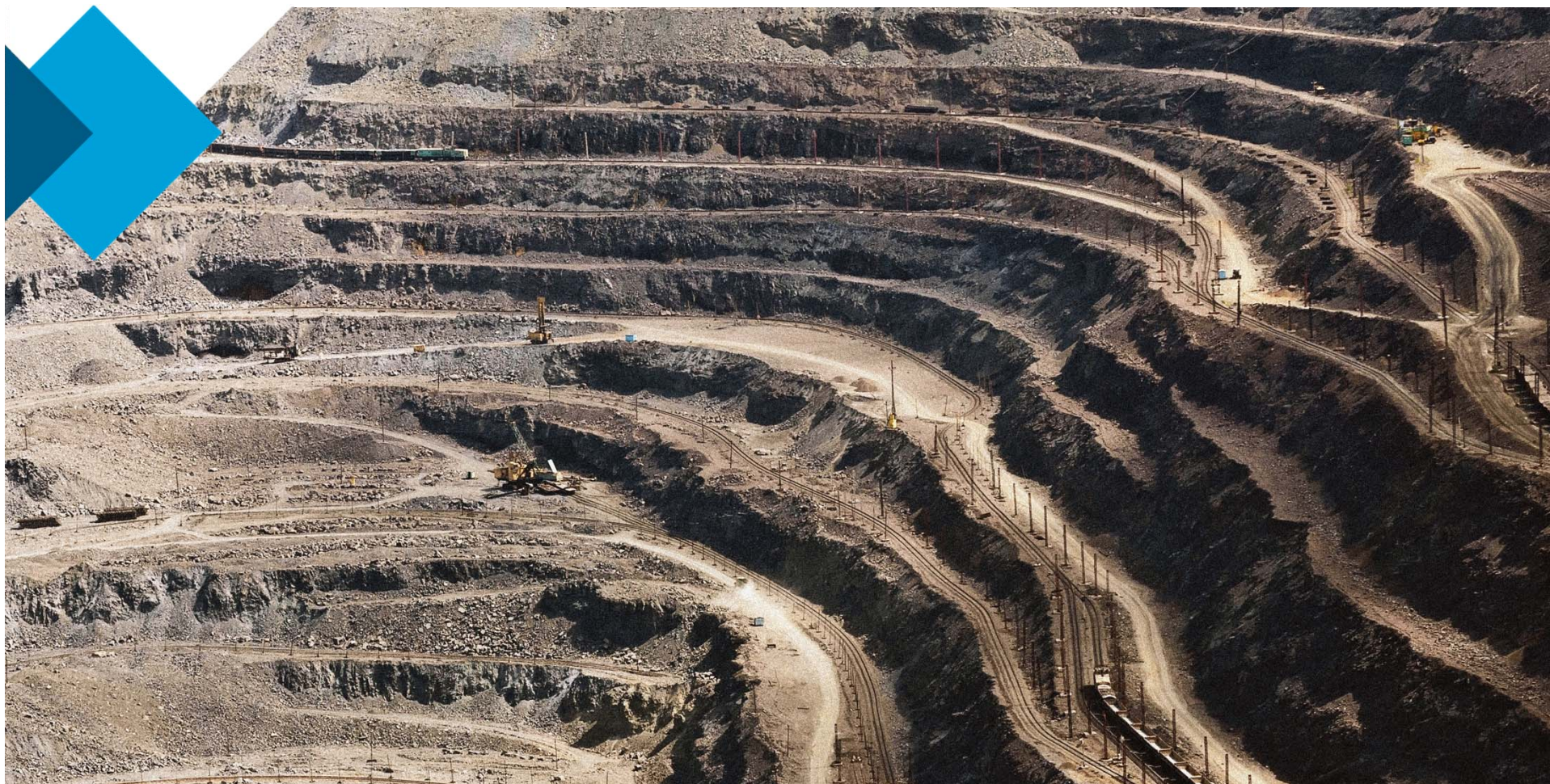




Second Quarter 2017

Conference Call Presentation
August 3rd, 2017





Agenda

Forward-looking statements

- › Denis Jasmin, Vice-President, Investor Relations

CEO remarks

- › Neil Bruce, President and Chief Executive Officer

Financial overview

- › Sylvain Girard, Executive Vice-President and Chief Financial Officer

Q&A

Forward-looking statements

Reference in this presentation, and hereafter, 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.

Statements made in this presentation 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. 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 presentation are based on a number of assumptions believed by the Company to be reasonable as at the date hereof. The assumptions are set out throughout the Company’s 2016 Management Discussion and Analysis (MD&A), and as updated in the first and second quarter 2017 MD&A and the Company’s prospectus dated April 24, 2017. The 2017 outlook also assumes that the federal charges laid against the Company and its indirect subsidiaries SNC-Lavalin International Inc. and SNC-Lavalin Construction Inc. on February 19, 2015, will not have a significant adverse impact on the Company’s business in 2017. 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 risk factors are set out in the Company’s 2016 MD&A and as updated in the first and second quarter 2017 MD&A and the Company’s prospectus dated April 24, 2017.

The 2017 outlook referred to in this presentation is forward-looking information and is based on the methodology described in the Company’s 2016 MD&A under the heading “How We Budget and Forecast Our Results” and is subject to the risks and uncertainties described in the Company’s public disclosure documents. The purpose of the 2017 outlook is to provide the reader with an indication of management’s expectations, at the date of this presentation, regarding the Company’s future financial performance and readers are cautioned that this information may not be appropriate for other purposes.

Q2 2017 results

- › **Q2 2017 IFRS net income** attributable to SNC-Lavalin shareholders of \$136.4M, or \$0.91 EPS
 - › Includes a net gain on disposal of the head office building of \$101.5M, or \$0.67 per diluted share

- › **Q2 2017 adjusted net income from E&C** of \$64.2M, or \$0.43 per diluted share
 - › Lower Segment EBIT, partially offset by an income taxes benefit and a decrease in corporate SG&A expenses
 - › Power and Infrastructure delivered higher Segment EBIT than Q2 2016, while the Oil & Gas and mining & Metallurgy segment EBIT was lower

- › **SG&A expenses** decreased by 7.9% compared to Q2 2016
 - › G&A expenses decreased by \$18.6M, or 12.3%, while Selling expenses increased by \$2.8M

- › **Revenue backlog** of \$9.6B at June 30, 2017
 - › Q2 bookings of \$1.4B.
 - › June revenue backlog does not include Atkins revenue backlog. Management is currently evaluating and reviewing its backlog reporting policy.

- › **Cash and cash equivalents** of \$0.7B at June 30, 2017, compared to \$0.8 billion at the end of March 2017

- › **Revised 2017 Outlook** – Adjusted diluted EPS from E&C in the range of \$2.00 and \$2.20
 - › Includes six months of Atkins operations and related financing.
 - › Based on a WANOS of ~ 163M

Oil & Gas

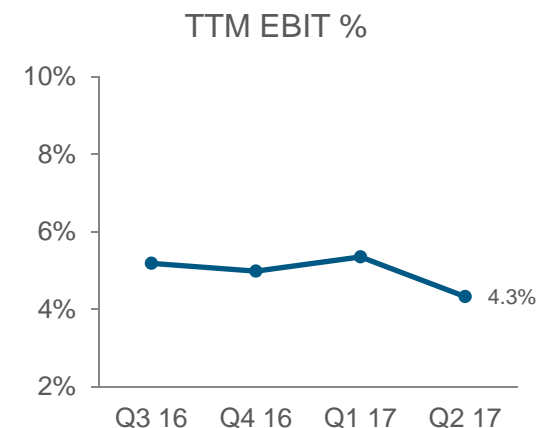
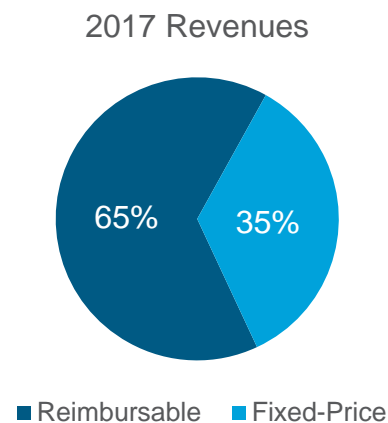
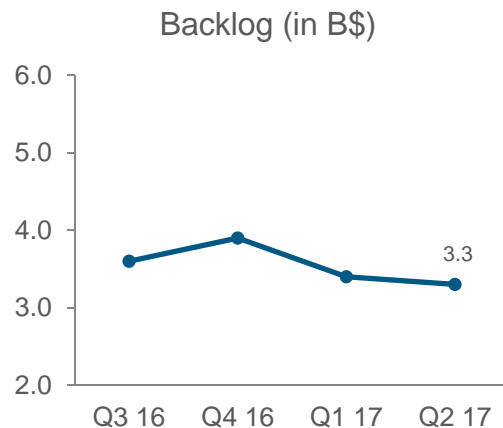
~\$4B revenue
business with
~21,500
employees

Backlog in line with Q1 2017, recently awarded :

- Structural, mechanical electrical, instrumentation and piping construction services for a new facility in South Africa
- FEED conversion to EPC contract for a crude oil refinery in Guinea

YTD 2017 awards of ~ \$1.0B

EBIT % to return to a more normal run rate in Q3



Mining & Metallurgy

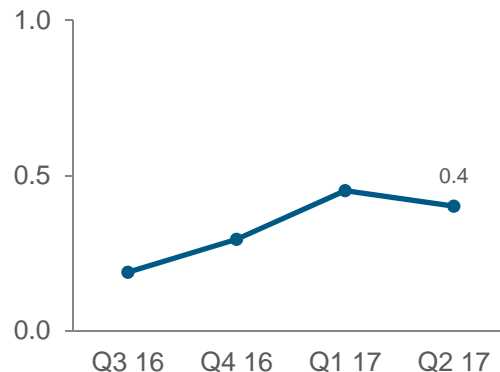
~\$500M revenue
business with
~1,000
employees

Backlog more than doubled, compared to Q3 2016

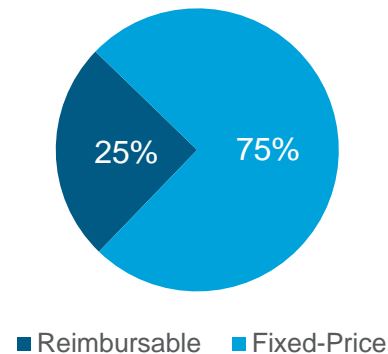
- Should continue to increase in second half of the year
- Recently received a notice to proceed for a large ammonia EPC project in Oman

Revenue to increase in second half of the year, as we are ramping-up on recently awarded projects

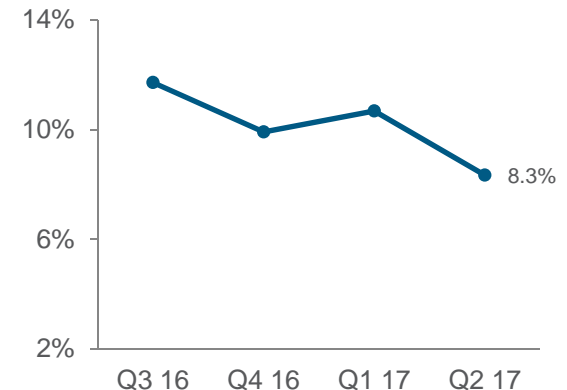
Backlog (in B\$)



2017 Revenues



TTM EBIT %



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Power

~\$1.5B revenue
business with
~3,500
employees

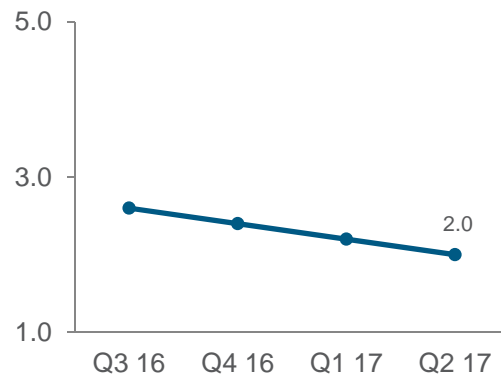
Improved EBIT margins

- Q2 2017 EBIT of 11.8% vs Q2 2016 EBIT of 6.9%

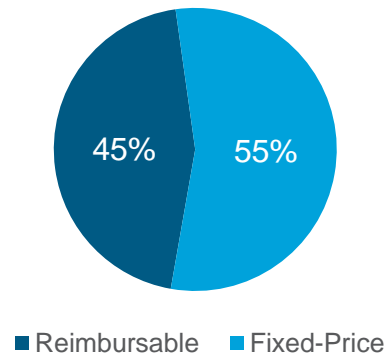
Change in revenue mix; more Nuclear, less Thermal Power and Transmission & Distribution

Revenue synergies with Atkins to be developed

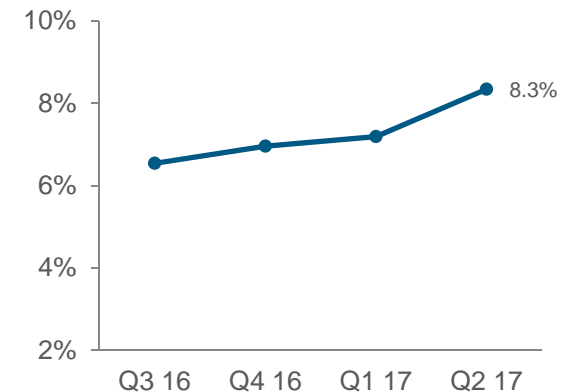
Backlog (in B\$)



2017 Revenues



TTM EBIT %



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Infrastructure

~\$2.5B revenue
business with
~6,500
employees

Improved EBIT margin

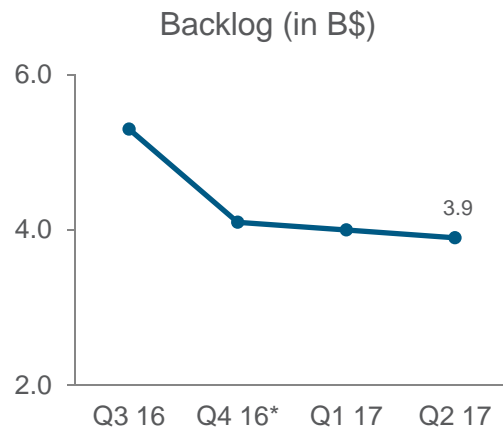
- Q2 2017 EBIT of 5.2% vs Q2 2016 EBIT of 4.6%

Sustainable backlog

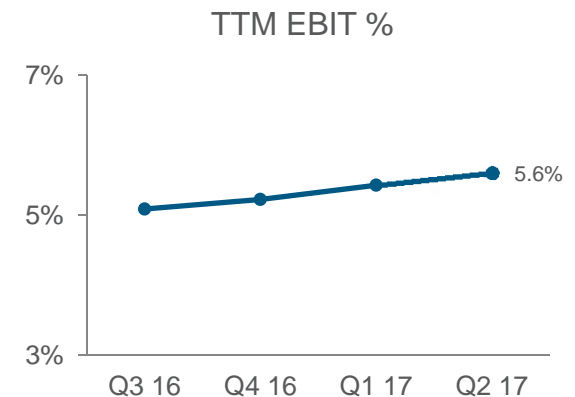
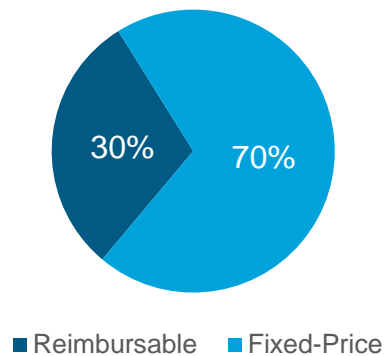
Recently awarded:

- Fixed-price variation agreement worth \$349M awarded to Rideau Transit Group Partnership, which SNC-Lavalin is part of

Revenue synergies with Atkins to be developed



Q2 2017 Revenues




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*Following the completion of the sale of its non-core Real Estate Facilities Management business in Canada and its local French operations in December 2016, the Company has removed \$903M from its December 31, 2016 backlog.

Capital

Portfolio of
value creating
assets

New infrastructure vehicle created – SNC-Lavalin Infrastructure Partners LP

- 5 North American mature assets, with a NBV of ~134M³, will be transferred into it
- SNC-Lavalin to sell 80% of the Partnership to BBGI
 - Representing a fair value of \$254M⁴ or **1.9x NBV**
- SNC-Lavalin will retain the long-term management of the assets
- SNC-Lavalin will act as General Partner and as the Manager of the Partnership

407 ETR continues to deliver very good results (see appendix), Q2 2017 vs Q2 2016:

- Revenues up 13.8%
- VKT up 3.2%
- Quarterly dividend to SNC-Lavalin increased from \$34.8M to \$36M in July 2017

\$4.5B+

Inv. FMV² per analysts

\$253M

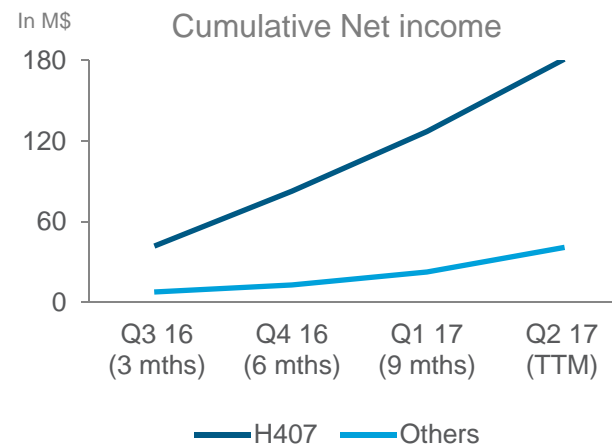
Inv. NBV¹

¹ Net Book Value as at June 30, 2017, excl. the above mentioned 5 assets

² Average Fair Market Value as per analysts calculations, as at August 2, 2017

³ NBV as at June 30, 2017 and at 100% = \$82M + MIHG adjustment of \$21M + OCI of \$31M

⁴ At 100%. \$185M / 80% = \$231M + MIHG adjustment of \$23M

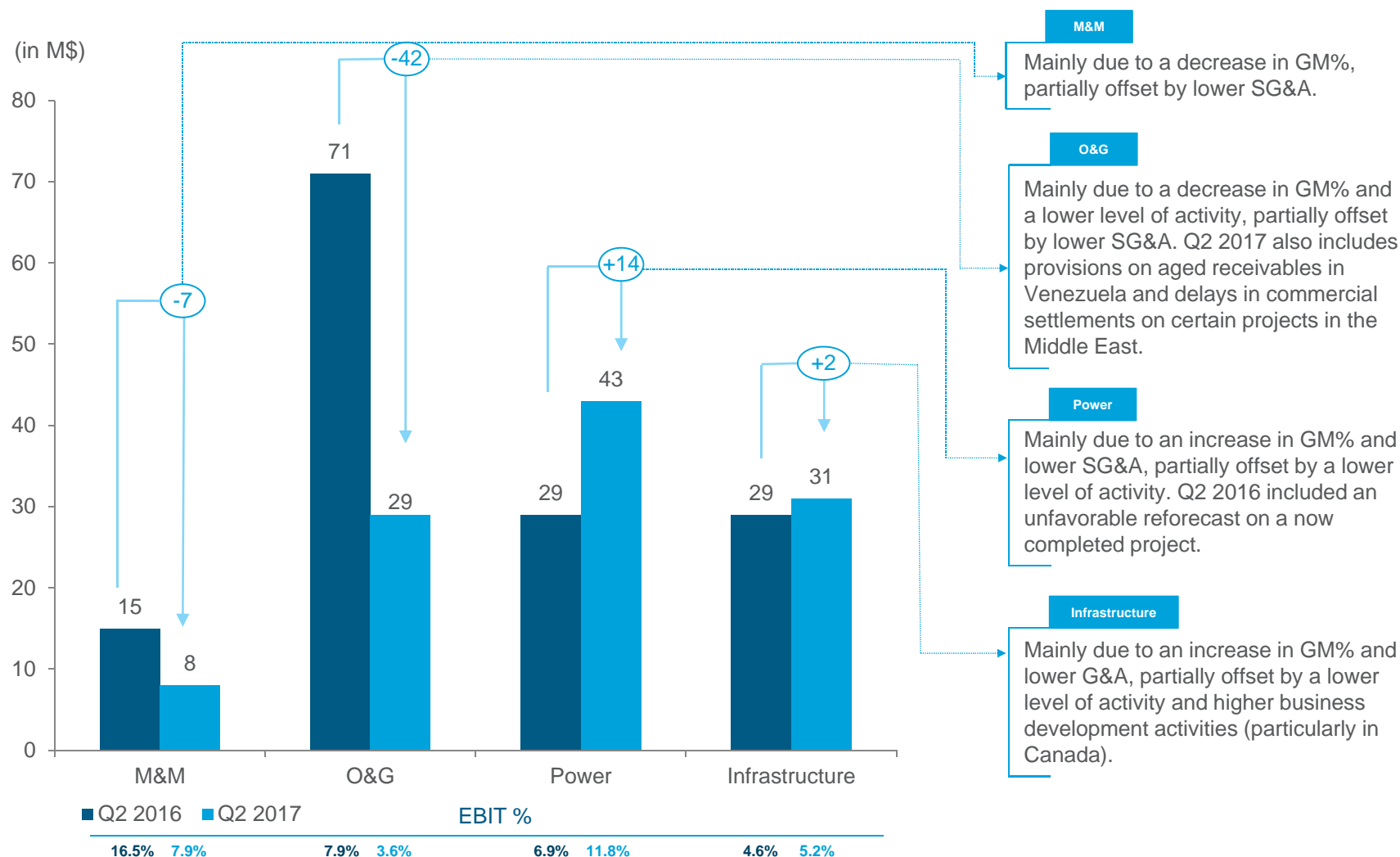


Q2 Financial performance summary

	E&C		Capital		Total	
	Q2 2017	Q2 2016	Q2 2017	Q2 2016	Q2 2017	Q2 2016
Revenues	1,868	2,045	67	58	1,935	2,103
SG&A	169	191	16	10	185	201
EBITDA, adjusted	87	118	48	43	135	161
Adjusted EBITDA margin	4.6%	5.8%	n/a	n/a	7.0%	7.6%
Net income, as reported	87	53	49	36	136	89
Net income, adjusted	64	71	44	36	108	107
EPS, as reported (\$)	0.58	0.35	0.33	0.24	0.91	0.59
EPS, adjusted (\$)	0.43	0.48	0.29	0.24	0.72	0.72
Cash and cash equivalent					737	1,065
Revenue backlog					9,576	12,544

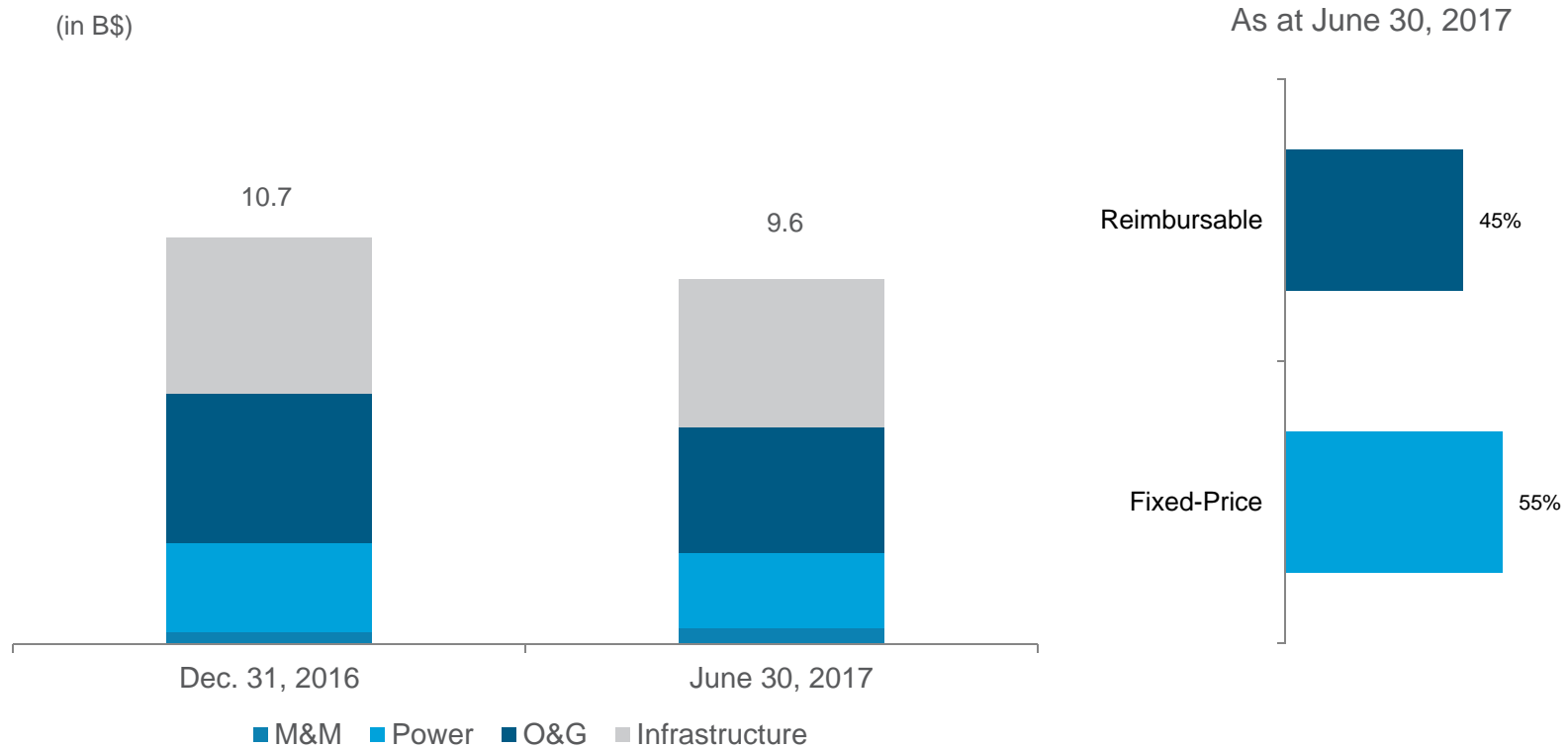
In M\$, unless otherwise indicated

E&C segment EBIT – Q2 2017 vs Q2 2016



A sustainable and diversified backlog

Strong Backlog
June 2017
\$9.6B

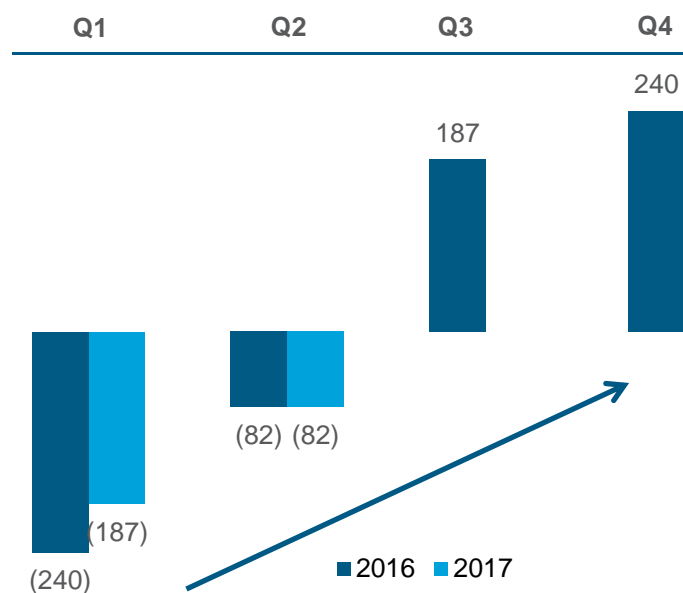


Does not yet include Atkins revenue backlog



2017 Operating Cash Flow

(in M\$)



Cash flow from operations:

- › Higher working capital usage
- › Lower EBIT from E&C segments

Partially offset by:

- › Decrease in cash tax paid

Cash Balance as December 31, 2016	1,055
Cash flow from operations	(269)
Proceeds from disposal of the head office building	173
Net costs associated to a foreign exchange hedge	(49)
Capital expenditures	(53)
Net increase in receivables from long-term concession arrangements	(42)
Dividends to SNC Shareholders	(82)
Other	49
Cash Balance as June 30, 2017	782
Cash classified under asset held for sale	(45)
Cash Balance as June 30, 2017, disclosed on statement of Financial Position	737

Outlook Update

- › Revising 2017 outlook
 - › Includes six months of the recently acquired Atkins operations and related financing.
 - › Based on a WANOS of ~163M.
 - › We continue to anticipate increased Segment EBIT for all segments, except for Mining & Metallurgy.
 - › Atkins will be reported as a fifth E&C segment for the balance of the year.



Outlook


2017 Adjusted diluted
EPS from E&C

\$2.00 – \$2.20

(\$0.36 in 2014, \$1.34 in 2015 and \$1.51 in 2016)



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Questions & Answers



Appendix

Capital investments portfolio

Name	Description	Held Since	Concession Years	Location	Equity Participation
Highways, Bridges & Rail					
1. Highway 407 (407 ETR)	108 km electronic toll road	1999	99	Canada (Ontario)	16.8%
2. InTransit BC*	Rapid transit line	2005	35	Canada (B.C.)	33.3%
3. Okanagan Lake*	Floating bridge	2005	30	Canada (B.C.)	100%
4. TC Dôme**	5.3 km electric cog railway	2008	35	France	51%
5. Chinook*	25 km six-lane road	2010	33	Canada (Alberta)	50%
6. 407 EDGPP	35.3 km H407 East extension (Phase 1)	2012	33	Canada (Ontario)	50%
7. Highway Concessions One PL	Roads	2012	Indefinitely	India	10%
8. Rideau	Light rail transit system	2013	30	Canada (Ontario)	40%
9. Eglinton Crosstown	19 km light rail line	2015	36	Canada (Ontario)	25%
10. SSL	New Champlain bridge corridor	2015	34	Canada (Quebec)	50%
Power					
11. SKH	1,227 MW gas-fired power plant	2006	Indefinitely	Algeria	26%
12. Astoria II	550 MW gas-fired power plant	2008	Indefinitely	USA (NY)	6.2%
13. InPower BC	John Hart 126 MW generating station	2014	19	Canada (B.C.)	100%
Health Centres					
14. MIHG*	McGill University Health Centre	2010	34	Canada (Quebec)	50%
15. Rainbow*	Restigouche Hospital Centre	2011	33	Canada (N.B.)	100%
Others					
16. Myah Tipaza	Seawater desalination plant	2008	Indefinitely	Algeria	25.5%

NBV¹ = \$253M²

FMV³ = \$4.5B+

* Assets to be transferred into SNC-Lavalin Infrastructure Partners LP ("Partnership") **To be sold
 1 Net Book Value as at June 30, 2017 2 Excludes the assets to be transferred in the Partnership or to be sold
 3 Average Fair Market Value as per analysts calculations, as at August 2, 2017

407 ETR information – Q2

(in M\$, unless otherwise indicated)	Q2 2017	Q2 2016	Change
Revenues	331.0	290.8	13.8%
Operating expenses	39.8	33.4	(19.2)%
EBITDA as a percentage of revenues	88.0%	88.5%	(0.5)%
Traffic / Trips (in millions)	32.6	32.5	0.0%
Vehicle kilometers travelled "VKT" (in millions)	699.8	677.9	3.2%
Dividends paid to SNC-Lavalin	34.8	31.5	10.5%

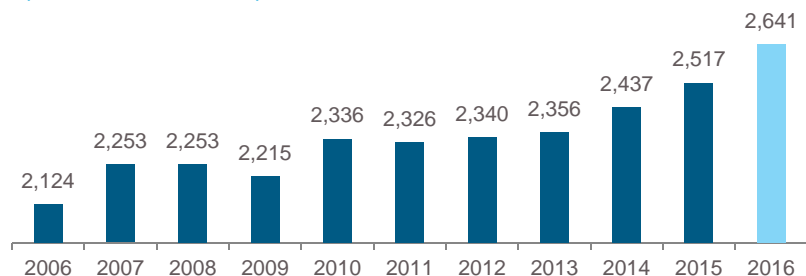
13.8% increase in revenues

Dividends to SNC-Lavalin to increase to \$36M in Q3 2017

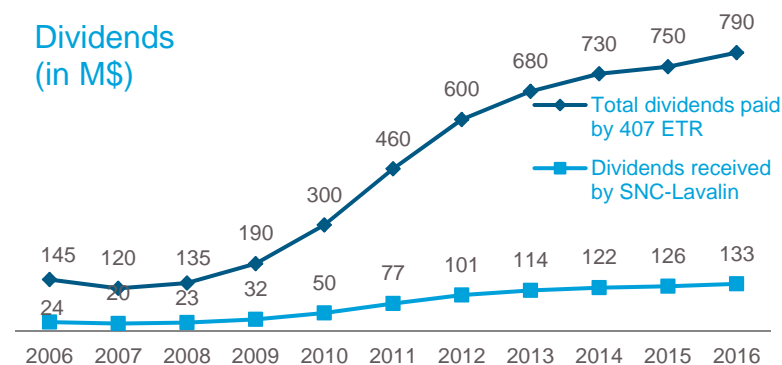
407 ETR

Consistent growth and low cost of financing

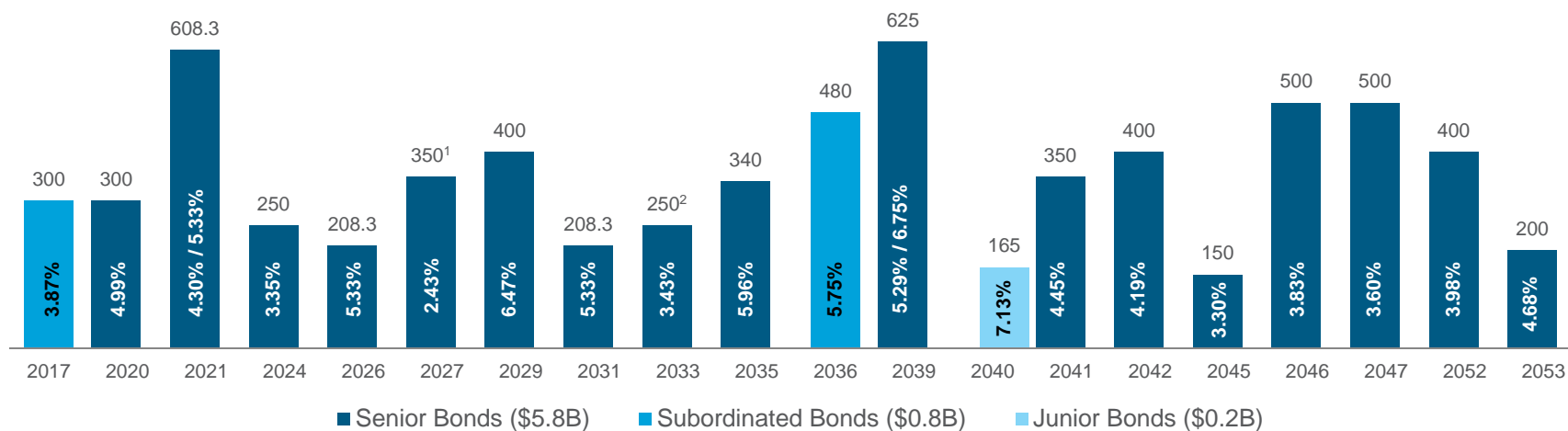
Gross Vehicle Kilometres Travelled
(in millions – KM)



Dividends
(in M\$)



Bond Maturity Profile
(in M\$)



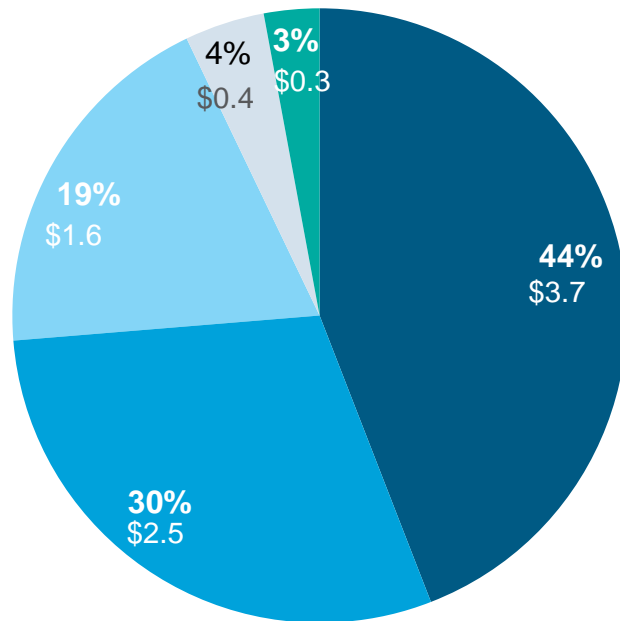
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¹Issued in November 2016

²Issued in March 2017

Diversity of revenue base – by segment

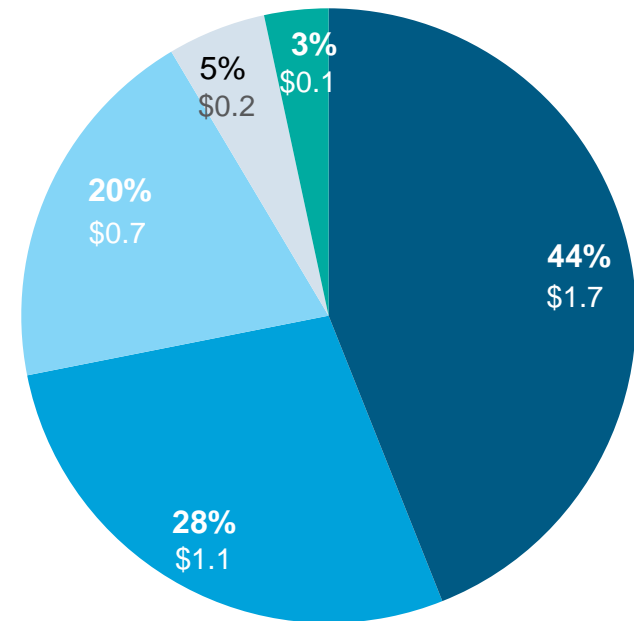
(in B\$)
2016
(12 months)



2016 Revenues
\$8.5 billion

2017
(6 months)

■ O&G
■ Infrastructure
■ Power
■ M&M
■ Capital



YTD 2017 Revenues
\$3.8 billion

Solid financial position

(in M\$)	June 30 2017	December 31 2016
Assets		
Cash and cash equivalent	737	1,055
Restricted funds	1,265	-
Other current assets	3,556	3,135
Property and equipment	291	298
Capital investments accounted for by the equity or cost methods	318	448
Goodwill	3,239	3,268
Intangible assets related to Kentz acquisition	163	194
Other non-current assets and deferred income tax asset	753	900
	10,322	9,298
Liabilities and Equity		
Liabilities for subscription receipts	1,282	-
Other current liabilities	3,854	3,962
Long-term debt – recourse	349	349
Long-term debt – non-recourse from Capital investments	292	473
Other non-current liabilities and deferred income tax liability	509	618
	6,286	5,402
Equity attributable to SNC-Lavalin shareholders	4,010	3,873
Non-controlling interests	26	23
	10,322	9,298
Recourse debt-to-capital ratio	9:91	9:91



Net income reconciliation – Q2

(in M\$, except per share amount)

	Net Income, as reported	Net charges related to the restructuring & right-sizing plan and other	Acquisition		Net gain on disposals of E&C business, incl. head office building, and Capital Investment	Net income, adjusted
			Acquisition- related costs and integration costs	Amortization of intangible assets related to Kentz		
Second Quarter 2017						
In M\$						
Capital	49.0	-	-	-	(5.4)	43.6
Per Diluted share (\$)						
Capital	0.33	-	-	-	(0.04)	0.29
Second Quarter 2016						
In M\$						
Capital	35.6	-	-	-	-	35.6
Per Diluted share (\$)						
E&C	0.35	0.03	0.01	0.09	-	0.48
Capital	0.24	-	-	-	-	0.24
	0.59	0.03	0.01	0.09	-	0.72

¹This amount includes \$4.0 million (\$5.0 million after taxes) of net charges which did not meet the restructuring costs definition in accordance with IFRS.

²This amount includes \$4.3 million (\$2.0 million after taxes) of net charges which did not meet the restructuring costs definition in accordance with IFRS.

Net income reconciliation – YTD

(in M\$, except per share amount)

	Net Income, as reported	Net charges related to the restructuring & right-sizing plan and other	Acquisition		Net gain on disposals of E&C business, incl. head office building, and Capital Investment	Net income, adjusted
			Acquisition- related costs and integration costs	Amortization of intangible assets related to Kentz		
Six Months Ended June 30, 2017						
In M\$						
Capital	93.4	-	-	-	(5.4)	88.0
Per Diluted share (\$)						
Capital	0.62	-	-	-	(0.04)	0.59
Six Months Ended June 30, 2016						
In M\$						
Capital	126.5	-	-	-	(51.1)	75.4
Per Diluted share (\$)						
E&C	0.56	0.09	0.02	0.19	-	0.86
Capital	0.84	-	-	-	(0.34)	0.50
	1.40	0.09	0.02	0.19	(0.34)	1.36

¹This amount includes \$4.0 million (\$5.0 million after taxes) of net charges which did not meet the restructuring costs definition in accordance with IFRS.

²This amount includes \$4.3 million (\$2.0 million after taxes) of net charges which did not meet the restructuring costs definition in accordance with IFRS.