

> Third quarter 2009



Conference call notes

Nov. 6, 2009



✓ **Forward-looking Statements**

- Denis Jasmin,
Vice-President, Investor Relations

✓ **Highlights and Outlook**

- Pierre Duhaime,
President and Chief Executive Officer

✓ **Financial Review**

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

Forward-looking statements

3

- ✓ Unless otherwise specified, all dollar amounts are expressed in Canadian dollars.
- ✓ Statements made in this presentation 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 2008 Annual Report under "Management's Discussion and Analysis". 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 presentation 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 ventures, or SNC-Lavalin Group Inc. or one or more of its subsidiaries or joint ventures.

Bodes well for 2010

4

- ✓ Total backlog = \$10.2 billion at September 30, 2009, compared to \$9.6 billion at December 31, 2008
 - Services revenue backlog remained in line at \$1.6 billion
 - Packages revenue backlog remained in line at \$3.5 billion
 - O&M revenue backlog increased to \$2.6 billion from \$2.2 billion
 - ICI revenue backlog increased to \$2.5 billion from \$2.3 billion
- ✓ Encouraging list of prospects
 - Pursuing large capital projects in Canada and in key markets internationally

Strong financial position

5

- ✓ Cash and cash equivalents = \$1.2 billion at September 30, 2009, compared to \$988.2 million at December 31, 2008
 - Proceeds for the issuance of \$350 million of 10-year unsecured debentures in July 2009
 - Cash generated from operations
 - Partially offset by cash used for investing activities
- ✓ Solid balance sheet provides us the flexibility to:
 - Bid on large projects
 - Make acquisitions
 - Invest in concessions
- ✓ We are considering selling certain non-strategic concessions

Net income growth

6

- ✓ Net income for the third quarter 2009 increased to \$103.1 million from \$91.3 million for the third quarter 2008
- ✓ Net income for the nine-month period ended September 30, 2009 increased by 9.7% to \$260.7 million mainly due to:
 - Explanations by activity:
 - Increase in Packages gross margin-to-revenue ratio
 - Partially offset by
 - Anticipated lower level of Packages activities
 - Higher level of selling, general and administrative expenses
 - Lower Services gross margin-to-revenue ratio
 - Explanations by segment:
 - Higher operating income in infrastructure & Environment and Power
 - Partially offset by a loss in Chemicals & Petroleum
(no additional loss recorded in Q3)

Worldwide Opportunities

7

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

1. Be recognized as a global leader in the following key sectors:
 - Mining & Metallurgy (light metals, base metals, iron ore)
 - Oil & Gas
 - Power (Hydro, Nuclear, Transmission & Distribution)
 - Transport (Airports, Mass Transit Systems, Ports)
2. Be recognized as a leader in infrastructure in local markets
3. Add well-established engineering bases in the following key geographic areas:
 - India, Middle East, South America, South East Asia
4. Continue to selectively invest in infrastructure concessions
5. Invest in risk management
6. Grow through quality work

Financial Review

Gilles Laramée,
Executive Vice-President and Chief Financial Officer

Consolidated income statement

10

(in millions of \$)

	Third Quarter		Nine months ended September 30	
	2009	2008	2009	2008
Revenues by activity:				
Services	535.7	548.7	1,664.3	1,593.4
Packages	472.5	791.4	1,614.8	2,451.0
Operations & Maintenance	311.9	249.6	962.6	855.4
Infrastructure Concession Investments	102.3	95.7	276.8	263.2
	1,422.4	1,685.4	4,518.5	5,163.0
Gross margin	306.0	259.5	834.6	746.0
Selling, general and administrative expenses	128.9	120.1	397.5	358.1
Interest (revenues) and capital taxes:				
From infrastructure concession investments	32.6	24.2	80.1	85.6
From other activities	7.2	(3.4)	8.7	(12.8)
Income before inc. taxes and non-contr. interest	137.3	118.6	348.3	315.1
Income taxes	32.8	25.7	82.2	73.0
Non-controlling interest	1.4	1.6	5.4	4.5
Net income	103.1	91.3	260.7	237.6

Revenues and operating income (loss) by segment

11

(in millions of \$)

	Nine Months Ended September 30			
	2009		2008	
	Revenues	Operating Income	Revenues	Operating Income (loss)
Services and Packages				
Infrastructure & Environment	1,183.2	183.1	1,197.1	68.8
Power	654.9	61.4	891.1	(0.4)
Chemicals & Petroleum	607.4	(14.1)	1,065.7	114.7
Mining & Metallurgy	596.3	67.7	614.4	74.9
Other Industries	237.3	28.1	276.1	30.4
Operations & Maintenance	962.6	21.0	855.4	10.5
Infrastructure Concession Investments	276.8	14.2	263.2	23.6
	4,518.5	361.4	5,163.0	322.5

Balance sheet

12

(in millions of \$)

	September 2009	December 2008
Assets		
Cash and cash equivalents	1,221.3	988.2
Other current assets	2,235.7	2,564.2
Property and equipment:		
From infrastructure concession investments	2,153.4	1,750.7
From other activities	112.0	123.4
Goodwill	515.7	496.1
Infrastructure Concessions Investments	443.8	343.4
Other long-term assets	541.7	505.5
	7,223.6	6,771.5
Liabilities		
Current liabilities	2,881.7	3,276.0
Long-term debt:		
Recourse	348.0	104.7
Non-recourse from infrastructure concession investments	2,106.4	2,003.3
Other long-term liabilities and non-controlling interest	544.3	298.3
Shareholders' equity	1,343.2	1,089.2
	7,223.6	6,771.5

Revenue backlog by activity

13

(in millions of \$)

	September 2009	June 2009	Dec. 2008
Services	1,570.2	1,612.1	1,545.3
Packages	3,495.2	3,809.9	3,508.0
Operations & Maintenance	2,587.0	2,004.9	2,196.2
AltaLink	1,839.7	1,792.4	1,685.2
Highway 407	592.5	584.0	558.4
Others	111.5	110.9	99.1
Infrastructure Concession Investments	2,543.7	2,487.3	2,342.7
Total Revenue Backlog	10,196.1	9,914.2	9,592.2

Services and Packages Revenues backlog by segment

14

(in millions of \$)

	At September 30		At December 31	
	2009		2008	
	Services	Packages	Services	Packages
Services and Packages				
Infrastructure & Environment	694.9	1,560.4	676.8	2,174.4
Power	263.4	318.8	194.7	546.0
Chemicals & Petroleum	183.0	1,476.1	179.5	647.9
Mining & Metallurgy	352.9	-	392.0	-
Other Industries	76.0	139.9	102.3	139.7
Total Services and Packages Backlog	1,570.2	3,495.2	1,545.3	3,508.0

✓ If you have further questions, please contact:

Denis Jasmin

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

E-mail: denis.jasmin@snclavalin.com

✓ Replay of conference call:

Investor Relations section of website:

www.snclavalin.com