



FOR IMMEDIATE RELEASE

SNC-Lavalin Reports Third Quarter Results for 2019

New strategic direction demonstrating results; SNCL Engineering Services delivers strong EBIT

MONTREAL: October 31, 2019 - SNC-Lavalin Group Inc. (TSX: SNC) today announces its results for the third quarter ended September 30, 2019. All currency references in this press release are in Canadian dollars except as otherwise indicated.

2019 Third Quarter Financial Highlights

(in thousands of dollars, unless otherwise indicated)	Third Quarter	
	2019	2018
Total revenue	2,432,163	2,562,990
Net income attributable to SNC-Lavalin shareholders	2,756,714	120,743
Diluted EPS	\$15.70	\$0.69
SNCL Engineering Services (incl. Capital)		
Revenue	1,581,541	1,418,853
Segment EBIT ⁽⁷⁾	252,879	184,787
Segment EBIT ratio	16.0%	13.0%
Backlog	11,416,000	10,401,600
SNCL Projects		
Revenue	850,622	1,144,137
Segment EBIT ⁽⁷⁾	(44,971)	55,495
Segment EBIT ratio	(5.3%)	4.9%
Backlog	4,216,700	4,754,500
Adjusted EBITDA from E&C ⁽⁸⁾	184,892	223,416
Adjusted EBITDA from E&C margin	7.9%	8.9%
Adjusted diluted EPS from E&C ⁽²⁾	\$0.94	\$0.71

2019 Third Quarter Highlights

- **Balance sheet strengthened:** Debt reduced by \$2.4 billion, compared to June 2019. Net proceeds of \$2.9 billion from Highway 407 ETR sale used to deleverage, cash and cash equivalents increased to \$938.9 million.
- **New strategic direction delivering results:** SNCL Engineering Services Segment revenue, EBIT and EBIT ratio improved compared to the third quarter of 2018; lump-sum



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turnkey (LSTK) construction contracts backlog for SNCL Projects reduced to \$3.2 billion from \$3.4 billion as at June 30, 2019.

- **Highway 407 ETR:** Sale of 10.01% stake completed for net gain after tax of \$2.6 billion.
- **Q3 contract wins in engineering services:** Seven new contracts signed with an estimated value of ~\$500 million, including providing Programme Management Office (PMO) services to the largest freight rail infrastructure project in Australia. For the first nine months of the year, SNCL Engineering Services had a book-to-bill ratio of 1.2.
- **Resources restructuring:** As per the July 22 announcement, the Company is advancing a number of options, including a combination of potential Oil & Gas-related divestitures, closures and the possible transition of Resources engineering services activities to SNCL Engineering Services, and will provide an update as decisions are made. The Company also continues to run off the LSTK construction projects included in its backlog.
- **Cost reduction program:** The Company will realize over \$100 million in cost savings by year-end 2019 and remains on target to achieving an annual run-rate of \$250 million in cost savings in 2020.

President and CEO Commentary

Ian L. Edwards, President and CEO of SNC-Lavalin Group Inc., made the following comments in relation to the Company's 2019 third quarter results:

"We are committed to delivering on what we say we will do, and producing consistent results, as we execute on our new strategic direction. It is still early days, but the decisions we made in July – to exit lump-sum turnkey construction contracting and reorganize the Company to focus on our high-performing Engineering Services business – are demonstrating results, and I am encouraged by our progress.

"Revenue, backlog, and Segment EBIT for SNCL Engineering Services have all increased year-over-year, with growth in EDPM and Infrastructure Services. Between July and mid-October, we announced seven new contract wins. We continue to reduce our LSTK construction backlog and are laser-focused on managing the risks.

"We also significantly strengthened our balance sheet in Q3 2019. We used the \$2.9 billion in net proceeds from the sale of 10.01% of Highway 407 ETR, to mainly reduce our leverage. As a result, our balance sheet is strong, with \$939 million in cash and cash equivalents, and considerably reduced debt. As we improve on EBITDA and free cash flow generation, our goal is to reduce our leverage ratio. Our solid financial position and new strategic direction provides



us with a clear path forward, focused on generating consistent earnings and cash flow and surfacing value for our shareholders.”

Third Quarter Results

The Company reported an IFRS net income attributable to SNC-Lavalin shareholders of \$2.8 billion, or \$15.70 per diluted share for the third quarter of 2019, compared with \$120.7 million, or \$0.69 per diluted share, for the corresponding period in 2018. The Company's third quarter 2019 net income attributable to SNC-Lavalin shareholders included a net gain on the disposal of a 10.01% stake of Highway 407 ETR of \$2.6 billion, or \$14.74 per diluted share. The third quarter of 2019 also included an amortization of intangible assets related to business combinations of \$32.8 million (after taxes) and restructuring costs of \$15.2 million (after taxes).

Adjusted net income from E&C⁽¹⁾ in the third quarter of 2019 increased to \$165.3 million, or \$0.94 per diluted share, compared with \$124.3 million, or \$0.71 per diluted share, for the corresponding period in 2018. The higher adjusted net income from E&C⁽¹⁾ in the third quarter of 2019 was mainly due to the 35.5% higher Segment EBIT⁽⁷⁾ contribution from SNCL Engineering Services from E&C and the recognition of \$82.7 million (\$0.47 per diluted share) in income tax recoveries on capital losses, following the capital gain on disposal of a 10.01% stake in Highway 407 ETR, partially offset by a loss from Resources projects in SNCL Projects.

SNCL Engineering Services

Revenue from SNCL Engineering Services, which includes EDPM, Nuclear, Infrastructure Services, and Capital, totaled \$1.6 billion for the third quarter of 2019, an increase of 11.5%, compared to the third quarter of 2018, mainly due to revenue increases of 43.4% and 6.2% in Infrastructure Services and EDPM, respectively.

The SNCL Engineering Services business recorded strong Segment EBIT⁽⁷⁾ of \$252.9 million, an increase of 36.8%, compared to the third quarter of 2018, and representing a 16.0% Segment EBIT ratio (11.7% excluding Capital), due to increased profitability in all segments.

SNCL Projects

Revenue from SNCL Projects, which includes LSTK construction contracting in Infrastructure and Resources segments, totaled \$850.6 million for the third quarter of 2019, a decrease of 25.7% compared to the third quarter of 2018. This was mainly due to the continuing backlog run off of certain major LSTK construction projects, coupled with no new bidding by the Company in this market segment.

SNCL Projects recorded a negative Segment EBIT⁽⁷⁾ totaling \$45.0 million in the third quarter of 2019. This was mainly due to three factors; unfavorable reforecasts on certain Resources LSTK construction projects, continuing underperformance of the Oil & Gas production and processing facilities, and overhead costs that are in the midst of being right-sized to align with a lower level of activity.



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Backlog and Bookings

The Company's backlog totaled \$15.6 billion as at September 30, 2019, 3.1% higher than at the end of September 2018. The backlog for SNCL Engineering Services increased by 9.8% to \$11.4 billion, while SNCL Projects backlog continues to decrease, as a result of the Company's decision to cease bidding on LSTK construction contracts. SNC Engineering Services total bookings for the third quarter of 2019 amounted to \$1.8 billion. Contracts bookings for SNCL Engineering Services amounted to \$5.5 billion for the first nine months of 2019, representing a 1.2 book-to-bill ratio, with \$2.8 billion of bookings in the EDPM segment and \$2.1 billion in the Infrastructure Services segment.

LSTK Construction Projects Update

The Company continued to run off the LSTK construction projects in its SNCL Projects backlog, which totaled \$3.2 billion at the end of the third quarter of 2019, down from \$3.4 billion as at June 30, 2019. Most of this backlog represents light rail transit systems projects for which the Company has a long track record of executing successfully. The Company expects to complete most of its remaining LSTK construction projects by the end of 2021.

Financial Position and Cash Flows

The Company continues to strengthen its balance sheet, using the \$2.9 billion in net proceeds from the sale of 10.01% of the shares of Highway 407 ETR to repay debt and deleverage. The Company's revolving facility was repaid, along with \$600 million of its CDPQ Loan and its \$300 million unsecured bridge facility. As of September 30, 2019, the Company had \$938.9 million of cash and cash equivalents, \$1.2 billion of recourse debt and \$0.4 billion of limited recourse debt, as well as \$2.5 billion in unused capacity under its \$2.6 billion committed revolving credit facility.

As at September 30, 2019, the net recourse debt to EBITDA ratio in accordance with the terms of the Company's Credit Agreement, as amended, was 3.4x.

Quarterly Dividend

The Board of Directors today declared a cash dividend of \$0.02 per share, payable on November 28, 2019, to shareholders of record on November 14, 2019. This dividend is an "eligible dividend" for income tax purposes.

Third Quarter 2019 Earnings Conference Call / Webcast

SNC-Lavalin will hold a conference call today at 8:30 a.m. (Eastern Daylight Time) to review results for its third quarter. A live audio webcast of the conference call and an accompanying slide presentation will be available at www.investors.snclavalin.com. The call will also be accessible by telephone, please dial toll free at 1 888 204 4368 in North America, 647 484 0478 in Toronto, 514 669 6113 in Montreal, or 080 0358 6377 in the United Kingdom. A recording of the conference call will be available on the Company's website within 24 hours following the call.



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About SNC-Lavalin

Founded in 1911, SNC-Lavalin is a global fully integrated professional services and project management company and a major player in the ownership of infrastructure. From offices around the world, SNC-Lavalin's employees think beyond engineering. Our teams provide comprehensive end-to-end project solutions – including capital investment, consulting, design, engineering, construction management, sustaining capital and operations and maintenance – to clients across the EDPM (engineering, design and project management), Infrastructure, Nuclear, and Resources businesses. www.snclavalin.com

Non-IFRS Financial Measures and Additional IFRS Measures

The Company reports its financial results in accordance with IFRS. However, the following non-IFRS measures and additional IFRS measures are used by the Company: Adjusted net income from E&C, Adjusted diluted EPS from E&C, Adjusted net income from Capital, Adjusted diluted EPS from Capital, Adjusted consolidated diluted EPS, EBITDA, Adjusted EBITDA from E&C and Segment EBIT. Additional details for these non-IFRS measures and additional IFRS measures can be found below and in SNC-Lavalin's MD&A, which is available in the Investors section of the Company's website at www.snclavalin.com. Non-IFRS financial measures do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Management believes that, in addition to conventional measures prepared in accordance with IFRS, these non-IFRS measures provide additional insight into the Company's financial results and certain investors may use this information to evaluate the Company's performance from period to period. However, these non-IFRS financial measures have limitations and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.



⁽¹⁾ Adjusted net income (loss) from E&C is defined as net income (loss) attributable to SNC-Lavalin shareholders from E&C, excluding charges related to restructuring, right-sizing and other, acquisition-related costs and integration costs, as well as amortization of intangible assets related to business combinations, impairment of goodwill, impairment of intangible assets related to business combinations, the net expense for the 2012 class action lawsuits settlement and related legal costs, the GMP equalization expense, the gains (losses) on disposals of E&C businesses, the impact of U.S. corporate tax reform and the incremental financing costs related to the amendments to the CDPQ loan and other E&C financing arrangements in connection with the sale of 10.01% of the shares of Highway 407 ETR. E&C is defined in the Company's 2018 financial statements and Management's Discussion and Analysis. The term "Adjusted net income (loss) from E&C" does not have any standardized meaning as prescribed by IFRS. Therefore, it may not be comparable to similar measures presented by other issuers. Management uses this measure as a more meaningful way to compare the Company's financial performance from period to period. Management believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance. See reconciliation below.

⁽²⁾ Adjusted diluted EPS from E&C is defined as the adjusted net income (loss) from E&C divided by the diluted weighted average number of outstanding shares for the period.

⁽³⁾ Adjusted net income from Capital is defined as net income attributable to SNC-Lavalin shareholders from Capital, excluding charges related to restructuring, right sizing and other, and the gains on disposals of Capital Investments.

⁽⁴⁾ Adjusted diluted EPS from Capital is defined as the adjusted net income from Capital divided by the diluted weighted average number of outstanding shares for the period.

⁽⁵⁾ Adjusted consolidated net income is defined as the adjusted net income (loss) from E&C plus the adjusted net income from Capital.

⁽⁶⁾ Adjusted consolidated diluted EPS is defined as the adjusted net income (loss) from E&C plus the adjusted net income from Capital divided by the diluted weighted average number of outstanding shares for the period.

⁽⁷⁾ Segment EBIT consists of revenues less i) direct cost of activities, ii) directly related selling, general and administrative expenses, and iii) corporate selling, general and administrative expenses that are allocated to segments. Expenses that are not allocated to the Company's segments include: certain corporate selling, general and administrative expenses that are not directly related to projects or segments, impairment loss arising from expected credit losses, gain (loss) arising on financial assets (liabilities) at fair value through profit or loss, restructuring costs, impairment of goodwill, impairment of intangible assets related to business combinations, acquisition-related costs and integration costs, amortization of intangible assets related to business combinations, the net expense for the 2012 class action lawsuits settlement and related legal costs, and the GMP equalization expense, as well as gains (losses) on disposals of E&C businesses and Capital investments. The term "Segment EBIT" does not have any standardized meaning under IFRS. Therefore, it may not be comparable to similar measures presented by other issuers. Management uses this measure as a more meaningful way to compare the Company's financial performance from period to period. Management believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance.

⁽⁸⁾ Adjusted EBITDA from E&C is defined herein as earnings from E&C before net financial expenses (income), income taxes, depreciation and amortization, and excludes charges related to restructuring, right-sizing and other, acquisition-related costs and integration costs, the net expense for the 2012 class action lawsuits settlement and related legal costs, the GMP equalization expense, as well as the gains (losses) on disposals of E&C businesses. The term "Adjusted EBITDA from E&C" does not have any standardized meaning under IFRS. Therefore, it may not be comparable to similar measures presented by other issuers. Management uses this measure as a more meaningful way to compare the Company's financial performance from period to period. Management believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance.

SNC-Lavalin Financial Summary

(in thousands of dollars, unless otherwise indicated)	Third Quarter		Nine months ended September 30	
	2019	2018	2019	2018
Revenues				
From E&C-SNCL Engineering Services	1,501,937	1,352,682	4,443,700	4,018,806
From E&C-SNCL Projects	850,622	1,144,137	2,409,306	3,315,130
From Capital	79,604	66,171	226,527	187,567
	2,432,163	2,562,990	7,079,533	7,521,503
Net income (loss) attributable to SNC-Lavalin shareholders				
From E&C	116,910	76,585	(2,134,217)	91,317
From Capital	2,639,804	44,158	2,755,306	190,509
	2,756,714	120,743	621,089	281,826
Diluted EPS (\$)				
From E&C	0.67	0.44	(12.16)	0.52
From Capital	15.04	0.25	15.69	1.08
	15.70	0.69	3.54	1.60
Adjusted net income (loss) attributable to SNC-Lavalin shareholders				
From E&C ⁽¹⁾	165,322	124,251	(149,392)	327,265
From Capital ⁽³⁾	52,723	44,159	170,113	132,105
	218,045	168,410	20,721	459,370
Adjusted diluted EPS (\$)				
From E&C ⁽²⁾	0.94	0.71	(0.85)	1.86
From Capital ⁽⁴⁾	0.30	0.25	0.97	0.75
	1.24	0.96	0.12	2.62
Adjusted EBITDA from E&C* ⁽⁸⁾	184,892	223,416	112,315	590,456
Adjusted EBITDA from E&C margin	7.9%	8.9%	1.6%	8.1%
Backlog				
From SNCL Engineering Services			11,416,000	10,401,600
From SNCL Projects			4,216,700	4,754,500
Cash and cash equivalents			938,911	735,915
Recourse and limited recourse debt			1,572,352	3,202,295

Note that certain totals and subtotals may not reconcile due to rounding

* The Company's 2019 financial results incorporate the non-cash impact of IFRS 16, Leases ("IFRS 16"). Financial results for 2018 were not restated for the new accounting standard. If the Company excluded the adoption of IFRS 16, adjusted E&C EBITDA for the nine month period ended September 30, 2019 would have been approximately \$97 million more negative (\$33 million for the third quarter of 2019), and the net financial expenses would have been \$17 million lower for the nine month period ended September 30, 2019 (\$6 million for the third quarter of 2019), mainly offset by a lower EBIT for a similar amount.



Reconciliation of IFRS Net Income (loss) as Reported to Adjusted Net Income (loss)

	Third Quarter 2019			Nine months ended September 30, 2019		
	E&C	Capital	Total	E&C	Capital	Total
<i>(in M\$)</i>						
Net Income (Loss) (IFRS)	116.9	2,639.8	2,756.7	(2,134.2)	2,755.3	621.1
Impairment of goodwill	-	-	-	1,720.9	-	1,720.9
Impairment of intangible assets related to business combinations	-	-	-	60.1	-	60.1
Amortization of intangible assets related to business combinations	32.8	-	32.8	116.0	-	116.0
Restructuring costs	15.2	0.7	15.9	54.4	2.5	56.8
Financing costs related to the agreement to sell shares of Highway 407 ETR	-	-	-	27.4	-	27.4
Acquisition-related costs and integration costs	0.4	-	0.4	5.9	-	5.9
Loss from adjustment on disposals of E&C businesses	-	-	-	0.2	-	0.2
Gain on disposal of a Capital investment	-	(2,587.8)	(2,587.8)	-	(2,587.8)	(2,587.8)
Adjusted Net Income (Loss) (non-IFRS)	165.3	52.7	218.0	(149.4)	170.1	20.7
<i>(in \$)</i>						
Diluted EPS (IFRS)	0.67	15.04	15.70	(12.16)	15.69	3.54
Impairment of goodwill	-	-	-	9.80	-	9.80
Impairment of intangible assets related to business combinations	-	-	-	0.34	-	0.34
Amortization of intangible assets related to business combinations	0.19	-	0.19	0.66	-	0.66
Restructuring costs	0.09	0.00	0.09	0.31	0.01	0.32
Financing costs related to the agreement to sell shares of Highway 407 ETR	-	-	-	0.16	-	0.16
Acquisition-related costs and integration costs	0.00	-	0.00	0.03	-	0.03
Loss from adjustment on disposals of E&C businesses	-	-	-	0.00	-	0.00
Gain on disposal of a Capital investment	-	(14.74)	(14.74)	-	(14.74)	(14.74)
Adjusted Diluted EPS (non-IFRS)	0.94	0.30	1.24	(0.85)	0.97	0.12

Note that certain totals and subtotals may not reconcile due to rounding



	Third Quarter 2018			Nine months ended September 30, 2018		
	E&C	Capital	Total	E&C	Capital	Total
<i>(In M\$)</i>						
Net Income (IFRS)	76.6	44.2	120.7	91.3	190.5	281.8
Net charges related to restructuring & right-sizing plan and other	2.2	-	2.2	10.2*	-	10.2
Acquisition-related costs and integration costs	8.1	-	8.1	26.8	-	26.8
Amortization of intangible assets related to business combinations	37.6	-	37.6	128.2	-	128.2
Net loss (gain) on disposals of E&C business and Capital investments	(0.1)	-	(0.1)	0.2	(58.4)	(58.2)
Net expense for the 2012 class action lawsuits settlement & related legal costs	-	-	-	64.5	-	64.5
Impact of U.S. corporate tax reform	(0.2)	-	(0.2)	6.0	-	6.0
Adjusted Net Income (non-IFRS)	124.3	44.2	168.4	327.3	132.1	459.4
<i>(in \$)</i>						
Diluted EPS (IFRS)	0.44	0.25	0.69	0.52	1.08	1.60
Net charges related to restructuring & right-sizing plan and other	0.01	-	0.01	0.06	-	0.06
Acquisition-related costs and integration costs	0.05	-	0.05	0.15	-	0.15
Amortization of intangible assets related to business combinations	0.21	-	0.21	0.73	-	0.73
Net loss (gain) on disposals of E&C business and Capital investments	(0.00)	-	(0.00)	0.00	(0.33)	(0.33)
Net expense for the 2012 class action lawsuits settlement & related legal costs	-	-	-	0.37	-	0.37
Impact of U.S. corporate tax reform	(0.00)	-	(0.00)	0.03	-	0.03
Adjusted Diluted EPS (non-IFRS)	0.71	0.25	0.96	1.86	0.75	2.62

Note that certain totals and subtotals may not reconcile due to rounding

*This amount included \$6.9 million (\$5.6 million after taxes) of net charges which did not meet the restructuring costs definition in accordance with IFRS.



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Forward-looking Statements

Reference in this press release, 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 press release 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”, “target”, “vision”, “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 press release 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 2018 MD&A (particularly in the sections entitled “Critical Accounting Judgments and Key Sources of Estimation Uncertainty” and “How We Analyze and Report our Results”). 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) outcome of pending and future claims and litigation; (b) on February 19, 2015, the Company was charged with one count of corruption under the Corruption of Foreign Public Officials Act (Canada) (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 as well as employee, agent or partner misconduct or failure



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to comply with anti-bribery and other government laws and regulations; (d) reputation of the Company; (e) fixed-price contracts or the Company's failure to meet contractual schedule or performance requirements or to execute projects efficiently; (f) contract awards and timing; (g) remaining performance obligations; (h) being a provider of services to government agencies; (i) international operations; (j) Brexit; (k) ownership interests in Capital investments; (l) dependence on third parties; (m) joint ventures and partnerships; (n) competition; (o) professional liability or liability for faulty services; (p) monetary damages and penalties in connection with professional and engineering reports and opinions; (q) insurance coverage; (r) health and safety; (s) qualified personnel; (t) work stoppages, union negotiations and other labour matters; (u) information systems and data; (v) acquisitions or other investment; (w) divestitures and the sale of significant assets; (x) liquidity and financial position; (y) indebtedness; (z) security under the SNC-Lavalin Highway Holdings Loan; (aa) dependence on subsidiaries to help repay indebtedness; (bb) dividends; (cc) post-employment benefit obligations, including pension-related obligations; (dd) working capital requirements; (ee) collection from customers; (ff) impairment of goodwill and other assets; (gg) global economic conditions; (hh) fluctuations in commodity prices; (ii) inherent limitations to the Company's control framework; (jj) environmental laws and regulations; (kk) results of the new 2019 strategic direction coupled with a corporate reorganization; and (ll) impact of operating results and level of indebtedness on financial situation.

The Company cautions that the foregoing list of factors is not exhaustive. For more information on risks and uncertainties, and assumptions that could 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" in the Company's 2018 MD&A, and as updated in the first, second and third quarter 2019 MD&A.

The forward-looking statements herein reflect the Company's expectations as at the date of this press release and are subject to change after this date. The Company does not undertake 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.

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The Company's unaudited condensed consolidated interim financial statements for the nine-month period ended September 30, 2019, together with its Management's Discussion and Analysis ("MD&A") for the corresponding period, can be accessed under the Company's profile on www.sedar.com and on the Company's website at www.snclavalin.com.