



Second Quarter 2014
Investor Conference Call
August 7, 2014

FORWARD-LOOKING STATEMENTS

Certain statements in this document about our current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking statements. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements. Forward-looking statements are based on estimates and assumptions made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate and reasonable in the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct.

Certain assumptions in respect of the determination of tonnages shipped, freight rates, fuel costs, general inflation rates, USD/CAD exchange rates and capital expenditures are material factors in preparing forward-looking information and management's expectations. Many factors could cause our actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements. The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to: on-time and on-budget delivery of new ships from shipbuilders; general economic and market conditions in the countries in which we operate; interest rate and currency value fluctuations; our ability to execute our strategic plans and to complete and integrate acquisitions; critical accounting estimates; operational and infrastructure risks; general political conditions; labour relations with our unionized workforce; the possible effects on our business of war or terrorist activities; disruptions to public infrastructure, such as transportation, communications, power or water supply, including water levels; technological changes; significant competition in the shipping industry and other transportation providers; reliance on partnering relationships; appropriate maintenance and repair of our existing fleet by third-party contractors; health and safety regulations that affect our operations can change and be onerous and the risk of safety incidents can affect results; a change in applicable laws and regulations, including environmental regulations, could materially affect our results; economic conditions may prevent us from realizing sufficient investment returns to fund our defined benefit plans at the required levels; our ability to raise new equity and debt financing if required; extreme weather conditions or natural disasters; our ability to attract and retain quality employees; the seasonal nature of our business; and, risks associated with the lease and ownership of real estate.

These factors are not intended to represent a complete list of the factors that could affect us; however, these factors should be considered carefully. The purpose of the forward-looking statements is to provide the reader with a description of management's expectations regarding the Company's financial performance and may not be appropriate for other purposes; readers should not place undue reliance on forward-looking statements made herein, recognizing that all such forward looking information is based on assumptions about the future that may not ultimately be born out and are subject to many risks and uncertainties, including those listed above. Furthermore, unless otherwise stated, the forward-looking statements contained in this document are made as of the date of hereof (unless stated to be as of an earlier date), and we have no intention and undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this document are expressly qualified by this cautionary statement. Management approved the forward looking financial information as of August 6, 2014.

ALL AMOUNTS IN C\$ MILLIONS EXCEPT PER SHARE AMOUNTS, UNLESS NOTED



CONSOLIDATED RESULTS

Period Ended June 30

	Second Quarter		Six Months	
	2014	2013	2014	2013
Revenue	\$ 138,333	\$ 144,930	\$ 190,071	\$ 195,687
Segment earnings after tax	\$ 16,641	\$ 20,953	(\$ 3,670)	(\$ 5,258)
Net Earnings	\$ 14,946	\$ 19,381	(\$ 6,920)	(\$ 9,254)
Basic Earnings per Share	\$ 0.38	\$ 0.50	(\$ 0.18)	(\$ 0.24)

Key Drivers -

Severe ice and winter conditions persisted into May 2014
 Reduced winter maintenance spending in Domestic Dry-Bulk
 Continued strong demand in Domestic Product Tanker market
 Revenues higher for Real Estate and Ocean Dry-Bulk



DOMESTIC DRY-BULK

Period Ended June 30

	Second Quarter		Six Months	
	2014	2013	2014	2013
Revenue	\$ 96,173	\$ 100,097	\$ 109,971	\$ 115,178
Segment operating earnings, after tax	\$ 9,979	\$ 13,119	(\$ 15,958)	(\$ 18,736)

Key Drivers -

Impact of severe winter was significant

Ice coverage on upper Great Lakes extended into May - delays and disruptions

Strong demand and disruption expected to lead to high utilization for rest of year

We activated ships in order to meet very strong market demand

Year to date is ahead of last year due to reduced maintenance spending



PRODUCT TANKERS

Period Ended June 30

	Second Quarter		Six Months	
	2014	2013	2014	2013
Revenue	\$ 24,423	\$ 27,902	\$ 44,763	\$ 47,335
Segment operating earnings, after tax	\$ 2,564	\$ 3,475	\$ 4,298	\$ 4,917

Key Drivers -

Domestic Tankers also impacted by operating conditions in April and May 2014

Customer demand remains very strong though not quite at levels seen in 2013

Some outside chartering required during the quarter in both years

Operating expenses higher in 2013 as several vessels underwent dry docking



OCEAN DRY-BULK

	Period Ended June 30			
	Second Quarter		Six Months	
	2014	2013	2014	2013
Share of International Pool Revenue	\$ 16,626	\$ 16,036	\$ 33,325	\$ 31,525
Consolidated revenues under IFRS	\$ 10,491	\$ 9,943	\$ 21,055	\$ 19,393
Segment operating earnings, after tax	\$ 3,559	\$ 3,771	\$ 7,243	\$ 7,556

Key Drivers -

International Pool continues to perform well

Reported results benefit from weaker Canadian dollar

Increase in operating costs accounts for small decrease in income



REAL ESTATE

Period Ended June 30

	Second Quarter		Six Months	
	2014	2013	2014	2013
Revenue	\$ 7,246	\$ 6,988	\$ 14,282	\$ 13,781
Segment operating earnings, after tax	\$ 539	\$ 588	\$ 747	\$ 1,005

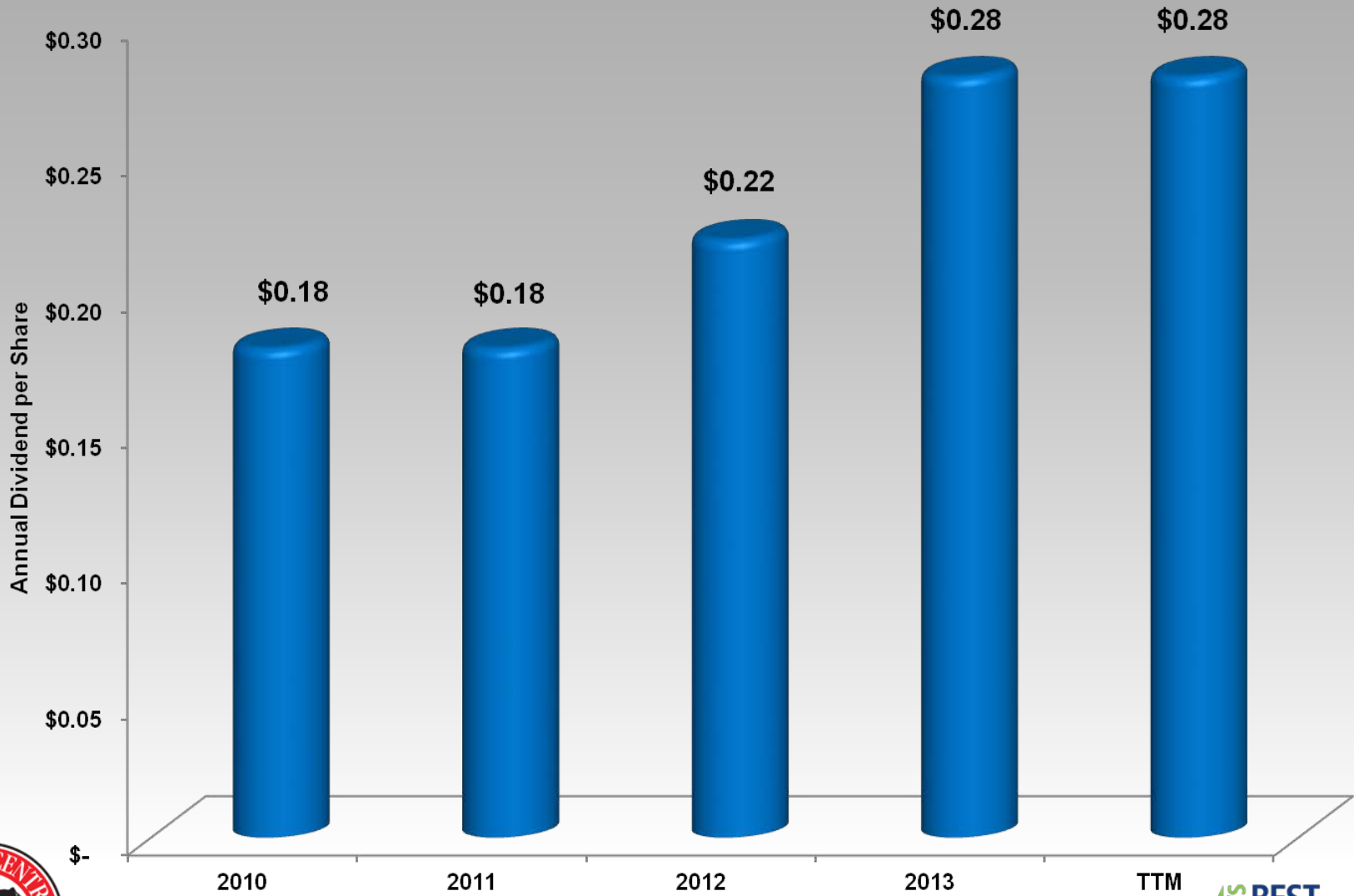
Key Drivers -

Revenues improving as occupancy rises

Segment income reflects costs associated with harsh winter



DIVIDENDS







Risley / Algosea Entering Lake St. Clair enroute to Nanticoke



***Radcliffe R. Latimer
in Thunder Bay-
April 2014***

