ST.LAWRENCE CEMENT GROUP

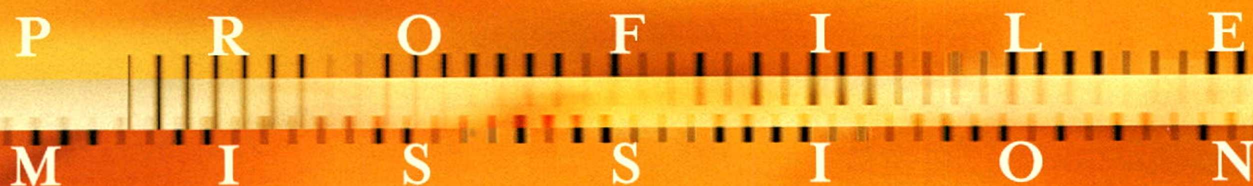
building our future

ANNUAL REPORT 2000

LEADING BY BUILDING VALUE FOR YOU

St. Lawrence Cement Group is a leading producer and supplier of products and services for the construction industry, serving some 15,000 customers in Canada and on the eastern seaboard of the United States. In Canada, the Company operates two cement plants, 14 cement distribution terminals, one slag granulator, one mineral components distribution terminal, 45 ready-mix concrete plants, 19 quarries and sand pits, and two construction companies. These assets are located in Ontario, Québec and the Atlantic provinces. In the United States, the Company operates two cement plants and 10 cement distribution terminals. This division also sources and markets fly ash and ground slag, both mineral components. St. Lawrence Cement Group has 2,500 employees: 1,400 in Ontario, 800 in Quebec and the Atlantic provinces and 300 in the United States. Holderbank Financière Glaris Ltd., a Swiss company, holds 64% of St. Lawrence Cement Group shares mainly through its U.S. subsidiary Holnam Inc.

P R O F I L E



M I S S I O N

St. Lawrence Cement Group is a leading producer and supplier of products and services for the construction industry, namely cement, concrete, aggregates and construction. We operate in Canada and on the eastern seaboard of the United States. We will pursue sustainable growth in all of our businesses. We are committed to building value for: OUR CUSTOMERS, by providing the best service in the industry, constantly improving our products and developing innovative solutions to individual customer needs; OUR EMPLOYEES, by offering an environment that provides challenges and opportunities for growth and learning, as well as fostering teamwork; OUR COMMUNITY, by managing our businesses in an environmentally sound manner and participating in community programs; and OUR SHAREHOLDERS, by achieving sustainable long-term profitability superior to the industry.

TABLE OF CONTENTS

Review of Operations **1** Financial Highlights **8** Message to Shareholders **9** Management's Discussion and Analysis **14**
Consolidated Financial Statements **20** Officers and Directors **36** Facilities **37**
Business Units **38** Investor Information **39**

BUILDING HIGH PERFORMANCE FACILITIES

St. Lawrence Cement Group is investing in new production facilities in response to customer demand and specific opportunities. These investments are complemented by ongoing selective business acquisitions, reinforcing our competitive position in regional construction markets and our ability to satisfy customer needs.

Environmental protection is an integral part of the planning process for each project. St. Lawrence Cement Group is committed to sustainable development and we recognize our responsibility to conduct all of our operations in an environmentally sound manner.

growth

$167 M

we are investing in our future

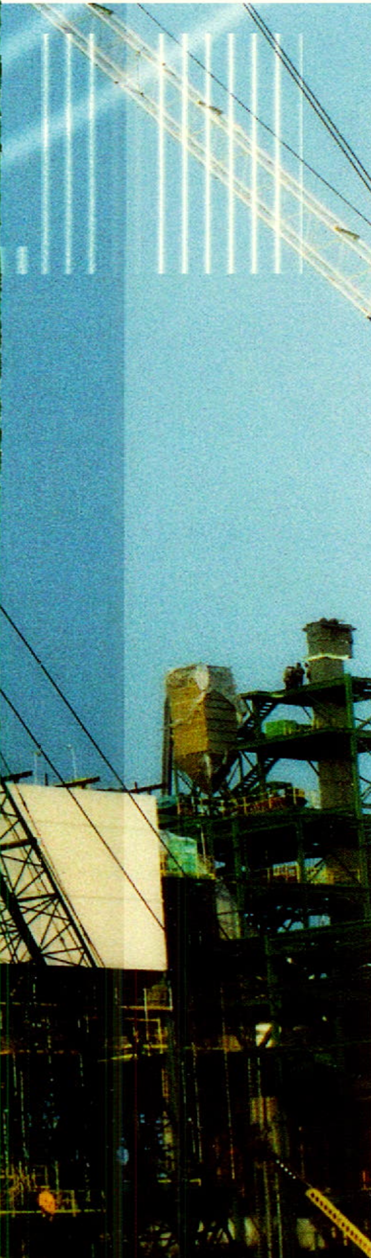
C A M D E N

US$50 M =

annual capacity of
500,000 tonnes of ground slag

THE RAW MATERIAL FOR THE CAMDEN PLANT IS SLAG,

A BY-PRODUCT OF STEEL MANUFACTURING.



SLAG GRINDING FACILITY

Camden, New Jersey

The US$50-million slag grinding facility in Camden, New Jersey, positions St. Lawrence Cement Group as a leading supplier of ground slag in North America. A by-product of steel manufacturing, ground slag is a cement enhancer that improves the properties of concrete, especially its durability, chemical resistance and workability. The Camden facility, which is expected to be operational in the second quarter of 2001, represents the latest step in the execution of the Company's mineral components strategy and follows the start-up of the Sault Ste. Marie slag granulator in 1999.

Ideally located in a deepwater port close to major highways in a region with a strong economy, the new Camden facility has an annual capacity of 500,000 tonnes, as well as storage silos and handling systems for both raw materials and finished product. Imported granulated slag arrives by ship, while the finished product is transported in bulk, either by barge or truck, to local customers and the Company's cement distribution terminals along the eastern seaboard.

Ground slag enjoys strong demand in North America. Over the last two years, the Company's U.S. Division has sourced ground slag from Holnam, Holderbank Group's U.S. subsidiary, and begun to build a customer base in anticipation of the start-up of the Camden facility. The first shipments from Camden are planned for the second quarter of 2001 and the plant is expected to reach full production capacity within a year. All ground slag produced by the Company in North America is marketed under the GranCem® brand.

2,000,000

tonne cement plant

WE HAVE CONSULTED EXTENSIVELY WITH LOCAL CITIZENS AND COMMUNITIES AS PART OF GREENPORT'S PERMITTING PROCESS.

TWO-MILLION TONNE CEMENT PLANT

Greenport, New York

St. Lawrence Cement Group has been planning the construction of a new cement plant in Greenport, New York for many years. At an estimated capital cost of approximately US$300 million, the project responds to growing demand for cement in the northeastern United States and will contribute to the reduction of imports, while providing the Company with a modern facility that is cost-efficient and built to the most stringent environmental standards. St. Lawrence Cement Group is counting on this new cement plant to strengthen its long-term competitive position in a strategic market.

The permitting process for the project followed its course throughout 2000. At the beginning of 2001, the Company responded to comments from pertinent regulatory agencies on the Draft Environmental Impact Statement (DEIS). The next step will be a review of the response to comments by the agencies, to be followed by one or more public hearings. A Final Environmental Impact Statement (FEIS) will then be prepared. Acceptance of the FEIS by the lead regulatory agency will be followed by the issuance of construction permits. Construction of the facility will then take approximately two years.

When Greenport is in full operation, the Company will be in a position to significantly reduce its total atmospheric emissions per tonne of cement production in the region by phasing out clinker production at its Catskill plant. Indeed, thanks to Greenport's state-of-the-art technology, overall atmospheric emissions will decline while cement production will more than triple. The Catskill plant, located approximately 12 miles away, will continue to maintain certain activities and many Catskill employees will be offered the possibility of transferring to the new cement plant.

The Company is confident that the Greenport project will meet the expectations of the public, regulatory authorities and its customers.

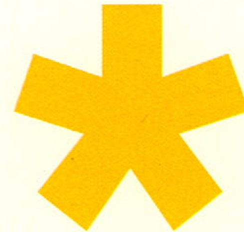
THE GREENPORT PROJECT TEAM

THE NEW CRUSHING PLANT IN

THE VARENNES QUARRY WAS DESIGNED

TO MINIMIZE DUST EMISSIONS.

market leadership thanks to an investment of



$12 M

AGGREGATE CRUSHING FACILITY

Varennes, Quebec

Located in the Varennes quarry, close to the large Greater Montréal market, the new Demix Agrégats crushing facility will begin operations in the spring of 2001. Built at a cost of $12 million and incorporating state-of-the-art equipment, the new plant will be entirely automated and will produce a complete range of premium quality specialized aggregates for concrete and asphalt, as well as foundation materials.

This new facility will consolidate the Company's leadership in the aggregate market in the Greater Montréal region. The stone extracted from the quarry is a volcanic rock (syenite) well known for high resistance and superior durability. Furthermore, the aggregates produced by the new plant will present an excellent cubical shape as well as gradations perfectly matched with customer specifications.

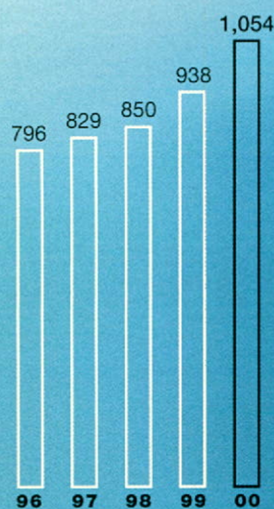
Previously, the Company took the required steps to provide the plant with an adequate stone supply. Actual licensed reserves represent a minimum of 25 years of plant operations at current production rates.

The Company's commitment towards the environment and community welfare is reflected in the design of the new facility. Buildings and encapsulating techniques surrounding the process equipment, as well as a wet dust suppression system, will enable optimal control over possible emissions. The construction of the new plant will also permit rehabilitation of the current plant site in accordance with the Company's environmental master plan.

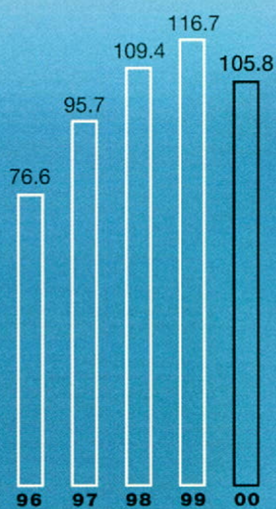
FINANCIAL HIGHLIGHTS

	2000	1999
OPERATIONS *(millions of dollars)*		
Sales	**1,054.4**	937.6
Net earnings	**48.5**	71.0
Operating cash flow	**111.8**	119.1
Additions to fixed assets	**152.3**	76.5
FINANCIAL POSITION *(millions of dollars)*		
Working capital	**64.5**	88.9
Long-term debt	**193.0**	122.2
Shareholders' equity	**463.5**	451.2
PER SHARE VALUES *(dollars)*		
Net earnings	**1.15**	1.64
Operating cash flow	**2.67**	2.76
Dividends	**0.50**	0.50
Book value	**11.08**	10.45
FINANCIAL RATIOS		
Working capital	**1.4:1**	1.5:1
Long-term debt on total capitalization (%)	**26**	19
Operating profit on sales (%)	**10.0**	12.5
Return on equity (%)	**10.6**	16.3

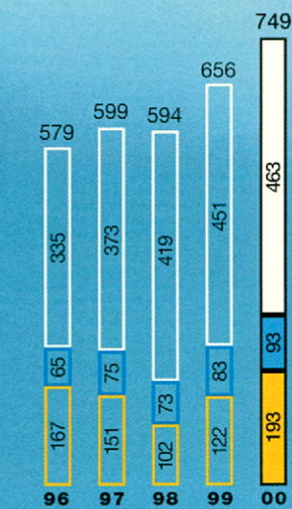
SALES
(millions of dollars)



OPERATING PROFIT
(millions of dollars)

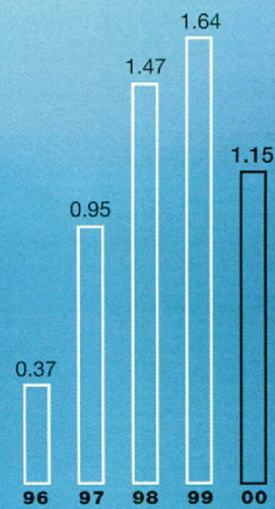


TOTAL CAPITALIZATION
(millions of dollars)



Shareholders' equity
Future income taxes
Long-term debt

NET EARNINGS PER SHARE
(dollars)



PATRICK DOLBERG
President and
Chief Executive Officer

BENOÎT H. KOCH
Chairman of the Board

St. Lawrence Cement Group strengthened its position in its various markets during 2000, while continuing to modernize production facilities and build the foundation for its future growth. The outlook for 2001 and the coming years is favourable, both for the Company as a whole and for each of our three divisions.

Sales increased 12% in 2000, exceeding the $1-billion mark for the first time. Sales volumes were higher for all of our products and services compared to the previous year. The stronger sales performance did not translate into higher operating profit, which reached $105.8 million in 2000 compared to $116.7 million for the preceding year. A significant portion of this decrease is attributable to higher depreciation and amortization expenses of $9.7 million resulting from the Company's investment activities and a change in the goodwill amortization period. Other factors negatively impacting profitability included an eight-week strike by ready-mix concrete truck drivers in the Greater Toronto area, as well as a number of additional elements such as slightly lower cement prices in the United States, increased volumes of imported cement required to supply customer demand, higher cement production costs and increased distribution costs resulting from higher energy costs.

Mainly as a result of the lower operating profit noted above and an after-tax non-recurring write-off of obsolete assets totalling $6.9 million, net earnings for 2000 were $48.5 million, or $1.15 per share, compared to $71 million, or $1.64 per share, in 1999.

The Company's financial position remains solid. Operating cash flow continued to be strong at $111.8 million, compared to $119.1 million in 1999, while investments for fixed assets and business acquisitions remained high, in line with our growth strategy. At the end of the year, our ratio of long-term debt to total capitalization was at a comfortable level of 26:74, compared to 19:81 the previous year.

In addition, we undertook several initiatives to improve productivity, increase the synergies with our parent company, Holderbank, and our U.S. sister company, Holnam, and reduce costs. We expect to reap the rewards of our efforts starting in 2001.

RESULTS BY REGION

Analyzing our results by region provides a better appreciation of our performance in 2000. The Ontario Division, which represents approximately 50% of our assets, recorded solid results again this year. Demand was vigorous in all three sectors of the construction industry – residential, commercial and industrial. The division continued to benefit from the redevelopment of the Lester B. Pearson International Airport in Toronto, currently the largest infrastructure project in Canada. We obtained a major three-year contract for construction services and supply of concrete for the new terminal and parking garage. The Ontario Ministry of Transportation highway improvement program was another source of significant business for the division. Our results in Ontario would have been better had it not been for an eight-week strike by ready-mix concrete truck drivers in the Greater Toronto area.

The Quebec and Atlantic Division maintained its profit level despite higher production costs resulting from technical difficulties at the Joliette cement plant. Leveraging its position as a leader in the Montréal region, the division succeeded in obtaining a significant share of the increased demand in the cement and aggregate markets in 2000. The division also expanded its territory by acquiring three cement distribution terminals in Newfoundland, which are now being supplied by the Joliette plant.

In the Northeast United States market, which offers the greatest potential for increased profitability, cement sales continued to grow in 2000, in line with our strategy. The United States Division also pursued the expansion and improvement of its distribution network, including a major investment at the College Point terminal in New York State. The division's profitability during the year was affected by, among other things, weaker cement prices and an increase in cement imports to meet customer demand.

GROWTH INITIATIVES

We continued throughout 2000 to invest in high-performance facilities and equipment that will enable us to strengthen our competitive position in the future.

The slag grinding facility and distribution centre in Camden, New Jersey represented the Company's largest investment. Strategically located near both major waterways and highways, the plant will produce granulated slag, a high-demand cement component which improves the inherent properties of concrete. The product will be sold under the GranCem® brand. Initial shipments are slated for the second quarter of 2001 and the facility's start-up should enable the reduction of the Company's cement imports, as well as contribute to results.

Last year marked the start-up of our new slag granulator at the Algoma Steel mill in Ontario, which now supplies granulated slag to our Mississauga plant. Through these investments, St. Lawrence Cement Group established a solid position as a major supplier of ground slag in North America.

In Quebec, the construction of a new crushing facility at the Varennes quarry is underway. The new plant will produce added-value aggregates for the Greater Montréal region, thereby strengthening our competitive position. In Ontario, we are successfully pursuing our efforts to increase reserves at the Milton quarry, which serves the Greater Toronto region.

The authorization process continues for the planned Greenport cement plant in New York State. At the beginning of 2001, a crucial step was reached when the portion of the Draft Environmental Impact Statement pertaining to visual impacts was deemed complete by the Department of Environmental Conservation. Once the statement in its entirety has been declared complete, public commentary can begin. The Company continues to view the location of the project as a strategic advantage, while reiterating its commitment towards building a facility at the leading edge of environmental protection.

Our investment in fixed assets and business acquisitions totalled $167 million in 2000, compared to $86 million in 1999. This increase is mainly attributable to the completion of the Camden facility.

COST REDUCTION INITIATIVES

The Company continues to monitor costs in an effort to strengthen its competitive position. Several initiatives are underway in this regard. For example, St. Lawrence Cement Group and its sister company, Holnam, have undertaken a joint project to explore possibilities for shared administrative services. We are attempting to better utilize our purchasing power, both at Holderbank and St. Lawrence Cement Group, in order to reduce supply costs for raw materials and various other products. As well, we launched an initiative at the beginning of 2001 to improve logistics and reduce distribution costs. We expect to benefit from the positive impact of these initiatives starting in 2001.

OUTLOOK

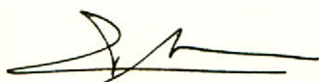
We ended 2000 in a strong position, and this augurs well for 2001. Our backlog in Ontario has reached unprecedented levels thanks to the Toronto airport project, highway improvement work and a vigorous provincial economy. In the Quebec and Atlantic region, we are well positioned to seize opportunities. In the United States, we expect pricing to improve and demand to remain at the high level achieved in 2000, which would be very positive.

In the longer term, we remain optimistic about the ongoing success and growth potential of St. Lawrence Cement Group. Our significant investments in modernizing and increasing the production capacity of our facilities, together with our efforts to reduce costs, will be reflected in our results in the coming years.

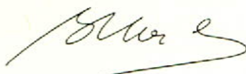
ACKNOWLEDGEMENTS

We would like to sincerely thank the employees of St. Lawrence Cement Group for their untiring commitment to innovation, quality and customer service. We would also like to welcome the new employees who have joined our ranks, especially in Newfoundland and Camden.

And finally, we would like to express our thanks to our customers, suppliers and other partners for their support, as well as to the Company's shareholders for their confidence in the future of St. Lawrence Cement Group.



PATRICK DOLBERG
President and Chief Executive Officer



BENOÎT H. KOCH
Chairman of the Board

Ontario

Quebec and Atlantic

United States

Thunder Bay
Duluth
Sault Ste. Marie
Sudbury
Buckhorn
Carden
Millcreek
Mosport
Tottenham
Bethany
Erin
Ogden Point
Cook
Concord
Aberfoyle
Mississauga
Milton
Buffalo
Mirabel
L'Avenir
Joliette
Terrebonne
Laval
Varennes
Montréal
Sainte-Agnès
LaSalle
Longueuil
Nepisiguit
Moncton
Trenton
Bedford
Corner Brook
Long Pond
Argentia
Portland
Boston
Providence
Ithaca
Greenport
Catskill
College Point
Tarentum
Hagerstown
Camden
Baltimore
South Charleston

- Cement Plant
- Cement Distribution Terminal
- Quarry
- Mineral Components Terminal
- Slag Granulator
- Future Project

CEMENT

St. Lawrence Cement's Mississauga, Ontario and Joliette, Quebec, cement plants account for 20% of the total Canadian cement production capacity. In addition to serving domestic markets, they supply cement to the Atlantic provinces and the United States.

The Company operates cement plants in Hagerstown, Maryland and Catskill, New York, and is a major supplier of cement to 13 states in the U.S. Northeast and mid-Atlantic regions.

CONCRETE

The Company operates 45 ready-mix concrete plants in Ontario and Quebec. Concrete blocks are produced in Ontario. The Company also holds an interest in Euclid Admixture, which supplies chemical admixtures to enhance concrete performance.

The concrete business units operate in Ontario under the names Dufferin-Custom Concrete Group and Boehmers, and in Quebec as Demix Béton.

AGGREGATES

The Company supplies crushed stone, gravel and sand for infrastructure construction in Ontario and Quebec, in addition to supplying its own ready-mix concrete plants.

The business unit is called Dufferin Aggregates in Ontario and is known as Demix Agrégats in Quebec.

CONSTRUCTION

Construction business units in Ontario and Quebec specialize in major infrastructure projects including highway and road paving, bridges, airports and parking lots.

The business units are called Dufferin Construction in Ontario and Demix Construction in Quebec.

BOEHMERS

MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW

The Company and its subsidiaries operate mainly in one industry segment, the manufacture and distribution of cement and related products for the construction industry. In its Canadian markets – Ontario and Quebec and the Atlantic provinces – the Company is active in cement manufacturing, concrete distribution, aggregate production and distribution, as well as construction services. In the United States, the Company primarily manufactures and distributes cement.

Each geographic segment is managed separately and the Company evaluates the performance of each reportable segment based on operating profit.

CONSOLIDATED RESULTS OF OPERATIONS

Year ended December 31, 2000 compared to year ended December 31, 1999

Consolidated sales increased by 12.5% to $1,054.4 million compared to $937.6 million in 1999. This increase reflected higher volumes of cement, concrete and aggregates, as well as increased revenues from construction services in 2000 compared to the previous year. All three of the Company's operating divisions contributed to the higher consolidated sales.

Cost of sales was 77% of sales in 2000 compared to 75% in 1999, mainly attributable to increased purchases of cement to meet customer demand in the United States, higher cement production costs resulting from unscheduled plant shutdowns, as well as an increase in the distribution costs for cement, concrete and aggregates caused by rising energy prices.

Gross profit increased $6.1 million reaching $241.5 million. Cement accounted for $162.9 million of gross profit in 2000, compared to $162.5 million in the previous year.

Selling and administrative (S&A) expenses rose by 9% to $86.3 million, compared to $79 million in 1999. As a percentage of sales, S&A expenses declined to 8.2% in 2000 from 8.4% in the previous year. The increase in absolute S&A expenses in 2000 was due mainly to higher promotional spending for cement, the costs of an e-commerce initiative and consulting fees related to the implementation of several efficiency programs that are expected to result in productivity improvements in the coming years.

Consolidated Sales Volumes and Construction Revenues

	2000	1999	1998	1997	1996
Cement sales *(millions of tonnes)*	**4.6**	4.2	3.8	3.4	3.3
Aggregate sales *(millions of tonnes)*	**14.6**	12.9	12.6	14.1	11.5
Concrete sales *(millions of cubic meters)*	**2.3**	2.1	1.8	1.7	1.6
Construction *(millions of dollars)*	**266.8**	246.4	209.3	284.9	301.1

Depreciation and amortization increased $9.7 million to $49.3 million compared to $39.6 million in 1999. Approximately $3 million of the increase reflects amortization of information systems assets, following the completion in 1999 of a multi-year information technology modernization. A change in the Company's goodwill amortization policy to align its practices with those of Holderbank increased amortization expense by $1.9 million. The balance of the increase is due to additions of fixed assets in recent years pursuant to the Company's expansion program.

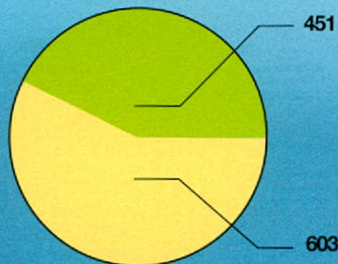
Other income or expenses include a one-time write-off of $11.1 million. Approximately half of this amount is for the write-off of certain idle assets at the Company's Mississauga plant and ready-mix facilities in Ontario. The balance includes provisions resulting from the harmonization of the Company's reporting and accounting policies with those of Holderbank.

Financial expenses increased $7.1 million to $18.2 million in 2000 due to a higher debt level resulting from recent investment activities. Since most of the Company's debt is at floating rates, the 1% increase in average interest rates in 2000 also contributed to the higher financial expenses. The Company's income tax rate increased to 38.6%, from 34.1%, due to a smaller share of earnings derived from U.S. operations, which are presently taxed at lower rates.

Net earnings were $48.5 million compared to $71 million in 1999, reflecting the one-time after-tax write-off of $6.9 million, increased amortization and depreciation, as well as increased financial expenses and a higher income tax rate. Net earnings per share were $1.15 compared to $1.64 in 1999.

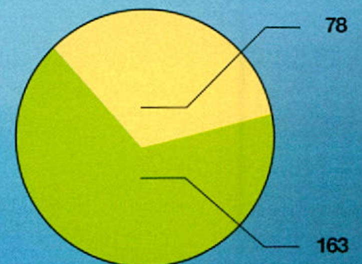
SALES - 2000

(millions of dollars)



GROSS PROFIT - 2000

(millions of dollars)



Cement

Construction materials and services

RESULTS BY GEOGRAPHIC SEGMENT

Ontario Division

Sales increased 11.9% to $591.8 million compared to $528.9 million in 1999, reflecting strong demand in the Ontario market. Operating profit rose 2% to $86.4 million compared to $84.7 million.

Higher sales did not translate into stronger profitability due to a number of factors, including higher depreciation and amortization and changes in product mix. The division was also affected by an eight-week strike by ready-mix concrete truck drivers in the Greater Toronto region and an increase in cement production costs. These factors were partly offset by a full year of sales of ground slag from its own production facility.

Quebec and Atlantic Division

Sales increased 8% to $186.1 million compared to $172.4 million, reflecting growth in the Quebec market and an acquisition in Newfoundland. Operating profit was stable at $31.5 million compared to $31.9 million in 1999.

An equipment breakdown early in the year and process difficulties resulted in higher production costs and lower output at the Joliette cement plant in 2000. By year-end, production had stabilized and the division expects to decrease clinker and cement purchases in 2001.

United States Division

Sales increased 17% to $276.5 million compared to $236.3 million, reflecting higher cement sales. Operating profit was $28.7 million compared to $37.3 million in 1999.

The division increased cement imports in 2000, mainly from offshore, to meet strong customer demand. Margins on imported cement are lower than on product manufactured by the Company's own plants and the situation was aggravated by a decline in cement prices in the U.S. market. The division anticipates a firming of cement prices and lower cement imports in 2001 as well as contribution from a new slag grinding facility, which is expected to begin production in the second quarter of 2001.

CONSOLIDATED RESULTS OF PRIOR YEAR OPERATIONS

Year ended December 31, 1999 compared to year ended December 31, 1998

Sales increased 10% to $937.6 million compared to $850.4 million in 1998. This mainly reflected higher cement volumes and prices, increased revenues from construction services and volume increases in concrete and aggregates. All three divisions contributed to the sales increase.

Gross profit increased to $235.3 million compared to $225.7 million in 1998. Cement accounted for $162 million of the gross profit compared to $150 million in 1998.

Net earnings were $71 million, or $1.64 per share, in 1999 compared to $65.1 million and $1.47 per share in 1998.

CONSOLIDATED BALANCE SHEETS

December 31, 2000 compared to December 31, 1999

Consolidated assets increased to $931.9 million in 2000 compared to $823.1 million in 1999. This resulted mainly from higher fixed assets attributable to the Company's expansion program and the acquisition of three cement terminals in Newfoundland during the year.

Current assets declined to $246.2 million compared to $255.7 million in 1999. This is explained mainly by the sale of $100 million of accounts receivable in 2000 under a revolving agreement, compared to $60 million as of December 31, 1999. Inventories increased to $122.6 million compared to $111.3 million, reflecting higher finished goods and work in process.

Current liabilities increased to $181.7 million compared to $166.7 million in 1999. This is attributable mainly to higher accounts payable and accrued liabilities and reflects the higher volume of business activity in the fourth quarter of 2000.

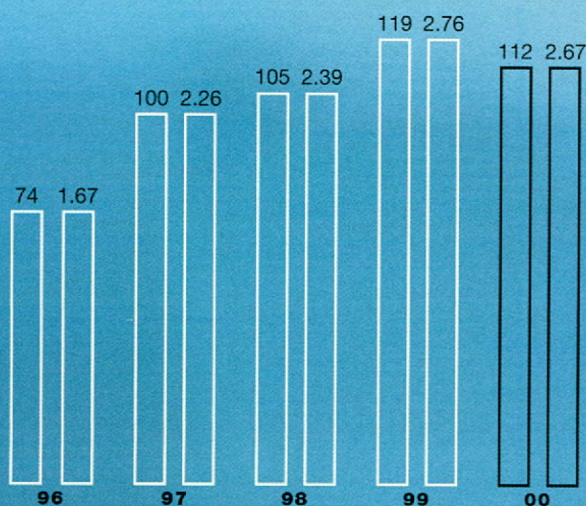
Bank revolving credits and long-term debt increased to $193 million compared to $122.2 million in 1999, as a result of higher additions to fixed assets in 2000. The Company's long-term debt to total capitalization was 26:74 at the end of 2000 compared to 19:81 at the end of 1999.

LIQUIDITY AND FINANCIAL RESOURCES

Net cash provided by operations, including a decrease in operating working capital of $32.6 million, totalled $144.3 million. This compares with $111.3 million in 1999, including an increase in operating working capital of $7.9 million. Operating cash flow was $111.8 million compared to $119.1 million in 1999.

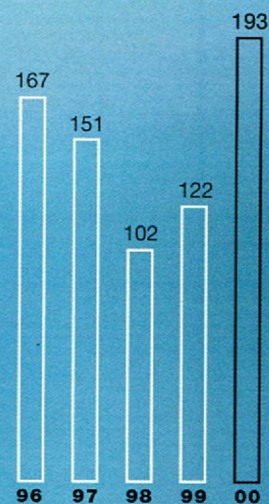
OPERATING CASH FLOW

(millions of dollars / dollars per share)



LONG-TERM DEBT

(millions of dollars)



Net cash used for investments totalled $169.4 million compared to $99.1 million in 1999, an increase of $70.3 million or 71%. Additions to fixed assets almost doubled to $152.3 million in 2000, compared to $76.5 million in 1999.

The Company's largest single investment in 2000 was the construction of a slag grinding and distribution facility in Camden, New Jersey. Additional investments were made for the ongoing improvement in the Company's cement distribution system in the United States as well as engineering and other work related to the planned construction of a cement plant in Greenport, New York.

In 2000, the Company sold a 50% interest in its Sault Ste. Marie slag granulator, which began commercial production at the end of 1999. This transaction allowed for the recovery of half of the Company's investment in the plant and ensured that the full production capacity was sold out in the first full year of operation.

In 2001, the Company expects additions to fixed assets to be higher than in 2000. These investments will be funded through cash flow and borrowings. At the end of the year, the Company had available two unsecured revolving credit facilities in the form of a $150 million facility with Canadian banks and a $97.5 million (US$65 million) facility with U.S. banks.

Financing activities provided cash of $25.1 million compared to cash used of $12.2 million in 1999. This increase is attributable to a net increase in long-term debt of $69.8 million in 2000.

Dividends paid totalled $21.2 million compared to $21.7 million in 1999. The quarterly dividend was $0.125, unchanged from 1999. The Board of Directors reviews the dividend rate on a regular basis.

The Company acquired and cancelled 1,514,400 Class "A" subordinate voting shares in 2000 under its normal course issuer bid, for a total cost of $25.8 million. In 1999, the Company acquired and cancelled 729,600 Class "A" subordinate voting shares for a total cost of $12.5 million. The Company considers repurchasing of shares to be in the best interests of its shareholders in that it will lessen the dilution resulting from the issuance of shares to its employees pursuant to its share purchase plans and otherwise represents an appropriate use of corporate funds.

FACTORS AFFECTING THE BUSINESS

Demand for the Company's products and services closely tracks economic growth. Over the past several years, the Company has benefited from steady growth in demand for cement in an environment of low inflation. In this period of strong operating cash flow, substantial investments have been made in maintenance and productivity improvements in all operations to achieve a low-cost position and build a sustainable competitive advantage. More recently, the Company has invested in new production and distribution facilities to sustain growth in the years to come. The Company does not expect inflation to have a significant impact on its operations in 2001.

The Company endeavours to maintain positive relations with its employees. In 2001, the labour agreement covering the construction trades in the Greater Toronto region expires and industry-wide collective bargaining will take place. The Company's results of operations were affected by an eight-week strike by ready-mix concrete truck drivers in the Greater Toronto region in 2000 and in 1999 by a 17-week construction industry strike in the same region.

The Company continuously monitors the environmental performance of its cement plants and other operations to ensure they are in compliance with applicable regulations. Appropriate investments are made to ensure that its facilities comply with – or exceed – government requirements. In 2000, environment-related investments totalled $2.9 million compared to $5.5 million in 1999. For 2001, the budget for such investments is $4.4 million.

OUTLOOK

Business conditions were favourable in all of the Company's markets at the end of 2000, with a particularly strong backlog in the Ontario Division. The Company's cement production is expected to be sold out for the year and total cement demand in its markets is expected to remain strong in 2001.

The Company will benefit from the start-up of a new slag grinding facility in Camden, New Jersey, which it expects will make a positive contribution to results in 2001. As well, the new crushing plant at the Varennes quarry near Montréal will commence production during the year, reinforcing the Company's ability to supply superior quality aggregates to the Greater Montréal market. The Company will continue to invest in growth initiatives in the coming years, with the major objective being to obtain the required permits to build a new cement plant in Greenport, New York.

MANAGEMENT'S REPORT ON FINANCIAL REPORTING RESPONSIBILITY

The accompanying consolidated financial statements of St. Lawrence Cement Group Inc. and all the information in this annual report are the responsibility of management and have been approved by the Board of Directors.

The consolidated financial statements have been prepared by management in accordance with accounting principles that are generally accepted and considered to be the most appropriate in the circumstances. The consolidated financial statements include certain amounts based on estimates and judgements. Management has determined such amounts on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly, in all material respects. Management has prepared the financial information presented elsewhere in the annual report and has ensured that it is consistent with that in the consolidated financial statements.

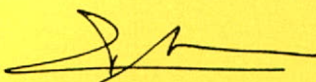
St. Lawrence Cement Group Inc. maintains systems of internal accounting and administrative controls designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the Corporation's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting and is responsible for reviewing and approving the consolidated financial statements. The Board carries out this responsibility principally through its Audit Committee.

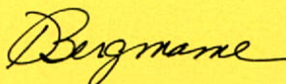
The Audit Committee is appointed by the Board, and a majority of its members are independent directors. The Audit Committee meets periodically with management, as well as the external and internal auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the annual report, the consolidated financial statements and the external and internal auditors' report. The Audit Committee reports its findings to the Board for consideration when approving the consolidated financial statements for issuance to the shareholders.

The Audit Committee also considers, for review by the Board and approval by the shareholders, the engagement or reappointment of the external auditors.

The consolidated financial statements have been audited by KPMG LLP, the external auditors, in accordance with generally accepted auditing standards on behalf of the shareholders. KPMG LLP has full and free access to the Audit Committee.



PATRICK DOLBERG
President and Chief Executive Officer



DEAN BERGMAME
Vice-president and Chief Financial Officer

February 1, 2001

AUDITORS' REPORT

To the Shareholders of St. Lawrence Cement Group Inc.

We have audited the consolidated balance sheets of St. Lawrence Cement Group Inc. as at December 31, 2000 and 1999, and the consolidated statements of income and retained earnings and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2000 and 1999, and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

KPMG LLP
Chartered Accountants

Montréal, Canada
February 1, 2001

CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS

YEAR ENDED DECEMBER 31

(thousands of dollars except per share data)

	2000	1999
Sales	$ 1,054,374	$ 937,586
Cost of sales	812,921	702,271
Gross profit	241,453	235,315
Expenses		
Selling and administrative	86,320	78,964
Depreciation and amortization	49,320	39,613
	135,640	118,577
Operating profit	105,813	116,738
Other (expenses) income	(9,802)	2,133
Earnings before interest and taxes	96,011	118,871
Financial expenses	18,247	11,177
Gain on disposals of fixed assets	(1,194)	(134)
Earnings before income taxes	78,958	107,828
Income taxes		
Current	24,844	25,890
Future	5,638	10,936
	30,482	36,826
Net earnings	$ 48,476	$ 71,002
Retained earnings at beginning of year		
As previously reported	$ 313,877	$ 272,994
Adoption of new accounting standard for income taxes	4,814	-
Adoption of new accounting standard for employee future benefits	-	1,739
As restated	318,691	274,733
Dividends	(21,031)	(21,601)
Premium on redeemed Class "A" Shares	(20,990)	(10,257)
Retained earnings at end of year	$ 325,146	$ 313,877
Net earnings per share	$ 1.15	$ 1.64

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

CONSOLIDATED BALANCE SHEETS

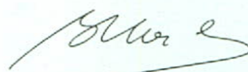
AS AT DECEMBER 31

(thousands of dollars)

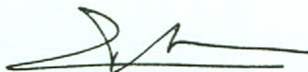
	2000	1999
ASSETS		
Current assets		
Accounts receivable	$ 115,186	$ 140,431
Inventories	122,622	111,328
Prepaid expenses and other	6,165	3,924
Future income taxes	2,211	-
	246,184	255,683
Fixed assets	595,441	489,516
Investments and other assets	90,297	77,944
	$ 931,922	$ 823,143
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	$ 150,418	$ 135,567
Income taxes payable	23,260	18,433
Construction advances, net	8,009	9,720
Future income taxes	-	3,021
	181,687	166,741
Bank revolving credits and long-term debt	193,046	122,204
Future income taxes	93,332	82,699
Minority interest	367	340
Shareholders' equity	463,490	451,159
	$ 931,922	$ 823,143

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

Approved by the Board of Directors,



BENOÎT H. KOCH
Director



PATRICK DOLBERG
Director

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEAR ENDED DECEMBER 31

(thousands of dollars)

	2000	1999
Operations		
Net earnings	$ 48,476	$ 71,002
Depreciation and amortization	49,320	39,613
Future income taxes	5,638	10,936
Other	8,361	(2,403)
Operating cash flow	111,795	119,148
Decrease (Increase) in operating working capital	32,551	(7,860)
Net cash provided by operations	144,346	111,288
Investments		
Additions to fixed assets	(152,304)	(76,479)
Proceeds from disposal of fixed assets	10,840	5,464
Decrease (Increase) in long-term receivables	1,468	(4,001)
Investment in associated businesses	-	(8,200)
Business acquisitions	(14,558)	(9,529)
Other	(14,875)	(6,330)
Net cash used for investments	(169,429)	(99,075)
Financing		
Issues of capital stock	2,545	3,228
Redemption of capital stock	(26,007)	(14,137)
Net increase in long-term debt	69,754	20,379
Dividends paid	(21,209)	(21,683)
Net cash provided by (used for) financing	25,083	(12,213)
Cash - beginning and end of year	$ 0	$ 0
Supplementary cash flow information		
Interest paid	$ 18,672	$ 10,572
Income taxes paid	20,888	24,832
Additions to fixed assets included in accounts payable	4,096	5,004

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

1. BASIS OF PRESENTATION

The Company (incorporated under the Canada Business Corporations Act on March 5, 1998 with nominal assets and liabilities) St. Lawrence Cement Inc. and 9060-6880 Quebec Inc. (a wholly owned subsidiary created solely for the purpose of implementing this transaction) entered into an amalgamation agreement effective January 1, 2000 providing for the amalgamation of St. Lawrence Cement Inc. and 9060-6880 Quebec Inc. and for the issuance of shares of the Company in exchange for the shares previously held in St. Lawrence Cement Inc.

The Company's assets and liabilities were recorded at St. Lawrence Cement Inc.'s carrying values as these financial statements reflect the continuity of interest of the shareholders of St. Lawrence Cement Inc. The comparative figures for the year ended December 31, 1999 are those of St. Lawrence Cement Inc.

Each share issued for a share of St. Lawrence Cement Inc. has rights, privileges, restrictions and conditions equivalent to those attaching to the corresponding class of shares of St. Lawrence Cement Inc. except that each Company special share and each Company Class 2 first ranking preferred share is entitled to one vote.

2. CHANGES IN ACCOUNTING POLICIES

a) Income taxes

Effective January 1, 2000 the Company adopted the new Canadian Institute of Chartered Accountants (CICA) standard relating to the accounting for income taxes. The CICA's new standard on accounting for income taxes adopts the asset and liability method for future income taxes.

Under the asset and liability method, future tax assets and liabilities are recognized for the future tax consequences attributable to the difference between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. Under the asset and liability method, the effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Pursuant to the deferral method, which was applied in 1999 and prior years, deferred income taxes are recognized for income and expense items that are reported in different years for financial reporting purposes and income tax purposes using the tax rate applicable for the year of the calculation. Under the deferral method, deferred taxes are not adjusted for subsequent changes in tax rates.

The Company has adopted the new income tax accounting standard retroactively, without restating the financial statements of any prior periods. As a result, the Company has recorded an increase to opening retained earnings of $4,814, an increase in assets of $4,577 and a decrease to the future tax liability, formerly the deferred income taxes, of $237 as at January 1, 2000. As a result of applying the new standard, earnings before income taxes, for the year ended December 31, 2000 were lower by $458 than they would have been under the previous standard.

b) Employee future benefits

In 1999, the Company adopted the new CICA recommendations related to the accounting for employee future benefits. Specifically, the standard outlines guidance for the accounting for pension, post-retirement and workers compensation costs. In accordance with the transitional provisions of the new standard, the Company has applied the recommendations retroactively but has not restated comparative periods. The cumulative effect of the adoption of the new standard of $2.7 million ($1.7 million after tax) has been recorded as an increase to opening retained earnings.

c) Statement of cash flows

In 1999, the Company adopted the new recommendations of the CICA related to the statement of cash flows. The recommendations require the Company to provide information on the changes in cash and short-term investments during the year arising from operating, investing and financing activities. Cash flows from operating activities can be reported using either the direct or indirect method.

The Company has adopted the indirect method of reporting cash flows, under which the net cash flow from operating activities is reported by adjusting net earnings for the effects of non-cash items and net changes in non-cash working capital balances.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Consolidated and other long-term investments

St. Lawrence Cement Group Inc. carries on its business through its own divisions, subsidiaries, associated businesses and joint ventures. The accounts of subsidiary companies are consolidated with those of St. Lawrence Cement Group Inc. The Company follows the equity method of accounting for associated businesses which the Company has the ability to significantly influence, generally representing 20 to 50% ownership. Joint ventures, which are established to carry out specific projects, are accounted for using the proportionate consolidation method, whereby the Company's share of the assets, liabilities, revenues and expenses are aggregated with those of St. Lawrence Cement Group Inc. and its subsidiaries.

b) Foreign currencies

Foreign currency transactions are translated using the temporal method. Gains or losses resulting from these translations are reflected in net earnings of the period, including the unrealized gain or loss on translation of long-term debt with no fixed or ascertainable life. Gains or losses on translation of long-term debt with a fixed or ascertainable life are deferred and amortized over the remaining life of the debt.

The Company's foreign operations are translated using the current rate method. Foreign denominated assets and liabilities are translated at the rate of exchange in effect at the balance sheet date. Revenues and expenses are translated at the yearly average rate of exchange. Gains or losses on translation are presented in shareholders' equity as cumulative translation adjustment.

c) Inventories

Inventories of finished goods and work in process are stated at the lower of average cost and net realizable value. Raw materials and supplies are valued at the lower of cost and replacement cost.

d) Fixed assets

Fixed assets are recorded at cost, including interest incurred during the construction period of major projects. Depreciation is calculated using the straight-line method, based on the following estimated useful lives:

• Buildings and structures	20 to 33 years
• Machinery and equipment	14 to 20 years
• Furniture, vehicles and tools	3 to 12 years

The estimated useful lives of assets are reviewed by management and adjusted, if necessary. Quarries are amortized on the basis of tonnes extracted relative to estimated total reserves.

The Company has estimated the salvage value of the capital assets to be in excess of the total liability related to future removal and site restoration costs and, accordingly, no related provision has been recorded in the accounts. Removal and site restoration expenditures are charged against earnings as incurred.

The estimate of the total liability for future removal and site restoration costs is subject to change based on amendments to laws and regulations and as new information concerning the Company's operations becomes available. Future changes, if any, to the estimated total liability as a result of amended requirements, laws, regulations and operating assumptions may be significant and would be recognized prospectively as a change in estimate, when applicable.

e) Goodwill

The excess of cost of purchased businesses over the fair value of their net assets at the dates of acquisition is being amortized on a straight-line basis over the following periods:

Operations	Period
Concrete	5 years
Aggregates	10 years
Cement	20 years

The net book value of goodwill would be written down if the value were permanently impaired. The determination as to whether a permanent impairment in value exists is based on future operating income.

f) Revenue recognition

Revenues from construction contracts are recorded by the percentage of completion method, based on the labour costs incurred during the year in relation to the estimated total labour costs for each project.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

g) Income taxes

The Company follows the asset and liability method of accounting for income taxes. Future tax assets and liabilities are recognized for the future tax consequences attributable to the difference between financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to be recovered or settled. This method also requires the recognition of future tax benefits such as operating loss carry forwards, to the extent that realization of such benefits is more likely than not.

h) Employee future benefits

The Company has defined benefit pension plans covering substantially all of its employees. The benefits are based on years of service and the employee's compensation. The cost of this program is being funded currently.

The Company also sponsors defined benefit life insurance, disability plans and medical benefits, for substantially all retirees and employees. The Company measures the costs of its obligation based on its best estimate.

The Company accrues its obligations under employee benefit plans as the employees render the services necessary to earn pension and other employee future benefits.

The Company has adopted the following policies:

- The cost of pensions and other retirement benefits earned by employees is actuarially determined using the projected benefit method pro rated on service and management's best estimate of expected plan investment performance, salary escalation, retirement ages and expected health care costs.
- For the purpose of calculating expected return on plan assets, those assets are valued at fair value.
- Past service costs from plan amendments are amortized on a straight-line basis over the average remaining service period of employees active at the date of the amendment.
- The excess of the net actuarial gain (loss) over 10% of the greater of the benefit obligation and the fair value of plan assets is amortized over the average remaining service period of active employees.

i) Derivative financial instruments

Derivative financial instruments are used by the Company in the management of its interest rate and foreign currency exposures. Because derivative instruments are used for hedging purposes only, the cost of acquiring derivative financial instruments is amortized over the duration of the agreement. The income or expense resulting from the use of these instruments is included in net earnings for the period. Unrealized gains and losses are not recognized until the maturity of the underlying instrument.

j) Share purchase plans

The Company has two share purchase plans, which are described in note 9 (b) and (d). No compensation expense is recognized for these plans when shares are issued to employees. Any consideration paid by employees on purchase of shares is credited to capital stock. If shares are repurchased from employees, the excess of the consideration paid over the carrying amount of the shares is charged to retained earnings. Loans to officers for the purchase of special shares are presented as a reduction in the capital stock related thereto.

k) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

4. BUSINESS ACQUISITIONS

During the year, the Company acquired businesses for a total cash consideration of $14,558 ($9,529 in 1999). These transactions were accounted for using the purchase method and the excess of the purchase price over the fair value of the net assets acquired totalled $5,800 ($2,923 in 1999) and is included as goodwill on the balance sheet. The results of operations have been consolidated since the respective dates of acquisition.

5. INVENTORIES

	2000	1999
Finished goods and work in process	$ 75,186	$ 62,964
Raw materials and supplies	47,436	48,364
	$ 122,622	$ 111,328

6. FIXED ASSETS

	2000 Cost	2000 Net Book Value	1999 Cost	1999 Net Book Value
Land and quarries	$ 73,133	$ 48,758	$ 68,697	$ 45,382
Buildings and structures	246,374	76,122	238,571	72,006
Machinery and equipment	604,898	265,827	577,319	245,782
Furniture, vehicles and tools	215,943	84,759	167,845	55,689
Construction in progress	119,975	119,975	70,657	70,657
	$ 1,260,323	$ 595,441	$ 1,123,089	$ 489,516

7. INVESTMENTS AND OTHER ASSETS

	2000	1999
Investments in associated businesses	$ 23,013	$ 21,421
Long-term receivables, net	20,994	22,461
Loans to officers and employees	363	1,080
Goodwill	21,096	15,107
Deferred charges	16,858	11,283
Other	7,973	6,592
	$ 90,297	$ 77,944

Long-term receivables and loans to officers and employees bear interest from 0% to 10%. Reimbursement of these receivables and loans is expected as follows:

2002	2003	2004	2005	Thereafter
$ 6,025	$ 3,623	$ 2,872	$ 1,755	$ 7,082

8. BANK REVOLVING CREDITS AND LONG-TERM DEBT

	Year of Maturity	2000	1999
Bank revolving credits a)	2001 - 2006	$ 157,744	$ 86,000
Long-term debt:			
Industrial revenue bonds Interest rate variable (US $18,000,000) b)	2020	27,000	26,131
280,070 First ranking preferred shares c)		7,002	7,002
Notes and loans, average interest rate at prime rate	2001 - 2003	1,580	4,439
		35,582	37,572

8. BANK REVOLVING CREDITS AND LONG-TERM DEBT (cont'd)

	2000	1999
Total debt	**193,326**	123,572
Less current portion included in accounts payable	**280**	1,368
	$ 193,046	$ 122,204

a) The Company has available two unsecured revolving credit facilities in the form of a $150 million facility with Canadian banks and a $97.5 million (US $65 million) facility with U.S. banks.

These facilities will be reduced, on a quarterly basis, starting December 2002, over 3 years for the facility with Canadian banks and over 4 years for the facility with U.S. banks. On mutual consent, the said reducing periods can be delayed by one year at each anniversary date.

Various interest options are available to the Company for these revolving credits. As at December 31, 2000, the average effective interest rate was 7% (6.4% in 1999).

b) During the year, the Company renewed its industrial revenue bonds and extended the term of repayment until 2020. These bonds were issued at variable rates. The Company subsequently entered into a swap agreement to fix the interest rate at 5.46% for a five-year period (See note 16). The bonds are secured by a letter of credit issued on behalf of the Company by a large multinational financial institution.

c) The Company is authorized to issue an unlimited number of first voting and second ranking preferred shares, all without par value. The Company has issued and outstanding 280,070 first ranking preferred shares, 5.26% cumulative, redeemable by the Company at stated value under certain terms and conditions in 2002, callable by the shareholders at any time.

d) Payment on bank revolving credits and long-term debt are as follows for the next five years:

2001	2002	2003	2004	2005
$ 280	$ 7,282	$ 6,710	$ 6,500	$ 74,700

9. SHAREHOLDERS' EQUITY

	2000		1999	
	Number of Shares	**Stated Value**	Number of Shares	Stated Value
Capital stock issued				
Class "A" subordinate voting shares (1 vote)				
Balance at beginning of year	**27,044,320**	**$ 85,544**	27,634,860	$ 86,173
Conversion of special shares	**150,325**	**1,502**	102,000	1,062
Issued under the employee share purchase plans	**48,805**	**740**	37,060	585
Acquired shares	**(1,514,400)**	**(4,786)**	(729,600)	(2,276)
Balance at end of year	**25,729,050**	**$ 83,000**	27,044,320	$ 85,544
Class "B" shares (3 votes)				
Balance at beginning and end of year	**15,252,848**	**$ 38,525**	15,252 848	$ 38,525

9. SHAREHOLDERS' EQUITY (cont'd)

	2000 Number of Shares	2000 Stated Value	1999 Number of Shares	1999 Stated Value
Class 1 special voting shares				
Balance at beginning of year	**866,350**	**$ 10,638**	930,750	$ 11,257
Conversion to Class "A"	**(150,325)**	**(1,502)**	(102,000)	(1,062)
Issued under the special share incentive plan	**145,700**	**2,400**	118,600	2,047
Redemption of shares	**(15,000)**	**(231)**	(81,000)	(1,604)
	846,725	**11,305**	866,350	10,638
Less: loans to officers for special voting shares	**-**	**(10,599)**	-	(10,004)
Balance end of year	**846,725**	**$ 706**	866,350	$ 634
Total capital stock	**41,828,623**	**$ 122,231**	43,163,518	$ 124,703
Cumulative translation adjustment		**16,113**		12,579
Retained earnings		**325,146**		313,877
Total shareholders' equity		**$ 463,490**		$ 451,159

a) **Authorized share capital**
The authorized share capital of the Company presently consists of Class "A" subordinate voting shares, Class "B" multiple voting shares and special voting shares issuable in series, all without par value. All shares can be issued in an unlimited number. All shares are entitled to the same dividends.

Under certain circumstances, holders of Class "A" shares are entitled to convert their shares into Class "B" shares in order to permit said holders to participate in an offer to purchase Class "B" shares.

b) **Employee share purchase plan**
The Company has a share purchase plan for all employees in Canada. Under this plan, a maximum of 2,500,000 Class "A" subordinate voting shares may be issued at a price equal to 90% of the average market price of transactions during a period immediately preceding the date of subscription. As at December 31, 2000, 1,214,859 (1,166,054 in 1999) Class "A" shares had been issued under this plan.

c) **Normal course issuer bid**
During 2000, the Company acquired 1,514,400 (729,600 in 1999) Class "A" subordinate voting shares as approved by the Stock Exchange authorities under a "Normal Course Issuer Bid" for a total consideration of $25.8 million ($12.5 million in 1999).

d) **Special voting shares**
As of December 31, 2000, under a special share incentive plan, the Company has reserved 384,700 (530,400 in 1999) special shares for issuance to senior management employees at a price equal to the average market price of transactions during the week immediately preceding the date of subscription. The special shares are redeemable within certain time limits and bear conversion privileges to Class "A" subordinate voting shares.

10. FINANCIAL EXPENSES

	2000	1999
Interest	**$ 18,019**	$ 10,289
Foreign exchange (gain) loss	**(152)**	399
Dividends on first ranking preferred shares	**380**	489
	$ 18,247	$ 11,177

11. INCOME TAXES

	2000		1999	
	$	%	$	%
Income taxes on earnings at combined basic tax rates	**33,256**	**42.1**	45,114	41.8
Add (deduct) tax effect of following:				
Federal large corporations tax	**539**		600	
Non-deductible goodwill amortization	**1,493**		985	
Manufacturing and processing tax deduction	**(4,260)**		(3,744)	
Losses applied to reduce current taxes	**(2,558)**		(5,365)	
Other	**2,012**		(764)	
	(2,774)	**(3.5)**	(8,288)	(7.7)
	30,482	**38.6**	36,826	34.1

The tax effects of temporary differences that give rise to significant portions of the future tax assets and future tax liabilities at December 31, 2000 are presented below:

	Current	Long Term
Construction contract accounting methods	$ 5,672	-
Provisions - deductible for tax purposes in the future	(7,883)	-
Fixed assets - differences in net book value and undepreciated capital cost	-	$ 89,077
Other	-	4,255
Net future tax (asset) liability	$ (2,211)	$ 93,332

12. EMPLOYEE FUTURE BENEFITS

The Company has five Canadian defined benefit pension plans and one U.S. defined benefit pension plan, as well as health care coverage for its retired Canadian salaried employees up to age 65, dental care coverage for its retired Canadian salaried employees up to age 62, life insurance coverage for retired Canadian salaried employees decreasing at age 65 and health care coverage access and subsidy for its U.S. salaried employees to age 65.

The significant actuarial assumptions adopted in measuring the Company's accrued benefit obligations are as follows (weighted average assumptions as of December 31):

	Pension Benefit Plans		Other Benefit Plans	
	2000	1999	**2000**	1999
Discount rate	**6.75%**	7%	**6.75%**	7%
Expected long-term rate of return on plan assets	**8%**	8%	**n/a**	n/a
Rate of compensation increase	**3%**	3%	**3%**	3%

The assumed health care cost trend rate at December 31, 2000 was 9%, decreasing to 8% in 2002, decreasing to 7% in 2004 and decreasing to 6% in 2006 and thereafter.

12. EMPLOYEE FUTURE BENEFITS (cont'd)

The Company's net benefit plan (income) expense is as follows:

	Pension Benefit Plans		Other Benefit Plans	
	2000	1999	**2000**	1999
Current service cost, net of employee contributions	**$ 3,645**	$ 4,582	**$ 73**	$ 81
Interest cost	**8,645**	8,065	**157**	146
Amortization of net actuarial gains	**(778)**	-	**(3)**	-
Expected return on plan assets	**(13,242)**	(10,868)	**-**	-
Net benefit plan (income) expense	**$ (1,730)**	$ 1,779	**$ 227**	$ 227

The net benefit plan (income) expense is included in selling and administrative expenses in the consolidated statement of income.

Information about the Company's defined benefit plans, in aggregate, is as follows:

	Pension Benefit Plans		Other Benefit Plans	
	2000	1999	**2000**	1999
Accrued benefit obligation				
Balance at beginning of year	**$ 126,807**	$ 136,348	**$ 2,244**	$ 2,427
Current service cost	**5,076**	5,974	**73**	81
Interest cost	**8,645**	8,065	**157**	146
Benefits paid	**(7,773)**	(9,431)	**(142)**	(137)
Foreign exchange and other items	**(1,231)**	923	**-**	-
Actuarial losses (gains)	**3,857**	(15,072)	**77**	(273)
Balance at end of year	**$ 135,381**	$ 126,807	**$ 2,409**	$ 2,244
Plan assets				
Fair value at beginning of year	**$ 144,484**	$ 139,052	**-**	-
Adjustment to beginning fair value	**13,983**	-	**-**	-
Return on plan assets	**9,689**	11,508	**-**	-
Employer contributions	**1,148**	1,963	**-**	-
Employee contributions	**1,431**	1,392	**-**	-
Benefits paid	**(7,773)**	(9,431)	**-**	-
Foreign exchange and other items	**145**	-	**-**	-
Fair value at end of year	**$ 163,107**	$ 144,484	**-**	-
Funded status - surplus (deficit)	**$ 27,726**	$ 17,677	**$ (2,409)**	$ (2,244)
Unamortized net actuarial gains	**(23,166)**	(15,712)	**(193)**	(273)
Accrued benefit asset (liability)	**$ 4,560**	$ 1,965	**$ (2,602)**	$ (2,517)

Included in the above accrued benefit obligation and fair value of plan assets at year-end are the following amounts in respect of benefit plans that are not truly funded:

	Pension Benefit Plans		Other Benefit Plans	
	2000	1999	**2000**	1999
Accrued benefit obligation	**$ (15,163)**	$ (13,517)	**$ (2,409)**	$ (2,244)
Fair value of plan assets	**4,399**	4,373	**-**	-
Balance at end of year	**$ (10,764)**	$ (9,144)	**$ (2,409)**	$ (2,244)

13. RELATED PARTY TRANSACTIONS

During the year, in the normal course of business, the Company sold $28.3 million ($36.9 million in 1999) of cement and clinker to companies under common control. The Company also bought $92.9 million ($51.6 million in 1999) of cement and clinker from companies under common control. Consulting services were provided by subsidiaries of the parent company for an amount of $6.9 million ($6.5 million in 1999). These transactions are recorded at the amount of consideration established and agreed to by the related parties. As at December 31, $0.7 million ($1.3 million in 1999) of receivables from companies under common control are included in the account receivables.

14. LEASE COMMITMENTS

Minimum annual payments under long-term operating leases for each of the five succeeding years are:

2001	2002	2003	2004	2005
$ 10,391	$ 9,802	$ 8,915	$ 7,303	$ 6,178

15. SEGMENTED INFORMATION

The Company and its subsidiaries operate in Ontario, Quebec and the Atlantic Provinces, and the United States, mainly in one industry segment, the manufacture and distribution of cement and related products for the construction industry.

Each reportable segment is managed separately because each business requires different marketing strategies. The Company evaluates the performance of each reportable segment based on operating profit.

The accounting policies used for each of the reportable segments are the same used for the consolidated financial statements. Intersegment sales are recorded at amounts of consideration agreed upon among the related segments.

Geographic segments

	Ontario		Quebec and Atlantic		United States		All Others		Totals	
	2000	1999	**2000**	1999	**2000**	1999	**2000**	1999	**2000**	1999
	$	$	**$**	$	**$**	$	**$**	$	**$**	$
Sales to external customers	**591,774**	528,865	**186,105**	172,385	**276,495**	236,336	**-**	-	**1,054,374**	937,586
Intersegment sales	**12,551**	9,414	**10,872**	13,866	**-**	-	**-**	-	**23,423**	23,280
Amortization of fixed assets and goodwill	**18,207**	13,986	**10,253**	8,865	**8,995**	8,705	**11,865**	8,057	**49,320**	39,613
Operating profit (loss)	**86,384**	84,706	**31,480**	31,896	**28,705**	37,339	**(40,756)**	(37,203)	**105,813**	116,738
Interest expense	**-**	-	**-**	-	**-**	-	**18,019**	10,289	**18,019**	10,289
Segment assets	**395,547**	388,335	**182,997**	170,064	**300,874**	217,834	**52,504**	46,910	**931,922**	823,143
Additions to fixed assets	**32,100**	32,493	**9,624**	9,515	**101,105**	18,885	**9,475**	15,586	**152,304**	76,479

Sales of cement totaled $451 million ($421 million in 1999). Sales of construction materials and services totaled $603 million ($517 million in 1999).

16. DERIVATIVE FINANCIAL INSTRUMENTS

Interest rate derivatives

At December 31, the Company has entered into various interest rate ceiling (CAP) and interest rate conversion (SWAP) agreements. The counterparties to these agreements are large financial institutions, which present a minimal credit risk. Details of these agreements are as follows:

2000

Type	Notional Amount	Currency	Rate	Maturity
CAP	$25,000	Canadian $	maximum 8.55%	May 2003
CAP	$25,000	US$	maximum 9.55%	May 2005
SWAP	$10,000	US$	7.45%	May 2002
SWAP	$18,000	US$	5.46%	June 2005

16. DERIVATIVE FINANCIAL INSTRUMENTS (cont'd)

1999

Type	Notional Amount	Currency	Rate	Maturity
CAP	$25,000	Canadian $	maximum 7.38%	March 2000
CAP	$25,000	Canadian $	maximum 7.40%	September 2000

17. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values and the fair values of the Company's financial instruments are as follows:

	2000		1999	
	$ Carrying Value	**$ Fair Value**	$ Carrying Value	$ Fair Value
Long-term receivables net a)	**20,994**	**n/a**	22,461	n/a
Loans to officers and employees b)	**363**	**340**	1,080	962
Bank revolving credits and long-term debt	**(193,046)**	**(193,046)**	(122,204)	(122,204)
Derivative financial instruments	**-**	**(1,595)**	-	-

a) It is not practicable to estimate the fair value of long-term client receivables to which are attached intangible future benefits.

b) The fair value differential is strictly due to the effect of discounting.

The carrying values of accounts receivable and payable, floating-rate investments and floating-rate debt approximate their fair value.

The fair value of fixed-rate investments, debts and preferred shares is estimated by discounting future contractual cash flows using market rates for similar instruments bearing similar risks.

The fair value of derivatives is estimated from quotes obtained from the Company's counterparties for the same or similar financial instruments.

18. SALE OF ACCOUNTS RECEIVABLE

The Company has a revolving agreement to sell eligible receivables. The agreement allows for sales of accounts receivable up to a maximum of approximately $100 million and expires on December 2001. At December 31, 2000, $100 million ($60 million in 1999) had been sold on a limited recourse basis pursuant to the agreement. The Company has retained the responsibility for servicing and collecting the accounts receivable sold.

FINANCIAL SUMMARY

	2000	1999	1998	1997
Operating results				
(millions of dollars)				
Sales	**1,054.4**	937.6	850.4	828.6
Depreciation and amortization	**49.3**	39.6	39.7	38.5
Financial expenses	**18.2**	11.2	8.9	14.5
Operating profit (loss)	**105.8**	116.7	109.4	95.7
Unusual write-offs and other items	**-**	-	-	6.2
Provision for income taxes (recovery)	**30.5**	36.8	34.2	33.0
Net earnings (loss)	**48.5**	71.0	65.1	42.1
Balance sheet				
(millions of dollars)				
Current assets	**246.2**	255.7	226.1	242.9
Current liabilities	**181.7**	166.7	143.8	145.4
Working capital	**64.5**	88.9	82.3	97.5
Fixed assets - net	**595.4**	489.5	461.8	421.5
Total assets	**931.9**	823.1	738.9	744.9
Long-term debt	**193.0**	122.2	101.9	151.2
Future income taxes	**93.3**	82.7	72.9	75.3
Shareholders' equity	**463.5**	451.2	418.9	373.0
Changes in financial position				
(millions of dollars)				
Operating cash flow	**111.8**	119.1	104.6	99.8
Additions to fixed assets	**152.3**	76.5	72.5	44.1
Increase (decrease) in long-term debt	**69.8**	20.4	(49.4)	(18.9)
Issues of capital stock	**2.5**	3.2	4.5	2.0
Dividends paid	**21.2**	21.7	19.9	15.5
Per share values				
(dollars)				
Net earnings (loss)	**1.15**	1.64	1.47	0.95
Operating cash flow	**2.67**	2.76	2.39	2.26
Dividends	**0.50**	0.50	0.48	0.30
Book value	**11.08**	10.45	9.56	8.40
Common share price range - High	**19.25**	20.25	20.00	14.75
Common share price range - Low	**13.85**	14.90	11.75	9.95
Financial ratios				
Working capital	**1.4:1**	1.5:1	1.6:1	1.7:1
Long-term debt on total capitalization (%)	**26**	19	17	25
Operating profit (loss) on sales (%)	**10.0**	12.5	12.9	11.5
Return on equity (%)	**10.6**	16.3	16.4	11.9
Interest coverage	**5.3**	11.0	11.8	7.3
Production				
(millions of tonnes)				
Annual cement and clinker capacity	**3.7**	3.7	4.1	4.1
Quarterly net earnings (loss), unaudited				
(millions of dollars)				
First quarter	**(5.9)**	(6.9)	(10.0)	(12.9)
Second quarter	**17.6**	24.5	26.1	16.9
Third quarter	**27.9**	33.1	28.0	26.0
Fourth quarter	**8.9**	20.3	21.0	12.1

1996	1995	1994	1993	1992	1991	1990
795.7	676.1	591.2	513.6	482.8	519.9	650.8
35.0	36.0	35.2	36.6	37.9	36.3	35.4
14.4	12.4	14.3	17.3	19.6	19.8	21.9
76.6	60.3	42.7	10.0	(21.4)	10.4	61.7
33.8	1.7	1.4	0.7	15.2	0.9	1.5
12.6	21.2	11.0	(1.4)	(20.1)	(2.8)	17.1
16.2	24.8	13.0	(7.8)	(39.9)	(5.7)	24.2
223.2	227.0	218.1	219.1	232.0	224.3	239.0
140.1	137.7	100.0	77.6	81.3	63.7	75.1
83.1	89.3	118.1	141.5	150.7	160.6	163.9
405.7	411.6	384.8	391.1	412.9	427.7	430.8
707.0	702.2	661.7	688.0	722.7	706.7	690.1
166.8	168.6	184.6	247.6	270.2	221.9	175.4
65.0	65.9	64.5	64.1	65.4	71.8	72.3
335.2	330.1	312.6	298.8	305.9	349.3	367.2
73.8	59.8	49.0	26.6	(9.0)	29.1	61.5
42.4	69.6	35.8	20.9	19.3	29.2	49.7
1.6	(16.2)	(64.3)	(25.1)	48.9	48.3	9.9
2.5	1.8	3.0	2.7	2.2	2.2	2.4
8.8	8.8	-	-	4.3	14.0	30.9
0.37	0.56	0.30	(0.20)	(0.94)	(0.14)	0.60
1.67	1.35	1.12	0.61	(0.21)	0.71	1.51
0.20	0.20	-	-	0.38	0.76	0.76
7.84	7.68	7.32	7.00	7.19	8.42	9.14
10.35	11.50	12.88	11.75	13.00	17.00	19.63
6.63	7.00	9.00	5.00	6.50	11.88	11.00
1.6:1	1.6:1	2.2:1	2.8:1	2.9:1	3.5:1	3.2:1
29	30	33	41	42	35	29
9.6	8.9	7.2	(1.9)	(4.4)	2.0	9.5
4.9	7.7	4.2	(2.8)	(12.4)	(1.6)	6.6
3.1	4.2	2.6	0.5	-	0.6	2.9
4.7	4.7	4.7	4.7	4.7	4.7	4.7
(12.5)	(13.1)	(13.7)	(14.3)	(15.3)	(13.2)	(1.0)
(6.1)	9.6	8.4	0.5	(4.4)	2.2	14.4
23.3	19.3	12.8	3.9	(2.0)	6.2	13.3
11.5	9.0	5.5	2.1	(18.2)	(0.9)	(2.5)

OFFICERS

Benoît H. Koch
Chairman of the Board

Patrick Dolberg
President and
Chief Executive Officer

Michel Damphousse
Senior Vice-president
Quebec and Atlantic Division

Paul Ostrander
Senior Vice-president
Ontario Division

Dennis W. Skidmore
Senior Vice-president
United States Division

Dean J. Bergmame
Vice-president and
Chief Financial Officer

Carl Dubé
Vice-president
Human Resources
and Communications

Badreddine Filali Baba
Vice-president
Cement Manufacturing
and Engineering

Phillip Lochbrunner
Vice-president
Major Capital Projects

Lawrence M. Bell
Vice-president
Marketing - Cement
United States Division

André Laplante
Vice-president
Marketing - Cement
Quebec and Atlantic Division

Edward R. Orsini
Vice-president
Marketing - Cement
Ontario Division

Claude Chauvette
Secretary

Paul David
Treasurer

Robert J. Penston
Corporate Controller

DIRECTORS

Max D. Amstutz [2]
Chairman of the Board
and Chief Executive Officer
Von Roll Group Inc.
Céligny, Switzerland

Claude Chauvette
Secretary
St. Lawrence Cement
Group Inc.
Mount Royal, Quebec

William G. Davis [3]
Counsel
Torys
Toronto, Ontario

Pierre Des Marais II [1] [2]
President
Gestion PDM Inc.
Montréal, Quebec

Frank J. DeWitt [3]
Corporate Director
Oakville, Ontario

Patrick Dolberg
President and
Chief Executive Officer
St. Lawrence Cement
Group Inc.
Mount Royal, Quebec

Benoît H. Koch [1]
Member of the
Executive Committee,
Holderbank Financière
Glaris Ltd. and
Chairman of the Board
of St. Lawrence Cement
Group Inc. and
Holnam Inc.
Brussels, Belgium

J. Robert S. Prichard, O.C.
Prichard-Wilson Professor in
Law and Public Policy and
President Emeritus
University of Toronto
Toronto, Ontario

Theophil H. Schlatter [2]
Member of the Executive
Committee and
Chief Financial Officer
Holderbank Financière
Glaris Ltd.
Jona, Switzerland

Anton E. Schrafl [3]
Deputy Chairman
of the Board
Holderbank Financière
Glaris Ltd.
Zurich, Switzerland

Robert B. Tuer [1] [2]
Counsel
Fasken Martineau DuMoulin, LLP
Toronto, Ontario

Paul A. Yhouse
President and
Chief Executive Officer
Holnam Inc.
Dundee, Michigan

(1) Member of the Compensation Committee
(2) Member of the Audit Committee
(3) Member of the Environmental Committee

ONTARIO

Cement Plant
Mississauga
(1,450,000 tonnes)

Cement Distribution Terminals
Concord
Duluth, MN
Mississauga
Sudbury
Thunder Bay

Construction Services
Oakville

Asphalt and Concrete Plant
Oakville

Construction Yards and Recycling Operations
Hamilton
Oakville
Ottawa
Toronto

Quarries, Sand and Gravel Pits
Aberfoyle
Bethany
Buckhorn
Carden
Cook
Erin
Millcreek
Milton
Mosport
Ogden Point
Tottenham

Slag Granulator
Sault Ste. Marie

Concrete Plants
Aberfoyle
Agincourt
Aylmer
Beamsville
Bowmanville
Bradford
Burlington
Cambridge
Denfield
Etobicoke
Georgetown
Hannon
Kitchener
Leamington
London
Malton
Maple
Markham

Concrete Plants (cont'd)
Mississauga
Niagara Falls
Orangeville
Oshawa
Peterborough
Pickering
Port Hope
Simcoe
Stratford
Tillsonburg
Toronto
Welland

Concrete Block Plant
Cambridge

Fuel Distribution Centres
Fergus
Georgetown
Kitchener
Palmerston

QUEBEC AND ATLANTIC

Cement Plant
Joliette (1,100,000 tonnes)

Cement Distribution Terminals
Argentia, NFLD
Bedford, N.S.
Corner Brook, NFLD
Joliette
LaSalle
Long Pond, NFLD
Longueuil
Moncton, N.B.
Nepisiguit, N.B.

Mineral Components Terminal
Trenton, N.S.

Construction Services
Longueuil

Concrete Plants Montréal Region
LaSalle
Laval
Longueuil

Concrete Plants (cont'd)
Melbourne
Saint-Eustache
Saint-Jovite
Saint-Romuald

Québec City/ Eastern Townships Region
Drummondville
Ormstown
Québec
Rock Forest
Valleyfield

Ottawa Region
Ottawa
Stittsville

Quarries
Joliette
Laval
L'Avenir
Mirabel
Montréal-East
Sainte-Agnès
Terrebonne
Varennes

UNITED STATES

Cement Plants
Catskill, NY
(600,000 tonnes)
Hagerstown, MD
(550,000 tonnes)

Cement Distribution Terminals
Maine
- Portland

Maryland
- Baltimore
- Hagerstown

Massachusetts
- Boston (Everett)

New York
- Buffalo
- Catskill
- College Point

Pennsylvania
- Tarentum

Rhode Island
- Providence

West Virginia
- South Charleston

Quarries
Catskill, NY
Greenport, NY
Hagerstown, MD

Mineral Components Terminal
Ithaca, NY

Slag Grinding Facility
Camden, NJ

CORPORATE OFFICE

1945 Graham Boulevard
Mount Royal, Quebec H3R 1H1
telephone: (514) 340-1881
fax: (514) 342-8154
www.stlawrencecement.com

ONTARIO

Regional Office
The Royal Centre
3300 Hwy 7, 6th floor
Concord, Ontario L4K 4M3
telephone: (905) 761-7100
fax: (905) 761-7200

Marketing - Cement
Vice-president:
Edward R. Orsini
2391 Lakeshore Road West
Mississauga, Ontario L5J 1K1
telephone: (905) 822-1653
fax: (905) 822-1792

Mississauga Plant
General Manager:
Jacques Nadeau
2391 Lakeshore Road West
Mississauga, Ontario L5J 1K1
telephone: (905) 822-1653
fax: (905) 822-5019

Boehmers
General Manager:
Paul Hargest
1060 Guelph Street
P.O. Box 1360
Kitchener, Ontario N2G 4H9
telephone: (519) 745-1151
fax: (519) 745-9841

Dufferin-Custom Concrete Group
Group General Manager:
Louis Morissette
The Royal Centre
3300 Hwy 7, 6th floor
Concord, Ontario L4K 4M3
telephone: (905) 761-7800
fax: (905) 761-7700

Dufferin Aggregates
General Manager:
William C. Galloway
The Royal Centre
3300, Hwy 7, 4th floor
Concord, Ontario L4K 4M3
telephone: (905) 761-7500
fax: (905) 761-7505
(administration)
fax: (905) 761-5905
(sales & credit)

Dufferin Construction
General Manager:
Lloyd D. Ferguson
690 Dorval Drive, Suite 200
Oakville, Ontario L6K 3W7
telephone: (905) 842-2741
fax: (905) 842-7974

QUEBEC AND ATLANTIC

Regional Office
435 Trans-Canada Street
Longueuil, Quebec J4G 2P9
telephone: (514) 522-7220
fax: (450) 651-5981

Marketing - Cement
Vice-president:
André Laplante
435 Trans-Canada Street
Longueuil, Quebec J4G 2P9
telephone: (514) 598-8750
fax: (514) 598-1578

Joliette Plant
General Manager:
Marc-André Anctil
966 chemin des Prairies
Joliette, Quebec J6E 6H7
telephone: (450) 756-1076
fax: (450) 756-8701

Demix Béton
General Manager:
Réjean Fafard
435 Trans-Canada Street
Longueuil, Quebec J4G 2P9
telephone: (514) 522-7220
fax: (514) 522-7771

Demix Agrégats
Demix Construction
General Manager:
Richard Aquin
435 Trans-Canada Street
Longueuil, Quebec J4G 2P9
telephone: (514) 522-7220
fax: (450) 651-6766

UNITED STATES

Regional Office
3 Columbia Circle
Albany, New York 12203
telephone: (518) 452-3563
fax: (518) 452-3045

Marketing - Cement
Vice-president:
Lawrence M. Bell
3 Columbia Circle
Albany, New York 12203
telephone: (518) 452-3563
fax: (518) 452-3045

Hagerstown Plant
General Manager:
Gary Batey
1260 Security Road
Hagerstown, Maryland 21742
telephone: (301) 739-1150
fax: (301) 739-6708

Catskill Plant
General Manager:
Georges Hubin
6446 Route 9W
P.O. Box 31
Catskill, New York 12414
telephone: (518) 943-4040
fax: (518) 943-6894

Greenport Cement Plant Project
Project Vice-president:
Phillip Lochbrunner
4303 Route 9
Hudson, New York 12534
telephone: (518) 828-8478
fax: (518) 828-8902

Camden Grinding Facility
Manager:
Mike Davis
2500 Broadway
Building P6, suite 22
P.O. Box 22
Camden, New Jersey 08104
telephone: (856) 964-2555
fax: (856) 964-2660

Dividends
Dividends are paid quarterly on February 1, May 1, August 1 and November 1 to shareholders of record on the 15th day of the previous month.

Annual Shareholders' Meeting
Will be held at the Inter-Continental Montréal Hotel, Sarah Bernhardt Room, 360 St. Antoine West, Montréal, Quebec, on May 15, 2001.

Auditors
KPMG LLP

Registrar and Transfer Agent
CIBC Mellon Trust,
Montréal and Toronto

Stock Listing
Toronto Stock Exchange

Trading Symbol
ST.A

Newspaper Identification
StL CemA

Major Shareholders

Holderbank Financière Glaris Ltd.	64%
Canadians (company estimate)	35%
Americans (company estimate)	1%

Share Prices: 2000

Close:	$16.00
52-week high:	$19.25
52-week low:	$13.85
Book Value	$11.08

Outstanding Shares

Class "A" (1 vote)	25,729,050
Class "B" (3 votes)	15,252,848
Special	846,725
Approximate "Free Float" (Class "A")	14,023,876

This Annual Report is published in French and English.

La version française de ce rapport annuel est disponible sur demande au Service des communications au (514) 340-1881.

Graphic Design: Gauthier et associés designers inc.

CORPORATE OFFICE
1945 Graham Boulevard, Mount Royal, Quebec H3R 1H1
Telephone: (514) 340-1881 Fax: (514) 342-8154
Web Site: www.stlawrencecement.com