CANAM GROUP

Better Building Solutions

Quarterly Report
March 28, 2009

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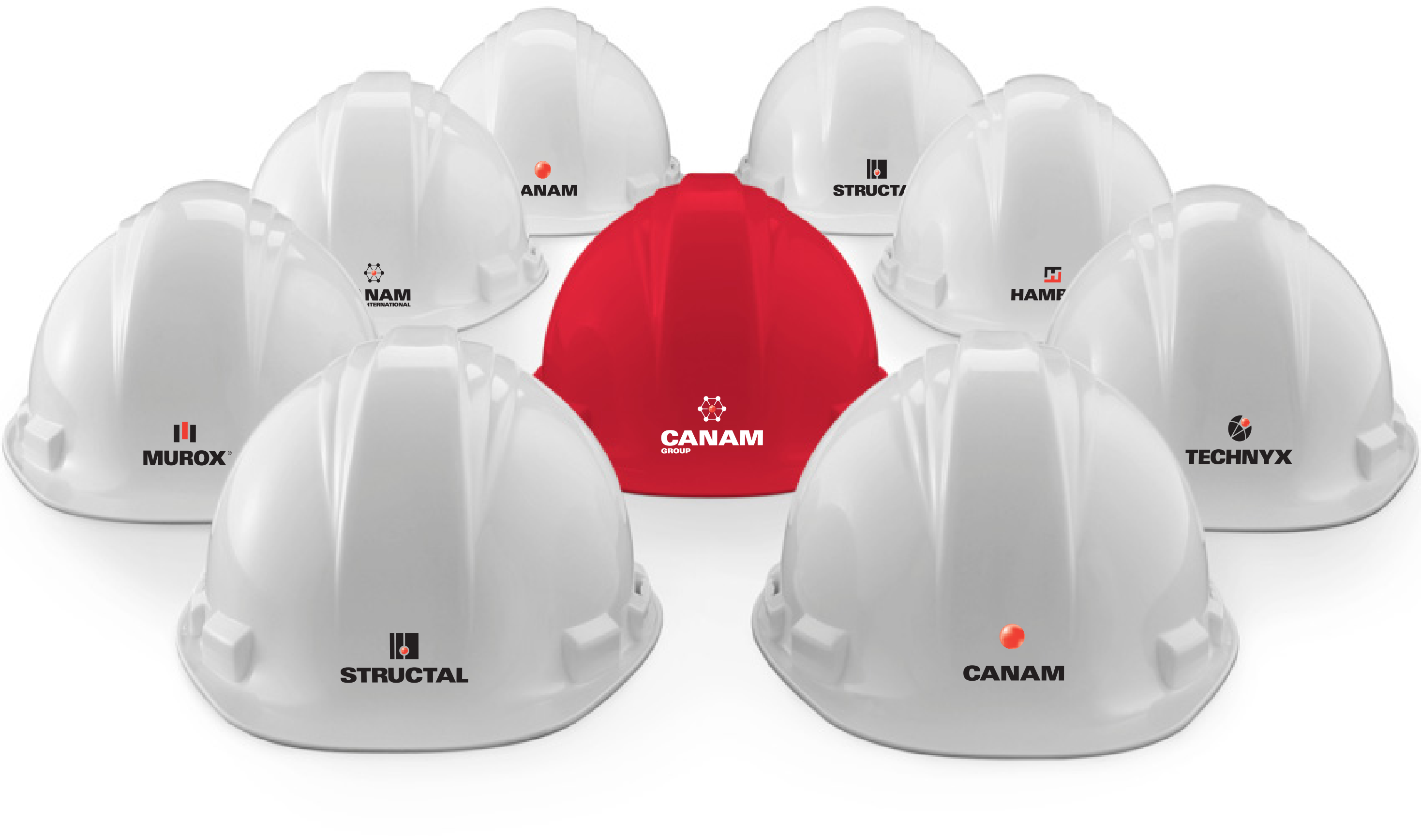

www.canamgroup.ws

Message to Shareholders, Employees and Partners

Canam Group posted net earnings of $5.4M, or $0.12 per share, for the first quarter ended March 28, 2009, compared with $7.6M, or $0.16 per share, for the corresponding period in 2008. Consolidated sales were up 11% to $184.7M, from $166M in the same period last year.

We are very satisfied with these results which reflect the Company's good performance in the heavy structural steel and infrastructure construction sectors. The fact remains that these results would have been similar to those obtained for the year-earlier quarter had it not been for the losses related to peripheral activities undertaken in Mexico, the United States and Romania.

Selling and administrative expenses went down by $1.7M to $18.3M or 9.9% of sales, compared with $20M or 12% of sales for the same quarter in 2008. Earnings before interest, tax, depreciation and amortization (EBITDA) rose by $1.2M to $17.2M or 9.3% of sales, against $16M or 9.6% of sales a year ago.

These results will allow Canam Group to continue strengthening its balance sheet. Net debt stood at $55.6M, while shareholders' equity reached $415.8M, bringing the net debt-to-equity ratio to 0.13.

Canam Group's backlog of orders totaled $278M as at March 28, 2009, compared with $313M at the close of 2008 and $308M at the end of the year-earlier quarter.

We wish to announce the re-election of eleven members to the Board of Directors at the Annual General Meeting of Shareholders.

The board of directors approved the payment of a quarterly dividend of $0.04 per common share on June 30, 2009 to shareholders of record on June 16, 2009.

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

Marc Dutil
President and Chief Operating Officer

Saint-Georges, Beauce

April 29, 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 March 28, 2009 and March 29, 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 invites readers to refer to the 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 March 28, 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.

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

Exchange rates used

		March 28 2009	Dec. 31 2008	March 29 2008
Consolidated statements of earnings	US$/CAN$	**1.2440**	1.2060	1.0039
	Euro/CAN$	**1.6206**	1.5956	1.5047
	Peso/CAN$	**0.0864**	0.0931	0.0928
Consolidated balance sheets	US$/CAN$	**1.2374**	1.2180	1.0181
	Euro/CAN$	**1.6456**	1.7046	1.6046
	Peso/CAN$	**0.0865**	0.0885	0.0952

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

Common Share Buyback Program

In the first quarter of 2009, the Company repurchased 277,800 common shares at an average price of $7.50 per share for a total amount of $2.1M, which completed the repurchase of 4,074,706 common shares at an average price of $6.46 per share for a total of $26.3M. As at March 28, 2009, the number of outstanding shares totaled 45,368,079 shares.

Operating Results

Net earnings for the first quarter of 2009 totaled $5.4M or $0.12 per basic share, based on a weighted average number of 44,908,142 common shares, as compared with net earnings of $7.6M or $0.16 per basic share during the first quarter of 2008, based on a weighted average number of 49,062,699 common shares. Net earnings from continuing operations totaled $5.5M or $0.12 per basic share in the first quarter of 2009, as compared with $7.5M or $0.16 per basic share for the same quarter in 2008.

Consolidated sales for the first quarter of 2009 totaled $184.7M, which represents an $18.7M or 11.2% increase as compared with sales of $166M for the same quarter in 2008. The increase in sales is primarily attributable to the Structal-Bridges business unit.

The gross margin was 19.9% of sales in the first quarter of 2009 as compared with 21.3% for the corresponding quarter in 2008. The decrease in the gross margin is attributable to a change in the sales mix and increased competition resulting from the economic slowdown.

Selling and administrative expenses totaled $18.3M or 9.9% of sales in the first quarter of 2009, compared to $20M or 12% of sales during the same quarter in 2008.

In the first quarter of 2009, the Company incurred an exchange loss of $0.9M that is partly attributable to the depreciation of the euro and the peso between December 31, 2008 and March 28, 2009. It is worth mentioning that in the first quarter of 2008, the effect of the Canadian dollar's depreciation against the US dollar resulted in an exchange gain of $1.1M.

Interest income stood at $0.5M in the first quarter of 2009 as compared with $0.2M for the corresponding quarter in 2008. The increase is attributable to the note receivable from Placements CMI Inc., the balance of which totaled $24.4M as at March 28, 2009 ($25M as at December 31, 2008), with an interest rate of 5.81%.

The increase in the redemption value of an investment in a related company, Finloc Inc. (a company controlled by Gestion Marcel Dutil Inc.), in the amount of $0.5M during the first quarter of 2008, represented the growth of the investment in preferred shares that the Company held as at March 29, 2008. On December 22, 2008, the Company transferred to Placements CMI Inc. all the preferred shares it held in Finloc Inc. for $56.6M in exchange for 50% of the shares of Alta Industriel Ltd. (Alta) valued at $23.1M, a note receivable from Alta in the amount of $1.9M, and a note receivable for $31.6M from Placements CMI Inc., for which a principal repayment of $6.6M was made on December 30, 2008, secured by a moveable hypothec bearing interest at an annual rate of 5.81% and repayable in quarterly payments of $0.625M plus interest. The balance as at March 28, 2009 was $24.4M.

Gestion Marcel Dutil Inc. and Placements CMI Inc. are indirectly controlled by the Chairman of the Board and Chief Executive Officer of the Company. Placements CMI Inc. owns, as at March 28, 2009, directly or indirectly, 16.13% of the Company's common shares (15.98% as at December 31, 2008).

The transaction was reviewed by a committee of the Board of Directors consisting solely of independent directors.

In the first quarter of 2009, comprehensive income totaled $7.4M compared to $11.6M for the first quarter of 2008. The decrease is mainly explained by an unrealized gain of $1.9M resulting from the translation of financial statements of self-sustaining foreign operations compared to an unrealized gain of $4.4M for the same quarter in 2008 and by the $2.3M decrease in net earnings in the first quarter of 2009 as compared to the same quarter in 2008.

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 financial statements. Nevertheless, management wishes to specify that Adjusted EBITDA corresponds to 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 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 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 March 28, 2009 and March 29, 2008

(in thousands of dollars) (unaudited)	Three months 2009	2008
Net earnings	**$ 5,373**	$ 7,633
Net loss (net earnings) from discontinued operations	**146**	(118)
Net earnings from continuing operations	**5,519**	7,515
PLUS:		
Share in loss (earnings) of companies subject to significant influence	**958**	(502)
Income tax expense	**5,160**	3,465
Financial expenses	**1,144**	1,280
Total depreciation and amortization	**4,468**	4,219
Adjusted EBITDA	**$ 17,249**	$ 15,977

The Company's Adjusted EBITDA in the first quarter of 2009 amounted to $17.2M or 9.3% of sales, as compared with an Adjusted EBITDA of $16M or 9.6% of sales for the same quarter of 2008.

In the first quarter of 2009, depreciation and amortization expenses amounted to $4.5M compared to $4.2M for the corresponding quarter in 2008.

Still in the first quarter of 2009, financial expenses totaled $1.1M compared to $1.3M for the same period in 2008. The $0.2M decrease is attributable to the reduction in interest rates.

The Company's $1M share in the loss incurred by companies subject to significant influence in the first quarter of 2009 compared to a $0.5M share in earnings for the same quarter of 2008 is mainly attributable to the net loss of $0.7M resulting from the share in JD2, Inc. in which the Company has a 25% interest. Located on the U.S. West Coast, JD2, Inc. is a structural steel supplier and erector. During the same quarter in 2008, the share in earnings from JD2, Inc. totaled $0.5M.

The effective taxation rate was 44.3% for the quarter ended March 28, 2009, as compared with an effective taxation rate of 33.1% for the same quarter of 2008. The increase in the effective taxation rate in 2009 is mainly attributable to the net loss of $1.5M incurred by Canam Romsa in Mexico for which no future income tax assets were accounted for.

Balance Sheet

Working capital decreased from $217.6M as at December 31, 2008 (current ratio of 2.38) to $216.2M as at March 28, 2009 (current ratio of 2.43).

The net debt, whose balance stood at $55.6M as at March 28, 2009, decreased by $13.9M compared with December 31, 2008, when it totaled $69.5M. The decline is mainly attributable to a decrease in accounts receivable and inventories as at March 28, 2009. Shareholders' equity stood at $415.8M as at March 28, 2009, compared with $413.6M as at December 31, 2008.

The net debt to Adjusted EBITDA ratio for the last four quarters was 0.58 as at March 28, 2009, compared to 0.74 as at December 31, 2008.

As at March 28, 2009, the net debt to shareholders' equity ratio was 0.13, whereas it was 0.17 as at December 31, 2008.

Financial information

(in thousands of dollars, except for ratios)	Periods ended March 28 2009	Dec. 31 2008
Working capital	**$ 216,199**	$ 217,572
Current ratio	**2.43**	2.38
Net debt(1)	**$ 55,595**	$ 69,521
Adjusted EBITDA for the last four quarters	**$ 95,300**	$ 94,028
Shareholders' equity	**$ 415,772**	$ 413,614
Net debt to Adjusted EBITDA ratio for the last four quarters	**0.58**	0.74
Net debt to shareholders' equity ratio	**0.13**	0.17

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

As at March 28, 2009, accounts receivable stood at $144.8M as compared with $157.7M as at December 31, 2008. The decrease is attributable to the annual sales cycle.

Inventories decreased by $13.4M to $170.8M as at March 28, 2009, as compared with $184.2M as at December 31, 2008. This decrease is explained by a $9.5M decrease in raw materials inventories and a $3.9M decrease in custom-made finished goods inventories.

The decrease in prepaid expenses and other assets, the balance of which stood at $3.6M as at March 28, 2009 compared with $6.6M as at December 31, 2008, is mainly attributable to the purchase of shares by a trust in employees' name on the secondary market under the profit sharing program. As at December 31, 2008, the Company recorded deferred expenses in the amount of $1.7M.

The increase in current assets of discontinued operations, the balance of which stood at $3.5M as at March 28, 2009 as compared to $2.4M as at December 31, 2008, is attributable to the reclassification into current assets of an account receivable from Canam SAS in France that is expected to be collected between now and December 31, 2009.

The reduction in long-term assets and liabilities of discontinued operations mainly results from the depreciation of semi-trailers and forestry equipment leased to clients and the related deferred revenue. The accounting treatment results from the application of EIC-84 and EIC-85 (Emerging Issues Committee) of the Canadian Institute of Chartered Accountants (CICA) Handbook with regard to guarantees on resale values or lease contracts. Related assets and liabilities are amortized on a straight-line basis over the duration of the guarantees that expire at various dates through 2012.

The increase in property, plant and equipment, the balance of which grew from $185.9M as at December 31, 2008 to $190M as at March 28, 2009, is mainly attributable to additions to property, plant and equipment in the amount of $7.6M less depreciation in the amount of $4.1M.

As at March 28, 2009, accounts payable and accrued liabilities totaled $123.6M compared to $138.1M as at December 31, 2008.

In the first quarter of 2009, shareholders' equity increased by $2.2M to $415.8M ($413.6M as at December 31, 2008). In addition to the net earnings totaling $5.4M recorded in the first quarter of 2009, the following elements had an impact on shareholders' equity: i) the repurchase 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 rise against the Canadian dollar generated an unrealized exchange gain of $1.9M resulting from the translation of financial statements of self-sustaining foreign operations, mainly those of the U.S. subsidiary; iii) the $1.8M dividend paid on March 31, 2009 to shareholders of record on March 17, 2009; and iv) the purchase of shares by a trust in employees' name on the secondary market in the amount of $1.9M.

Cash Position

For the three-month period ended March 28, 2009, cash flows from continuing operating activities stood at $28.8M, as compared with $19M for the same quarter in 2008. The increase is primarily attributable to the decrease in accounts receivable and inventories as well as the decrease in accounts payable and accrued liabilities.

Cash flows provided from financing activities stood at $1.8M for the first quarter of 2009, compared with the use of $5.9M for the corresponding period in 2008. The difference is primarily attributable to the increase in long-term debt and bank loans in the amount of $8.7M during the first quarter of 2009 compared to $0.7M during the same period in 2008.

Still in the first quarter of 2009, cash flows used in investing activities stood at $8.2M, compared with $3.6M in the first quarter of 2008. The variation is mainly attributable to the addition of property, plant and equipment, and the acquisition of investments during the first quarter of 2009.

Cash flows

A comparison of the Company's cash flows for the periods ended March 28, 2009 and March 29, 2008 is presented below:

(in thousands of dollars) (unaudited)	Three months 2009	Three months 2008
Cash flows from continuing operating activities	**$ 28,787**	$ 18,989
Cash flows from continuing financing activities	**1,789**	(5,850)
Cash flows from continuing investing activities	**(8,243)**	(3,600)
Effect of changes in foreign exchange rate on cash	**(186)**	(4)
Net change	**22,147**	9,535
Net cash flows from discontinued operations	**(44)**	102
Cash - beginning of period	**15,979**	11,221
Cash - end of period	**$ 38,082**	$ 20,858

Foreign Currency Forward Contracts

As at March 28, 2009, foreign currency forward contracts not designated as cash flow hedges and maturing in the next nine months totaled US$6M at an average conversion rate of 1.2850 for the sale of US dollars.

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.

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 is underway. This analysis is being conducted by taking into account the potential impacts, among others, on accounting policies, financial reporting and information technologies.

To date, the Company is unable to expose the consequences of the conversion from Canadian GAAP to IFRS on its financial statements.

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 presently evaluating the impact of these new standards on its financial statements.

Outlook

The backlog of orders stood at $278M as at March 28, 2009, compared to $308M as at March 29, 2008 and $313M as at December 31, 2008.

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

On February 25, 2009, the Board of Directors approved the payment of a quarterly dividend of $0.04 per common share to shareholders of record on March 17, 2009. The amount thus paid on March 31, 2009 was $1.8M and has been applied against retained earnings.

As at April 29, 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

April 29, 2009

QUARTERLY RESULTS

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

2009 Quarter ended	**March 28**				**Total**
Sales	**$ 184,673**				**$ 184,673**
Net earnings from continuing operations	**5,519**				**5,519**
Net earnings	**5,373**				**5,373**
Basic net earnings per share from continuing operations	**0.12**				**0.12**
Basic net earnings per share	**0.12**				**0.12**
Diluted net earnings per share from continuing operations	**0.12**				**0.12**
Diluted net earnings per share	**0.12**				**0.12**
Total assets	**652,898**				
Net debt(1)	**55,595**				
Shareholders' equity	**415,772**				
Cash dividend declared per common share	**0.04**				**0.04**

2008 Quarters ended	March 29	June 28	Sept. 27	Dec. 31	Total
Sales	$ 166,016	$ 196,384	$ 231,694	$ 239,609	$ 833,703
Net earnings from continuing operations	7,515	12,156	15,149	13,540	48,360
Net earnings	7,633	12,057	15,024	13,717	48,431
Basic net earnings per share from continuing operations	0.16	0.25	0.31	0.29	1.00
Basic net earnings per share	0.16	0.25	0.31	0.29	1.00
Diluted net earnings per share from continuing operations	0.15	0.24	0.30	0.29	0.99
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)	51,673	74,947	79,396	69,521	
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	March 31	June 30	Sept. 29	Dec. 31	Total
Sales	$ 161,107	$ 218,912	$ 238,257	$ 252,206	$ 870,482
Net earnings from continuing operations	6,503	13,837	14,377	13,269	47,986
Net earnings	6,354	13,282	14,143	13,674	47,453
Basic net earnings per share from continuing operations	0.13	0.28	0.29	0.27	0.98
Basic net earnings per share	0.13	0.27	0.29	0.28	0.97
Diluted net earnings per share from continuing operations	0.13	0.28	0.29	0.27	0.97
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)	83,941	105,911	95,530	62,988	
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	March 25	June 24	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(1)	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

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

Interim Consolidated Statements of Earnings

Periods ended March 28, 2009 and March 29, 2008

(in thousands of dollars, except per share amounts) (unaudited)	Three months 2009	2008
Sales	**$ 184,673**	$ 166,016
Cost of sales (note 9)	**147,953**	130,647
Gross profit	**36,720**	35,369
Selling and administrative expenses	**18,258**	19,975
Profit sharing and continuous improvement programs	**845**	1,022
Exchange loss (gain)	**903**	(1,112)
Interest income	**(527)**	(150)
Increase in the redemption value of an investment in a related company	**– –**	(451)
Gain on disposal of property, plant and equipment, and on property, plant and equipment held for sale	**(8)**	(69)
Impairment of property, plant and equipment held for sale	**– –**	177
	17,249	15,977
Depreciation of property, plant and equipment	**4,099**	3,754
Amortization of intangible assets	**369**	465
Financial expenses (note 10)	**1,144**	1,280
Earnings before income tax expense and undermentioned items	**11,637**	10,478
Income tax expense		
Current	**5,170**	3,402
Future	**(10)**	63
	5,160	3,465
Earnings before undermentioned items	**6,477**	7,013
Share in earnings (loss) of companies subject to significant influence	**(958)**	502
Net earnings from continuing operations	**5,519**	7,515
Net earnings (net loss) from discontinued operations (note 5)	**(146)**	118
Net earnings	**$ 5,373**	$ 7,633
Net earnings per share (note 7)		
Basic:		
From continuing operations	**$ 0.12**	$ 0.16
From discontinued operations	**– –**	– –
Total	**$ 0.12**	$ 0.16
Diluted:		
From continuing operations	**$ 0.12**	$ 0.15
From discontinued operations	**– –**	– –
Total	**$ 0.12**	$ 0.15
Weighted average number of shares (in thousands of shares) (note 7)		
Basic	**44,908**	49,063
Diluted	**45,414**	49,601
Number of common shares outstanding	**45,368**	49,371

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

Interim Consolidated Statements of Comprehensive Income

Periods ended March 28, 2009 and March 29, 2008

	Three months	
(in thousands of dollars) (unaudited)	**2009**	2008
Net earnings	**$ 5,373**	$ 7,633
Other comprehensive income:		
Change in unrealized gains and losses on translating financial statements of self-sustaining foreign operations	**$ 1,946**	$ 4,369
Unrealized gains on available-for-sale financial assets arising during the period	**$ 157**	$ 100
Income tax expense	**(41)**	(47)
Change in unrealized gains and losses on available-for-sale financial assets	**$ 116**	$ 53
Reclassification in earnings of gains on derivatives designated as cash flow hedges on sales	**$ – –**	$ (614)
Income tax expense	**– –**	200
Change in gains on derivatives designated as cash flow hedges	**$ – –**	$ (414)
Other comprehensive income	**$ 2,062**	$ 4,008
Comprehensive income	**$ 7,435**	$ 11,641

Interim Consolidated Statements of Retained Earnings

Periods ended March 28, 2009 and March 29, 2008

	Three months	
(in thousands of dollars) (unaudited)	**2009**	2008
Opening balance	**$ 232,208**	$ 200,421
Net earnings	**5,373**	7,633
Dividends	**(1,815)**	(1,975)
Excess of acquisition cost over carrying value of acquired common shares (note 6)	**(968)**	– –
Closing balance	**$ 234,798**	$ 206,079

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

Interim Consolidated Balance Sheets

(in thousands of dollars)	**As at March 28 2009 (unaudited)**	As at December 31 2008
Assets		
Current assets		
Cash	**$ 38,082**	$ 15,979
Accounts receivable (note 3)	**144,841**	157,735
Inventories	**170,799**	184,218
Unrealized assets on foreign currency forward contracts (note 13)	**310**	– –
Income taxes recoverable	**3,117**	5,281
Future income tax assets	**2,977**	2,996
Prepaid expenses and other assets	**3,595**	6,546
Current assets of discontinued operations (note 5)	**3,533**	2,399
Total current assets	**367,254**	375,154
Investments	**48,206**	48,400
Property, plant and equipment	**189,900**	185,945
Property, plant and equipment held for sale	**1,989**	1,958
Intangible assets	**1,949**	2,108
Goodwill	**150**	150
Future income tax assets	**1,712**	1,732
Long-term receivables and other assets (note 4)	**30,800**	30,164
Long-term assets of discontinued operations (note 5)	**10,938**	12,678
	$ 652,898	$ 658,289
Liabilities		
Current liabilities		
Bank loans	**$ 19,148**	$ 10,353
Accounts payable and accrued liabilities	**123,640**	138,129
Unrealized liabilities on foreign currency forward contracts (note 13)	**– –**	743
Income taxes payable	**480**	342
Future income tax liabilities	**646**	647
Current portion of long-term debt	**5,534**	5,475
Current liabilities of discontinued operations (note 5)	**1,607**	1,893
Total current liabilities	**151,055**	157,582
Long-term debt	**68,995**	69,672
Deferred credits	**4,263**	4,526
Future income tax liabilities	**10,515**	10,368
Long-term liabilities of discontinued operations (note 5)	**2,298**	2,527
	237,126	244,675
Shareholders' equity		
Share capital (note 6)	**178,024**	179,681
Retained earnings	**234,798**	232,208
Contributed surplus (note 6)	**3,567**	4,403
Accumulated other comprehensive loss (note 8)	**(617)**	(2,678)
	415,772	413,614
	$ 652,898	$ 658,289

Contingencies and commitments (note 12)

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

Interim Consolidated Statements of Cash Flows

Periods ended March 28, 2009 and March 29, 2008

(in thousands of dollars) (unaudited)	Three months 2009	2008
Cash flows from the following activities:		
Operating activities		
Net earnings from continuing operations	$ 5,519	$ 7,515
Items not affecting cash		
Compensation costs related to stock options	– –	3
Amortization of compensation costs related to the profit sharing program – stock ownership component	485	390
Unrealized gain on foreign currency forward contracts	(1,053)	(268)
Increase in the redemption value of an investment in a related company	– –	(451)
Impairment of property, plant and equipment held for sale	– –	177
Gain on disposal of property, plant and equipment, and on property, plant and equipment held for sale	(8)	(69)
Depreciation of property, plant and equipment	4,099	3,754
Amortization of intangible assets	369	465
Amortization of deferred financing expenses	55	66
Pension expense	(71)	(192)
Future income tax expense	(10)	63
Share in loss (earnings) of companies subject to significant influence	958	(502)
	10,343	10,951
Net change in non-cash operating working capital items		
Decrease in accounts receivable	13,278	14,053
Decrease (increase) in inventories	14,407	(19,277)
Decrease (increase) in income taxes recoverable	2,185	(2,572)
Decrease (increase) in prepaid expenses and other assets	2,978	(309)
Increase (decrease) in accounts payable and accrued liabilities	(14,747)	23,827
Increase (decrease) in interest payable	204	(14)
Increase (decrease) in income taxes payable	139	(7,670)
	18,444	8,038
Cash flows from continuing operating activities	28,787	18,989
Financing activities		
Shares purchased by a trust in employees' name on the secondary market	(1,871)	(1,970)
Repurchase of shares (note 6)	(2,122)	– –
Proceeds from issuance of shares	47	23
Dividends	(1,815)	(1,975)
Increase in long-term debt and bank loans	8,680	687
Repayment of long-term debt and bank loans	(885)	(3,095)
Issue expenses related to long-term debt	– –	(38)
Deferred credits	(245)	518
Cash flows from continuing financing activities	1,789	(5,850)
Investing activities		
Proceeds from sale of property, plant and equipment	71	1,029
Proceeds from sale of property, plant and equipment held for sale	– –	559
Additions to property, plant and equipment	(7,566)	(5,083)
Additions to intangible assets	(288)	(178)
Acquisition of investments	(1,305)	– –
Proceeds from disposal of investments	501	– –
Distribution from a company subject to significant influence	300	– –
Decrease in long-term receivables	777	88
Increase in long-term receivables	(733)	(15)
Cash flows from continuing investing activities	(8,243)	(3,600)
Effect of changes in foreign exchange rate on cash	(186)	(4)
Net change in cash from continuing operations	22,147	9,535
Cash flows from discontinued operations		
Operating activities	(194)	(48)
Investing activities	150	150
	(44)	102
Cash, beginning of period	15,979	11,221
Cash, end of period	$ 38,082	$ 20,858
Supplementary information		
Interest paid	$ 1,129	$ 1,222
Income taxes paid, net	$ 3,546	$ 13,129

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 close to 2,600 people in Canada, the United States, Romania and India, and has partnerships with companies in Mexico, France, Saudi Arabia, the United Arab Emirates, Russia and China.

2. Summary of Significant Accounting Policies

The unaudited interim consolidated financial statements of the Company, for the three-month periods ended March 28, 2009 and March 29, 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.

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 is underway. This analysis is being conducted by taking into account the potential impacts, among others, on accounting policies, financial reporting and information technologies.

To date, the Company is unable to expose the consequences of the conversion from Canadian GAAP to IFRS on its financial statements.

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 March 28 2009 (unaudited)	As at December 31 2008
Trade	**$ 130,878**	$ 143,804
Companies subject to significant influence	**5,621**	4,266
Other related companies[1]	**4,889**	6,088
Advances and other	**3,453**	3,577
	$ 144,841	$ 157,735

(1) Corresponds to current accounts receivable from companies controlled by Placements CMI Inc., a company indirectly controlled by the Chairman of the Board and Chief Executive Officer of the Company, which holds 16.13% of the Company's common shares. The balance includes the current portion of $2,500 of the note receivable from Placements CMI Inc. totaling $24,375 (note 4).

4. Long-Term Receivables and Other Assets

	As at March 28 2009 (unaudited)	As at December 31 2008
Long-term receivables[1]	**$ 7,764**	$ 6,525
Placements CMI Inc. - Note receivable[2]	**21,875**	22,500
Deferred financing expenses	**626**	676
Accrued benefit asset	**535**	231
Others	**- -**	232
	$ 30,800	$ 30,164

(1) As at March 28, 2009, the balance of long-term receivables includes $5,246 ($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 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.

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.

The results of the discontinued operations for the periods ended March 28, 2009 and March 29, 2008 are as follows:

	Three months									
(unaudited)	2009					2008				
	Semi-trailers	**Forestry equipment**	**France**	**Mexico (Juárez)**	**Total**	Semi-trailers	Forestry equipment	France	Mexico (Juárez)	Total
Sales	$ 433	$ 54	$ - -	$ - -	$ 487	$ 433	$ 145	$ - -	$ - -	$ 578
Net earnings (net loss) from discontinued operations	$ 73	$ (22)	$ (163)	$ (34)	$ (146)	$ 73	$ (27)	$ 48	$ 24	$ 118

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

	As at March 28 2009 (unaudited)					As at December 31 2008				
	Semi-trailers	**Forestry equipment**	**France**	**Mexico (Juárez)**	**Total**	Semi-trailers	Forestry equipment	France	Mexico (Juárez)	Total
Assets										
Current assets										
Cash	$ - -	$ - -	$ - -	$ 83	$ 83	$ - -	$ - -	$ - -	$ 90	$ 90
Accounts receivable	150	626	1,924	- -	2,700	75	642	853	- -	1,570
Income taxes recoverable	- -	79	- -	- -	79	- -	68	- -	- -	68
Future income tax assets	68	603	- -	- -	671	68	603	- -	- -	671
Total current assets of discontinued operations	218	1,308	1,924	83	3,533	143	1,313	853	90	2,399
Semitrailers and forestry equipment leased to clients[1]	2,778	338	- -	- -	3,116	3,177	379	- -	- -	3,556
Property, plant and equipment	- -	1,454	- -	530	1,984	- -	1,454	- -	544	1,998
Long-term receivables	4,921[2]	200	658	- -	5,779	4,869[2]	350	1,822	- -	7,041
Future income tax assets	11	48	- -	- -	59	35	48	- -	- -	83
Total long-term assets of discontinued operations	7,710	2,040	658	530	10,938	8,081	2,231	1,822	544	12,678
Total assets of discontinued operations	$ 7,928	$ 3,348	$ 2,582	$ 613	$ 14,471	$ 8,224	$ 3,544	$ 2,675	$ 634	$ 15,077
Liabilities										
Current liabilities										
Accounts payable and accrued liabilities	$ - -	$ 432	$ - -	$ 41	$ 473	$ - -	$ 502	$ - -	$ 42	$ 544
Deferred revenue[3]	883	171	- -	- -	1,054	1,114	191	- -	- -	1,305
Income taxes payable	80	- -	- -	- -	80	44	- -	- -	- -	44
Total current liabilities of discontinued operations	963	603	- -	41	1,607	1,158	693	- -	42	1,893
Obligations relating to residual values	- -	196	- -	- -	196	- -	196	- -	- -	196
Deferred revenue[3]	2,084	- -	- -	- -	2,084	2,285	28	- -	- -	2,313
Other liabilities	18	- -	- -	- -	18	18	- -	- -	- -	18
Total long-term liabilities of discontinued operations	2,102	196	- -	- -	2,298	2,303	224	- -	- -	2,527
Total liabilities of discontinued operations	$ 3,065	$ 799	$ - -	$ 41	$ 3,905	$ 3,461	$ 917	$ - -	$ 42	$ 4,420

(1) The amounts of $2,778 ($3,177 as at December 31, 2008) for semitrailers and $338 ($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 $930 ($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 March 28, 2009	**44,645,810**	**$ 178,024**
Outstanding as at March 28, 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 March 28, 2009	**44,645,810**	**$ 178,024/**

Statement of changes in contributed surplus

Three-month periods ended March 28, 2009 and March 29, 2008

	Three months	
(unaudited)	**2009**	2008
Opening balance	**$ 4,403**	$ 2,840
Compensation costs related to stock options	**– –**	3
Options exercised	**(13)**	(2)
Amortization of compensation costs related to the profit sharing program – stock ownership component	**485**	390
Shares acquired by employees[(1)]	**(1,308)**	– –
Closing balance	**$ 3,567**	$ 3,231

(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, through the facilities of and in accordance with the requirements of the Toronto Stock Exchange, up to 4,074,706 outstanding common shares, which represents approximately 10% of publicly-held common shares. The acquired common shares were cancelled.

For the three-month period ended March 28, 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.

7. Net Earnings per Share

Three-month periods ended March 28, 2009 and March 29, 2008

	Three months	
(unaudited)	**2009**	2008
Numerator		
Net earnings from continuing operations	**$ 5,519**	$ 7,515
Denominator		
Basic weighted average number of shares	**44,908**	49,063
Effect of dilutive securities		
Stock options	**7**	233
Shares purchased by a trust in employees' name on the secondary market	**499**	305
Diluted weighted average number of shares	**45,414**	49,601
Net earnings per share from continuing operations		
Basic	**$ 0.12**	$ 0.16
Diluted	**$ 0.12**	$ 0.15

For the three-month period ended March 28, 2009, 516,100 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

Three-month periods ended March 28, 2009 and March 29, 2008

	Three months	
(unaudited)	**2009**	2008
Unrealized foreign currency translation losses	**$ (864)**	$ (30,543)
Unrealized gains on available-for-sale financial assets	**247**	402
Gains on derivatives designated as cash flow hedges	**– –**	1,167
Closing balance	**$ (617)**	$ (28,974)

Retained earnings and accumulated other comprehensive loss totaled $234,181 as at March 28, 2009 and $177,105 as at March 29, 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.

Three-month periods ended March 28, 2009 and March 29, 2008

	Three months	
(unaudited)	**2009**	2008
Cost of sales	**$ 147,953**	$ 130,647
Depreciation of property, plant and equipment related to the transformation of inventories	**3,886**	3,568
Inventory amount charged to expense	**$ 151,839**	$ 134,215

10. Financial Expenses

Three-month periods ended March 28, 2009 and March 29, 2008

	Three months	
(unaudited)	**2009**	2008
Interest on bank loans	**$ 144**	$ 307
Interest on long-term debt	**945**	907
Amortization of deferred financing expenses	**55**	66
	$ 1,144	$ 1,280

11. Employee Future Benefits

Three-month periods ended March 28, 2009 and March 29, 2008

(unaudited)	Three months 2009	2008
Total costs related to defined contribution pension plans	**$ 535**	$ 556
Total costs related to defined benefit pension plans	**576**	261
	$ 1,111	$ 817

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 $2,528 as at March 28, 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 $930 as at March 28, 2009 ($954 as at December 31, 2008).
- The Company acts as a guarantor for a bank loan 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 March 28, 2009 (unaudited)

Maturity	**Type**	**Average rate**	**Contract amounts (US dollars)**
From 0 to 9 months	Sale	**1.2850**	**$ 6,000**

As at December 31, 2008

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

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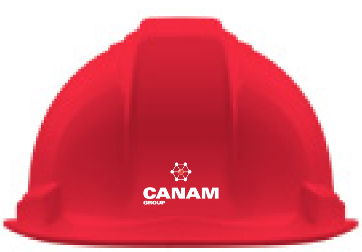

SHAREHOLDER INFORMATION

Stock Exchange Listing

Common shares
TSX
Trading symbol: CAM

Cusip Numbers

Common shares: 13710C 10 7
ISIN CA 13710C1077

Earnings Release Date

2nd quarter: August 6, 2009