



SNC • LAVALIN



At Work

2014 Annual Report



Our values speak directly to how we run our business, express ourselves as a group and inspire trust in our stakeholders.

Teamwork and excellence

We are innovative, collaborative, competent and visionary.

Customer focus

Our business exists to serve and add long-term value to our customers' organizations.

Strong investor returns

We seek to reward the trust of investors by delivering competitive returns relative to our industry, and by developing vital projects that make them proud.

Health, safety, security and environment

We have a responsibility to protect everyone who comes into contact with our organization.

Ethics and compliance

We are unrelentingly committed to ethics and compliance excellence.

Respect

We consistently demonstrate respect for all our stakeholders.

A Tier-1 Engineering & Construction Company

SNC-Lavalin is on a journey to become the world's leading engineering and construction firm. By “leading” we mean the company in our industry that is the most relied-upon to safely, efficiently and ethically deliver outstanding performance for resources, power and infrastructure clients—regardless of project location or complexity.

We're working hard to become thought leaders who contribute meaningfully to our clients' growth strategies. We can be counted on to find ingenious solutions to challenges and to deliver the most comprehensive and highest quality services across our chosen markets.

By doing all of this and more, we'll grow in size, reputation and profitability.

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New Era for SNC-Lavalin

With the acquisition of UK-listed Kentz in August 2014, we enthusiastically welcomed over 15,000 new employees with complementary, high-end oil and gas engineering and construction expertise.

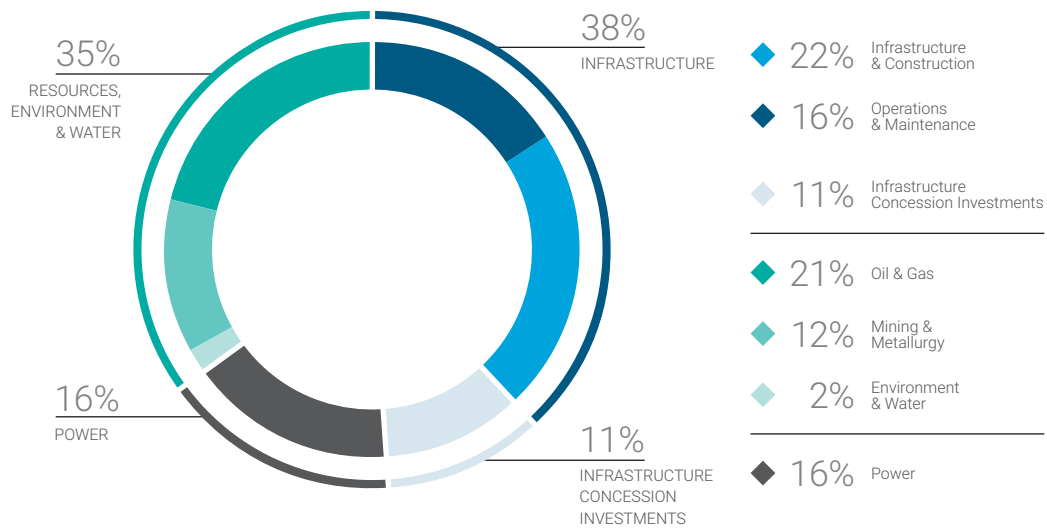
Kentz expands our geographic footprint, market channels and capabilities and increases our ability to safely deliver world-class services across the hydrocarbon value chain.

We're transforming ourselves as we find new ways to deliver innovative solutions to our customers and greater value to our stakeholders.



Financial Highlights

2014 REVENUES By industry segment



By geographic area



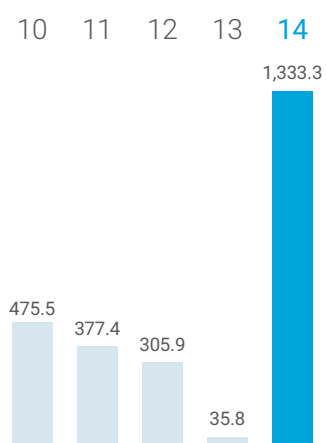
42,000
EMPLOYEES

OFFICES ACROSS
50 COUNTRIES

\$8 BILLION
IN REVENUES

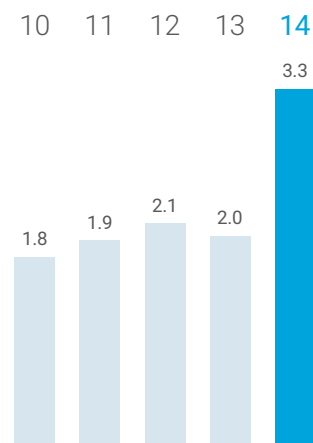
Net income attributable to SNC-Lavalin shareholders

(IN MILLIONS CA\$)



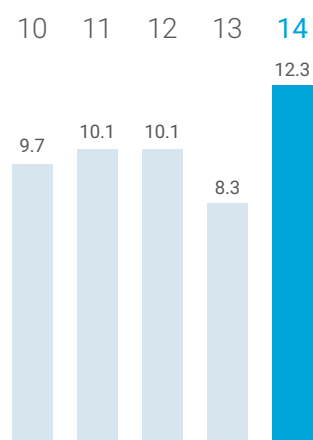
Equity attributable to SNC-Lavalin shareholders

(IN BILLIONS CA\$)



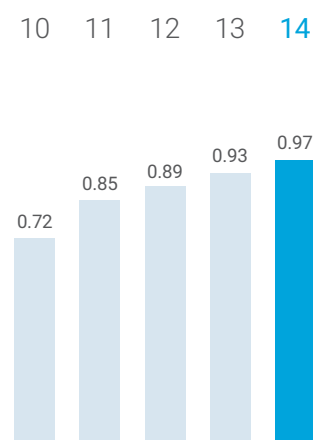
Revenue backlog

(IN BILLIONS CA\$)



Dividends

(IN CA\$)



President's Message

We take pride in helping provide the infrastructure, power and resources needed to fuel progress and better people's lives. Across 50 countries, our 42,000 employees are hard at work, creating value for our clients, partners, investors and the communities we serve.

In 2014, this work translated into projects that met timelines, budgets, health, safety and environmental targets as well as stringent ethics and compliance standards. We also continued to move forward with the far-reaching transformation of our organization. This included further strengthening our comprehensive ethics and compliance program in keeping with our zero tolerance for ethics violations.

In addition to completing the certification of all employees to our updated Code of Ethics and Business Conduct, more than 3,000 employees in key strategic roles were given in-person anti-corruption training in 2014. All executive, senior and general management functions as well as all business development, procurement, project management, general management and government relations staff in 70 cities received the training. Page 7 of this report shows you what else we've been doing to bring our ethics and compliance performance to a world-class level.

Financial progress

While the needle moved in the right direction across numerous areas, a place where we fell short is our 2014 financial results. Persistent issues on certain legacy projects and the softening world economy and end-markets have challenged our progress.

At the end of 2014, our revenue backlog stood at \$12.3 billion and our cash and cash equivalents at \$1.7 billion, compared to \$8.3 billion and \$1.1 billion respectively at the end of 2013. We finished the year with \$8.2 billion in revenues compared to \$7.9 billion in 2013. Net income for 2014 was \$1.3 billion versus \$35.8 million in 2013. This included a \$1.3 billion net gain on our Infrastructure Concession Investments (ICI) divestments, resulting primarily from the sale of our equity stake in AltaLink.

Our 2014 adjusted net income was \$374 million compared to \$112 million in 2013. This improvement stemmed largely from our ICI activities, less negative results in Infrastructure, and an enhanced contribution in Resources mainly due to the Oil & Gas (O&G) business. The Power group's lower contribution partially offset these results.

Keeping our people safe

Part of being both a partner and employer of choice entails safeguarding the health and safety of the people who work for and with us. Our goal at SNC-Lavalin is zero incidents. Over the past two years, we've made significant strides toward achieving this goal. Last year, we reduced the total number of recordable incidents by 25% and lost-time injuries by 23% compared to 2013. August was our first zero lost-time workday month across the Company in three years.

While I'm proud of this progress, work remains. At the heart of this work is our commitment to systematically share best practices and lessons learned, including those coming from Kentz and Valerus, the newest members of our family known across the industry for their leadership in safety.

Building a top-tier E&C company

In 2014, we continued to implement our five-year strategic plan to drive growth and build a top-tier global engineering and construction (E&C) firm with industry-leading resource, power and infrastructure capabilities. As our integrated "One company" approach takes root, we're seeing greater cross-company synergies and our clients tell us that they're benefitting from the full scope of our expertise.



Our ethics and compliance journey

In 2012, we promised to create a world-class ethics and compliance framework at SNC-Lavalin. Since then, we've made sweeping changes and today, we're only a few small steps away from fully delivering on this commitment.

Over the past two years, we've transformed our business and met key milestones in our quest to build a sustainable foundation for shareholder value. Reducing our selling, general and administrative (SG&A) expenses has boosted our efficiency. We've enhanced our client focus by restructuring and right-sizing our operations. And we've rebalanced our ICI portfolio to unlock additional value and seize strategic growth opportunities.

In December 2014, we sold our 100% equity stake in AltaLink, the largest regulated electricity transmission company in Alberta, Canada, to Berkshire Hathaway Energy. In the process, we optimized this outstanding asset and gained the potential

of developing opportunities with MidAmerican Transmission, a subsidiary of Berkshire Hathaway. This success story highlights our ability to create value that benefits both the Company and its shareholders.

I'm also proud to report that, even with all these changes, we managed to attract and retain top talent as well as beat the industry's voluntary turnover rate in 2014. I want to thank employees for their loyalty and hard work. Our sustained success hinges on their ongoing commitment and performance.

A world leader in oil and gas

With the acquisition of UK-listed Kentz in August 2014, we enthusiastically welcomed over 15,000 new employees with complementary, high-end oil and gas engineering and construction expertise. By year-end, we had successfully completed our integration program which, starting in 2015, will generate \$70 million in synergies, \$20 million more than forecasted.

Despite the recent downturn in the price of oil, Kentz has continued to deliver value with a number of new contracts signed since the acquisition, \$1 billion worth in the Middle East alone. Several of these contracts leverage Kentz's top-tier technical capabilities for sustaining capital services—a crucial market for us in the current climate.

What's most encouraging to me is that I'm already seeing concrete examples of the Kentz team creating value with our legacy organization. This includes identifying billions of dollars worth of prospective projects where we believe we're in a stronger position to deliver a more compelling bid as a combined business.

Kentz engineers are also actively helping our Mining & Metallurgy experts develop opportunities in North America, Australia and Africa. In February 2015, we joined forces to showcase the full scope of our O&G services at Mining Indaba, Africa's largest mining conference. We've also started collaborating with the Kentz legacy team on several large power contracts in the Middle East as well as on infrastructure projects that will continue beyond 2016.

Aligning with market and client realities

Over the past two years, we've been on a far-reaching journey aimed at making our organization more efficient, agile and competitive. A deep dive into our structure, portfolio and pipeline of opportunities underscored the need to realign our expertise and resources with end-market and client realities in order to seize promising growth opportunities worldwide.

In late 2014, we announced the next phase of our plan to restructure and right-size specific areas of our business. This will result in a reduction of our global workforce by some 4,000 people or 9% between November 2014 and May 2016. While I truly regret the impact of this decision on employees, I'm confident that it will allow us to build a stronger platform for growth with more professional opportunities for our people. The restructuring should also deliver approximately \$100 million in annual after-tax operational efficiencies beginning in 2015.

At work for you

The inroads we made in 2014 have transformed us into a more fit-for-purpose and valuable partner than we were just a year ago. We've renewed our entire senior management team with skilled, insightful and internationally experienced Tier-1 executives. Our enhanced proposal review and approval process, more efficient cost controls and more robust ethics and compliance program put us in a much better position to deliver outstanding projects everywhere.

Early in 2015, federal charges were laid by the Public Prosecution Service of Canada against three of our legal entities. I want to reassure you that this situation in no way affects the Company's right and ability to bid or work on any public or private projects. The charges relate to alleged reprehensible deeds by former employees who left SNC-Lavalin long ago, and we consider that they are without merit and will vigorously defend ourselves.

On March 16, 2015, Ian Bourne stepped down as both the Chairman and a Director of our Board. Ian's leadership as Board member, interim CEO and as Chairman provided stability to our Company during a very challenging time. I would like to thank Ian for his significant contribution as well as welcome Board Director Lawrence Stevenson as our new Chairman. Larry's experience and capability will be great assets as we continue on our journey to build a Tier-1 global E&C organization and we look forward to working with him.

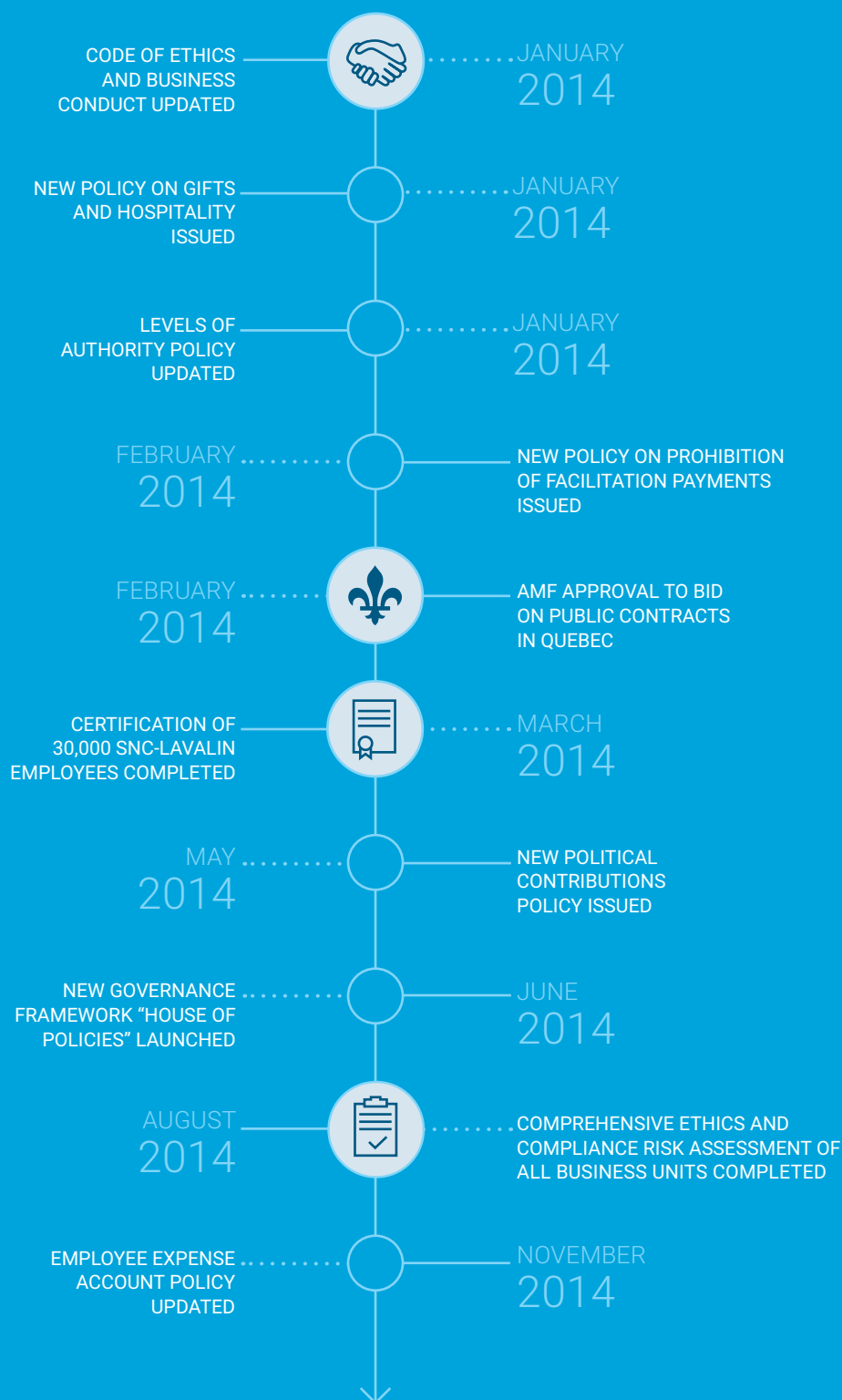
I would like to thank our employees, shareholders, clients and partners for their continuous support. Going forward, we'll focus on building on our fundamental strengths: our broad geographic coverage, our cradle-to-grave services and our diversified resource, power and infrastructure portfolio. This is, in my opinion, the key to generating long-term shareholder value.

Sincerely,



Robert G. Card
President and Chief Executive Officer

KEY MILESTONES IN OUR ONGOING ETHICS AND COMPLIANCE JOURNEY





Leadership Team

As of April 15, 2015
From left to right:

Jean-Éric Laferrière
Senior Vice-President,
Legal Affairs and Interim
General Counsel

Darleen Caron
Executive Vice-President,
Global Human Resources

Neil Bruce
Chief Operating Officer

Robert G. Card
President and Chief Executive
Officer, SNC-Lavalin Group Inc.

Alain-Pierre Raynaud
Executive Vice-President
and Chief Financial Officer

Erik J. Ryan
Executive Vice-President,
Strategy, Marketing
and External Relations

David G. Wilkins
Chief Compliance Officer

Dale Clarke
Executive Vice-President,
Integrated Management Systems

Preston D. Swafford

Chief Nuclear Officer and
Executive Vice-President, Nuclear
and President and Chief Executive
Officer of Candu Energy

Marie-Claude Dumas

Executive Vice-President, Hydro

Alexander (Sandy) Taylor

President, Power and Regional
Stewardship Asia-Pacific

Pierre St-Arnaud

Executive Vice-President,
Transmission & Distribution



Terrance N. Ivers

Executive Vice-President,
Feed & Engineering

Christian Brown

President, Oil & Gas
and Regional Stewardship
Middle East and Africa

Ziad Awad

Head of Region, Middle East
and Africa



José J. Suárez

Executive Vice-President,
Mining & Metallurgy and
Regional Stewardship
Latin America

Thorsten Hoppe

Senior Vice-President, Industrial
Services and Acting Regional
Head of Region, Latin America



Chairman's Message

I am pleased to report to you on behalf of my colleagues on the Board of Directors. It was an honour to be selected as Chairman of the Board in replacement of Ian A. Bourne on March 16, 2015. Ian's leadership both as interim CEO and as Chairman of the Board provided stability to the Company in a very challenging period. His contribution has been significant and his fellow directors and the SNC-Lavalin team thank him.

2014 was another year of achievements and challenges.

In 2014, your Board of Directors was actively involved in overseeing major strategic initiatives, such as the sale of the Company's interest in AltaLink to Berkshire Hathaway Energy, the acquisition of Kentz and the restructuring plan announced in the fourth quarter of 2014. We recognize that recovery from the events leading to the changes in 2012 has taken longer to resolve than we had anticipated. We are dissatisfied with the performance of our core engineering and construction (E&C) business which caused the Company to significantly miss its 2014 profit targets.

Again in 2014, we used working groups of Directors to deal with specific situations and initiatives. These groups provide the opportunity for deeper Board involvement and direction than might otherwise be achievable in the normal course of Board activities.

Our focus on compliance and ethics has been unwavering. We continued to work on Board governance because we believe it is a critical element of achieving success as a Company.



Claude Mongeau will be retiring from the Board coincident with the 2015 annual meeting of shareholders. Claude has made major contributions to the Company as a Director in Board meetings and on various Committees over the past eleven years. I particularly want to recognize his service since 2003; his insights and support during the last three years have been invaluable.

In closing, I want to recognize the efforts of our management team and thank our shareholders for their continued support.

Yours truly,

A handwritten signature in black ink, appearing to read 'L. Stevenson'.

Lawrence N. Stevenson
Chairman of the Board

Board of Directors

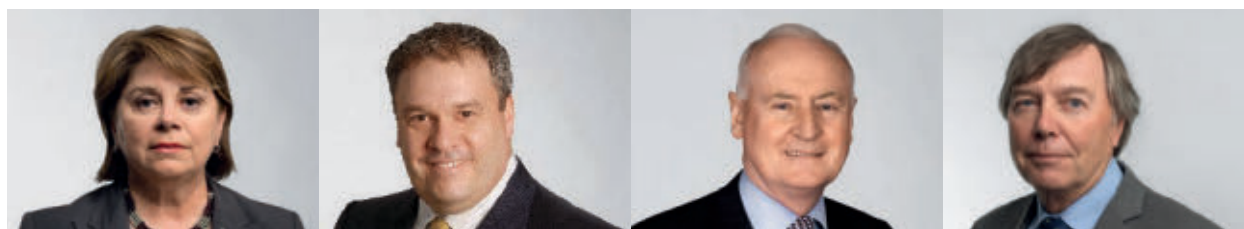


Lawrence N. Stevenson
Chairman of the Board
(since March 16, 2015)

Robert G. Card
President and Chief Executive
Officer, SNC-Lavalin Group Inc.

Jacques Bougie
Chair of the Governance
and Ethics Committee
(since March 16, 2015);
Member of the Human
Resources Committee;
Member of the Safety,
Workplace and Project
Risk Committee

Patricia A. Hammick, Ph.D.
Chair of the Audit Committee;
Member of the Governance
and Ethics Committee; Member
of the Human Resources
Committee

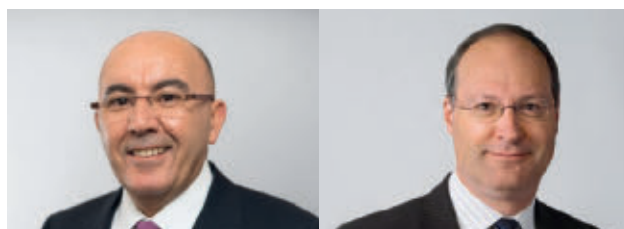


Lise Lachapelle
Member of the Governance
and Ethics Committee; Member
of the Safety, Workplace and
Project Risk Committee

Claude Mongeau
Member of the Audit Committee;
Member of the Human
Resources Committee

Michael D. Parker, CBE
Member of the Governance
and Ethics Committee; Member
of the Safety, Workplace and
Project Risk Committee

Alain Rhéaume
Chair of the Human Resources
Committee; Member of the
Audit Committee



Chakib Sbiti
Member of the Audit Committee;
Member of the Safety, Workplace
and Project Risk Committee

Eric D. Siegel, ICD.D
Chair of the Safety, Workplace
and Project Risk Committee;
Member of the Audit Committee;
Member of the Governance
and Ethics Committee

2014: At a Glance

Today,
our dedicated
workforce



SPEAKS

60

LANGUAGES,

REPRESENTS SOME

80

NATIONALITIES

AND WORKS FROM
OFFICES IN OVER

50

COUNTRIES.

SUSTAINABLE PROJECT EXECUTION



120,000

CUBIC METRES
OF CLEAN WATER PER DAY
produced by the Fouka Desalination Plant
in Algeria to reduce water shortages



AWARD FROM THE
GOVERNMENT OF ANGOLA
for improving local employment in the
country through our Local Resource
Development Initiative program for the
Matala Dam Project

ETHICS AND COMPLIANCE

We received approval from the
Autorité des marchés financiers (AMF)
to bid on public contracts in Quebec.

HEALTH AND SAFETY

42 million person-hours worked
without a lost-time incident on the
EMAL II Project in Abu Dhabi

ACQUISITION



COMPLETION OF OUR LANDMARK ACQUISITION OF KENTZ

An important step in our ongoing transformation into a global Tier-1 engineering and construction company

SALES



LARGEST AND MOST SUCCESSFUL INFRASTRUCTURE CONCESSION INVESTMENTS TRANSACTION

\$3.1 billion in proceeds generated by the sale of AltaLink to Berkshire Hathaway Energy

PROJECTS

80,000 TONNES OF COPPER
will be produced annually for two decades at Chile's Antucoya copper mine.

**700,000 HOMES
AND BUSINESSES**
will be reliably powered by the state-of-the-art gas-fired Newark Energy Center in New Jersey.

**340,000-PASSENGER-
PER-YEAR TERMINAL**
was built largely with local workers at Mayotte Airport on the French island of Mayotte in the Indian Ocean.

➤ John Hart Generating Station Replacement Project, British Columbia

AWARDS

Two awards for Best Rail/Transit Projects: Silver prize at the inaugural P3 Bulletin Awards and Gold prize at the Canadian Council for Public-Private Partnerships Awards for Ottawa's Confederation Line

CCE Project Management Excellence Award for the Ambatovy Nickel Project in Madagascar

Gold Award for the John Hart Generating Station Project by the Canadian Council for Public-Private Partnerships



Markets and Services

Resources Expertise

In today's rapidly growing world, the demand for resources has never been greater. We help clients meet this demand by delivering comprehensive services, from design and construction to commissioning, operations and maintenance in the mining and metallurgy, oil and gas, environment and water sectors.

Our recent acquisition of Kentz Corporation has deepened our oil and gas expertise, enhancing both our global footprint and our capabilities, allowing us to offer our clients a single-source solution across the life cycle of their projects.

Infrastructure Expertise

Population growth, industrial development and a rising quality of life are driving the need for new and upgraded infrastructure worldwide. We address the full infrastructure life cycle, from equity investments and financing, to engineering, construction and operations and maintenance services.

Power Expertise

As the world's demand for sustainable power grows, so do our contributions to the sector. Our first assignments more than a century ago were for power facilities. Since then, we've installed enough capacity to power 35 cities the size of New York, and enough transmission and distribution lines to circle the globe almost three times.

- < Antucoya copper mine, Chile
- ✓ Hulu Terengganu Hydroelectric Project, Malaysia
- └ Shriners Hospital for Children®, Montréal, Canada



Tier-1 engineering and construction solutions delivered across three groups¹.



RESOURCES, ENVIRONMENT & WATER

Segments and Markets

- > Oil & Gas
- > Mining & Metallurgy
- > Environment & Water



INFRASTRUCTURE

Segments

- > Infrastructure Concession Investments
- > Infrastructure & Construction
- > Operations & Maintenance

Markets

- > Buildings and Facilities
- > Defence and Logistics
- > Transportation
- > Water and Industrial



POWER

Markets

- > Nuclear
- > Transmission & Distribution
- > Thermal
- > Hydro

End-to-End Services

We're one of very few firms with world-class expertise at scale in financing and asset management, engineering, procurement, construction, and operations and maintenance.



Infrastructure Concession
Investments (ICI)



Engineering²



Procurement



Construction



Operations &
Maintenance (O&M)

¹ On April 15, 2015, SNC-Lavalin announced a change in its structure, from three groups – Resources, Environment & Water, Infrastructure and Power – to four groups: Oil & Gas, Mining & Metallurgy, Infrastructure and Power. The following section and the financial results presented in the Annual Report still reflect the 2014 structure of three groups, namely Resources, Environment & Water, Infrastructure, and Power.

² Engineering services include, among others: commissioning, decommissioning, environmental impact studies, project management and training.



Infrastructure Concession Investments

We're a leader in delivering and managing infrastructure concession investments, including projects developed as public-private partnerships (PPPs). Our world-class asset management approach enables us to quickly identify and unlock value in key areas of each concession.

Our longstanding equity participation in infrastructure assets has allowed us to play a dynamic role in shaping Canada's PPP industry into one of the best regulated and attractive markets of its kind.

Maximizing the synergies between our asset management and engineering and construction, and operations and maintenance capabilities is a core part of our strategy, and AltaLink is a prime example. The sale in 2014 of our 100% equity stake in

Alberta's largest regulated electricity transmission company demonstrates the value-creating potential of our business strategy, benefitting all stakeholders. Through our life-cycle approach, we assisted in the development and maintenance of AltaLink's some 12,500 kilometres of transmission lines and 280 substations across the western province to better serve Albertans, and then monetized this asset on the value created.

▼ Ottawa's Confederation Line, Canada





OUR INFRASTRUCTURE CONCESSION INVESTMENTS (ICI) STRENGTHS

- > Client-focused approach: Our extensive capabilities + full life-cycle approach = end-to-end solutions
- > Resourceful financing capabilities and ability to take equity positions in our projects
- > Active management of our ICI portfolio to increase its value while generating solid earnings over time
- > Creation of additional value once these investments have reached maturity and delivered maximum value to the Company and its stakeholders; sale of these mature ICIs to unlock value
- > Expertise in taking greenfield and brownfield projects, adding significant value and monetizing them

18

INVESTMENTS

IN

7



COUNTRIES

with an ICI net book value of nearly \$1 billion as at December 31, 2014 and an estimated fair market value* of \$3 billion as at March 9, 2015



THE SNC-LAVALIN ADVANTAGE

As equity owners, we've learned to think like our clients. This includes our sharp focus on quality and our innovative solutions throughout a project's life cycle. Our outstanding technical expertise and project delivery capabilities are matched by our extensive experience in developing projects, arranging financing, investing equity, undertaking complex financial modelling, and managing our existing investments. This allows us to do what few engineering and construction firms can do. Our guiding principle is simple: be the single point of contact for our clients. Our vision is clear: keep clients satisfied and at the heart of our strategy.

*As per analysts' calculations



INNOVATIVE ICI SOLUTIONS

Here are a few examples of our large, complex infrastructure investments:

- > British Columbia: Vancouver's Canada Line and the John Hart Generating Station (page 40 of this report)
- > Alberta: AltaLink and Calgary's Southeast Stoney Trail Ring Road
- > Ontario: Highway 407 (Express Toll Route and East Extension) and Ottawa's Confederation Line (page 31)
- > Quebec: McGill University Health Centre's (MUHC) Glen site (page 27) and the Maison symphonique de Montréal
- > New Brunswick: Restigouche Hospital Centre
- > United States: New York City's Astoria II Power Plant
- > France (Indian Ocean): Mayotte Airport (page 30)
- > Algeria: Myah Tipaza's Desalination Plant and the Hadjret en Nouss Power Plant



Oil and Gas

Our involvement in the oil and gas sector dates back nearly 100 years. During this time, we've developed deep relationships with top-tier international oil companies (IOCs) and national or state oil companies (NOCs). With our acquisition of Kentz and its subsidiary Valerus in 2014, our high-calibre Oil & Gas employees deliver end-to-end services for upstream, midstream and downstream projects worldwide. This includes industry-leading capabilities in upstream engineering and construction, as well as in the liquefied natural gas (LNG), unconventional (shale gas and oil sands), pipeline, offshore jacket and steam-assisted gravity drainage (SAGD) sectors.

Pearl Gas-to-Liquids Facilities



Jointly developed by Qatar Petroleum and Shell, Pearl Gas-to-Liquids (GTL) is the world's largest GTL project and source of GTL products. Located in Ras Laffan Industrial City, Qatar, the plant is capable of producing 140,000 barrels of GTL products and 120,000 barrels of natural gas liquids and ethane daily. We've completed a number of major contracts at Pearl GTL over the past five years, from initial site works to commissioning activities. In 2014, Qatar Shell awarded us an EPCM contract for brownfield engineering services at its onshore and offshore Pearl GTL facilities. This new phase will allow Qatar Shell to continue enhancing local development.

Cygnus Gas Field



The Cygnus gas field is the largest gas discovery in the southern North Sea in the last 25 years. It's also expected to provide 5% of the UK's total gas production. We recently delivered the detailed design of four jackets to support two wellheads as well as Cygnus's production and living-quarter platforms. Our responsiveness, adaptability and

high-quality on-time work for Burntisland Fabrications led to a scope increase for the platforms' topsides. In 2014, our ultimate client GDF Suez selected us to design a flare, a vent and two bridges to connect the platforms. Our focus is now on successfully and safely meeting the project's aggressive schedule.

General Engineering Services Plus Program



In 2011, the oil and gas giant Saudi Aramco selected our jointly owned company SNC-Lavalin Fayeze Engineering (SLFE) to be part of its General Engineering Services Plus (GES+) program. Through GES+, we're leveraging our Tier-1 expertise to support Saudi Aramco's capital program while transferring our know-how to Saudi nationals. Today, 33% of SLFE's staff are Saudis and many Saudi women are finding their first professional jobs with us. In 2014, we were awarded 1.3 million hours of work, a testament to our ability to deliver on our commitments. We also successfully completed our first ISO 9001 audit and yet another year without a lost-time incident.



Boundary Dam Carbon Capture and Utilization Project



We're proud to be part of SaskPower's groundbreaking integrated carbon capture and utilization (ICCU) initiative in Saskatchewan, Canada. In October 2014, the utility launched the world's first commercial post-combustion ICCU system at Boundary Dam, a coal-fired power facility. The system is designed to capture 90% of the CO₂ emissions from one of the power plant's units, the equivalent of one million tonnes of greenhouse gas emissions annually. It's also designed to capture all SO₂ emissions, known to cause acid rain. The captured CO₂ is compressed and injected underground to enhance oil recovery at the nearby Weyburn oil field. The SO₂ is converted into commercial-grade sulphuric acid and sold in the local marketplace.

ExxonMobil and Imperial Oil Sustaining Capital and EPC Projects



Sustaining capital projects are key to maintaining the productivity and safety of established oil and gas assets. We've been providing these services at the ExxonMobil facility in Baytown, Texas, since 1966 and at Imperial Oil's Sarnia, Ontario, facility since 1996. From small maintenance repairs to significant revamps, we've performed 2.4 million person-hours of work at Imperial Oil and more than 10.5 million at the Baytown site since the last lost-time incident.



SUSTAINABLE PROJECT EXECUTION DEVELOPING CARBON CAPTURE TECHNOLOGY

Engineering is essential to the effective assessment and management of climate change initiatives. That's why our Oil & Gas and Environment & Water business units and our Power group teams have joined forces to develop clean technology solutions to reduce carbon emissions. These solutions include pre- and post-combustion capture, compression, transportation and system design. For over a decade, we've been successfully partnering with public and private stakeholders to improve and implement carbon capture and utilization technologies in industrial facilities worldwide.

1 MILLION
PERSON-HOURS
WITHOUT A
LOST-TIME INCIDENT
on the Ichthys LNG Project



✓ Aerial view of Ichthys LNG Project





Oil and Gas

Fort Hills Oil Sands Project



Telecommunications is the backbone of all plant information and automation systems. Delivering this state-of-the-art infrastructure is one of engineering's most highly specialized disciplines. It's also one of our core strengths. Through its operator Suncor Energy Operating Inc., Fort Hills Energy Limited Partnership contracted us to deliver the temporary and permanent plant telecommunication and IT infrastructure at its Fort Hills Project. Fort Hills is an oil sands project located in Canada's Athabasca region. Since 2013, our mandate has grown from US\$1 million to US\$105 million, a testament to our sound performance and collaborative client relationship.

Gorgon Liquefied Natural Gas Project



Since 2009, Kentz has been awarded three contracts on the Gorgon Project. Located 60 kilometres off Australia's northwest coast on Barrow Island, the Chevron-operated project is one of the world's largest natural gas projects and the largest single-resource development in Australia's history. In 2013, we completed our scope on the Construction Village contract with our joint-venture partners Thiess and Decmil. With our joint-venture partner CB&I, we continue to deliver the mechanical, electrical and instrumentation works for the construction of the LNG processing trains and domestic gas facilities. Our work is also ongoing on the telecommunication and electronic system contract. To date, our telecommunication team has executed over 1.2 million person-hours without a lost-time incident. Kentz is complying with quarantine measures that have been implemented by the project to protect the flora and fauna on this Class A Nature Reserve.

Ichthys Liquefied Natural Gas Project



The INPEX-operated Ichthys LNG Project is currently under construction and is ranked among the most significant oil and gas projects in the world. Located some 220 kilometres off the northwest coast of Australia, it represents the largest discovery of hydrocarbon liquids in 40 years. The project includes massive offshore facilities, a state-of-the-art onshore processing facility and an 889-kilometre pipeline to connect them. During 2013 and 2014, in alliance with Leighton Contractors, we delivered the underground electrical and instrumentation package for the onshore LNG facilities. Through JKC Australia, we provided the temporary facilities' telecommunication system. We also helped JKC complete Phase 1 of the 3,500-person accommodation village. Our award-winning safety performance now totals over one million person-hours without a lost-time incident. We also won the structural, mechanical and piping (SMP) construction package in joint venture with UGL and the overall electrical and instrumentation (E&I) contracts in 2014.



GLOBAL EXPERTISE, DELIVERED LOCALLY

Acquiring Kentz, a leading oil and gas service provider, in 2014 transformed our capabilities in the sector. Our complementary expertise, clients and geographic presence strengthen the full-service capabilities offered by our global team for large and complex projects around the world.



Qatargas Wastewater Treatment Facility



Qatargas is a valued long-term client. Over the past 12 years, our strong relationship with the world's largest liquefied natural gas (LNG) company has resulted in 12 major contracts. In June 2014, Qatargas put its trust in us again, this time to provide turnkey services on a new wastewater facility for three of its four LNG processing facilities in Qatar. When completed in 2016, the state-of-the-art wastewater facility will prevent virtually any water from going back to the sea after processing. It will also recycle large amounts of water for cooling and lubrication purposes. The pioneering project is expected to set a new industry standard, leading the way for others in the region to follow suit.

Cardón IV Gas Project



Cardón IV encompasses the 33,000-square-kilometre Perla gas field in the Gulf of Venezuela and is one of the country's most important oil and gas infrastructure projects. In addition to activities related to the main processing facility and pipeline,

SUSTAINABLE PROJECT EXECUTION WORKING TOGETHER TO PROTECT BARROW ISLAND

Barrow Island has been a Class A Nature Reserve since 1910 and is an internationally important conservation estate. Kentz has played a role in protecting Barrow Island's flora and fauna through compliance with the Gorgon Project's quarantine management system. The CB&I Kentz Joint Venture (CKJV) was recognized for its contribution to protecting Barrow Island with the award of the Golden Barrow Environment Award on two occasions in 2014.

Cardón IV hired Valerus, a member of the SNC-Lavalin Group, to engineer a simplified early production plant to enable processing of first gas from the Perla field. In conjunction with our local partner LINDSAYCA, we're using a high-value modularization design to deliver a fast-track project in less than 13 months. Modules are manufactured and tested in Houston, Texas, and shipped for final integration at the onshore processing facility. Cardón IV builds on our track record of speed to market, operational excellence and superior safety. Cardón IV, S.A. is a 50/50 joint venture between Repsol, S.A. and ENI S.p.A., and has been the licence holder and operator of the Cardón IV block offshore in the Gulf of Venezuela since 2006. In 2009, it announced the discovery of the multi-tcf Perla natural gas field currently under development.

✓ Chevron-operated Gorgon LNG Project





Mining and Metallurgy

In the last ten years alone, we've participated in more than 400 major mining and metallurgical projects and studies in 60 countries. Today, we're working on some of the largest projects ever undertaken. Our innovative and sustainable solutions enable clients to efficiently build and operate in challenging terrains, extreme climatic conditions and remote regions. In 2014, four industry awards confirmed our reputation, including one with our joint-venture partner Hatch, the prestigious Project Management Institute (PMI) Project of the Year Award for Rio Tinto Alcan's AP60 aluminum smelter in Quebec, Canada.

Ma'aden Sulphuric Acid Plant



Over the past 25 years, we've participated in the construction or modernization of more than 60 sulphuric acid plants around the world. With our consortium partner Sinopec Engineering Group, we were awarded a lump-sum turnkey project in 2014 for one of the world's largest sulphuric acid facilities. Owned by Ma'aden in Saudi Arabia, the three-line, 15,150-metric-tonne-per-day plant is part of the Ma'aden-Umm Wu'al Phosphate Project, the country's largest mining development. Through our Local Resources Development Initiative (LRDI™), we're helping our client support the government's employment initiatives by training Saudi nationals and partnering with local suppliers.

camp and associated infrastructures. We also conducted a major training needs assessment and developed e-Learning training modules for the operation of the process plant. Several of our business units joined forces to provide these services and our "One company" approach helped us deliver the project on time and within budget in October 2014.

Agrium VAULT Potash Expansion



Since the 1960s, we've been supporting potash producers in Saskatchewan, the world's biggest supplier of this key fertilizer ingredient. In 2014, our joint venture with PCL Industrial Management completed a significant portion of the brownfield expansion of Agrium's Vanscoy Potash Plant. The plant is now in the commissioning and start-up phase. The expansion includes a new processing facility and two new compaction plants. Upgrading the 40-year-old hoisting system as well as the power system and tailings management will help improve the site's operability and sustainability, extending the mine's life by another 40 years. The expansion is expected to increase the mine's annual production capacity by nearly 40%, allowing Vanscoy to reach its full 2.8-million-tonne-per-year capacity.

Éléonore Gold Project



Located in the mineral-rich James Bay region of Quebec, Canada, Goldcorp's Éléonore gold mine has the capacity to process 7,000 tonnes of ore per day. In 2011, we were mandated by Opinaca Mines Ltd. to supply EPCM services for the construction of the ore processing facilities, paste backfill plant, tailings management facilities, permanent



SUSTAINABLE PROJECT EXECUTION IMPROVING TAILINGS MANAGEMENT

Our industry-leading Thickened Tailings Disposal (TTD) technology expertise reflects our commitment to the sustainable development of mining projects worldwide. It thickens tailings to a consistency of hard soil by removing over 85% of the water. This prevents water infiltration, eliminates dust and allows the tailings to be used to contain other tailings. It also provides enhanced protection in the event of seismic events. The recovered water is reused in the mining process.

Cerro Negro Norte Iron Ore Mine



Our Thickened Tailings Disposal (TTD) system is delivering significant environmental benefits at an iron ore project for the first time. CAP Minerías Cerro Negro Norte mine is also the largest-scale installation of our advanced TTD technology. The thickening plant we designed and built allows the company to safely store 20,000 tonnes of waste daily. It recovers over 85% of the process water compared to 65% for conventional disposal technologies. This is an important advantage given the mine's desert location in northern Chile. The plant also lowers energy consumption by 10%. Built to withstand 8.8-Richter earthquakes, our system will help reduce the cost of closing the mine when it reaches the end of its life cycle.

Vargem Grande Itabiritos Project




Vale S.A., the world's third largest mining company, is another one of our highly valued long-term clients. Over the past four years, we've provided engineering and on-site technical assistance services for its Vargem Grande Itabiritos iron ore processing facility in southeastern Brazil. At nominal capacity, the plant will produce 10 million tonnes of pellet feed per year. The long-distance belt conveyor system, the wet plant and the dry plant were all commissioned in 2014. The project's engineering was among the first in the Brazilian mining industry to be developed entirely using SmartPlant 3D software.

Antucoya Copper Mine



Chile produces more copper than any other country in the world. Antofagasta Minerals, one of the country's biggest copper producers, hired us to manage and integrate major process packages for its Antucoya Copper Project. We also delivered roads, camps, utilities, power distribution and other key infrastructure. Located in northern Chile, the new conventional open pit mine is expected to produce about 80,000 tonnes of copper per year over the next two decades. We're proud of the project's strong health and safety performance.

OVER
85%  of the process water
recovered at Cerro
Negro Norte in Chile





Environment and Water

Over the last 40 years, our full-service Environment & Water engineering teams have helped clients build sustainable projects and maintain regulatory compliance. From early impact studies for hydroelectric developments to full-scale remediation and major capacity-building initiatives, we've become a global leader in providing environmental and water-related services. In 2014, this translated into awards for outstanding performance and for improving local employment. We also supported the delivery of a wide range of contracts completed by other SNC-Lavalin teams in diverse sectors.

Air Monitoring at Braskem



We're helping Braskem, a valued long-term client, reduce atmospheric emissions and improve workplace health and safety at its facilities in Brazil. The largest thermoplastic resin producer in the Americas has been relying on SNC-Lavalin to monitor fugitive emissions since 1998. Our combined efforts have resulted in a 50% reduction in volatile organic compound (VOC) emissions over the last 15 years. At the heart of this achievement is DÉFI, our fugitive emission detection and repair tracking technology. In 2014, Braskem added nine facilities to our mandate, bringing the total number of plants that we service to 15.

for technical, environmental and economic viability, and are now supervising construction. Our shared goal is to ensure sustainable agricultural development in rural Colombian communities by implementing profitable projects that optimize the use of available water resources and meet the highest standards. Public participation and farmer empowerment are key to achieving this goal.

The Mosaic Company Strategic Alliance Agreement



Fertilizers play an important role in improving crop yields to feed the planet's growing population. Long-term client The Mosaic Company (Mosaic) is one of the world's leading producers of concentrated phosphate and potash crop nutrients. Since 2000, we've provided full-scale environmental, geo-environmental and geotechnical consulting services for Mosaic's potash mines in Saskatchewan and New Mexico. We help ensure that all projects meet or exceed all levels of environmental regulation and benefit from state-of-the-art design. This applies to our more than 100 active Mosaic projects, including a recently completed environmental impact assessment and geotechnical study for a brine injection system, enhancing Mosaic's brine management strategy in Saskatchewan. Our in-depth knowledge of Mosaic's operations and responsiveness to its management needs drive this successful partnership.

Sustainable Irrigation Schemes



In 2014, we began working with small farmers and water users' associations in Colombia to develop sustainable and equitable irrigation schemes through a government program administered by FINAGRO. The project helps more than 3,000 families and covers 6,000 hectares of land. We evaluated the designs of 22 small-scale irrigation projects





Roughly
15% of the
**CLEAN
ENERGY**

BC Hydro generates every year
supplied by Revelstoke

Revelstoke 6 Hydroelectric Project



Our long-standing strategic partnership with BC Hydro, which includes operations and maintenance services, continued in 2014. In the British Columbia Interior, we're leading the environmental impact assessment for the installation of a sixth generating unit at the utility's Revelstoke Generating Station. The unit will add 500 megawatts of incremental capacity to meet peak demand. Revelstoke already contributes roughly 15% of the clean energy BC Hydro generates every year. We've partnered with several First Nations companies to conduct diverse ecological and socio-community studies, helping BC Hydro meet its commitment to working with local businesses and communities.

Urea Fertilizer Plant



In March 2014, our client IFFCO Canada Enterprise Ltd. and its partners obtained government approval to develop Quebec's first urea fertilizer production plant. Our environmental impact assessment helped IFFCO create a project that will be environmentally and socially sustainable. A 20% reduction

in greenhouse gas emissions will make it one of the world's highest-performing urea production facilities in terms of atmospheric emissions control. To be built in the Becancour Waterfront Industrial Park, the plant will produce granular urea for nitrogen fertilizer and liquid urea for diesel exhaust fluid, along with another fertilizer, ammonium sulfate. With this project, Quebec will become a net exporter of urea while better meeting the needs of its agricultural producers.



SUSTAINABLE PROJECT EXECUTION DRIVING DOWN FUGITIVE EMISSIONS

We're as passionate as our clients are about maintaining healthy and safe workplaces and communities. That's why we continue to invest in a growing suite of advanced environmental web-based detection tools. This includes our proprietary DÉFI technology. It allows technicians to readily detect, measure and control airborne contaminants. DÉFI is used in more than 40 facilities in Argentina, Brazil, Canada, Europe, South Africa and Thailand. It enables clients to reduce their overall volatile organic compound emissions, improve worker health and safety, comply with environmental regulations and enhance plant economics.



Buildings and Facilities

SNC-Lavalin is one of the world's few companies with the resources and capabilities to finance, design, build and then operate and maintain facilities that support and enhance the well-being of communities. Working hand-in-hand with our clients, we apply the highest technical standards and most sustainable, efficient and safest project management approaches to deliver world-class facilities. This includes aircraft hangars, educational institutions, medical buildings, industrial and commercial developments, recreational and cultural centres, and more. We're also frequently called on to operate and maintain these facilities for their full life cycle.

Halifax Central Library



Today, libraries are undergoing a renaissance as a "third space" beyond home and work that anchors community life and creates a sense of place. Opened in December 2014, the stunning Halifax Central Library in Nova Scotia, Canada, is the hub of the city's library system. CNN ranked it as one of the world's top 10 eye-popping new buildings of 2014. Our structural and civil engineers found novel solutions to successfully deliver the building's challenging and complex geometry and sustainability features. This vital centre for learning and culture blends the best of traditional library services with innovative spaces and the latest technology. The building's green design is expected to result in Leadership in Energy and Environmental Design (LEED®) Gold certification.

"This library is critical to the future of our city. Because more than ever, for a city to succeed, we need to invest in the knowledge economy and ensure that our citizens have access to all forms of learning."

- Mike Savage, Mayor of Halifax

Bristol-Myers Squibb Devens Transformation



We're helping Bristol-Myers Squibb (BMS) transform its state-of-the-art Devens, Massachusetts, biologics facility into its only end-to-end multi-product site in the United States. The transformation is currently one of the global biopharma leader's largest capital investments. Devens will soon have full life-cycle capabilities, from drug discovery to production manufacturing. Among the new facilities is the 22,670-square-metre Biologics Development Building (BDB). As a sub-contractor to ARC/Architectural Resources Cambridge, we're providing process and structural engineering, pre-construction, process commissioning and procurement services for this high-tech facility. When completed in the fourth quarter of 2015, the BDB will focus on developing innovative solutions for a healthier world.

The Pearl-Qatar



In 2007, SNC-Lavalin and Nasser Bin Khaled Thani & Sons Holding Company WLL (NBK) created a joint venture to provide world-class facilities management and real estate (FMRE) services for Al Waab City, one of the biggest projects in Doha, Qatar. Since then, SNC-Lavalin ProFac Gulf Management LLC (SLPGM) has won approximately 10 more projects in Doha, quickly rising to become one of the premier FMRE service providers in the region.





NEARLY
12,000
WORKERS

at the MUHC Glen site hospital
centre, one of Canada's
largest construction sites

SLPGM is presently carrying out 10 FMRE projects in Qatar, comprising long-term service agreements for valuable properties within The Pearl-Qatar, a manmade island spanning nearly four-million square metres and the first land in Qatar made available for freehold ownership by foreign nationals. Today, SLPGM is managing four towers at The Pearl as well as the Porto Arabia Townhouses, the island's most luxurious living space. Services include repairs, maintenance, property management and environmental and energy management, among many others. Our work at The Pearl has unlocked the door to several other important FMRE contracts in Qatar. All of our clients in Doha have renewed and expanded our contracts, citing unmatched value and an excellent technical and customer service experience.

Shriners Hospitals for Children®



In April 2013, we won the contract to build the replacement Shriners Hospital for Children – Canada in Montreal, Quebec. This includes buying, installing and commissioning all medical equipment. The new 20,500-square-metre, eight-floor hospital will be twice the size of the city's current aging facility. It will be a true centre of excellence in pediatric orthopedics. Specialists will be able to treat a greater number of children as well as conduct research and teach in a state-of-the-art facility. Our lean, agile and dedicated team is implementing rapid, innovative and collaborative decision-making processes with both the client and professionals. As a result, the project is tracking three months ahead of schedule and within our Guaranteed Maximum Price (GMP) budget.

McGill University Health Centre Glen Site



For the past four years, we've designed and constructed the McGill University Health Centre Glen Site, in which we also invested equity and for which we arranged project financing. We will operate and maintain the building for 30 years. The cutting-edge, patient-focused healing environment includes one of North America's most advanced research centres. This project is one of the continent's biggest public-private partnerships. It was also one of Canada's largest construction sites with nearly 12,000 workers and 14 cranes equipped with the country's first anti-collision system. Managing the site in a residential urban setting required coordination and constant community relations in partnership with our client. In November 2014, the Glen site received its substantial completion certificate. The facility, which is targeting LEED® Silver certification, will be operated and maintained by our team until 2044.



SUSTAINABLE PROJECT EXECUTION GOING FOR LEED® GOLD

One of the world's most visually striking libraries is also one of its greenest. The Halifax Central Library was designed and built to achieve LEED® Gold certification from the Canada Green Building Council (CaGBC). For a library, sustainability means the facility needs to be built to last with a reduced operational environmental impact. It must also offer the flexibility to meet changing program requirements and support users' social and cultural needs. The design team worked diligently to deliver on these commitments, integrating sustainable features and materials to ensure the buildings' optimal performance.



Defence and Logistics

We deliver defence and logistics solutions in some of the world's most remote and challenging locations. Whether it's a mining project in Brazil or a military operation in Afghanistan, we provide our clients with the necessary housing, transportation and communication services to ensure their projects are a success. In 2014, we continued to support the Canadian Federal Government's fleet of maritime coastal defence vessels. Other ongoing operations and maintenance mandates included remote oil sands accommodation facilities in Alberta, Canada, and heavy airlift operations in northern Afghanistan. Organizations and militaries alike have come to count on our round-the-clock, mission-critical support.

CFB Halifax Accommodation and Dining & Messing (ADM) Facilities



In April 2014, the Government of Canada chose our joint venture with Aecon Atlantic Group to build a 12-storey housing and training facility at the Canadian Forces Base (CFB) in Halifax, Nova Scotia. Home port to the country's Atlantic naval fleet, CFB Halifax is the largest Canadian Forces Base with the most posted personnel. When completed in 2016, the project will help provide the country's military with modern and reliable infrastructure to train its Junior Ranks and maintain operational readiness. The new facilities are designed to meet LEED® Silver standards. This includes the use of best-in-class building strategies and practices such as brownfield redevelopment, promoting alternative transportation use by the building's users, minimizing building operating costs by reducing water usage and meeting and exceeding the requirements of the Model National Energy Code for Buildings (MNECB). The ADM's design also promotes the sustainable use of materials, both during construction and beyond.

Afghanistan Airlift Program



In October 2014, we partnered with the German logistics firm Militzer & Münch Air Sea Cargo to support the UN-mandated NATO Training Mission "Resolute Support" in Afghanistan. This marks the first foreign military contract outside of Canada for our Operations & Maintenance experts. Daily, we airlift personnel and equipment in high-performance transport helicopters from the base in Northern Afghanistan to remote sites where NATO Training Mission personnel train and mentor Afghani security forces. Given our 20-year relationship supporting the Canadian Forces, we understand the military's security requirements as well as the need for maximum flexibility, reliability and consistency.

Minor Warships and Auxiliary Vessels



We began providing the Royal Canadian Navy with extensive in-service support in 1994. Since then, we've successfully rebid on the contract three times. Our mandate grew each time with 15 vessels added in 2014. Today, we support 58 minor warships and auxiliary vessels on Canada's coasts and around the world.





 81%

OF THE WASTE GENERATED
DURING CONSTRUCTION
DIVERTED
FROM LANDFILL
at CFB Trenton

This includes selecting and coordinating subcontractors as well as ensuring project quality, health, safety and environmental oversight. Our staff's low turnover and in-depth naval and commercial marine know-how mitigate risks, facilitate teamwork and optimize efficiency. In this way, we help the navy meet its operational commitments. The vessels provide crucial coastal defence and surveillance capabilities. They also perform search and rescue, fisheries and environmental monitoring, disaster relief and scientific research.

and oversee the construction of four maintenance hangars at Trenton, the heart of Canada's military air transport operations. Hangars 1 and 2 are operational and Hangar 6 is halfway through construction. The state-of-the-art hangars allow more maintenance to take place on-site in Canada. They save time and money, improve quality control, facilitate the transfer of technology and strengthen the Force's maintenance skills. Defence Construction Canada noted that the quality of our services helped reduce the project's overall budget.

ConocoPhillips Surmont Regional Residence



We continue to support the ConocoPhillips Surmont Region Residence in the remote Fort McMurray-Wood Buffalo region of Alberta, while working in partnership with Fort McMurray First Nations. With more than 3,500 accommodation rooms and over 800,000 square feet of dining, recreation and accommodation facilities to operate and maintain, we find cost-effective solutions to numerous challenges every day. Our achievements include an outstanding safety record of more than three million person-hours without a lost-time incident. We're also developing a remote-site-leading environmental program at the residence in collaboration with ConocoPhillips.

CFB Trenton Maintenance Hangars



At the Canadian Forces Base in Trenton, Ontario, we're helping the Royal Canadian Air Force maintain its newly acquired fleet of CC-177 Globemaster III and CC-130J Hercules aircraft to fulfill its defence duties at home and abroad. We were hired to design



SUSTAINABLE PROJECT EXECUTION "GREEN" AIRCRAFT MAINTENANCE HANGARS

Recently awarded LEED® Gold certification by the CaGBC, CFB Trenton's Hangar 2 takes sustainable design in maintenance hangars to new heights. Its green features include rainwater harvesting for a 74% reduction in water consumption, carpool-dedicated parking spaces, hybrid/electric car charging stations and a light-coloured roof to reduce the "heat island effect." Energy modelling demonstrated a 25% reduction in energy consumption. Project construction materials contained over 52% recycled content and 81% of the waste generated during construction was diverted from landfill.

Our LEED®-accredited professionals collaborated in an integrative planning and design process during all stages of the hangar's design and construction.



Transportation

We have a proven track record of delivering transportation projects as promised and then efficiently operating and maintaining them. In 2014, three of our transportation projects achieved major milestones. In March, tunnel construction began on the advanced light rapid transit Evergreen Line in Vancouver, British Columbia. In August, tunnel excavation on the light rail transit Confederation Line in Ottawa, Ontario, reached 50% completion. We also marked our fifth successful year of operating Greater Vancouver's Canada Line, serving over 200 million passengers to date. We co-financed and then designed and delivered the air-rail link, which opened in 2009.

The Passenger Rail Agency of South Africa (PRASA) Fleet Renewal Program



In 2014, we were brought in to lead the procurement and technology work for the world's largest passenger rail vehicle order. The Passenger Rail Agency of South Africa (PRASA) will buy up to 7,223 new commuter coaches over the next 20 years to replace its aging fleets. The fleet renewal program will transform the country's urban rail network, making it safer and faster as well as more efficient, sustainable and passenger friendly. Achieving 65% South African content will help forge a modern national rail industry, a key driver of economic growth. The program will create some 33,000 direct and indirect jobs, and train or re-skill 1,900 employees over the next 10 years.

Seaspan Shipyard Modernization



In November 2014, Seaspan's Vancouver Shipyards celebrated the completion of its two-year, \$170-million modernization project ahead of schedule, under budget and with an exemplary safety record of zero lost-time incidents. As the owner's representative responsible for project construction and safety management, we played a pivotal role in delivering these results. The shipyard tripled its production space, adding four

fabrication buildings, a new load-out pier and Canada's largest permanent gantry crane. First Nations joint-venture companies performed 25% of the construction work. As a result, Seaspan's new state-of-the-art shipyard, also Canada's most modern shipyard, is now well-equipped and tailor-made to support its role as the non-combat capability provider to the Government of Canada's National Shipbuilding Procurement Strategy (NSPS). Seaspan is also better positioned to compete in the international commercial shipbuilding market.

Mayotte Airport



Over the last decade, we've become a trusted partner of various local governments in France and now manage 16 regional airports as well as Spain's Castellón-Costa Azahar Airport and the Malta International Airport. In May 2014, we opened a new terminal at the airport in Mayotte, a French island in the Indian Ocean. With our 100% interest in the airport, we're in year four of a 15-year concession contract to operate and maintain this important economic development tool. The 340,000-passenger-per-year terminal was built largely with local labour and according to the most recent environmental standards. It consumes 40% less energy than standard air terminals. Stormwater is captured for firefighting and restroom use, and we helped implement the island's waste sorting program.



Gold Coast Rapid Transit



The Gold Coast is a linear city stretching 40 kilometres along Australia's eastern coast. It's also one of the country's fastest growing cities and most popular tourist destinations. In 2009, the Queensland Government Department of Transport and Main Roads selected us to provide operations advisory services during the planning and procurement phases of its Gold Coast Rapid Transit light rail system. Commissioned in July 2014, the 13-kilometre line with 16 tram stops contributes to the Gold Coast's sustainability and prosperity. When the city hosts the 2018 Commonwealth Games, the system will reduce traffic congestion by connecting key venues and sites.

Gold Coast Rapid Transit:
13-KILOMETRE LINE



WITH 16 TRAM STOPS,
improving the Gold Coast's
sustainability and prosperity



SUSTAINABLE PROJECT EXECUTION CANADA'S MOST SUSTAINABLE SHIPYARD

The modernization of Seaspan's Vancouver Shipyard presented the perfect opportunity to upgrade its environmental performance. During construction, fish habitat protection measures offset any project impacts. Groundwater capture and treatment were improved. Greater environmental controls were integrated into the new production facilities. As more work now takes place indoors, we also helped decrease any environmental impact by permanently reducing noise and dust.

Confederation Line



As a member of the Rideau Transit Group, we're working to help relieve traffic congestion and improve the quality of life for residents and visitors in Canada's capital. Our award-winning public-private partnership was selected to finance, design and build Ottawa's first light rail transit system, and then maintain it for 30 years. The Confederation Line includes 12.5 kilometres of guideway, 10 above-ground stations and three underground stations located in a 2.5-kilometre tunnel beneath the downtown core. The City of Ottawa expects to save up to \$100 million in annual operating costs and reduce the public transit system's annual fuel consumption by 10 million litres. Construction began in 2013 and is scheduled for completion in 2018.





Water and Industrial

We partner with public- and private-sector organizations to maximize their water and industrial assets, regardless of the field or scale of operations. Our expertise includes desalination, district cooling, oil and gas, chemicals, power, pharmaceuticals, biotechnology and agrifood. In 2014, we were awarded a new district cooling project in Dubai and more recently in Saudi Arabia. With more than 40 district cooling projects completed, we're now one of the world's most knowledgeable and experienced suppliers of these energy-efficient systems.

Lake Hodges Pumped Storage Facility



Thanks to our bench strength in hydroelectricity, the San Diego County Water Authority awarded us a five-year operations and maintenance contract for the Lake Hodges Pumped Storage Facility in Escondido, California. The facility helps manage the region's limited water resources to meet both potable and emergency water requirements, and generates up to 40 megawatts of green hydroelectric power, enough to meet the annual needs of 26,000 households. We've exceeded contractual requirements for availability, including a milestone of 100% availability for September 2014.

40 MW
OF
HYDROELECTRIC
POWER generated
at Lake Hodges, enough
for 26,000 households





SUSTAINABLE PROJECT EXECUTION PROTECTING MONTREAL'S DRINKING WATER

In the wake of Ontario's Walkerton tragedy, the Quebec government established new quality standards for drinking water in 2001. Since then, we've played a consistent and strategic role in helping Montreal comply with these standards and improve the long-term sustainability of its potable water supply systems. This includes implementing new multi-barrier treatment facilities at both major water treatment plants and replacing the use of chlorine gas disinfection with safer treatment alternatives. This approach will help protect public health and the environment for generations to come.

Tabreed District Cooling System



Over the past 12 years, we've become a leading provider of energy- and space-efficient district cooling systems (DCS) to the Middle East and beyond. One central DCS plant can cool approximately 17,000 homes, reducing energy consumption by 30% and CO₂ emissions by 50% compared to conventional cooling technologies. Many governments require district cooling systems in all new developments. We recently equipped the Dubai metro in the United Arab Emirates with DCS capabilities. In October 2014, Tabreed Parks Investment LLC hired us to design and build a DCS facility for Dubai's new Meraasland Themed Entertainment Resort in preparation for the World Expo in 2020.

Fouka Desalination Plant



Facing frequent water shortages due to its arid climate, Algeria has been forging ambitious public-private partnerships to strengthen the country's water production capabilities. As part of this plan, desalination plants were built to serve Algerians living along the country's 1,300-kilometre coastline. In 2007, the Algerian Government chose SNC-Lavalin and Acciona Agua

to finance, build, operate and maintain the Fouka Reverse Osmosis Desalination Plant under a 25-year operations and maintenance contract. Today, the 120,000-cubic-metre-per-day plant is enhancing people's health in Zeralda and western Algiers by providing safe, clean and reliable drinking water. The plant's energy recovery system also helps reduce energy consumption by up to 40%.

Montreal Water Infrastructure Improvements



We've been partnering with Montreal to upgrade the city's potable water infrastructure since 2005. In 2014, under this contract, we completed all detailed engineering activities to modernize the Atwater Water Treatment Plant's main electrical power supply systems and replace all distribution pumps with new high-efficiency pumps and motors. The plant consists of various heritage structures built between 1911 and 1967. We're also upgrading the main electrical power supply systems at the Charles-J. Des Bailleurs Water Treatment Plant. We designed the plant and supervised its construction in the 1970s. Together, these two plants produce 88% of Montreal's potable water, serving 1.7 million people. Our work will enhance the water supply system's capacity and reliability while improving operational safety and reducing both operating and maintenance costs.





Nuclear

SNC-Lavalin played a pioneering role in developing Canada's commercial nuclear industry in the 1960s. Today, we're the world's top provider of engineering expertise for CANDU® reactors. These reactors have been delivering safe, clean and reliable electricity worldwide for almost 60 years. In 2014, our nuclear power teams supported public and private utilities on major Candu reactor projects in Canada, Romania and Argentina. In addition to increasing their lifespan, these projects will make these crucial power facilities safer to operate.

Darlington Retube and Feeder Replacement



One of the world's top-performing Candu stations, the Darlington Nuclear Generating Station supplies 20% of Ontario's energy needs. Its refurbishment is crucial to deliver the power required to service the province's residents. Our joint venture is preparing for the outage, expected to start in the fall of 2016. We'll replace the reactor's calandria tubes, fuel channels and feeders using more than 800 sophisticated tooling systems. The systems have been designed and built and are now being tested at the reactor mock-up facility in Darlington.

Operating crews were trained on the full-scale reactor mock-up built on time and on budget, earlier in 2014, by our joint venture. We also started construction of a large facility to process and package all reactor components to be removed during the execution phase.

Our joint venture is also involved in the Darlington Turbine Generator Project. This project entails refurbishing the station's 935-MW turbine generators starting in the fall of 2016. Our systems integration role includes the detailed engineering and configuration mapping consistent with the station's existing systems, practices and procedures. Our design approach will ensure that all equipment upgrades are fully transparent to operators while minimizing the impact on operator adaptability.

Cernavodă Nuclear Power Plant Safety Systems Improvement



Romania's Cernavodă Nuclear Power Plant provides roughly 20% of the country's electricity needs. In 2014, we continued to improve the facility's safety systems by completing the installation of reactor containment filtered venting systems (CFVS) on budget and ahead of schedule. The Societatea Nationala Nuclearelectrica (SNN) project is part of an industry-wide upgrade to enhance nuclear plant safety in the event of a serious accident or natural disaster. The new reactor venting





20% 
OF ONTARIO'S
ENERGY
supplied by the Darlington
Nuclear Power Plant

systems will prevent excessive pressure buildup, helping ensure Cernavodă continues to operate safely. The systems were installed to the highest quality standards, using local contractors and workers exclusively, without a single health, safety or environmental event or incident.

Embalse Nuclear Generating Station Retubing and Refurbishment



This refurbishment project will allow Argentina's Embalse Nuclear Station to continue producing safe and reliable power for up to another 30 years. We're delivering the tools, equipment and engineering to replace the 380 fuel channels that hold the nuclear fuel bundles. This includes engineering, procuring and testing 370 state-of-the-art tooling systems. We're helping Nucleoeléctrica Argentina SA train staff at its reactor mock-up facility to maximize worker safety and efficiency. Our mandate also includes the engineering and equipment to replace the station's digital control computers, delivery of a state-of-the-art emergency power supply, increasing the power output, enhancing the safety systems and providing up-to-date safety analyses and assessments.

AFCR™ to deliver fuel flexibility

We incrementally modified the design of our CANDU reactor to use alternative fuels such as recycled uranium and thorium. Each Advanced Fuel CANDU Reactor (AFCR™) can use the processed spent fuel from four light water reactors. AFCRs will allow countries, like China, that have limited uranium supplies to become more self-sufficient and sustainably manage their nuclear fuel cycle. In November 2014, Candu Energy signed a framework agreement with the China National Nuclear Corporation (CNNC) to explore building a series of AFCR nuclear power plants in the country and abroad. The project supports highly skilled jobs and key manufacturing opportunities in both China and Canada.



SUSTAINABLE PROJECT EXECUTION CANDU: REUSING SPENT FUEL

The CANDU reactor is unique in its ability to use alternative fuels such as recycled uranium, mixed oxide and thorium. Its high neutron efficiency and on-power refuelling complements position our technology as the right solution for customers exploring alternative fuels. This compelling CANDU advantage allows customers and countries alike to extend their fuel resources and reduce their spent fuel.



Transmission and Distribution

The rising global demand for power has created an urgent need to reinforce existing transmission and distribution (T&D) systems and build new networks. With our end-to-end T&D capabilities, we work with our clients to design and deliver customized solutions for high-voltage transmission infrastructure, including automation and telecommunication. Throughout 2014, we executed projects over great distances and challenging terrains. We're also helping utilities build and efficiently upgrade their aging switchyards, vital points in the electrical grid that distribute power to communities.

West Alberta Transmission Line (WATL)



AltaLink's Western Alberta Transmission Line (WATL) is one of Western Canada's first ± 500 -kV DC lines. Our EPC work on the 350-kilometre high-voltage power line is helping modernize Alberta's transmission system to meet the province's growing demand for electricity. Joined by a converter station at each end, WATL is a central component of the Edmonton-Calgary grid. Out of the 995 transmission towers installed, approximately 750 towers use screw piles and driven piles as foundation, reducing the line's environmental footprint by minimizing the need to transport concrete to the tower sites and dispose of excess soil.

Keewatinohk Switchyard



In June 2014, we marked a milestone in our 20-year relationship, and hundreds of projects with Manitoba Hydro. The utility selected us to design and build the 230-kV AC Keewatinohk Switchyard, part of the province's new 1,400-kilometre Bipole III HVDC transmission line. Bipole III will strengthen the utility's network by transferring power from the north to customers in the south. We'll also work with the utility to commission the switchyard. As the project evolves, our strong community engagement program is helping us connect with local stakeholder communities.

Rio Madeira Transmission System



We provided owner's engineering services for IE Madeira's 2,385-kilometre Bipole 1 DC transmission line, currently the world's longest with 4,919 steel towers. The ± 600 -kV DC transmission line fosters economic growth and quality of life for millions of Brazilians. The line crosses five states and 81 municipalities to deliver power from Brazil's northern region to the national grid in the south. Our design solutions helped ensure the environmental preservation of the three biospheres—the Amazon, Atlantic Forest and Brazilian Savannah—through which the line passes. Dynamic socio-environmental programs were also key to optimizing the project's benefits and minimizing its impact on flora, fauna and communities.

Horseý Substation Modernization



BC Hydro and Power Authority hired us to engineer and manage the modernization of the 230-kV gas-insulated Horseý Substation. Originally built in the 1960s, the aging substation is the main source of power transmission to Victoria, British Columbia's capital. Modernizing the substation will address performance issues and reduce the risk of power outages.





OF THE 995
TRANSMISSION
TOWERS,
750 WATL
TOWERS
ARE
supported by foundations
that reduce the line's
ENVIRONMENTAL footprint.

South Kent Wind Project



Joint-venture partners Samsung Renewable Energy and Pattern Energy selected us to assist with the South Kent Wind Project due to our renewable energy expertise. Now operational in southwestern Ontario, the 270-MW wind farm is one of Canada's largest wind power facilities. South Kent Wind uses 124 2.3-MW wind turbines with blades and towers made in Ontario. The turbines are spread over 45 kilometres and connected by underground collectors, two substations and 35 kilometres of high-voltage transmission lines. South Kent Wind produces clean renewable energy for approximately 100,000 Ontario homes every year. Permit and certification assistance, change order management and health, safety and environmental (HSE) audits were among our many tasks.

Electricity and Cogeneration Regulatory Authority



We're working alongside the Kingdom of Saudi Arabia's infrastructure stakeholders to develop and optimize a Long-Term Electricity and Water Development Plan. The assessment of the Kingdom of Saudi Arabia's electricity and water sectors will identify the optimum power generation and

water supply (including seawater desalination) infrastructure requirements to 2040. The advisory services contract involves senior consultants from the Engineering and Grid Solutions team in our Transmission & Distribution business unit as well as experts from our Environment & Water business unit.



SUSTAINABLE PROJECT EXECUTION STRENGTHENING LOCAL COMMUNITIES


With its shared-value approach, our proprietary Local Resources Development Initiative (LRDI™) helps us understand and optimize the positive impact of our projects on local communities. Since 1997, we've successfully integrated LRDI into numerous projects around the world. LRDI enables us to identify and address social issues and opportunities at all project stages. It mitigates risks, creates new possibilities for stakeholders and helps our clients get and keep their social licence to operate. Hiring locally and partnering with local suppliers are just two of the LRDI strategies we use to actively support a community's socio-economic development.



Thermal

As a market leader in thermal power, we've designed and built more than 48,000-MW of capacity in 200 locations worldwide. This includes natural-gas-fired, alternative-fuelled, coal-fired, diesel power and cogeneration facilities. Thanks to our relentless focus on safety, risk management and project execution excellence, in 2014 we continued to win contracts to build the newest generation of thermal power plants. The facilities we're designing and building in the US and Poland feature the industry's most advanced turbines. These turbines will help improve local power grid reliability and reduce greenhouse gas emissions.

MORE THAN

700,000 

homes and businesses to be powered
by the Newark Energy Center

Newark Energy Center



In 2014, our joint venture made good progress on the Newark Energy Center in New Jersey. With all engineering design work and equipment procurement completed, we're now preparing for the start-up and commissioning of the 655-MW gas-fired combined cycle power plant in 2015. The plant's design supports state-of-the-art operating practices, maintainability,





SUSTAINABLE PROJECT EXECUTION REDUCING WASTEWATER

The innovative design of the St. Charles Energy Center's power plant cooling system will use reclaimed water from the Mattawoman Wastewater Treatment Plant. Water reclamation will promote the sustainable use of local water resources by reducing the amount of wastewater sent back to the Potomac River. The facility is expected to use a peak of five million gallons of reclaimed water per day.

load dispatch and flexibility to meet the grid's varying power requirements. Its leading-edge combustion turbine technology will generate reliable power for more than 700,000 homes and businesses. The facility's advanced emissions control technology and efficient turbines will reduce both the plant's environmental impact and the region's reliance on older, less-efficient and higher-emission power plants.

PKN Orlen Thermal Power Plant



Our consortium with General Electric is building a combined cycle power plant for PKN Orlen, a major Polish oil refiner and petrol retailer. The plant will be the most advanced project of its kind in the country. Its cogeneration technology significantly enhances the efficiency of electricity and heat generation. The energy generated will be used to power PKN Orlen's adjacent Anwil chemical refinery, with the remainder sent to the Polish national grid to enhance its overall stability and sustainability. The project will provide Poland with a source of energy that exceeds current EU emission standards. In 2014, we completed one million person-hours without a lost-time incident on the project.

St. Charles Energy Center



We're engineering and building the St. Charles Energy Center, an ultra-efficient 725-MW gas-fired power plant in Maryland for US-based Competitive Power Ventures. The St. Charles Energy Center will minimize the import of out-of-state coal-generated electricity. Princeton researchers estimate that displacing coal-fired plants with gas-fired facilities will cut CO₂ emissions by one billion metric tonnes per year. Using local labour is a project priority. When completed, the St. Charles Energy Center will be one of the largest taxpayers in Charles County, contributing long-term funding for local schools and municipal projects.

PCPC Power Plant



Our client Palm Concepcion Power Corp. (PCPC) is building one of the most advanced and fuel-efficient coal-fired power plants in the Philippines. The 270-MW state-of-the-art facility will address the increasing electricity needs across the rapidly growing Visayan Islands. The plant will significantly improve power quality, security, reliability and costs. We're currently overseeing construction of the first of two 135-MW units. Using advanced circulating fluidized bed combustion (CFBC) and reheat technologies will significantly reduce the plant's environmental footprint. The project relies on local talent, materials and services, and also includes a commitment to reforest 100 hectares of land on Panay Island.





SNC-Lavalin's very first contracts in 1911 entailed hydraulic studies for hydropower facilities in Quebec. Today, we're one of the world's foremost integrators of sustainable end-to-end solutions for hydro projects. Our hydro clients value our ability to blend time-tested hydropower solutions with the latest innovations. In 2014, we won and continued work on over 40 hydropower projects that will create lasting benefits for our clients' end-users. These projects allow us to partner with stakeholders to showcase hydro as an increasingly attractive option for sustainable power generation in Canada.

Smoky Falls Generating Station Replacement



The Smoky Falls Generating Station is jointly owned by Ontario Power Generation (OPG) and the Moose Cree First Nation. Our basic and detailed engineering services, as well as technical support during construction, focused on optimizing client costs. The project will replace an existing 56-MW facility, now at the end of its life, with a new three-unit 268-MW station. The new powerhouse will help stabilize the grid during periods of high demand by supplying efficient and reliable power to OPG customers. The Smoky Falls powerhouse is targeting LEED® Silver certification. First Nations people and Métis are a key part of the project's workforce.

the new 132-MW generating station and then decommissioning the existing 126-MW facility, which is nearing the end of its life. Putting the powerhouse underground will enhance public safety and reduce the project's environmental footprint. A new water bypass facility within the generating station will help protect downstream fish habitat during the generating units' temporary shutdowns. The new generating station will ensure a stable and sustainable source of energy on Vancouver Island for generations to come.

Jimmie Creek Hydro Project



Hydropower is green by design, but the Jimmie Creek Hydro Project in British Columbia goes a step further. The project's "run-of-river" approach will generate an additional 62-MW of green power for over 15,000 homes, without the need to impound a new reservoir. That's just one of many ways Jimmie Creek ranks among the world's most sustainable hydropower projects. The project will also strengthen the partnership between our client Alterra Power Corporation and the Klahoose First Nation, creating employment opportunities for both First Nation and local communities during construction. These opportunities include supplying, installing and maintaining a 200-person camp, barging services, fuel supply and delivery, and road maintenance.

John Hart Generating Station Replacement Project



Our work continued on the John Hart Generating Station for BC Hydro. The project, which will replace the existing station with a more reliable and seismically robust facility, is Canada's first public-private hybrid partnership in the hydropower sector. We're providing end-to-end services for



Hulu Terengganu Hydroelectric Project



We're using our extensive experience in the Malaysian hydropower market to support Tenaga Nasional Berhad (TNB) on the Hulu Terengganu Hydroelectric Project. TNB's new power plant will provide 460 gigawatt hours of renewable energy annually to surrounding communities and improve the local power system's reliability. A new dam will also help mitigate floods during Malaysia's monsoon season. Our mandate, which consists of detailed engineering design for the civil works, project management services and high-value training, has already allowed us to help our client overcome a range of challenges, including difficult ground conditions at the site. In 2014, we achieved more than 9.5 million person-hours without a lost-time incident on the project.

Waneta Expansion



Originally built in 1954 just south of Trail, British Columbia, the Waneta Dam has the capacity to generate 493-MW of power. Every spring, water from melting snowpacks spills, unused, over the existing dam. The Waneta Expansion Limited Partnership

SUSTAINABLE PROJECT EXECUTION PARTNERING WITH FIRST NATIONS COMMUNITIES

Mutual respect was key to fostering strong relations with our Aboriginal stakeholders on the Waneta Expansion Project. Two First Nations have cultural interests in the area. Through our Community Benefits Agreement, we're making these groups true participants in the project by hiring local Aboriginal workers and small companies.

contracted us to build a 335-MW powerhouse downstream of the existing dam to use the surplus water. From the outset, our design modifications reduced material costs and simplified construction. We also provided on-the-job training in high-value trades to First Nations workers. Construction was nearing completion at the end of 2014, with substantial completion on track for April 1, 2015, approximately six weeks ahead of schedule.



On-the-job

TRAINING
PROVIDED IN
HIGH-VALUE
trades to FIRST
NATIONS WORKERS

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statements of Financial Position

(IN THOUSANDS OF CANADIAN DOLLARS)		DECEMBER 31 2014	DECEMBER 31 2013
ASSETS			
Current assets			
Cash and cash equivalents	\$	1,702,205	\$ 1,108,694
Restricted cash		27,503	54,616
Trade receivables		1,254,360	1,106,360
Contracts in progress		836,593	646,019
Inventories		111,374	–
Other current financial assets		844,727	760,813
Other current assets		274,130	239,263
Total current assets		5,050,892	3,915,765
Property and equipment			
From E&C		246,098	180,368
From ICI		–	5,132,027
ICI accounted for by the equity method		362,336	448,677
ICI accounted for by the cost method		440,809	426,868
Goodwill		2,706,068	576,929
Intangible assets related to Kentz acquisition		301,071	–
Deferred income tax asset		395,987	254,421
Non-current portion of receivables under service concession arrangements		250,769	300,758
Non-current financial assets		157,463	201,276
Other non-current assets		99,848	335,536
Total assets	\$	10,011,341	\$ 11,772,625
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables	\$	2,372,489	\$ 2,145,755
Downpayments on contracts		249,521	226,028
Deferred revenues		1,149,653	981,584
Other current financial liabilities		354,492	411,228
Other current liabilities		485,429	153,894
Advances under contract financing arrangements		319,321	87,188
Current portion of provisions		256,392	159,661
Short-term debt and current portion of long-term debt:			
Non-recourse from ICI		7,750	277,392
Total current liabilities		5,195,047	4,442,730
Long-term debt:			
Recourse		348,932	348,733
Non-recourse from ICI		530,684	3,536,912
Other non-current financial liabilities		9,457	125,044
Non-current portion of provisions		341,268	257,271
Other non-current liabilities		3,702	737,767
Deferred income tax liability		265,541	283,925
Total liabilities		6,694,631	9,732,382
Equity			
Share capital		531,460	497,130
Retained earnings		2,785,067	1,610,503
Other components of equity		(10,897)	(70,975)
Equity attributable to SNC-Lavalin shareholders		3,305,630	2,036,658
Non-controlling interests		11,080	3,585
Total equity		3,316,710	2,040,243
Total liabilities and equity	\$	10,011,341	\$ 11,772,625

Approved, on behalf of the Board of Directors, by:

ROBERT G. CARD (signed)
DIRECTOR

PATRICIA A. HAMMICK (signed)
DIRECTOR

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Consolidated Statements of Changes in Equity

YEAR ENDED DECEMBER 31 (IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT NUMBER OF COMMON SHARES)	2014						
	EQUITY ATTRIBUTABLE TO SNC-LAVALIN SHAREHOLDERS					NON- CONTROLLING INTERESTS	TOTAL EQUITY
	SHARE CAPITAL		RETAINED EARNINGS	OTHER COMPONENTS OF EQUITY	TOTAL		
	COMMON SHARES (IN THOUSANDS)	AMOUNT					
Balance at beginning of year	151,807	\$ 497,130	\$ 1,610,503	\$ (70,975)	\$ 2,036,658	\$ 3,585	\$ 2,040,243
Net income	—	—	1,333,344	—	1,333,344	1,243	1,334,587
Other comprehensive income (loss)	—	—	(8,752)	60,078	51,326	—	51,326
Total comprehensive income	—	—	1,324,592	60,078	1,384,670	1,243	1,385,913
Dividends declared	—	—	(146,182)	—	(146,182)	—	(146,182)
Dividends declared by subsidiaries to non-controlling interests	—	—	—	—	—	(375)	(375)
Stock option compensation	—	—	3,567	—	3,567	—	3,567
Shares issued under stock option plans	658	34,330	(7,413)	—	26,917	—	26,917
Additional non-controlling interests arising on acquisition of Kentz	—	—	—	—	—	6,627	6,627
Balance at end of year	152,465	\$ 531,460	\$ 2,785,067	\$ (10,897)	\$ 3,305,630	\$ 11,080	\$ 3,316,710

YEAR ENDED DECEMBER 31 (IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT NUMBER OF COMMON SHARES)	2013						
EQUITY ATTRIBUTABLE TO SNC-LAVALIN SHAREHOLDERS						NON- CONTROLLING INTERESTS	TOTAL EQUITY
SHARE CAPITAL		RETAINED EARNINGS	OTHER COMPONENTS OF EQUITY	TOTAL			
COMMON SHARES (IN THOUSANDS)	AMOUNT						
Balance at beginning of year	151,069	\$ 463,740	\$ 1,714,379	\$ (102,686)	\$ 2,075,433	\$ 3,003	\$ 2,078,436
Net income	—	—	35,768	—	35,768	616	36,384
Other comprehensive income (loss)	—	—	(1,578)	31,711	30,133	—	30,133
Total comprehensive income	—	—	34,190	31,711	65,901	616	66,517
Dividends declared	—	—	(139,415)	—	(139,415)	—	(139,415)
Dividends declared by subsidiaries to non-controlling interests	—	—	—	—	—	(34)	(34)
Stock option compensation	—	—	8,260	—	8,260	—	8,260
Shares issued under stock option plans	738	33,390	(6,911)	—	26,479	—	26,479
Balance at end of year	151,807	\$ 497,130	\$ 1,610,503	\$ (70,975)	\$ 2,036,658	\$ 3,585	\$ 2,040,243

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Consolidated Income Statements

YEAR ENDED DECEMBER 31 (IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT EARNINGS PER SHARE AND NUMBER OF SHARES)			2014	2013
Revenues by activity				
Services	\$	2,815,785	\$	2,697,611
Packages		3,205,472		3,113,381
O&M		1,313,419		1,338,318
ICI accounted for by the full consolidation or cost methods		732,640		579,918
ICI accounted for by the equity method		171,446		183,930
		8,238,762		7,913,158
Direct costs of activities		6,897,933		6,797,331
Gross margin		1,340,829		1,115,827
Selling, general and administrative expenses		841,415		836,588
Restructuring costs and goodwill impairment		109,859		123,464
Impairment of investments		28,461		–
Acquisition-related costs and integration costs		62,543		–
Amortization of intangible assets related to Kentz acquisition		36,472		–
Gain on disposals of ICI before taxes		(1,615,358)		(72,996)
EBIT⁽¹⁾		1,877,437		228,771
Financial expenses		242,596		163,548
Financial income		(22,788)		(12,869)
Earnings before income taxes		1,657,629		78,092
Income taxes		323,042		41,708
Net income	\$	1,334,587	\$	36,384
Net income attributable to				
SNC-Lavalin shareholders	\$	1,333,344	\$	35,768
Non-controlling interests		1,243		616
Net income	\$	1,334,587	\$	36,384
Earnings per share (in \$)				
Basic	\$	8.76	\$	0.24
Diluted	\$	8.74	\$	0.24
Weighted average number of outstanding shares (in thousands)				
Basic		152,218		151,497
Diluted		152,605		151,814

⁽¹⁾ Earnings before interest and taxes (EBIT)

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Consolidated Statements of Comprehensive Income

YEAR ENDED DECEMBER 31
(IN THOUSANDS OF CANADIAN DOLLARS)

	2014		
	ATTRIBUTABLE TO SNC-LAVALIN SHAREHOLDERS	NON-CONTROLLING INTERESTS	TOTAL
Net income	\$ 1,333,344	\$ 1,243	\$ 1,334,587
Other comprehensive income (loss)			
Exchange differences on translating foreign operations	66,911	—	66,911
Available-for-sale financial assets	(3,722)	—	(3,722)
Cash flow hedges	7,965	—	7,965
Share of other comprehensive loss of investments accounted for by the equity method	(15,643)	—	(15,643)
Income taxes	4,567	—	4,567
Total of items that will be reclassified subsequently to net income	60,078	—	60,078
Defined benefit pension plans and other post-employment benefits	(8,801)	—	(8,801)
Income taxes	49	—	49
Total of items that will not be reclassified subsequently to net income	(8,752)	—	(8,752)
Total other comprehensive income	51,326	—	51,326
Total comprehensive income	\$ 1,384,670	\$ 1,243	\$ 1,385,913

YEAR ENDED DECEMBER 31
(IN THOUSANDS OF CANADIAN DOLLARS)

	2013		
	ATTRIBUTABLE TO SNC-LAVALIN SHAREHOLDERS	NON-CONTROLLING INTERESTS	TOTAL
Net income	\$ 35,768	\$ 616	\$ 36,384
Other comprehensive income (loss)			
Exchange differences on translating foreign operations	912	—	912
Available-for-sale financial assets	(151)	—	(151)
Cash flow hedges	(5,032)	—	(5,032)
Share of other comprehensive income of investments accounted for by the equity method	53,339	—	53,339
Income taxes	(17,357)	—	(17,357)
Total of items that will be reclassified subsequently to net income	31,711	—	31,711
Defined benefit pension plans and other post-employment benefits	(2,241)	—	(2,241)
Income taxes	663	—	663
Total of items that will not be reclassified subsequently to net income	(1,578)	—	(1,578)
Total other comprehensive income	30,133	—	30,133
Total comprehensive income	\$ 65,901	\$ 616	\$ 66,517

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Consolidated Statements of Cash Flows

YEAR ENDED DECEMBER 31 (IN THOUSANDS OF CANADIAN DOLLARS)	2014	2013 ⁽¹⁾
Operating activities		
Net income	\$ 1,334,587	\$ 36,384
Adjustments to reconcile net income to cash flows from operating activities:		
Depreciation of property and equipment and amortization of other non-current assets		
From E&C	113,722	67,879
From ICI	53,513	133,074
Income taxes recognized in net income	323,042	41,708
Income taxes paid	(133,768)	(73,007)
Net financial expenses recognized in net income	219,808	150,679
Interest paid		
From E&C	(48,310)	(24,337)
From ICI	(172,873)	(116,436)
Expense recognized in respect of stock options	3,567	8,260
Expense recognized in respect of cash-settled share-based payment arrangements	13,550	7,081
Income from ICI accounted for by the equity method	(171,446)	(183,930)
Dividends and distributions received from ICI accounted for by the equity method	158,675	158,870
Goodwill impairment	–	56,500
Net change in provisions related to forecasted losses on certain contracts	(21,907)	29,600
Gain on disposals of ICI before taxes	(1,615,358)	(72,996)
Remeasurement of a foreign exchange hedge	34,697	–
Impairment of investments	28,461	–
Other	46,222	(15,856)
	166,182	203,473
Net change in non-cash working capital items	97,961	129,720
Net cash generated from operating activities	264,143	333,193
Investing activities		
Acquisition of property and equipment		
From E&C	(70,166)	(55,520)
From ICI	(1,522,364)	(1,545,946)
Payments for ICI	(133,135)	(43,632)
Costs associated to a foreign exchange hedge	(50,000)	–
Recovery associated to a foreign exchange hedge	15,303	–
Acquisition of businesses	(1,762,991)	(1,925)
Change in restricted cash position	8,565	(22,192)
Increase in receivables under service concession arrangements	(147,388)	(63,194)
Recovery of receivables under service concession arrangements	141,212	12,845
Increase in short-term and long-term investments	(331,623)	(114,157)
Decrease in short-term and long-term investments	159,290	85,294
Net cash inflow on disposals of ICI accounted for by the full consolidation method	3,148,415	–
Net cash inflow on disposals of ICI accounted for by the equity method	104,898	86,349
Payments for disposition-related costs on disposals of ICI	(60,287)	–
Other	1,226	(8,844)
Net cash used for investing activities	(499,045)	(1,670,922)
Financing activities		
Increase in recourse debt	2,630,000	–
Repayment of recourse debt	(2,630,000)	–
Increase in non-recourse debt from ICI	1,657,827	1,744,756
Repayment of recourse debt of Kentz	(482,393)	–
Repayment of non-recourse debt from ICI	(427,519)	(410,187)
Increase in advances under contract financing arrangements	230,093	159,463
Repayment of advances under contract financing arrangements	–	(117,137)
Proceeds from exercise of stock options	26,917	26,479
Dividends paid to SNC-Lavalin shareholders	(146,182)	(139,415)
Other	(42,160)	5,589
Net cash generated from financing activities	816,583	1,269,548
Increase from exchange differences on translating cash and cash equivalents	11,830	1,975
Net increase (decrease) in cash and cash equivalents	593,511	(66,206)
Cash and cash equivalents at beginning of year	1,108,694	1,174,900
Cash and cash equivalents at end of year	\$ 1,702,205	\$ 1,108,694

⁽¹⁾ Comparative figures have been restated, reflecting a change in presentation.

Forward-looking Statements

Statements made in this Annual Report that describe the Company's or management's budgets, estimates, expectations, forecasts, objectives, predictions, projections of the future or strategies may be "forward-looking statements", which can be identified by the use of the conditional or forward-looking terminology such as "aims", "anticipates", "assumes", "believes", "cost savings", "estimates", "expects", "goal", "intends", "may", "plans", "projects", "should", "synergies", "will", or the negative thereof or other variations thereon. Forward-looking statements also include any other statements that do not refer to historical facts. Forward-looking statements also include statements relating to the following: i) future capital expenditures, revenues, expenses, earnings, economic performance, indebtedness, financial condition, losses and future prospects; and ii) business and management strategies and the expansion and growth of the Company's operations and potential synergies resulting from the Acquisition. All such forward-looking statements are made pursuant to the "safe-harbour" provisions of applicable Canadian securities laws. 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. Forward-looking statements are presented for the purpose of assisting investors and others in understanding certain key elements of the Company's current objectives, strategic priorities, expectations and plans, and in obtaining a better understanding of the Company's business and anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes.

Forward-looking statements made in this Annual Report are based on a number of assumptions believed by the Company to be reasonable on March 5, 2015. The assumptions are set out throughout the Company's 2014 Management's Discussion and Analysis (particularly, in the sections entitled "Critical Accounting Judgments and Key Sources of Estimation Uncertainty" and "How We Analyze and Report our Results" in the Company's 2014 Management's Discussion and Analysis). If these assumptions are inaccurate, the Company's actual results could differ materially from those expressed or implied in such forward-looking statements. In addition, important risk factors could cause the Company's assumptions and estimates to be inaccurate and actual results or events to differ materially from those expressed in or implied by these forward-looking statements. These risks include, but are not limited to: (a) the outcome of pending and future claims and litigation could have a material adverse impact on the Company's business, financial condition and results of operation; (b) on February 19, 2015, the Company was charged with one count of corruption under the CFPOA and one count of fraud under the *Criminal Code* (Canada), and is also subject to other ongoing investigations which could subject the Company to criminal and administrative enforcement actions, civil actions and sanctions, fines and other penalties, some of which may be significant. These charges and investigations, and potential results thereof, could harm the Company's reputation, result in suspension, prohibition or debarment of the Company from participating in certain projects, reduce its revenues and net income and adversely affect its business; (c) further regulatory developments could have a significant adverse impact on the Company's results, and employee, agent or partner misconduct or failure to comply with anti-bribery and other government laws and regulations could harm the Company's reputation, reduce its revenues and net income, and subject the Company to criminal and administrative enforcement actions and civil actions; (d) if the Company is not able to successfully execute on its new strategic plan, its business and results of operations would be adversely affected; (e) a negative impact on the Company's public image could influence its ability to obtain future projects; (f) fixed-price contracts or the Company's failure to meet contractual schedule or performance requirements may increase the volatility and unpredictability of its revenue and profitability; (g) the Company's revenue and profitability are largely dependent on the awarding of new contracts, which it does not directly control, and the uncertainty of contract award timing could have an adverse effect on the Company's ability to match its workforce size with its contract needs; (h) the Company's

backlog is subject to unexpected adjustments and cancellations, including under "termination for convenience" provisions, and does not represent a guarantee of the Company's future revenues or profitability; (i) SNC-Lavalin is a provider of services to government agencies and is exposed to risks associated with government contracting; (j) the Company's international operations are exposed to various risks and uncertainties, including unfavourable political environments, weak foreign economies and the exposure to foreign currency risk; (k) there are risks associated with the Company's ownership interests in ICI that could adversely affect it; (l) the Company is dependent on third parties to complete many of its contracts; (m) the Company's use of joint ventures and partnerships exposes it to risks and uncertainties, many of which are outside of the Company's control; (n) the competitive nature of the markets in which the Company does business could adversely affect it; (o) the Company's project execution activities may result in professional liability or liability for faulty services; (p) the Company could be subject to monetary damages and penalties in connection with professional and engineering reports and opinions that it provides; (q) the Company may not have in place sufficient insurance coverage to satisfy its needs; (r) the Company's employees work on projects that are inherently dangerous and a failure to maintain a safe work site could result in significant losses and/or an inability to obtain future projects; (s) the Company's failure to attract and retain qualified personnel could have an adverse effect on its activities; (t) work stoppages, union negotiations and other labour matters could adversely affect the Company; (u) the Company relies on information systems and data in its operations. Failure in the availability or security of the Company's information systems or in data security could adversely affect its business and results of operations; (v) any acquisition or other investment may present risks or uncertainties; (w) the Company may be unable to successfully integrate the businesses of SNC-Lavalin and Kentz and realize the anticipated benefits of the Acquisition; (x) a deterioration or weakening of the Company's financial position, including its cash net of recourse debt, would have a material adverse effect on its business and results of operations; (y) the Company may have significant working capital requirements, which if unfunded could negatively impact its business, financial condition and cash flows; (z) an inability of SNC-Lavalin's clients to fulfill their obligations on a timely basis could adversely affect the Company; (aa) the Company may be required to impair certain of its goodwill, and it may also be required to write down or write off the value of certain of its assets and investments, either of which could have a material adverse impact on the Company's results of operations and financial condition; (bb) global economic conditions could affect the Company's client base, partners, subcontractors and suppliers and could materially affect its backlog, revenues, net income and ability to secure and maintain financing; (cc) fluctuations in commodity prices may affect clients' investment decisions and therefore subject the Company to risks of cancellation, delays in existing work, or changes in the timing and funding of new awards, and may affect the costs of the Company's projects; (dd) inherent limitations to the Company's control framework could result in a material misstatement of financial information, and; (ee) environmental laws and regulations expose the Company to certain risks, could increase costs and liabilities and impact demand for the Company's services. The Company cautions that the foregoing list of factors is not exhaustive. 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 sections "Risks and Uncertainties", "How We Analyze and Report Our Results" and "Critical Accounting Judgments and Key Sources of Estimation Uncertainty" of the Company's 2014 Management's Discussion and Analysis filed with the securities regulatory authorities in Canada, available on SEDAR at: www.sedar.com.

The forward-looking statements herein reflect the Company's expectations as at March 5, 2015, when the Company's Board of Directors approved the Company's 2014 Management's Discussion and Analysis, and are subject to change after this date. The Company does not undertake any obligation to update publicly or to revise any such forward-looking statements whether as a result of new information, future events or otherwise, unless required by applicable legislation or regulation.

Ten-Year Statistical Summary

YEAR ENDED DECEMBER 31 (IN MILLIONS CA\$, UNLESS OTHERWISE INDICATED)	IFRS					CANADIAN GAAP				
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Revenues by activity										
Services	2,815.8	2,697.6	3,175.0	2,437.8	2,053.8	2,221.4	2,305.4	1,726.1	1,180.2	958.5
Packages	3,205.5	3,113.4	3,020.4	2,871.5	2,137.4	2,202.2	3,229.5	3,635.7	2,835.9	1,704.1
Operations and Maintenance	1,313.4	1,338.3	1,330.5	1,399.2	1,330.4	1,297.9	1,225.0	1,058.4	920.9	695.9
Infrastructure Concession Investments (ICI)	904.1	763.8	565.1	501.4	442.7	380.2	347.0	309.4	218.0	88.7
	8,238.8	7,913.2	8,091.0	7,209.9	5,964.3	6,101.7	7,106.9	6,729.6	5,155.0	3,447.2
Gross margin	1,340.8	1,115.8	1,355.0	1,252.1	1,271.4	1,151.1	1,012.9	565.3	542.6	457.1
Selling, general and administrative expenses	841.4	836.6	855.5	656.6	583.2	545.6	515.2	392.8	285.2	257.0
Restructuring costs and goodwill impairment	109.9	123.5	—	—	—	—	—	—	—	—
Impairment of investments	28.5	—	—	—	—	—	—	—	—	—
Acquisition-related costs and integration costs	62.5	—	—	—	—	—	—	—	—	—
Amortization of intangible assets related to Kentz acquisition	36.5	—	—	—	—	—	—	—	—	—
(Gain) loss from disposals of ICI	(1,615.4)	(73.0)	—	—	(29.6)	—	—	—	5.8	—
EBIT ⁽¹⁾	1,877.4	228.8	499.5	595.6	717.8	605.5	497.7	172.5	251.6	200.1
Net financial expenses										
From Engineering & Construction and Operations & Maintenance (E&C)	38.9	19.5	13.7	15.5	26.0	16.0	(13.7)	(32.1)	(21.0)	(3.5)
From ICI	180.9	131.2	112.5	99.7	85.1	112.2	108.2	104.6	74.3	47.6
Earnings before income taxes	1,657.6	78.1	373.4	480.3	606.7	477.3	403.2	100.0	198.3	156.0
Income taxes	323.0	41.7	67.0	94.4	120.4	108.2	85.1	23.5	55.0	50.6
Non-controlling interests	—	—	—	—	—	9.7	5.6	9.2	7.3	2.2
Net income from continuing operations	1,334.6	36.4	306.3	385.9	486.3	359.4	312.5	67.3	136.0	103.2
Net income from discontinued operations	—	—	—	—	—	—	—	84.1	21.8	24.3
Net income	1,334.6	36.4	306.3	385.9	486.3	359.4	312.5	151.4	157.8	127.5
Net income attributable to										
SNC-Lavalin shareholders	1,333.3	35.8	305.9	377.4	475.5	359.4	312.5	151.4	157.8	127.5
Non-controlling interests	1.2	0.6	0.4	8.5	10.7	—	—	—	—	—
Net income	1,334.6	36.4	306.3	385.9	486.3	359.4	312.5	151.4	157.8	127.5
Return on average shareholders' equity ⁽²⁾	58.7%	1.6%	14.6%	19.1%	28.2%	27.3%	29.1%	16.4%	19.0%	17.0%
Acquisition of property and equipment										
From E&C	70.2	55.5	96.2	67.2	46.0	32.4	46.3	41.2	37.7	25.5
From ICI	1,522.4	1,545.9	849.2	545.8	402.0	274.1	193.5	308.6	182.5	22.3
	1,592.5	1,601.5	945.4	613.0	448.0	306.5	239.8	349.8	220.2	47.8
Depreciation of property and equipment and amortization of other non-current assets										
From E&C	113.7	67.9	61.6	45.4	39.6	43.5	41.9	35.2	28.2	24.6
From ICI	53.5	133.1	99.2	93.1	86.9	86.6	88.1	76.9	52.4	13.7
	167.2	201.0	160.8	138.5	126.5	130.1	130.0	112.1	80.6	38.3
EBITDA ⁽¹⁾										
From E&C	(160.0)	(131.6)	273.1	389.9	513.7	482.7	388.9	70.1	185.8	172.9
From ICI	2,233.1	617.8	387.2	344.1	330.6	252.9	238.8	214.5	146.4	65.5
	2,073.1	486.2	660.3	734.0	844.3	735.6	627.7	284.6	332.2	238.4

⁽¹⁾ EBIT, a non-IFRS financial measure, is defined as earnings before net financial expenses and income taxes. EBITDA, a non-IFRS financial measure, is defined as earnings before net financial expenses, income taxes, depreciation and amortization. Under Canadian GAAP, net income was adjusted to add back non-controlling interests.

⁽²⁾ Excluding other components of equity.

Note: The figures for 2009 and prior periods have been prepared in accordance with Canadian GAAP, and have not been restated as they relate to periods prior to the Date of Transition to International Financial Reporting Standards ("IFRS"). The net income for periods prior to the Date of Transition does not include non-controlling interests, as they were presented outside shareholders' equity under Canadian GAAP. Certain totals, subtotals and percentages may not reconcile due to rounding.

Ten-Year Statistical Summary (continued)

YEAR ENDED DECEMBER 31 (IN MILLIONS CAS, UNLESS OTHERWISE INDICATED)	IFRS					CANADIAN GAAP				
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Supplementary Information:										
Net income attributable to SNC-Lavalin shareholders from E&C	(300.5)	(245.8)	149.0	246.2	340.6	322.5	275.3	128.1	142.9	126.1
Net income (loss) attributable to SNC-Lavalin shareholders from ICI										
From Highway 407	122.5	114.1	100.6	77.2	50.3	9.8	20.0	10.1	8.1	(4.7)
From AltaLink	175.6	91.8	54.4	33.8	22.9	20.7	11.4	11.2	7.8	6.8
From other ICI	1,335.9	75.7	1.8	20.2	61.7	6.4	5.8	2.1	(1.0)	(0.7)
Net income attributable to SNC-Lavalin shareholders	1,333.3	35.8	305.9	377.4	475.5	359.4	312.5	151.4	157.8	127.5
Earnings per share (\$)										
Basic	8.76	0.24	2.03	2.50	3.15	2.38	2.07	1.00	1.05	0.84
Diluted	8.74	0.24	2.02	2.48	3.12	2.36	2.05	0.99	1.03	0.83
Weighted average number of outstanding shares (in thousands)										
Basic	152,218	151,497	151,058	150,897	151,020	151,042	150,925	151,172	151,034	151,499
Diluted	152,605	151,814	151,304	151,940	152,277	151,992	152,265	152,697	152,685	153,143
Annual dividends declared per share (\$)	0.97	0.93	0.89	0.85	0.72	0.62	0.51	0.39	0.30	0.23

AT DECEMBER 31 (IN MILLIONS CAS, UNLESS OTHERWISE INDICATED)	IFRS					CANADIAN GAAP				
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Number of employees	42,003	29,714	33,909	28,100	23,923	21,948	21,260	18,691	13,297	11,187
Revenue backlog by activity										
Services	4,684.0	1,629.6	2,151.3	2,226.1	1,410.7	1,464.9	1,545.3	1,556.5	819.8	604.2
Packages	5,693.5	4,429.7	5,747.7	5,482.8	5,572.4	4,197.5	3,508.0	4,457.0	6,082.6	4,308.1
Operations and Maintenance	1,947.9	2,228.5	2,234.4	2,379.1	2,732.8	2,596.1	2,196.2	2,513.9	1,570.2	2,112.4
	12,325.5	8,287.8	10,133.4	10,088.0	9,715.9	8,258.5	7,249.5	8,527.4	8,472.6	7,024.7
Cash and cash equivalents	1,702.2	1,108.7	1,174.9	1,231.0	1,235.1	1,218.2	988.2	1,088.6	1,106.3	1,153.5
Working capital	(144.2)	(527.0)	(267.9)	32.0	679.9	544.1	276.4	270.2	300.3	411.4
Property and equipment										
From E&C	246.1	180.4	193.1	159.9	115.2	114.0	123.4	112.0	94.3	81.0
From ICI	–	5,132.0	3,470.0	2,637.7	2,072.8	2,217.0	1,750.7	1,640.7	1,439.3	452.5
	246.1	5,312.4	3,663.1	2,797.6	2,188.0	2,331.0	1,874.1	1,752.7	1,533.6	533.5
Recourse long-term debt	348.9	348.7	348.5	348.4	348.2	452.9	104.7	104.6	104.5	104.4
Non-recourse long-term debt										
From E&C	–	–	–	–	–	–	–	–	26.2	28.2
From ICI	530.7	3,536.9	2,000.7	1,561.4	1,529.0	2,005.5	2,003.3	1,971.0	1,650.5	785.9
	530.7	3,536.9	2,000.7	1,561.4	1,529.0	2,005.5	2,003.3	1,971.0	1,676.7	814.1
Equity attributable to SNC-Lavalin shareholders	3,305.6	2,036.7	2,075.4	1,883.1	1,816.8	1,434.7	1,089.2	922.4	901.9	786.2
Book value per share (\$)	21.68	13.42	13.74	12.47	12.03	9.50	7.21	6.11	5.97	5.20
Number of outstanding common shares (in thousands)	152,465	151,807	151,069	151,034	151,034	151,033	151,033	151,038	151,032	151,282
Closing market price per share (\$)	44.31	47.79	40.32	51.08	59.77	53.99	39.69	48.14	31.47	25.43
Market capitalization	6,755.7	7,254.8	6,091.1	7,714.8	9,027.3	8,154.3	5,994.5	7,271.0	4,753.0	3,847.6

Information for Shareholders

COMMON SHARE INFORMATION

LISTED: **Toronto Stock Exchange**
 SYMBOL: **SNC**
 SHARES OUTSTANDING: **152.5 million (December 31, 2014)**
 MARKET CAPITALIZATION: **\$6,756 million (December 31, 2014)**

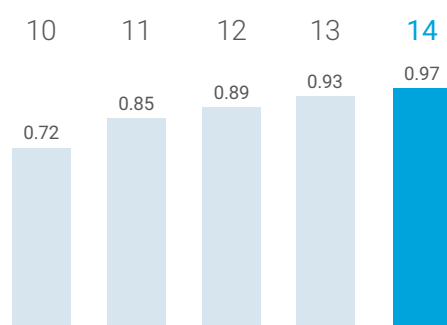
TRADING ACTIVITY AND MARKET CAPITALIZATION

	VOLUME (M)	HIGH (\$)	LOW (\$)	CLOSE (\$)	MARKET CAPITALIZATION AT DEC. 31 (M\$)
2014	166.3	59.63	38.70	44.31	6,756
2013	168.0	49.85	39.47	47.79	7,255
2012	222.7	55.95	34.36	40.32	6,091
2011	122.8	63.23	38.51	51.08	7,715
2010	98.7	60.00	41.59	59.77	9,027

DIVIDENDS

Dividends Declared for the Last Five Years

(IN CA\$)

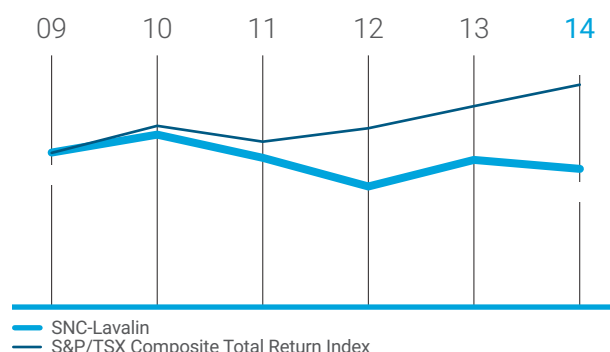


PERFORMANCE GRAPH

The following performance graph illustrates the five-year cumulative total return assuming \$100 was invested on December 31, 2009, in common shares of SNC-Lavalin and in the S&P/TSX Composite Total Return Index.

Five-Year Cumulative Total Return on \$100 Invested

(ASSUMES DIVIDENDS ARE REINVESTED)



DEBT INSTRUMENT

\$350 million principal amount of debentures, 6.19%, due July 2019.

CREDIT RATINGS

RATING AGENCY	RATING AND OUTLOOK
Standard & Poor's Ratings Services	BBB / negative
DBRS	BBB / stable

ANNUAL MEETING

The Annual Shareholders' Meeting will be held at 11:00 a.m. Eastern Daylight Time on Thursday, May 7, 2015, at Théâtre St-James, 265 St-Jacques West, Montreal, Quebec.

KEY DATES FOR 2015

	EARNINGS ANNOUNCEMENT	DIVIDEND RECORD	DIVIDEND PAYMENT
Q1	May 7	May 21	June 4
Q2	August 6	August 20	September 3
Q3	November 5	November 19	December 3

Note: Dividends are subject to approval by the Board of Directors. These dates may change without prior notice.

REGISTRAR AND TRANSFER AGENT

If you would like to modify your address, eliminate multiple mailings, transfer SNC-Lavalin shares, or for other information on your shareholder account such as dividends and registration, please contact:

Computershare Investor Services Inc.
 100 University Ave., 8th Floor, North Tower, Toronto ON, M5J 2Y1
 Telephone: 1-800-564-6253
 Website: www.investorcentre.com

INDEPENDENT AUDITOR

Deloitte LLP
 Montreal QC

INVESTOR RELATIONS

Denis Jasmin, Vice-President, Investor Relations
denis.jasmin@snclavalin.com
 514-393-1000

CORPORATE GOVERNANCE

Our website provides information on our corporate governance practices, including our Code of Ethics and Business Conduct, and the mandates for the Board of Directors and the Board committees as well as various position descriptions.
<http://www.snclavalin.com/en/code-of-ethics>

CODE OF ETHICS AND BUSINESS CONDUCT

Our Code of Ethics and Business Conduct seeks to promote integrity and transparency in the conduct of our business and in our relations with our colleagues, directors, shareholders and business partners, including customers, associates and suppliers. To learn more, go to www.snclavalin.com/en/ethics-compliance.

PROXY CIRCULAR

The proxy circular contains information about our directors, Board committee reports and further details of our corporate governance practices. This document is available online at www.snclavalin.com.

HAVE YOUR SAY

If you would like to ask a question at our annual meeting of shareholders, you can submit it in person. You can also send your question in by writing to the Vice-President and Corporate Secretary at:

Vice-President and Corporate Secretary
455 René-Lévesque Blvd. West, Montreal QC, H2Z 1Z3, Canada

HEAD OFFICE

SNC-Lavalin Group Inc.
455 René-Lévesque Blvd West, Montreal QC, H2Z 1Z3, Canada

WWW.SNCLAVALIN.COM

We invite you to visit our website at www.snclavalin.com to learn more about SNC-Lavalin, our governance practices, our continuous disclosure materials and to obtain electronic copies of this and other reports.

ADDITIONAL COPIES

To order additional copies of this report, or to order the 2014 Financial Report in English or French, please visit the Investors section at www.snclavalin.com.

EXEMPLAIRES EN FRANÇAIS

Pour télécharger la version française de ce rapport ou en demander un exemplaire, veuillez consulter la section Investisseurs au www.snclavalin.com.

REFERENCES TO "COMPANY" OR "SNC-LAVALIN"

Reference in this Annual Report to the "Company" or to "SNC-Lavalin" means, as the context may require, SNC-Lavalin Group Inc. and all or some of its subsidiaries or joint arrangements, or SNC-Lavalin Group Inc. or one or more of its subsidiaries or joint arrangements.

OTHER REFERENCES

On June 23, 2014, in line with its strategy, the Company announced that it has reached an agreement with Kentz Corporation Limited ("Kentz"), approved by the board of directors of both companies, on terms of a cash acquisition by which the entire ordinary share capital of Kentz, issued and to be issued, was to be acquired by SNC-Lavalin (the "Acquisition") for a consideration estimated at approximately £ 1.2 billion (CA\$2.1 billion). Kentz is a global oil & gas services company.

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TREES SAVED

(enough to cover 1 tennis court)

899 kg

REDUCTION IN SOLID WASTE

(or 18 waste containers)

73,318 L

OF WATER SAVED

(or 209 days of water
consumption)



4 kg NO_x

REDUCTION IN ATMOSPHERIC EMISSIONS

(or the emissions of one
truck over 12 days)

2,948 kg CO₂

REDUCTION IN ATMOSPHERIC EMISSIONS

(or 19,721 km driven)

18 GJ

NET ENERGY SAVED

(or 81,478 60W light bulbs
burning for one hour)

SNCLAVALIN.COM

ABOUT THE PRODUCTION OF OUR ANNUAL REPORT

We recognize the importance of contributing to the protection of the environment by using paper that comes from well-managed forests or other controlled sources, certified in accordance with the international standards of the Forest Stewardship Council.

This Annual Report is printed on paper certified by Environmental Choice (EcoLogo) with 100% post-consumption recycled fibres, de-inked without chlorine and made using biogas energy.

Using recycled paper for our Annual Report rather than virgin-fibre paper helps protect the environment in a number of ways.

We invite you to visit our website at www.snclavalin.com for a list of our offices and to learn more about SNC-Lavalin.

Impacts are calculated by comparing Cascades' Rolland Enviro100 paper, which is made from FSC-certified 100% post-consumer fibre, with a baseline "uncoated freesheet" paper containing no recycled material. Environmental gain estimates were made using the Rolland Entreprises Environmental Calculator.

www.papercalculator.org



SNC • LAVALIN

HEAD OFFICE

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