

## > First quarter 2009



Conference call notes

May 7, 2009



✓ **Forward-looking Statements**

- Denis Jasmin,  
Vice-President, Investor Relations

✓ **Highlights and Outlook**

- Pierre Duhaime,  
President and Chief Executive Officer

✓ **Financial Review**

- Gilles Laramée,  
Executive Vice-President and Chief Financial Officer

# Forward-looking statements

3

- ✓ Unless otherwise specified, all dollar amounts are expressed in Canadian dollars.
- ✓ Statements made in this document that describe the Company's or management's budgets, estimates, expectations, forecasts, objectives, predictions or projections of the future may be "forward-looking statements", which can be identified by the use of the conditional or forward-looking terminology such as "anticipates", "believes", "estimates", "expects", "may", "plans", "projects", "should", "will", or the negative thereof or other variations thereon. The Company cautions that, by their nature, forward-looking statements involve risks and uncertainties, and that its actual actions and/or results could differ materially from those expressed or implied in such forward-looking statements, or could affect the extent to which a particular projection materializes. For more information on risks and uncertainties, and assumptions that would cause the Company's actual results to differ from current expectations, please refer to the section "Risks and Uncertainties" and the section "How We Budget and Forecast Our Results and Basis for Providing Financial Guidance", respectively, in the Company's Annual Report under "Management's Discussion and Analysis", and under the section "Caution regarding forward-looking statements" of the Company's most recent Annual Information Form filed with the securities regulatory authorities in Canada, available at SEDAR ([www.sedar.com](http://www.sedar.com)). Unless otherwise mentioned, the forward-looking statements herein reflect the Company's expectations as of the date of this presentation and are subject to change after this date.
- ✓ Reference in this document, and hereafter, to the "Company" means SNC-Lavalin Group Inc. "SNC-Lavalin" means, as the context may require, the Company and all or some of its subsidiaries or joint ventures, or the Company, or one or more of its subsidiaries or joint ventures.

- ✓ Net income for the first quarter 2009 increased to \$77.5 million from \$70.8 million for the first quarter, 2008, mainly due:
  - Increased contribution from:
    - Infrastructure & Environment
    - Mining & Metallurgy
    - Infrastructure Concession Investments
  - Partially offset by:
    - Loss in Chemicals & Petroleum

# Highlights (cont'd)

5

- ✓ Revenues for the first quarter 2009 were lower at \$1.6 billion, compared to \$1.8 billion for the same period in 2008
  - 34% decrease in Packages
  - 17% increase in Services
  - 15% increase in Operations & Maintenance
- ✓ Total backlog for the four revenue categories totalled \$9.0 billion as at March 31, 2009, compared to \$9.6 billion at the end of December 2008
  - Services revenue backlog remained solid at \$1.5 billion
  - Packages revenue backlog decreased
- ✓ The financial position remained strong with cash and cash equivalents of \$872.3 million at March 31, 2009
- ✓ The return on average shareholders' equity (ROASE) was 28.2% for the 12-month period ended March 31, 2009,

# Worldwide Opportunities

6

Infrastructure & Environment:	<p>Africa, Canada, Latin America and Middle East</p> <p>Airport, mass transit systems, ports</p> <p>Bridges, buildings, hospitals, roads and water treatment and distribution facilities</p>
Chemicals & Petroleum:	Africa, Canada, Middle East, Russia and Venezuela
Power:	<p>Worldwide</p> <p>Hydro, nuclear and gas-fired thermal power generation, and transmission &amp; distribution</p>
Mining & Metallurgy:	<p>Worldwide</p> <p>Copper, gold, iron ore, nickel and potash</p>
Operations & Maintenance:	Canada
Infrastructure Concession Investments:	Canada and France

# Financial Review

Gilles Laramée,  
Executive Vice-President and Chief Financial Officer

# Consolidated income statement

8

(in millions of \$)

	First Quarter	
	2009	2008
<b>Revenues</b>	<b>1,625.7</b>	1,775.1
<b>Gross margin</b>	<b>267.8</b>	240.7
Selling, general and administrative expenses	<b>137.0</b>	120.3
Interest (revenues) and capital taxes:		
- from infrastructure concession investments	<b>26.3</b>	29.3
- from other activities	<b>0.3</b>	(4.1)
<b>Income before inc. taxes and non-contr. interest</b>	<b>104.2</b>	95.2
Income taxes	<b>24.7</b>	23.0
Non-controlling interest	<b>2.0</b>	1.4
<b>Net income</b>	<b>77.5</b>	70.8

# Revenues and operating income (loss) by segment

9

(in millions of \$)

	First Quarter ended March 31			
	2009		2008	
	Revenues	Operating Income (loss)	Revenues	Operating Income
<b>Services and Packages</b>				
Infrastructure & Environment	405.1	55.5	349.0	0.6
Chemicals & Petroleum	236.7	(10.0)	415.0	46.6
Power	212.8	14.4	273.7	21.1
Mining & Metallurgy	199.4	26.2	211.3	14.2
Other Industries	72.6	7.4	92.2	7.2
<b>Operations &amp; Maintenance</b>	409.4	10.4	355.5	10.6
<b>Infrastructure Concession Investments</b>	89.7	4.4	78.4	0.4
	<b>1,625.7</b>	<b>108.3</b>	<b>1,775.1</b>	<b>100.7</b>

# Balance sheet

10

(in millions of \$)

	<b>March 2009</b>	<b>December 2008</b>
<b>Assets</b>		
Cash and cash equivalents	<b>872.3</b>	988.2
Other current assets	<b>2,667.7</b>	2,564.2
Property and equipment:		
From infrastructure concession investments	<b>1,921.8</b>	1,750.7
From other activities	<b>118.2</b>	123.4
Goodwill	<b>504.4</b>	496.1
Infrastructure Concessions Investments	<b>350.0</b>	343.4
Other long-term assets	<b>529.4</b>	505.5
	<b>6,963.8</b>	6,771.5
<b>Liabilities</b>		
Current liabilities	<b>3,201.5</b>	3,276.0
Long-term debt:		
Recourse	<b>104.7</b>	104.7
Non-recourse from infrastructure concession investments	<b>2,030.6</b>	2,003.3
Other long-term liabilities and non-controlling interest	<b>469.3</b>	298.3
<b>Shareholders' equity</b>	<b>1,157.7</b>	1,089.2
	<b>6,963.8</b>	6,771.5

# Revenue backlog

11

(in millions of \$)

	<b>March 2009</b>	Dec. 2008	March 2008
<b>Services</b>	<b>1,520.4</b>	1,545.3	1,557.7
<b>Packages</b>	<b>3,154.5</b>	3,508.0	3,901.4
<b>Operations &amp; Maintenance</b>	<b>1,893.5</b>	2,196.2	2,393.7
AltaLink	<b>1,739.8</b>	1,685.2	1,519.8
Highway 407	<b>573.1</b>	558.4	542.9
Okanagan Lake Concession	<b>99.4</b>	99.1	94.9
<b>Infrastructure Concession Investments</b>	<b>2,412.3</b>	2,342.7	2,157.6
<b>Total Backlog</b>	<b>8,980.7</b>	9,592.2	10,010.4

# Services and Packages Revenues backlog by segment

12

(in millions of \$)

	<b>At Mar. 31</b>		<b>At Dec. 31</b>	
	<b>2009</b>		<b>2008</b>	
	<b>Services</b>	<b>Packages</b>	<b>Services</b>	<b>Packages</b>
<b>Services and Packages</b>				
Infrastructure and Environment	<b>710.9</b>	<b>1,949.7</b>	676.8	2,174.4
Chemicals and Petroleum	<b>177.1</b>	<b>542.5</b>	179.5	647.9
Power	<b>211.7</b>	<b>533.9</b>	194.7	546.0
Mining and Metallurgy	<b>325.8</b>	-	392.0	-
Other Industries	<b>94.9</b>	<b>128.4</b>	102.3	139.7
<b>Total Services and Packages Backlog</b>	<b>1,520.4</b>	<b>3,154.5</b>	1,545.3	3,508.0

✓ If you have further questions, please contact:

Denis Jasmin

tel: (514) 393-1000, ext. # 7553

E-mail: [denis.jasmin@snclavalin.com](mailto:denis.jasmin@snclavalin.com)

✓ Replay of conference call:

Investor Relations section of website:

[www.snclavalin.com](http://www.snclavalin.com)