CANAM
GROUP
Better Building Solutions

Quarterly Report
September 27, 2008
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Message to Shareholders, Employees and Partners

Canam Group Inc. posted net earnings of $15M, or $0.31 per share, for the third quarter ended September 27, 2008, up 6.3% compared to net earnings of $14.1M, or $0.29 per share, during the corresponding period in 2007. Consolidated sales totaled $231.7M versus $238.3M.

Net earnings for the nine-month period ended September 27, 2008 amounted to $34.7M, or $0.71 per share, up 2.8% compared with $33.8M or $0.69 per share, for the same period in 2007. In the first nine months of 2008, consolidated sales fell slightly to $594.1M compared to $618.3M a year ago.

These quarterly results, the size of our backlog of orders, the diversification of our activity sectors and the strength of our balance sheet indicate that the Company is well positioned with respect to the expected economic slowdown.

As at September 27, 2008, shareholders' equity totaled $396.4M and net debt stood at $79.4M translating into a net debt-to-equity ratio of 0.20. For the third quarter of 2008, EBITDA was $26.6M or 11.5% of sales, compared with $30.3M or 12.7% of sales for the same period last year.

The Company's backlog of orders stood at $340M as at September 27, 2008, compared to $352M as at June 28, 2008.

In addition, as at October 21, 2008, the Company has acquired 2,185,100 shares at an average price of $6.14 per share, for a total amount of $13.4M. The shares were repurchased under the Company's Common Share Buyback Program pursuant to a normal course issuer bid at the TSX for up to 4,075,000 shares that began last August 11. As at October 21, 2008, there were 47,258,606 outstanding shares.

The board of directors approved a quarterly dividend of $0.04 per common share payable on December 31, 2008 to shareholders of record on December 17, 2008.

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

Marc Dutil
President and Chief Operating Officer

Saint-Georges, Beauce

October 22, 2008

Management's Discussion and Analysis

Scope of Financial Management's Analysis

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the Company's consolidated financial statements and the accompanying notes for the quarters ended September 27, 2008, June 28, 2008, March 29, 2008 and September 29, 2007, as well as the audited consolidated financial statements for the fiscal year ended December 31, 2007. Reference should also be made to the annual MD&A of financial position and results of operations included in the Company's 2007 annual report, including the section describing 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.

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 2007 annual report.

The significant accounting estimates are similar to those used as at December 31, 2007.

No material changes were made to internal control over financial information during the three-month period ended September 27, 2008, that could have had a significant impact or that could have been reasonably believed to have a significant impact on internal control over financial reporting.

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

Exchange rates used

		Sept. 27 2008	June 28 2008	March 29 2008	Dec. 31 2007	Sept. 29 2007
Consolidated statements of earnings	US$/CAN$	**1.0421**	1.0106	1.0039	0.9801	1.0461
	Euro/CAN$	**1.5635**	1.5409	1.5047	1.4175	1.4378
	Peso/CAN$	**0.1010**	0.0968	0.0928	0.0904	0.0951
Consolidated balance sheets	US$/CAN$	**1.0349**	1.0123	1.0181	0.9881	1.9963
	Euro/CAN$	**1.5104**	1.5942	1.6046	1.4428	1.4166
	Peso/CAN$	**0.0959**	0.0983	0.0952	0.0905	0.0911

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

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 can be repurchased, when the Company deems appropriate, during the 12-month period that began on August 11, 2008 and ending August 10, 2009. At the end of the Buyback Program, the Company may repurchase, through the facilities of and in accordance with the requirements of the Toronto Stock Exchange, up to 4,075,000 outstanding common shares, which represents approximately 10% of publicly-held common shares. The acquired common shares will be cancelled.

As at October 21, 2008, the Company has repurchased 2,185,100 common shares at an average price of $6.14 per share for a total of $13.4M. As at October 21, 2008, there were 47,258,606 outstanding shares. As at September 27, 2008, the Company had repurchased 506,000 common shares at an average price of $8.33 for a total of $4.2M.

Dividends on Common Shares

On August 5, 2008, the Board of Directors approved the payment of a quarterly dividend of $0.04 per common share to shareholders of record on September 16, 2008. The amount paid out on September 30, 2008 was $2M and has been applied against retained earnings.

Operating Results

Net earnings for the third quarter of 2008 totaled $15M or $0.31 per basic share, based on a weighted average number of 49,078,462 common shares, as compared with net earnings of $14.1M or $0.29 per basic share during the third quarter of 2007, based on a weighted average number of 48,985,593 common shares. Net earnings from continuing operations amounted to $15.1M or $0.31 per basic share in the third quarter of 2008, as compared with $14.4M or $0.29 per basic share for the same quarter in 2007.

After the first nine months of fiscal 2008, net earnings totaled $34.7M or $0.71 per basic share based on a weighted average number of 49,127,576 common shares, as compared with net earnings of $33.8M or $0.69 per basic share for the same period in 2007, based on a weighted average number of 48,932,839 common shares. Net earnings from continuing operations stood at $34.8M in 2008, or $0.71 per basic share, as compared with $34.7M or $0.71 per basic share in 2007.

Consolidated sales for the third quarter of 2008 totaled $231.7M, which represents a $6.6M or 2.8% decrease, as compared with sales of $238.3M for the same quarter in 2007. The decrease in sales is primarily attributable to: i) the Canam U.S. business unit (joists and steel deck); and ii) the Canam Canada business unit (joists and steel deck), which are impacted by the economic slowdown in the United States. Consolidated sales after the first nine months of 2008 were down $24.2M or 3.9% to $594.1M, as compared with sales of $618.3M for the same period in 2007. The decrease in sales is also attributable to the above-mentioned business units.

The gross margin was 20.9% of sales in the third quarter of 2008 as compared with 20% for the corresponding quarter in 2007. After nine months in 2008, the gross margin represented 21.3% of sales as compared with 20.6% for the same period in 2007. The increase in the gross margin is attributable to a change in the sales mix.

Selling and administrative expenses totaled $19.5M or 8.4% of sales in the third quarter of 2008 as compared with $20M or 8.4% of sales for the corresponding quarter in 2007. On a cumulative basis, the same expenses totaled $59.1M or 9.9% of sales in 2008, as compared with $58.4M or 9.4% of sales for the same period in 2007.

The Company incurred an exchange loss of $42,000 in the third quarter of 2008 compared to an exchange gain of $4M for the same quarter of 2007. In the third quarter of 2007, the Company sold the majority of its foreign currency forward contracts totaling US$38.5M at an average exchange rate of 1,1469 and realized an exchange gain of $3.8M before taxes. After three quarters in 2008, the effect of the Canadian dollar's depreciation against the U.S. dollar resulted in a favorable impact of $1.4M as compared with $8.5M for the same period in 2007.

Interest income stood at $0.1M for the third quarter of 2008 as compared with $0.4M for the corresponding quarter in 2007. After the first nine months of 2008, interest income stood at $0.4M as compared with $1.1M for the same period in 2007. The decrease results from the total repayment, in 2007, of amounts owed to the Company.

The increase in the redemption value of the investment in Finloc Inc., a related company that is a subsidiary of Placements CMI Inc., in the amount of $0.5M for the third quarter of 2008, represents the growth of the investment in preferred shares according to the terms and conditions described in the MD&A for fiscal 2007. The balance of this investment totaled $56.2M as at September 27, 2008 ($54.8M as at December 31, 2007). Placements CMI Inc., a company indirectly controlled by the Chairman of the Board and Chief Executive Officer of the Company, holds 14.91% of the Company's common shares.

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

In the third quarter of 2008, comprehensive income totaled $17.5M compared to $3.8M for the same quarter of 2007. After the first nine months of 2008, comprehensive income stood at $40M as compared with $14.6M in 2007. The increase in comprehensive income in the third quarter of 2008 as compared to the same period in 2007 is mainly attributable to an unrealized exchange gain of $2.9M compared to an unrealized exchange loss of $8.9M in the third quarter of 2007 resulting from the translation of financial statements of self-sustaining foreign operations.

Non-GAAP measures

In this MD&A, the Company uses a measure that is not in accordance with GAAP: adjusted earnings before interest, tax, depreciation and amortization ("Adjusted EBITDA"). 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 impairment of the investment in a variable interest entity located in Mexico, the share in earnings of companies subject to significant influence and net loss from discontinued operations. The reader can therefore 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 27, 2008 and September 29, 2007

	Three months	
(in thousands of dollars) (unaudited)	**2008**	2007
Net earnings	**$ 15,024**	$ 14,143
Net loss from discontinued operations	**125**	234
Net earnings from continuing operations	**15,149**	14,377
PLUS:		
Share in earnings of companies subject to significant influence	**(364)**	(264)
Income tax expense	**5,994**	9,217
Financial expenses	**1,499**	2,649
Total depreciation and amortization	**4,365**	4,326
Adjusted EBITDA	**$ 26,643**	$ 30,305

	Nine months	
(in thousands of dollars) (unaudited)	**2008**	2007
Net earnings	**$ 34,714**	$ 33,779
Net loss from discontinued operations	**106**	938
Net earnings from continuing operations	**34,820**	34,717
PLUS:		
Share in earnings of companies subject to significant influence	**(1,003)**	(517)
Income tax expense	**14,002**	22,878
Impairment of the investment in a variable interest entity located in Mexico	**– –**	1,959
Financial expenses	**4,436**	6,165
Total depreciation and amortization	**12,905**	12,472
Adjusted EBITDA	**$ 65,160**	$ 77,674

Adjusted EBITDA in the third quarter of 2008 totaled $26.6M and accounted for 11.5% of sales, as compared with an Adjusted EBITDA of $30.3M or 12.7% of sales for the corresponding quarter of 2007. After nine months, Adjusted EBITDA stood at $65.2M or 11% of sales, as compared with $77.7M or 12.6% of sales for the same period in 2007. This decrease is mainly attributable to a decline in sales as well as the exchange gain of $4M that was generated in the third quarter of 2007 ($8.5M for the nine-month period ended September 29, 2007).

In the third quarter of 2008, total depreciation and amortization expenses amounted to $4.4M as compared with $4.3M for the same quarter in 2007. After nine months of fiscal 2008, these same expenses totaled $12.9M as compared with $12.5 M for the same period in 2007.

Still in the third quarter of 2008, financial expenses totaled $1.5M compared to $2.6M for the same quarter of 2007. On a cumulative basis, financial expenses amounted to $4.4M in 2008, compared to $6.2M in 2007, representing a decrease of $1.8M. This reduction in financial expenses is due to the decrease in the Company's long-term debt in the third quarter of 2008 versus the third quarter of 2007.

The effective taxation rate was 28.8% for the quarter ended September 27, 2008, as compared with an effective taxation rate of 39.5% for the same quarter of 2007. After the first nine months of 2008, the effective tax rate was 29.3% compared to 40.1% for the same period in 2007. The decrease in the effective taxation rate in 2008 is attributable to: i) the renewed profitability of Canam Romsa for which no income tax expense was recorded in earnings since no future income tax assets were accounted for following the loss incurred in 2007; ii) the decrease in the Canadian tax rate; and iii) the decrease in the consolidated average income tax rate following the decline in profitability of the U.S. subsidiary that is attributable to the economic slowdown in the United States, where the tax rate is higher than in Canada.

Balance Sheet

Working capital rose from $175.1M as at December 31, 2007 (for a current ratio of 2.28) to $216.1M as at September 27, 2008 (for a current ratio of 2.21).

The net debt, whose balance stood at $79.4M as at September 27, 2008, increased by $16.4M compared with December 31, 2007, when it totaled $63M. The rise is mainly attributable to an increase in inventories. Shareholders' equity stood at $396.4M as at September 27, 2008, compared with $366.9M as at December 31, 2007. The U.S. dollar's rise generated an unrealized exchange gain of $6.5M after the first nine months of fiscal 2008, resulting from the translation of financial statements of self-sustaining foreign operations, mainly those of the U.S. subsidiary. This amount has been credited to net earnings in comprehensive income.

The net debt to Adjusted EBITDA ratio for the last four quarters was 0.86 as at September 27, 2008, compared to 0.60 as at December 31, 2007.

As at September 27, 2008, net debt to shareholders' equity ratio was 0.20, whereas it was 0.17 as at December 31, 2007.

Financial information

	Periods ended	
(in thousands of dollars, except for ratios)	**Sept. 27 2008**	Dec. 31 2007
Working capital	**$ 216,080**	$ 175,058
Current ratio	**2.21**	2.28
Net debt(1)	**$ 79,396**	$ 62,988
Adjusted EBITDA for the last four quarters	**$ 92,635**	$ 105,149
Shareholders' equity	**$ 396,369**	$ 366,890
Net debt to Adjusted EBITDA ratio for the last four quarters	**0.86**	0.60
Net debt to shareholders' equity ratio	**0.20**	0.17

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

As at September 27, 2008, trade accounts receivable stood at $163.9M compared with $156.3M as at December 31, 2007.

Inventories increased by $71.6M to $202M as at September 27, 2008, compared with $130.4M as at December 31, 2007. This rise is explained by an increase of $62.7M in raw materials inventories and an $8.9M increase in custom-made finished goods inventories.

The decrease in property, plant and equipment held for sale is attributable to the sale of the Columbus, Ohio plant, on April 25, 2008, as well as the sale of a portion of land in Lafayette, Indiana, on January 14, 2008.

Cash Position

For the three-month period ended September 27, 2008, cash flows from continuing operating activities stood at $9.7M, as compared with $20.6M for the corresponding period in 2007. The decrease is mainly attributable to the decrease in inventories in the third quarter of 2007.

Cash flows from financing activities stood at $1.4M for the third quarter of 2008, compared with the use of $15.9M for the third quarter of 2007. The increase is mainly attributable to an increase in long-term debt and bank loans during the third quarter of 2008 as compared with the third quarter of 2007.

Still in the third quarter of 2008, cash flows used in investing activities stood at $8.2M, compared with $11.5M in the third quarter of 2007. The decrease is mainly attributable to the business acquisition made during the third quarter of 2007.

Cash flows

A comparison of the Company's cash flows for the periods ended September 27, 2008 and September 29, 2007 is presented below:

	Three months	
(in thousands of dollars) (unaudited)	**2008**	2007
Cash flows from continuing operating activities	**$ 9,703**	$ 20,579
Cash flows from continuing financing activities	**1,390**	(15,856)
Cash flows from continuing investing activities	**(8,232)**	(11,481)
Effect of changes in foreign exchange rate on cash	**425**	(975)
Net change	**3,286**	(7,733)
Net cash flows from discontinued operations	**421**	1,351
Cash – beginning of period	**9,488**	15,690
Cash – end of period	**$ 13,195**	$ 9,308

	Nine months	
(in thousands of dollars) (unaudited)	**2008**	2007
Cash flows from continuing operating activities	**$ 8,059**	$ 19,632
Cash flows from continuing financing activities	**7,605**	1,371
Cash flows from continuing investing activities	**(15,485)**	(26,493)
Effect of changes in foreign exchange rate on cash	**262**	76
Net change	**441**	(5,414)
Net cash flows from discontinued operations	**1,533**	5,745
Cash – beginning of period	**11,221**	8,977
Cash – end of period	**$ 13,195**	$ 9,308

Discontinued Operations

There were no significant changes during the third quarter of 2008 with regard to balance sheet items recognized under discontinued operations. Concerning the Company's earnings, a net loss from discontinued operations of $0.1M was incurred during the third quarter of 2008 compared to a net loss of $0.2M for the same quarter in 2007.

Foreign Currency Forward Contracts

As at September 27, 2008, the Amcan-Jumax Inc. joint venture had a total of US$1.4M in foreign currency contracts, not designated as hedging instruments, at an average conversion rate of 1.0416, maturing in the next 12 months.

The Company had no foreign currency contracts as at September 27, 2008.

Accounting Policies

The accounting policies are in accordance with those used in the preparation of the audited consolidated financial statements as at December 31, 2007, with the exception of the accounting policies mentioned hereafter.

Changes in Accounting Policies

On January 1, 2008, the Company adopted the following sections of the Canadian Institute of Chartered Accountants ("CICA") Handbook:

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

b) Section 3863, "Financial Instruments – Presentation", establishes standards for the presentation of financial instruments and non-financial derivatives. It details the presentation of standards described in Section 3861, "Financial Instruments – Disclosure and Presentation".

c) Section 3031, "Inventories", provides guidance on the determination of cost and the subsequent recognition as an expense, including any write-down to net realizable value. The standard also permits the reversal of previous write-downs when there is a subsequent increase in the value of inventories. Finally, the standard provides guidance on the cost formulas that are used to assign costs to inventories and require the consistent use of inventory policies by type of inventory with similar nature and use.

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

Future Accounting Changes

The CICA issued Section 3064, "Goodwill and Intangible Assets", which will apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008. 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". Upon consideration of this new standard, the Company has concluded that it will not impact significantly on its financial position or results of operations.

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.

Outlook

The backlog of orders stood at $340M as at September 27, 2008 as compared with $352M as at June 28, 2008, which represents a 3% decrease. The backlog of orders totaled $288M as at December 31, 2007 and $361M as at September 29, 2007.

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 2007 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

As at October 21, 2008, there were 47,258,606 common shares and 538,100 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 22, 2008

QUARTERLY RESULTS

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

2008 Quarters ended	**March 29**	**June 28**	**Sept. 27**		**Total**
Sales	**$ 166,016**	**$ 196,384**	**$ 231,694**		**$ 594,094**
Net earnings from continuing operations	**7,515**	**12,156**	**15,149**		**34,820**
Net earnings	**7,633**	**12,057**	**15,024**		**34,714**
Basic net earnings per share from continuing operations	**0.16**	**0.25**	**0.31**		**0.71**
Basic net earnings per share	**0.16**	**0.25**	**0.31**		**0.71**
Diluted net earnings per share from continuing operations	**0.15**	**0.24**	**0.30**		**0.70**
Diluted net earnings per share	**0.15**	**0.24**	**0.30**		**0.70**
Total assets	**610,386**	**654,779**	**672,752**		
Net debt[2]	**51,674**	**74,948**	**79,396**		
Shareholders' equity	**375,002**	**384,555**	**396,369**		
Cash dividend declared per common share	**0.04**	**0.04**	**0.04**		**0.12**

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[2]	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[2]	110,239	120,388	114,131	88,010	
Shareholders' equity	281,191	314,592	325,873	343,360	
Cash dividend declared:					
Per common share	0.04	0.04	0.04	0.04	0.16
Per Class "C" share	0.0067	0.0067	– –	– –	0.0134

2005 Quarters ended[1]	March 26	June 25	Oct. 1	Dec. 31	Total
Sales	$ 132,562	$ 173,926	$ 195,730	$ 181,175	$ 683,393
Net earnings from continuing operations	2,519	7,369	14,434	15,513	39,835
Net earnings	3,006	7,921	12,800	14,942	38,669
Basic net earnings per share from continuing operations	0.07	0.18	0.33	0.39	0.99
Basic net earnings per share	0.09	0.19	0.30	0.38	0.96
Diluted net earnings per share from continuing operations	0.07	0.17	0.32	0.36	0.95
Diluted net earnings per share	0.09	0.19	0.29	0.35	0.92
Total assets	591,691	601,571	585,059	582,185	
Net debt[2]	210,760	164,042	122,588	113,097	
Shareholders' equity	199,360	252,695	260,922	276,371	

[1] No cash dividend was declared in the said quarters of 2005.

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

Consolidated Statements of Earnings

Periods ended September 27, 2008 and September 29, 2007

(in thousands of dollars, except per share amounts) (unaudited)	Three months 2008	Three months 2007	Nine months 2008	Nine months 2007
Sales	**$ 231,694**	$ 238,257	**$ 594,094**	$ 618,276
Cost of sales (note 9)	**183,194**	190,652	**467,547**	490,798
Gross profit	**48,500**	47,605	**126,547**	127,478
Selling and administrative expenses	**19,483**	20,003	**59,055**	58,407
Profit sharing and continuous improvement programs	**2,798**	2,301	**5,192**	4,221
Exchange loss (gain)	**42**	(4,034)	**(1,415)**	(8,544)
Interest income	**(122)**	(403)	**(393)**	(1,079)
Increase in the redemption value of an investment in a related company	**(461)**	(470)	**(1,374)**	(1,405)
Loss (gain) on disposal of property, plant and equipment, and on property, plant and equipment held for sale (note 3)	**117**	79	**145**	(172)
Gain on disposal of investments	**– –**	(176)	**– –**	(1,624)
Impairment of property, plant and equipment held for sale	**– –**	– –	**177**	– –
	26,643	30,305	**65,160**	77,674
Depreciation of property, plant and equipment (note 9)	**3,934**	3,793	**11,548**	11,125
Amortization of intangible assets	**431**	533	**1,357**	1,347
Financial expenses (note 10)	**1,499**	2,649	**4,436**	6,165
Impairment of the investment in a variable interest entity located in Mexico	**– –**	– –	**– –**	1,959
Earnings before income tax expense and undermentioned items	**20,779**	23,330	**47,819**	57,078
Income tax expense				
Current	**5,722**	9,868	**13,975**	21,883
Future	**272**	(651)	**27**	995
	5,994	9,217	**14,002**	22,878
Earnings before undermentioned items	**14,785**	14,113	**33,817**	34,200
Share in earnings of companies subject to significant influence	**364**	264	**1,003**	517
Net earnings from continuing operations	**15,149**	14,377	**34,820**	34,717
Net loss from discontinued operations (note 5)	**(125)**	(234)	**(106)**	(938)
Net earnings	**$ 15,024**	$ 14,143	**$ 34,714**	$ 33,779
Net earnings (net loss) per share (note 7)				
Basic:				
From continuing operations	**$ 0.31**	$ 0.29	**$ 0.71**	$ 0.71
From discontinued operations	**– –**	– –	**– –**	(0.02)
Total	**$ 0.31**	$ 0.29	**$ 0.71**	$ 0.69
Diluted:				
From continuing operations	**$ 0.30**	$ 0.29	**$ 0.70**	$ 0.70
From discontinued operations	**– –**	– –	**– –**	(0.02)
Total	**$ 0.30**	$ 0.29	**$ 0.70**	$ 0.68
Weighted average number of shares (in thousands of shares) (note 7)				
Basic	**49,078**	48,986	**49,127**	48,933
Diluted	**49,409**	49,518	**49,513**	49,388
Number of common shares outstanding			**48,938**	49,258

Consolidated Statements of Comprehensive Income

Periods ended September 27, 2008 and September 29, 2007

(in thousands of dollars) (unaudited)	Three months 2008	Three months 2007	Nine months 2008	Nine months 2007
Net earnings	**$ 15,024**	$ 14,143	**$ 34,714**	**$** 33,779
Other comprehensive income (loss):				
Unrealized gains (losses) on translating financial statements of self-sustaining foreign operations	**$ 2,865**	$ (8,857)	**$ 6,500**	$ (20,896)
Reclassification in earnings related to the reduction in the net investment in a self-sustaining foreign operation	**– –**	– –	**– –**	1,959
Unrealized foreign currency translation gains (losses)	**$ 2,865**	$ (8,857)	**$ 6,500**	$ (18,937)
Unrealized gains (losses) on available-for-sale financial assets arising during the period	**$ 50**	$ (22)	**$ 61**	$ (206)
Reclassification in earnings	**– –**	– –	**– –**	(64)
Income tax expense	**(17)**	(14)	**(36)**	34
Change in unrealized gains and losses on available-for-sale financial assets	**$ 33**	$ (36)	**$ 25**	$ (236)
Gains on derivatives designated as cash flow hedges	**$ – –**	$ (2,095)	**$ – –**	$ – –
Reclassification in earnings of gains on derivatives designated as cash flow hedges on sales	**(576)**	– –	**(1,785)**	– –
Income tax expense	**188**	670	**581**	– –
Change in gains on derivatives designated as cash flow hedges	**$ (388)**	$ (1,425)	**$ (1,204)**	$ – –
Other comprehensive income (loss)	**$ 2,510**	$ (10,318)	**$ 5,321**	$ (19,173)
Comprehensive income	**$ 17,534**	$ 3,825	**$ 40,035**	$ 14,606

Consolidated Statements of Retained Earnings

Periods ended September 27, 2008 and September 29, 2007

(in thousands of dollars) (unaudited)	Three months 2008	Three months 2007	Nine months 2008	Nine months 2007
Opening balance	**$ 216,161**	$ 176,549	**$ 200,421**	$ 160,840
Net earnings	**15,024**	14,143	**34,714**	33,779
Dividends	**(1,965)**	(1,970)	**(5,915)**	(5,897)
Excess of acquisition cost over carrying value of acquired common shares (note 6 a)	**(2,172)**	– –	**(2,172)**	– –
Closing balance	**$ 227,048**	$ 188,722	**$ 227,048**	$ 188,722

CONSOLIDATED BALANCE SHEETS

(in thousands of dollars)	As at September 27 2008 (unaudited)	As at December 31 2007
Assets		
Current assets		
Cash	$ 13,195	$ 11,221
Accounts receivable (note 2)	163,945	156,334
Inventories	202,002	130,388
Unrealized assets on foreign currency forward contracts (note 13)	– –	192
Income taxes recoverable	4,508	923
Future income tax assets	4,527	3,955
Prepaid expenses and other assets	2,958	4,583
Current assets of discontinued operations (note 5)	3,050	3,821
Total current assets	394,185	311,417
Investments	77,418	73,238
Property, plant and equipment	175,511	168,077
Property, plant and equipment held for sale (note 3)	1,793	5,613
Intangible assets	2,148	2,802
Goodwill	312	312
Future income tax assets	2,624	2,602
Other assets (note 4)	5,733	5,799
Long-term assets of discontinued operations (note 5)	13,028	15,237
	$ 672,752	$ 585,097
Liabilities		
Current liabilities		
Bank loans	$ 5,114	$ 5,220
Accounts payable and accrued liabilities	164,839	116,556
Income taxes payable	434	7,797
Future income tax liabilities	428	376
Current portion of long-term debt	5,259	3,962
Current liabilities of discontinued operations (note 5)	2,031	2,448
Total current liabilities	178,105	136,359
Long-term debt	82,218	65,027
Deferred credits	4,323	4,577
Future income tax liabilities	8,958	8,409
Long-term liabilities of discontinued operations (note 5)	2,779	3,835
	276,383	218,207
Shareholders' equity		
Share capital (note 6)	192,972	196,611
Retained earnings	227,048	200,421
Contributed surplus (note 6)	4,010	2,840
Accumulated other comprehensive loss (note 8)	(27,661)	(32,982)
	396,369	366,890
	$ 672,752	$ 585,097

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

Consolidated Statements of Cash Flows

Periods ended September 27, 2008 and September 29, 2007

(in thousands of dollars) (unaudited)	Three months 2008	Three months 2007	Nine months 2008	Nine months 2007
Cash flows from the following activities:				
Operating activities				
Net earnings from continuing operations	$ 15,149	$ 14,377	$ 34,820	$ 34,717
Items not affecting cash				
Depreciation of property, plant and equipment	3,934	3,793	11,548	11,125
Amortization of intangible assets	431	533	1,357	1,347
Amortization of deferred financing expenses	55	79	181	280
Future income tax expense	272	(651)	27	995
Loss (gain) on disposal of property, plant and equipment, and on property, plant and equipment held for sale (note 3)	117	79	145	(172)
Loss (gain) on foreign currency forward contracts	(394)	2,035	(1,012)	(1,509)
Gain on disposal of investments	– –	(176)	– –	(1,624)
Impairment of the investment in a variable interest entity located in Mexico	– –	– –	– –	1,959
Pension expense	(439)	(134)	(729)	(500)
Compensation cost related to stock options	4	6	11	26
Amortization of compensation costs related to the profit sharing program – stock ownership component	390	225	1,169	675
Increase in the redemption value of an investment in a related company	(461)	(470)	(1,374)	(1,405)
Impairment of property, plant and equipment held for sale (note 3)	– –	– –	177	– –
Share in earnings of companies subject to significant influence	(364)	(264)	(1,003)	(517)
	18,694	19,432	45,317	45,397
Net change in non-cash operating working capital items				
Increase in accounts receivable	(6,983)	(9,926)	(3,156)	(32,150)
Decrease (increase) in inventories	(1,508)	12,153	(70,302)	(22,885)
Decrease (increase) in income taxes recoverable	753	14	(3,507)	22
Decrease in prepaid expenses and other assets	1,310	2,024	1,585	1,858
Increase (decrease) in accounts payable and accrued liabilities	(3,132)	(6,751)	45,259	25,408
Increase in interest payable	239	11	265	9
Increase (decrease) in income taxes payable	330	3,622	(7,402)	1,973
	(8,991)	1,147	(37,258)	(25,765)
Cash flows from continuing operating activities	9,703	20,579	8,059	19,632
Financing activities				
Shares purchased in employees' name on the secondary market	– –	– –	(1,970)	(1,445)
Repurchase of shares (note 6a)	(4,216)	– –	(4,216)	– –
Proceeds from issuance of shares	67	1,108	365	1,354
Dividends	(1,965)	(1,970)	(5,915)	(5,897)
Increase in long-term debt and bank loans	13,091	– –	32,320	31,566
Repayment of long-term debt and bank loans	(5,365)	(15,155)	(13,015)	(24,359)
Issue expenses related to long-term debt	(88)	(41)	(138)	(167)
Deferred credits	(134)	202	174	319
Cash flows from continuing financing activities	1,390	(15,856)	7,605	1,371
Investing activities				
Proceeds from sale of property, plant and equipment	– –	13	1,578	3,206
Proceeds from sale of property, plant and equipment held for sale (note 3)	– –	– –	3,797	– –
Additions to property, plant and equipment	(6,809)	(5,836)	(18,756)	(13,477)
Additions to intangible assets	(124)	(155)	(656)	(772)
Acquisition of investments	(1,550)	– –	(1,770)	(2,311)
Proceeds from disposal of investments	– –	– –	– –	168
Distribution from a company subject to significant influence	(56)	– –	– –	– –
Decrease in long-term receivables	307	451	591	790
Increase in long-term receivables	– –	(803)	(269)	(3,543)
Business acquisitions, net of cash acquired	– –	(5,151)	– –	(10,554)
Cash flows from continuing investing activities	(8,232)	(11,481)	(15,485)	(26,493)
Effect of changes in foreign exchange rate on cash	425	(975)	262	76
Net change in cash from continuing operations	3,286	(7,733)	441	(5,414)
Cash flows from discontinued operations				
Operating activities	48	1,087	410	5,192
Investing activities	373	264	1,123	553
	421	1,351	1,533	5,745
Cash, beginning of period	9,488	15,690	11,221	8,977
Cash, end of period	$ 13,195	$ 9,308	$ 13,195	$ 9,308
Supplementary information				
Interest paid	$ 1,083	$ 392	$ 3,683	$ 3,526
Income taxes paid, net	$ 5,375	$ 6,655	$ 24,170	$ 17,232

Notes to Consolidated Financial Statements

(in thousands of dollars, except per share amounts)

1. Summary of Significant Accounting Policies

The unaudited interim consolidated financial statements of the Company, for the three-month and nine-month periods ended September 27, 2008 and September 29, 2007, have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and should be read in conjunction with the 2007 audited annual consolidated financial statements.

The accounting policies are the same as those used for the 2007 audited annual consolidated financial statements, with the exception of the accounting changes listed below.

Following modifications made to the shareholders' agreement, Canam Russia Limited ("Canam Russia") became a company subject to significant influence during the second quarter of 2008. Consequently, the Company's interest in Canam Russia was accounted for using the equity method. Previously, Canam Russia was considered a joint venture and was accounted for using the proportionate consolidation method.

Changes in accounting policies

On January 1, 2008, the Company adopted the following sections of the Canadian Institute of Chartered Accountants ("CICA") Handbook:

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

b) Section 3863, "Financial Instruments – Presentation", establishes standards for the presentation of financial instruments and non-financial derivatives. It details the presentation of standards described in Section 3861, "Financial Instruments – Disclosure and Presentation".

c) Section 3031, "Inventories", provides guidance on the determination of cost and the subsequent recognition as an expense, including any write-down to net realizable value. The standard also permits the reversal of previous write-downs when there is a subsequent increase in the value of inventories. Finally, the standard provides guidance on the cost formulas that are used to assign costs to inventories and require the consistent use of inventory policies by type of inventory with similar nature and use.

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

Future accounting changes

The CICA issued Section 3064, "Goodwill and Intangible Assets", which will apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008. 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". Upon consideration of this new standard, the Company has concluded that it will not impact significantly on its financial position or results of operations.

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.

2. Accounts Receivable

	As at September 27 2008 (unaudited)	As at December 31 2007
Trade	$ 161,709	$ 149,851
Companies subject to significant influence	740	2,340
Joint ventures	933	930
Other related companies(1)	403	819
Advances and other	160	2,394
	$ 163,945	$ 156,334

(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 14.91% of the Company's common shares.

3. Property, Plant and Equipment Held for Sale

	As at September 27 2008 (unaudited)	As at December 31 2007
	United States	
Property, plant and equipment held for sale	$ 1,793	$ 5,613

The Company closed the plants in Lafayette, Indiana, and Columbus, Ohio, in 2003 and 2004 respectively. The Company decided to close these plants because of excess production capacity in the joist business in the Midwest region. Property, plant and equipment held for sale are accounted for at the lower of cost and net estimated realizable value.

On April 25, 2008, the Company sold the property, plant and equipment located in Columbus, Ohio, for a consideration of US$3,316 ($3,371), which generated a pre-tax gain of US$26 ($26). In addition, on January 14, 2008, the Company sold a portion of the land located in Lafayette, Indiana, for a consideration of US$541 ($552), which generated a pre-tax gain of US$59 ($60).

4. Other Assets

	As at September 27 2008 (unaudited)	As at December 31 2007
Long-term receivables(1)	$ 4,677	$ 4,834
Deferred financing expenses	682	846
Accrued benefit asset	328	– –
Others	46	119
	$ 5,733	$ 5,799

(1) As at September 27, 2008, the balance of long-term receivables includes $1,908 ($1,998 as at December 31, 2007) in receivables from joint ventures and $1,079 ($216 as at December 31, 2007) from a company subject to significant influence.

5. Discontinued Operations

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

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

On August 15, 2005, the Company sold the assets of its operating facility located in Juárez, Mexico.

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

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

The results of the discontinued operations for the periods ended September 27, 2008 and September 29, 2007 are as follows:

(unaudited)	Three months											
	2008						2007					
	Semi-trailers	**Forestry equipment**	**Multi-residential buildings**	**France**	**Mexico (Juárez)**	**Total**	Semi-trailers	Forestry equipment	Multi-residential buildings	France	Mexico (Juárez)	Total
Sales	**$ 433**	**$ 403**	**$ – –**	**$ – –**	**$ – –**	**$ 836**	$ 433	$ 384	$ – –	$ – –	$ – –	$ 817
Net earnings (net loss) from discontinued operations	**$ 72**	**$ (40)**	**$ – –**	**$ (136)**	**$ (21)**	**$ (125)**	$ 73	$ (172)	$ – –	$ (65)	$ (70)	$ (234)

(unaudited)	Nine months											
	2008						2007					
	Semi-trailers	**Forestry equipment**	**Multi-residential buildings**	**France**	**Mexico (Juárez)**	**Total**	Semi-trailers	Forestry equipment	Multi-residential buildings	France	Mexico (Juárez)	Total
Sales	**$ 1,298**	**$ 1,325**	**$ – –**	**$ – –**	**$ – –**	**$ 2,623**	$ 1,298	$ 3,695	$ 12	$ – –	$ – –	$ 5,005
Net earnings (net loss) from discontinued operations	**$ 111**	**$ (89)**	**$ – –**	**$ (147)**	**$ 19**	**$ (106)**	$ 85	$ (308)	$ – –	$ (459)	$ (256)	$ (938)

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

	As at September 27 2008 (unaudited)					As at December 31 2007				
	Semi-trailers	**Forestry equipment**	**France**	**Mexico (Juárez)**	**Total**	Semi-trailers	Forestry equipment	France	Mexico (Juárez)	Total
Assets										
Current assets										
Cash	$ – –	$ – –	$ – –	$ 118	$ 118	$ – –	$ – –	$ – –	$ 126	$ 126
Accounts receivable	150	1,043	770	– –	1,963	145	708	790	– –	1,643
Inventories	– –	110	– –	– –	110	– –	1,009	– –	– –	1,009
Income taxes recoverable	– –	36	– –	– –	36	– –	197	– –	– –	197
Future income tax assets	110	713	– –	– –	823	110	713	– –	– –	823
Prepaid expenses	– –	– –	– –	– –	– –	– –	23	– –	– –	23
Total current assets of discontinued operations	260	1,902	770	118	3,050	255	2,650	790	126	3,821
Semitrailers and forestry equipment leased to clients(1)	3,576	420	– –	– –	3,996	4,773	542	– –	– –	5,315
Property, plant and equipment held for sale	– –	1,454	– –	588	2,042	– –	1,689	– –	555	2,244
Long-term receivables	4,806(2)	500	1,615	– –	6,921	4,628(2)	950	1,976	– –	7,554
Future income tax assets	60	9	– –	– –	69	115	9	– –	– –	124
Total long-term assets of discontinued operations	8,442	2,383	1,615	588	13,028	9,516	3,190	1,976	555	15,237
Total assets of discontinued operations	$ 8,702	$ 4,285	$ 2,385	$ 706	$ 16,078	$ 9,771	$ 5,840	$ 2,766	$ 681	$ 19,058
Liabilities										
Current liabilities										
Accounts payable and accrued liabilities	$ – –	$ 393	$ – –	$ 47	$ 440	$ – –	$ 473	$ – –	$ 42	$ 515
Deferred revenue(3)	1,346	191	– –	– –	1,537	1,731	191	– –	– –	1,922
Income taxes payable	54	– –	– –	– –	54	11	– –	– –	– –	11
Total current liabilities of discontinued operations	1,400	584	– –	47	2,031	1,742	664	– –	42	2,448
Obligations relating to residual values	– –	196	– –	– –	196	– –	196	– –	– –	196
Deferred revenue(3)	2,486	76	– –	– –	2,562	3,399	219	– –	– –	3,618
Other liabilities	21	– –	– –	– –	21	21	– –	– –	– –	21
Total long-term liabilities of discontinued operations	2,507	272	– –	– –	2,779	3,420	415	– –	– –	3,835
Total liabilities of discontinued operations	$ 3,907	$ 856	$ – –	$ 47	$ 4,810	$ 5,162	$ 1,079	$ – –	$ 42	$ 6,283

(1) The amounts of $3,576 ($4,773 as at December 31, 2007) for semitrailers and $420 ($542 as at December 31, 2007) 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.

(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, 2007	49,054,381	$ 196,611
Issuance of shares pursuant to options	77,600	375
Shares purchased by a trust in employees' name on the secondary market	(195,660)	(1,970)
Repurchase of shares a)	(506,000)	(2,044)
Net balance outstanding as at September 27, 2008	48,430,321	$ 192,972
Outstanding as at September 27, 2008	48,937,706	$ 197,648
Shares purchased by a trust in employees' name on the secondary market	(507,385)	(4,676)
Net balance outstanding as at September 27, 2008	48,430,321	$ 192,972

Statement of changes in contributed surplus

Nine-month periods ended September 27, 2008 and September 29, 2007

(unaudited)	**2008**	2007
Opening balance	**$ 2,840**	$ 2,020
Compensation costs related to stock options	**11**	29
Decrease in compensation costs following the cancellation of shares	**- -**	(3)
Options exercised	**(10)**	(63)
Amortization of compensation costs related to the profit sharing program - stock ownership component	**1,169**	675
Closing balance	**$ 4,010**	$ 2,658

a) 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 can be repurchased, when the Company deems appropriate, during the12-month period that began on August 11, 2008 and ending August 10, 2009. At the end of the Buyback Program, the Company may repurchase, through the facilities of and in accordance with the requirements of the Toronto Stock Exchange, up to 4,075,000 outstanding common shares, which represents approximately 10% of publicly-held common shares. The acquired common shares will be cancelled.

For the nine-month period ended September 27, 2008, the Company acquired 506,000 common shares at an average price of $8.33 for a total amount of $4,216. An amount of $2,044 has been applied against share capital and an amount of $2,172 has been applied against retained earnings.

7. Net Earnings Per Share

Three-month and nine-month periods ended September 27, 2008 and September 29, 2007

	Three months	
(unaudited)	**2008**	2007
Numerator		
Net earnings from continuing operations	**$ 15,149**	$ 14,377
Denominator		
Basic weighted average number of shares	**49,078**	48,986
Effect of dilutive securities		
Stock options	**110**	354
Shares purchased by a trust in employees' name on the secondary market	**221**	178
Diluted weighted average number of shares	**49,409**	49,518
Net earnings per share from continuing operations		
Basic	**$ 0.31**	$ 0.29
Diluted	**$ 0.30**	$ 0.29

	Nine months	
(unaudited)	**2008**	2007
Numerator		
Net earnings from continuing operations	**$ 34,820**	$ 34,717
Denominator		
Basic weighted average number of shares	**49,127**	48,933
Effect of dilutive securities		
Stock options	**165**	277
Shares purchased by a trust in employees' name on the secondary market	**221**	178
Diluted weighted average number of shares	**49,513**	49,388
Net earnings per share from continuing operations		
Basic	**$ 0.71**	$ 0.71
Diluted	**$ 0.70**	$ 0.70

8. Accumulated Other Comprehensive Loss

Nine-month periods ended September 27, 2008 and September 29, 2007

(unaudited)	**2008**	2007
Unrealized foreign currency translation losses	**$ (28,412)**	$ (34,259)
Unrealized gains on available-for-sale financial assets	**374**	309
Gains on derivatives designated as cash flow hedges	**377**	- -
Closing balance	**$ (27,661)**	$ (33,950)

Retained earnings and accumulated other comprehensive loss totaled $199,387 as at September 27, 2008 and $154,772 as at September 29, 2007.

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 27, 2008 and September 29, 2007

	Three months	
(unaudited)	**2008**	2007
Cost of sales	**$ 183,194**	$ 190,652
Depreciation of property, plant and equipment related to the transformation of inventories	**3,729**	3,738
Inventory amount charged to expense	**$ 186,923**	$ 194,390

	Nine months	
(unaudited)	**2008**	2007
Cost of sales	**$ 467,547**	$ 490,798
Depreciation of property, plant and equipment related to the transformation of inventories	**10,987**	10,797
Inventory amount charged to expense	**$ 478,534**	$ 501,595

10. Financial Expenses

Periods ended September 27, 2008 and September 29, 2007

	Three months	
(unaudited)	**2008**	2007
Interest on bank loans	**$ 264**	$ 1,034
Interest on long-term debt	**1,180**	1,536
Amortization of deferred financing expenses	**55**	79
	$ 1,499	$ 2,649

	Nine months	
(unaudited)	**2008**	2007
Interest on bank loans	**$ 1,042**	$ 1,812
Interest on long-term debt	**3,213**	4,073
Amortization of deferred financing expenses	**181**	280
	$ 4,436	$ 6,165

11. Employee Future Benefits

Periods ended September 27, 2008 and September 29, 2007

	Three months	
(unaudited)	**2008**	2007
Total costs related to defined contribution pension plans	**$ 592**	$ 552
Total costs related to defined benefit pension plans	**344**	246
	$ 936	$ 798

	Nine months	
(unaudited)	**2008**	2007
Total costs related to defined contribution pension plans	**$ 1,718**	$ 1,623
Total costs related to defined benefit pension plans	**880**	768
	$ 2,598	$ 2,391

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 $2,737 as at September 27, 2008 ($2,629 as at December 31, 2007).
- In the normal course of business, the Company has guaranteed commitments for semitrailers and forestry equipment leased to clients for an amount of up to $1,000 as at September 27, 2008 ($663 as at December 31, 2007).

13. Financial Instruments

Risk management policies and processes

In the normal course of its operations, the Company is exposed to liquidity and funding risk, interest rate risk, credit risk as well as currency risk. Management analyses these risks and implements strategies in order to minimize their impact on the Company's performance.

Liquidity and funding risk

The Company has a conservative approach with regard to the management of its liquid assets. It makes use of short and long-term financing at several financial institutions and matches operating and investing activities with financing activities.

In Canada, the Company set up the following credit facilities:

a) Revolving credit of $80,000, of which the balance used as at September 27, 2008 was $11,703 ($3,957 as at December 31, 2007), from a banking syndicate, maturing in October 2011.

b) Non-revolving credit of $45,303 as at September 27, 2008 ($47,249 as at December 31, 2007) maturing in November 2016 and amortized over a 14-year period.

c) Non-revolving credit of $14,874 ($0 as at December 31, 2007) maturing in June 2018.

The following table presents the remaining contractual maturities for bank loans and long-term debt as at September 27, 2008:

	Maturity				
	Within 1 year	**From 1 to 3 years**	**From 3 to 5 years**	**Over 5 years**	**Total**
Revolving loan of $80,000	$ - -	$ - -	$ 11,703	$ - -	$ 11,703
Non-revolving loan of $45,303	2,758	6,008	6,730	29,807	45,303
Non-revolving loan of $14,874	1,500	3,000	3,000	7,374	14,874
Revolving loan of $51,745 (US$50,000)	- -	- -	- -	- -	- -
Non-revolving loan of $9,889 (US$9,556)	690	1,380	7,819	- -	9,889
Other bank loans and long-term debts	5,425	696	752	3,949	10,822
	$ 10,373	$ 11,084	$ 30,004	$ 41,130	$ 92,591

In the United States, the Company set up the following credit facilities through its subsidiary:

a) Revolving credit of US$50,000, unused as at September 27, 2008 (US$3,000 as at December 31, 2007), maturing in October 2012.

b) Non-revolving credit of US$9,556 as at September 27, 2008 (US$9,889 as at December 31, 2007), maturing in October 2012 and amortized over a 15-year period.

Interest rate risk

The Company's policy is to limit its exposure to interest rate risk variations by ensuring that a reasonable portion of its bank loans and long-term debt are at fixed rates. As at September 27, 2008, 67% of bank loans and long-term debt were at fixed rates (71% as at December 31, 2007), i.e. $61,607 ($52,681 as at December 31, 2007) on a total debt of $92,591 ($74,209 as at December 31, 2007). The fixed weighted average interest rate for long-term debt was 5.83% as at September 27, 2008 (5.83% as at December 31, 2007) for an average weighted period of 8.77 years (9.15 years as at December 31, 2007). Management does not believe that the impact of interest rate fluctuations will be significant on operating results.

Credit risk

The Company takes on exposure to credit risks that are mainly associated with its accounts receivable, which is the risk that a client will be unable to pay amounts in full when due. The Company considers credit risk to be limited for the following reasons:

a) The Company conducts an ongoing evaluation of its clients and has adopted a credit policy that defines the evaluation criteria. The established procedures ensure that the Company benefits from maximum protection through guarantees available in the North American construction industry.

b) The Company sells to a wide range of clients that operate in various sectors and geographical regions.

c) The Company establishes provisions for doubtful accounts while keeping in mind the specific credit risk of clients, their historical tendencies and the economic situation.

Currency risk

The Company is exposed to currency risk on sales of Canadian-made products in US dollars. The Company considers currency risk to be limited for the following reasons:

a) The Company enters into foreign currency forward contracts for the sale of US dollars according to anticipated net cash flows.

b) The Company's presence on North American markets as well as its fabrication and delivery capabilities allow it to select the most appropriate fabrication location according to price, cost, foreign currency fluctuations, etc.

c) In terms of raw materials purchases, particularly steel, prices are usually denominated in US dollars, and the Company maximizes its purchases from the United States and international sources through payment in US dollars.

As at September 27, 2008, the joint venture Amcan-Jumax Inc. held the following foreign currency forward contracts:

(**unaudited**)

Maturity	**Type**	**Average rate**	**Contract amounts (US dollars)**
From 0 to 12 months	Sale	**1.0416**	**$ 1,350**

As at September 27, 2008, the Company did not hold any foreign currency forward contracts.

As at December 31, 2007, the Company held the following foreign currency forward contracts:

Maturity	Type	Average rate	Contract amounts (US dollars)
From 0 to 12 months	Sale	1.1491	$ 160
	Purchase	0.9770	$ 11,800

Fair value

The Company uses the following methods and estimates to determine the fair value of each category of financial instruments whose values are included in the consolidated balance sheet:

Loans and receivables

The carrying values of financial instruments approximate their fair values due to their short-term maturity and the prevailing interest rates of these instruments, which are comparable to those of the market.

Available for sale

Bid quoted market prices on the balance sheet date are used to establish the fair value of investments for which active markets exist.

The fair value of the debenture receivable from Manac Inc., which was classified as available for sale, was established by discounting expected cash flows at rates currently being offered to the Company for debts with the same maturity date and conditions.

The investments for which no active markets exist are recognized at cost. The Company does not intend to dispose of its financial instruments.

Other financial liabilities

The carrying values of financial instruments approximate their fair values due to their short-term maturity and the prevailing interest rates of these instruments, which are comparable to those of the market.

14. Subsequent Event

As at October 21, 2008, the Company has repurchased 2,185,100 common shares at an average price of $6.14 per share for a total of $13,420. As at October 21, 2008, there were 47,258,606 outstanding shares.

15. Comparative Figures

In order to conform to the corresponding 2008 periods, certain 2007 figures have been reclassified.

CANAM GROUP

Better Building Solutions

Head Office

11535, 1re Avenue, bureau 500
Saint-Georges (Québec) G5Y 7H5
T. 418-228-8031
1-877-499-6049
F. 418-228-1750

Administrative Center

270, chemin Du Tremblay
Boucherville (Québec) J4B 5X9
T. 450-641-4000
1-866-506-4000
F. 450-641-4001
www.canamgroup.ws

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