

> First quarter 2009



Conference call notes

May 7, 2009



✓ **Forward-looking Statements**

- Denis Jasmin,
Vice-President, Investor Relations

✓ **Highlights and Outlook**

- Pierre Duhaime,
President and Chief Executive Officer

✓ **Financial Review**

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

Forward-looking statements

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

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

Highlights (cont'd)

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

Worldwide Opportunities

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

Financial Review

Gilles Laramée,
Executive Vice-President and Chief Financial Officer

Consolidated income statement

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(in millions of \$)

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

Revenues and operating income (loss) by segment

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(in millions of \$)

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

Balance sheet

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(in millions of \$)

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

Revenue backlog

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(in millions of \$)

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

Services and Packages Revenues backlog by segment

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(in millions of \$)

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

✓ If you have further questions, please contact:

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✓ Replay of conference call:

Investor Relations section of website:

www.snclavalin.com