

Revenue	\$ 1,025.4	\$ 1,019.7	\$ 2,543.1	\$ 2,317.8
Gross profit	120.6	125.1	263.7	251.5
Marketing, general and administrative expenses	(40.9)	(43.1)	(130.8)	(134.2)
Income from projects accounted for using the equity method	4.3	3.9	9.0	6.9
Other income (loss)	1.6	(0.3)	3.5	1.1
Depreciation and amortization	(26.8)	(29.5)	(69.2)	(78.6)
Operating profit ⁽²⁾	58.8	56.2	76.1	46.8
Financing expense, net	(5.6)	(5.2)	(14.7)	(15.5)
Profit before income taxes	53.2	51.0	61.5	31.3
Income tax expense	(11.1)	(9.0)	(8.8)	(0.1)
Profit	\$ 42.1	\$ 42.0	\$ 52.7	\$ 31.1
Gross profit margin	11.8%	12.3%	10.4%	10.9%
MG&A as a percent of revenue	4.0%	4.2%	5.1%	5.8%
Adjusted EBITDA⁽³⁾	91.1	89.5	160.3	134.6
Adjusted EBITDA margin	8.9%	8.8%	6.3%	5.8%
Operating margin	5.7%	5.5%	3.0%	2.0%
Earnings per share - basic	\$ 0.69	\$ 0.70	\$ 0.87	\$ 0.52
Earnings per share - diluted	\$ 0.60	\$ 0.60	\$ 0.81	\$ 0.49
Backlog			\$ 6,557	\$ 7,005

- (1) This press release presents certain non-GAAP and additional GAAP (GAAP refers to Canadian Generally Accepted Accounting Principles) financial measures to assist readers in understanding the Company's performance. Non-GAAP financial measures are measures that either exclude or include amounts that are not excluded or included in the most directly comparable measures calculated and presented in accordance with GAAP in the consolidated financial statements. Further details on non-GAAP and additional GAAP measures are included in the Company's Management's Discussion and Analysis and available through the System for Electronic Document Analysis and Retrieval at www.sedar.com.
- (2) "Operating profit" represents the profit from operations, before net financing expense, income taxes and non-controlling interests.
- (3) "Adjusted EBITDA" represents operating profit adjusted to exclude depreciation and amortization, the gain (loss) on sales of assets and investments, and net income from projects accounted for using the equity method, but including "Equity Project EBITDA" from projects accounted for using the equity method.

OPERATING AND FINANCIAL RESULTS

Revenue for the three months ended September 30, 2019 of \$1,025 million was \$6 million, or 1%, higher compared to the same period in 2018. Revenue for the three months ended September 30, 2019 was higher in the Construction segment (\$7 million), driven by higher revenue in civil operations and urban transportation systems (\$99 million) and nuclear operations (\$32 million). This was partially offset by lower revenue in utilities (\$41 million) and conventional industrial operations (\$83 million). The decline in revenue in conventional industrial operations was primarily caused by the sale of Aecon's contract mining business in November 2018. Lower revenue in the third quarter in the Concessions segment (\$9 million) was largely offset by inter-segment revenue eliminations that decreased by \$8 million primarily due to revenue between the Concessions and Construction segments related to the Bermuda International Airport Redevelopment Project.

Operating profit of \$58.8 million for the three months ended September 30, 2019, improved by \$2.6 million compared to an operating profit of \$56.2 million in the same period in 2018 despite a decrease in gross profit of \$4.5 million. In the Construction segment, the sale of the contract mining business in November 2018 resulted in a decrease in gross profit of \$8.8 million in the current quarter compared to the same period in 2018. In the balance of the Construction segment, gross profit in the period increased by \$4.2 million primarily from increased volume in civil operations and urban transportation systems. In the Concessions segment, gross profit decreased by \$0.6 million, primarily due to lower revenue from operations related to the Bermuda International Airport Redevelopment Project.

Reported backlog as at September 30, 2019 of \$6,557 million compares to backlog of \$7,005 million a year earlier. New contract awards of \$827 million and \$2,279 million were booked in the third quarter and year-to-date in 2019, respectively, compared to \$1,581 million and \$5,075 million,

respectively, in the same periods in 2018.

REPORTING SEGMENTS

Aecon reports its financial performance on the basis of two segments: Construction and Concessions.

CONSTRUCTION SEGMENT

The Construction segment includes all aspects of the construction of both public and private infrastructure, primarily in Canada, and on a selected basis, internationally and focuses primarily on the following market sectors:

- Civil Infrastructure;
- Urban Transportation Systems;
- Nuclear Power Infrastructure;
- Utility Infrastructure; and
- Conventional Industrial Infrastructure.

Financial Highlights

\$ millions	Three months ended		Nine months ended	
	September 30		September 30	
	2019	2018	2019	2018
Revenue	\$ 1,000.4	\$ 993.4	\$ 2,485.2	\$ 2,256.0
Gross profit	\$ 103.1	\$ 107.7	\$ 222.1	\$ 212.0
Adjusted EBITDA	\$ 73.1	\$ 76.5	\$ 124.9	\$ 114.4
Operating profit	\$ 57.7	\$ 56.2	\$ 82.5	\$ 57.3
Gross profit margin	10.3%	10.8%	8.9%	9.4%
Adjusted EBITDA margin	7.3%	7.7%	5.0%	5.1%
Operating margin	5.8%	5.7%	3.3%	2.5%
Backlog			\$ 6,507	\$ 6,982

Revenue in the Construction segment for the three months ended September 30, 2019 of \$1,000 million was \$7 million, or 1%, higher compared to the same period in 2018. Construction segment revenue was higher in civil operations and urban transportation systems by \$99 million driven by increases in both eastern and western Canada and from transportation and major projects in both regions. Revenue was also higher from nuclear operations by \$32 million related to refurbishment work in Ontario. These increases were partially offset by lower volume in conventional industrial (\$83 million) primarily due to a decrease of \$65 million following the sale of the contract mining business in November 2018, and utilities operations (\$41 million) due to decreased activity on mainline pipeline projects in western Canada in the quarter.

Operating profit in the Construction segment of \$57.7 million in the three months ended September 30, 2019 improved by \$1.5 million compared to an operating profit of \$56.2 million in the same period in 2018, largely due to the operating profit improvement resulting from the sale of the contract mining business in November 2018 which contributed an operating loss of \$1.0 million in the third quarter of 2018.

Construction backlog at September 30, 2019 was \$6,507 million, which is \$475 million lower than the same time last year. Backlog decreased period-over-period in civil operations and urban transportation systems (\$618 million) and in nuclear operations (\$166 million), while backlog was higher in utilities operations (\$299 million) and conventional industrial (\$10 million). New contract awards totalled \$798 million in the third quarter of 2019 and \$2,208 million year-to-date, compared to \$1,566 million and \$5,033 million respectively, in the same periods last year. The decrease in

new awards in the first nine months of 2019 is due mainly to large project awards for the Site C Generating Station and Spillways Civil Works, the Réseau express métropolitain Montreal Light Rail Transit ("LRT"), the Finch West LRT, and the Gordie Howe International Bridge projects that were awarded in the first nine months of 2018.

CONCESSIONS SEGMENT

Activities within the Concessions segment include the development, financing, build and operation of construction projects by way of public-private partnership contract structures, as well as integrating the services of all project participants, and harnessing the strengths and capabilities of Aecon. The Concessions segment focuses primarily on providing the following services:

- Development of domestic and international Public-Private Partnership ("P3") projects;
- Private finance solutions;
- Developing effective strategic partnerships;
- Leading and/or actively participating in development teams; and
- Operations and maintenance.

Financial Highlights

\$ millions	Three months ended		Nine months ended	
	September 30		September 30	
	2019	2018	2019	2018
Revenue	\$ 61.5	\$ 70.8	\$ 179.7	\$ 154.7
Gross profit	\$ 17.6	\$ 18.2	\$ 41.6	\$ 40.2
Income from projects accounted for using the equity method	\$ 2.9	\$ 2.0	\$ 7.7	\$ 4.8
Adjusted EBITDA	\$ 25.2	\$ 23.0	\$ 63.2	\$ 52.2
Operating profit	\$ 9.6	\$ 10.0	\$ 22.4	\$ 21.4
Backlog			\$ 50	23

Aecon holds a 100% interest in Bermuda Skyport Corporation Limited ("Skyport"), the concessionaire responsible for the Bermuda airport's operations, maintenance and commercial functions, and the entity that will manage and coordinate the overall delivery of the Bermuda International Airport Redevelopment Project over a 30-year concession term. Aecon's participation in Skyport is consolidated and, as such, is accounted for in the consolidated financial statements by reflecting, line by line, the assets, liabilities, revenue and expenses of Skyport. However, Aecon's concession participation in the Eglinton Crosstown LRT, Finch West LRT, Gordie Howe International Bridge, and Waterloo LRT projects are joint ventures that are accounted for using the equity method.

For the three months ended September 30, 2019, revenue in the Concessions segment of \$62 million was lower by \$9 million when compared to the same period in 2018. The lower revenue was primarily a result of the Bermuda International Airport Redevelopment Project and resulted from the impact of decreased construction activity related to the new terminal at the airport. Included in Concessions' revenue for the three-month period ended September 30, 2019 was \$36 million of construction revenue that was eliminated on consolidation as inter-segment revenue (2018 - \$44 million).

Operating profit in the Concessions segment of \$9.6 million for the three months ended September 30, 2019 decreased by \$0.4 million compared to the same period in 2018 due to an increase in MG&A related to pursuit and bid costs.

Except for Operations and Maintenance ("O&M") activities under contract for the next five years and that can be readily quantified, Aecon does not include in its reported backlog expected revenue from

concession agreements. As such, while Aecon expects future revenue from its concession assets, no concession backlog, other than from such O&M activities for the next five years, is reported.

NORMAL COURSE ISSUER BID

Aecon announced today receipt of regulatory approval from the Toronto Stock Exchange with respect to its notice of intention to make a normal course issuer bid commencing November 5, 2019. The NCIB will remain in effect until the earlier of November 4, 2020 or the date on which Aecon has purchased the maximum number of Common Shares permitted under the NCIB.

Under the NCIB, Aecon will be able to purchase for cancellation up to a maximum of 5,975,486 Common Shares on the open market, representing approximately 10% of the public float of 59,654,866 Common Shares, as at October 24, 2019. Aecon had a total of 60,761,555 outstanding Common Shares as at October 24, 2019.

Purchases of Common Shares under the NCIB will be made in accordance with TSX rules and policies through the facilities of the TSX and through alternative trading systems. The price paid for any repurchased Common Shares will be the market price of such Common Shares at the time of acquisition. Daily purchases will be limited to approximately 96,127 Common Shares, other than block purchase exemptions, which represents 25% of Aecon's average daily trading volume of 384,508 for the six months prior to October 1, 2019.

Aecon believes that the repurchase of Common Shares at certain market prices is beneficial to Aecon and its shareholders. Aecon intends to make any purchases on an opportunistic basis, taking share price and other considerations into account.

Aecon also announced that it has entered into an issuer automatic purchase plan agreement (the "Plan") in respect of the NCIB with a designated broker (the "Broker"). The Broker will be responsible for making purchases of Common Shares pursuant to the Plan. Under the Plan, the Broker will have sole discretion to purchase Common Shares pursuant to the NCIB during trading black-out periods established under Aecon's Insider Trading Policy, subject to the price limitations and other terms of the Plan and the rules of the TSX. Aecon may instruct the Broker to make specific purchases and suspend or terminate the Plan, provided in each case that Aecon certifies to the Broker that it is not in possession of any material undisclosed information and such request is otherwise in compliance with the terms of the Plan.

To Aecon's knowledge, after reasonable inquiry, none of the trustees, officers or other insiders of Aecon or any associate of any such persons, or any associate or affiliate of Aecon currently intends to sell Common Shares to Aecon during the NCIB. Aecon has not repurchased any Common Shares in the last 12 months.

DIVIDEND

Aecon's fourth quarter dividend of 14.5 cents per common share will be paid on January 3rd, 2020 to shareholders of record on December 24th, 2019.

OUTLOOK

"The overall outlook for 2019 remains solid as our current strong backlog, robust pipeline of future opportunities, and ongoing concessions are expected to lead to another year of improved like-for-like results compared to 2018. Aecon expects to have another strong year of results in 2020 as construction continues on a number of previously awarded projects that have ramped up during 2019," said Jean-Louis Servranckx.

CONSOLIDATED RESULTS

The consolidated results for the three months ended September 30, 2019 and 2018 are available at the end of this news release.

BALANCE SHEET

\$ thousands (unaudited)	September 30		December 31	
	2019		2018	
Cash and cash equivalents and restricted cash	\$	571,054	\$	824,345
Other current assets		1,641,524		1,322,468
Property, plant and equipment		343,469		266,199
Other long-term assets		606,818		519,680
Total Assets	\$	3,162,865	\$	2,932,692
Current portion of long-term debt - recourse	\$	62,694	\$	32,505
Other current liabilities		1,337,466		1,231,405
Long-term debt - recourse		138,806		69,707
Long-term project debt - non-recourse		373,013		383,746
Long-term portion of convertible debentures		163,195		159,775
Other long-term liabilities		235,123		230,492
Equity		852,568		825,062
Total Liabilities and Equity	\$	3,162,865	\$	2,932,692

CONFERENCE CALL

A conference call and live webcast have been scheduled for 10 a.m. (Eastern Time) on Friday, November 1, 2019. Participants should dial 647-689-5656 or 1-877-823-8624 at least 10 minutes prior to the conference time. The reservation number is **3876826**. An accompanying presentation of the third quarter 2019 financial results will be available after market close on October 31, 2019 at www.aecon.com/Investing.

A live webcast of the conference call will also be available at www.aecon.com/InvestorCalendar. Participants should join the webcast at least 15 minutes prior to the conference time to register and install any necessary software.

For those unable to attend the call, a replay will be available after 3 p.m. on November 1, 2019 at 1-800-585-8367 or 416-621-4642 until midnight on November 15, 2019. The reservation number is **3876826**. A replay of the webcast will also be available within 24 hours following the call.

ABOUT AECON

As a Canadian leader in construction and infrastructure development with global expertise, Aecon Group Inc. (TSX: ARE) strives to be the number one Canadian infrastructure company. Aecon safely, profitably and sustainably delivers integrated solutions to private and public-sector clients through its Construction segment in the Civil, Urban Transportation, Nuclear, Utility and Conventional Industrial sectors, and provides project development, financing, investment and management services through its Concessions segment. Join our online community on Twitter, LinkedIn, and Instagram @AeconGroup.

STATEMENT ON FORWARD-LOOKING INFORMATION

The information in this press release includes certain forward-looking statements. These forward-looking statements are based on currently available competitive, financial and economic data and operating plans but are subject to risks and uncertainties. Forward-looking statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, ongoing objectives, strategies and outlook for Aecon. Forward-looking statements, may in some cases be identified by words such as "will,"

"plans," "believes," "expects," "anticipates," "estimates," "projects," "intends," "should" or the negative of these terms, or similar expressions. In addition to events beyond Aecon's control, there are factors which could cause actual or future results, performance or achievements to differ materially from those expressed or inferred herein including, but not limited to: the timing of projects, unanticipated costs and expenses, the failure to recognize and adequately respond to climate change concerns or public and governmental expectations on climate matters, general market and industry conditions and operational and reputational risks, including Large Project Risk and Contractual Factors. Readers are referred to the specific risk factors relating to and affecting Aecon's business and operations as filed by Aecon pursuant to applicable securities laws. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Aecon undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

CONSOLIDATED STATEMENTS OF INCOME

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2019 AND 2018 (in thousands of Canadian dollars, except per share amounts) (unaudited)

	For the three months ended		For the nine months ended	
	September 30 2019	September 30 2018	September 30 2019	September 30 2018
Revenue	\$ 1,025,435	\$ 1,019,680	\$ 2,543,086	\$ 2,317,778
Direct costs and expenses	(904,792)	(894,625)	(2,279,365)	(2,066,257)
Gross profit	120,643	125,055	263,721	251,521
Marketing, general and administrative expenses	(40,871)	(43,050)	(130,848)	(134,173)
Depreciation and amortization	(26,828)	(29,450)	(69,181)	(78,582)
Income from projects accounted for using the equity method	4,260	3,888	8,984	6,944
Other income (loss)	1,565	(267)	3,463	1,075
Operating profit	58,769	56,176	76,139	46,785
Finance income	365	600	1,496	1,052
Finance costs	(5,942)	(5,792)	(16,169)	(16,543)
Profit before income taxes	53,192	50,984	61,466	31,294
Income tax expense	(11,076)	(8,994)	(8,812)	(145)
Profit for the period	\$ 42,116	\$ 41,990	\$ 52,654	\$ 31,149
Basic earnings per share	\$ 0.69	\$ 0.70	\$ 0.87	\$ 0.52
Diluted earnings per share	\$ 0.60	\$ 0.60	\$ 0.81	\$ 0.49

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