172)
Income tax expense	**22,878**	15,520
Impairment of the investment in a variable interest entity located in Mexico	**1,815**	– –
Financial expenses	**6,165**	8,033
Total depreciation and amortization	**12,472**	11,641
Adjusted EBITDA	**$ 77,530**	$ 64,815

With regard to earnings for the third quarter of 2007, Adjusted EBITDA stood at $30.3 million and accounted for 12.7% of sales, as compared with Adjusted EBITDA of $27 million or 12.6% of sales for the corresponding quarter in 2006. After nine months, Adjusted EBITDA is $77.5 million, which represents 12.5% of sales, as compared with Adjusted EBITDA of $64.8 million, or 12.3% of sales, for the same period in 2006. This increase is mainly attributable to the growth in sales.

For the third quarter of 2007, depreciation and amortization expenses totaled $4.3 million, which is $0.4 million higher than the $3.9 million amount recorded for the corresponding quarter in 2006. After nine months of fiscal 2007, these same expenses totaled $12.5 million compared with $11.6 million for the same period in 2006.

Still in the third quarter of 2007, financial expenses amounted to $2.6 million, compared with $2.5 million during the same quarter in 2006. On a cumulative basis, financial expenses amounted to $6.2 million in 2007, representing a decrease of $1.8 million when compared to 2006, when they stood at $8 million. This decrease is due to a reduction in the Company's long-term debt and bank loans.

The effective tax rate was 39.5% for the third quarter ended September 29, 2007, as compared with an effective tax rate of 33.8% for the same quarter in 2006. After the first nine months of 2007, the effective tax rate was 40.1% compared to 34.4% for the same period in 2006. The increase in the effective tax rate is attributable to the net loss of $2.1 million incurred during the quarter and that of $6.4 million incurred after nine months by Canam Romsa, for which no future income tax assets were recorded.

Balance Sheet

Current working capital went from $159.4 million as at December 31, 2006 (for a current ratio of 2.06) to $174.9 million as at September 29, 2007 (for a current ratio of 2.02).

The net debt, the balance of which stood at $95.5 million as at September 29, 2007, increased by $7.5 million compared with December 31, 2006, at which time the net debt totaled $88 million. The rise is attributable to the increase in accounts receivable and inventories. Shareholders' equity rose to $353.2 million as at September 29, 2007, compared with $343.4 million as at December 31, 2006. It is important to note that the growth of the Canadian dollar in the first nine months of 2007 resulted in an unrealized loss of $20.9 million following the translation of the financial statements of self-sustaining foreign operations mainly attributable to the U.S. subsidiary. This amount has been applied against shareholders' equity in accumulated other comprehensive income.

The net debt to Adjusted EBITDA ratio for the last four quarters was 0.94 as at September 29, 2007, whereas it was 0.98 as at December 31, 2006.

The net debt to shareholders' equity ratio was 0.27 as at September 29, 2007, whereas it was 0.26 as at December 31, 2006.

Financial information

	Periods ended	
(in thousands of dollars, except for ratios)	**Sept. 29 2007**	Dec. 31 2006
Working capital	**$174,878**	$159,359
Current ratio	**2.02**	2.06
Net debt(1)	**$ 95,530**	$ 88,010
Adjusted EBITDA for the last four quarters	**$102,091**	$ 89,376
Shareholders' equity	**$353,224**	$343,360
Net debt to Adjusted EBITDA ratio for the last four quarters	**0.94**	0.98
Net debt to shareholders' equity ratio	**0.27**	0.26

(1) Net debt comprises bank loans and the long-term debt, net of cash.

As at September 29, 2007, trade accounts receivable totaled $169.7 million compared with $137.8 million as at December 31, 2006. The increase in sales, considering that the Company had invoiced $95.6 million in September 2007, as well as the 49% proportionate consolidation of accounts receivable of United Steel Structures Limited ("USSL"), which followed the acquisition of an interest in this China-based company, explain the increase.

As at September 29, 2007, there are no remaining accounts receivable from Placements CMI Inc. ($6,013 as at December 31, 2006) since the latter reimbursed in full the amount owed to the Company. Placements CMI Inc. has also guaranteed advances from a third party, the balance of which decreased from $3.5 million as at December 31, 2006 to $2.7 million as at September 29, 2007.

A committee of the Board of Directors composed of independent directors is mandated to monitor transactions between the Company and related companies.

Inventories increased by $20.4 million to $146.5 million as at September 29, 2007, as compared with $126.1 million as at December 31, 2006. This rise is explained by an increase of $17.8 million in raw materials inventories, and an increase of $2.6 million 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 $361 million as at September 29, 2007 as compared with $287 million as at December 31, 2006).

Cash Position

For the three-month period ended September 29, 2007, cash flows from continuing operating activities totaled $20.6 million as compared with $19.2 million for the previous corresponding period.

Cash flows used in financing activities stood at $15.9 million for the third quarter of 2007 compared with $11.8 million in the third quarter of 2006. The difference is mainly attributable to the repayment of long-term debt and bank loans in 2007.

Still in the third quarter of 2007, cash flows used in investing activities totaled $11.5 million compared with $7 million for the corresponding period in 2006. The variation is mainly attributable to the acquisition of the majority of the assets of Eastern Bridge, LLC.

Cash flows

A comparison of the Company's cash flows for the periods ended September 29, 2007 and September 30, 2006 is presented below:

	Three months	
(in thousands of dollars) (unaudited)	**2007**	2006
Cash flows from continuing operating activities	**$ 20,579**	$ 19,201
Cash flows from continuing financing activities	**(15,856)**	(11,796)
Cash flows from continuing investing activities	**(11,481)**	(7,013)
Effect of changes in foreign exchange rate on cash	**(975)**	(19)
Net change	**(7,733)**	373
Net cash flows from discontinued operations	**1,351**	(2,004)
Cash - beginning of period	**15,690**	2,895
Cash - end of period	**$ 9,308**	$ 1,264

	Nine months	
(in thousands of dollars) (unaudited)	**2007**	2006
Cash flows from continuing operating activities	**$ 19,632**	$ 19,392
Cash flows from continuing financing activities	**1,371**	(7,571)
Cash flows from continuing investing activities	**(26,493)**	(14,031)
Effect of changes in foreign exchange rate on cash	**(76)**	(188)
Net change	**(5,414)**	(2,398)
Net cash flows from discontinued operations	**5,745**	(1,617)
Cash - beginning of period	**8,977**	5,279
Cash - end of period	**$ 9,308**	$ 1,264

Discontinued Operations

During the first nine months of 2007, except for the receipt of accounts receivable and the disposal of inventories of Tanguay Industries, 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 $0.2 million was recorded during the third quarter of 2007 as compared with a net loss of $0.3 million for the same quarter in 2006.

Foreign Currency Forward Contracts

On September 20, 2007, the Company sold the majority of its foreign currency forward contracts which totaled US$38.5 million.

As at September 29, 2007, foreign currency forward contracts not designated as hedging instruments and maturing in the next 12 months totaled US$0.4 million at an average conversion rate of 1.1440.

In addition, as at September 29, 2007, the Amcan-Jumax joint venture holds a foreign currency forward contract for the sale of US$1,000 at a rate of 1.044 and maturing on December 27, 2007.

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.

The application of these new standards resulted in an adjustment of $0.5 million 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 $1 million increase in investments, a $0.2 million increase in future income tax liabilities, a $0.4 million decrease in long-term receivables of discontinued operations, and a $0.1 million 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 $0.2 million as at January 1, 2007. Deferred financing expenses related to revolving credit and 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.

d) Section 1506 "Accounting Changes". This section establishes criteria for changes in accounting policies, together with the accounting treatment and disclosure of changes in accounting policies, changes in accounting estimates and corrections of errors.

The adoption of this section had no impact on the Company's financial position and results of 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 completed the assessment of 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 $361 million as at September 29, 2007 compared to $297 million as at September 30, 2006. This 21.5% increase is due to growth in economic activity in the non-residential construction sector.

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.

Other

As at October 31, 2007, there were 49,260,706 common shares outstanding as well as stock options for the purchase of 737,760 common shares.

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

The MD&A and audited financial statements as well as 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

November 1, 2007

QUARTERLY RESULTS

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

2007 Quarters ended	**March 31**	**June 30**	**Sept. 29**		**Total**
Sales	**$ 161,107**	**$ 218,912**	**238,257**		**$ 618,276**
Net earnings from continuing operations	**6,503**	**13,837**	**14,377**		**34,717**
Net earnings	**6,354**	**13,282**	**14,143**		**33,779**
Basic net earnings per share from continuing operations	**0.13**	**0.28**	**0.29**		**0.71**
Basic net earnings per share	**0.13**	**0.27**	**0.29**		**0.69**
Diluted net earnings per share from continuing operations	**0.13**	**0.28**	**0.29**		**0.70**
Diluted net earnings per share	**0.13**	**0.27**	**0.29**		**0.68**
Total assets	**598,846**	**655,876**	**633,169**		
Net debt[2]	**83,941**	**105,911**	**95,530**		
Shareholders' equity	**345,917**	**350,031**	**353,224**		
Cash dividend declared per common share	**0.04**	**0.04**	**0,04**		**0.12**

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 September 29, 2007 and September 30, 2006

(in thousands of dollars, except per share amounts) (unaudited)	Three months		Nine months	
	2007	2006	**2007**	2006
Sales	**$ 238,257**	$ 213,719	**$ 618,276**	$ 528,633
Cost of sales	**190,652**	164,999	**490,798**	406,404
Gross profit	**47,605**	48,720	**127,478**	122,229
Selling and administrative expenses	**20,003**	20,090	**58,407**	54,518
Profit sharing and continuous improvement programs	**2,301**	3,087	**4,221**	5,875
Exchange gain	**(4,034)**	(405)	**(8,544)**	(421)
Interest income	**(403)**	(694)	**(1,079)**	(1,831)
Increase in the redemption value of an investment in a related company	**(470)**	(506)	**(1,405)**	(1,410)
Expenses related to plant closings	**– –**	5	**– –**	1,188
Loss (gain) on disposal of property, plant and equipment	**79**	133	**(172)**	173
Gain on disposal of investments	**(176)**	– –	**(1,480)**	(678)
	30,305	27,010	**77,530**	64,815
Depreciation of property, plant and equipment	**3,793**	3,633	**11,125**	10,954
Amortization of intangible assets	**533**	240	**1,347**	687
Financial expenses (note 8)	**2,649**	2,526	**6,165**	8,033
Impairment of the investment in a variable interest entity located in Mexico	**– –**	– –	**1,815**	– –
Earnings before income tax expense and undermentioned items	**23,330**	20,611	**57,078**	45,141
Income tax expense				
Current	**9,868**	6,453	**21,883**	17,189
Future	**(651)**	506	**995**	(1,669)
	9,217	6,959	**22,878**	15,520
Earnings before undermentioned items	**14,113**	13,652	**34,200**	29,621
Share in earnings (loss) of companies subject to significant influence	**264**	(67)	**517**	172
Net earnings from continuing operations	**14,377**	13,585	**34,717**	29,793
Net loss from discontinued operations (note 11)	**(234)**	(289)	**(938)**	(1,201)
Net earnings	**$ 14,143**	$ 13,296	**$ 33,779**	$ 28,592
Net earnings (net loss) per share (note 6)				
Basic:				
From continuing operations	**$ 0.29**	$ 0.28	**$ 0.71**	$ 0.66
From discontinued operations	**– –**	– –	**(0.02)**	(0.03)
Total	**$ 0.29**	$ 0.28	**$ 0.69**	$ 0.63
Diluted:				
From continuing operations	**$ 0.29**	$ 0.28	**$ 0.70**	$ 0.65
From discontinued operations	**– –**	– –	**(0.02)**	(0.03)
Total	**$ 0.29**	$ 0.28	**$ 0.68**	$ 0.62
Weighted average number of shares (in thousands of shares) (note 6)				
Basic	**48,986**	47,710	**48,933**	45,293
Diluted	**49,518**	48,199	**49,388**	45,761
Number of common shares outstanding			**49,258**	48,987

Consolidated Statements of Comprehensive Income

Periods ended September 29, 2007 and September 30, 2006

	Three months		Nine months	
(in thousands of dollars) (unaudited)	**2007**	2006	**2007**	2006
Net earnings	**$ 14,143**	$ 13,296	**$ 33,779**	$ 28,592
Other comprehensive income, net of income taxes:				
Unrealized losses on translating financial statements of self-sustaining foreign operations	**$ (8,857)**	$ (318)	**$ (20,896)**	$ (5,089)
Reclassification in earnings related to the reduction in the net investment in a self-sustaining foreign operation	**– –**	– –	**1,959**	189
Unrealized foreign currency translation losses	**$ (8,857)**	$ (318)	**$ (18,937)**	$ (4,900)
Unrealized losses on available-for-sale financial assets arising during the period	**$ (36)**	$ – –	**$ (172)**	$ – –
Reclassification in earnings	**– –**	– –	**(64)**	– –
Unrealized losses on available-for-sale financial assets	**$ (36)**	$ – –	**$ (236)**	$ – –
Gains on derivatives designated as cash flow hedges	**$ (1,425)**	$ – –	**$ – –**	$ – –
Other comprehensive income	**$ (10,318)**	$ (318)	**$ (19,173)**	$ (4,900)
Comprehensive income	**$ 3,825**	$ 12,978	**$ 14,606**	$ 23,692

Consolidated Statements of Retained Earnings

Periods ended September 29, 2007 and September 30, 2006

	Three months		Nine months	
(in thousands of dollars) (unaudited)	**2007**	2006	**2007**	2006
Opening balance	**$ 176,549**	$ 139,317	**$ 160,840**	$ 127,633
Net earnings	**14,143**	13,296	**33,779**	28,592
Share issue expenses	**– –**	– –	**– –**	(27)
Dividends	**(1,970)**	(1,960)	**(5,897)**	(5,545)
Closing balance	**$ 188,722**	$ 150,653	**$ 188,722**	$ 150,653

CONSOLIDATED BALANCE SHEETS

(in thousands of dollars)	As at September 29 2007 (unaudited)	As at December 31 2006
Assets		
Current assets		
Cash	**$ 9,308**	$ 8,977
Accounts receivable (note 3)	**174,856**	149,291
Inventories	**146,525**	126,149
Unrealized asset on foreign currency forward contracts (note 13)	**59**	– –
Income taxes recoverable	**187**	209
Future income tax assets	**4,723**	6,380
Prepaid expenses and other assets	**5,347**	6,510
Current assets of discontinued operations (note 11)	**4,934**	12,618
Total current assets	**345,939**	310,134
Investments	**76,381**	72,270
Property, plant and equipment	**167,091**	172,025
Property, plant and equipment held for sale (note 10)	**5,798**	6,782
Intangible assets	**3,047**	2,713
Goodwill	**312**	160
Future income tax assets	**3,223**	3,487
Other assets (note 4)	**11,267**	8,704
Long-term assets of discontinued operations (note 11)	**20,111**	23,917
	$ 633,169	$ 600,192
Liabilities		
Current liabilities		
Bank loans	**$ 11,128**	$ 10,363
Accounts payable and accrued liabilities	**147,493**	129,083
Unrealized liability on foreign currency forward contracts (note 13)	**– –**	1,450
Income taxes payable	**6,845**	4,246
Future income tax liabilities	**54**	37
Current portion of long-term debt	**3,014**	1,240
Current liabilities of discontinued operations (note 11)	**2,526**	4,356
Total current liabilities	**171,060**	150,775
Long-term debt	**90,696**	85,384
Deferred credits	**5,181**	5,287
Future income tax liabilities	**8,632**	9,556
Long-term liabilities of discontinued operations (note 11)	**4,376**	5,830
	279,945	256,832
Shareholders' Equity		
Share capital (note 5)	**195,794**	195,822
Retained earnings	**188,722**	160,840
Contributed surplus (note 5)	**2,658**	2,020
Accumulated other comprehensive income (note 7)	**(33,950)**	(15,322)
	353,224	343,360
	$ 633,169	$ 600,192

Contingencies and commitments (note 12)
Subsequent event (note 14)

Consolidated Statements of Cash Flows

Periods ended September 29, 2007 and September 30, 2006

	Three months		Nine months	
(in thousands of dollars) (unaudited)	**2007**	2006	**2007**	2006
Cash flows from the following activities:				
Operating activities				
Net earnings from continuing operations	**$ 14,377**	$ 13,585	**$ 34,717**	$ 29,793
Items not affecting cash				
Depreciation of property, plant and equipment	**3,793**	3,633	**11,125**	10,954
Amortization of intangible assets	**533**	240	**1,347**	687
Amortization of deferred financing expenses	**79**	240	**280**	946
Amortization of deferred issue expenses related to convertible debentures	**– –**	– –	**– –**	74
Future income tax expense	**(651)**	506	**995**	(1,669)
Loss (gain) on disposal of property, plant and equipment	**79**	133	**(172)**	173
Unrealized loss (earnings) on foreign currency forward contracts	**2,035**	(527)	**(1,509)**	(465)
Gain on disposal of investments	**(176)**	– –	**(1,480)**	(678)
Impairment of property, plant and equipment held for sale	**– –**	– –	**– –**	800
Impairment of the investment in a variable interest entity located in Mexico	**– –**	– –	**1,815**	– –
Pension expense	**(134)**	353	**(500)**	1,059
Compensation cost related to stock options	**6**	(14)	**26**	(75)
Amortization of compensation costs related to the employee share purchase plan on the open market	**225**	105	**675**	315
Increase in the fair value of convertible debentures	**– –**	– –	**– –**	207
Increase in the redemption value of an investment in a related company	**(470)**	(506)	**(1,405)**	(1,410)
Share in loss (earnings) of companies subject to significant influence	**(264)**	67	**(517)**	(172)
	19,432	17,815	**45,397**	40,539
Net change in non-cash operating working capital items				
Increase in accounts receivable	**(9,926)**	(17,705)	**(32,150)**	(15,563)
Decrease (increase) in inventories	**12,153**	7,128	**(22,885)**	(31,813)
Decrease (increase) in income taxes recoverable	**14**	985	**22**	(120)
Decrease in prepaid expenses and other assets	**2,024**	862	**1,858**	1,893
Increase (decrease) in accounts payable and accrued liabilities	**(6,751)**	9,234	**25,408**	29,056
Increase in interest payable	**11**	740	**9**	602
Increase (decrease) in income taxes payable	**3,622**	142	**1,973**	(5,202)
	1,147	1,386	**(25,765)**	(21,147)
Cash flows from continuing operating activities	**20,579**	19,201	**19,632**	19,392
Financing activities				
Shares purchased in employees' name on the open market	**– –**	– –	**(1,445)**	(214)
Proceeds from issuance of shares	**1,108**	171	**1,354**	1,085
Issue expenses related to share issue	**– –**	– –	**– –**	(27)
Dividends	**(1,970)**	(3,844)	**(5,897)**	(5,545)
Increase in long-term debt and bank loans	**– –**	12,215	**31,566**	25,558
Repayment of long-term debt and bank loans	**(15,155)**	(19,981)	**(24,359)**	(28,381)
Issue expenses related to long-term debt	**(41)**	(523)	**(167)**	(652)
Deferred credits	**202**	166	**319**	605
Cash flows from continuing financing activities	**(15,856)**	(11,796)	**1,371**	(7,571)
Investing activities				
Proceeds from sale of property, plant and equipment	**13**	60	**3,206**	384
Additions to property, plant and equipment	**(5,836)**	(6,659)	**(13,477)**	(16,483)
Additions to intangible assets	**(155)**	(245)	**(772)**	(1,227)
Acquisition of investments	**– –**	– –	**(2,311)**	(150)
Proceeds from disposal of investments	**– –**	– –	**168**	1,124
Decrease in long-term receivables	**451**	16	**790**	111
Increase in long-term receivables	**(803)**	(390)	**(3,543)**	(1,331)
Business acquisitions, net of cash acquired (note 2)	**(5,151)**	– –	**(10,554)**	– –
Assets held for sale	**– –**	193	**– –**	3,529
Other assets	**– –**	12	**– –**	12
Cash flows from continuing investing activities	**(11,481)**	(7,013)	**(26,493)**	(14,031)
Effect of changes in foreign exchange rate on cash	**(975)**	(19)	**76**	(188)
Net change in cash from continuing operations	**(7,733)**	373	**(5,414)**	(2,398)
Cash flows from discontinued operations				
Operating activities	**1,087**	(1,755)	**5,192**	(157)
Financing activities	**– –**	543	**– –**	– –
Investing activities	**264**	(792)	**553**	(1,460)
	1,351	(2,004)	**5,745**	(1,617)
Cash, beginning of period	**15,690**	2,895	**8,977**	5,279
Cash, end of period	**$ 9,308**	$ 1,264	**$ 9,308**	$ 1,264
Supplementary information				
Interest paid	**$ 392**	$ 2,018	**$ 3,526**	$ 7,386
Income taxes paid, net	**$ 6,655**	$ 2,980	**$ 17,232**	$ 18,054

(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 and nine-month periods ended September 29, 2007 and September 30, 2006, 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 consolidated 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:

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 the 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.

d) Section 1506 "Accounting Changes". This section establishes criteria for changes in accounting policies, together with the accounting treatment and disclosure of changes in accounting policies, changes in accounting estimates and corrections of errors.

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.

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 the revolving credit and 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.

The adoption of this section had no impact on the Company's financial position and results of 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 completed the assessment of the effect of these new standards on its consolidated financial statements, which will apply in the fiscal year beginning on January 1, 2008.

2. Business Acquisitions

a) Eastern Bridge, LLC ("Eastern") and United Steel Structures Ltd. ("USSL")

On July 16, 2007, the Company acquired the majority of the assets of Eastern for a consideration of US$4,936 ($5,151). This company, which is located in the State of New Hampshire in the United States, specializes in the fabrication of steel structures for road and railway bridges.

On May 30, 2007, the Company finalized the acquisition of a 49% interest in the share capital of USSL for the amount of US$9,200 ($9,982) following approval of the transaction by Chinese regulatory authorities. USSL operates a structural steel and bridge plant in Guangzhou, China. Because of the characteristics and rights associated with the shares held by the Company, USSL is a joint venture and its activities are accounted for using the proportionate consolidation method.

These transactions have been accounted for using the purchase method and the results of operations have been included in the consolidated financial statements since the acquisition date.

The purchase price allocations are preliminary and have been determined using management's best estimates taking into consideration all relevant information available to date.

Assets acquired, net of liabilities assumed	Eastern	USSL 49% interest
Cash	$ – –	$ 4,873
Accounts receivable	796	6,046
Inventories	553	4,197
Prepaid expenses and other assets	25	1,226
Property, plant and equipment	3,712	745
Intangible assets	460	660
Bank loan	– –	(3,647)
Accounts payable and accrued liabilities	(395)	(3,068)
Income taxes payable	– –	(856)
Fair value of assets acquired, net of liabilities assumed	$ 5,151	$ 10,176
Consideration paid		
Cash payment	$ 5,151	$ 9,982
Transaction-related costs	– –	194
	$ 5,151	$ 10,176

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, net of liabilities assumed	
Cash	$ 404
Accounts receivable	828
Inventories	589
Property, plant and equipment	62
Intangible assets	4
Goodwill	367
Other assets	40
Accounts payable and accrued liabilities	(288)
Income taxes payable	(93)
Long-term debt	(113)
Fair value of assets acquired, net of liabilities assumed	$ 1,800

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

c) 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.

3. Accounts Receivable

	As at September 29 2007 (unaudited)	As at December 31 2006
Trade	**$ 169,718**	$ 137,803
Companies subject to significant influence	**233**	198
Joint ventures	**1,182**	1,224
Placements CMI Inc.[1]	**– –**	6,013
Other related companies	**986**	554
Advances[2]	**2,737**	3,499
	$ 174,856	$ 149,291

(1) Placements CMI Inc. is a company indirectly controlled by the Chairman of the Board and Chief Executive Officer of the Company, who holds 16.28% (16.35% as at December 31, 2006) of the Company's common shares.

(2) These advances are secured by a guarantee from Placements CMI Inc.

4. Other Assets

	As at September 29 2007 (unaudited)	As at December 31 2006
Long-term receivables[1]	**$ 10,037**	$ 7,284
Deferred financing expenses	**892**	1,302
Others	**338**	118
	$ 11,267	$ 8,704

(1) The balance of long-term receivables includes a receivable of $4,250 as at September 29, 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, $2,133 ($987 as at December 31, 2006) from joint ventures and $218 ($267 as at December 31, 2006) from companies subject to significant influence.

5. 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	Number	Amount
Net balance outstanding as at December 31, 2006	48,887,856	$ 195,822
Issuance of shares pursuant to options	201,650	1,417
Shares purchased in employees' name on the open market	(143,525)	(1,445)
Net balance outstanding as at September 29, 2007	**48,945,981**	**$ 195,794**
Outstanding as at September 29, 2007	49,257,706	$ 198,500
Shares purchased in employees' name on the open market	(311,725)	(2,706)
Net balance outstanding as at September 29, 2007	**48,945,981**	**$ 195,794**

Statement of changes in contributed surplus

Periods ended September 29, 2007 and September 30, 2006

	Nine months	
(unaudited)	**2007**	2006
Opening balance	**$ 2,020**	$ 1,658
Compensation costs related to stock options	**29**	63
Decrease in compensation costs following the cancellation of stock options	**(3)**	(137)
Options exercised	**(63)**	– –
Amortization of compensation costs related to the employee share purchase plan on the open market	**675**	315
Closing balance	**$ 2,658**	$ 1,899

6. Net Earnings Per Share

Periods ended September 29, 2007 and September 30, 2006

(unaudited)	Three months 2007	2006
Numerator		
Net earnings from continuing operations	$ 14,377	$ 13,585
Denominator		
Basic weighted average number of shares	48,986	47,710
Effect of dilutive securities		
Stock options	354	363
Shares purchased in employees' name on the open market	178	126
Diluted weighted average number of shares	49,518	48,199
Net earnings per share from continuing operations		
Basic	$ 0.29	$ 0.28
Diluted	$ 0.29	$ 0.28

(unaudited)	Nine months 2007	2006
Numerator		
Net earnings from continuing operations	$ 34,717	$ 29,793
Denominator		
Basic weighted average number of shares	48,953	45,293
Effect of dilutive securities		
Stock options	277	342
Shares purchased in employees' name on the open market	178	126
Diluted weighted average number of shares	49,388	45,761
Net earnings per share from continuing operations		
Basic	$ 0.71	$ 0.66
Diluted	$ 0.70	$ 0.65

7. Accumulated Other Comprehensive Income

Periods ended September 29, 2007 and September 30, 2006

(unaudited)	Nine months 2007	2006
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 foreign currency translation losses	(18,937)	(4,900)
Unrealized losses on available-for-sale financial assets	(236)	– –
Closing balance	$ (33,950)	$ (22,136)

8. Financial Expenses

Periods ended September 29, 2007 and September 30, 2006

(unaudited)	Three months 2007	2006
Interest on bank loans	$ 1,034	$ 419
Interest on long-term debt	1,536	1,867
Amortization of deferred financing expenses	79	240
	$ 2,649	$ 2,526

(unaudited)	Nine months 2007	2006
Interest on bank loans	$ 1,812	$ 917
Interest on long-term debt	4,073	5,011
Interest on convertible debentures	– –	785
Dividends on Class "C" shares	– –	93
Amortization of deferred financing expenses	280	946
Amortization of convertible debenture issue expenses	– –	74
Increase in the fair value of convertible debentures	– –	207
	$ 6,165	$ 8,033

9. Employee Future Benefits

Periods ended September 29, 2007 and September 30, 2006

(unaudited)	Three months 2007	2006
Total costs related to defined contribution pension plans	$ 552	$ 446
Total costs related to defined benefit pension plans	246	335
	$ 798	$ 781

(unaudited)	Nine months 2007	2006
Total costs related to defined contribution pension plans	$ 1,623	$ 1,253
Total costs related to defined benefit pension plans	768	1,004
	$ 2,391	$ 2,257

10. Property, Plant and Equipment Held for Sale

	As at September 29 2007 (unaudited)	As at December 31 2006
	United States	United States
Property, plant and equipment held for sale	$ 5,798	$ 6,782

The Company closed the 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 are accounted for at the lower of cost and net estimated realizable value.

11. 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 a structural steel plant in Niort, France.

The net assets of the Manac division, which specializes in the fabrication of semitrailers, were sold on April 25, 2004.

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's subsidiary.

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. The Company records Tanguay Industries 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 September 29, 2007 and September 30, 2006 are as follows:

Three months

(unaudited)	2007						2006					
	Semi-trailers	Forestry equipment	Multi-residential buildings	France	Mexico (Juárez)	Total	Semi-trailers	Forestry equipment	Multi-residential buildings	France	Mexico (Juárez)	Total
Sales	$ 433	$ 384	$ - -	$ - -	$ - -	$ 817	$ 433	$ 2,183	$ 1,792	$ - -	$ - -	$ 4,408
Net earnings (net loss) from operating activities	$ 73	$ (172)	$ - -	$ (65)	$ (70)	$ (234)	$ (1,099)	$ (970)	$ (1,385)	$ 3	$ (138)	$ (3,589)
Net gain on disposal of operations	- -	- -	- -	- -	- -	- -	3,300	- -	- -	- -	- -	3,300
Net earnings (net loss) from discontinued operations	$ 73	$ (172)	$ - -	$ (65)	$ (70)	$ (234)	$ 2,201	$ (970)	$ (1,385)	$ 3	$ (138)	$ (289)

Nine months

(unaudited)	2007						2006					
	Semi-trailers	Forestry equipment	Multi-residential buildings	France	Mexico (Juárez)	Total	Semi-trailers	Forestry equipment	Multi-residential buildings	France	Mexico (Juárez)	Total
Sales	$ 1,298	$ 3,695	$ 12	$ - -	$ - -	$ 5,005	$ 1,727	$ 12,088	$ 4,285	$ - -	$ - -	$ 18,100
Net earnings (net loss) from operating activities	$ 85	$ (308)	$ - -	$ (459)	$ (256)	$ (938)	$ (727)	$ (1,312)	$ (2,660)	$ 58	$ 140	$ (4,501)
Net gain on disposal of operations	- -	- -	- -	- -	- -	- -	3,300	- -	- -	- -	- -	3,300
Net earnings (net loss) from discontinued operations	$ 85	$ (308)	$ - -	$ (459)	$ (256)	$ (938)	$ 2,573	$ (1,312)	$ (2,660)	$ 58	$ 140	$ (1,201)

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

	As at September 29 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	$ – –	$ – –	$ – –	$ 143	$ 143	$ – –	$ – –	$ – –	$ 223	$ 223
Accounts receivable	150	1,102	71	– –	1,323	429	4,572	75	882[4]	5,958
Inventories	– –	1,271	– –	– –	1,271	– –	4,410	– –	– –	4,410
Income taxes recoverable	340	792	– –	– –	1,132	– –	1,064	– –	– –	1,064
Future income tax assets	210	855	– –	– –	1,065	210	741	– –	– –	951
Prepaid expenses	– –	– –	– –	– –	– –	– –	12	– –	– –	12
Total current assets of discontinued operations	700	4,020	71	143	4,934	639	10,799	75	1,105	12,618
Semitrailers and forestry equipment leased to clients[1]	5,172	584	– –	– –	5,756	6,369	709	– –	– –	7,078
Property, plant and equipment held for sale	– –	1,689	– –	559	2,248	– –	2,392	– –	662	3,054
Investments[2]	– –	– –	– –	– –	– –	22	– –	– –	– –	22
Long-term receivables	4,552[3]	1,100	6,303	– –	11,955	5,000[3]	1,614	7,149	– –	13,763
Future income tax assets	152	– –	– –	– –	152	– –	– –	– –	– –	– –
Total long-term assets of discontinued operations	9,876	3,373	6,303	559	20,111	11,391	4,715	7,149	662	23,917
Total assets of discontinued operations	$ 10,576	$ 7,393	$ 6,374	$ 702	$ 25,045	$ 12,030	$ 15,514	$ 7,224	$ 1,767	$ 36,535
Liabilities										
Current liabilities										
Accounts payable and accrued liabilities	$ 13	$ 547	$ – –	$ 44	$ 604	$ 167	$ 2,367	$ – –	$ 51	$ 2,585
Deferred revenue[1]	1,731	191	– –	– –	1,922	1,731	23	– –	– –	1,754
Income taxes payable	– –	– –	– –	– –	– –	17	– –	– –	– –	17
Total current liabilities of discontinued operations	1,744	738	– –	44	2,526	1,915	2,390	– –	51	4,356
Obligations relating to residual values	– –	196	– –	– –	196	– –	196	– –	– –	196
Deferred revenue[1]	3,832	267	– –	– –	4,099	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	3,855	521	– –	– –	4,376	5,153	677	– –	– –	5,830
Total liabilities of discontinued operations	$ 5,599	$ 1,259	$ – –	$ 44	$ 6,902	$ 7,068	$ 3,067	$ – –	$ 51	$ 10,186

(1) The amounts of $5,172 ($6,369 as at December 31, 2006) for semitrailers and $584 ($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 $1,710 ($2,755 as at December 31, 2006), which have been included under Contingencies and Commitments (note 12).

(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, as at December 31, 2006, an amount of US$750 under escrow in case of any potential claims following the sale of the Juárez assets in August 2005. The amount was cashed in August 2007.

12. 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 $6,522 as at September 29, 2007 ($7,176 as at December 31, 2006).
- 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 $1,710 ($2,755 as at December 31, 2006).

13. Financial Instruments

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

The Company held the following foreign currency forward contracts:

Designated as hedging instruments

As at September 29, 2007, the Company did not have any foreign currency forward contracts designated as hedging instruments as these foreign currency forward contracts were sold during the third quarter of 2007.

Not designated as hedging instruments

As at September 29, 2007 (unaudited)

Maturity	Type	Average rate	Contract amounts (US dollars)
From 0 to 12 months	Sale	**1.1440**	**$ 415**

As at September 29, 2007, the Amcan-Jumax joint venture holds a foreign currency forward contract to sell US$1,000 at a conversion rate of 1.044 and maturing on December 27, 2007.

As at December 31, 2006

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

14. Subsequent Event

New U.S. credit agreement

On October 2, 2007, Canam Steel Corporation, a wholly-owned subsidiary of the Company, concluded a new 5-year credit agreement for US$60 million. The credit agreement is composed of a revolving credit of US$50 million that varies according to accounts receivable and inventories, and a US$10 million non-revolving credit that is secured by a hypothec on certain buildings in the United States. The Company must also meet certain financial covenants that will be measured quarterly.

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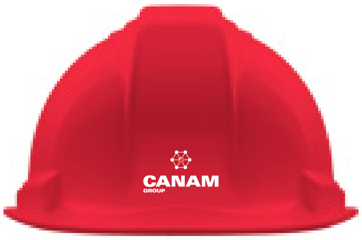

SHAREHOLDER INFORMATION

STOCK EXCHANGE LISTING

Common shares
TSX
Trading symbol: CAM

CUSIP NUMBERS

Common shares: 13710C 10 7
ISIN CA 13710C1077

EARNINGS RELEASE DATE

4th quarter: March 5, 2008

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