Interim Financial Report for the Period Ended March 28, 2015

Q1 2015

Revenue
(in millions of Canadian dollars)

	2012	2013	2014	2015
March	44.4	57.4	62.7	**60.4**
June	60.3	72.7	78.7	
September	78.5	88.7	93.9	
December	67.7	79.5	86.9	
Year	250.9	298.3	322.2	

Profit (loss) attributable to owners of the Company
(in millions of Canadian dollars)

	2012	2013	2014	2015
March	(1.2)	1.9	4.3	**2.5**
June	3.4	7.4	7.4	
September	7.1	11.6	12.0	
December	6.6	6.6	7.3	
Year	15.9	27.5	31.0	

Total earnings (loss) per share *[(1)]*
(in Canadian dollars)

	2012	2013	2014	2015
March	(0.09)	0.15	0.34	**0.20**
June	0.26	0.57	0.59	
September	0.55	0.90	0.95	
December	0.51	0.52	0.58	
Year	1.22	2.13	2.46	

[(1)] *For earnings per share per class of share, please refer to the "Selected Quarterly Financial Information" table on page 4*

To Our Shareholders

During the first quarter of 2015, consolidated revenue totalled $60.4 million, a decrease of $2.4 million or 3.8% from the equivalent period of the previous year. The marine services segment's revenue grew by $2.4 million or 5.2% to $48.1 million for the first quarter of 2015, whereas the environmental services segment's revenue amounted to $12.3 million, down by $4.7 million or 27.8% from the first quarter of 2014. The revenue growth in the marine services segment came from an increase in bulk cargo volumes, while the revenue decrease in the environmental services segment is explained by lower woven-hose manufacturing volumes. The first quarter of 2015 closed with a consolidated profit attributable to owners of the Company of $2.5 million, compared with $4.3 million for the first quarter of 2014. The profit attributable to owners of the Company translated into total basic and diluted earnings per share of $0.20, of which $0.19 was attributable to Class A Common Shares and $0.21 was attributable to Class B Subordinate Voting Shares.

Outlook

The first quarter is not overly indicative of our outlook for the year due to the seasonality of our activities, and we are not concerned by the drop in revenue and net profit. All cargo types, bulk, break-bulk and containers, are showing solid performances and we should benefit from the ongoing turnaround of the U.S. economy. Furthermore, we are confident in regard to Sanexen's capacity to deliver another good year in 2015, as we expect an increase in the demand for services related to the Aqua-Pipe technology and a satisfactory level of site remediation activity.

(signed) David M. Mann	*(signed)* Madeleine Paquin
David M. Mann	Madeleine Paquin
Chairman of the Board	President and Chief Executive Officer

May 8, 2015

Introduction

This management's discussion and analysis deals with Logistec Corporation's operations, results and financial position for the three-month periods ended March 28, 2015, and March 29, 2014. All financial information contained in this management's discussion and analysis and the attached condensed consolidated interim financial statements has been prepared in accordance with International Financial Reporting Standards ("IFRS") using the same accounting policies as outlined in Note 2 of the notes to 2014 consolidated financial statements, except as described in Note 3 of the notes to Q1 2015 condensed consolidated interim financial statements. In this report, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars.

Our Business

The Company is incorporated in the Province of Québec and its shares are listed on the Toronto Stock Exchange under the ticker symbols LGT.A and LGT.B. The Company's largest shareholder is Sumanic Investments Inc.

The operations of Logistec Corporation, its subsidiaries, and its joint ventures (collectively "Logistec", the "Company", "we", "us", or "our") are divided into two segments: marine services and environmental services.

Marine Services

Logistec Corporation provides specialized cargo handling and other services to a wide variety of marine and industrial customers. The Company has cargo-handling facilities in 31 ports in eastern North America. It is widely diversified on the basis of cargo type and port location with a good balance between import and export activities.

Our other marine services include marine transportation services geared primarily to the Arctic coastal trade; short-line rail transportation services; and agency services to foreign shipowners and operators serving the Canadian market.

Environmental Services

The Company, through its subsidiary Sanexen Environmental Services Inc. ("Sanexen"), operates in the environmental sector, where it provides services to industrial, municipal and other governmental customers for the trenchless structural rehabilitation of underground water mains, regulated materials management, site remediation, risk assessment, and woven-hose manufacturing.

Selected Quarterly Financial Information

(in thousands of Canadian dollars, except per share amounts)

	Q1	Q2	Q3	Q4	Year
	$	$	$	$	$
2015					
Revenue	**60,372**				
Profit attributable to owners of the Company	**2,518**				
Basic and diluted earnings per Class A Common Share (1)	**0.19**				
Basic and diluted earnings per Class B Subordinate Voting Share (2)	**0.21**				
Total basic and diluted earnings per share	**0.20**				
2014					
Revenue	62,735	78,697	93,908	86,880	322,220
Profit attributable to owners of the Company	4,347	7,444	11,959	7,287	31,037
Basic and diluted earnings per Class A share	0.33	0.57	0.91	0.56	2.37
Basic and diluted earnings per Class B share	0.36	0.62	1.00	0.61	2.59
Total basic and diluted earnings per share	0.34	0.59	0.95	0.58	2.46

(1) *Class A Common Share ("Class A share")*
(2) *Class B Subordinate Voting Share ("Class B share")*

Seasonal Nature of Operations

Operations are affected by weather conditions and are therefore of a seasonal nature. During the winter months, the St. Lawrence Seaway is closed. There is no activity on the Great Lakes, reduced activity on the St. Lawrence River, and no activity in Arctic transportation due to ice conditions.

Sanexen's activities are also affected by weather conditions as the majority of the specialized services it offers depend upon the excavation of soils, which is more difficult during the winter.

Historically, the first quarter and, to a lesser extent, the second quarter have always presented a lower level of activity and yielded weaker results than the other quarters. The third and fourth quarters are usually the most active.

Results

Revenue

Consolidated revenue totalled $60.4 million in the first quarter of 2015, a decrease of $2.4 million or 3.8% from $62.7 million for the same period in 2014.

The marine services segment's revenue grew by $2.4 million or 5.2% to $48.1 million for the first quarter of 2015, the growth being mostly attributable to an increase in volumes of bulk cargo handled, since break-bulk and containerized cargo volumes stood basically at the same level as in the first quarter of last year.

In the first quarter of 2015, the environmental services segment's revenue amounted to $12.3 million, down by $4.7 million or 27.8% from the first quarter of 2014. This decrease is due to lower woven-hose manufacturing activity, partly offset by higher site remediation activity.

Employee Benefits Expense

Employee benefits expense increased by $3.2 million in the first quarter of 2015 to $31.7 million, compared with $28.6 million for the same quarter of 2014. The increase came mainly from the higher activity in the marine services segment. This brought the ratio of employee benefits expense to revenue to 52.6%, compared with 45.6% for the same period last year. The higher expense ratio is due to lower revenue in the environmental services segment, which reduced the recovery of the fixed portion of employee benefits expense.

Equipment and Supplies Expense

Equipment and supplies expense amounted to $14.0 million in the first quarter of 2015, down by $4.4 million or 23.9% from $18.4 million for the first quarter of 2014. This decrease is mainly attributable to reduced activity for Sanexen, which has a higher equipment and supplies cost component mix. The proportion of equipment and supplies expense to consolidated revenue was therefore lower for the first quarter of 2015 overall.

Rental Expense

Rental expense was up by $0.7 million to $7.0 million in the first quarter of 2015. The fixed portion of this expense does not fluctuate substantially from quarter to quarter, unless changes occur within our network of facilities. The variable portion of this expense accounted for the variation in first-quarter results, reflecting additional throughput due to volume increases from the marine services segment.

Other Gains and Losses

Other gains and losses showed a gain of $1.1 million for the first quarter of 2015, compared with $2.0 million for the same quarter of 2014. This variation is due to the weakness of the Canadian dollar against the U.S. dollar, which translated into a foreign exchange gain. The decrease compared to 2014 is due to the revaluation of a portion of shares immediately prior to the partial acquisition in one of our joint ventures. Revaluation of the 50%-owned shares at fair market value resulted in a $1.1 million gain in 2014.

Income Taxes

Income taxes stood at $0.6 million for the three months ended March 28, 2015, which computes to 20.8% of the profit before income taxes of $2.7 million. This rate is lower than it was for the same period last year due to a first-quarter loss in the USA. Corporate tax rates are higher in the USA than they are in Canada, therefore, the mixed rate reduced the overall tax rate for the first quarter of 2015.

Non-Controlling Interests

Non-controlling interests showed a loss of $0.4 million for the first quarter of 2015, as opposed to a profit of less than $0.1 million for the same quarter of 2014. Non-controlling interests stem from our environmental services segment and the variation is therefore due to lower results in that segment.

Profit for the Period and Earnings per Share

Overall, the Company achieved a profit for the period of $2.1 million in the first quarter of 2015, of which a loss of $0.4 million was attributable to non-controlling interests, generating a profit attributable to owners of the Company of $2.5 million. That translated into total basic and diluted earnings per share of $0.20, of which $0.19 per share was attributable to Class A shares and $0.21 per share was attributable to Class B shares.

All other items of the condensed consolidated interim statements of earnings varied according to normal business parameters.

Dividends

On March 24, 2015, the Board of Directors declared dividends of $0.0625 per Class A share and $0.06875 per Class B share, for a total consideration of $0.8 million. These dividends were paid on April 17, 2015, to shareholders of record as at April 3, 2015.

On May 8, 2015, the Board of Directors declared dividends of $0.0625 per Class A share and $0.06875 per Class B share, for a total consideration of $0.8 million. These dividends will be paid on July 3, 2015, to shareholders of record as at June 19, 2015.

All dividends mentioned above are eligible dividends for Canada Revenue Agency purposes.

The Company's Board of Directors determines the level of dividend payments. Although Logistec does not have a formal dividend policy, to date, the practice has been to maintain regular quarterly dividends with modest increases over the years.

Liquidity and Capital Resources

Capital Management

The Company's financial strategy and primary objectives when managing capital are described in Note 5 of the notes to consolidated financial statements of the 2014 annual report and were applied consistently in the first quarter of 2015. Please also refer to Note 4 of the notes to Q1 2015 condensed consolidated interim financial statements for an update on financial risk management information.

Capital Resources

Total assets amounted to $278.3 million as at March 28, 2015, down by $8.7 million from the December 31, 2014 closing balance of $287.0 million. The main reasons behind this decrease are the collection of trade and other receivables of $21.1 million, partially offset by cash reduction. Such cash collected was used mostly to reimburse liabilities, resulting in a net reduction of total assets.

Cash and cash equivalents totalled $18.3 million at the end of the first quarter of 2015, down by $8.1 million from $26.4 million as at December 31, 2014. The main items behind this decrease were as follows:

(in thousands of dollars)	
Positive:	
Profit for the period	2,149
Depreciation and amortization expense	2,699
Changes in non-cash working capital items	9,781
	14,629
Negative:	
Acquisition of property, plant and equipment	(5,192)
Repurchase of share capital	(1,488)
Acquisition of other non-current assets (take-or-pay service contract)	(10,268)
Income taxes paid	(3,527)
Repayment of long-term debt, net of issuance of long-term debt	(2,669)
	(23,144)

Working Capital

Working capital totalled $47.9 million at the end of the first quarter of 2015, for a current ratio of 2.24:1. This is lower than the working capital of $59.0 million posted as at December 31, 2014, but the current ratio is very similar to the 2.25:1 figure posted at the end of 2014.

Equity Attributable to Owners of the Company

Equity attributable to owners of the Company amounted to $166.1 million as at March 28, 2015. Adding long-term debt yields a capitalization of $192.7 million, which computes to a debt/capitalization ratio of 13.8%, significantly below the 40% threshold mentioned in the Company's capital management objectives. This also means that the Company has substantial financial leverage available should the need arise.

As at May 8, 2015, 7,446,422 Class A shares and 5,033,700 Class B shares were issued and outstanding. Each Class A share is convertible at any time by its holder into one Class B share. Please refer to Note 5 of the notes to Q1 2015 condensed consolidated interim financial statements for further details regarding the Company's share capital.

Significant Joint Venture

As disclosed in Note 20 of the Notes to 2014 consolidated financial statements, the Company holds many investments in joint ventures. The Company has only one significant joint venture, Termont Terminal Inc., whose activities are aligned with its core business.

The following table summarizes the financial information of Termont Terminal Inc. at 100%. The Company holds a 50%-equity interest in this joint venture.

(in thousands of dollars)

	As at March 28, 2015 $	As at March 29, 2014 $
Statement of financial position		
Total assets	**31,662**	30,884
Total liabilities	**62**	57

	For the three months ended	
	March 28, 2015 $	March 29, 2014 $
Statement of earnings		
Revenue	**674**	567
Share of profit of an equity accounted investment	**362**	1,137
Profit for the period	**756**	1,463

Other Items in the Consolidated Statements of Financial Position

Financial Position as at *(in millions of dollars)*	**March 28, 2015 $**	December 31, 2014 $	**Var. $**	**Var. %**	Explanation of Variation
Trade and other receivables	**45.9**	67.0	**(21.1)**	**(31.5)**	The variation is mostly explained by Sanexen's lower level of activity than in the fourth quarter of 2014, reflecting the seasonality of the business.
Work in progress	**3.9**	1.0	**2.9**	**277.5**	Work in progress represents the gross unbilled amount that will be collected from customers for contract work performed to date in our environmental services segment. Increased site remediation activity led to higher work in progress at the end of the first quarter of 2015.
Current income tax assets	**4.6**	2.6	**2.0**	**75.5**	Current income tax assets and current income tax liabilities vary depending on the profit versus the instalments made by tax jurisdiction. Any balances due from the previous fiscal year-end are paid in the first quarter of the following year, explaining the reduction in liabilities for the first quarter of 2015.
Current income tax liabilities	**0.2**	1.2	**(1.0)**	**(85.9)**	
Prepaid expense	7.1	3.1	4.0	127.7	The majority of the increase of prepaid and other non-current assets stems from a $10 million take-or-pay service contract with a supplier. Prepaid expense and other non-current assets will be reduced as the services are received, and this arrangement is for a period of three years. The estimated services to be received during 2015 amount to $3.3 million. This amount has been classified as a prepaid expense.
Other non-current assets	**8.1**	1.7	**6.4**	**372.8**	
Property, plant and equipment	**102.3**	99.7	**2.7**	**2.7**	The majority of the increase stems from acquisitions totalling $5.2 million, which exceeded the first quarter of 2015 depreciation expense of $2.3 million.
Trade and other payables	**32.2**	40.5	**(8.2)**	**(20.3)**	The decrease reflects the lower level of activity during the first quarter of 2015 compared with the fourth quarter of 2014.
Long-term debt	**25.0**	28.0	**(3.0)**	**(10.7)**	The variation stems from the $1.4 million increase in long-term debt used for the ongoing expansion of the Niedner plant in the environmental services segment, less $4.0 million in discretionary repayments in the first quarter of 2015.

All other items included in the condensed consolidated interim statements of financial position varied according to normal business parameters in the first quarter of 2015.

Application of New and Revised IFRS

On January 1, 2015, the Company adopted IAS 19, "Employee Benefits", which did not affect the presentation of amounts reported in the financial statements. Please refer to Note 3 of the notes to Q1 2015 condensed consolidated interim financial statements for a full description of this standard.

Additionally, the following accounting standards have been published or modified: IFRS 9, "Financial Instruments", IFRS 15 "Revenue from Contracts with Customers", and IAS 1, "Presentation of Financial Statements". Again, please refer to Note 3 for further details on these standards.

Report on Disclosure Controls

Pursuant to the requirements of National Instrument 52-109 "Certification of Disclosure in Issuers' Annual and Interim Filings", the President and Chief Executive Officer and the Vice-President, Finance are responsible for the establishment and maintenance of disclosure controls and procedures ("DC&P"), and internal control over financial reporting ("ICFR"). They are assisted in these tasks by a Certification Steering Committee, which is comprised of members of the Company's senior management including the two previously mentioned executives.

They have reviewed this management's discussion and analysis and the Q1 2015 condensed consolidated interim financial statements and related notes (the "Interim Filings"). Based on their knowledge, the Interim Filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the Interim Filings. Based on their knowledge, the Q1 2015 condensed consolidated interim financial statements, together with the other financial information included in the Interim Filings, fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date and for the periods presented in the Interim Filings.

The President and Chief Executive Officer and the Vice-President, Finance have concluded that the design of DC&P provided reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, was communicated to them in a timely manner for the preparation of the Interim Filings and that information required to be disclosed in its Interim Filings was recorded, processed, summarized and reported within the required time periods.

The President and Chief Executive Officer and the Vice-President, Finance have also designed such ICFR, or caused it to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS, the Company's generally accepted accounting principles.

There has been no change in the Company's ICFR that occurred during the first quarter of 2015 that has materially affected, or is reasonably likely to materially affect, the Company's ICFR.

Outlook

We are satisfied with our first quarter 2015 performance. Although lower than the first quarter of 2014, it is stronger than both our 2012 and 2013 first-quarter results.

In our marine services segment, if we exclude the 2014 revaluation gain on the change of control related to MtlLINK Multimodal Solutions Inc., results for the first quarter of 2015 are still lower, but not very far from those of the first quarter of 2014. We are satisfied with the results, and we are confident that the marine services segment will deliver another good performance in 2015.

With regard to our Montréal container terminal, we have started operations at our new Viau Terminal. Our current set-up is temporary, as most of the cranes and handling equipment will be delivered over the next 18 months. We expect to optimize the new terminal's performance once all the equipment is up and running.

In the environmental services segment, the first-quarter decrease in revenue and profit from last year earlier is mostly due to a reduction in woven-hose manufacturing activity as a result of two key factors: minimal sales to the energy industry, which is currently being affected by lower oil prices, and a delayed order from an important forestry customer. The negative results were partly offset by a strong performance in site remediation. The order backlog in the environmental services segment is quite high for both Aqua-Pipe and our more traditional environmental services, which bodes well for the rest of the year and allows us to be optimistic about Sanexen's results for 2015.

Given the seasonality of our business and considering that the first quarter is usually slower than the rest of the year, 2015 is off to a good start and we are confident we will achieve another satisfying year overall.

For the purpose of informing shareholders and potential investors about the Company's prospects, sections of this document may contain forward-looking statements, within the meaning of securities legislation, about the Company's activities, performance and financial situation and, in particular, hopes for the success of the Company's efforts in the development and growth of its business. These forward-looking statements express, as of the date of this document, the estimates, predictions, projections, expectations or opinions of the Company about future events or results. Although the Company believes that the expectations produced by these forward-looking statements are founded on valid and reasonable bases and assumptions, these forward-looking statements are inherently subject to important uncertainties and contingencies, many of which are beyond the Company's control, such that the Company's performance may differ significantly from the predicted performance expressed or presented in such forward-looking statements. The important risks and uncertainties that may cause the actual results and future events to differ significantly from the expectations currently expressed are examined under "Business Risks" in the Company's annual report and include (but are not limited to) the performances of domestic and international economies and their effect on shipping volumes, weather conditions, labour relations, pricing and competitors' marketing activities. The reader of this document is thus cautioned not to place undue reliance on these forward-looking statements. The Company undertakes no obligation to update or revise these forward-looking statements, except as required by law.

Additional information relating to our Company can be found on SEDAR at www.sedar.com and on Logistec's website at www.logistec.com.

(signed) Jean-Claude Dugas
Jean-Claude Dugas, CPA, CA
Vice-President, Finance

May 8, 2015

(in thousands of Canadian dollars, except for per share amounts and number of shares)

Condensed Consolidated Interim Statements of Earnings

	For the three months ended **March 28, 2015** **$**	March 29, 2014 $
Revenue	**60,372**	62,735
Employee benefits expense	**(31,747)**	(28,594)
Equipment and supplies expense	**(14,028)**	(18,424)
Rental expense	**(6,965)**	(6,290)
Other expenses	**(3,307)**	(3,217)
Depreciation and amortization expense	**(2,699)**	(2,482)
Share of profit of equity accounted investments	**107**	188
Other gains and losses	**1,147**	2,059
Operating profit	**2,880**	5,975
Finance expense	**(255)**	(91)
Finance income	**89**	114
Profit before income taxes	**2,714**	5,998
Income taxes	**(565)**	(1,606)
Profit for the period	**2,149**	4,392
Profit attributable to:		
Owners of the Company	**2,518**	4,347
Non-controlling interests	**(369)**	45
Profit for the period	**2,149**	4,392
Basic and diluted earnings per Class A Common Share [(1)]	**0.19**	0.33
Basic and diluted earnings per Class B Subordinate Voting Share [(2)]	**0.21**	0.36
Weighted average number of Class A shares outstanding, basic and diluted	**7,457,322**	7,470,022
Weighted average number of Class B shares outstanding, basic and diluted	**5,049,633**	5,252,634

[(1)] *Class A Common Share ("Class A share")*
[(2)] *Class B Subordinate Voting Share ("Class B share")*

(in thousands of Canadian dollars)

Condensed Consolidated Interim Statements of Comprehensive Income

	For the three months ended March 28, 2015 $	March 29, 2014 $
Profit for the period	**2,149**	4,392
Other comprehensive income		
Items that are or may be reclassified to the consolidated statements of earnings		
Currency translation differences arising on translation of foreign operations	**2,825**	1,094
Losses on derivatives designated as cash flow hedges	**(163)**	(2)
Transfer of losses on derivatives designated as cash flow hedges to the consolidated statements of earnings	**9**	2
Income taxes relating to derivatives designated as cash flow hedges	**42**	–
Share of other comprehensive income of equity accounted investments, net of income taxes	**(6)**	–
Total items that are or may be reclassified to the consolidated statements of earnings	**2,707**	1,094
Items that will not be reclassified to the consolidated statements of earnings		
Remeasurement losses on benefit obligation	**(951)**	(791)
Return on retirement plan assets excluding amounts included in profit for the period	**543**	706
Income taxes on remeasurement losses on benefit obligation and return on retirement plan assets excluding amounts included in profit for the period	**110**	23
Share of other comprehensive income of equity accounted investments, net of income taxes	**7**	34
Total items that will not be reclassified to the consolidated statements of earnings	**(291)**	(28)
Other comprehensive income for the period, net of income taxes	**2,416**	1,066
Total comprehensive income for the period	**4,565**	5,458
Total comprehensive income attributable to:		
Owners of the Company	**4,934**	5,413
Non-controlling interests	**(369)**	45
Total comprehensive income for the period	**4,565**	5,458

(in thousands of Canadian dollars)

Condensed Consolidated Interim Statements of Financial Position

	Notes	As at March 28, 2015 $	As at December 31, 2014 $
Assets			
Current assets			
Cash and cash equivalents		**18,256**	26,381
Investment in a service contract		**261**	1,366
Trade and other receivables		**45,933**	67,052
Work in progress		**3,877**	1,027
Current income tax assets		**4,631**	2,638
Prepaid expenses		**7,072**	3,106
Inventories		**6,458**	4,585
		86,488	106,155
Equity accounted investments		**27,252**	27,123
Investment in a service contract		**1,044**	–
Property, plant and equipment		**102,333**	99,663
Goodwill		**21,742**	21,407
Other intangible assets		**19,515**	18,286
Other non-current assets		**8,056**	1,704
Post-employment benefit assets		**794**	768
Non-current financial assets		**2,542**	3,432
Deferred income tax assets		**8,570**	8,449
Total assets		**278,336**	286,987
Liabilities			
Current liabilities			
Trade and other payables		**32,230**	40,452
Deferred revenue		**2,802**	2,475
Current income tax liabilities		**163**	1,159
Dividends payable		**812**	815
Current portion of long-term debt		**1,584**	1,261
Provisions		**951**	1,001
		38,542	47,163
Long-term debt		**25,018**	28,007
Provisions		**768**	644
Deferred income tax liabilities		**9,830**	9,380
Post-employment benefit obligations		**12,714**	12,453
Deferred revenue		**4,833**	4,933
Non-current financial liabilities		**4,941**	4,983
Total liabilities		**96,646**	107,563
Equity			
Share capital	5	**14,837**	14,906
Retained earnings		**144,510**	144,513
Accumulated other comprehensive income		**6,789**	4,082
Equity attributable to owners of the Company		**166,136**	163,501
Non-controlling interests		**15,554**	15,923
Total equity		**181,690**	179,424
Total liabilities and equity		**278,336**	286,987

(in thousands of Canadian dollars)

Condensed Consolidated Interim Statements of Changes in Equity

		Attributable to owners of the Company						
			Accumulated other comprehensive income					
	Notes	Share capital $	Cash flow hedges $	Foreign currency translation $	Retained earnings $	Total $	Non-controlling interests $	Total equity $
Balance as at January 1, 2015		**14,906**	**(56)**	**4,138**	**144,513**	**163,501**	**15,923**	**179,424**
Profit for the period		–	–	–	2,518	2,518	(369)	2,149
Other comprehensive income (loss)								
Currency translation differences arising on translation of foreign operations		–	–	2,825	–	2,825	–	2,825
Remeasurement losses on benefit obligation and return on retirement plan assets excluding amounts included in profit for the period, net of income taxes		–	–	–	(298)	(298)	–	(298)
Cash flow hedges, net of income taxes		–	(112)	–	–	(112)	–	(112)
Share of other comprehensive income of equity accounted investments, net of income taxes		–	(6)	–	8	2	–	2
Total comprehensive income (loss) for the period		–	(118)	2,825	2,228	4,935	(369)	4,566
Repurchase of Class A shares	5	(3)	–	–	(222)	(225)	–	(225)
Repurchase of Class B shares	5	(66)	–	–	(1,197)	(1,263)	–	(1,263)
Dividends on Class A shares	5	–	–	–	(466)	(466)	–	(466)
Dividends on Class B shares	5	–	–	–	(346)	(346)	–	(346)
Balance as at March 28, 2015		**14,837**	**(174)**	**6,963**	**144,510**	**166,136**	**15,554**	**181,690**

(in thousands of Canadian dollars)

Condensed Consolidated Interim Statements of Changes in Equity (Continued)

		Attributable to owners of the Company						
			Accumulated other comprehensive income					
	Notes	Share capital $	Cash flow hedges $	Foreign currency translation $	Retained earnings $	Total $	Non-controlling interests $	Total equity $
Balance as at January 1, 2014		**15,030**	**(33)**	**1,342**	**135,552**	**151,891**	**11,791**	**163,682**
Profit for the period		–	–	–	4,347	4,347	45	4,392
Other comprehensive income (loss)								
Currency translation differences arising on translation of foreign operations		–	–	1,094	–	1,094	–	1,094
Remeasurement losses on benefit obligation and return on retirement plan assets excluding amounts included in profit for the period, net of income taxes		–	–	–	(62)	(62)	–	(62)
Share of other comprehensive income of equity accounted investments, net of income taxes		–	(2)	–	36	34	–	34
Total comprehensive income (loss) for the period		–	(2)	1,094	4,321	5,413	45	5,458
Repurchase of Class A shares	5	(3)	–	–	(159)	(162)	–	(162)
Repurchase of Class B shares	5	(215)	–	–	(2,874)	(3,089)	–	(3,089)
Non-controlling interest arising on a business acquisition		–	–	–	–	–	1,475	1,475
Repurchase of share capital by a subsidiary		–	–	–	–	–	(796)	(796)
Dividends on Class A shares	5	–	–	–	(392)	(392)	–	(392)
Dividends on Class B shares	5	–	–	–	(301)	(301)	–	(301)
Balance as at March 29, 2014		**14,812**	**(35)**	**2,436**	**136,147**	**153,360**	**12,515**	**165,875**

(in thousands of Canadian dollars)

Condensed Consolidated Interim Statements of Cash Flows

	Notes	For the three months ended March 28, 2015 $	March 29, 2014 $
Operating activities			
Profit for the period		**2,149**	4,392
Items not affecting cash and cash equivalents		**4,696**	3,795
Cash generated from operations		**6,845**	8,187
Dividends received from equity accounted investments		**–**	1,675
Contributions to defined benefit retirement plans		**(306)**	(328)
Settlement of provisions		**(9)**	(45)
Changes in non-cash working capital items		**9,781**	8,089
Income taxes paid		**(3,527)**	(6,834)
		12,784	10,744
Financing activities			
Net change in short-term bank loans		**–**	(2,087)
Issuance of long-term debt		**1,366**	–
Repayment of long-term debt		**(4,035)**	(369)
Interest paid		**(359)**	(72)
Repurchase of Class A shares	5	**(225)**	(163)
Repurchase of Class B shares	5	**(1,263)**	(3,089)
Repurchase of share capital by a subsidiary		**–**	(796)
Dividends paid on Class A shares		**(466)**	(392)
Dividends paid on Class B shares		**(349)**	(307)
		(5,331)	(7,275)
Investing activities			
Customer repayment of investment in a service contract		**61**	56
Interest received		**130**	158
Cash acquired in a business acquisition		**–**	319
Acquisition of property, plant and equipment		**(5,192)**	(3,358)
Proceeds from disposal of property, plant and equipment		**4**	101
Acquisition of intangible assets		**(42)**	(182)
Acquisition of other non-current assets		**(10,268)**	(20)
Proceeds from disposal of other non-current assets		**–**	24
		(15,307)	(2,902)
Net change in cash and cash equivalents		**(7,854)**	567
Cash and cash equivalents, beginning of period		**26,381**	19,638
Effect of exchange rate on balances held in foreign currencies of foreign operations		**(271)**	(467)
Cash and cash equivalents, end of period		**18,256**	19,738
Additional information			
Acquisition of property, plant and equipment included in trade and other payables		**1,123**	748

1. General Information

Logistec Corporation provides specialized cargo handling and other services to a wide variety of marine, industrial and municipal customers. The Company operates in the marine services sector and has cargo-handling facilities in 31 ports in eastern North America; short-line rail transportation services; and marine agency services to foreign shipowners and operators serving the Canadian market. The Company is widely diversified on the basis of cargo type and port location with a good balance between import and export activities. Furthermore, the Company, through its subsidiary Sanexen Environmental Services Inc. (“Sanexen”), operates in the environmental sector where it provides services for the trenchless structural rehabilitation of underground water mains, regulated materials management, site remediation, risk assessment, and woven-hose manufacturing.

The Company is incorporated in the Province of Québec and is governed by the Québec Business Corporations Act. Its shares are listed on the Toronto Stock Exchange (“TSX”) under the ticker symbols LGT.A and LGT.B. The address of its registered office is 360 St. Jacques Street, Suite 1500, Montréal (QC) H2Y 1P5, Canada.

The Company’s largest shareholder is Sumanic Investments Inc.

The accompanying unaudited condensed interim consolidated financial statements of Logistec Corporation have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's independent auditor.

These unaudited condensed consolidated interim financial statements were approved by the Company’s Board of Directors on May 8, 2015.

2. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34, “Interim Financial Reporting”, using the same accounting policies as outlined in Note 2 of the notes to 2014 consolidated financial statements, except as described in Note 3 below.

In the application of the Company’s significant accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates. The measurement of certain assets and liabilities in the preparation of these condensed consolidated interim financial statements includes significant assumptions made by management, which have been set out in Note 4 of the notes to 2014 consolidated financial statements.

The condensed consolidated interim financial statements do not include all of the information required for annual financial statements and should therefore be read in conjunction with the consolidated financial statements included in the Company’s 2014 annual report.

3. Application of New and Revised IFRS

On January 1, 2015, the Company adopted the following revised standard:

IAS 19, "Employee Benefits"

IAS 19 was amended in November 2013 to simplify the accounting for contributions that are independent of the number of years of employee service. No differences were identified in the accounting for the contributions made by the Company to its defined benefit retirement plans and consequently, no adjustments to 2014 comparative figures were required.

Accounting Standards Issued but not yet Applied

The following accounting standards have been published: IFRS 9, "Financial Instruments", IFRS 15, "Revenue from Contracts with Customers", and IAS 1, "Presentation of Financial Statements". The Company has not yet assessed the impact of these standards on the consolidated financial statements.

IFRS 9, "Financial Instruments"

In July 2014, the final version of IFRS 9 was issued and it replaces IAS 39, "Financial Instruments – Recognition and Measurement". Classification and measurement of financial assets is based on a single approach, which reflects the business model in which they are managed and their cash flow characteristics. Requirements for financial liabilities largely carried forward existing requirements in IAS 39. Expected credit losses will be accounted for from when financial instruments are first recognized and the threshold for recognition of full lifetime expected losses is lowered. A new hedge accounting model is introduced, together with corresponding disclosures about risk management activity. The new hedge accounting model will allow entities to better reflect their risk management activities when hedging financial and non-financial risk exposures in the financial statements.

The standard is to be applied for accounting periods beginning on or after January 1, 2018, with early adoption permitted.

IFRS 15, "Revenue from Contracts with Customers"

IFRS 15, issued in May 2014, specifies when and how revenue will be recognized. It provides a single five-step model to be applied to all contracts with customers. It also provides additional disclosure requirements. The standard is to be applied for accounting periods beginning on or after January 1, 2017.

IAS 1, "Presentation of Financial Statements"

IAS 1 was amended in December 2014 to clarify certain requirements already included in IAS 1 with respect to the application of the concept of materiality, the order of the notes and the presentation of certain line items and subtotals in the statement of financial position, the statement of earnings and the statement of comprehensive income. The amendments are to be applied for accounting periods beginning on or after January 1, 2016.

(in thousands of Canadian dollars, except for per share amounts)

4. Financial Risk Management

Capital Management

The Company monitors the debt/capitalization ratio on a quarterly basis. As at March 28, 2015, the ratio is 13.8% based on debt of $26,602 divided by a capitalization of $192,738 (15.2% as at December 31, 2014, based on $29,268/$192,769), within the Company's objective of less than 40%.

As at March 28, 2015, the Company is in compliance with all of its obligations under the terms of its banking agreements.

Credit Risk

Credit risk arises from the possibility that a counterpart will fail to perform its obligations. The Company conducts a thorough assessment of credit issues prior to committing to the investment and actively monitors the financial health of its investees on an ongoing basis. In addition, the Company is exposed to credit risk from customers. On the one hand, the Company does business mostly with large industrial and well-established customers, thus reducing its credit risk. On the other hand, the number of customers served by the Company is limited, which increases the risk of business concentration and economic dependency. Overall, the Company serves approximately 2,000 customers. For the three months ended March 28, 2015, the 20 largest customers account for 48.0% (53.9% in 2014) of consolidated revenue and not a single customer accounts for more than 10% of consolidated revenue and trade receivable.

5. Share Capital

During the first quarter of 2015, pursuant to the Company's normal course issuer bid, 4,500 (5,400 in 2014) Class A shares and 33,400 (113,400 in 2014) Class B shares were repurchased and cancelled for cash consideration of $225 ($163 in 2014) and $1,263 ($3,089 in 2014), respectively. Of this amount, the excess over stated capital of the repurchased shares of $222 ($159 in 2014) and $1,197 ($2,874 in 2014), respectively, was charged to retained earnings.

The issued and outstanding shares were as follows:

	As at March 28, 2015 $	As at December 31, 2014 $
7,455,822 Class A shares (7,460,322 as at December 31, 2014)	**4,928**	4,931
5,036,200 Class B shares (5,069,600 as at December 31, 2014)	**9,909**	9,975
	14,837	14,906

As at March 28, 2015, the outstanding balance of the non-interest bearing loans granted under the Employee Stock Purchase Plan ("ESPP") and repayable over two years has a carrying value of $175 ($218 as at December 31, 2014). There remains an unallocated balance of 288,800 Class B shares reserved for issuance pursuant to this ESPP.

(in thousands of Canadian dollars, except for per share amounts)

Dividends

Details of dividends declared per share are as follows:

	For the three months ended	
	March 28, 2015	March 29, 2014
	$	$
Class A shares	**0.06**	0.05
Class B shares	**0.07**	0.06

6. Related Party Transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Company and other related parties are disclosed below.

Trading Transactions

The following tables summarize the Company's related party transactions with its joint ventures:

	For the three months ended	
	March 28, 2015	March 29, 2014
	$	$
Sale of services	**355**	165
Purchase of services	**128**	105

	As at March 28, 2015	As at December 31, 2014
	$	$
Amounts owed to joint ventures	**54**	582
Amounts owed from joint ventures	**1,648**	5,210

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received.

Loans to Related Parties

The following balances were outstanding at the end of the reporting periods:

	As at March 28, 2015	As at December 31, 2014
	$	$
Key management personnel	**61**	78

The Company has provided loans to several members of key management personnel in connection with the ESPP, as described in Note 5.

(in thousands of Canadian dollars, except for per share amounts)

Transactions with Shareholders

The Company's largest shareholder is Sumanic Investments Inc. Transactions with the Company's shareholders were as follows:

	For the three months ended	
	March 28, 2015 $	March 29, 2014 $
Dividends paid to Sumanic Investments Inc.	**363**	303
Dividends paid to certain members of key management personnel	**57**	50

Dividends Received from Related Parties

During the first quarter of 2015, the Company did not receive any dividends from its joint ventures, whereas it received dividends of $1,675 during the first quarter of 2014, which have been recorded as a reduction of equity accounted investments.

Contribution to Retirement Plans

Total cash payments for employee future benefits for the three-month period ended March 28, 2015, consisting of cash contributed by the Company to its funded benefit retirement plans, cash payments made directly to beneficiaries for its unfunded other benefit retirement plans, and cash contributed to its defined contribution retirement plans, were $761 ($778 in 2014).

Compensation of Key Management Personnel

The compensation of directors and of other members of key management personnel [1] was as follows:

	For the three months ended	
	March 28, 2015 $	March 29, 2014 $
Short-term benefits	**1,669**	1,482
Post-employment benefits	**188**	143
Other long-term benefits	**517**	463
	2,374	2,088

(1) *The compensation of members of key management personnel includes the compensation of the president of one of the Company's joint ventures*

7. Segmented Information

The Company and its subsidiaries are organized and operate primarily in two reportable industry segments: marine services and environmental services. The accounting policies used within the segments are applied in the same manner as for the condensed consolidated interim financial statements.

The Company discloses information about its reportable segments based upon the measures used by management in assessing the performance of those reportable segments. The Company uses segmented profit before income taxes to measure the operating performance of its segments.

(in thousands of Canadian dollars, except for per share amounts)

The financial information by industry segment is as follows:

	Marine services $	Environmental services $	Total $
For the three months ended March 28, 2015			
Revenue	**48,112**	**12,260**	**60,372**
Profit (loss) before income taxes	**4,272**	**(1,558)**	**2,714**
As at March 28, 2015			
Total assets	**202,466**	**75,870**	**278,336**
Total liabilities	**68,517**	**28,129**	**96,646**
For the three months ended March 29, 2014			
Revenue	45,749	16,986	62,735
Profit before income taxes	5,810	188	5,998
As at December 31, 2014			
Total assets	204,620	82,367	286,987
Total liabilities	74,152	33,411	107,563

8. Seasonal Nature of Operations

Operations are affected by weather conditions and are therefore of a seasonal nature. During the winter months, the St. Lawrence Seaway is closed. There is no activity on the Great Lakes, reduced activity on the St. Lawrence River, and no activity in Arctic transportation due to ice conditions.

Sanexen's activities are also affected by weather conditions as the majority of the specialized services it offers depend upon the excavation of soils, which is more difficult during the winter.

Historically, the first quarter and, to a lesser extent, the second quarter have always presented a lower level of activity and yielded weaker results than the other quarters. The third and fourth quarters are usually the most active.

Logistec Corporation
360 St. Jacques Street
Suite 1500
Montréal (QC) H2Y 1P5

www.logistec.com