Management's Discussion & Analysis

First quarter of fiscal 2015
Three-month period ended June 30, 2014

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August 7, 2014

Unless otherwise indicated, all amounts are in Canadian dollars.

1. PRELIMINARY COMMENTS TO INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

This interim Management's Discussion & Analysis ("MD&A") was prepared under the responsibility of GLV Inc.'s management and approved by its Board of Directors as of August 7, 2014. The information appearing herein accounts for all significant events that occurred up to that date. The MD&A presents the Corporation's position and business context as they were, to management's best knowledge, upon its approval by the Board of Directors.

This interim MD&A should be read in conjunction with the unaudited interim condensed consolidated financial statements and accompanying notes for the three-month periods ended June 30, 2014 and 2013, as well as with the audited consolidated financial statements and accompanying notes for the fiscal year ended March 31, 2014. The interim condensed consolidated financial statements for the three-month periods ended June 30, 2014 and 2013 have not been reviewed or audited by the Corporation's external auditors.

The financial information presented in this interim MD&A, including tabular amounts, is prepared in accordance with IAS 34, *Interim Financial Reporting*, which is part of International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board ("IASB"), unless otherwise indicated.

In this interim MD&A, "GLV Group" or "the Corporation" designates, as the case may be, GLV Inc. and its subsidiaries and divisions, or GLV Inc. or one of its subsidiaries or divisions, and the information contained is mainly structured by group, specifically Ovivo (water treatment), GL&V Pulp and Paper and the Other group. The fiscal year ending March 31, 2015 and the fiscal years ended March 31 of prior years are sometimes designated by the terms "fiscal 2015," "fiscal 2014" and so forth. The "first quarter of fiscal 2015" and the "first quarter of fiscal 2014" refer to the three-month periods ended June 30, 2014 and 2013, respectively. Unless otherwise indicated, the comparative analysis of operating results and cash flows for the three-month period ended June 30, 2014 is performed in relation to the equivalent periods ended June 30, 2013, whereas the comparative analysis of the financial situation as at June 30, 2014 is performed in relation to data recorded as at March 31, 2014.

This MD&A also uses non-IFRS financial measures. Please refer to Section 11, "Reconciliation of non-IFRS financial measures" of this interim report for more information.

Supplementary information about the Corporation, including the Annual Information Form dated June 5, 2014, the MD&A for the year ended March 31, 2014 and press releases are available on the websites of SEDAR (www.sedar.com) and the Corporation (www.glv.com). Certain other documents, including presentations to investors, are also available on the Corporation's website.

2. NOTICE REGARDING FORWARD-LOOKING STATEMENTS

Certain information and statements in this MD&A and other public communications regarding management's objectives, projections, estimates, expectations or forecasts may constitute forward-looking statements within the meaning of applicable securities legislation. Forward-looking statements concern analyses and other information based on forecasted future results and estimates of amounts that cannot yet be determined. These may be observations concerning, in particular, strategies, expectations, planned activities or future actions. Forward-looking statements are recognized by the use of terms such as "forecast," "project," "could," "plan," "aim," "estimate" and other similar terms, possibly used in the future or conditional, particularly with regard to certain assumptions.

The management of GLV Inc. would like to point out that forward-looking statements involve a number of uncertainties and known and unknown risks such that the actual and future results of GLV Group could differ considerably from those stated.

Factors of uncertainty and risk that might result in such differences include contracts with clients regarding equipment and services, operations and turnkey projects, market risk, competition and innovation, concentration risk, liquidity risk, access to financing, dependence on key personnel, information system risk, credit risk, reputation, regulatory and legal risk, foreign exchange rate and foreign exchange contract risk, risks related to acquisitions, supply chain, asset impairment, interest rates, and the Corporation's holding company structure. There can be no assurance as to the materialization of the results, performance or achievements as expressed in or underlying the forward-looking statements. In addition, unless otherwise indicated, the forward-looking statements included in this MD&A were made as at the date hereof, and unless required to do so pursuant to applicable securities legislation, management of GLV Inc. assumes no obligation to update or revise forward-looking statements as a result of new information, future events or other changes. Forward-looking statements are designed to provide the reader with a description of management's expectations regarding the Corporation's future financial performance and may not be appropriate for other purposes.

Additional information about the risk factors to which GLV Inc. is exposed is provided in Section 11, "Risks and uncertainties" of the MD&A for the year ended March 31, 2014.

3. PROFILE OF THE CORPORATION

Description of business

GLV Group is made up of international companies operating primarily in the water treatment (Ovivo) and pulp and paper (GL&V Pulp and Paper) industries that offer comprehensive technological solutions as well as services and equipment tailored to specific client needs. GLV Group's business units operate in more than 25 countries and have approximately 1,680 employees as at June 30, 2014. GLV Inc. is a public company whose shares trade on the Toronto Stock Exchange under the ticker symbols GLV.A and GLV.B.

- Ovivo designs and markets equipment and integrated solutions for the filtration, clarification, treatment and purification of water that will be used or reused in various industrial and municipal processes, returned into the environment or used for domestic purposes. Ovivo's offering includes rebuilding, upgrading and optimization services for existing equipment, the sale of spare parts as well as maintenance services. To maintain its position in this competitive market, Ovivo places know-how and innovation at the heart of its business strategy. With its advanced technologies, Ovivo stands out from the competition by putting the needs of its clients at the heart of its business strategy. In addition, Ovivo includes the operations of Ramivo, a manufacturing unit located in Tamàsi, Hungary.

- GL&V Pulp and Paper designs and globally markets equipment used in various stages from pulp preparation to paper production. It is also recognized worldwide for its rebuilding, upgrading and optimization services for existing equipment as well as for the sale of spare parts. By focusing on innovation, it ensures that its portfolio contains products and technologies that bring customers added value, such as lower energy consumption.

- GLV Group also has activities other than those associated with water treatment and pulp and paper. The Van der Molen division specializes in process solutions for the design and marketing of equipment for dissolving, dosing and mixing in beverage production. GLV Group also owned a manufacturing unit, GL&V Fabrication, located in Trois-Rivières, Québec, Canada, up to November 16, 2013, at which date the Corporation disposed of the business operations and a portion of assets of this unit.

Strategic approach

GLV Group has always been committed to creating long-term shareholder value and ensuring sustained growth through its business model, which consists in:

- Acquiring technologies, know-how and innovative businesses;
- Generating organic growth through innovation and by focusing on recurring revenues; while
- Respecting the local cultures of countries in which GLV Group subsidiaries are based.

Thus, GLV Group generate growth using the following five strategies:

- ***Focus on developing the Parts and Services market, which includes the sale of spare parts and the provision of maintenance and support services.*** With this strategy, GLV Group aims to generate recurrent revenues, which provide greater stability and reduce the impact of economic cycles. The Parts and Services market also ensures organic growth in the key businesses of GLV Group subsidiaries. This market also provides the opportunity to leverage GLV Group's excellent client service and stand out from the competition by offering a comprehensive range of services.

- ***Make innovation a key positioning factor in GLV Group's target markets.*** As GLV Group operates in highly competitive industries, it must continuously introduce innovative products and services for optimizing processes or for reducing clients' energy consumption. This innovation culture, which has been one of the factors driving GLV Group's success in the last three decades, is emphasized in the management of subsidiaries.

- ***Continuously improve the Corporation's profitability.*** GLV Inc.'s management maintains strict control over fixed costs across the organization by using human resources efficiently, effectively integrating and restructuring acquired businesses, continuously improving operational effectiveness of subsidiaries and maintaining an entrepreneurial culture. Also, under its business model, the Corporation makes significant use of an international network of manufacturing subcontractors, reducing fixed costs and giving it the flexibility it needs to accommodate the ebb and flow of demand. With all these measures, a flexible and optimal cost structure can be maintained.

- ***Focus primarily on geographic markets in which GLV Group subsidiaries are already operating.*** Certain markets such as India, Southeast Asia, Middle East, Brazil and Russia are expected to grow in the coming years. Meanwhile, more mature markets, namely North America, Europe and the United Kingdom, continue to offer attractive business opportunities for GLV Group businesses.

- ***Maintain the business acquisition strategy.*** GLV Group will keep seeking opportunities to broaden its technology portfolio, know-how and business unit trademarks. It will continue to apply the same acquisition model of focusing on intellectual property and the Parts and Services market.

4. HIGHLIGHTS

For the first quarter of fiscal 2015, GLV Inc. reported consolidated revenues of $161.2 million and adjusted EBITDA(1) of $5.6 million, up 11.4% and 12.9%, respectively, from the first quarter of the previous fiscal year. The Corporation recorded a net loss attributable to shareholders of GLV Inc. of $3.1 million or $0.07 per share, basic and diluted, compared with net earnings of $1.3 million or $0.03 per share, basic and diluted, for the same quarter of the previous fiscal year. This decline stems primarily from foreign exchange loss, the loss related to the total return swap and restructuring costs recorded during the quarter.

Ovivo's revenues for the first quarter were up 14.2% from the same period of the previous fiscal year, bolstered essentially by the performance of large contracts in the Electronics and Metals market. During the same period, Ovivo's Parts and Services market was up 28.1%, driven by investments and efforts concentrated in the market pursuant to the group's business refocusing plan. GL&V Pulp and Paper reported higher revenues, up 11.4% from the corresponding quarter of the previous fiscal year, driven primarily by the new equipment markets.

For Ovivo, downward pressure on margins in the Municipal market contributed to the decline in adjusted EBITDA.(1) This decline was partly offset by higher profitability in the Electronics and Metals market, driven by the completion of projects.

GL&V Pulp and Paper recorded higher adjusted EBITDA,(1) driven primarily by growth in the new equipment sales market.

Backlog

GLV Group's backlog as at June 30, 2014 amounted to $359.1 million, down from $395.3 million as at June 30, 2013 and $382.7 million as at March 31, 2014. Note that 44% of the total decline of $23.6 million compared to March 31, 2014 stemmed from exchange rates ($10.5 million), while the remainder was attributable to Ovivo's backlog, as GL&V Pulp and Paper's backlog was stable.

The decline in Ovivo's backlog was due primarily to the Electronics and Metals market and the Energy segment; however, management remains confident as to the markets' outlook. These declines were partly offset by improved backlog in the Parts and Services market, reflecting the measures implemented to develop this key strategic niche for Ovivo.

(1) *See Section 11, "Reconciliation of non-IFRS financial measures."*

5. ANALYSIS OF CONSOLIDATED OPERATING RESULTS

Consolidated earnings (loss)

	Quarters ended June 30	
(In thousands of $, except per share amounts and percentages)	**2014**	2013
Revenues	**161,247**	144,705
Costs of contracts and goods sold	**125,517**	110,997
Gross margin	**35,730**	33,708
Selling and administrative expenses	**30,149**	28,765
Adjusted EBITDA[1]	**5,581**	4,943
Adjusted EBITDA margin[1]	***3.5%***	*3.4%*
Restructuring costs	**1,741**	309
Amortization	**3,061**	2,912
Net financial expenses	**1,090**	1,720
Foreign exchange loss (gain)	**2,197**	(598)
Loss (gain) related to derivative financial instruments	**222**	(2,238)
Earnings (loss) before income taxes	**(2,730)**	2,838
Income taxes	**457**	1,568
Net earnings (loss)	**(3,187)**	1,270
Net earnings (loss) attributable to shareholders of GLV Inc.	**(3,147)**	1,289
Net earnings (loss) per share (basic and diluted)	**(0.07)**	0.03

Revenues

	Quarters ended June 30		Change	Organic change at constant exchange rates[1]
(In thousands of $)	**2014**	2013		
TOTAL	**161,247**	144,705	11.4%	5.8%
Ovivo	**96,614**	84,621	14.2%	4.9%
New equipment	**73,790**	66,810	10.4%	1.5%
Sale of parts and provision of services	**22,824**	17,811	28.1%	18.0%
GL&V Pulp and Paper	**56,303**	50,533	11.4%	6.8%
New equipment	**18,023**	14,090	27.9%	22.9%
Sale of parts and provision of services	**38,280**	36,443	5.0%	0.6%
Other	**8,330**	9,551	(12.8)%	8.4%

(1) *See Section 11, "Reconciliation of non-IFRS financial measures."*

Revenue continuity

	Quarter			
(In thousands of $)	**Ovivo**	**GL&V Pulp and Paper**	**Other**	**Total**
Quarter ended June 30, 2013	**84,621**	**50,533**	**9,551**	**144,705**
Foreign exchange impact	7,820	2,312	873	**11,005**
Business disposals	–	–	(2,670)	**(2,670)**
Organic growth	4,173	3,458	576	**8,207**
Total change	**11,993**	**5,770**	**(1,221)**	**16,542**
Quarter ended June 30, 2014	**96,614**	**56,303**	**8,330**	**161,247**

Consolidated revenues for the first quarter of fiscal 2015 were up $16.5 million from the first quarter of the previous fiscal year, driven by organic growth of $8.2 million, generated mainly by Ovivo and GL&V Pulp and Paper. Foreign currency fluctuations had a favourable impact of $11.0 million, owing mainly to the strengthening of the U.S. dollar, the pound sterling and the euro against the Canadian dollar. The disposal of the business operations and a portion of the assets of GL&V Fabrication had an unfavourable impact of $2.7 million on consolidated revenues for the period.

Ovivo

Ovivo's revenues for the first quarter of fiscal 2015 rose by a total amount of $12.0 million over the same period of the previous fiscal year, driven by organic sales growth of $4.2 million or 4.9%. This increase stemmed primarily from the performance of large projects announced in April 2013 for the Electronics and Metals market. Sale of parts and provision of services were up 28.1% from the same period of the previous fiscal year, driven by investments and efforts in this market pursuant to the group's business refocusing plan. Foreign currency fluctuations had a favourable impact of $7.8 million, owing mainly to the strengthening of the U.S. dollar, the pound sterling and the euro against the Canadian dollar.

GL&V Pulp and Paper

GL&V Pulp and Paper reported an approximately $5.8 million increase in revenues for the first quarter of fiscal 2015 compared with the same period of the previous fiscal year. The increase stemmed primarily from new equipment sales in North America given the late stage of the equipment lifecycle in the region. Foreign currency fluctuations had a favourable impact of $2.3 million, arising mostly from the strengthening of the U.S. dollar against the Canadian currency.

Other

Revenues at the Other group for the three-month period ended June 30, 2014 grew organically by $0.6 million. This increase stems from the Van der Molen division, which recorded higher operating volumes. However, the disposal of business operations and a portion of the assets of GL&V Fabrication midway through the third quarter of fiscal 2014 caused revenues to decline by $2.7 million. Foreign currency fluctuations had a favourable impact on revenues, owing mainly to the strengthening of the euro against the Canadian dollar.

Revenues by geographic segment based on destination address

	Total		Ovivo		GL&V Pulp and Paper	
	Twelve-month periods ended June 30					
	2014	2013	**2014**	2013	**2014**	2013
	(as % of consolidated revenues)		*(as % of Group revenues)*			
North America	**51.2%**	44.3%	**46.6%**	34.0%	**66.4%**	65.8%
Europe and Russia	**22.3%**	26.3%	**23.4%**	31.4%	**16.9%**	16.3%
Asia and Asia-Pacific	**13.1%**	14.8%	**16.7%**	18.1%	**6.6%**	9.8%
Middle East and Africa	**10.0%**	11.6%	**12.8%**	15.5%	**0.9%**	1.0%
Latin America	**3.4%**	3.0%	**0.5%**	1.0%	**9.2%**	7.1%

The geographic breakdown of revenues by destination address for the twelve-month period ended June 30, 2014, compared with the same period of the previous year, showed a significant increase in the percentage of Ovivo revenues from North America. This larger share of revenues was generated by the Electronics and Metals market, which saw significant contract wins in North America.

Gross margin (excluding amortization)

	Quarters ended June 30		Change	Organic change at constant exchange rates[1]
	2014	2013	%	%
In thousands of $	**35,730**	33,708	6.0%	0.5%
As % of revenues	**22.2%**	23.3%		

Gross margin is up in dollars but down in percentage for the three-month period ended June 30, 2014, year over year. The increase in gross margin in dollar terms stems primarily from the performance of contracts in the Electronics and Metals market for Ovivo, and from the rise in capital projects for GL&V Pulp and Paper. The decline in gross margin as a percentage of revenues is due in part to Ovivo and is mainly related to the Municipal market where certain contracts underwent downward pressure on margins compared with the same period of the preceding year. At GL&V Pulp and Paper, the gross margin as a percentage of revenues is also below the level in the first quarter of fiscal 2014. This decline is mainly attributable to the increased percentage of revenues from new equipment sales, which generate lower margins.

(1) *See Section 11, "Reconciliation of non-IFRS financial measures."*

Selling and administrative expenses (excluding amortization)

	Quarters ended June 30		**Change**	**Organic change at constant exchange rates[1]**
	2014	2013	%	%
In thousands of $	**30,149**	28,765	4.8%	(0.6)%
As % of revenues	**18.7%**	19.9%		

Excluding foreign currency fluctuations, selling and administrative expenses for the first quarter of fiscal 2015 were slightly down compared with the same quarter of fiscal 2014. This decrease stems from the reduction in head office stock-based compensation expense which is related to the lower stock price of GLV Inc. and the sale of the business operations and a portion of the assets of GL&V Fabrication during the third quarter of fiscal 2014. The investments in resources required primarily to develop Ovivo's Parts and Services market increased the selling and administrative expenses during the quarter, which were partly offset by savings arising from the restructuring. Investments in innovation in the first quarter of fiscal 2015 amounted to approximately $0.6 million compared with $0.2 million in the same quarter of the previous fiscal year. The lower percentage of revenues is attributable to a greater increase in revenues over selling and administrative expenses compared with the first quarter of fiscal 2014.

Adjusted EBITDA[1]

	Quarters ended June 30		**Change**	**Organic change at constant exchange rates[1]**
(In thousands of $)	**2014**	2013	%	%
Adjusted EBITDA[1]	**5,581**	4,943	12.9%	10.6%
Ovivo	**3,032**	3,968	(23.6)%	(26.3)%
GL&V Pulp and Paper	**4,503**	3,500	28.7%	25.4%
Other	**(1,954)**	(2,525)	22.6%	25.1%
(As % of revenues)				
Adjusted EBITDA margin[1]	**3.5%**	3.4%		
Ovivo	**3.1%**	4.7%		
GL&V Pulp and Paper	**8.0%**	6.9%		
Other	**n/a**	n/a		

Ovivo

Ovivo's adjusted EBITDA[1] is down for the first quarter of fiscal 2015 compared with the same quarter of the preceding fiscal year due mainly to the downward pressure exerted on the margins of certain contracts in the Municipal market. Furthermore, investments in resources mainly to develop Ovivo's Parts and Services market, partly offset by savings arising from restructuring, lowered adjusted EBITDA[1] for the quarter. These declines were partly offset by higher profitability in the Electronics and Metals market, driven by the advancement of projects.

GL&V Pulp and Paper

GL&V Pulp and Paper's adjusted EBITDA[1] for the first quarter of fiscal 2015 is up $1.0 million compared with adjusted EBITDA[1] in the same quarter of the previous fiscal year. This increase stems mainly from higher revenues generated by new equipment sales. The increase in adjusted EBITDA[1] margin is also due to rigorous management of indirect costs and selling and administrative expenses.

(1) *See Section 11, "Reconciliation of non-IFRS financial measures."*

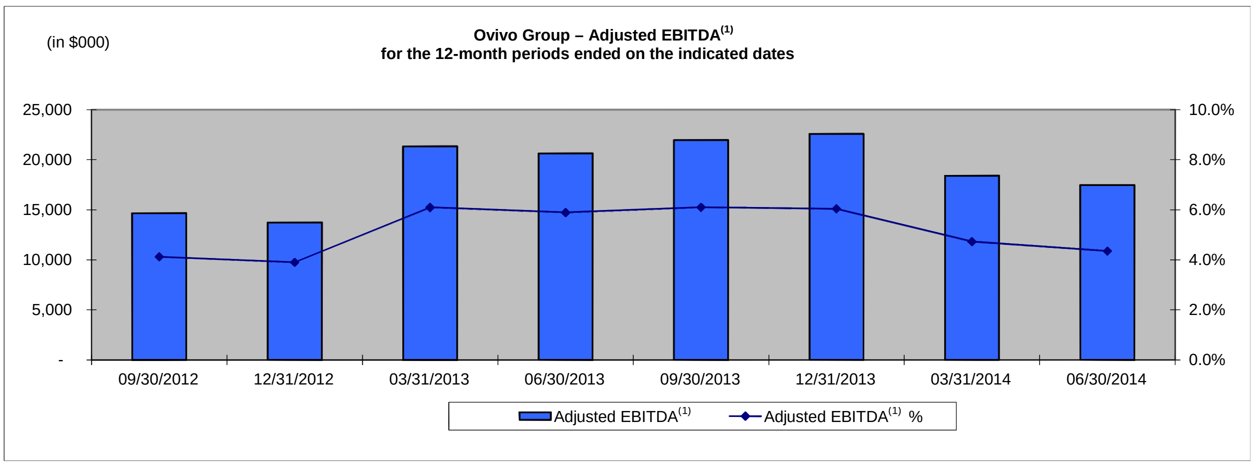
Other

Adjusted EBITDA[1] is up for the first quarter of fiscal 2015 compared with the same period of fiscal 2014. This increase stems from the decrease in head office stock-based compensation expense which is related to the lower stock price of GLV Inc. It is partly offset by erosion of the margin stemming from the performance of contracts by the Van de Molen division and the sale of business operations and a portion of the assets of GLV Fabrication during the third quarter of fiscal 2014.

Changes in adjusted EBITDA[1] and adjusted EBITDA margin[1]

The graphs below show the changes in adjusted EBITDA[1] and adjusted EBITDA margin[1] for Ovivo and GL&V Pulp and Paper for the twelve-month periods ended on the indicated dates.

Ovivo



The slowdown in the Electronics and Metals market affected adjusted EBITDA[1] at Ovivo for the twelve-month periods ended September 30, 2012 and December 31, 2012.

The recovery for the twelve-month period ended March 31, 2013 reflected the effect of Ovivo's operational refocusing on the gradual improvement in profitability. The period saw the favourable impact of the near-completion of desalination contracts with negative margins, resulting from the acquisition of Christ Water Technology AG ("CWT").

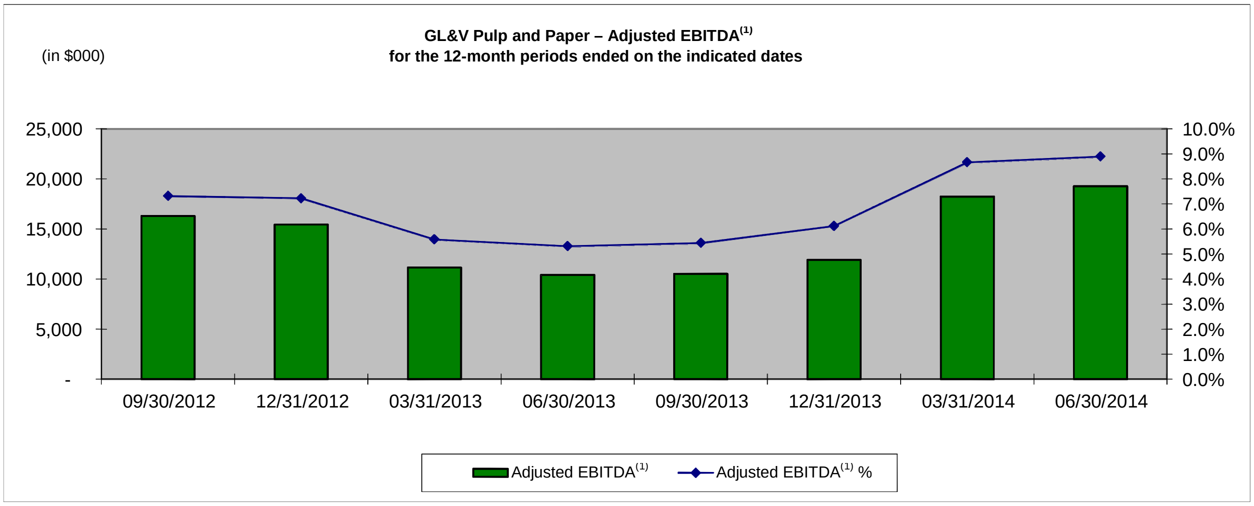
For the twelve-month period ended June 30, 2013, Ovivo's refocusing plan continued to have a positive impact, partly offset in the first quarter of fiscal 2014 by work performed on certain projects with lower-than-expected margins for the Energy segment in Europe and the Municipal EMEA market, as well as investments in resources required to develop the Parts and Services market.

The twelve-month periods ended September 30, 2013 and December 31, 2013 were also bolstered by the ongoing positive effects of Ovivo's refocusing plan as well as by higher profitability in the Electronics and Metals market and Municipal North America segment. These positive impacts were partly offset by a slowdown in the Municipal EMEA market, a lower-than-expected margin on a large contract in the Energy segment and by investments in resources made under initiatives deployed to develop the Parts and Services market.

The lower profitability in the Energy segment for the twelve-month periods ended March 31, 2014 and June 30, 2014, caused essentially by the specific Energy segment contract mentioned above and the slowdown in the Municipal EMEA market, continues to affect Ovivo negatively. These declines were partly offset by improved profitability in the Electronics and Metals market and the Municipal North America segment.

(1) *See Section 11, "Reconciliation of non-IFRS financial measures."*

GL&V Pulp and Paper



For GL&V Pulp and Paper, performance of contracts in progress slowed in the second and third quarters of fiscal 2013, curbing adjusted EBITDA(1) slightly for the twelve-month periods ended September 30, 2012 and December 31, 2012. The sharper decline for the year ended March 31, 2013 resulted from the fourth-quarter slowdown in the North American market, while the effects of the slowdown was felt in the European and Asian markets during the last nine months of fiscal 2013.

Business continued to slow down, particularly for the new equipment market, which prompted a slight decline in adjusted EBITDA(1) for the twelve-month periods ended June 30, 2013 and September 30, 2013. Since then, adjusted EBITDA(1) has improved, resulting from better results in the third and fourth quarters of fiscal 2014 driven by higher revenues from the sale of parts and provision of services with greater margins. In the fourth quarter, improvement in the margin on new equipment sales also contributed to the higher adjusted EBITDA(1).

For the twelve-month period ended June 30, 2014, the group profitability continued to improve, bolstered mainly by higher revenues generated by new equipment sales and rigorous management of costs.

Restructuring costs

For the three-month period ended June 30, 2014, restructuring costs at Ovivo and GL&V Pulp and Paper amounted to $1.3 million and $0.4 million, respectively. For Ovivo, these costs consist mainly of severance benefits and other costs related to restructurings in Europe, as well as costs related to the closure of a Municipal market entity also in Europe. Restructuring costs for GL&V Pulp and Paper represent severance benefits related to the closure of an entity in Asia.

Restructuring costs at Ovivo and GL&V Pulp and Paper for the first quarter of fiscal 2014, incurred in particular to finalize the restructuring announced in the previous fiscal year, amounted to $0.2 million and $0.1 million, respectively. These amounts primarily consisted of severance benefits and relocation costs.

(1) *See Section 11, "Reconciliation of non-IFRS financial measures."*

Amortization

	Quarters ended June 30		Change	Organic change[1]
(In thousands of $)	**2014**	2013		
Total	**3,061**	2,912	5.1%	3.4%
Property, plant and equipment	**1,386**	1,266	9.5%	
Intangible assets	**1,675**	1,646	1.8%	

The amortization expense for the first quarter ended June 30, 2014 was slightly up from the same period of the previous fiscal year, due to additions to property, plant and equipment, primarily at Ovivo, and also from the unfavourable impact of foreign currency fluctuations.

Net financial expenses

	Quarters ended June 30		Change
(In thousands of $)	**2014**	2013	
Total	**1,090**	1,720	(36.6)%
Interest on long-term debt	**724**	1,428	(49.3)%
Interest income	**(89)**	(193)	(53.9)%
Other	**455**	485	(6.2)%

For the three-month period ended June 30, 2014, the Corporation recognized a decrease of $0.6 million in net financial expenses compared with the same quarter of the previous fiscal year. This decrease stems from lower interest on long-term debt resulting primarily from the downward revision of the interest rate on the unsecured debenture with The Fonds de solidarité FTQ in April 2014 and from lower average debt levels in the first quarter of fiscal 2015 compared with the first quarter of fiscal 2014.

Foreign exchange loss (gain) and loss (gain) related to derivative financial instruments

	Quarters ended June 30		Change
(In thousands of $)	**2014**	2013	$
Foreign exchange loss (gain)	**2,197**	(598)	2,795
Loss (gain) related to derivative financial instruments	**222**	(2,238)	2,460

The foreign exchange loss was triggered on translation of monetary items recognized in currencies other than the functional currencies of subsidiaries.

The foreign exchange loss for the first quarter of fiscal 2015 resulted mostly from the depreciation of the U.S. dollar and the euro against Canada's currency compared with March 31, 2014. The foreign exchange gain for the same quarter of the previous fiscal year resulted mostly from the strengthening of the euro and U.S. dollar against Canada's currency, and the euro's appreciation against the Swedish krona.

The loss related to derivative financial instruments recognized in the first quarter of fiscal 2015 stemmed from the unfavourable remeasurement of the total return swap based on the market price of Class A subordinate voting shares. This loss is partly offset by the realized and unrealized gains on foreign exchange contracts outstanding as at June 30, 2014. The gain related to derivative financial instruments recognized in the first quarter of fiscal 2014 stemmed from realized and unrealized gains on foreign exchange contracts outstanding as at June 30, 2013 and the favourable remeasurement of the total return swap.

(1) *See Section 11, "Reconciliation of non-IFRS financial measures."*

Income taxes

	Quarters ended June 30		Change
(In thousands of $, except percentages)	**2014**	2013	$
Earnings (loss) before income taxes	**(2,730)**	2,838	(5,568)
Income tax expense	**457**	1,568	(1,111)
Effective tax rate (%)	**(16.7)%**	55.3%	
Canadian statutory rate (%)	**26.9%**	26.9%	

The difference between the effective tax rate and Canadian statutory rate resulted primarily from the fact that the Corporation reported a loss before income taxes for the first quarter of fiscal 2015, from a higher statutory tax rate in the U.S. and from valuation allowances for deferred tax assets of certain subsidiaries. The higher effective tax rate than the Canadian statutory rate in the first quarter of fiscal 2014 resulted primarily from a higher statutory tax rate in the U.S. and an additional tax withholding in respect of a dividend distribution made by a U.S. subsidiary to the Corporation.

Net earnings (loss) attributable to shareholders of GLV Inc.

	Quarters ended June 30	
	2014	2013
(In thousands of $)		
Net earnings (loss) attributable to shareholders of GLV Inc.	**(3,147)**	1,289
Adjusted net earnings (loss) attributable to shareholders of GLV Inc.[1]	**(1,541)**	1,598
(In $ per share, basic and diluted)		
Net earnings (loss) attributable to shareholders of GLV Inc.	**(0.07)**	0.03
Adjusted net earnings (loss) attributable to shareholders of GLV Inc.[1]	**(0.03)**	0.04
Weighted average number of participating shares outstanding *(in thousands)*		
Basic	**44,092**	44,092
Diluted	**44,092**	44,105

The Corporation reported a net loss for the first quarter of fiscal 2015 of $3.1 million or $0.07 per share, basic and diluted, compared with net earnings of $1.3 million or $0.03 per share, basic and diluted, for the same quarter of the previous fiscal year. This decline stems primarily from an increase of the restructuring costs, foreign exchange loss and the loss related to the total return swap. This decrease is partly offset by the reduction of the income tax expense compared with the first quarter of fiscal 2014.

(1) *See Section 11, "Reconciliation of non-IFRS financial measures."*

6. SUMMARY OF QUARTERLY PERFORMANCE

	Quarters ended							
	Fiscal 2015	**Fiscal 2014**				**Fiscal 2013**		
(In thousands of $, except per share amounts)	**June 30, 2014**	**March 31, 2014**	**Dec. 31, 2013**	**Sept. 30, 2013**	**June 30, 2013**	**March 31, 2013**	**Dec. 31, 2012**	**Sept. 30, 2012**
Revenues	161,247	182,062	158,576	149,782	144,705	152,392	145,530	140,575
Adjusted EBITDA(1)	5,581	9,294	5,138	5,870	4,943	7,828	4,615	5,198
Operating income (loss)	779	6,093	(26,257)	1,785	1,722	2,327	695	(707)
Adjusted operating income(1)	2,520	6,093	1,991	2,860	2,031	4,855	1,559	1,969
Net earnings (loss) attributable to shareholders of GLV Inc.:								
From continuing operations	(3,147)	1,678	(26,722)	1,409	1,289	909	3,065	(5,973)
Per share (basic and diluted)	(0.07)	0.04	(0.61)	0.03	0.03	0.02	0.07	(0.13)
From adjusted continuing operations(1)	(1,541)	1,678	1,374	2,484	1,598	3,437	3,929	(3,297)
Per share (adjusted basic and diluted)(1)	(0.03)	0.04	0.03	0.06	0.04	0.08	0.09	(0.07)
From discontinued operations	-	-	-	-	-	(548)	(4,503)	(281)
Per share (basic and diluted)	-	-	-	-	-	(0.01)	(0.10)	(0.01)
Total	(3,147)	1,678	(26,722)	1,409	1,289	361	(1,438)	(6,254)
Per share (basic and diluted)	(0.07)	0.04	(0.61)	0.03	0.03	0.01	(0.03)	(0.14)
Net earnings (loss) attributable to non-controlling interests	(40)	127	135	(4)	(19)	9	(1)	(11)
Net earnings (loss)	(3,187)	1,805	(26,587)	1,405	1,270	370	(1,439)	(6,265)

The Corporation's quarterly results are exposed to economic conditions and are not necessarily comparable from quarter to quarter. Results were impacted by the following factors:

- Discontinuation of Waste to Energy's industrial operations at Ovivo in the third quarter of fiscal 2013, representing a loss of $4.5 million. To reflect the impact of these operations on earnings (loss), comparative figures for the previous quarters presented in this MD&A have been restated.

- The refocusing of Ovivo's operations on target markets translated into a gradual improvement in profitability in the fourth quarter of fiscal 2013, partly offset by GL&V Pulp and Paper given the market slowdowns, particularly in Europe.

- In the first quarter of fiscal 2014, while markets were slowing down for GL&V Pulp and Paper, the positive impact of Ovivo's business volumes in the Electronics and Metals market was offset by work performed on certain projects with lower-than-expected margins in the Energy segment in Europe and the Municipal EMEA market, as well as investments in resources required to develop the Parts and Services market.

- Even higher growth for Ovivo in the second and third quarters of fiscal 2014, driven by growth in the Electronics and Metals market and the Municipal North America market, was offset by the slowdown in the Municipal EMEA and Energy markets. Third-quarter earnings were adversely affected by a one-time $26.9 million asset impairment charge.

(1) *See Section 11, "Reconciliation of non-IFRS financial measures."*

- The fourth quarter of fiscal 2014 saw a rise in profitability at GL&V Pulp and Paper, compared with a decline at Ovivo, owing primarily to a downturn in the Energy market. The decline was partially offset by the Electronics and Metals market which recorded higher profitability.

- In the first quarter of fiscal 2015, higher revenues from new equipment sales at GL&V Pulp and Paper had a favourable impact on the group's profitability, while Ovivo experienced a decline in profitability related to the slowdown in the Municipal market.

7. FINANCIAL POSITION AND CASH FLOWS

Including net additions to property, plant and equipment, cash flows used in the first quarter of fiscal 2015 amounted to $21.8 million ($0.49 per share, basic and diluted) compared with cash flows generated totalling $1.6 million ($0.04 per share, basic and diluted) in the same quarter of fiscal 2014.

		Quarters ended June 30
	2014	2013
(In thousands of $, except per share amounts)		
Cash flows provided by (used in) operating activities before net change in non-cash items	**(882)**	3,851
Net change in non-cash operating items	**(19,716)**	(372)
Additions to property, plant and equipment, net of disposals	**(1,155)**	(1,899)
Cash flows generated (used)[(1)]	**(21,753)**	1,580
Per share (basic and diluted)	**(0.49)**	0.04

Impact of net change in non-cash operating items

(In thousands of $)	**Quarter ended June 30, 2014**
Trade and other receivables	**9,171**
Inventories	**(524)**
Contracts in progress	**(2,337)**
Prepaid expenses	**297**
Accounts payable and accrued liabilities, provisions and other liabilities	**(15,877)**
Deferred revenues	**(11,112)**
Income taxes receivable/payable	**666**
	(19,716)

The $19.7 million adverse impact on cash flows for the first quarter of fiscal 2015 resulting from the change in non-cash operating items was mainly attributable to lower accounts payable and accrued liabilities, provisions and other liabilities, due to supplier payment schedules and the decline in deferred revenues, which vary according to percentage of completion and billing arrangement of projects. This impact was partly offset by lower trade and other receivables, owing primarily to stronger and proactive trade account collections management during the quarter.

(1) *See Section 11, "Reconciliation of non-IFRS financial measures."*

The net working capital position stood at $122.0 million as at June 30, 2014, representing a ratio of 1.6 as at that date, compared with $110.1 million and a ratio of 1.46 as at March 31, 2014. The Corporation's total assets amounted to $461.4 million as at June 30, 2014, compared with $488.1 million as at March 31, 2014, a decrease attributable mainly to lower trade and other receivables. Management generally seeks to maintain a working capital ratio of around 1.25 given the Corporation's operating business model. The Corporation continues to focus on optimizing management of its working capital to maximize cash flows and reduce its indebtedness and financial expenses.

Exchange rate fluctuations during the first quarter of fiscal 2015 resulted in a favourable change in the remeasurement of cash and cash equivalents totalling $0.7 million.

The net effect of changes in cash flows used for the first quarter of fiscal 2015 was a decrease in cash and cash equivalents of $5.2 million.

Investing activities

In total, $1.6 million were used in investing activities for the first quarter of fiscal 2015, which is relatively unchanged from the same period of the previous fiscal year, and mainly represents additions to property, plant and equipment.

Additional comments on financial position

	As at June 30, 2014	As at March 31, 2014
(in thousands of $, except ratio)		
Long-term debt	**64,115**	47,975
Cash and cash equivalents	**(17,128)**	(22,306)
Total net debt	**46,987**	25,669
Equity	**165,626**	174,199
Invested capital	**212,613**	199,868
Total net debt to invested capital ratio	**22.1%**	12.8%

As at June 30, 2014, the Corporation's total debt amounted to $64.1 million compared with $48.0 million as at March 31, 2014, an increase of $16.1 million. Net of cash and cash equivalents, total net debt as at June 30, 2014 amounted to $47.0 million for a total net debt to invested capital ratio of 22.1% compared with total net debt of $25.7 million and a 12.8% ratio as at March 31, 2014. Total net debt rose by $21.3 million since March 31, 2014, primarily as the Corporation was working, and therefore incurred costs, on certain contracts for which cash inflows have already been received previously under favourable payment terms negotiated by the Corporation.

During the first quarter of 2015, the Corporation obtained a credit facility of US$2 million from Export Development Canada in order to finance the purchase of equipment for its production unit in India. The variable interest rate is based on LIBOR plus a premium of 3.25%, maturing in June 2019. This facility provides for four equal repayments of US$500 every six months from the 42nd to the 60th month.

In April 2014, the Corporation amended its $25.0 million unsecured debenture in favour of The Fonds de solidarité FTQ, reducing the interest rate to 5.4% and withdrawing GLV Inc.'s early redemption right through to maturity on November 20, 2016.

In December 2011, the Corporation renewed its main financing agreement for a five-year term for a total amount of $200 million. This facility consists primarily of a $100 million revolving credit facility to meet the Corporation's day-to-day operations, issue letters of credit and finance business acquisitions. As at June 30, 2014, drawdowns under this credit facility totalled $37.1 million. In addition, the Corporation has a second $100 million revolving credit facility to issue letters of credit guaranteed by Export Development Canada. As at June 30, 2014, drawdowns under this second facility amounted to $69.1 million. The financing agreement also includes an uncommitted accordion feature providing access to an additional $50 million.

The Corporation also has a credit facility of €25.0 million ($36.4 million) in Austria for issuing letters of credit. This facility matures in May 2015, while its terms are renegotiable every year at the least. As at June 30, 2014, drawdowns under the facility totalled €14.1 million ($20.5 million).

As at June 30, 2014, the cash position and bank credit facilities were sufficient to fund the Corporation's operations. Moreover, all financial ratios met the requirements under current credit agreements with GLV Inc.'s banking institutions. Where there are special or non-recurring items, the terms of these credit agreements require a change to adjusted EBITDA to determine financial ratios. Accordingly, as at June 30, 2014, financial ratios were calculated using adjusted EBITDA as defined in the agreements, which includes, in particular, the operating income (loss) of the past twelve months ended June 30, 2014 of the entities whose shares were acquired and excludes the operating income (loss) of the past twelve months ended June 30, 2014 of closed entities or entities with discontinued operations or whose shares or certain assets were sold, as well as restructuring costs and other special items.

Share capital information and stock-based compensation

	Authorized	**Number of shares issued and outstanding as at June 30, 2014 and August 6, 2014**
Class A subordinate voting shares	Unlimited	41,912,594
Class B multiple voting shares	Unlimited	2,179,305
Preferred shares	Unlimited	–
		44,091,899

During the quarter ended June 30, 2014, 6,000 stock options were cancelled, bringing the number of outstanding stock options to 2,105,840 (2,111,840 as at March 31, 2014) of which 1,730,840 (1,677,840 as at March 31, 2014) were exercisable based on the time requirement, notwithstanding achievement of target prices where the requirement applies.

For further information, refer to note 7 to the interim condensed consolidated financial statements for the three-month period ended June 30, 2014.

8. BACKLOG

	Quarter ended June 30	Quarter ended March 31	**Change**	**Organic change**	Quarter ended June 30	**Change**	**Organic change**
(In thousands of $)	**2014**	2014	**%**	**%**	2013	**%**	**%**
Total	**359,074**	382,739	**(6.2)%**	**(3.4)%**	395,318	**(9.2)%**	**(11.9)%**
Ovivo	**287,520**	311,050	**(7.6)%**	**(5.0)%**	319,588	**(10.0)%**	**(13.8)%**
GL&V Pulp and Paper	**61,074**	61,994	**(1.5)%**	**1.8%**	61,862	**(1.3)%**	**(2.9)%**
Other	**10,480**	9,695	**8.1%**	**12.6%**	13,868	**(24.4)%**	**(4.1)%**

Ovivo

Ovivo's backlog as at June 30, 2014 amounted to $287.5 million, down from $311.0 million as at March 31, 2014 and $319.6 million as at June 30, 2013. The decline stemmed primarily from the Electronics and Metals market which, after major contract wins in early fiscal 2014, recorded a decline in backlog as at June 30, 2014 owing to the percentage of completion of projects. The decline was also due to slower order taking in the Energy segment; however, management remains confident as to the outlook for the market. These declines were partly offset by improved backlog in the Parts and Services market, reflecting the measures implemented to develop this key strategic niche for Ovivo, as well as in the Municipal North America market.

GL&V Pulp and Paper

As at June 30, 2014, the GL&V Pulp and Paper's backlog was relatively unchanged from March 31, 2014 and June 30, 2013. The outlook remains attractive for fiscal 2015, and for new equipment sales in particular.

Other

The backlog at the Van der Molen division was up as at June 30, 2014 compared with March 31, 2014. The increase stems mainly from order taking for new equipment. The lower backlog compared with June 30, 2013 results from the sale of the manufacturing unit in November 2013 as no orders related to this unit were reported in the backlog of the Other group as at June 30, 2014.

9. RISKS AND UNCERTAINTIES

In the course of business, the Corporation is subject to a certain number of risks that management assesses on an ongoing basis. Risks and uncertainties as well as risk management practices are discussed in Section 11, "Risks and Uncertainties," of the MD&A for the fiscal year ended March 31, 2014.

Management has observed no material changes regarding risks and uncertainties and has made no changes to its risk management practices since the beginning of fiscal 2015.

10. ACCOUNTING POLICIES

(a) Critical accounting policies and estimates

The unaudited interim condensed consolidated financial statements of the Corporation for the three-month period ended June 30, 2014 have been prepared in accordance with IAS 34, *Interim Financial Reporting*, which forms part of IFRS issued by the IASB.

The accounting policies used in the unaudited interim condensed consolidated financial statements are the same as and are applied consistently with those presented in note 2 to the annual consolidated financial statements as at March 31, 2014 with the exception of the accounting policies described below.

The preparation of the Corporation's unaudited interim condensed consolidated financial statements in accordance with IFRS requires management to exercise judgment in developing estimates and making forward-looking assumptions that affect the amounts reported in the consolidated financial statements. Actual results could give rise to significant adjustments to the reported amounts of assets, liabilities and earnings (loss) in subsequent periods. The Corporation's most significant estimates and assumptions for the three-month period ended June 30, 2014 are the same as those presented in note 2(u) to the annual consolidated financial statements as at March 31, 2014.

(b) Changes in accounting policies

IFRIC 21 – *Levies*

The standard clarifies the timing of accounting for a liability for outflow of resources that is imposed by governments in accordance with legislation, based on the activity that triggers the payment.

This standard was applied by the Corporation on April 1, 2014 and had no material impact on the Corporation's financial performance.

(c) Future changes in accounting policies

IFRS 9, *Financial Instruments*

In July 2014, IASB completed its three-phase project to replace IAS 39, *Financial Instruments: recognition and measurement*, by issuing IFRS 9, *Financial Instruments*. IFRS 9, *Financial Instruments*, addresses the classification and measurement of financial assets and liabilities, a forward-looking expected loss impairment model and a substantially reformed model of hedge accounting. To determine whether a financial asset should be measured at amortized cost or at fair value, IFRS 9 uses a new approach that replaces the multiple rules of IAS 39. The approach recommended by IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flow characteristics of financial assets. Most of the requirements of IAS 39 for the classification and measurement of financial liabilities are carried forward in IFRS 9. However, the portion of the changes in fair value related to the entity's own credit risk, in measuring a financial liability at fair value through profit and loss, will be presented in the consolidated statement of comprehensive income (loss) instead of in the consolidated statement of income (loss). IFRS 9 also sets out an expected loss impairment model that will require more timely recognition of credit losses. More specifically, the new standard requires entities to account for expected credit losses from when financial instruments are first recognized, and to recognize lifetime credit losses earlier. Last, IFRS 9 introduces a new hedge accounting model together with the corresponding disclosures on risk management activities. The new hedge accounting model, represents a substantial overhaul of hedge accounting that will enable entities to better reflect their risk management activities in their financial statements. IFRS 9 will be effective for our fiscal year beginning on April 1, 2018 but earlier adoption is permitted. The Corporation has not yet assessed the impacts of adopting this standard on its consolidated financial statements.

IFRS 15, *Revenue from Contracts with Customers*

In May 2014, IASB issued IFRS 15, *Revenue from Contracts with Customers*, which supersedes IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programmes*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions Involving Advertising Services*. The core principle of IFRS 15 is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to receive in exchange for those goods and services. IFRS 15 will require enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (particularly, service revenue and contract modifications) and improve guidance for multiple-element arrangements. IFRS 15 will be effective for the Corporation's fiscal year beginning on April 1, 2017 with earlier adoption permitted. The Corporation has not yet assessed the impacts of adopting this standard on its consolidated financial statements.

IAS 19, *Employee Benefits*

In November 2013, IASB amended IAS 19, *Employee Benefits*, to simplify the accounting for contributions of defined benefit plans that are independent of the number of years of employee service. This amendment will be effective for the Corporation's fiscal year beginning on April 1, 2015 with earlier adoption permitted. The Corporation is currently assessing the impacts of adopting these amendments on its consolidated financial statements.

11. RECONCILIATION OF NON-IFRS FINANCIAL MEASURES

In addition to providing IFRS measures, this MD&A includes additional measures and the following non-IFRS measures that are also used by management and the Corporation's Board of Directors to monitor and evaluate the performance of the Corporation and its operating sectors.

- **Adjusted EBITDA**: Earnings (loss) before amortization, asset impairment, net financial expenses, foreign exchange loss (gain), loss (gain) related to derivative financial instruments, restructuring costs and other special items, and income taxes. The adjusted EBITDA margin is calculated by dividing adjusted EBITDA by revenues;
- **Adjusted net earnings (loss) attributable to shareholders of GLV Inc.**: Net earnings (loss) before items recorded outside the normal course of business, including restructuring costs and the asset impairment charge;
- **Cash flows generated (used)**: Cash flows provided by (used in) operating activities, less additions to property, plant and equipment (net of disposals);
- **Cash flows generated (used) per share**: Cash flows generated from (used in) divided by the weighted average number of participating shares outstanding during the reporting period.

Such measures enable management to assess the operational and financial performance of its operating divisions. These measures are also commonly used by the financial community to analyze and compare the performance of companies engaged in the same industries. However, they are not intended to be regarded as alternatives to other financial performance measures or to the statement of cash flows as indicators of liquidity. They are not intended to represent funds available for debt service, dividends, reinvestment or other discretionary uses, and should not be considered in isolation or as a substitute for other performance measures calculated under IFRS. Management's definition of these measures may differ from similarly titled measures reported by other companies.

To assess the annual growth in revenues excluding the impact of business acquisitions or disposals, the Corporation uses the organic change measure. Organic change is computed by eliminating the impact of revenue from acquisitions or disposals with the comparative period of the previous fiscal year, at constant exchange rates.

The Corporation's backlog consists of firm orders supported, as the case may be, by a signed contract, a purchase order or an advance receipt on a contract. Under certain circumstances, management may decide to include a contract in the backlog even though the contract has not been signed if the stages to be completed are administrative in nature or deemed not to be significant. Management may also decide to defer recognition of a contract in the backlog if, for instance, there are risks that the order could be cancelled or delayed, or that the collection of the selling price is exposed to risks. In that case, the order in question will normally be added to the backlog only upon collection of part of the selling price in the form of advance receipts on a contract, or when management has a reasonable degree of comfort thereof. Management may also decide to record a general reserve accounting for its assessment of the various risks related to the orders recognized in the backlog.

The following table reconciles IFRS measures reported in the Corporation's consolidated statements of earnings (loss) and adjusted EBITDA:

(In thousands of $)	**Ovivo**	**GL&V Pulp and Paper**	**Other**	**Consolidated results**
Quarter ended June 30, 2014				
Operating income (loss)	**(18)**	**3,403**	**(2,606)**	**779**
Amortization	**1,747**	**662**	**652**	**3,061**
EBITDA	**1,729**	**4,065**	**(1,954)**	**3,840**
Restructuring costs	**1,303**	**438**	**–**	**1,741**
Adjusted EBITDA	**3,032**	**4,503**	**(1,954)**	**5,581**
Quarter ended June 30, 2013				
Operating income (loss)	2,171	2,796	(3,245)	1,722
Amortization	1,637	555	720	2,912
EBITDA	3,808	3,351	(2,525)	4,634
Restructuring costs	160	149	–	309
Adjusted EBITDA	3,968	3,500	(2,525)	4,943

The following table reconciles IFRS measures reported in the Corporation's consolidated statements of earnings (loss) and adjusted net earnings (loss) attributable to shareholders of GLV Inc.:

	Quarters ended June 30	
(In thousands of $)	**2014**	2013
Net earnings (loss) attributable to shareholders of GLV Inc.	**(3,147)**	1,289
Restructuring costs (net of taxes)	**1,606**	309
Adjusted net earnings (loss) attributable to shareholders of GLV Inc.	**(1,541)**	1,598

The following table reconciles IFRS measures reported in the Corporation's consolidated statements of earnings (loss) and adjusted net earnings (loss) per share attributable to shareholders of GLV Inc.

	Quarters ended June 30	
(en $)	**2014**	2013
Net earnings (loss) attributable to shareholders of GLV Inc., per share	**(0.07)**	0.03
Restructuring costs (net of taxes)	**0.04**	0.01
Adjusted net earnings (loss) per share attributable to shareholders of GLV Inc., per share	**(0.03)**	0.04

The following table reconciles IFRS measures reported in the Corporation's consolidated statements of earnings (loss) and adjusted operating income:

		Quarters ended June 30
(In thousands of $)	**2014**	2013
Operating income	**779**	1,722
Restructuring costs	**1,741**	309
Adjusted operating income	**2,520**	2,031

The following table reconciles IFRS measures reported in the Corporation's consolidated statements of cash flows and cash flows generated (used):

		Quarters ended June 30
(In thousands of $)	**2014**	2013
Cash flows provided by (used in) operating activities	**(20,598)**	3,479
Additions to property, plant and equipment	**(1,362)**	(1,922)
Proceeds from sale of property, plant and equipment	**207**	23
Cash flows generated (used)	**(21,753)**	1,580

12. CONTROLS AND PROCEDURES

As required by Regulation 52-109 of the Canadian Securities Administrators ("Regulation 52-109"), GLV Inc. has filed certificates signed by the President and Chief Executive Officer and Chief Financial Officer that specifically attest to the design of the disclosure controls and procedures and the design of internal control over financial reporting.

GLV's management has designed disclosure controls and procedures to provide reasonable assurance that material information relating to the Corporation, including its consolidated subsidiaries, is made known to them by others within those entities.

During the three-month period ended June 30, 2014, there have been no changes in internal control over financial reporting that have materially affected, or would reasonably be expected to materially affect, GLV's internal control over financial reporting.

(SIGNED)
Richard Verreault
President and Chief Executive Officer

(SIGNED)
François Dufresne
Chief Financial Officer

August 7, 2014