



REPORT TO SHAREHOLDERS

Two significant events were announced subsequent to the quarter ending June 30, 2009. On August 12, 2009, we executed a definitive purchase and sale agreement for Triton's industrial businesses and certain assets and liabilities of the Corporate and Other segment. These assets and liabilities were categorized as discontinued operations in our quarterly reporting as at June 30, 2009. Net cash proceeds from the sale of the Triton businesses after payment of transaction expenses and taxes are estimated at \$20.0 million. The follow-on sale of real property associated with the sale of the Triton businesses is expected to generate an additional \$4 million. In a separate press release, we announced an office consolidation initiative to improve productivity and financial results. The restructuring and consolidation of our offices is estimated to generate annual cost savings of \$2.0 million.

Churchill reported Q2 2009 EBITDA from continuing operations of \$12.3 million as compared to \$13.8 million in Q2 2008, on the basis of lower revenues and higher contract income margin. Contract revenue was \$136.7 million compared to \$202.0 million in the second quarter of 2008. Net earnings from continuing operations of \$8.0 million (\$0.45 per share) were delivered compared to \$8.9 million (\$0.50 per share) in the comparable period of 2008.

The building construction markets in Western Canada continue to rebound with significant opportunities available from both the public and private sector. Lower costs and interest rates compared to the peak of the market are supporting this resumption in activity. Activity on industrial sites as a whole continues to be slow primarily due to project delays. The Corporation's work-in-hand balance at June 30, 2009, was \$600.6 million as compared to \$560.5 million at June 30, 2008. Churchill's backlog at the end of the second quarter was \$1.3 billion compared to \$1.2 billion in Q2 2008.

Stuart Olson delivered \$113.5 million of revenue and earnings before tax of \$12.0 million, in comparison to \$148.9 million of revenue and \$9.0 million of earnings before tax in the same period of 2008. The backlog at Stuart Olson was \$1.2 billion at June 30, 2009, as compared to \$1.1 billion at June 30, 2008. Stuart Olson continues to be successful at securing new projects across all of its geographic regions, including adding \$152 million in July to backlog from projects in British Columbia.

Revenue from our insulation companies in Q2 2009 was \$17.3 million, as compared to \$20.0 million for the second quarter of 2008. Earnings before tax in the quarter were \$1.8 million as compared to \$2.6 million achieved in the second quarter of 2008. Backlog at the end of the second quarter was \$68.5 million compared to \$51.8 million at the conclusion of the second quarter of 2008. Fuller Austin in particular has been successful at winning new work on projects in Alberta's oil sands and petrochemical market.

Laird's second quarter revenue was \$5.9 million, as compared to \$33.1 million in Q2 2008. The reduction and delay of capital construction activities by Laird's key clients impacted results in the quarter. Laird generated a loss before tax of \$0.1 million compared to earnings before tax of \$3.0 million in the second quarter of 2008. Restructuring initiatives at Laird to reduce costs and improve productivity have been critical to sustaining the business during this slowdown. The company's backlog was \$40.9 million at June 30, 2009, compared to \$39.8 million in 2008.

Government spending plans in support of infrastructure renewal remain strong and our pipeline of opportunities remains solid. Federal infrastructure stimulus dollars are expected to have an impact in the second-half of this year and into 2010. Stuart Olson will be active in pursuing those shovel-ready projects which are impactful to our backlog and profitability. Oil sands development activity has slowed down significantly year-over-year; however the activity level is expected to increase in 2010 and 2011 as project economics have improved considerably with labour and material price declines and the commodity price recovery. Churchill's industrial companies are well positioned to capitalize on the recovery expected in this market. Our backlog of institutional building projects is expected to deliver significant EBITDA and profits in the future.

August 11, 2009

James C. Houck

James C. Houck, B.Sc., MBA

President and Chief Executive Officer

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") of the operating performance and financial condition of The Churchill Corporation ("Churchill" or the "Corporation"), dated August 11, 2009, should be read in conjunction with the unaudited interim Consolidated Financial Statements and related notes thereto, as well as the MD&A dated March 12, 2009 and December 31, 2008, audited Consolidated Financial Statements and related notes. Unless otherwise specified all amounts are expressed in Canadian dollars.

This MD&A contains forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. See "Forward-Looking Statements" at the end of this MD&A.

Throughout this MD&A certain measures are used that while common in the construction industry are not recognized measures under Canadian generally accepted accounting principles ("GAAP"). The measures used are "Contract income margin percentage", "Work-in-hand", "Backlog", "Delayed Backlog", "Working capital", "EBITDA" and "Book value per share". Please review the discussion of these measures in the "Terminology" section of this MD&A.

The Churchill Corporation constructs buildings and provides industrial construction and maintenance services. In July 2009, the Corporation held its annual strategic planning work session and during these meetings arrived at a new consensus on its vision, mission and core values; which are as follows:

Vision

To be the most admired construction and industrial services company in Canada.

Core Values

- Acting with integrity by respecting and trusting PEOPLE.
- Striving for EXCELLENCE in an exciting TEAM environment.
- Demonstrating INNOVATION and ENTREPRENEURIAL spirit.
- Being conscious of SAFETY, HEALTH and the ENVIRONMENT in all we do.

Mission

- Creating value for our clients, employees, partners and ultimately, our shareholders.
- Attracting, retaining and developing the best people
- Exceeding customer expectations by being results driven.

- Achieving sustainable growth through continuous improvement.
- Delivering consistently superior operating and financial results
- Contributing positively to the community in which we work, live and play.

Strategy

- Emphasizing value added construction and other partnering methods of project delivery.
- Securing contracts for larger projects.
- Targeted geographic expansion.
- Industry sector diversification.
- Product and service line diversification.
- Ensuring the Corporation has a strong balance sheet to support its growth objectives.

The Corporation segments its operations into four business segments –

- **Buildings** (Stuart Olson, includes collectively Stuart Olson Construction Ltd. and Stuart Olson Constructors Inc.) – constructs commercial, institutional, light-industrial buildings and multi-unit residential buildings.
- **Industrial Insulation Contracting** (Insulation Holdings Inc. (“IHI”), includes collectively Fuller Austin Insulation Inc. and Northern Industrial Insulation Contractors Inc.) – provides industrial insulation, asbestos abatement, siding application, HVAC, plant maintenance and related services.
- **Industrial Electrical Contracting** (Laird Electric Inc.) – provides industrial electrical, instrumentation and power-line construction and maintenance services.
- **Corporate and Other** – includes corporate costs not allocated directly to another business segment as well as any miscellaneous investments.

The Corporation has historically generated 100% of its revenues from Western Canada.

In this second quarter MD&A, the Corporation is reporting on the performance of its Industrial General Contracting (“Triton”) segment and certain assets and liabilities of the Corporate and Other segment collectively as discontinued operations of the Corporation. The Lamont fabrication facility, Bonnyville facility and 8525 Davies Road office building are included in the assets held for sale on the balance sheet as is required under GAAP.

Stuart Olson has been a general contractor since 1939 and during the last several years has become a key player in Western Canada’s building markets. Stuart Olson has grown to comprise approximately 80% of Churchill’s consolidated revenues, 82% of earnings from continuing operations before income taxes excluding the losses of the Corporate and Other segment and 92% of total backlog.

The Corporation’s two industrial business segments are also located in Western Canada, and are headquartered in Edmonton, servicing clients in the oil sands, oil and gas, power, refinery, petrochemical, mining and agricultural sectors.

The Corporate and Other business segment provides strategic direction, operating advice, financing, infrastructure services and management of public company requirements to each of its business segments. In order to understand more clearly the operating results for the Corporation, the discussion within this MD&A will be focused at the business segment level.

Subsequent to the second quarter, the Corporation announced that it was planning to relocate and consolidate the corporate office and those of its electrical and insulation segments within the next two months. See Churchill's press release dated August 12, 2009, announcing the office consolidations.

QUARTERLY FINANCIAL INFORMATION

The following table sets forth selected quarterly financial information of the Corporation for the last eight quarters based on continuing operations and therefore excludes the assets held for sale as discontinued operations:

(\$ millions, except per share data and percentages)

	2009		2008				2007	
	June 30	Mar. 31	Dec. 31	Sept. 30	June 30	Mar. 31	Dec. 31	Sept. 30
Contract revenue	\$136.7	\$129.1	\$185.5	\$216.2	\$202.0	\$157.8	\$178.6	\$194.6
Contract income	21.6	18.6	27.7	28.3	23.1	15.0	20.6	16.6
Contract income margin - %	15.8%	14.4%	14.9%	13.1%	11.4%	9.5%	11.5%	8.5%
EBITDA from continuing operations	12.3	9.3	18.5	18.5	13.8	6.5	12.2	9.7
Earnings from continuing operations before income taxes	11.0	8.1	17.3	17.3	12.7	5.4	11.0	8.9
Net earnings from continuing operations	8.0	5.7	12.8	11.4	8.9	3.6	7.4	6.0
Earnings per share from continuing operations - basic	0.45	0.3	0.7	0.6	0.50	0.2	0.4	0.3
Earnings per share from continuing operations - fully diluted	0.44	0.3	0.7	0.6	0.50	0.2	0.4	0.3
Net earnings and comprehensive income	7.4	4.6	11.2	11.2	9.5	4.5	8.2	5.6
Earnings per share - basic	0.42	0.26	0.62	0.62	0.53	0.25	0.46	0.31
Earnings per share - fully diluted	0.41	0.26	0.62	0.62	0.53	0.25	0.45	0.31
Work-in-Hand	600.6	528.4	565.3	556.0	560.5	598.9	668.8	708.2
Backlog	1,344.2	1,327.5	1,390.3	1,422.1	1,235.8	1,385.3	1,311.5	1,122.9
Working Capital	84.4	77.5	78.3	69.9	60.1	51.4	47.9	38.4
Shareholders' Equity	117.3	109.8	105.6	95.9	84.4	74.3	69.7	61.1
Book Value (\$ per share)	6.67	6.23	5.92	5.33	4.70	4.15	3.90	3.43

The reader is referred to the Corporation's 2008 and 2007 Annual Reports, MD&A and interim Report to Shareholders for a discussion and analysis of the results of the quarters preceding June 30, 2009.

OVERALL PERFORMANCE

For the second quarter of 2009 consolidated contract revenue was \$136.7 million, compared to \$202.0 million in the same period in 2008. Revenue decreased due to the cumulative effect of delays in project starts and tendering in our buildings segment in combination with lower levels of industrial contracting activity on a year-over-year basis in our industrial insulation and industrial electrical operations.

Contract income decreased from \$23.1 million in the second quarter of 2008 to \$21.6 million in Q2 2009 as stronger margins in our building construction segment, were offset by lower year-over-year revenues and contract income in our industrial insulation and industrial electrical segments.

Indirect and administrative expenses amounted to \$9.7 million in the quarter, compared to \$9.9 million in the comparable period of 2008. These savings were driven by restructuring activities primarily in our industrial operations at Laird and smaller reductions in headcount within other business segments.

Earnings before interest, taxes, depreciation and amortization in the quarter were \$12.3 million, compared to \$13.8 million in Q2 2008.

Earnings from continuing operations before income taxes decreased to \$11.0 million compared to \$12.7 million reported in Q2 2008. The Corporation's consolidated net earnings from continuing operations for the three months ended June 30, 2009 were \$8.0 million compared to net earnings from continuing operations of \$8.9 million in Q2 2008. Net earnings from continuing operations, for the six-month period ended June 30, 2009 were \$13.7 million compared to \$12.5 million in the prior year. The increase in net earnings from continuing operations is due to the strong performance of our Stuart Olson business in 2009.

New contract awards of \$208.9 million were added to work-in-hand in the current quarter compared to \$163.6 million in Q2 2008. Work-in-hand at June 30, 2009, was \$600.6 million, compared to \$560.5 million at June 30, 2008. On a segmented basis, year-over-year work-in-hand increased \$15.8 million in the buildings segment, increased \$23.2 million in the insulation contracting segment and increased \$1.2 million in the electrical contracting segment.

Churchill's total backlog, including work-in-hand as at June 30, 2009, increased to \$1.34 billion from \$1.24 billion in the prior year. Year-over-year backlog in our buildings segment increased by \$90.6 million, the insulation contracting segment backlog increased by \$16.7 million and the industrial electrical contracting backlog increased by \$1.1 million. The Corporation's backlog consists of work-in-hand of \$600.6 million, active backlog of \$626.6 million and delayed backlog of \$117.0 million. There have been no material changes to the delayed projects residing in the Corporation's backlog. Management remains confident that these project delays can be overcome and that the majority of the Corporation's backlog will be realized as revenue in future reporting periods. Additionally, total backlog as reported does not include volume associated with the Fort St. John hospital project which reached financial close in mid-July and the award to Stuart Olson Constructors of the Shrum Science Complex - Chemical Building in July. These projects will add \$152 million to the backlog in the third quarter.

Discontinued Operations

During the second quarter of 2009, the Corporation proceeded to divest its Industrial General Contracting segment ("Triton") and certain assets and liabilities of the Corporate and Other segment. The segment has performed poorly over a period of time and as a result management felt that there may be a more advantaged owner of the assets held-for-sale and that Churchill could more profitably deploy its resources and the proceeds from disposition into its other operating segments. Accordingly, the results of operations and cashflows for the assets held-for-sale have been accounted for on a discontinued basis for the current and prior periods. The loss from discontinued operations for the three and six months ended June 30, 2009 was \$0.6 million and \$1.8 million, respectively. These amounts include severance related costs associated with the restructuring implemented since March 2009.

RESULTS OF OPERATIONS

Buildings

For the three month period ended June 30, 2009, Stuart Olson's revenue was \$113.5 million, compared to \$148.9 million in the prior year. This decrease in revenue was a result of the cumulative impact of the delayed project starts and tendering referred to in the Corporation's first quarter MD&A.

Contract income in the second quarter of 2009 increased 21% to \$16.8 million, from \$13.9 million for the same period in 2008. The Q2 2009 contract income margin percentage was 14.8% compared to 9.3% in

2008. This margin increase was driven by the strength of the margins in Stuart Olson's backlog, strong project execution and the ability to effectively manage construction costs.

Earnings before tax from the buildings segment were \$12.0 million in Q2 2009, compared to \$9.0 million in Q2 2008. This 33% improvement in pre-tax earnings was a result of the higher margins across all branches, particularly in Northern Alberta.

Revenue for the six months ended June 30, 2009, was \$211.3 million compared to \$276.3 million in 2008. This decrease in revenue was a result of the cumulative impact of the delayed project starts and tendering referred to in the Corporation's first quarter MD&A.

Contract income for the six months ended June 30, 2009 increased by 22%, to \$30.1 million from \$24.7 million for the same period in 2008. Stuart Olson's contract income margin percentage increased to 14.2% compared to 8.9% year-over-year, driven by higher margins in the company's backlog and strong project execution.

Earnings before tax from the buildings segment for the six month period ended June 30, 2009 were \$20.4 million compared to \$14.9 million in the prior year. This 37% increase resulted from higher margins across all branches, particularly in Northern Alberta.

Stuart Olson had work-in-hand of \$447.1 million and a backlog of \$1.23 billion as at March 31, 2009. In the three months ended June 30, 2009, Stuart Olson secured \$162.9 million of new contracts and executed \$113.5 million of work. The company finished the quarter with \$496.5 million of work-in-hand, of which \$275.7 million is expected to be executed in 2009. As at June 30, 2009, Stuart Olson's total backlog was \$1.23 billion.

Stuart Olson continues to pursue new project opportunities which fit its strategy, expertise and price for value proposition. The institutional spending outlook remains strong and the company is currently competing for two additional P3 projects in addition to pursuing traditional infrastructure projects.

Industrial Insulation Contracting

Industrial Insulation Contracting operates under three business units – Fuller Austin, Northern Industrial Insulation and Lakehead Insulation – all providing insulation related contracting services for capital projects and maintenance work. Lakehead is a wholly-owned subsidiary of Fuller Austin.

Revenue for the three months ended June 30, 2009, was \$17.4 million, compared to \$20.0 million for the same period of 2008. The revenue decrease was the result of reduced capital spending mainly in the Saskatchewan industrial market.

Contract income in the second quarter of 2009 was \$3.3 million compared to \$4.0 million for the comparable period in 2008. The contract income margin percentage in Q2 2009 was 19.0% versus 20.0% in Q2 2008.

Earnings before tax were \$1.8 million during the period ending June 30, 2009, compared to \$2.6 million in the second quarter of 2008. Strong project execution by the insulation companies on a variety of maintenance and shutdown contracts allowed IHI to sustain earnings.

For the six months ended June 30, 2009, Insulation Holdings reported revenue of \$34.9 million compared to \$33.6 million for the same period of 2008. The company's revenue for the first six months of 2009 has remained robust as a result of its near record backlog of work.

Contract income for the first six month period ended June 30, 2009, was \$6.6 million compared to \$6.1 million for the comparable period in 2008. The contract income margin percentage was 18.9% compared to 18.1%, respectively.

Earnings before tax increased 11% year-to-date to \$3.9 million in the period ending June 30, 2009, compared to \$3.5 million in 2008. These stronger earnings were a result of the higher contract margins earned year-to-date.

Industrial Insulation Contracting had work-in-hand of \$55.2 million and a backlog of \$69.0 million as at March 31, 2009. During Q2 2009, IHI secured new awards totaling \$25.3 million and executed \$17.4 million of contractual work. The insulation segment ended the quarter with \$63.1 million of work-in-hand, of which \$32.4 million is expected to carry over into 2010. At June 30, 2009, IHI's backlog amounted to \$68.5 million compared to \$51.8 million in the prior year. This increase in backlog is primarily related to projects awarded to Fuller Austin for an upgrader/refinery project in Fort Saskatchewan and for an emissions reduction project at Syncrude near Fort McMurray.

With its positive start to 2009 and strong backlog of projects, Insulation Holdings is positioned to perform favourably over the next 12 months. However, industrial project delays and owner requests for rate resets continue to create increased competition for new work and apply downward pressure on contract income margins.

Industrial Electrical Contracting

For the three months ended June 30, 2009, Laird's contract revenue was \$5.9 million compared to \$33.1 million reported in Q2 2008. This decrease in revenue was primarily due to a reduction in activity levels associated with several oil sands projects in the Fort McMurray area and no significant shut down activity in the quarter. Management believes that activity levels are likely to remain lower on a year-over-year basis for the balance of 2009.

Contract income was \$1.4 million in Q2 2009 compared to \$5.1 million during the prior year. This decrease was due to lower activity levels. The contract income margin percentage was higher at 23.7% during the second quarter of 2009 compared to 15.4% in Q2 2008 due to strong project execution, operational improvements and favourable resolution of project contingencies.

Laird reported a loss before tax of \$0.1 million for the period, compared to earnings before income tax of \$3.0 million in Q2 2008. Laird's initiatives to right size the organization for the expected reduced activity levels paid dividends this quarter as the company was able to withstand a significant revenue drop. The company was able to offset the impact of lower revenues in the period with higher margins and control of its indirect and administrative expenses.

For the six months ended June 30, 2009, Laird's reported revenue was \$19.6 million compared to \$49.9 million reported in 2008. This decrease in revenue was primarily due to a reduction in activity levels associated with several oil sands projects in the Fort McMurray area and very little client shut down and maintenance activity in the quarter.

Contract income for the six months ended June 30, 2009 was \$3.4 million compared to \$7.4 million during 2008. This decrease in contract income was due to lower activity levels. The contract income margin percentage was higher at 17.4% in 2009 compared to 14.8% in 2008 due to operational efficiency in the field and favourable resolution of project contingencies.

Laird reported earnings before tax of \$0.5 million for the period ending June 30, 2009, compared to earnings before tax of \$3.4 million in 2008. The variance in earnings is attributable to lower levels of client activity.

Laird's reported Q1 2009 work-in-hand and backlog was \$26.1 million. New contract awards of \$20.7 million were secured in the second quarter of 2009 and \$5.9 million of contracts were executed. Laird concluded the second quarter with \$40.9 million of work-in-hand and backlog, of which \$12.3 million is expected to be completed in 2010. This compares to a backlog of \$39.8 million at the end of Q2 2008.

Laird has increased its focus on business development activities during this slowdown and successfully concluded agreements with clients such as Shell Albion and Suncor during the second quarter of 2009.

Corporate and Other

In the second quarter of 2009, the Corporate and Other segment incurred a loss before tax of \$2.7 million compared to a loss before tax of \$1.9 million in 2008. For the six months ended June 30, 2009 and 2008 the Corporate and Other segment generated a loss before tax of \$5.6 million and \$3.6 million respectively. The increase in 2009 Corporate and Other expenditures is attributable to indirect and administrative expenses associated primarily with implementation of a new incentive based compensation program more closely aligned with shareholder interests, professional fees and stock based compensation.

CAPITAL RESOURCES AND LIQUIDITY

Cash and cash equivalents at June 30, 2009, totaled \$131.8 million, which compares with \$100.8 million at the end of 2008. Included in the cash and cash equivalents balance is \$18.8 million which is subject to deemed trust conditions under the British Columbia Builders Lien Act, compared to \$17.5 million at December 31, 2008. As such, this cash is restricted to the payment of direct costs related to specific construction projects.

Cash flow provided from operating activities was \$32.8 million, compared to \$18.1 million of cash used in operations during the second quarter of 2008. The Corporation expects to increase its cash and cash equivalents from the proceeds associated with the sale of its discontinued operations.

Investing activities resulted in a use of cash of \$0.7 million during the second quarter of 2009, which compares with cash used of \$1.5 million in Q2 2008. The cash was invested in the acquisition of construction equipment for long term projects under contract.

During the second quarter of 2009, cash used in financing activities associated with net repayments of long term debt amounted to \$1.1 million, compared to cash used in financing of \$0.3 million in Q2 2008. Stock options exercised by directors and officers of the Corporation contributed \$0.2 million to the cash generated from financing in Q2 2008.

Cash generated from operations of \$32.6 million in the first six months of 2009 was in contrast to cash used in operations of \$30.1 million in the same period of 2008. This reversal can be attributed to the collection of accounts receivables and lower activity in the Corporation's industrial operations.

Investing activities resulted in a use of cash of \$1.5 million during the six months ended June 30, 2009, which compares with cash used of \$3.2 million in the same period of 2008. The cash was invested in the acquisition of construction equipment for long term projects under contract.

For the six months ended June 30, 2009, cash used in financing amounted to \$7.6 million, compared to cash used in financing of \$0.8 million in 2008. Net repayments of long-term debt in the six month period ended June 30, 2009, amounted to \$6.8 million, compared to net repayments of \$1.1 million in 2008. Stock options exercised by directors and officers of the Corporation contributed \$0.2 million to the cash generated from financing in the first half of 2009 compared to \$0.2 million in 2008.

As at June 30, 2009, Churchill had working capital of \$84.4 million, compared to its working capital position of \$78.3 million at December 31, 2008.

Management believes that the Corporation has the capital resources and liquidity necessary to meet its commitments, support its operations and finance its growth strategies. In addition to the Corporation's cash and cash equivalents, ability to generate cash from operations, and its \$60.0 million credit facility, the Corporation is also able to issue additional common shares to provide for capital spending and sustain its property and equipment.

The Corporation is a partner in three joint ventures. In each instance the Corporation has provided a joint and several guarantee, increasing the maximum potential exposure to the full value of the work remaining under the contract. Public-Private Partnerships ("PPP") infrastructure projects may expose the Corporation to financial penalties or liquidated damages under the contract for project delays. PPP projects require security in the form of letters of credit to support the obligations that the Corporation undertakes on these projects.

Shareholders' equity was \$117.3 million at June 30, 2009, as compared to \$105.6 million at December 31, 2008.

Share Data

On October 15, 2008, the Corporation commenced a Normal Course Issuer Bid ("NCIB"), under which it is entitled to purchase up to 1,391,090 common shares in a 12 month period. During the second quarter of 2009, no common shares were repurchased under the NCIB, however 44,100 common shares purchased in March 2009, were cancelled during the reporting period. In total, the Corporation has repurchased and cancelled 432,500 common shares year-to-date. The Corporation has expended \$1.0 million in the first six months of 2009 under its normal course issuer bid. The funding for the NCIB is from the Corporation's cash and cash equivalents balance.

As at August 11, 2009, the Corporation had 17,599,491 common shares issued and outstanding and 876,842 options convertible into common shares upon exercise (December 31, 2008 - 17,822,091 common shares and 519,660 options).

The Corporation has an Employee Share Purchase Plan (the "ESPP") available to all full-time employees. At June 30, 2009, the ESPP held 913,200 common shares for employees. Under the ESPP, common shares are acquired in the open market.

SUPPLEMENTAL DISCLOSURES

Off-Balance Sheet Arrangements

The Corporation has no material off-balance sheet arrangements in place at this time.

Related Party Transactions

The Corporation incurred legal fees during the period ending June 30, 2009, with a law firm of which a director of the Corporation is also a partner. The fees were for services rendered in the ordinary course of business. The amount incurred during the period was \$116 thousand (Q2 2008 - \$12 thousand). Legal fees of \$197 thousand (June 30, 2008 - \$40 thousand) were incurred with this law firm for the six months ended June 30, 2009. At June 30, 2009, \$138 thousand was included in accounts payable (Q2 2008 - \$2 thousand).

During the second quarter of 2009 the Corporation incurred facility costs of \$40 thousand (Q2 2008 - \$35 thousand) relating to the rental of a building which is owned by a director of the Corporation. Facility costs of \$75 thousand (June 30, 2008 - \$49 thousand) for this building were incurred for the six months ended June 30, 2009. At June 30, 2009, \$17 thousand was included in accounts payable (June 30, 2008 - \$16 thousand).

OUTLOOK

With the sale of the Triton companies subsequent to the completion of the quarter, management has demonstrated its commitment to reshape the organization to focus on its most profitable segments and businesses where we can compete effectively to grow shareholder value. In addition, our restructuring and office consolidation initiatives are expected to generate savings of \$2.0 million annually, deliver improved customer service and increase productivity.

The Corporation continues to demonstrate the strength of its business model reporting strong margins and profits driven primarily by our infrastructure business. Our industrial companies, Laird and IHI, are well positioned to participate in the spending in the oil and gas sector as projects resume in the latter part of 2009 and into 2010. The cost reductions, creative thinking and entrepreneurial culture demonstrated by the management team in this period of reduced activity are traits which we want to sustain when activity levels increase in the future. The performance of Stuart Olson which is the growth engine of the business and holder of 91% of the Corporation's backlog of \$1.4 billion, excluding the incremental \$152 million of additions from the closing of Fort St. John Hospital and SFU Shrum Science Complex, will play an important role in our future outlook. Government spending plans should they translate into funding for new projects and "shovel-ready" projects will be key to our growth, however we continue to see opportunities on the private side of the non-residential construction market. Overall, the outlook for Churchill remains positive as we believe the prospects are strong that we will continue to secure new critical infrastructure and industrial projects.

RISKS AND UNCERTAINTIES

There has been no significant change in the Corporation's risk factors from those disclosed in its 2008 Annual Report and Annual Information Form.

CRITICAL ACCOUNTING ESTIMATES

The Corporation's summary of significant accounting policies are contained in Note 1 to the unaudited interim Consolidated Financial Statements.

Churchill's financial statements include estimates and assumptions made by management in respect of operating results, financial conditions, contingencies, commitments, and related disclosures. Actual

results may vary from these estimates. As discussed in the MD&A contained in the Corporation's 2008 Annual Report, management has identified the Corporation's most critical accounting estimates to be in the areas of revenue recognition, goodwill impairment, income tax provisions and accounts receivable collectability. For the period ending June 30, 2009, there has been no significant change in our critical accounting estimates.

All estimates are updated each reporting period to reflect actual activity as well as incorporate all relevant information that has come to the attention of management. Given the nature of construction, with numerous contracts in progress at any given point in time, the impact of these critical accounting estimates on the results of operations is significant. Activities or information received subsequent to the date of this MD&A may cause actual results to vary, which will be reflected in the results of subsequent reporting periods.

CHANGES IN ACCOUNTING POLICIES

Several new Canadian accounting standards were adopted in 2009. The effective adoption of these standards and policies are described in Note 2 of the unaudited interim Consolidated Financial Statements.

RECENT ACCOUNTING PRONOUNCEMENTS

Note 3 of the unaudited interim Consolidated Financial Statements describes new CICA Handbook sections that will become effective after fiscal 2009 for Churchill and their potential impact on the Corporation's Consolidated Financial Statements.

International Financial Reporting Standards ("IFRS")

The Accounting Standards Board has announced that Canadian publicly accountable enterprises will be required to adopt IFRS effective January 1, 2011. Although IFRS employs a conceptual framework that is similar to Canadian GAAP, there are significant differences in recognition, measurement and disclosure. Churchill has undertaken a project to assess the potential impacts of the transition to IFRS and has established a project team led by financial management to plan for and achieve a smooth transition to IFRS. The project team has developed a detailed project plan to ensure compliance with the new standards. Regular progress reports on the status of Churchill's IFRS implementation project are provided to senior management and to the audit committee of the Board of Directors. A major public accounting firm has been engaged to provide technical accounting advice and project management guidance in the conversion to IFRS.

Disclosure Controls & Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the CEO and CFO, on a timely basis, so that appropriate decisions can be made regarding public disclosure. The CEO and CFO together are responsible for establishing and maintaining the Corporation's disclosure controls and procedures. They are assisted in this responsibility by the Disclosure Committee which is composed of senior management of the Corporation.

During the three months ended June 30, 2009, an evaluation of the effectiveness of the design of disclosure controls and procedures was carried out under the supervision of Churchill's management, including the CEO and CFO, with oversight by the Audit Committee and the Board of Directors. Based

on this evaluation the CEO and CFO have concluded that the design of the Corporation's disclosure controls and procedures as defined in National Instrument 52-109 ("NI 52-109"), Certification of Disclosure in Issuers Annual and Interim Filings, were effective as at June 30, 2009.

Internal Controls Over Financial Reporting

Internal controls over financial reporting ("ICFR") are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian GAAP. Because of inherent limitations in all control systems, absolute assurance cannot be provided that all misstatements have been detected. Management is responsible for establishing and maintaining adequate internal controls appropriate to the nature and size of the business, to provide reasonable assurance regarding the reliability of financial reporting for the Corporation.

Under the oversight of the Audit Committee and Board of Directors, Management with the participation of the Corporation's CEO and CFO, evaluated the design of the Corporation's internal controls over financial reporting using the control framework issued by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control – Integrated Framework ("COSO"). As at the end of the period covered by this management discussion and analysis, management has concluded that design of the internal controls over financial reporting were effective.

Material Changes to the Internal Controls over Financial Reporting

For the three months ended June 30, 2009, the CEO and CFO evaluated whether there were any material changes in internal controls over financial reporting pursuant to NI 52-109. They concluded that there were no changes to the Corporation's internal controls over financial reporting that have materially affected or were reasonably likely to materially affect the Corporation's internal controls over financial reporting.

TERMINOLOGY

Throughout this second quarter MD&A, management refers to certain terms when explaining its financial results that do not have any standardized meaning under Canadian GAAP as set out in the CICA Handbook. Specifically, the terms "contract income margin percentage", "work-in-hand", "backlog", "working capital", "EBITDA" and "book value per share" have been defined as:

Contract income margin percentage is the percentage derived by dividing contract income by contract revenue. Contract income is calculated by deducting all associated direct and indirect costs from contract revenue in the period.

Work-in-hand is the unexecuted portion of work that has been contractually awarded for construction to the Corporation. It includes an estimate of the revenue to be generated from maintenance contracts during the shorter of (a) twelve months, or (b) the remaining life of the contract.

Backlog means the total value of work including work-in-hand that has not yet been completed that; (a) is assessed by the Corporation as having high certainty of being performed by the Corporation or its subsidiaries by either the existence of a contract or work order specifying job scope, value and timing; or (b) has been awarded to the Corporation or its subsidiaries, as evidenced by an executed binding or non-binding letter of intent or agreement, describing the general job scope, value and timing of such work, and with the finalization of a formal contract respecting such work currently assessed by the Corporation as being reasonably assured. All projects within backlog are classified as active unless the Company has

received written or verbal notification from the client that a job/project/contract has been delayed, at which point the backlog is classified as delayed backlog. The Corporation provides no assurance that additional clients will not choose to defer or cancel their projects in the future. There can be no assurance that the client will resume the project or that the delayed backlog will not be retendered. Jobs or projects subsequently retendered and not awarded to the Corporation or its subsidiaries would at that time be removed from the Corporation's backlog.

As at June 30, 2009

(\$ millions)

Work-in-hand	Active Backlog	Delayed Backlog	Total Backlog
\$600.6	\$626.6	\$117.0	\$1,344.2

As at December 31, 2008

(\$ millions)

Work-in-hand	Active Backlog	Delayed Backlog	Total Backlog
\$565.2	\$794.8	\$30.3	\$1,390.3

Working capital is current assets less current liabilities. Our calculation of working capital is provided in the table below:

As at	June 30	December 31,
(\$ millions)	2009	2008
Current assets	\$327.0	\$268.5
Less:		
Current liabilities	242.6	190.2
Working Capital	\$84.4	\$78.3

EBITDA is a common financial measure widely used by investors to facilitate an "enterprise level" valuation of an entity. The Corporation follows the standardized definition of EBITDA. Standardized EBITDA represents an indication of the Corporation's capacity to generate income from operations before taking into account management's financing decisions and costs of consuming tangible and intangible capital assets, which vary according to their vintage, technological currency, and management's estimate of their useful life. Accordingly standardized EBITDA comprises revenues less operating cost before interest expense, capital asset amortization and impairment charges, and income taxes. This measure as reported by the Corporation may not be comparable to similar measures presented by other reporting issuers. The following is a reconciliation of net earnings to EBITDA from continuing operations for each of the periods presented in this MD&A in accordance with GAAP.

(\$ millions)	Three months ended		Six months ended	
	June 30,		June 30,	
	2009	2008	2009	2008
Net Earnings	\$8.0	\$8.9	\$13.7	\$12.5
Add:				
Income Taxes	3.1	3.8	5.4	5.7
Depreciation & Amortization	1.1	1.0	2.2	1.9
Interest expense	0.1	0.1	0.2	0.3
EBITDA from continuing operations	\$12.3	\$13.8	\$21.5	\$20.4

Book value per share is the value of shareholders' equity less value of preferred stock divided by basic shares outstanding at the end of the period.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Corporation's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement.

In particular, this MD&A contains forward-looking statements, pertaining to the following:

- disclosures made under the heading "Outlook";
- 2009 growth of business and operations;
- business strategies and plans for implementing them;
- future cash requirements and long-term obligations; and
- the demand for the Corporation's services.

With respect to forward-looking statements listed above and contained in this MD&A, the Corporation has made assumptions regarding, among other things:

- the expected performance of the Canadian economy and the effect to the Corporation's businesses;
- the impact of increasing competition;
- the global demand for oil and the effect on oil and gas projects in Western Canada; and
- government policies to stimulate the economy.

The Corporation's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this MD&A:

- general global economic and business conditions including the effect, if any, of a economic slowdown in the U.S. and/or Canada;
- weak capital and/or credit markets;

- fluctuations in currency and interest rates;
- changes in laws and regulations;
- timing of completion of capital or maintenance projects;
- competition and pricing pressures; and
- unpredictable weather conditions.

The Corporation's actual results could differ materially from those anticipated in these forward-looking statements as a result of these risk factors set forth above. The forward-looking statements contained in this MD&A are made as of the date hereof and the Corporation undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable securities laws.

Additional information regarding Churchill including the Corporation's 2008 Annual Information Form and other required securities filings are available on our website at www.churchillcorporation.com and on the Canadian Securities Administrators' website at www.sedar.com; the System for Electronic Document Analysis and Retrieval ("SEDAR").

Churchill

THE CHURCHILL CORPORATION

UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Corporation is disclosing that its auditors have not reviewed the unaudited interim consolidated financial statements for the period ended June 30, 2009

Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings

(unaudited, \$ thousands, except per share amounts)	Three months ended		Six months ended	
	June 30		June 30	
	2009	2008	2009	2008
Contract revenue	\$ 136,745	\$ 202,006	\$ 265,848	\$ 359,786
Contract costs	115,187	178,937	225,732	321,668
Contract income	21,558	23,069	40,116	38,118
Interest income	97	579	347	1,525
Sundry income	264	101	263	194
Indirect and administrative expenses	(9,684)	(9,878)	(19,169)	(19,513)
Depreciation and amortization	(1,091)	(1,001)	(2,227)	(1,907)
Interest expense	(100)	(128)	(180)	(268)
Earnings from continuing operations before income taxes	11,044	12,742	19,150	18,149
Income tax (expense) recovery				
Current income tax	(10,700)	(5,743)	(22,639)	(8,834)
Future income tax	7,609	1,926	17,205	3,156
	(3,091)	(3,817)	(5,434)	(5,678)
Earnings from continuing operations and comprehensive income	7,953	8,925	13,716	12,471
Net earnings (loss) from discontinued operations (Note 4)	(603)	619	(1,762)	1,599
Net earnings and comprehensive income	7,350	9,544	11,954	14,070
Retained earnings, beginning of period	86,324	52,054	83,132	47,528
Adjustment arising from shares purchased under a normal course issuer bid (Note 7)	(258)	-	(1,670)	-
Retained earnings, end of period	\$ 93,416	\$ 61,598	\$ 93,416	\$ 61,598
Net earnings per common share:				
Basic from continuing operations	\$ 0.45	\$ 0.50	\$ 0.78	\$ 0.70
Basic from discontinued operations	\$ (0.03)	\$ 0.03	\$ (0.11)	\$ 0.09
Basic net earnings per share	\$ 0.42	\$ 0.53	\$ 0.68	\$ 0.79
Diluted from continuing operations	\$ 0.44	\$ 0.50	\$ 0.77	\$ 0.69
Diluted from discontinued operations	\$ (0.03)	\$ 0.03	\$ (0.10)	\$ 0.09
Diluted net earnings per share	\$ 0.41	\$ 0.53	\$ 0.67	\$ 0.78
Weighted average common shares:				
Basic	17,603,368	17,922,156	17,641,765	17,904,573
Diluted	17,823,621	18,131,675	17,812,702	18,115,697

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

Consolidated Balance Sheets

(unaudited, \$ thousands)

	June 30, 2009	December 31, 2008
ASSETS		
Current Assets		
Cash and cash equivalents (Note 5)	\$ 131,817	\$ 100,768
Accounts receivable	138,066	119,248
Inventories and prepaid expenses	1,651	1,285
Costs in excess of billings	5,469	17,692
Income taxes recoverable	3,572	3,615
Future income tax assets	32,694	1,390
Assets held for sale (Note 4)	13,693	24,528
	326,962	268,526
Future income tax assets	211	568
Property and equipment	15,911	16,547
Assets held for sale (Note 4)	10,119	9,844
Goodwill and intangible assets	7,315	7,336
	\$ 360,518	\$ 302,821
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 119,603	\$ 134,194
Contract advances and unearned income	81,701	41,088
Income taxes payable	16,561	2,462
Future income tax liabilities	15,281	3,177
Current portion of long-term debt (Note 6)	702	1,082
Liabilities related to assets held for sale (Note 4)	8,781	8,220
	242,629	190,223
Long-term debt (Note 6)	463	6,787
Future income tax liabilities	54	204
Liabilities related to assets held for sale (Note 4)	24	34
	243,170	197,248
SHAREHOLDERS' EQUITY		
Share capital (Note 7)	16,625	16,663
Shares repurchased under a normal course issuer bid, not cancelled	-	(956)
Contributed surplus	7,307	6,734
Retained earnings	93,416	83,132
	117,348	105,573
	\$ 360,518	\$ 302,821

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

Consolidated Statements of Cash Flow

(unaudited, \$ thousands)	Three months ended		Six months ended	
		June 30		June 30
	2009	2008	2009	2008
OPERATING ACTIVITIES				
Net earnings from continuing operations and comprehensive income	\$ 7,953	\$ 8,925	\$ 13,716	\$ 12,471
Depreciation and amortization	1,091	1,001	2,227	1,907
Gain (loss) on disposal of equipment	13	3	(18)	(20)
Share-based compensation (Note 7)	154	303	634	370
Future income taxes	(7,124)	(1,624)	(17,205)	(2,383)
	2,087	8,608	(646)	12,345
Change in non-cash balances relating to operations (Note 12)	30,716	(26,729)	33,202	(42,465)
	32,803	(18,121)	32,556	(30,120)
INVESTING ACTIVITIES				
Proceeds on disposal of equipment	128	158	152	182
Additions to property and equipment	(863)	(1,670)	(1,657)	(3,371)
	(735)	(1,512)	(1,505)	(3,189)
FINANCING ACTIVITIES				
Proceeds under operating line of credit	-	4,000	-	9,000
Repayments under operating line of credit	-	(4,000)	-	(9,000)
Repayment of long-term debt	(1,135)	(569)	(6,752)	(1,054)
Share purchase under a normal course issuer bid (Note 7)	-	-	(970)	-
Issuance of common shares	-	236	158	236
	(1,135)	(333)	(7,564)	(818)
Cash provided by (used in) continuing operations	30,933	(19,966)	23,487	(34,127)
Cash provided by discontinued operations (Note 4)	2,768	10,895	7,561	1,931
Change in cash and cash equivalents during the period	33,701	(9,071)	31,049	(32,196)
Cash and cash equivalents, beginning of period	98,116	84,980	100,768	108,105
Cash and cash equivalents, end of period	\$ 131,817	\$ 75,909	\$ 131,817	\$ 75,909
SUPPLEMENTAL CASH FLOW INFORMATION				
Cash received (paid) during the year for:				
Interest	\$ 13	\$ 1,124	\$ 194	\$ 1,942
Income taxes	\$ (2,470)	\$ (5,106)	\$ (8,442)	\$ (22,683)

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

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited, in thousands of dollars, except per share amounts)

1. BASIS OF PRESENTATION

These unaudited interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the fiscal year ended December 31, 2008 and notes thereto. These unaudited interim consolidated financial statements are prepared in accordance with generally accepted accounting principles for interim financial information in Canada; however, they do not conform in all respects to the disclosure requirements of generally accepted accounting principles for annual financial statements. The same accounting policies and principles were followed in respect of the preparation of these unaudited interim consolidated financial statements as were followed in the preparation of the audited annual consolidated financial statements for the year ended December 31, 2008, except as described in note 2.

2. ACCOUNTING POLICY ADOPTION AND CHANGES

(i) Goodwill and Intangible Assets:

Effective January 1, 2009, the Corporation adopted CICA Handbook Section 3064, *Goodwill and Intangible Assets*, replacing Section 3062, *Goodwill and Other Intangible Assets*. This new Section established standards for the recognition, measurement and disclosure of goodwill and intangible assets. The provisions of this Section, relating to the definition and initial recognition of intangible assets, are equivalent to the corresponding provisions under International Financial Reporting Standards ("IFRS"). CICA Handbook Section 1000, *Financial Statement Concepts*, was also amended to provide consistency with this new Section. The adoption of this standard did not have a material impact on the Corporation's consolidated financial statements.

(ii) Credit Risk and the Fair Value of Financial Assets and Financial Liabilities:

Effective January 1, 2009, the Corporation adopted Emerging Issues Committee's Abstract 173, *Credit Risk and the Fair Value of Financial Assets and Financial Liabilities* ("EIC-173"). This standard clarifies that an entity's own credit risk and the credit risk of its counterparties should be taken into account in determining the fair value of financial assets and liabilities. The adoption of this standard did not have a material impact on the Corporation's consolidated financial statements or on the fair value determination of its financial assets and liabilities.

(iii) Disposal of Long-Lived Assets and Discontinued Operations:

In accordance with CICA Handbook Section 3475, long-lived assets are classified as held for sale once certain criteria are met. Such criteria include a firm commitment by management and the board of directors to dispose of a business or group of selected assets and the expectation that such disposal will be completed within a twelve month period. Assets held for sale are measured at the lower of their carrying amounts or fair values less costs to sell, and are no longer depreciated.

Operating results of a company's components disposed of by sale or being classified as held-for-sale are reported as discontinued operations if the operations and cash flows of those components have been, or will be, eliminated from the Corporation's current operations pursuant to the disposal and if the Corporation does not have significant continuing involvement in the operations of the component after the disposal transaction. A component of an enterprise includes operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Corporation's operations and cash flows. All information contained in the financial statements and accompanying notes is presented on a continuing operations basis unless otherwise noted.

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited, in thousands of dollars, except per share amounts)

3. RECENT ACCOUNTING PRONOUNCEMENTS

(i) Business Combinations:

CICA Handbook Section 1582, *Business Combinations* replaces Section 1581, *Business Combinations* and establishes new standards for the accounting of a business combination. This Section constitutes the Canadian GAAP equivalent to the corresponding provision under IFRS. This Section shall be applied prospectively to business combinations for which the acquisition date is on or after the commencing of the first annual reporting period beginning on or after January 1, 2011 and the Corporation will adopt this new Section as of such date upon its conversion to IFRS. The Corporation is currently evaluating the impact of the adoption of this new Section on the consolidated financial statements and on future business combinations.

(ii) Consolidated Financial Statements:

CICA Handbook Section 1601, *Consolidated Financial Statements* and Section 1602, *Non-Controlling Interests* replace Section 1600, *Consolidated Financial Statements*. Section 1601 establishes standards for the preparation of consolidated financial statements while Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in the consolidated financial statements subsequent to a business combination. These Sections constitute the Canadian GAAP equivalent to the corresponding provision under IFRS. These Sections apply to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011 and the Company will adopt these new Sections as of such date upon its conversion to IFRS. The Corporation is currently evaluating the impact of the adoption of these new Sections on the consolidated financial statements.

4. ASSETS HELD-FOR-SALE AND DISCONTINUED OPERATIONS (TRITON)

During the quarter, the Corporation classified certain components of the Corporate and Other segment and all of the assets and liabilities of the Industrial General Contracting (Triton) business segment as held-for-sale as a result of the decision by management to divest of these assets and associated liabilities. The assets and liabilities of these segments were measured at the lower of their carrying amount and their estimated fair value using discounted cash flows less costs to sell. No fair value adjustment was recorded when these assets and liabilities were classified as held for sale. The results of operations attributable to these assets and liabilities have been reported as discontinued operations for the quarters ended June 30, 2009 and 2008. Previously, these amounts were included in continuing operations.

Subsequent to June 30, 2009, the Corporation entered into a definitive purchase and sale agreement of these assets and liabilities resulting in a gain on sale. Commencing on August 10, 2009, the date of disposition, the operations and cash flows of this segment have been eliminated from the ongoing operations of the Corporation.

The following table presents summary balance sheets, statements of earnings and statements of cash flows of the discontinued operations included in the consolidated financial statements:

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited, in thousands of dollars, except per share amounts)

4. **ASSETS HELD-FOR-SALE AND DISCONTINUED OPERATIONS (TRITON) (continued)**

Balance Sheets

	June 30, 2009	Dec. 31, 2008
Accounts receivable	9,835	20,259
Inventories and prepaid expenses	448	208
Costs in excess of billings	3,179	3,546
Income taxes recoverable	55	55
Future income taxes assets	176	460
	13,693	24,528
Future income tax assets	886	337
Property and equipment	9,233	9,507
	10,119	9,844
Accounts payable and accrued liabilities	6,075	6,612
Contract advances and unearned income	241	437
Future income tax liabilities	1,272	2
Current portion of long-term debt	1,193	1,169
	8,781	8,220
Future income tax liabilities	24	34
Net assets held for sale	\$ 15,007	\$ 26,118

Statement of Earnings

	Three months ended June 30,		Six months ended June 30,	
	2009	2008	2009	2008
Revenue	\$ 10,518	\$ 28,172	\$ 23,175	\$ 54,375
Contract income	377	2,760	863	5,586
Net earnings (loss) from discontinued operations ⁽¹⁾	(603)	619	(1,762)	1,599

⁽¹⁾ Net loss from discontinued operations for the six-months ended June 30, 2009 includes income tax recovery of \$793 (2008 - \$773 expense)

Statement of Cash Flows

	Three months ended June 30,		Six months ended June 30,	
	2009	2008	2009	2008
Operating activities	2,658	10,888	\$ 7,569	\$ 2,105
Financing activities	(24)	(25)	24	(51)
Investing activities	135	32	(31)	(123)
Cash provided by discontinued operations	\$ 2,768	10,895	\$ 7,561	1,931

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited, in thousands of dollars, except per share amounts)

5. CASH AND CASH EQUIVALENTS

Included in cash and cash equivalents balance is \$18,811 (December 31, 2008 - \$17,466) which is restricted under the British Columbia Lien Act to the payment of direct costs related to specific construction projects and cash balances of \$228 (December 31, 2008 - \$309) held in joint venture accounts.

6. LONG-TERM DEBT

	June 30, 2009	Dec. 31, 2008
Revolving line of credit, interest at prime to prime plus 0.5% depending on certain financial ratios, secured by land and buildings with an aggregate carrying value of \$6,395, as well as various security agreements and unlimited guarantees.	\$ -	\$ 5,265
Finance contracts, secured by construction and automotive equipment with an aggregate carrying value of \$1,316, interest varying from 0.0% to 5.0%, blended monthly repayments of \$67, maturing between July 2009 and September 2013.	1,112	1,566
Capital leases, secured by construction and automotive equipment with an aggregate carrying value of \$125, interest varying from 0.0% to 5.0%, blended monthly repayments of \$5, maturing between September 2010 and March 2011.	53	1,038
	1,165	7,869
Less current portion	(702)	(1,082)
	\$ 463	\$ 6,787

For the purposes of presentation, additions to property and equipment by way of capital leases from the leasing facility and finance contracts have been treated as non-cash items and as such have not been reflected on the Consolidated Statements of Cash Flow. For the six months ended June 30, 2009 there were \$113 (June 30, 2008 - nil) of new capital leases.

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited, in thousands of dollars, except per share amounts)

7. **SHARE CAPITAL**

Issued	Six months ended June 30, 2009		Twelve months ended December 31, 2008	
	Shares	Share Capital	Shares	Share Capital
Common Shares:				
Issued, beginning of period	17,822,091	\$ 16,663	17,886,991	\$ 16,414
Shares repurchased	(272,600)	(257)	(159,900)	(149)
Stock options exercised	50,000	219	95,000	398
Issued, end of period	17,599,491	\$ 16,625	17,822,091	\$ 16,663

(i) Stock options:

As at June 30, 2009, the Corporation had 876,842 options outstanding (December 31, 2008 – 519,660) of which 304,178 are currently exercisable (December 31, 2008 – 277,535)

For the three months ended June 30, 2009, the Corporation recognized stock based compensation expense of \$261 (June 30, 2008 - \$303) related to the estimated fair value of options granted. Stock based compensation for the six months ended June 30, 2009 was \$711 (June 30, 2008 – 370). During the quarter ended June 30, 2009, 1,716 options were issued with a weighted average fair value of \$5.24. The fair value of options granted in the quarter ended June 30, 2009 by the Corporation was estimated using the Black-Scholes option-pricing model with the following assumptions: no dividends are paid on Common Shares, a weighted average risk-free interest rate of 1.82%, an average life of 4.0 years, and a weighted average volatility of 62.70%. The amounts computed, according to the Black-Scholes pricing model, may not be indicative of the actual values realized upon the exercise of these options by the holders.

(ii) Performance share units:

The Corporation has a Performance Share Unit (“PSU”) plan under which participants are eligible to receive an equivalent cash value of the common shares, at a future date subject to certain performance vesting conditions. The cost of the PSU is equal to the fair market value at the date of grant. Compensation expense is recognized in earnings on a straight line basis over a vesting period of three years. Changes in the amount of the liability due to stock price changes after the initial grant date are recognized as compensation cost of the period in which the changes occur.

During the quarter ended June 30, 2009, the Corporation recognized compensation expense of \$152 (June 30, 2008 - nil). Stock based compensation for the six month ended June 30, 2009 was \$184 (June 30, 2009 – nil). As at June 30, 2009 the Corporation had 102,013 PSUs outstanding, of which none are vested.

(iii) Normal course issuer bid:

On October 9, 2008, the Corporation received regulatory approval under Canadian securities laws to purchase Common Shares under a Normal Course Issuer Bid (“NCIB”). The Corporation is entitled to purchase, for cancellation, up to approximately 1,391,090 Common Shares under the NCIB which commenced on October 15, 2008 and terminates not later than October 14, 2009.

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited, in thousands of dollars, except per share amounts)

7. SHARE CAPITAL (continued)

During the quarter ended June 30, 2009, there were no common shares purchased under the Corporation's current NCIB.

There remained 44,100 common shares that were repurchased for a total expenditure of \$300 or \$6.79 per share but were not cancelled by March 31, 2009. This expenditure was recorded as a reduction of shareholders equity until such time that the shares are cancelled. As of March 31, 2009, these shares had an average carrying value of \$41 included in share capital. These common shares were cancelled in the quarter ended June 30, 2009.

8. MANAGEMENT OF CAPITAL

The Corporation's objective in managing capital is to ensure sufficient liquidity to pursue its growth and expansion strategy, while taking a conservative approach towards financial leverage and management of financial risk.

The Corporation's capital is composed of shareholders' equity and long-term debt. The Corporation's primary uses of capital are to finance its growth strategies and capital expenditure programs. The Corporation currently funds these requirements from internally-generated cash flows and interest bearing debt.

The Corporation does not currently pay a dividend so that it has maximum flexibility to finance growth and expansion and be able to take advantage of acquisition opportunities. Periodically, the merits of introducing a dividend are evaluated by the Corporation's Board of Directors.

The Corporation intends to maintain a flexible capital structure consistent with the objectives stated above and to respond to changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Corporation may issue new shares, raise debt (secured or unsecured) or refinance existing debt with different characteristics.

The primary non-GAAP measures used by the Corporation to monitor its financial leverage are its ratios of Debt to Capitalization and Net Debt to Earnings Before Interest, Taxes, Depreciation and Amortization from continuing operations ("EBITDA"). EBITDA is not a measure that has any standardized meaning prescribed by Canadian GAAP and is considered to be a non-GAAP measure. Therefore, this measure may not be comparable to similar measures presented by other companies. This measure has been described and presented in the manner in which the chief operating decision maker makes operating decisions and assesses performance. These metrics are indicative of the Corporation's overall financial strength.

The Corporation targets a Debt to Capitalization ratio less than 30 percent that is calculated as follows:

	June 30, 2009	Dec. 31, 2008
Long-Term Debt, excluding current portion	\$ 463	\$ 6,787
Total Shareholders' Equity	117,348	105,573
Total Capitalization	\$ 117,811	\$ 112,360
Debt to Capitalization Ratio	0%	6%

The Corporation targets a Debt to EBITDA ratio less than 0.8 times. At June 30, 2009, the Debt to EBITDA was 0.01x (December 31, 2008 - 0.12x) calculated on a trailing twelve-month basis as follows:

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited, in thousands of dollars, except per share amounts)

8. MANAGEMENT OF CAPITAL (continued)

	June 30, 2009	Dec. 31, 2008
Long-Term Debt, excluding current portion	\$ 463	\$ 6,787
Net earnings from continuing operations	\$ 36,480	\$ 36,728
<i>Add:</i>		
Interest	579	491
Income tax expense	16,154	15,951
Depreciation and amortization	3,766	4,086
EBITDA	\$ 56,979	\$ 57,256
Debt to EBITDA Ratio	0.01x	0.12x

The Corporation also manages its capital through a rolling forecast of financial position and expected operating results. In addition, the Corporation establishes and reviews operating and capital budgets and cash flow forecasts in order to manage overall capital with respect to financial covenants. The Corporation's credit facility is subject to the following covenants to which it was in full compliance at June 30, 2009 and December 31, 2008.

- Current Service Ratio
- Tangible Net Worth Ratio
- Debt to Tangible Net Worth Ratio
- Funded Debt to EBITDA Ratio

The Corporation's capital management objectives, evaluation measures, definitions and targets have remained unchanged over the periods presented. In the prior fiscal year, the Corporation amended its Debt to Capitalization ratio and Debt to EBITDA ratio targets downward to reflect the overall economic circumstances presently affecting the capital markets.

9. EARNINGS PER SHARE

Basic earnings per share is computed on the basis of the weighted average number of Common Shares outstanding. Fully diluted earnings per share is computed on the basis of the weighted average number of Common Shares outstanding plus the effect of outstanding stock options using the treasury stock method. The impact of restricted share units, on a weighted average basis, is also added to the number of shares outstanding.

10. FINANCIAL INSTRUMENTS

Financial instruments consist of recorded amounts of receivables and other like amounts that will result in future cash receipts, as well as accounts payable, short-term borrowings, and any other amounts that will result in future cash outlays.

The Corporation has determined that the fair value of its short-term financial assets, including cash and cash equivalents, accounts receivable, and financial liabilities, including the accounts payable and accrued liabilities, approximates their respective carrying amounts as at the balance sheet dates because of the short-term maturity of those instruments. The fair values of the Corporation's interest-bearing financial liabilities, including the revolving line of credit, and long-term loan, also approximates their respective carrying amounts due to the floating rate nature of the debt.

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited, in thousands of dollars, except per share amounts)

10. **FINANCIAL INSTRUMENTS (continued)**

(i) Financial instruments – carrying values

	June 30, 2009	Dec. 31, 2008
<i>Financial assets:</i>		
Cash and cash equivalents	\$ 131,817	\$ 100,768
Accounts receivable	138,066	119,248
Long-term cash and cash equivalents	-	-
<i>Financial liabilities:</i>		
Operating line of credit	\$ -	\$ -
Accounts payable and accrued liabilities	119,603	134,194
Long-term debt, including current portion	1,165	7,869

(ii) Financial income and expense

	Three months ended June 30,		Six months ended June 30,	
	2009	2008	2009	2008
Interest income - cash and cash equivalents	\$ 97	\$ 468	\$ 325	\$ 1,204
Interest expense - revolving line of credit	(30)	(6)	(58)	(13)
Interest expense - long-term debt	(69)	(115)	(121)	(246)
Bad debt recovery, net	765	(72)	765	346
	\$ 763	\$ 275	\$ 911	\$ 1,291

(iii) Financial risk management

The Corporation has exposure to credit, interest-rate and liquidity risks. The Corporation's Board of Directors has overall responsibility for the establishment and oversight of the Corporation's risk management framework and reviews the corporate policies on an ongoing basis.

The Corporation is exposed to credit risk through accounts receivable. This risk is minimized by the number of customers in diverse industries and geographic centers. The Corporation performs an assessment of its customers as part of its work procurement process, including an evaluation of financial capacity.

Allowances are provided for potential losses that have been incurred at the balance sheet date. Accounts receivable are considered for impairment on a case-by-case basis when they are past due or when objective evidence is received that a customer will default. The Corporation takes into consideration the customer's payment history, credit worthiness and the current economic environment in which the customer operates to assess impairment. The Corporation accounts for a specific bad debt provision when management considers that the expected recovery is less than the actual account receivable.

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited, in thousands of dollars, except per share amounts)

10. FINANCIAL INSTRUMENTS (continued)

The provision for doubtful accounts has been included in operating expenses in the consolidated statements of earnings, and is net of any recoveries that were provided for in a prior period. Changes in the allowance for doubtful accounts are as follows:

	June 30, 2009	Dec. 31, 2008
Balance, beginning of period	\$ 1,948	\$ 1,986
Provision for uncollectible accounts	65	1,164
Recovery of accounts previously written off	(830)	(1,202)
Balance, end of period	\$ 1,183	\$ 1,948

The Corporation had \$6,099 (December 31, 2008 - \$6,272) in trade receivables which were greater than 90 days past due at the end of the quarter. There is no concentration of credit risk in geographical areas, customer markets or other areas as at June 30, 2009.

The financial risk is the risk to the Corporation's earnings that arises from fluctuations in the interest rates and the degree of volatility of these rates. The Corporation is exposed to interest rate risk on its revolving line of credit with payment terms as disclosed in Note 8. The Corporation does not use derivative instruments to reduce its exposure to this risk.

The Corporation is not exposed to any direct foreign currency risk. At June 30, 2009, the increase or decrease in annual net earnings for each one percent change in interest rates on floating rate debt amounts to nil.

The Corporation invests its cash with the objective of maintaining safety of principal and providing adequate liquidity to meet all current payment obligations. The Corporation invests its cash and cash equivalents with counterparties that are of high credit quality as assessed by reputable rating agencies. Given these high credit ratings, the Corporation does not expect any counterparties to these cash equivalents to fail to meet their obligations.

There have not been any changes in the type of risks arising from financial instruments during the period.

11. RELATED PARTY TRANSACTIONS

For the three months ended June 30, 2009, the Corporation incurred legal fees of \$116 (June 30, 2008 - \$12) for services related to various legal matters with a law firm of which a director of the Corporation is also a partner. Legal fees of \$197 (June 30, 2008 - \$40) were incurred with this law firm for the six months ended June 30, 2009. At June 30, 2009, \$138 (June 30, 2008 - \$2) is included in accounts payable.

For the three months ended June 30, 2009, the Corporation incurred facility costs of \$40 (June 30, 2008 - \$35) relating to rental of a building which is owned by a director of the Corporation. Facility costs of \$75 (June 30, 2008 - \$49) for this building were incurred for the six months ended June 30, 2009. At June 30, 2009, \$17 (June 30, 2008 - \$16) is included in accounts payable.

Related party transaction costs were incurred in the ordinary course of business where normal trade terms apply.

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited, in thousands of dollars, except per share amounts)

12. **CHANGES IN NON-CASH BALANCES RELATING TO OPERATIONS**

	Three months ended June 30,		Six months ended June 30,	
	2009	2008	2009	2008
Accounts receivable	\$ 7,344	\$ (31,283)	\$ (18,818)	\$ (22,611)
Inventories and prepaid expenses	468	275	(366)	(753)
Costs in excess of billings	3,560	(846)	12,223	(2,774)
Accounts payable and accrued liabilities	308	12,659	(14,592)	10,212
Contract advances and unearned income	10,861	(6,113)	40,613	(10,632)
Income taxes payable and recoverable	8,175	(1,421)	14,142	(15,907)
	\$ 30,716	\$ (26,729)	\$ 33,202	\$ (42,465)

13. **SEGMENTED INFORMATION**

The Corporation operates as a construction and maintenance services provider, primarily in western Canada. The Corporation is managed using four business segments: Buildings, Industrial Insulation Contracting, Industrial Electrical Contracting, and Corporate and Other.

Buildings (Stuart Olson) – constructs commercial, institutional, and light-industrial buildings.

Industrial Insulation Contracting (Fuller Austin, Northern Industrial) – provides insulation, maintenance and related services.

Industrial Electrical Contracting (Laird) – provides industrial electrical, instrumentation and power-line construction and maintenance services.

Corporate and Other – includes corporate costs not allocated directly to another business segment as well as any miscellaneous investments.

The accounting policies of the reportable segments are the same as those described in Note 1 of the audited consolidated financial statements for the fiscal year ended December 31, 2008. The segmented information provided is after the elimination of inter-segment management fees and loan balances and any related interest charges. During the quarter, the Corporation classified certain components of the Corporate and Other segment and all of the assets and liabilities of the Industrial General Contracting (Triton) business segment as held-for-sale (see Note 4).

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited, in thousands of dollars, except per share amounts)

13. **SEGMENTED INFORMATION** (continued)

Three months ended June 30, 2009	Buildings	Industrial Insulation	Industrial Electric	Corporate and Other	Total
Revenues	\$ 113,526	\$ 17,364	\$ 5,855	\$ -	\$ 136,745
EBITDA ⁽¹⁾	12,581	1,852	228	(2,426)	12,235
Depreciation and amortization	546	77	273	195	1,091
Interest expense	21	1	10	68	100
Earnings (loss) from continuing operations before income taxes	\$ 12,014	\$ 1,774	\$ (55)	\$ (2,689)	\$ 11,044
Income taxes					(3,091)
Earnings from continuing operations					7,953
Net loss from discontinued operations					\$ (603)
Net earnings					\$ 7,350
Goodwill					\$ 7,315
Assets in continuing operations	\$ 232,658	\$ 23,082	\$ 24,836	\$ 56,130	\$ 336,706
Assets held for sale					23,812
Total Assets					\$ 360,518
Capital Expenditures	\$ 401	\$ 160	\$ 1	\$ 236	\$ 798

Three months ended June 30, 2008	Buildings	Industrial Insulation	Industrial Electric	Corporate and Other	Total
Revenues	\$ 148,932	\$ 20,001	\$ 33,073	\$ -	\$ 202,006
EBITDA ⁽¹⁾	9,469	2,661	3,317	(1,576)	13,871
Depreciation and amortization	489	53	250	209	1,001
Interest expense	14	-	22	92	128
Earnings (loss) from continuing operations before income taxes	\$ 8,966	\$ 2,608	\$ 3,045	\$ (1,877)	\$ 12,742
Income taxes					(3,817)
Earnings from continuing operations					8,925
Net earnings from discontinued operations					\$ 619
Net earnings					\$ 9,544
Goodwill and intangible assets					\$ 7,399
Assets in continuing operations	\$ 216,213	\$ 20,166	\$ 32,813	\$ 1,289	\$ 270,481
Assets held for sale					49,454
Total Assets					\$ 319,935
Capital Expenditures	\$ 930	\$ (93)	\$ 572	\$ 409	\$ 1,818

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited, in thousands of dollars, except per share amounts)

13. **SEGMENTED INFORMATION (continued)**

Six months ended June 30, 2009	Buildings	Industrial Insulation	Industrial Electric	Corporate and Other	Total
Revenues	\$ 211,339	\$ 34,874	\$ 19,635	\$ -	\$ 265,848
EBITDA ⁽¹⁾	21,534	4,045	1,041	(5,063)	21,557
Depreciation and amortization	1,111	152	540	424	2,227
Interest expense	32	2	23	123	180
Earnings (loss) from continuing operations before income taxes	\$ 20,391	\$ 3,891	\$ 478	\$ (5,610)	\$ 19,150
Income taxes					(5,434)
Earnings from continuing operations					13,716
Net loss from discontinued operations					(1,762)
Net earnings					\$ 11,954
Goodwill and intangible assets					\$ 7,315
Assets in continuing operations	\$ 232,658	\$ 23,082	\$ 24,836	\$ 56,130	\$ 336,706
Assets held for sale					23,812
Total Assets					\$ 360,518
Capital Expenditures	\$ 871	\$ 196	\$ 271	\$ 367	\$ 1,705

Six months ended June 30, 2008	Buildings	Industrial Insulation	Industrial Electric	Corporate and Other	Total
Revenues	\$ 276,330	\$ 33,604	\$ 49,852	\$ -	\$ 359,786
EBITDA ⁽¹⁾	15,862	3,571	3,887	(2,996)	20,324
Depreciation and amortization	949	108	487	363	1,907
Interest expense	29	-	40	199	268
Earnings (loss) from continuing operations before income taxes	\$ 14,884	\$ 3,463	\$ 3,360	\$ (3,558)	\$ 18,149
Income taxes					(5,678)
Earnings from continuing operations					12,471
Net earnings from discontinued operations					1,599
Net earnings					\$ 14,070
Goodwill and intangible assets					\$ 7,378
Assets in continuing operations	\$ 216,213	\$ 20,166	\$ 32,813	\$ 1,289	\$ 270,481
Assets held for sale					49,454
Total Assets					\$ 319,935
Capital Expenditures	\$ 1,660	\$ 62	\$ 626	\$ 985	\$ 3,333

(1) EBITDA represents earnings or loss before interest, income taxes, depreciation and amortization from continuing operations. EBITDA is not a measure that has any standardized meaning prescribed by Canadian GAAP and is considered to be a non-GAAP measure. Therefore, this measure may not be comparable to similar measures presented by other companies. This measure has been described and presented in the manner in which the chief operating decision maker makes operating decisions and assesses performance.

For the purposes of presentation, capital expenditures for the six months ended June 30, 2009 of \$113 (June 30, 2008 - \$124) relating to capital leases from the leasing facility and finance contracts have been treated as non-cash items and as such have not been reflected on the Consolidated Statements of Cash Flow

For the six months ended June 30, 2009, contract revenue from a significant customer was \$47,799 earned in the Buildings segment. During the comparative period, the Corporation had no revenue from any customer in excess of 10% of its contract revenue.

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited, in thousands of dollars, except per share amounts)

14. GUARANTEES

The Corporation is a participant in joint ventures for which it has provided a joint and several guarantee, increasing the maximum potential payment to the full value of the work remaining under the contract. The cost of completing the contracts cannot reasonably be determined, and may be greater or less than the unbilled portion of the contracts.

Subsequent to the quarter, the Corporation, as a participant in a new public-private partnership joint venture, provided a joint and several guarantee, increasing the maximum potential payment to 45% of the full value of the work remaining under the contract. The cost of completing the contract cannot reasonably be determined, and may be greater or less than the unbilled portion of the contract. In addition, the Corporation has provided letters of credit in the amount of \$11,745 in connection with this joint venture. These letters of credit are issued utilizing the credit facilities of the Corporation and reduce the maximum availability under the revolving line of credit.

Pursuant to the purchase and sale agreement of the assets and liabilities held-for-sale (see note 4), the Corporation has indemnified the purchaser against liabilities related to events that occurred prior to the sale, such as tax, environmental, litigation, employment matters, or related to representations made by the Corporation. The Corporation is unable to estimate the potential liability for these types of indemnities as the amounts are dependent on the outcome of future contingent events, the nature and likelihood of which cannot be determined at this time. The maximum indemnity does not exceed the proceeds from disposal.

15. COMPARATIVE FIGURES

Certain of the comparative figures have been adjusted to be consistent with the current period's presentation.

Corporate Information

Executive Officers

James C. Houck, B.Sc., MBA
President and Chief Executive Officer

Daryl E. Sands, B.Comm., CA.
Senior Vice President Finance and
Chief Financial Officer

Don P. Pearson B.Sc., P.Eng.
President and Chief Operating Officer,
Stuart Olson Construction Ltd.

Ronald L. Martineau
President and Chief Operating Officer,
Insulation Holdings Inc.

David J. LeMay
President and Chief Operating Officer,
Laird Electric Inc.

Directors

Albrecht W.A. Bellstedt, B.A., J.D., Q.C.
Chairman

James C. Houck, B.Sc., MBA

Harry A. King, B.A., CA⁽¹⁾

Carmen R. Loberg⁽²⁾

Allister J. McPherson, B.Sc., M.Sc.^{(1) (3)}

Henry R. Reid, B.A.Sc., MBA, P.Eng.⁽¹⁾

Ian M. Reid, B.Comm.^{(2) (3)}

George M. Schneider⁽²⁾

Brian W. L. Tod, B.A., LL.B., Q.C.^{(2) (3)}

⁽¹⁾ Member of the Audit Committee

⁽²⁾ Member of the Human Resources & Compensation Committee

⁽³⁾ Member of the Corporate Governance & Nominating Committee

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