Quarterly Report
September 26, 2009
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Message to Shareholders, Employees and Partners

Canam Group posted net earnings of $4.4M or $0.10 per share, for the third quarter of 2009, compared with $15M, or $0.31 per share, for the same period in 2008. Consolidated sales totaled $144.7M, against $218.2M for the year-earlier quarter.

Net earnings for the first nine months of 2009 were $15M or $0.33 per share, compared with $34.7M, or $0.71 per share, during the corresponding period in 2008. Consolidated sales for the first nine months dropped 15.8% to $476.2M, from $565.2M a year ago.

The Company continues to post net profits and maintain a full order book despite the current economic downturn and the heavy toll it has exacted on commercial and industrial construction throughout North America. The strategic turn that we began implementing a few years ago to build on Canam Group's financial strength and allow the Company to capitalize on the vitality of the infrastructure and heavy construction sectors is paying off and we are seeing results.

EBITDA for the first nine months of 2009 was $42.5M or 8.9% of sales, in contrast to $63.7M or 11.3% of sales for the same period in 2008.

The Company's backlog of orders stood at $290M as at September 26, 2009, compared with $239M as at June 27, 2009 and $313M at the end of fiscal 2008.

The board of directors approved the payment of a quarterly dividend of $0.04 per common share on December 31, 2009 to shareholders of record on December 17, 2009.

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

Marc Dutil
President and Chief Operating Officer

Saint-Georges, Beauce

October 27, 2009

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 26, 2009, June 27, 2009, March 28, 2009 and September 27, 2008, as well as the audited consolidated financial statements for the fiscal year ended December 31, 2008. Reference should also be made to the annual MD&A of financial position and results of operations included in the Company's 2008 annual report, including the section describing significant accounting estimates, risks and uncertainties, and financial instruments. 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. Refer to the section on significant accounting estimates in the Company's 2008 annual report.

The Company's financial management also invites readers to refer to the accompanying notes to the consolidated financial statements presented in this report and those presented in the 2008 annual report.

No material changes were made to internal control over financial information during the three-month period ended September 26, 2009, 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.

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.

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

Significant Event

Common Share Buyback Program

On August 5, 2009, the Company's Board of Directors approved a resolution to renew its normal course issuer bid. The Toronto Stock Exchange accepted the notice of intention filed by the Company to make a normal course issuer bid. Common shares can be repurchased during the 12-month period that began on August 11, 2009 and ending August 10, 2010. At the end of the buyback program, the Company may repurchase up to 3,632,509 outstanding common shares, which represents approximately 10% of publicly-held common shares. The acquired common shares will be cancelled. No common shares were repurchased in connection with the buyback program during the third quarter of 2009.

Dividends on Common Shares

On August 5, 2009, the Board of Directors approved the payment of a quarterly dividend of $0.04 per common share to shareholders of record on September 16, 2009. The amount paid out on September 30, 2009 was $1.8M and has been applied against retained earnings.

Operating Results

Net earnings for the third quarter of 2009 totaled $4.4M or $0.10 per basic share, based on a weighted average number of 44,987,833 common shares, as compared with net earnings of $15M or $0.31 per basic share during the third quarter of 2008, based on a weighted average number of 49,078,462 common shares. Net earnings from continuing operations amounted to $4.4M or $0.10 per basic share in the third quarter of 2009, as compared with $14.8M or $0.30 per basic share for the same quarter in 2008.

After the first nine months of fiscal 2009, net earnings totaled $15M or $0.33 per basic share, based on a weighted average number of 45,000,609 common shares, as compared with net earnings of $34.7M or $0.71 per basic share for the same period in 2008, based on a weighted average number of 49,127,576 common shares. Net earnings from continuing operations stood at $16.5M in 2009, or $0.36 per basic share, as compared with $33.6M or $0.69 per basic share in 2008.

Consolidated sales for the third quarter of 2009 totaled $144.7M, which represents a $73.5M or 33.7% decrease, as compared with sales of $218.2M for the same quarter in 2008. The decrease in sales is primarily attributable to the Canam U.S. and Canam Canada business units (joists and steel deck), which are impacted by the economic slowdown in non-residential construction. Consolidated sales after the first nine months of 2009 were

Exchange rates used

		September 26 2009	June 27 2009	March 28 2009	December 31 2008	September 27 2008	June 28 2008	March 29 2008
Consolidated statements of earnings	US$/CAN$	**1.1035**	**1.1758**	**1.2440**	1.2060	1.0421	1.0106	1.0039
	Euro/CAN$	**1.5708**	**1.5889**	**1.6206**	1.5956	1.5635	1.5409	1.5047
	Peso(1)/CAN$	**0.0810**	**0.0876**	**0.0864**	0.0931	0.1010	0.0968	0.0928
Consolidated balance sheets	US$/CAN$	**1.0917**	**1.1542**	**1.2374**	1.2180	1.0349	1.0123	1.0181
	Euro/CAN$	**1.6015**	**1.6239**	**1.6456**	1.7046	1.5104	1.5942	1.6046
	Peso(1)/CAN$	**0.0802**	**0.0873**	**0.0865**	0.0885	0.0959	0.0983	0.0952

(1) Mexican peso

down $89M or 15.8% to $476.2M, as compared with sales of $565.2M for the same period in 2008. The decrease in sales is also attributable to the above-mentioned business units.

The gross margin was 19.5% of sales in the third quarter of 2009 as compared with 21.4% for the corresponding quarter in 2008. After nine months in 2009, the gross margin represented 19.6% of sales as compared with 21.8% for the same period in 2008. The decrease in the gross margin is attributable to a decline in sales and increased competition resulting from the economic slowdown and to a change in the sales mix.

Selling and administrative expenses totaled $16.8M or 11.6% of sales in the third quarter of 2009 as compared with $18.8M or 8.6% of sales for the corresponding quarter in 2008. On a cumulative basis, the same expenses totaled $52.1M or 10.9% of sales in 2009, as compared with $57.1M or 10.1% of sales for the same period in 2008.

Expenses related to profit sharing programs totaled $0.7M in the third quarter of 2009 as compared with $2.8M for the corresponding quarter in 2008. The decline is attributable to the decrease in pre-tax earnings in 2009 compared to 2008.

In the third quarter of 2009, the Company recorded an exchange gain of $0.9M that is partly attributable to the Canadian dollar's rise against the US dollar. It is worth mentioning that in the third quarter of 2008, the Company had incurred an exchange gain of $0.7M. After the first nine months of 2009, the exchange gain stood at $1.3M as compared with $1.6M for the same period in 2008.

Interest income stood at $0.5M for the third quarter of 2009 as compared with $0.1M for the corresponding quarter in 2008. After the first nine months of 2009, interest income stood at $1.6M as compared with $0.4M for the same period in 2008. The increase is attributable to the note receivable from Placements CMI Inc., the balance of which totaled $23.1M as at September 26, 2009 ($25M as at December 31, 2008). The note receivable from Placements CMI Inc. is secured by a moveable hypothec that bears interest at an annual rate of 5.81% and is repayable in quarterly payments of $0.625M plus interest. All payments were made pursuant to the specified terms.

Placements CMI Inc. is indirectly controlled by the Chairman of the Board and Chief Executive Officer of the Company. Placements CMI Inc. owns, as at September 26, 2009, directly or indirectly, 16.13% of the Company's common shares (15.98% as at December 31, 2008).

In the third quarter of 2009, comprehensive loss totaled $4.2M compared to a comprehensive income of $17.5M for the same quarter of 2008. The decrease in comprehensive income in the third quarter of 2009 as compared to the same period in 2008 is mainly attributable to the $10.6M decrease in net earnings and to the $11.5M negative change in unrealized gains and losses on translating financial statements of self-sustaining foreign operations, mainly those of the U.S. subsidiary. After the first nine months of 2009, comprehensive loss stood at $2.6M as compared with a comprehensive income of $40M in 2008. The decrease is also attributable to the above-mentioned reasons.

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) is not defined by GAAP and cannot be formally presented in consolidated financial statements. Nevertheless, management wishes to specify that Adjusted EBITDA corresponds to amounts appearing on the line in the consolidated statements of earnings above the item "Depreciation of property, plant and equipment". The definition of Adjusted EBITDA does not take into account the Company's share in earnings or loss of companies subject to significant influence and the net earnings or net loss from discontinued operations. 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 managers, analysts, investors and other financial stakeholders to assess the Company's performance and management from a financial and operational standpoint.

Reconciliation of Adjusted EBITDA and net earnings

Periods ended September 26, 2009 and September 27, 2008

	Three months	
(in thousands of dollars) (unaudited)	**2009**	2008 (restated)
Net earnings	**$ 4,428**	$ 15,024
Net loss (net earnings) from discontinued operations	**2**	(222)
Net earnings from continuing operations	**4,430**	14,802
PLUS:		
Share in earnings of companies subject to significant influence	**(47)**	(364)
Income tax expense	**2,044**	6,040
Financial expenses	**1,073**	1,542
Total depreciation and amortization	**4,502**	4,285
Adjusted EBITDA	**$ 12,002**	$ 26,305

	Nine months	
(in thousands of dollars) (unaudited)	**2009**	2008 (restated)
Net earnings	**$ 15,027**	$ 34,714
Net loss (net earnings) from discontinued operations	**1,482**	(1,109)
Net earnings from continuing operations	**16,509**	33,605
PLUS:		
Share in loss (earnings) of companies subject to significant influence	**850**	(1,003)
Income tax expense	**8,513**	14,016
Financial expenses	**3,354**	4,395
Total depreciation and amortization	**13,235**	12,705
Adjusted EBITDA	**$ 42,461**	$ 63,718

Adjusted EBITDA in the third quarter of 2009 totaled $12M and accounted for 8.3% of sales, as compared with an Adjusted EBITDA of $26.3M or 12.1% of sales for the corresponding quarter of 2008. After nine months, Adjusted EBITDA stood at $42.5M or 8.9% of sales, as compared with $63.7M or 11.3% of sales for the same period in 2008. This decrease is mainly attributable to a decline in sales.

In the third quarter of 2009, total depreciation and amortization expenses amounted to $4.5M as compared with $4.3M for the same quarter in 2008. After nine months of fiscal 2009, these expenses totaled $13.2M as compared with $12.7M for the corresponding period in 2008.

Still in the third quarter of 2009, financial expenses totaled $1.1M compared to $1.5M for the same quarter of 2008. On a cumulative basis, financial expenses amounted to $3.4M in 2009, compared to $4.4M in 2008, representing a decrease of $1M. This reduction in financial expenses is due to the decrease in the Company's bank loans and long-term debt.

The effective taxation rate was 31.8% for the quarter ended September 26, 2009, as compared with 29.5% for the same quarter of 2008. After the first nine months of 2009, the effective taxation rate was 32.9% compared to 30.1% for the same period in 2008.

Balance Sheet

Working capital decreased from $217.6M as at December 31, 2008 (for a current ratio of 2.38) to $209.4M as at September 26, 2009 (for a current ratio of 2.88).

The net debt, whose balance stood at $8.5M as at September 26, 2009, decreased by $61.4M compared with December 31, 2008, when it totaled $69.9M. The reduction is mainly attributable to a decrease in inventories and accounts receivable.

The net debt to Adjusted EBITDA ratio for the last four quarters was 0.12 as at September 26, 2009, compared to 0.75 as at December 31, 2008.

As at September 26, 2009, the net debt to shareholders' equity ratio was 0.02, whereas it was 0.17 as at December 31, 2008.

Financial information

(in thousands of dollars, except for ratios)	Periods ended Sept. 26 2009	Dec. 31 2008 (restated)
Working capital	**$ 209,389**	$ 217,572
Current ratio	**2.88**	2.38
Net debt(1)	**$ 8,492**	$ 69,881
Adjusted EBITDA for the last four quarters	**$ 72,118**	$ 93,375
Shareholders' equity	**$ 403,017**	$ 413,614
Net debt to Adjusted EBITDA ratio for the last four quarters	**0.12**	0.75
Net debt to shareholders' equity ratio	**0.02**	0.17

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

As at September 26, 2009, trade accounts receivable stood at $120.6M compared with $154.5M as at December 31, 2008. The decline is attributable to the decrease in sales.

Inventories decreased by $54.5M to $122.4M as at September 26, 2009, compared with $176.9M as at December 31, 2008. The decline is also explained by the decrease in sales and in addition, by the $43.3M reduction in raw materials inventories and the $11.2M decrease in custom-made finished goods inventories.

The decrease in prepaid expenses and other assets, the balance of which stood at $2.8M as at September 26, 2009 compared with $6.5M as at December 31, 2008 is partly attributable to the purchase of shares by a trust in employees' name on the secondary market under the profit sharing program in fiscal 2008. As at December 31, 2008, the Company had recorded deferred expenses in the amount of $1.7M.

The decrease in assets and liabilities of discontinued operations is mainly attributable to the sale of the 35% interest in Canam Romsa S.A. de C.V. (Romsa) in Mexico. Since Romsa was considered a variable interest entity of which the Company was the primary beneficiary, the Company had to consolidate Romsa's accounts. Consequently, the Company had to restate Romsa's financial statements to recognize the activities as a discontinued operation.

Accounts payable and accrued liabilities totaled $96.8M as at September 26, 2009 compared to $126.2M as at December 31, 2008. The decline is mainly attributable to the drop in raw materials purchases following the decrease in sales.

As at September 26, 2009, shareholders' equity decreased by $10.6M to $403M ($413.6M as at December 31, 2008). In addition to the net earnings totaling $15M, the following elements had an impact on shareholders' equity: i) the repurchase in the first quarter of 2009 of 277,800 common shares at an average price of $7.50 for a total amount of $2.1M, of which $1.1M was applied against share capital and $1M was applied against retained earnings; ii) the US dollar's depreciation against the Canadian dollar generated an unrealized exchange loss of $18M resulting mainly from the translation of financial statements of the U.S. subsidiary, which is considered a self-sustaining foreign operation; and iii) the payment of $5.4M in dividends.

Cash Position

For the three-month period ended September 26, 2009, cash flows from continuing operating activities stood at $23M, as compared with $10.9M for the corresponding period in 2008. The increase is mainly due to the decrease in inventories and accounts receivable as well as the increase in income tax payable, net of the decrease in accounts payable and accrued liabilities, and the decline in net earnings.

Cash flows provided from financing activities stood at $2.4M for the third quarter of 2009, as compared with $1.4M for the corresponding period in 2008.

Still in the third quarter of 2009, cash flows used in investing activities stood at $5.6M, compared with $8.2M for the same quarter in 2008. The variation is mainly attributable to the acquisition of $4.7M in property, plant and equipment during the third quarter of 2009 compared with $6.8M during the same period in 2008.

Cash flows

A comparison of the Company's cash flows for the periods ended September 26, 2009 and September 27, 2008 is presented below.

(in thousands of dollars) (unaudited)	Three months 2009	2008 (restated)
Cash flows from continuing operating activities	$ 22,977	$ 10,860
Cash flows from continuing financing activities	2,417	1,390
Cash flows from continuing investing activities	(5,554)	(8,232)
Effect of changes in foreign exchange rate on cash and cash equivalents	(126)	425
Net change	19,714	4,443
Net cash flows from discontinued operations	2,627	(383)
Cash – beginning of period	44,191	8,742
Cash and cash equivalents – end of period	$ 66,532	$ 12,802

(in thousands of dollars) (unaudited)	Nine months 2009	2008 (restated)
Cash flows from continuing operating activities	$ 86,091	$ 8,259
Cash flows from continuing financing activities	(15,559)	7,605
Cash flows from continuing investing activities	(22,025)	(15,485)
Effect of changes in foreign exchange rate on cash and cash equivalents	(437)	262
Net change	48,070	641
Net cash flows from discontinued operations	2,843	1,613
Cash – beginning of period	15,619	10,548
Cash and cash equivalents – end of period	$ 66,532	$ 12,802

Discontinued Operations

In the first nine months of 2009, the Company incurred a net loss from discontinued operations of $1.5M compared to net earnings of $1.1M for the same period in 2008. The difference is primarily attributable to Romsa, which incurred a net loss of $1.3M in 2009 as opposed to net earnings of $1.2M in 2008.

Foreign Currency Forward Contracts

As at September 26, 2009, foreign currency forward contracts not designated as cash flow hedges and maturing in the next six months totaled US$3M at an average conversion rate of 1.2850 for the sale of US dollars.

Subsequent Event

Dividends on common shares

On October 27, 2009, the Board of Directors approved the payment of a quarterly dividend of $0.04 per common share that will be paid on December 31, 2009 to shareholders of record on December 17, 2009.

Accounting Policies

The accounting policies are in accordance with those used in the preparation of the audited consolidated financial statements as at December 31, 2008, with the exception of the accounting policies mentioned hereafter.

Changes in Accounting Policies

On January 1, 2009, the Company adopted Section 3064, "Goodwill and Intangible Assets", of the Canadian Institute of Chartered Accountants (CICA) Handbook. This section establishes standards for the recognition, measurement and disclosure applicable to intangible assets. It replaces Section 3062, "Goodwill and Other Intangible Assets", and Section 3450, "Research and Development Costs".

The adoption of this section had no impact on the Company's financial position or results of operations.

On January 20, 2009, the Company adopted Emerging Issues Committee (EIC) Abstract 173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities", which applies without restatement of prior periods to all financial assets and liabilities measured at fair value in interim and annual financial statements. Under EIC-173, the Company must take both its own credit risk and counterparty credit risk into account when determining the fair value of financial assets and liabilities, including derivatives.

The adoption of EIC-173 had no impact on the Company's financial position or results of operations.

Future Accounting Changes

On February 13, 2008, the Accounting Standards Board confirmed the date of changeover from Canadian GAAP to International Financial Reporting Standards (IFRS). Canadian publicly accountable enterprises must adopt IFRS for their interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011.

The Company has developed a plan for the conversion of its consolidated financial statements to IFRS. An analysis of the differences between IFRS and the Company's accounting standards was conducted. This analysis was conducted by taking into account the potential impacts, among others, on accounting policies, financial reporting and information technologies. Changes will be made to accounting policies and will likely impact financial statements. An evaluation of the impact of these accounting changes is currently underway.

The International Accounting Standard Board (IASB) will continue to publish new accounting standards during the transition period. Consequently, the definite impact of IFRS on the Company's consolidated financial statements will only be evaluated when all IFRS applicable on the transition date are known.

The CICA published the following sections of the CICA Handbook that apply to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011:

a) Section 1582, "Business Combinations", which replaces the former Section 1581 with the same title, establishes accounting standards for a business combination. It provides the Canadian equivalent to International Financial Reporting Standard IFRS 3, "Business Combinations".

b) Section 1601, "Consolidated Financial Statements", which replaces the former Section 1600 with the same title, establishes standards for the preparation of consolidated financial statements.

c) Section 1602, "Non-Controlling Interests". This new section establishes standards on accounting for non-controlling interests in a subsidiary in consolidated financial statements prepared subsequent to a business combination. It is equivalent to the corresponding provisions of International Accounting Standard IAS 27, "Consolidated and Separate Financial Statements".

The Company is currently evaluating the impact of these new standards on its financial statements.

Outlook

The backlog of orders stood at $290M as at September 26, 2009, compared to $239M as at June 27, 2009, which represents a 21.3% increase.

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 2008 annual report. They could impact on the Company's ability to fulfill its strategic vision and growth objectives. The reader is therefore invited to take them into account.

Other Items

As at October 27, 2009, there were 45,368,079 common shares and 520,900 stock options outstanding.

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

October 27, 2009

QUARTERLY RESULTS

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

2009 Quarters ended	**March 28(2)**	**June 27**	**Sept. 26**		**Total**
Sales	**$ 180,204**	**$ 151,239**	**$ 144,722**		**$ 476,165**
Net earnings from continuing operations	**6,893**	**5,186**	**4,430**		**16,509**
Net earnings	**5,373**	**5,226**	**4,428**		**15,027**
Basic net earnings per share from continuing operations	**0.15**	**0.12**	**0.10**		**0.36**
Basic net earnings per share	**0.12**	**0.12**	**0.10**		**0.33**
Diluted net earnings per share from continuing operations	**0.15**	**0.12**	**0.10**		**0.36**
Diluted net earnings per share	**0.12**	**0.12**	**0.10**		**0.33**
Total assets	**652,898**	**603,462**	**595,934**		
Net debt(1)	**56,271**	**29,323**	**8,492**		
Shareholders' equity	**415,772**	**408,553**	**403,017**		
Cash dividend declared per common share	**0.04**	**0,04**	**0.04**		**0.12**

2008 Quarters ended(2)	March 29	June 28	Sept. 27	Dec. 31	Total
Sales	$ 159,591	$ 187,344	$ 218,247	$ 230,898	$ 796,080
Net earnings from continuing operations	7,161	11,642	14,802	14,413	48,018
Net earnings	7,633	12,057	15,024	13,717	48,431
Basic net earnings per share from continuing operations	0.15	0.24	0.30	0.31	0.99
Basic net earnings per share	0.16	0.25	0.31	0.29	1.00
Diluted net earnings per share from continuing operations	0.14	0.23	0.30	0.31	0.98
Diluted net earnings per share	0.15	0.24	0.30	0.29	0.99
Total assets	610,386	654,779	672,752	658,289	
Net debt(1)	51,820	75,694	79,789	69,881	
Shareholders' equity	375,002	384,555	396,369	413,614	
Cash dividend declared per common share	0.04	0.04	0.04	0.04	0.16

2007 Quarters ended(2)	March 31	June 30	Sept. 29	Dec. 31	Total
Sales	$ 150,795	$ 212,473	$ 231,420	$ 244,065	$ 838,753
Net earnings from continuing operations	7,428	17,009	16,457	15,002	55,896
Net earnings	6,354	13,282	14,143	13,674	47,453
Basic net earnings per share from continuing operations	0.15	0.35	0.34	0.31	1.14
Basic net earnings per share	0.13	0.27	0.29	0.28	0.97
Diluted net earnings per share from continuing operations	0.15	0.34	0.33	0.30	1.13
Diluted net earnings per share	0.13	0.27	0.29	0.28	0.96
Total assets	598,846	655,876	633,169	585,097	
Net debt(1)	85,459	106,121	95,682	63,661	
Shareholders' equity	345,917	350,031	353,224	366,890	
Cash dividend declared per common share	0.04	0.04	0.04	0.04	0.16

2006 Quarters ended(2)	March 25	June 24	Sept. 30	Dec. 31	Total
Sales	$ 140,992	$ 157,318	$ 203,359	$ 203,441	$ 705,110
Net earnings from continuing operations	5,752	7,626	13,898	12,456	39,732
Net earnings	5,426	9,870	13,296	12,148	40,740
Basic net earnings per share from continuing operations	0.14	0.17	0.29	0.26	0.86
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	0.16	0.29	0.25	0.85
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(1)	110,483	120,701	114,439	88,444	
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

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

(2) Restated.

Interim Consolidated Statements of Earnings

Periods ended September 26, 2009 and September 27, 2008

(in thousands of dollars, except per share amounts) (unaudited)	Three months 2009	Three months 2008 (restated)	Nine months 2009	Nine months 2008 (restated)
Sales	**$ 144,722**	$ 218,247	**$ 476,165**	$ 565,182
Cost of sales (note 9)	**116,476**	171,555	**382,917**	442,207
Gross profit	**28,246**	46,692	**93,248**	122,975
Selling and administrative expenses	**16,822**	18,751	**52,077**	57,056
Profit sharing programs	**654**	2,798	**1,818**	5,192
Exchange gain	**(875)**	(703)	**(1,307)**	(1,561)
Interest income	**(458)**	(115)	**(1,608)**	(378)
Increase in the redemption value of an investment in a related company	**– –**	(461)	**– –**	(1,374)
Gain on disposal of investments	**– –**	– –	**(209)**	– –
Loss on disposal of property, plant and equipment, and on property, plant and equipment held for sale	**101**	117	**16**	145
Impairment of property, plant and equipment held for sale	**– –**	– –	**– –**	177
	12,002	26,305	**42,461**	63,718
Depreciation of property, plant and equipment	**4,186**	3,855	**12,197**	11,352
Amortization of intangible assets	**316**	430	**1,038**	1,353
Financial expenses (note 10)	**1,073**	1,542	**3,354**	4,395
Earnings before income tax expense and undermentioned items	**6,427**	20,478	**25,872**	46,618
Income tax expense				
Current	**2,102**	5,768	**8,418**	13,989
Future	**(58)**	272	**95**	27
	2,044	6,040	**8,513**	14,016
Earnings before undermentioned items	**4,383**	14,438	**17,359**	32,602
Share in earnings (loss) of companies subject to significant influence	**47**	364	**(850)**	1,003
Net earnings from continuing operations	**4,430**	14,802	**16,509**	33,605
Net earnings (net loss) from discontinued operations (note 5)	**(2)**	222	**(1,482)**	1,109
Net earnings	**$ 4,428**	$ 15,024	**$ 15,027**	$ 34,714
Net earnings (net loss) per share (note 7)				
Basic:				
From continuing operations	**$ 0.10**	$ 0.30	**$ 0.36**	$ 0.69
From discontinued operations	**– –**	0.01	**(0.03)**	0.02
Total	**$ 0.10**	$ 0.31	**$ 0.33**	$ 0.71
Diluted:				
From continuing operations	**$ 0.10**	$ 0.30	**$ 0.36**	$ 0.68
From discontinued operations	**– –**	– –	**(0.03)**	0.02
Total	**$ 0.10**	$ 0.30	**$ 0.33**	$ 0.70
Weighted average number of common shares (in thousands of shares) (note 7)				
Basic	**44,988**	49,078	**45,001**	49,127
Diluted	**45,377**	49,409	**45,388**	49,513
Number of common shares outstanding			**45,368**	48,938

The accompanying notes are an integral part of these interim consolidated financial statements.

Interim Consolidated Statements of Comprehensive Income (Loss)

Periods ended September 26, 2009 and September 27, 2008

	Three months		Nine months	
(in thousands of dollars) (unaudited)	**2009**	2008	**2009**	2008
Net earnings	**$ 4,428**	$ 15,024	**$ 15,027**	$ 34,714
Other comprehensive income (loss):				
Change in unrealized gains and losses on translating financial statements of self-sustaining foreign operations	**(8,602)**	2,865	**(18,031)**	6,500
Unrealized gains on available-for-sale financial assets arising during the period	**26**	50	**555**	61
Income tax expense	**(5)**	(17)	**(104)**	(36)
Change in unrealized gains and losses on available-for-sale financial assets	**21**	33	**451**	25
Reclassification in earnings of gains on derivatives designated as cash flow hedges on sales	**– –**	(576)	**– –**	(1,785)
Income tax expense	**– –**	188	**– –**	581
Change in gains on derivatives designated as cash flow hedges	**– –**	(388)	**– –**	(1,204)
Other comprehensive income (loss)	**(8,581)**	2,510	**(17,580)**	5,321
Comprehensive income (loss)	**$ (4,153)**	$ 17,534	**$ (2,553)**	$ 40,035

Interim Consolidated Statements of Retained Earnings

Periods ended September 26, 2009 and September 27, 2008

	Three months		Nine months	
(in thousands of dollars) (unaudited)	**2009**	2008	**2009**	2008
Opening balance	**$ 238,208**	$ 216,161	**$ 232,208**	$ 200,421
Net earnings	**4,428**	15,024	**15,027**	34,714
Dividends	**(1,816)**	(1,965)	**(5,447)**	(5,915)
Excess of acquisition cost over carrying value of acquired common shares (note 6)	**– –**	(2,172)	**(968)**	(2,172)
Closing balance	**$ 240,820**	$ 227,048	**$ 240,820**	$ 227,048

The accompanying notes are an integral part of these interim consolidated financial statements.

Interim Consolidated Balance Sheets

(in thousands of dollars)	As at September 26 2009 (unaudited)	As at December 31 2008 (restated)
Assets		
Current assets		
Cash and cash equivalents	$ 66,532	$ 15,619
Accounts receivable (note 3)	120,607	154,468
Inventories	122,379	176,871
Unrealized assets on foreign currency forward contracts (note 13)	579	– –
Income taxes recoverable	3,565	5,281
Future income tax assets	2,018	2,062
Prepaid expenses and other assets	2,793	6,546
Current assets of discontinued operations (note 5)	2,392	14,307
Total current assets	320,865	375,154
Investments	51,503	48,400
Property, plant and equipment	181,667	185,945
Property, plant and equipment held for sale	1,755	1,958
Intangible assets	1,363	2,096
Goodwill	150	150
Future income tax assets	339	340
Long-term receivables and other assets (note 4)	28,890	30,164
Long-term assets of discontinued operations (note 5)	9,402	14,082
	$ 595,934	$ 658,289
Liabilities		
Current liabilities		
Bank loans	$ 4,878	$ 10,353
Accounts payable and accrued liabilities	96,780	126,177
Unrealized liabilities on foreign currency forward contracts (note 13)	– –	743
Income taxes payable	2,572	284
Future income tax liabilities	200	647
Current portion of long-term debt	5,474	5,475
Current liabilities of discontinued operations (note 5)	1,572	13,903
Total current liabilities	111,476	157,582
Long-term debt	64,672	69,672
Deferred credits	4,767	4,394
Future income tax liabilities	10,197	10,368
Long-term liabilities of discontinued operations (note 5)	1,805	2,659
	192,917	244,675
Shareholders' equity		
Share capital (note 6)	178,024	179,681
Retained earnings	240,820	232,208
Contributed surplus (note 6)	4,431	4,403
Accumulated other comprehensive loss (note 8)	(20,258)	(2,678)
	403,017	413,614
	$ 595,934	$ 658,289

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

The accompanying notes are an integral part of these interim consolidated financial statements.

Interim Consolidated Statements of Cash Flows

Periods ended September 26, 2009 and September 27, 2008

(in thousands of dollars) (unaudited)	Three months 2009	Three months 2008 (restated)	Nine months 2009	Nine months 2008 (restated)
Cash flows from the following activities:				
Operating activities				
Net earnings from continuing operations	**$ 4,430**	$ 14,802	**$ 16,509**	$ 33,605
Items not affecting cash and cash equivalents				
Compensation costs related to stock options	**– –**	4	**– –**	11
Amortization of compensation costs related to the profit sharing program – stock ownership component	**433**	390	**1,349**	1,169
Unrealized loss (gain) on foreign currency forward contracts	**211**	(394)	**(1,322)**	(1,012)
Increase in the redemption value of an investment in a related company	**– –**	(461)	**– –**	(1,374)
Gain on disposal of investments	**– –**	– –	**(209)**	– –
Impairment of property, plant and equipment held for sale	**– –**	– –	**– –**	177
Loss on disposal of property, plant and equipment, and on property, plant and equipment held for sale	**101**	117	**16**	145
Depreciation of property, plant and equipment	**4,186**	3,855	**12,197**	11,352
Amortization of intangible assets	**316**	430	**1,038**	1,353
Amortization of deferred financing expenses	**52**	55	**160**	181
Pension expense	**82**	(439)	**(24)**	(729)
Future income tax expense	**(58)**	272	**95**	27
Share in loss (earnings) of companies subject to significant influence	**(47)**	(364)	**850**	(1,003)
	9,706	18,267	**30,659**	43,902
Net change in non-cash operating working capital items				
Decrease (increase) in accounts receivable	**1,990**	(4,453)	**26,361**	1,866
Decrease (increase) in inventories	**13,663**	(3,697)	**46,817**	(64,909)
Decrease (increase) in income taxes recoverable	**(359)**	753	**1,566**	(3,507)
Decrease (increase) in prepaid expenses and other assets	**(124)**	1,310	**3,407**	1,585
Increase (decrease) in accounts payable and accrued liabilities	**(4,488)**	(1,903)	**(25,242)**	36,448
Increase in interest payable	**204**	239	**185**	265
Increase (decrease) in income taxes payable	**2,385**	344	**2,338**	(7,391)
	13,271	(7,407)	**55,432**	(35,643)
Cash flows from continuing operating activities	**22,977**	10,860	**86,091**	8,259
Financing activities				
Shares purchased by a trust in employees' name on the secondary market	**– –**	– –	**(1,871)**	(1,970)
Repurchase of shares (note 6)	**– –**	(4,216)	**(2,122)**	(4,216)
Proceeds from issuance of shares	**– –**	67	**47**	365
Dividends	**– –**	(1,965)	**(3,631)**	(5,915)
Increase in long-term debt and bank loans	**3,297**	13,091	**11,977**	32,320
Repayment of long-term debt and bank loans	**(880)**	(5,365)	**(19,724)**	(13,015)
Issue expenses related to long-term debt	**– –**	(88)	**– –**	(138)
Deferred credits	**– –**	(134)	**(235)**	174
Cash flows from continuing financing activities	**2,417**	1,390	**(15,559)**	7,605
Investing activities				
Proceeds from sale of property, plant and equipment	**– –**	– –	**392**	1,578
Proceeds from sale of property, plant and equipment held for sale	**– –**	– –	**– –**	3,797
Additions to property, plant and equipment	**(4,663)**	(6,809)	**(17,062)**	(18,756)
Additions to intangible assets	**(86)**	(124)	**(416)**	(656)
Acquisition of investments	**– –**	(1,550)	**(4,593)**	(1,770)
Proceeds from disposal of investments	**– –**	– –	**1,144**	– –
Distribution from a company subject to significant influence	**– –**	(56)	**300**	– –
Decrease in long-term receivables	**826**	307	**2,500**	591
Increase in long-term receivables	**(1,631)**	– –	**(4,290)**	(269)
Cash flows from continuing investing activities	**(5,554)**	(8,232)	**(22,025)**	(15,485)
Effect of changes in foreign exchange rate on cash and cash equivalents	**(126)**	425	**(437)**	262
Net change in cash and cash equivalents from continuing operations	**19,714**	4,443	**48,070**	641
Cash flows from discontinued operations				
Operating activities	**2,534**	(756)	**2,465**	490
Investing activities	**93**	373	**378**	1,123
	2,627	(383)	**2,843**	1,613
Cash, beginning of period	**44,191**	8,742	**15,619**	10,548
Cash and cash equivalents, end of period	**$ 66,532**	$ 12,802	**$ 66,532**	$ 12,802
Supplementary information				
Interest paid	**$ 669**	$ 1,083	**$ 2,717**	$ 3,683
Income taxes paid (recovered), net	**$ (1,341)**	$ 5,375	**$ 3,699**	$ 24,170

The accompanying notes are an integral part of these interim consolidated financial statements.

(in thousands of dollars, except per share amounts)

1. Company Description

Canam Group Inc. (the Company) is an industrial company operating 12 plants specialized in the design and fabrication of construction products and solutions. The Company employs more than 2,500 people in Canada, the United States, Romania and India, and has partnerships with companies in Saudi Arabia, the United Arab Emirates and China.

On June 10, 2009, Canam Russia Limited repurchased the 35% interest held by Steel Plus Limited, a wholly-owned subsidiary of the Company. A gain on disposal of investments of $185 was recorded following this transaction.

On June 15, 2009, the Company sold its 35% interest in the share capital of Canam Romsa de Mexico, S.A. de C.V. (Romsa) to Pysei Estructuras, S.A. de C.V. (Pysei). See note 5 on discontinued operations.

2. Summary of Significant Accounting Policies

The unaudited interim consolidated financial statements of the Company, for the three-month and nine-month periods ended September 26, 2009 and September 27, 2008, have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and should be read in conjunction with the 2008 audited annual consolidated financial statements.

The accounting policies are the same as those used for the 2008 audited annual consolidated financial statements, with the exception of the accounting changes listed below.

Changes in accounting policies

On January 1, 2009, the Company adopted Section 3064, "Goodwill and Intangible Assets", of the Canadian Institute of Chartered Accountants (CICA) Handbook. This section establishes standards for the recognition, measurement and disclosure applicable to intangible assets. It replaces Section 3062, "Goodwill and Other Intangible Assets", and Section 3450, "Research and Development Costs".

The adoption of this section had no impact on the Company's financial position or results of operations.

On January 20, 2009, the Company adopted Emerging Issues Committee (EIC) Abstract 173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities", which applies without restatement of prior periods to all financial assets and liabilities measured at fair value in interim and annual financial statements. Under EIC-173, the Company must take both its own credit risk and the counterparty credit risk into account when determining the fair value of financial assets and liabilities, including derivatives.

The adoption of EIC-173 had no impact on the Company's financial position or results of operations.

Future accounting changes

On February 13, 2008, the Accounting Standards Board confirmed the date of changeover from Canadian GAAP to International Financial Reporting Standards (IFRS). Canadian publicly accountable enterprises must adopt IFRS for their interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011.

The Company has developed a plan for the conversion of its consolidated financial statements to IFRS. An analysis of the differences between IFRS and the Company's accounting standards was conducted. This analysis was conducted by taking into account the potential impacts, among others, on accounting policies, financial reporting and information technologies. Changes will be made to accounting policies and will likely impact financial statements. An evaluation of the impact of these accounting changes is currently underway.

The International Accounting Standard Board (IASB) will continue to publish new accounting standards during the transition period. Consequently, the definite impact of IFRS on the Company's consolidated financial statements will only be evaluated when all IFRS applicable on the transition date are known.

The CICA published the following sections of the CICA Handbook that apply to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011:

a) Section 1582, "Business Combinations", which replaces the former Section 1581 with the same title, establishes accounting standards for a business combination. It provides the Canadian equivalent to International Financial Reporting Standard IFRS 3, "Business Combinations".

b) Section 1601, "Consolidated Financial Statements", which replaces the former Section 1600 with the same title, establishes standards for the preparation of consolidated financial statements.

c) Section 1602, "Non-Controlling Interests". This new section establishes standards on accounting for non-controlling interests in a subsidiary in consolidated financial statements prepared subsequent to a business combination. It is equivalent to the corresponding provisions of International Accounting Standard IAS 27, "Consolidated and Separate Financial Statements".

The Company is currently evaluating the impact of these new standards on its financial statements.

3. Accounts Receivable

	As at September 26 2009 (unaudited)	As at December 31 2008 (restated)
Trade	**$ 109,738**	$ 140,537
Companies subject to significant influence	**3,103**	4,266
Other related companies[1]	**3,403**	6,088
Advances and other	**4,363**	3,577
	$ 120,607	$ 154,468

(1) Corresponds mainly to accounts receivable from Placements CMI Inc. and one of its subsidiaries. Placements CMI Inc. is a company indirectly controlled by the Chairman of the Board and Chief Executive Officer of the Company, which holds 16.13% (15.98% as at December 31, 2008) of the Company's common shares. The balance includes the current portion of $2,500 of the note receivable from Placements CMI Inc. totaling $23,125 (note 4).

4. Long-Term Receivables and Other Assets

	As at September 26 2009 (unaudited)	As at December 31 2008
Long-term receivables[1]	**$ 7,290**	$ 6,525
Placements CMI Inc. - Note receivable[2]	**20,625**	22,500
Deferred financing expenses	**488**	676
Accrued benefit asset	**487**	231
Others	**- -**	232
	$ 28,890	$ 30,164

(1) As at September 26, 2009, the balance of long-term receivables includes $5,710 ($4,585 as at December 31, 2008) in receivables from companies subject to significant influence.

(2) The note receivable results from the sale, on December 22, 2008, of preferred shares the Company held in Finloc Inc., a company controlled by Gestion Marcel Dutil Inc.

5. Discontinued Operations

On June 15, 2009, the Company sold its 35% interest in the share capital of Romsa to Pysei for a consideration of 30 Mexican pesos, thus realizing a net loss of $0.1M.

Pysei's ownership interest in Romsa has therefore increased from 65% to 100%. Romsa was considered a variable interest entity of which the Company was the primary beneficiary.

This transaction was followed by the purchase, on June 26, 2009, of Romsa's land, building and production equipment (Monterrey plant) by Canam de Juárez, S.A. de C.V. (Juárez), a wholly-owned subsidiary of the Company, in consideration of the assumption by Juárez of accounts payable owed to the Company by Romsa totaling 65,820,000 Mexican pesos ($5,747). Since that date, Juárez is leasing the Monterrey plant to Romsa for a monthly rental expense of 400,000 Mexican pesos. The rent payment is secured by Romsa's accounts receivable and inventories. The Company has accounted for Romsa as a discontinued operation, and the financial statements of prior periods have been restated.

On April 15, 2002, the Board of Directors of the Company approved a plan to sell the operations of Canam SAS 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.

On September 1, 2006, the Company ceased the activities of manufacturing forestry equipment (Tanguay Industries).

The results of the discontinued operations for the periods ended September 26, 2009 and September 27, 2008 are as follows:

Three months												
	2009						2008 (restated)					
(unaudited)	**Semi-trailers**	**Forestry equipment**	**France**	**Mexico (Juárez)**	**Mexico (Romsa)**	**Total**	Semi-trailers	Forestry equipment	France	Mexico (Juárez)	Mexico (Romsa)	Total
Sales	**$ 201**	**$ 271**	**$ - -**	**$ - -**	**$ - -**	**$ 472**	$ 433	$ 403	$ - -	$ - -	$13,447	$14,283
Net earnings (net loss) from discontinued operations	**$ 192**	**$ (19)**	**$ (122)**	**$ (53)**	**$ - -**	**$ (2)**	$ 72	$ (40)	$ (136)	$ (21)	$ 347	$ 222

Nine months												
	2009						2008 (restated)					
(unaudited)	**Semi-trailers**	**Forestry equipment**	**France**	**Mexico (Juárez)**	**Mexico (Romsa)**	**Total**	Semi-trailers	Forestry equipment	France	Mexico (Juárez)	Mexico (Romsa)	Total
Sales	**$ 913**	**$ 376**	**$ - -**	**$ - -**	**$ 9,821**	**$ 11,110**	$ 1,298	$ 1,325	$ - -	$ - -	$28,912	$31,535
Net earnings (net loss) from discontinued operations	**$ 328**	**$ (62)**	**$ (326)**	**$ (105)**	**$ (1,317)**	**$ (1,482)**	$ 111	$ (89)	$ (147)	$ 19	$ 1,215	$ 1,109

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

	As at September 26 2009 (unaudited)					As at December 31 2008 (restated)					
	Semi-trailers	**Forestry equipment**	**France**	**Mexico (Juárez)**	**Total**	Semi-trailers	Forestry equipment	France	Mexico (Juárez)	Mexico (Romsa)	Total
Assets											
Current assets											
Cash	**$ – –**	**$ – –**	**$ – –**	**$ 49**	**$ 49**	$ – –	$ – –	$ – –	$ 90	$ 360	$ 450
Accounts receivable	**150**	**797**	**511**	**– –**	**1,458**	75	642	853	– –	3,267	4,837
Inventories	**– –**	**119**	**– –**	**– –**	**119**	– –	– –	– –	– –	7,348	7,348
Income taxes recoverable	**– –**	**95**	**– –**	**– –**	**95**	– –	68	– –	– –	– –	68
Future income tax assets	**68**	**603**	**– –**	**– –**	**671**	68	603	– –	– –	933	1,604
Total current assets of discontinued operations	**218**	**1,614**	**511**	**49**	**2,392**	143	1,313	853	90	11,908	14,307
Semitrailers and forestry equipment leased to clients[1]	**2,331**	**194**	**– –**	**– –**	**2,525**	3,177	379	– –	– –	– –	3,556
Property, plant and equipment	**– –**	**1,382**	**– –**	**492**	**1,874**	– –	1,454	– –	544	– –	1,998
Intangible assets	**– –**	**– –**	**– –**	**– –**	**– –**	– –	– –	– –	– –	11	11
Long-term receivables	**4,948**[2]	**– –**	**– –**	**– –**	**4,948**	4,869[2]	350	1,822	– –	– –	7,041
Future income tax assets	**7**	**48**	**– –**	**– –**	**55**	35	48	– –	– –	1,393	1,476
Total long-term assets of discontinued operations	**7,286**	**1,624**	**– –**	**492**	**9,402**	8,081	2,231	1,822	544	1,404	14,082
Total assets of discontinued operations	**$ 7,504**	**$ 3,238**	**$ 511**	**$ 541**	**$11,794**	$ 8,224	$ 3,544	$ 2,675	$ 634	$ 13,312	$28,389
Liabilities											
Current liabilities											
Accounts payable and accrued liabilities	**$ – –**	**$ 414**	**$ – –**	**$ 40**	**$ 454**	$ – –	$ 502	$ – –	$ 42	$11,952	$12,496
Deferred revenue[3]	**806**	**107**	**– –**	**– –**	**913**	1,114	191	– –	– –	– –	1,305
Income taxes payable	**205**	**– –**	**– –**	**– –**	**205**	44	– –	– –	– –	58	102
Total current liabilities of discontinued operations	**1,011**	**521**	**– –**	**40**	**1,572**	1,158	693	– –	42	12,010	13,903
Obligations relating to residual values	**– –**	**106**	**– –**	**– –**	**106**	– –	196	– –	– –	– –	196
Deferred revenue[3]	**1,681**	**– –**	**– –**	**– –**	**1,681**	2,285	28	– –	– –	– –	2,313
Other liabilities	**18**	**– –**	**– –**	**– –**	**18**	18	– –	– –	– –	132	150
Total long-term liabilities of discontinued operations	**1,699**	**106**	**– –**	**– –**	**1,805**	2,303	224	– –	– –	132	2,659
Total liabilities of discontinued operations	**$ 2,710**	**$ 627**	**$ – –**	**$ 40**	**$ 3,377**	$ 3,461	$ 917	$ – –	$ 42	$ 12,142	$16,562

(1) The amounts of $2,331 ($3,177 as at December 31, 2008) for semitrailers and $194 ($379 as at December 31, 2008) 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 2012.

The Company has guaranteed commitments for semitrailer and forestry equipment lease contracts for an amount of $502 ($954 as at December 31, 2008), which have been included under Contingencies and Commitments (note 12).

(2) Long-term debenture from Manac Inc., bearing interest at an annual rate of 6% and redeemable in February 2013.

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

6. 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, 2008	45,139,415	$ 179,681
Issuance of shares pursuant to options	7,000	60
Shares purchased by a trust in employees' name on the secondary market	(385,788)	(1,871)
Shares acquired by employees[1]	170,904	1,308
Repurchase of shares[2]	(285,721)	(1,154)
Net balance outstanding as at September 26, 2009	**44,645,810**	**$ 178,024**
Outstanding as at September 26, 2009	45,368,079	$ 183,264
Shares purchased by a trust in employees' name on the secondary market	(722,269)	(5,240)
Net balance outstanding as at September 26, 2009	**44,645,810**	**$ 178,024**

Statement of changes in contributed surplus

Periods ended September 26, 2009 and September 27, 2008

	Nine months	
(unaudited)	**2009**	2008
Opening balance	$ **4,403**	$ 2,840
Compensation costs related to stock options	**– –**	11
Options exercised	**(13)**	(10)
Amortization of compensation costs related to the profit sharing program – stock ownership component	**1,349**	1,169
Shares acquired by employees[1]	**(1,308)**	– –
Closing balance	$ **4,431**	$ 4,010

(1) These shares were delivered to employees. A reduction in contributed surplus and an increase in share capital were recorded.

(2) During the third quarter of 2008, the Company filed a notice of intention with the Toronto Stock Exchange to make a normal course issuer bid. Common shares could be repurchased during the 12-month period that began on August 11, 2008 and ended August 10, 2009. At the end of the Buyback Program, the Company could repurchase up to 4,074,706 outstanding common shares, which represents approximately 10% of publicly-held common shares. The acquired common shares were cancelled.

During the first quarter of 2009, the Company acquired 277,800 common shares at an average price of $7.50 for a total amount of $2,084. An amount of $1,122 has been applied against share capital and an amount of $962 has been applied against retained earnings. The buyback program for 4,074,706 common shares was completed on January 21, 2009 at an average price of $6.46 per share for a total amount of $26,315.

Under the stock ownership component of its profit sharing program, the Company repurchased 7,921 common shares at an average price of $4.77 for a total amount of $38. An amount of $32 has been applied against share capital and an amount of $6 has been applied against retained earnings.

During the third quarter of 2009, the Company filed a notice of intention with the Toronto Stock Exchange to make a normal course issuer bid. Common shares may be repurchased during the 12-month period that began on August 11, 2009 and ending August 10, 2010. At the end of the Buyback Program, the Company could repurchase up to 3,632,509 outstanding common shares, which represents approximately 10% of publicly-held common shares. The acquired common shares will be cancelled.

7. Net Earnings per Share

Periods ended September 26, 2009 and September 27, 2008

	Three months	
(unaudited)	**2009**	2008 (restated)
Numerator		
Net earnings from continuing operations	$ **4,430**	$ 14,802
Denominator		
Basic weighted average number of shares	**44,988**	49,078
Effect of dilutive securities		
Stock options	**9**	110
Shares purchased by a trust in employees' name on the secondary market	**380**	221
Diluted weighted average number of shares	**45,377**	49,409
Net earnings per share from continuing operations		
Basic	$ **0.10**	$ 0.30
Diluted	$ **0.10**	$ 0.30

For the three-month period ended September 26, 2009, 324,800 stock options were not included in the calculation of the potential dilutive effect of common shares because the exercise price was greater than the average market price of the common shares during the period.

	Nine months	
(unaudited)	**2009**	2008 (restated)
Numerator		
Net earnings from continuing operations	$ **16,509**	$ 33,605
Denominator		
Basic weighted average number of shares	**45,001**	49,127
Effect of dilutive securities		
Stock options	**7**	165
Shares purchased by a trust in employees' name on the secondary market	**380**	221
Diluted weighted average number of shares	**45,388**	49,513
Net earnings per share from continuing operations		
Basic	$ **0.36**	$ 0.69
Diluted	$ **0.36**	$ 0.68

For the nine-month period ended September 26, 2009, 505,900 stock options were not included in the calculation of the potential dilutive effect of common shares because the exercise price was greater than the average market price of the common shares during the period.

8. Accumulated Other Comprehensive Loss

Periods ended September 26, 2009 and September 27, 2008

	Nine months	
(unaudited)	**2009**	2008
Unrealized foreign currency translation losses	$ **(20,840)**	$ (28,412)
Unrealized gains on available-for-sale financial assets	**582**	374
Gains on derivatives designated as cash flow hedges	**– –**	377
Closing balance	$ **(20,258)**	$ (27,661)

Retained earnings and accumulated other comprehensive loss totaled $220,562 as at September 26, 2009 and $199,387 as at September 27, 2008.

9. Cost of Sales

The following table presents the reconciliation of the cost of sales reflected in earnings to the inventory amount charged to expense during the period.

Periods ended September 26, 2009 and September 27, 2008

(unaudited)	Three months 2009	Three months 2008 (restated)
Cost of sales	$ 116,476	$ 171,555
Depreciation of property, plant and equipment related to the transformation of inventories	3,887	3,666
Inventory amount charged to expense	$ 120,363	$ 175,221

(unaudited)	Nine months 2009	Nine months 2008 (restated)
Cost of sales	$ 382,917	$ 442,207
Depreciation of property, plant and equipment related to the transformation of inventories	11,506	10,833
Inventory amount charged to expense	$ 394,423	$ 453,040

10. Financial Expenses

Periods ended September 26, 2009 and September 27, 2008

(unaudited)	Three months 2009	Three months 2008 (restated)
Interest on bank loans	$ 113	$ 262
Interest on long-term debt	908	1,225
Amortization of deferred financing expenses	52	55
	$ 1,073	$ 1,542

(unaudited)	Nine months 2009	Nine months 2008 (restated)
Interest on bank loans	$ 372	$ 1,028
Interest on long-term debt	2,822	3,186
Amortization of deferred financing expenses	160	181
	$ 3,354	$ 4,395

11. Employee Future Benefits

Periods ended September 26, 2009 and September 27, 2008

(unaudited)	Three months 2009	Three months 2008
Total costs related to defined contribution pension plans	$ 552	$ 592
Total costs related to defined benefit pension plans	576	344
	$ 1,128	$ 936

(unaudited)	Nine months 2009	Nine months 2008
Total costs related to defined contribution pension plans	$ 1,603	$ 1,718
Total costs related to defined benefit pension plans	1,728	880
	$ 3,331	$ 2,598

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 contracted letters of credit for an amount of up to $2,039 as at September 26, 2009 ($3,222 as at December 31, 2008).
- 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 $502 as at September 26, 2009 ($954 as at December 31, 2008).
- The Company acts as a guarantor for a long-term debt of $4,975 contracted by a company subject to significant influence.

13. Financial Instruments

The Company held the following foreign currency forward contracts, which are not designated as hedging items:

As at September 26, 2009 (unaudited)

Maturity	**Type**	**Average rate**	**Contract amounts (US dollars)**
From 0 to 3 months	Sale	**1.2850**	**$ 3,000**

As at December 31, 2008

Maturity	Type	Average rate	Contract amounts (US dollars)
From 0 to 6 months	Sale	1.1767	$ 18,000

14. Subsequent Event

Dividends on common shares

On October 27, 2009, the Board of Directors approved the payment of a quarterly dividend of $0.04 per common share that will be paid on December 31, 2009 to shareholders of record on December 17, 2009.

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SHAREHOLDER INFORMATION

Stock Exchange Listing

Common shares
TSX
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CUSIP Number

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ISIN CA 13710C1077

Earnings Release Date

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